

**Enrolled Memorandum of the Meeting
Study Session/Meeting Convened Electronically
Twenty-Ninth Town Council of Highland
Monday, December 21, 2020**

The Twenty-Ninth Town Council of the Town of Highland, Lake County, Indiana met *electronically* in a study session on **Monday, December 21, 2020** at 6:30 O'clock P.M., in the regular place, the Highland Municipal Building, 3333 Ridge Road, Highland, Indiana.*

**Special note:* This meeting was convened allowing members of the Town Council to participate electronically without being physically present, to be counted in the quorum and able to simultaneously listen and respond to matters taken up in the meeting, all pursuant to Governor Holcomb's Executive Orders 20-04 and 20-09, extended by Executive Order No. 20-49 allowing meetings to be convened pursuant to IC 5-14-1.5-3.6 for the duration of the Corona Virus COVID 19 emergency. All members of the Town Council participated electronically with the Clerk-Treasurer participating as well. The electronic platform also allowed the public to be in the room or observe and participate from on-line access.

The meeting was streamed live on the Town of Highland, Indiana Facebook page and participation was supported by the Zoom on-line communication platform.

Silent Roll Call: Councilors Bernie Zemen, Mark Herak, Mark J. Schocke, Tom Black and Roger Sheeman were present (electronically) as indicated. The Clerk-Treasurer, Michael W. Griffin was present to memorialize the proceedings (electronically). A quorum was attained.

Officials Present: John P. Reed, Town Attorney; was also present, participating electronically.

Additional Officials Present Ed Dabrowski, IT Consultant (Contract) and Board of Waterworks Directors, (electronically) was present.

Guests: Thomas Crowel, of the Crowel Insurance Agency, Highland; Theresa Badovich of the Idea Factory were also present (electronically).

General Substance of Matters Discussed.

1. **Discussion:** *Discuss the proposals for multi-peril insurance for the property and casualty lines plus cyber insurance.*

Tom Crowel of the Crowel Insurance Agency reviewed the several insurance lines for the Town of Highland for 2020. He noted that through Bliss McKnight, the liability lines would be underwritten by GIE as they are now and the property by the Chubb Group, as it is now.

The Town Council discussed with Mr. Crowel the Civil Rights coverages and how it was not triggered during the recent lawsuit regarding an ADA violation allegation regarding a denial to permit use of a current nursing home facility as a drug rehabilitation center.

Mr. Crowel and the Town Council discussed the coverage for underinsured or uninsured drivers under the automobile liability and physical damage coverages, noting that the extend of that coverage was valued at \$100,000.

Mr. Crowel indicated he would review the impact on the premiums if this extent of coverage was increased from \$100,000 to \$500,000.

The addition of purchasing Cyber incident insurance was discussed. The Town Clerk-Treasurer, noted that during the recent credit rating analysis from Standard and Poor's regarding the refunding bonds, that the question of Cyber incident insurance is now part of what is used to assay the stewardship practices of a given unit of government.

Mr. Crowel proposed a policy unwritten by *At Bay*, with \$1,000,000 coverages for several incidents.

Mr. Crowel indicated that he would follow-up regarding questions posed about the Cyber Incidents Insurance. They noted that as presented the premium for the several lines property and casualty before any Cyber Insurance Line, was \$314,012. The Cyber Incident Insurance would be \$6,471.85.

- 2. Discussion:** *Review and discuss the proposed the sanitary waste and storm water rates as embedded in Ordinance No. 1725 as enrolled.* Councilor Herak and the Clerk-Treasurer reported that at its meeting of Tuesday, December 15, 2020 the Board of Sanitary Commissioners conducted a public hearing on proposed rates and charges for wastewater and stormwater services.

Using a special spreadsheet developed by London Witte reviewed the elements that were being considered by the Board of Sanitary Commissioners regarding a proposed rate modification for the wastewater and stormwater rates.

The spreadsheet illustrated the policy components for spending that were desired at the outset by the Board and the changes that were made that informed the rates that were proposed and published for a public hearing to be conducted at its standing meeting on December 15, 2020. It was noted that the initial rate basis would have rendered if adopted a profound increase in the current rates. As proposed the rates while significantly higher than now, are significantly lower in percentage increase than the original rates considered.

The clerk-treasurer further noted that the rate for flow was further reduced from its proposed flow based rate of \$5.33 to \$4.85 from those advertised by the Board of Sanitary Commissioners during the public hearing. This change effectively rendered a roughly 50% increase for the wastewater and stormwater component of the bill, but would only render an overall increase to the total utility bill of between 19.9% and 21.4% depending on consumption.

The Ordinance reflecting the approved rates by the Board was presented, Ordinance No. 1725. In order for the rates to be finally effective, the Town Council would need to approve them at a meeting following the Board's action. It was further noted that the Town Council's actions were constrained to either approving the rates as presented to it or rejecting.

It was still further noted that the desire for a general wage and salary increase dependent on a "return on investment" component in the rates that would produce a surplus that would in turn be transferred to the Corporation General Fund. This income was needed for sustainability of any general increase in wages and salaries.

Councilor Herak indicated that he would not be inclined to support any other increase in the coming year for the sewage works. It was noted that the last increase for the district for these rates was July 2016.

- 3. Discussion:** *Transfers not exceeding 10% of the budgeted funds pursuant to IC 6-1.10-17, excluding debt service funds to the Rainy Day Fund.* The clerk-treasurer explained he was reviewing the balances in the several funds except for bond proceeds and debt service to assay cash balance that could be transferred to the Rainy Day Fund. The Clerk-Treasurer noted that for those funds that were sensitive to the change in economic behavior from the responses to the COVID 19 pandemic, it would be desirable to set aside moneys that could be spared and transferred to the Rainy Day Fund for future use for those funds that might need support. It was noted that the Park and Recreation Fund and the Motor Vehicle Highway Fund had been augmented by transfers from the Rainy Day Fund.

The Clerk-Treasurer noted that under the terms of our Code and the Indiana Law, the 10% threshold would support transfers of up to \$1.4 million. The Clerk-Treasurer indicated that he did not intend to present such an option and it would likely be much smaller. Further it might not be ready for the Town Council until its first meetings in 2021.

- 4. Discussion:** *Discuss the disposition of the large CARES ACT Indiana Finance Authority Reimbursement, presently on Deposit to the Credit of the CARES ACT IFA FUND.* Councilor Sheeman noted that the Town had \$726,156 that could be programed. The Town Council discussed the need to have a study session dedicated to the status of that money and its uses. The CARES Act allowed local governments to be reimbursed for the regular wages and salaries of all public safety personnel. The Clerk-Treasurer prepared a filing showing that from March 1 to November 30, 2020, the town disbursed a total of \$2,124,515.18 in police and fire wages. This more than qualified the town for its allocation, which could not exceed \$726,156.
- 5. Discussion:** *Disposition or Status of Special Encomia and Gifts Commending John M. Bach on his retirement as the longest serving Public Works Director.* Councilor Sheeman asked about the prospect of scheduling a gathering for 5:30 p.m. before a meeting to be determined and to finally present these encomia and commemorative gifts.

Councilor Herak indicated that he would contact Mr. Bach to find mutually agreeable times for a presentation and gathering.

There being no further business necessary or desired to be discussed by the Town Council, the *electronically convened* regular study session of the Town Council of **Monday, December 21, 2020**, was adjourned by the Town Council President, at 8:00 O'clock p.m.

Michael W. Griffin, IAMC/MMC/CPFA/ACPFIM/CMO
Clerk-Treasurer