



GOSHEN COMMON COUNCIL

Minutes of the SEPTEMBER 18, 2023 Regular Meeting

Convened in the Council Chambers, Police & Court Building, 111 East Jefferson Street, Goshen, Indiana

Mayor Gina Leichty called the meeting to order at 6:04 p.m. Assisted by the Mayor, Thalia Mercado led the Pledge of Allegiance. Thalia, 6, is the daughter of Rachel and Leo Mercado of Goshen.

Mayor Leichty asked Clerk-Treasurer Aguirre to conduct the roll call.

Present: Megan Eichorn (District 4) Julia King (At-Large) Doug Nisley (District 2)
Gilberto Pérez Jr. (District 5) Donald Riegsecker (District 1) Matt Schrock (District 3)
Council President Brett Weddell (At-Large)
Youth Adviser Jessica Velazquez Valdes (Non-voting)

Absent: None

Approval of Minutes:

Mayor Leichty asked the Council's wishes regarding the minutes of the Aug. 28, 2023 Regular Meeting. Councilor Nisley moved to approve the minutes as presented. Councilor Eichorn seconded the motion. The motion passed 7-0 on a voice vote.

Approval of Meeting Agenda:

Mayor Leichty presented the agenda as submitted by Clerk-Treasurer Aguirre. The Clerk-Treasurer said that a budget letter from Mayor was distributed by email to Councilors earlier today and that copies were just made available to Councilors and the public and would be marked as **Exhibit 1**. He said a corrected copy of the budget ordinance, *Ordinance 5164: For Appropriations and Tax Rates*, was just distributed to Councilors and copies were made available to the public and was marked as **Exhibit #2**. And Aguirre said a corrected page 54 of the 2004 Spending Plan for the City of Goshen also was just distributed to Councilors and the public and was marked as **Exhibit #3**. Councilor Nisley moved to approve the agenda as submitted with the revisions to the agenda documents as noted. Councilor Pérez seconded the motion. The motion passed 7-0 on a voice vote.

Privilege of the Floor:

At 6:02 p.m., Mayor Leichty invited public comment on matters not on the agenda.

Dallas Barkman of Goshen complained about the road and parking lot damage caused by motor vehicle "burnouts" on Saturday, Sept. 16 during the downtown Hispanic Heritage Festival. He said the damage – tire skid marks on asphalt surfaces – should be cleaned up on downtown streets and the parking lot of the Trinity Square (Kroger's) Shopping Center. Barkman said if more security cannot be provided, the event should be discontinued. He said those who approved the event and didn't control the crowds should clean up the damage and not shift the burden to taxpayers. He asked for discussion about what occurred. Barkman distributed photocopies of photos of the damage.

Mayor Leichty thanked Barkman for his comments.

Councilor King, as a point of information, clarified that the Council would not have approved the festival. She said it was approved by the City Board of Works and Safety.



Mayor Leichty said that as the organizer of many large municipal events in Goshen for 20 years, there is a large learning opportunity in this case. She said that while the festival brought many wonderful components to the City and is a valuable event, there is also continuing learning. She said she has already been in contact with leaders of the festival to plan a post mortem where everyone can discuss what was learned from the even and what can be done to ensure it is successful and enjoyable and can continue into the future. Mayor Leichty acknowledged Barkman's concerns and said they would be considered. She also thanked Barkman for bringing his perspective to the Council.

Doug Nisley said he received several calls on Saturday night about what had happened in the Kroger's parking lot and then visited it. He said "it looked like the complex was on fire and there were people everywhere with music loud, sitting on top of cars, drinking." He said the parking lot was "trashed, with broken bottles everywhere." He said people didn't show respect for the property. Councilor Nisley said that downtown Sunday he saw the same tire and skid marks on streets. He said he also spoke to some downtown business owners who were upset about trash that was left behind as well as beer bottles and cans stuffed in flower pots and in the doorways of businesses. He said City staff had to go out and clean up the trash left behind, which was at a cost to taxpayers.

Mayor Leichty said that work will be paid by the festival. He said organizers have agreed to do that.

Councilor Nisley said he agreed with **Dallas Barkman** that there needs to be better security for the event. He said the drinking of alcoholic beverages also was not confined to a single area as it has been for past events.

Berkman said a police officer told him that the shopping center was private property and that the owner gave people permission to be there. However, Barkman said the owner of the property is from New York. He said the officer didn't take into account pedestrian safety. He said the Elkhart County Sheriff's Office and Indiana State Patrol were not asked to help at the site. He said this incident shows the consequences of unsafe driving in Goshen.

Councilor Pérez thanked Barkman for bringing this information to the Council. In response to a question from **Councilor Pérez**, **Barkman** said the Kroger lot was damaged on Saturday night, Sept. 16. **Councilor Pérez** said the events in the Kroger lot were not part of the downtown festival. **Barkman** said the people in the parking lot were celebrating because of the festival.

Mayor Leichty again thanked **Barkman** for his comments, adding that what occurred will be considered when deciding the future of the festival. She said the festival was facilitated and owned and managed by a separate organization and was not a City event, even though the City gave permission for the use of its property, similar to First Friday and other events. Still, the Mayor said it was an important activity that affected a lot of people in many ways and this year's negative aspects won't be overlooked in considering the future of the festival.

Councilor King said she appreciated the Mayor's comments about problem solving and communicating with the festival's organizers. She said she was also in contact with some downtown business owners who had positive comments about the festival. And she said that public events come with challenges and good and bad.

There were no further public comments, so the Mayor closed Privilege of the Floor at 6:18 p.m.

1) Ordinance 5164: An Ordinance for Appropriations and Tax Rates (First Reading)

Mayor Leichty called for the introduction on First Reading of Ordinance 5164 - *An Ordinance for Appropriations and Tax Rates*. **Council President Weddell** asked the Clerk-Treasurer to read Ordinance 5164 by title only, which was done.

Weddell/Nisley moved to approve Ordinance 5164 on First Reading.



BACKGROUND:

Before the Council was the City of Goshen’s proposed budget for 2024 as set forth in Ordinance 5164.

If Ordinance 5164 is approved by the Common Council, it would be ordained/resolved “that the expenses of Goshen Civil City for the year ending Dec. 31, 2024, the sums herein specified are hereby appropriated and ordered set apart out of the several funds herein named and for the purposes herein specified, subject to the laws governing the same. Such sums herein appropriated shall be held to include all expenditures authorized to be made during the year, unless otherwise expressly stipulated and provided for by law. In addition, for the purposes of raising revenue to meet the necessary expenses of GOSHEN CIVIL CITY, the property tax levies and property tax rates as herein specified are included herein. Budget Form 4-B for all funds must be completed and submitted in the manner prescribed by the Department of Local Government Finance.”

Ordinance 5164 would be in full force and effect after its passage and approval by the Common Council in the following amounts:

Fund Code	Fund Name	Adopted budget	Adopted Tax Levy	AdoptedTaxRate
0061	RAINY DAY	\$0	\$0	0.0000
0101	GENERAL	\$31,430,835	\$17,829,100	1.3084
0180	DEBT SERVICE	\$369,350	\$390,500	0.0287
0341	FIRE PENSION	\$533,638	\$0	0.0000
0342	POLICE PENSION	\$439,500	\$0	0.0000
0706	LOCAL ROAD/STREET	\$600,000	\$0	0.0000
0708	MOTOR VEH HWAY	\$4,597,125	\$2,858,700	0.2098
1191	CUM FIRE SPECIAL	\$250,000	\$676,900	0.0497
1301	PARK & RECREATION	\$3,418,950	\$3,951,800	0.2900
2102	AVIATION/AIRPORT	\$385,940	\$165,200	0.0121
2379	CUM CAP IMP (CIG TAX)	\$87,000	\$0	0.0000
2391	CUM CAP DEV	\$697,000	\$979,400	0.0719
2411	ECONDEV INC.TAX CED	\$3,237,750	\$0	0.0000
6290	CUM SEWER	\$200,000	\$676,900	0.0497
TOTALS		\$46,247,088	\$27,528,500	2.0203

Home-Ruled Funds (not reviewed by State Department of Local Government Finance):

Fund Code	Fund Name	Adopted Budget
9500	PROBATION DEPARTMENT	\$111,005
9501	ECONOMIC IMPROVEMENT DISTRICT	\$57,000
9502	LAW ENFORCEMENT CONTINUING EDUCATION (LECE 1)	\$0
9503	COURT FEES	\$57,250
9504	ARP Fiscal Recovery Fund	\$2,878,400
9505	RESIDENTIAL LEASE FEES	\$56,835
9506	LAW ENFORCEMENT CONTINUING EDUCATION (LECE 2)	\$36,000
9507	TIF BOND AND INTEREST	\$823,114
9508	Public Safety LOIT	\$2,882,400



9509	Township Fire Support	\$350,000
9510	REDEVELOPMENT NON-REVERTING	\$243,820
9511	STORM WATER MANAGEMENT	\$767,175
9512	TIF Lippert/Dierdorff	\$550,000
9513	SOUTHEAST GOSHEN TIF	\$9,205,115
9514	CEMETERY CAPITAL IMPROVEMENT	\$0
9515	Parking Lot	\$5,360
9517	Unsafe Buildings	\$85,000
9521	CONS RR/US 33 TIF	\$10,704,000
TOTAL		\$28,812,374

After it is approved by the Common Council, the City's Ordinance for Appropriations and Tax Rates will be submitted to the Indiana Department of Local Government Finance for review.

In a Sept. 13, 2023 letter to the Common Council, Mayor Leichty wrote that:

- As in the past, during the Council's preliminary budget hearing, the Mayor would review each department's expenditures, highlighting any changes and answering questions.
- After the Sept. 18, 2023 Council meeting, Councilors will have two weeks until the next hearing, on Oct. 2, 2023, to ask questions about the proposed budget and there would be additional time for public comment and feedback.
- An optional third budget hearing is tentatively scheduled on Oct. 30, if necessary.
- After the Mayor receives a final report from Baker Tilly, the Mayor will share a complete budget and overview letter with Councilors.
- The Mayor had hoped to meet individually with Councilors to share the preliminary budget and answer questions, but that was not possible because of the high volume of department finance meetings and the ongoing union negotiations.
- The Mayor is planning several budget process changes over the next year, which will include scheduling more opportunities for Council involvement in the budgeting process and financial review – a significant priority for the Mayor and the Clerk-Treasurer.
- Should Councilors have questions or recommendations on budget alterations, the Mayor asked that they schedule meetings with the Mayor and the appropriate department head(s) to discuss the impact of any proposed changes.
- Sept. 18, 2023 is the earliest date for a preliminary budget hearing in Goshen's history. The Mayor concluded that she looked forward to making some history with Councilors and continuing to serve Goshen's residents.

The Common County's meeting packet contained: the Mayor's Sept. 13 letter; draft Ordinance 5164; a 2024 budget overview PowerPoint presentation by Baker Tilly Municipal Advisers; the 2024 Spending Plan for the City of Goshen, which was prepared by Deputy Clerk-Treasurer Jeffery Weaver and included the Form 1 schedules (59 pages); the minutes of the Sept. 19, 2022 initial budget hearing and Mayor Stutsman's Budget Letter for 2023.



SEPT. 18, 2023 COUNCIL DISCUSSION AND FIRST READING OF ORDINANCE 5164:

Mayor Leichthy said earlier today all Councilors should have received her six-page letter outlining her proposed budget for 2024. The Mayor said tonight was the First Reading of the budget so the focus would be on information sharing about the overall scope of the budget and changes within the 44 individual budgets. To provide context and an outside perspective, the Mayor said a staff member from Baker Tilly Municipal Advisers, the City's financial advisors, would begin with an overview of the budget via a PowerPoint presentation. The Mayor said she would then present the budget, take comments and feedback from Councilors and then hear from the public.

Amber Nielsen, a Manager at Baker Tilly, provided an overview of the 2024 budget:

Nielsen said she would be discussing the City's "Big Four+ Operating Funds (General, Motor Vehicle Highway, Motor Vehicle Highway Restricted, Parks and Public Safety Local Option Income Tax), historical financial information, the 2024 budget, and future budget considerations. **Nielsen made the following key points:**

- **The Big Four+** make up about 93% of the City's payroll and benefits, 93% of supplies purchased for the City 50% of services and charges, and 15% of the City's capital budget. Other locally managed funds are primarily related to: Pensioners (Police and Fire), Economic development, Capital improvements, and Debt service.
- In 2012, 2013 and 2014, the **City's revenues were slightly ahead of expenditures** and just under \$20 million and **cash balances** were just above \$5 million. However, revenues and cash balances started to grow faster in 2015 and accelerated in 2020 and 2021 but leveled out in 2022. She said the same pattern was evident when it came to all budgeted funds.
- The City's **15% cash reserves and 50% cash reserves** for the Big Four+ and all funds also have grown similarly.
- **The City establishes budgets for about 30 funds.**
- The **State requires the City to maintain a minimum 15% cash reserve**, which should pay for two months of expenses. **Baker Tilley recommends a 50% cash reserve**, which would pay for six months of expenses and **which the City has maintained going back to 2013.**

Mayor Leichthy emphasized that the City has maintained a higher reserve than required by the State. **Councilor Pérez** said that there have been attempts by the City to gradually reduce the cash reserves in recent years.

Continuing her presentation, Amber Nielsen said:

- A city's **certified net assessed property value is an important indicator of a City's well-being and growth.** Healthy growth also keeps a city's property tax rates down and it helps keep the circuit breaker down.
- The City's historical **Certified Net Assessed Value (NAV)** dipped between 2012 and 2016, but it has grown since then, **pushing down the City's property tax rates, which is good for taxpayers and stabilizes circuit breaker credits.**

(By way of background, according to the State of Indiana, an Indiana taxpayer's property tax bill is capped at a set percentage of a property's assessed value. The difference between the gross tax bill and the net tax bill is commonly referred to as a "circuit breaker credit." Circuit breaker credits are summed together at a taxing district level and proportionally allocated to taxing units. Circuit breaker credits serve as a reduction in revenues relative to a taxing unit's levy.)



- The **City's tax levy increases every year based on increased property taxes**. So, for 2012, the levy total was \$14,717,267 compared with \$23,010,684 in 2023. Although there have been variations, the City's assessed property values also have increased, from \$1,077,477,655 in 2012 to \$1,606,330,463 in 2023.
- An analysis of historical levies, circuit breakers, assessed values and tax rates for the City of Goshen, shows that **in 2014, the City had \$4.5 million in circuit breaker credits. That means that if the circuit breaker tax credit law didn't exist, the City would have received \$4.5 million in tax revenue as well as additional revenue for other years dating back to 2011.**
- **Between 2021 and 2022, the City's circuit breaker credits increased from \$2.6 million to \$3.7 million** because of the Elkhart County government's decision to decrease the property tax replacement credit.

Council President Weddell asked what specific action Elkhart County government took to reduce the property tax replacement credit. **Nielsen** said the county reduced the credit by 1 percent, which was an outside factor that affected the City's revenue.

Council President Weddell said Councilors frequently get calls from residents upset about their property tax bills. He said the State determines the tax levy and the County determines assessed property values and "that equation creates the tax rate." He asked Nielsen to tell Councilors and the public what Councilors can do to affect the tax rate.

Nielsen responded that the property tax does grow every year, but by a very small percentage. She said the City cannot unilaterally raise property tax rates. She said the taxes are capped by the state. She added that the City could forego property tax increases, but that wouldn't allow the City to pay for the growing costs of providing services.

In conversation with **Nielsen**, **Councilor Riegsecker**, discussed how the property tax system works. Although the City's tax rate has declined, property tax bills haven't fallen, but have risen, because of increased property values.

Nielsen and **Councilors Riegsecker, Weddell and Pérez** also discussed the impact of a lower tax rate.

- **Since 2010, the City has absorbed more than \$45.2 million of lost revenue due to the circuit breaker law. The actual revenue losses in 2023 were \$3.50 million.**
- **The actual credits won't be known until shortly before tax bills are mailed in the spring of 2024.**
- **Circuit breaker credits for 2020 and 2021 were all in the \$2.6 million range while 2022 and 2023 credits increased to approximately \$3.5 million. The 2024 credits are estimated by the state Department of Local Government Finance to be \$3.6 million.**

In response to a question from **Councilor Pérez**, Nielsen discussed the varied impacts of the circuit breaker law on other cities. She said it depends on the county, but Goshen has had an impact close to the state average.

In preparing the budget, Nielsen said the City:

- **Developed a proposed budget to match as closely as possible available revenues with the costs of providing services.**
- **Relied on best practices**, including: consulting with Department heads, consistency of process, recognition of future budget needs, grasping the changes in legislation, managing risk effectively and the strategic use of cash reserves to meet the City's needs.



- Relying on a five-year plan to focus more on budgets into the future and sustainability.
- The City's certified property tax growth rate is 4.0% for 2024, which is lower than the growth rate of 5% in 2023. However, that property tax growth rate has also been capped at 4% in 2025 by the Indiana Legislative Assembly. This will benefit homeowners, who won't face tax increases in 2025 because of rising property values, but will limit additional revenues that would otherwise go to the City.
- For Goshen, the certified levy between all property tax funds is just over \$23.94 million. After the estimated circuit breaker, the net new tax revenue is approximately \$20.10 million.
- The 2024 circuit breaker credits are estimated at \$3.8 million.
- In a bit of good news, the City's 2024 net assessed value has been certified by the county as increasing 6.0% over the value in 2023. As a result, the City's property tax rate will decrease to \$1.4054 from 2023 rate of \$1.4325. And the property tax rate should continue to decrease.
- The Mayor has estimated that the 2024 City budget will increase by about 5% excluding Tax-Increment Finance (TIF) funds and by 20% including TIF funds.
- Historically, the City has not spent 100% of all budgeted funds, which has been a strategic move. Typically, the City has spent only 85% to 88% of budgeted funds.
- Using conservative estimates for revenue, the City would be expected to spend 100% of budgets in 2023 and 2024. Revenues would be slightly under expenditures resulting in a decline of cash balances. This pattern would extend along all of the City's funds in 2024.
- If 100% of budgets are spent in 2023, and 2024, the City's cash reserves will drop to about 32% for the Big Four Operating Funds (General, Motor Vehicle Highway, Motor Vehicle Highway Restricted, Parks and Public Safety Local Option Income Tax).
- If all of the City's budgeted funds are fully expended in 2023 and 2024, the City's cash reserves would fall to 50%. At one point all of the City's funds had a cash reserve of 133%.
- A five-year plan will be important to ensuring the City can meet its future budget needs.

Councilors Pérez and Weddell and Mayor Leichty all commented on the importance of maintaining adequate cash reserves and educating people about what funds can be used to meet City expenses and which can only be used for designated purposes and projects.

To ensure operational accountability, Nielsen recommended that the City:

- Focus on maintaining adequate cash balances, especially if there are major increases in salaries and other major changes.
- Maintain a five-year plan to ensure that any changes are sustainable.

Mayor Leichty asked Nielsen to comment on the City's net assessed property value and why the City won't be eligible this year for an excess tax levy appeal, which would have added revenue to the City budget.

The City would be eligible to apply for an excess three-year growth appeal if its average assessed value growth over the past three years exceeded the statewide average. Last year, the City's appeal was approved by the state Department of Local Government Finance, and the City receive \$462,000 in additional property tax revenue, which was a permanent increase.



However, that won't happen this year. Nielsen said that the City's three-year growth rate (2021-2023) was 7.3%, but the statewide growth rate was 8.5%, making Goshen ineligible for an excess three-year growth appeal. Nielsen added that Goshen probably won't be eligible for an appeal for a few years.

Starting at 6:57 p.m., Mayor Leichty led Council members through a comprehensive review of the 2024 budget using her budget letter as a guide. She also reviewed the Spending Plan for the City of Goshen, a 61-page document prepared by Deputy Clerk-Treasurer Jeffery Weaver, CPA.

The spending plan included the 2021 and 2022 actual expenditures and the 2023 budgeted amounts in addition to the Mayor's proposed 2024 budget. The proposed budget was the result of many hours of conversations, strategy sessions, and planning by the Mayor, Department heads as well as Deputy Clerk-Treasurer Weaver, Clerk-Treasurer Aguirre and Baker Tilly consultants. When approved by the City Council, it will be submitted for review by the Indiana Department of Local Government and Finance.

The 2024 Spending Plan for the City of Goshen includes schedules for the following general funds: Common Council, Mayor's Office, Clerk-Treasurer's Office, Legal Department, Court, Board of Works, Cemetery, Community Relations Commission, Engineering, Planning and Zoning, Central Garage, Police, Fire, and Environmental Resilience. **The spending plan also includes schedules for the following:** Debt Service, Fire Pension, Police Pension, Local Road and Streets, Motor Vehicle Highway, Motor Vehicle Highway Restricted, Cumulative Capital Improvement Fire, Township Fire Support, Park and Recreation, Aviation, Cumulative Capital Improvement, Cumulative Capital Development, Cumulative Capital Improvement/Storm Sewer, Economic Development, Income Tax, Probation, Economic Improvement District, Public Safety Local Option Income Tax, Court Fees, Unsafe Building, Residential Lease Fees, Law Enforcement Continuing Education (#2), Redevelopment Non-Reverting, Storm Water Management, TIF Bond and Interest, Southeast Goshen TIF, TIF Lippert/Dierdorff, Construction River Race/U.S. 33 TIF, and American Rescue Plan Grant.

Mayor Leichty began her presentation of the 2024 draft City budget with some introductory comments. Mayor Leichty said her proposed 2024 budget will allow the City to strategically use the City's cash reserves to reach areas of greatest need. She said the focus will be on

- Repaving neighborhood streets
- Addressing City security with critical technology improvements
- Supporting public safety
- Enhancing existing parks
- Addressing blight
- Creating new housing opportunities
- Leveraging grant funds for environmental initiatives
- Upgrading equipment
- Strengthening communication with neighborhoods and businesses
- Enhancing the City's website
- Effectively tracking assets and
- Improving customer service with residents



Mayor Leichty said that by the end of 2024, should the City spend 100% of the projected budget, cash reserves will be near the 30% for the four major funds (General, MVH, MVH Restricted, Park, PS LOIT). The Mayor said the budget's overall growth from 2023 to 2024 will be 5.2%, not including redevelopment projects, and 21.8% if including redevelopment projects, some of which began in 2022 and will continue next year. She said it was important to note that there is a distinction between projects that were delayed by the COVID-19 pandemic vs. overall budget growth.

Mayor Leichty said that as she has worked with Department heads, they have been conscientious and careful about any budget increases they requested outside of inflationary adjustments and were as careful as they could be. At the same time, she said, the City budgets for "worst-case scenarios" and that 100% of budgets will be spent and she is providing the maximum that could be spent so the City has the resources to meet all of its obligations.

The Mayor said the following wage adjustments have been incorporated into the budget:

- 3.5% raises for Civil City employees
- 5% raises for Teamsters (non-admin)
- 7% raises for Firefighters (non-admin)
- 7-13% raises for Police officers (non-admin)
- And \$200,000 has been reserved for additional wage adjustments for select City employees who have been determined to be underpaid. The funds will be allocated after the City receives Baker Tilly's final Wage and Compensation study, which has been under way for 18 months. She said the \$200,000 would be reflected in the upcoming revisions to the City's salary ordinances.

Councilor Pérez asked when the compensation study will be completed. **The Mayor** said she hopes it will be soon, probably in the next month.

Mayor Leichty said one of the new things she is proposing is the creation of a City Information Technology Department. So far, she said the City has managed its technology needs by having a sub-department within the Engineering Department and with a limited staff – 1½ people serving the needs of users of 300 computers in multiple locations throughout the City.

The **Mayor** said the City's staff has focused on "running around like crazy putting out fires and we are not being strategic because we're not able to be strategic enough about how we're selecting software or hardware (and) where we might be able to acquire more savings because there's not the role of someone being able to oversee that and make sure we're addressing strategy." She also said more concerning is the importance of addressing the City's security needs and technological security needs.

So, **Mayor Leichty** is proposing pulling together the existing staff people in information technology and adding a full-time Director of Technology and a full-time Technology Specialist to help bolster the strength of that new department.

In response to a question from **Councilor Eichorn**, **Mayor Leichty** said that of the City's 300 computers, about 60 are in the Police Department, which has a full-time dedicated IT specialist. **Councilor Eichorn** said she was excited about this proposal.

Councilor Pérez asked what the new staffing level will be. **Mayor Leichty** said the IT staff consists of one full-time specialist dedicated to the Police Department and 1 one full-time and 1 half-time person for the rest of the City.



Mayor Leichty said under her proposal, two more full-time employees would be added to the Information Technology Department. So, the department would have 4.5 employees.

Council President Weddell asked **Mayor Leichty** to discuss the recent loss by a Northern Indiana community from a cyberattack. The Mayor asked **Clerk-Treasurer Aguirre** to discuss the issue and the frequency of such attacks. (In a case reported in 2022, authorities in Warsaw confirmed that Kosciusko County government experienced the theft of \$313,951.90 in the form of a fraudulent electronic payment request. The perpetrator posed as a legitimate vendor for county government and requested direct deposit payment of invoices into a new bank account. By the time the fraud was detected, the funds had been removed from the new bank and the criminals could not be found.)

Clerk-Treasurer Aguirre said the City experiences cyberattacks daily, some from people impersonating police officers. He said criminals impersonating City employees send emails asking for their pay to be deposited in a different banking institutions. Emails have even come from criminals posing as former Mayor Stutsman.

Aguirre said that as a result, **more government agencies have suffered losses, prompting increases in cyber insurance.** He said the City's cyber insurance policy has raised by double digits in each of the past two years.

Aguirre said insurance companies are requiring additional security measures to even consider insuring government entities. He said insurance companies are requiring multi-factor authentication for email accounts and frequent cyber tests to ensure City employees are not succumbing to cyber fraud attempts. **Aguirre** said the City hasn't experienced any successful cyberattacks, but it's difficult to remain safe amid continual daily attacks.

Mayor Leichty also outlined changes in the emphasis of the City's Community Relations Team – **Hannah Scott Carter** and **Amanda Guzman**. She said the changes would not cause a budget increase, but she wanted Councilors to know that the Community Relations Manager and the Communications Coordinator will also now serve as liaisons and outreach coordinators for neighborhood associations.

Mayor Leichty also is in the process of establishing an Employee Wellness Program in a partnership with **Goshen Health**. She said the City will be encouraging overall wellness, including mental and physical health, and behavioral awareness and changes. She said the goal was to encourage employee well-being and reduce increasing claim costs. The Mayor said the costs of the new program will be paid for with proceeds from the Cigarette Tax funds that the City is already collecting.

Mayor Leichty asked if Councilors had any other questions or comments about her introductory remarks. There were none.

Mayor Leichty then outlined each fund and asked Councilors if they had any questions. Her summary:

Council – There will be no election expenses in 2024, so the proposed budget was reduced from the 2023 budget. There were no Councilor questions.

Mayor's Office – There will be an increase in the Full Time/Personnel (and Benefit Lines) because the position of the City's Switchboard Operator/Secretary is being moved to the Mayor's budget from that of the Board of Works and Safety. She said this position reports to the Mayor's Office. There were no Councilor questions.



Clerk-Treasurer's Office – There were no significant changes. Councilor Riegsecker noted that employee insurance costs increased. He asked if there were across-the-board increases. **Clerk-Treasurer Aguirre** said they were. **Deputy Clerk-Treasurer Jeffery Weaver** said insurance costs increased about 8% across the City. **Councilor Riegsecker** said that increases would be reflected in the budgets of all City departments. **Council President Weddell** said the proposed pay increases also would be reflected in department budgets.

Legal Department – The salary increase primarily involved moving one employee from part-time to full-time status. In response to questions from **Council President Weddell** and **Councilor Pérez**, **City Attorney Bodie Stegelmann** said the budget reflects moving two employees to full-time positions. He said next year, contract **Assistant City Attorney Don Shuler** will become a full-time employee. In addition, the assistant to the Human Resources Manager moved from a part-time to a full-time position. There were no further Council questions.

City Court – There is a proposed increase of one position from part-time to full-time to reduce overtime pay. There were no Councilor questions.

Board of Works – Mayor Leichty said the following changes were made: The Secretary/Switchboard Operator position was moved to the Mayor's budget; the Services Contract budget line is lower because \$220,000 was moved to the Environmental Center (for payment of an annual contract); there will be increased costs for the Enterprise Resource Planning (accounting software) upgrade; Technology Expenses will be moved to the new Technology Department; the City is expected to have lower insurance costs because the City identified duplicate items that were not corrected by the Insurance carrier, the city will pay off a major claim and the City has a lower-cost underwriter; and Bank Charges (payroll and other software charges) will be moved to the Technology Department budget. **Councilor Eichorn** asked if the City will be getting a refund from the insurance company. **Deputy Clerk Jeffery Weaver** said probably not. **Clerk-Treasurer Aguirre** said the Clerk-Treasurer negotiates over insurance rates every year and was able to get a lower rate by asking for more quotes and by being patient. He said he was hopeful of doing the same next year. **Councilor Riegsecker** asked if the Wage and Compensation study will be paid out of the Board of Works budget. It will be. In response to a question from **Councilor Eichorn**, **Mayor Leichty** said she hopes to eventually move all software costs to the Technology Department budget.

Technology Department –The City would dedicate 2.5 positions (1 dedicated to Police only), 1.5 dedicated to the remaining 240 users in 13 facilities and would add a Director of Technology and one Technician. **Council President Weddell** asked if there was space to house the new employees. The **Mayor** responded that not yet. **Councilor Pérez** asked if there were cost comparisons for technology services. **Mayor Leichty** said she would need to do some research to determine that.

Cemeteries – The budget increase would be for a mini-excavator and a new mower. No Council questions.

Community Relations Commission – No budgetary changes. **Council President Weddell** noted that there will be a 2023 budget surplus because there was no director for several months. In response to questions from **Councilor Pérez**, the **Mayor** said she thought the budget was adequate for 2024.



Councilor Pérez praised the CRC and the Mayor for the new approach. **Councilor Eichorn** also praised the changes and the new direction for the CRC moving forward.

Engineering Department – The budget reduction was prompted by moving staff to the new Technology Department. There were no Council questions.

Building Department – Personnel costs would be increased because the cost, now split with the Residential Lease Fund, would be fully paid by the Building Department. No Council questions.

Planning and Zoning Department –No significant changes. No Council questions.

Central Garage – The Mayor proposed an increase due to a mechanic pay adjustment in 2023 and a 5% pay increase for Teamsters. There were no Council questions.

Police Department – **The Mayor proposed the following changes:** Increase wages for non-admin officers (between 7-13%), which includes Captains, Lieutenants, School Resource Officers, Detectives, Sergeants, Patrol Officers, and Probationary Patrol Officers; add three officers; explore and test 10-hour work shifts; explore a limited number of civilian staff to assist police in non-emergency roles (code, documentation, etc.); and work in partnership with the Union.

Mayor Leichty said that while attending meetings throughout the state, **she quickly became alerted to the widespread shortage of police officers.** She said **this has driven up wages significantly.** Compared to our regional cities, the Mayor said the **current pay for Goshen Police officers would be close to last.**

The **Mayor** said one of the factors that has had an impact on police staffing has been the end to what was once a “gentleman’s agreement” that discouraged officers from changing departments because they would lose their ranks and level of pay. The Mayor said **today officers changing departments keep their ranks and actually get bonuses of up to \$8,000 to transfer.**

So while Goshen has not paid the highest police salaries, **Mayor Leichty** the department has not always had the challenges it does now to recruit officers. **The Mayor asked Police Chief José Miller to comment on the impact of these factors on recruiting and retaining officers as well as on operations, morale and mental health.**

Chief Miller said the “uniqueness” of the situation facing the Goshen Police Department is not only the staffing and retention, but also the impact of salaries.

Chief Miller said that when agencies calculate staffing, they do so based on the population of the communities they serve. He said that the FBI calculates that 2.4 officers are needed per 1,000 population, although he noted that some are moving away from that methodology and deciding on the workload and the percentage of time officers are busy vs. the time they are proactive.

Using those measures, **Chief Miller** said **he has calculated that the City of Goshen needs 2.37 officers per 1,000 residents. He said if the Goshen Police Department was fully staffed with 64 staff members, the City would now have 1.82 officers 1,000 residents.**

If the three added positions in the 2024 budget are approved, Chief Miller said the City’s staffing level would increase to 1.91 officers per 1,000 residents.



Chief Miller said the Goshen Police Department has the fewest number of officers per 1,000 residents in Elkhart County – even lower than Bristol and Middlebury.

Chief Miller said many good men and women work for the Goshen Police Department, but he has fewer officers per capita than other regional agencies and that assumes full staffing of 64 employees.

However, Chief Miller said the Police Department currently has five officers gone due to injuries or training or are in the process of being hired. He said the department will potentially lose six more officers by March due to retirements or officers taking jobs closer to their families or who want to work 12-hour shifts at another department. He said the result will be even greater staff shortages.

Chief Miller said he told the Mayor that the Police Department can continue to get by, but the staffing situation will eventually affect the police service provided to the community.

When it comes to pay, Chief Miller said more officers are leaving the profession or leaving for departments that pay more than Goshen. He said the bigger police departments are paying between \$70,000 and \$89,000 for patrol officers. Meanwhile, Goshen is paying \$60,200 for officers.

Chief Miller said Goshen's salary makes it harder to retain officers or attract them to Goshen, especially with the City's higher workloads. He said he hopes the result of City-union negotiations will be a salary that is "competitive" with other police departments. He said he didn't expect Goshen to pay top-tier salaries, but a competitive salary would be helpful because Goshen provides some benefits not available elsewhere.

Chief Miller said he believes he has "one of the best police departments" he has ever had. "We have men and women that truly care about the job – truly care about doing their job right and truly want to do what's best for our community. And I don't want to attract people that don't want that. It just takes one or two (poor officers) and it can totally take away from the service of our Police Department."

Chief Miller said that officer retention is important because when a new officer is hired, even if Goshen hires a trained and experienced officer from another department, that officer is not considered "fully trained" until going through the department's basic and field training and is certified. In a best case scenario, the Chief said it costs \$39,000 to train that experienced officer. In a worst case scenario, with an inexperienced officer, the department has to cover the person's work shifts and the candidate has to attend the law enforcement academy as well as complete field training, and a captain must work overtime to oversee that training. In those cases, the Chief said the department has to pay about \$125,000 to fully train a new officer. So if the department doesn't retain an officer, it must pay from \$39,000 to \$125,000 to fully train a replacement and up to a year until they can work on Goshen streets.

Chief Miller said officer turnover affects the mental health of other officers who are forced to work overtime, miss their children's activities or wedding anniversaries because the department is short staffed and officers are forced to work long hours because the department has minimum staffing requirements.

So, by retaining officers and by adding some new officers, Chief Miller said the department "will be in a much better place than where we're at now."

Mayor Leichty thanked Chief Miller for his comments, adding that the City is focused on improving the physical and mental health of all employees. She also asked Chief Miller to describe new initiatives the Police Department has instituted to enhance the mental health of officers.



Chief Miller said the City Council approved additional funding to pay New Avenues, which provides counseling and employee assistance, for **additional counseling sessions for officers**. He said officers receive additional help to relieve stress or address family or work issues. The department **also offers “debriefing sessions” when officers have critical incidents which impact them personally**. This allows for a debriefing of officers with peers outside the presence of their supervisors, so they can recover from critical incidents and do their jobs again. Chief Miller added he was proud of his peer support officers who assist with this program.

Council President Weddell asked if the \$125,000 cost to train an inexperienced officer included overtime pay for those who would have to work instead of the new employee. **Chief Miller** said it did. He added that **on average, the department spends \$60,000 to \$70,000 to fully train each officer**.

Councilor Nisley asked if the **hiring of three new officers**, as proposed in the 2024 budget, would cover the Police Department’s needs. **Chief Miller responded, “It’s a start to cover where I think we should be at**. I think we need to look at an extended plan. Right now it’s definitely a relief, but as all of you know, we’ve been annexing a lot of places and we’re building a lot of apartments. You’re drawing in more people, which is good for Goshen, but those are all people who we have to service. And so we constantly have to look at the workloads that these men and women are doing and determine is you want a responsive police department or do you want a proactive police department?”

Councilor Nisley said that with the rate of retirements and others leaving the department, and even after adding three new officers, he asked if the Police Department would be in the same situation a year from now as today.

Mayor Leichty said **Councilor Nisley** made a “great point.” She extended her appreciation to the Chief and the police union. She also said **other ways were being explored to meet police staffing needs**. The Mayor said those included exploring the possibility of 10-hour work shifts and hiring civilian staff for non-emergency work. She thanked the Chief and others for their willingness to explore those possibilities.

Councilor King asked if 10-hour shifts were a preferred model for police both to save money and enhance mental health. **Chief Miller** said it depended on who was asked his or her opinion. He said it would affect families by extending work shifts, but it also could provide an extra day off. Depending on how it was implemented, Chief Miller said 10-hour shifts could put more officers on the street, but if union members don’t want longer shifts, it can create morale issues so officers need to be part of the discussion. He said he didn’t want to implement something that would disenfranchise a majority of his employees and cause more officers to quit their jobs.

Mayor Leichty stressed that “nothing has been set in stone” and that the union has only expressed a willingness to consider these issues with the Mayor and the Police Chief. She said supporting officer was her primary goal.

Councilor Nisley asked what kind of duties civilian employees might pick up from officers.

Chief Miller said a similar situation involves the City’s Special Police Officers, who have the authority to make arrests when they are working, but not when they are off duty. One special officer is a court bailiff and front desk officer, who can conduct vehicle checks, freeing the time of regular officers. Another is involved in community relations and conducts investigations of officers and reports solely to the Chief or the Mayor, if a complaint is made against the Chief. He said another Special Police Officer is a School Resource Officer. And a fourth, Officer James Ballard, deals with people who are homeless or have mental health issues. He said other duties could be handled by a non-sworn officer, “but there is a delicate line to walk because you have to be careful what duties they take over because it gets into training and liability issues.” He added that the police officer’s union also would have to agree with delegating certain duties to civilian employees.



Chief Miller added that the Goshen Police Department has one of the best training programs in the state.

Councilor Nisley said he wanted to add that he was “behind the Police Department 100% and I believe you guys have done a heckuva good job for the City of Goshen.”

Councilor Pérez said **Chief Miller** mentioned the City’s addition of housing developments. He asked if the City had enough police resources to serve that additional residents. He also asked if the three new officers would meet the need or if future Councils would have to continue add more officers to have a proactive approach.

Chief Miller responded, “It will take us one step closer. It’s a plan that we’re going to have to look at yearly or every other year.” Using the FBI’s formula for how many officers a community should have, the Chief said the City needs 20 more officers. He said the level of required staffing also is dependent on the type of calls for service, the number and type of officer injuries and the number of officers who need to be trained. He added, “Three is better than none, but it’s something we have to revisit ... until we get to a point to where we can for sure handle what we have coming in.”

Mayor Leichty offered her thanks to the Redevelopment Department for helping pay for public safety. Because of a new state law, the Mayor said the City can use funds generated through tax-increment financing (TIF), for redevelopment projects, to pay for public safety. She asked **City Redevelopment Director Becky Hutsell** to describe what the Redevelopment Commission approved.

Hutsell said the topic was discussed this summer, which was good because in May the state law changed. Before that change, TIF funds could not be used to pay for public safety expenses. As a result of the change, the Redevelopment Commission approved a five-year capital plan that will contribute \$500,000 a year to pay for police vehicles and related equipment. And for the Fire Department, the Redevelopment Department will help pay for a new station.

Councilor Pérez asked if those expenses would be noted in the budget. **Mayor Leichty** responded they would be reflected in the Redevelopment Department’s budget.

Councilor Schrock thanked Chief Miller for all of the information.

There were no further comments or questions about the Police Department’s proposed budget for 2024.

Fire Department – Mayor Leichty said the budget was increased to cover a 7% pay raise for non-admin firefighters as well as the costs to hire and start training three new firefighters for the new fire station. The Mayor invited Fire chief Dan Sink to discuss the department’s pressing budget needs and related matters.

Chief Sink said that starting with **Mayor Jeremy Stutsman** two years ago, discussions began over the Redevelopment Commission funding a new fire station. Chief Sink said he proposed to **Mayor Stutsman** bringing on three new firefighters a year so that by the time the new station opened, firefighters would be fully trained so that they could staff the department and avoid training costs and delays.

Like the Police Department, **Chief Sink** said there is also a statewide shortage of firefighters. He said almost all municipal fire departments are paying for the lateral transfers of firefighters to entice new employees to their departments. He said that it’s difficult to recruit new firefighters to Goshen.

Chief Sink said four Goshen firefighters recently tested to join another fire department. He said the reason more firefighters don’t leave is because Goshen is a great place to work.



Chief Sink said the proposed 2024 budget and higher salary “will go a long way for retention,” but departments are struggling to hire enough firefighters. He added that the decision to yearly add firefighters to staff the new station was also done so that the budgets would gradually grow over time and not face a sudden huge increase in staffing costs.

Councilor Schrock asked if firefighters require the same extensive training as police. **Chief Sink** said that isn't the case. He said there isn't a state fire academy as there is for police. The Chief said a lot of the Goshen firefighter training is done on the job, after a new firefighter is hired. He said there is a 40-hour academy for Goshen firefighters. Firefighters also are required to receive training online or in person. All firefighters also are required to be trained as paramedics, currently at Ivy Tech Community College.

Mayor Leichty said it's been a longstanding policy that firefighters must be trained as paramedics, and initially work as paramedics for the City. **Chief Sink** said firefighters receive 18-22 months of paramedic training, and the training may soon be extended to two years. **Mayor Leichty** said paramedic expertise is a great benefit that the Fire Department provides to the community.

Chief Sink added that the new fire station, which will be near the Goshen Airport, cannot be better situated for the department.

Councilor Schrock asked if the Fire Department will someday serve the Goshen Airport. **Chief Sink** said that decision would be up to **City Airport Manager Randy Sharkey**. He said firefighters have already been sent for aircraft training. **Councilor Nisley**, who serves as the Council's liaison to the Board of Aviation, said it's appreciated that the Fire Department's new station will be near the airport.

Councilor Pérez, who said he recently reviewed the Fire Department's second quarter report, said the Fire Department continues to do impressive work, especially in terms of its rapid response. He thanked the Fire Department for its work. **Chief Sink** thanked **Councilor Pérez** for his comments. **Councilor Nisley** also expressed his gratitude to the Fire Department.

Mayor Leichty said she also appreciates the Fire Department and its diverse workload. **Chief Sink** responded that based on recommended staffing levels by population, the Fire Department is short 20-25 firefighters. Still, he said the department “is doing a lot of good work with some are really great people who are working really hard every day.”

There were no further Council comments on the Fire Department and its proposed budget.

Environmental Resilience – Mayor Leichty began her discussion of this budget by offering the department her congratulations. She asked **Aaron Sawatsky Kingsley, Director of the City Department of Environmental Resilience**, to share about the department's successful grant acquisition.

Sawatsky Kingsley said the City of Goshen was awarded a \$1 million grant from the U.S. Forest Service for urban forestry. He said **Theresa Sailor, Grant Writer and Educator for the City Environmental Resilience Department**, did great work with community members to develop the grant. **Sawatsky Kingsley** said it will be used to help with workforce development, increase the City knowledge base, increase education about the value of trees and expand the tree nursery system. He said Elkhart and South Bend also received similar grant awards.

Mayor Leichty congratulated the team, noting it was **Mayor Stutsman's** vision to add a grant writer to the team. As for the budget, the Mayor said increased the proposed budget to pay for more AmeriCorps volunteers, to make tree nursery improvements and to upgrade equipment. There were no Councilor questions.



Rainy Day Fund – The Mayor said the current balance was adequate, so she did not recommend any additions. There were no Council questions.

Debt Service – There were no significant changes and no Council questions.

Fire Pension – Costs are projected to be lower because of the passing of pensioners or their beneficiaries. There were no Council questions.

Police Pension – No significant changes and no Council questions.

Local Roads and Streets – The Mayor recommended additional street repair and paving. In response to a question from **Councilor Schrock, City Director of Public Works & Utilities Dustin Sailor** said sidewalk repairs come out of a different budget.

Motor Vehicle Highway – The Mayor said projected costs were moved from one budget to another. In addition, there were several large vehicle purchases in 2023 and fewer purchases were expected in 2024. There were no Council questions.

Motor Vehicle Highway Restricted – The Mayor said a fund was moved and there will be more paving and road maintenance. There were no Council questions.

Cumulative Capital Improvement Fire – The Mayor proposed purchasing less equipment in 2024. There were no Council questions.

Township Fire Support – The City is anticipating a total distribution of \$350,000 for 2024. There were no Council questions.

Parks and Recreation – The Mayor proposed a 5% pay increase for Teamsters, a matching-grant contribution to complete the Abshire/Dykstra Trail, moving the skate park (currently in the flood plain) to a new location and updating the garden with improved equipment and improvements for the new Riverdale Park in a north side neighborhood. In response to questions from **Councilors Eichorn, Schrock, King and Pérez, City Superintendent of Parks & Recreation Tanya Heyde** discussed the decision to move the skate park, a possible alternate location, the state's objection to the continued use of the same skate park location, the deterioration of the current equipment and the proposed removal of the equipment before winter.

Aviation Department – The Mayor indicated the budget would call for taxiway concrete improvements and a new maintenance hangar. There were no Council questions.

Cumulative Capital Improvement (Cigarette sales tax) – The City's new Employee Wellness Program would be paid from this budget. There were no Council questions.



Cumulative Capital Development – The budget calls for technology upgrades, including hardware and software. There were no Council questions.

Cumulative Capital Improvement/Storm Sewer – There are no significant changes proposed and no Council questions.

Economic Development Income Tax (EDIT) –Redevelopment expenditures would be split into three budget lines and the Aviation-Capital budget would be moved to the Aviation budget. For full disclosure, Mayor Leichty stated that she had a 50% ownership interest in Eyedart Creative Studio, which would receive a City sponsorship for the “Good of Goshen” marketing campaign. She also said the capital projects would be for bridge maintenance, parking lot improvements, the Indiana Avenue reconstruction and East Lincoln Avenue improvements. In response to a question from **Councilor Riegsecker**, **Mayor Leichty** said some of the funding for capital projects has been spent down.

Probation –There are no significant changes proposed and no Council questions.

Downtown Economic Improvement District – It has remaining cash reserves, so the budget was reduced for 2024. There were no Council questions.

Public Safety Local Option Income Tax – There are no significant changes proposed and no Council questions.

Court fees – There are no significant changes proposed and no Council questions.

Unsafe Buildings – There are no significant changes proposed and no Council questions.

Residential Lease fees – A Building Department salary that had been partially paid for by this budget will now be fully paid by the department, so this budget has been changed. There were no Council questions.

Law Enforcement Continuing Education – There were no significant changes. **Councilor Pérez** asked why this wasn't part of the Police Department budget. **Mayor Leichty** responded it is from a funding source that requires it be maintained by itself. **Deputy Clerk-Treasurer Jeffery Weaver** said it is a separate fund and that extra fees come from the County.

Redevelopment Non-Reverting – There were no significant changes and no Council questions.

TIF Bond and Interest– There were no significant changes and no Council questions.

Before going any further, **City Redevelopment Director Becky Hutsell** outlined the upcoming projects in the Southeast Goshen TIF district, the Lippert / Dierdorff TIF district, and the Consolidated RiverRace/US33 TIF district.

Southeast Goshen TIF, Lippert/Dierdorff TIF and Consolidated River Race/US 33 TIF – All will have new and continuing projects for 2023 and 2024.



Councilor Riegsecker said that these funds were part of the City's cash balances and the funds are now being spent. So, he said it makes the City's budget look larger. **Hutsell** said the COVID-19 pandemic and supply chain issues had significant impacts on delaying construction projects. She said local contractors can only handle so many projects at once. Some of these projects have been in the pipeline for a while. She added that the City has increased its cash balances for these projects, but these funds will now be spent down.

Councilor Riegsecker said he appreciated everything **Hutsell** does for the City. **Mayor Leichty** agreed.

American Rescue Plan – The proposed 2024 budget calls for continuing to pay the salary of Special Police Officer James Ballard, Quality of Place initiatives, such as expanded soccer facilities and arts initiatives, window replacements in a City building, Lincoln Avenue improvements and water and wastewater Improvement.

Mayor Leichty asked if **Councilors** had any additional questions or comments.

Council President Weddell said it appeared the **Mayor** was proposing hiring eight new employees citywide and transitioning three City employees from part-time to full-time status. **Mayor Leichty** said that appeared to be correct – two new employees for the Information Technology Department, three for the Police Department, three for the Fire Department and part-time employees moving to full-time status in Human Resources, the Legal Department and the City Court. **Clerk-Treasurer Aguirre** said that one of the part-time positions – in Human Resources – actually was authorized to become a full-time position in the 2023 City budget but was not filled until recently.

Councilor King asked for the total of the City's proposed budget. **Council President Weddell** said the total appeared to be about \$75 million, counting TIFs, and \$55 million without the TIFs. **Deputy Clerk-Treasurer Jeffery Weaver** said the total was actually \$75,059,462, rounding cents to the dollar.

Councilor Pérez asked if the total budget would be presented. **Mayor Leichty** said it would be.

There were no further comments or questions from **Councilors**.

At 8:19 p.m., **Mayor Leichty** opened a public hearing on Ordinance 5164, *An Ordinance for Appropriations and Tax Rates*, which was before the Council for First Reading. There were none.

Councilor Pérez said he wanted to publicly thank the **Mayor** for taking on so much work in such a short time frame. He also thanked the **Mayor** for some of her new initiatives and proposed changes for the City.

Councilor King said she appreciated the **Mayor's** budget letter and its format.

Council President Weddell thanked the **Mayor** for her work and for meeting early to review the budget.

Councilor Riegsecker said he appreciated some of the budget reallocations to make things clearer this year and for years moving forward.

Mayor Leichty thanked **Councilors** for their comments and said it is her intent to be transparent as possible about the budget. She thanked City Department heads and staff, the City Attorney, the Clerk-Treasurer and Deputy Clerk-Treasurer, and said there was no better way to learn about the mayor's job than by preparing the budget.



After discussion about how to proceed, Councilors agreed to move forward with a vote on First Reading.

There were no further questions or comments from Councilors. Councilors also indicated they were ready to vote, so Mayor Leichy asked the Clerk-Treasurer to conduct a roll call vote.

On a roll call vote, Councilors unanimously passed Ordinance 5164 on first reading by a 7-0 margin, with all Councilors present voting yes at 8:24 p.m. The Second Reading is scheduled for Oct. 2, 2023.

Elected Official Reports:

Councilor Schrock said the **East Goshen Neighborhood Association will meet tomorrow night** at 6 p.m. at the Abshire Cabin.

Council President Weddell said the **City Redevelopment Commission** met a week or two ago and finalized an agreement with Julia and Larry Gautsche for the purchase of several in-fill lots on 5th Street. He said the Gautsches will be moving forward and building a nice home on the site. He also said a purchase agreement for the former DT Muffler Shop building, at Main and Jefferson streets, fell through and that property is now available for a new round of request for proposals. The parties could not reach an agreement on the terms of the sale.

Councilor King said the **Parks Board** met today. She said a survey is circulating and input will be accepted until Sept. 22. The board also has a new member.

Council President Weddell said **Goshen Community Schools also is circulating a survey** to help guide the hiring of a new superintendent. Councilor Eichorn said there have already been 600 responses to the survey.

Councilor Riegsecker said the **Cemetery Board** meet a few weeks back. He said the board discussed guidelines for natural burials. He said those spaces are a little larger than traditional plots and will cost more. He said the Board of Works today approved an agreement with Abonmarche for survey work aimed at the expansion at Violett Cemetery. He also said a building at Oakridge Cemetery was power washed, repaired and painted.

Councilor Eichorn said the **Community Relations Commission** is planning **Indigenous People's Day**. She also said that the commission has met with the CRC's new leadership team.

Councilor Nisley said tomorrow's meeting of the **Board of Aviation** was canceled.

Council President Weddell thanked the Parks Department for assisting with the **Maple City Walk**. He said the event was highly successful.

Council President Weddell also congratulated organizers for another successful **Goshen Professional Firefighters Smoker** at the Elkhart County Fairgrounds. He said the weather was perfect.



Councilor Pérez said he met with the City's Youth Caucus. He said members are interest in participating in voter registration efforts, and may be assisted by the Elkhart County Election Office.

There were no further comments by the Mayor or by Councilors.

Councilor Nisley made a motion to adjourn the meeting, which was seconded by Councilor Pérez. Councilors unanimously approved the motion to adjourn the meeting.

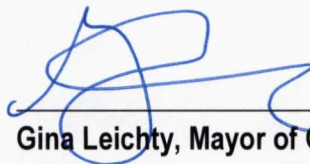
Mayor Leichthy adjourned the meeting at 8:30 p.m.

EXHIBIT #1: *Mayor Leichthy's Budget Letter for 2024, a six page document addressed to the Common Council outlining the City budget proposal. Copies were distributed to Councilors and the public at the meeting.*

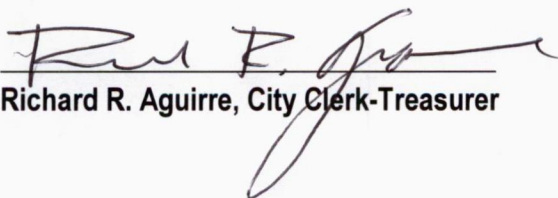
EXHIBIT #2: *Corrected draft Ordinance 5164, An Ordinance for Appropriations and Tax Rates. Copies were distributed to Councilors and the public at the meeting.*

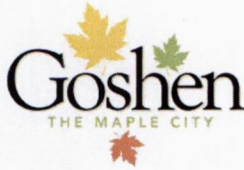
EXHIBIT #3: *Corrected page 54 of the 59-page Form 1 schedules (59 pages total) which is the detailed proposed expenditures of the 2024 Spending Plan for the City of Goshen, which was prepared by Deputy Clerk-Treasurer Jeffery Weaver. Copies were distributed to Councilors and the public at the meeting.*

APPROVED:


Gina Leichthy, Mayor of Goshen

ATTEST:


Richard R. Aguirre, City Clerk-Treasurer



GINA M. LEICHTY

Mayor of Goshen, Indiana

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(574) 533-9322

EXHIBIT #1

September 18, 2023

Dear Council President Weddell and Council Members,

Thank you for the opportunity to present the 2024 proposed operating budget for the City. It has been a pleasure to work so closely with all of the department heads, legal advisors, Clerk-Treasurer, Deputy Clerk-Treasurer, and financial advisors at Baker Tilly to prepare the proposed budget for your consideration.

Follow-Up Meetings

Should you have questions or recommendations on budget alterations, I ask that we schedule a meeting with me and the appropriate department head(s) to discuss the impact of any proposed changes.

As the council reviews the proposed budget, please don't hesitate to ask any questions or request a meeting if needed. I'm here to collaborate with you.

While the proposed 5.2% overall growth projected in the 2024 budget is modest, we are tackling significant issues requiring cautious consideration and strategic investments. I'll closely monitor our finances to ensure our City's fiscal well-being. We can – and will - make real-time adjustments when necessary to safeguard our funds. Our financial position is a result of responsible tax-dollar management, and we will continue to safeguard the public dollars entrusted to us.

Background and Focus

As a reminder, Indiana recommends that communities maintain cash reserves ranging from 15% (equivalent to 2 months' worth of expenses) to 50% (equal to 6 months' worth of expenses). Our City kept reserves above 50% due to project delays in 2021 and 2022. In 2023, we began tackling some of those delayed projects and will continue this strategic spending on designated project funds in 2024.

The 2024 budget allows us to strategically use our cash reserves to reach areas of greatest need. We'll focus on

- Repaving neighborhood streets
- Addressing city security with critical technology improvements
- Supporting public safety
- Enhancing existing parks
- Addressing blight
- Creating new housing opportunities
- Leveraging grant funds for environmental initiatives
- Upgrading equipment
- Strengthening communication with neighborhoods and businesses
- Enhancing our website
- Effectively tracking our assets
- Improving customer service with residents

By the end of 2024, should we spend 100% of our projected budget, our cash reserves will be near the 30% cash balance for our major funds (General, MVH, MVH Restricted, Park, PS LOIT).



Continuous improvement and greater efficiency are goals for all City operations and will guide our strategic planning efforts to ensure our financial stability into the future.

Below are some general changes for 2024 and detail of the highlighted changes in each budget to guide our conversation this evening.

Thank you,

Gina M. Leichty
Mayor, City of Goshen

-
- 1. Overall Budget Growth from 2023-2024**
 - a. Not including Redevelopment projects: 5.2%
 - b. Including new/continued Redevelopment projects: 21.8%

 - 2. Wage Adjustments for Inflation**
 - a. 3.5% Civil City employees
 - b. 5% Teamsters (non-admin)
 - c. 7% Firefighters (non-admin)
 - d. 7-13% Police officers (non-admin)
 - e. We've reserved \$200,000 for additional wage adjustments once we have received the final Wage and Comp study.

 - 3. Creation of an Information Technology Department**
 - a. GOALS: Increase security, efficiency, and training capacity
 - b. Establish an Information Technology Department
 - c. Add 1 FTE Director of Technology
 - d. Add 1 FTE Technology Specialist

 - 4. Community Relations Team**
 - a. (No budget impact – only programmatic) Expand the role of the Community Relations Manager to serve as a liaison and outreach coordinator for the neighborhood associations.

 - 5. Employee Wellness Program**
 - a. Proposed partnership with Goshen Health
 - b. Encourage wellness: mental, physical, and behavioral awareness and changes
 - c. Goal: to encourage employee well-being and reduce increasing claim costs.
 - d. Paid for with Cigarette Tax funds that we are already collecting.

Individual Budgets

Inflationary adjustments only, unless otherwise noted, below.

1. **General Council:**
 - a. Election Expense: No local election in 2024
2. **General/Mayor**
 - a. Full Time/Personnel (and Benefit Lines) Moved Switchboard Operator/Secretary from BOW to Mayor's budget.
3. **Clerk-Treasurer**
 - a. No significant changes
4. **Legal**
 - a. Restore one attorney from part-time to full-time.
5. **Court**
 - a. Increase one position from part-time to full-time to reduce overtime.
6. **Board of Works**
 - a. Full-Time Personnel: Move Secretary/Switchboard Operator to Mayor's Budget
 - b. 0501: Services Contract: Lower because we moved \$220,000 into 0508 Environmental Center (annual contract)
 - c. 0507: Enterprise Resource Planning (accounting software) upgrade: Technology Expense (should be moved to Technology Department)
 - d. 0501 Insurance: Lowered because:
 - i. We have identified duplicates that were not corrected by the Insurance carrier
 - ii. We've concluded paying on a major claim
 - iii. We have a new, lower-cost underwriter
 - e. 0902 and 0903: Bank Charges (Actually, where we track payroll and other software charges) Moved and clarified in the Technology budget.
7. **Technology Department**
 - a. FTE 2.5 (1 dedicated to Police only, 1.5 to remaining 300 users in 13 facilities)
 - b. Add 1 Director of Technology and one Technician.
8. **Cemetery**
 - a. 0501: Machinery & Tools: Mini-excavator and a new mower
9. **Community Relations**
 - a. No budgetary changes
10. **Engineering**
 - a. 0130 Full-time Personnel: Reduced because 2.5 FTE will move to the IT department
11. **Building**
 - a. 0130 Full-time Personnel: Increased because the cost is now split with the Residential Lease Fund (page 50)

12. **Planning**
 - a. No significant changes
13. **Central Garage**
 - a. 0130: Increase in Mechanic Pay adjustment in 2023 and 5% Teamsters
14. **Police**
 - a. 0130: Increase in wages for non-admin officers (between 7-13%), Includes: Captain, Lieutenant, School Resource Officer, Detective, Sergeant, Patrol Officer, Probationary Patrol Officer
 - b. Also, add three additional officers.
 - c. Other proposed changes for 2024: Explore and Test 10-hour shifts.
 - d. Explore a limited number of civilian staff to assist police in non-emergency roles (code, documentation, etc.) Work in partnership with the Union.
15. **Fire**
 - a. **0130:** Increase in wages for non-admin firefighters (7%)
 - b. Add 3 Firefighters to start training for the new Fire station
16. **Environmental Resilience**
 - a. 0130: Increase the number of AmeriCorps Volunteers
 - b. 0146: Infrastructure: Nursery Improvements
 - c. 4610: Capital: Equipment upgrades
17. **Rainy Day:**
 - a. The cash balance is adequate at this time.
18. **Debt Service**
 - a. No significant changes
19. **Fire Pension**
 - a. **0901:** Pension/Dependent Pension: Lower due to a pensioner's or beneficiary's passing.
20. **Police Pension**
 - a. No significant changes
21. **Local Road and Streets**
 - a. 0501: Street repair and paving
22. **Motor Vehicle Highway**
 - a. 0135: Moved from Restricted Fund MVH to this fund (Keep engineering and Street Department Funds more clearly delineated)
 - b. 0401: Equip Motor Veh: Purchased several large items in 2023. Fewer purchases in 2024.
23. **Motor Vehicle Highway Restricted (for the Construction, Reconstruction, and Preservation of Roads)**
 - a. **0401:** Moved to 0135 MVH Unrestricted
 - b. **0402:** Capital Projects, paving and road maintenance
24. **Cumulative Capital Improvement Fire**

- a. **0501:** Purchase less equipment in 2024

25. Township Fire Support

- a. We are anticipating a total distribution of \$350,000 for 2024. The amounts are distributed instead of reflected in a single line.

26. Park and Recreation

- a. 0130 Full-Time personnel: 5% Increase for Teamsters
- b. 0001: Capital Projects includes
 - i. Matching-grant contribution to complete the Abshire/Dykstra Trail
 - ii. Moving the skate park currently in the flood plain to a new location and updating the garden with improved equipment
 - iii. Park improvements for new Riverdale Park in our northside neighborhood

27. Aviation

- a. 0001 Capital Projects:
 - i. Taxiway concrete improvements
 - ii. Maintenance hangar

28. Cumulative Capital Improvement

- a. Employee wellness program

29. Cumulative Capital Development

- a. Technology upgrades, including hardware and software

30. Cumulative Capital Improvements/Storm Sewer

- a. No significant changes

31. EDIT

- a. 0101 Redevelopment: Split into three lines (0101, 0508, 0510)
- b. 0005 Aviation-Capital: Moved to Aviation Budget
- c. 0520: Full disclosure: Marketing Services includes sponsorship of the Good of Goshen
- d. 0006 Capital Projects
 - i. Bridge maintenance
 - ii. Parking lot improvements
 - iii. Indiana Avenue reconstruction
 - iv. East Lincoln Avenue improvements

32. Probation

- a. No significant changes

33. Economic Improvement District

- a. Spend down on cash resources.

34. Public Safety Local Option Income Tax (LOIT)

- a. No significant changes

35. Court Fees

- a. No significant changes

36. Unsafe Buildings

- a. No significant changes

37. Residential Lease Fees

- a. 0130: Split with the Building Department

38. Law Enforcement Continuing Education #2

- a. No significant changes

39. Redevelopment Non-reverting

- a. No significant changes
- b. Note a correction for the sum of the 2023 Budget on page 54: It should be \$769,175 in total.

40. TIF Bond and Interest

- a. No significant changes

41. Southeast Goshen TIF

- a. New/continuing projects from 2023

42. Lippert / Dierdorff TIF

- a. \$500,000 police equipment and supplies

43. Consolidated RiverRace/US33 TIF

- a. New/continuing projects from 2023

44. American Rescue Plan Grant

- a. 411.0000: Personal Services Special Officer (Jim Ballard, Behavioral Health Coordinator)
- b. 431.0000: Services & Charges: Quality of Place initiatives
 - i. Expanded soccer facilities
 - ii. Arts initiatives
- c. 444.0000: Capital Outlays
 - i. Window Replacements
 - ii. Lincoln Avenue improvements
 - iii. Water and Wastewater Improvements

ORDINANCE OR RESOLUTION FOR APPROPRIATIONS AND TAX RATES

State Form 55865 (7-15)
 Approved by the State Board of Accounts, 2015
 Prescribed by the Department of Local Government Finance

Budget Form No. 4
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Ordinance / Resolution Number: 5164

EXHIBIT #2

Be it ordained/resolved by the **Goshen City Common Council** that for the expenses of **GOSHEN CIVIL CITY** for the year ending December 31, **2024** the sums herein specified are hereby appropriated and ordered set apart out of the several funds herein named and for the purposes herein specified, subject to the laws governing the same. Such sums herein appropriated shall be held to include all expenditures authorized to be made during the year, unless otherwise expressly stipulated and provided for by law. In addition, for the purposes of raising revenue to meet the necessary expenses of **GOSHEN CIVIL CITY**, the property tax levies and property tax rates as herein specified are included herein. Budget Form 4-B for all funds must be completed and submitted in the manner prescribed by the Department of Local Government Finance.

This ordinance/resolution shall be in full force and effect from and after its passage and approval by the **Goshen City Common Council**.

Name of Adopting Entity / Fiscal Body	Type of Adopting Entity / Fiscal Body	Date of Adoption
Goshen City Common Council	Common Council and Mayor	10/02/2023

Funds				
Fund Code	Fund Name	Adopted Budget	Adopted Tax Levy	Adopted Tax Rate
0061	RAINY DAY	\$0	\$0	0.0000
0101	GENERAL	\$31,430,835	\$17,829,100	1.3084
0180	DEBT SERVICE	\$369,350	\$390,500	0.0287
0341	FIRE PENSION	\$533,638	\$0	0.0000
0342	POLICE PENSION	\$439,500	\$0	0.0000
0706	LOCAL ROAD & STREET	\$600,000	\$0	0.0000
0708	MOTOR VEHICLE HIGHWAY	\$4,597,125	\$2,858,700	0.2098
1191	CUMULATIVE FIRE SPECIAL	\$250,000	\$676,900	0.0497
1301	PARK & RECREATION	\$3,418,950	\$3,951,800	0.2900
2102	AVIATION/AIRPORT	\$385,940	\$165,200	0.0121
2379	CUMULATIVE CAPITAL IMP (CIG TAX)	\$87,000	\$0	0.0000
2391	CUMULATIVE CAPITAL DEVELOPMENT	\$697,000	\$979,400	0.0719
2411	ECONOMIC DEV INCOME TAX CEDIT	\$3,237,750	\$0	0.0000
6290	CUMULATIVE SEWER	\$200,000	\$676,900	0.0497
		\$46,247,088	\$27,528,500	2.0203

ORDINANCE OR RESOLUTION FOR APPROPRIATIONS AND TAX RATES

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Budget Form No. 4
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Home-Ruled Funds (Not Reviewed by DLGF)		
Fund Code	Fund Name	Adopted Budget
9500	PROBATION DEPARTMENT	\$111,005
9501	ECONOMIC IMPROVEMENT DISTRICT	\$57,000
9502	LAW ENFORCEMENT CONTINUING EDUCATION (LECE 1)	\$0
9503	COURT FEES	\$57,250
9504	ARP Fiscal Recovery Fund	\$2,878,300
9505	RESIDENTIAL LEASE FEES	\$56,835
9506	LAW ENFORCEMENT CONTINUING EDUCATION (LECE 2)	\$36,000
9507	TIF BOND AND INTEREST	\$823,114
9508	Public Safety LOIT	\$2,882,400
9509	Township Fire Support	\$350,000
9510	REDEVELOPMENT NON-REVERTING	\$243,820
9511	STORM WATER MANAGEMENT	\$767,175
9512	TIF Lippert/Dierdorff	\$550,000
9513	SOUTHEAST GOSHEN TIF	\$9,205,115
9514	CEMETERY CAPITAL IMPROVEMENT	\$0
9515	Parking Lot	\$5,360
9517	Unsafe Buildings	\$85,000
9521	CONS RR/US 33 TIF	\$10,704,000
		\$28,812,374

ORDINANCE OR RESOLUTION FOR APPROPRIATIONS AND TAX RATES

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Budget Form No. 4
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Name		Signature
Megan Eichorn	Aye <input type="checkbox"/> Nay <input type="checkbox"/> Abstain <input type="checkbox"/>	
Julia King	Aye <input type="checkbox"/> Nay <input type="checkbox"/> Abstain <input type="checkbox"/>	
Doug Nisley	Aye <input type="checkbox"/> Nay <input type="checkbox"/> Abstain <input type="checkbox"/>	
Gilberto Perez, Jr.	Aye <input type="checkbox"/> Nay <input type="checkbox"/> Abstain <input type="checkbox"/>	
Donald Riegsecker	Aye <input type="checkbox"/> Nay <input type="checkbox"/> Abstain <input type="checkbox"/>	
Matt Schrock	Aye <input type="checkbox"/> Nay <input type="checkbox"/> Abstain <input type="checkbox"/>	
Brett Weddell	Aye <input type="checkbox"/> Nay <input type="checkbox"/> Abstain <input type="checkbox"/>	

ATTEST

Name	Title	Signature
Richard R. Aguirre	Clerk-Treasurer	

MAYOR ACTION (For City use only)

Name		Signature	Date
Gina Leichty	Approve <input type="checkbox"/> Veto <input type="checkbox"/>		10/02/2023

In accordance with IC 6-1.1-17-16(k), we state our intent to issue debt after December 1 and before January 1 Yes No

In accordance with IC 6-1.1-17-16(k), we state our intent to file a shortfall appeal after December 1 and before December 31 Yes No

CITY OF GOSHEN, INDIANA

2024 BUDGETED APPROPRIATIONS - STORM WATER MANAGEMENT (CONTINUED)

Category	Sub-Category	Line Item Code	Line Item	2021 Actual	2022 Actual	2023 Budget	2024 Budget
SERVICES & CHARGES	Other Services and Charges	439-530-00-439.0901	STM WTR MGMT/RECORDER FEES	400	400	750	750
SERVICES & CHARGES	Other Services and Charges	439-530-00-439.0910	STM WTR MGMT/INSTRUCTION	2,029	2,215	4,470	4,640
SERVICES & CHARGES	Other Services and Charges	439-530-00-439.0930	STM WTR MGMT/OTH SVC CHGS	13	-	1,000	1,000
SERVICES & CHARGES	Other Services and Charges	439-530-00-499.0001	STM WTR MGMT/UNAPPROPRIAT	-	-	-	-
CAPITAL OUTLAYS	Land	439-530-00-441.0001	STM WTR MGMT/PROP ACQUISITION	-	-	30,000	30,000
CAPITAL OUTLAYS	Other Capital Outlays	439-530-00-442.0001	STM WTR MGMT/CAPITAL EXPENSES	4,130	158,231	230,000	230,000
CAPITAL OUTLAYS	Other Capital Outlays	439-530-00-445.0201	STM WTR MGMT/CAPITAL OUTLAY	336	3,507	5,000	20,000
STORM WATER MANAGEMENT TOTAL				\$451,022	\$653,941	\$742,163	\$767,175

EXHIBIT #3