

Monon Town Council
Budget Workshop
July 23, 2025
5:30 p.m.
Town Hall Conference Room

The Monon Town Council met for a public workshop on July 23, 2025, at 5:30 p.m. at the Monon Town Hall. Members present were President Ken Hickman, Vice-President Ron Benakovich, Toni Onken, Chris Franklin and Jamie Myers. Also present were Marshal Roger Young and Clerk-Treasurer Annette Sipkema.

President Hickman called the meeting to order @ 5:30 p.m.

Clerk Sipkema shared slides from a recent webinar she attended, outlining the potential impacts of Senate Bill 1 (SB1) on future property tax and local income tax revenues. Under the current proposal, the standard homestead deduction will be phased out by 2031, while the supplemental homestead deduction will be increased. Although this change is intended to provide ongoing homeowner relief, it may significantly reduce the taxable value of residential properties. If home values do not continue to rise rapidly, the result could be a reduction in the town's net assessed value—or at a minimum, a limitation on future growth, which is the primary intent of the legislation. SB1 also introduces additional property tax deductions for rental properties, agricultural land, and long-term care facilities, making them eligible for a 2% deduction. By 2031, this could reduce the net assessed gross value of these property types by up to 33%, further decreasing the tax base. In addition, changes were made to business personal property tax. Currently, businesses receive an exemption on the first \$80,000 of equipment value. Under SB1, this exemption will increase to \$2,000,000 in 2027, potentially eliminating the taxable value of many small-to-medium sized business assets. Beyond property tax, significant changes to the Local Income Tax (LIT) structure are also set to take effect. Beginning in 2028, the current LIT model will be eliminated and replaced with a county-controlled distribution system, giving counties authority over how income tax revenues are allocated for towns with a population under 2,500. Clerk Sipkema shared recent LIT revenue ranged from \$391,000 in 2022 up to \$536,000 in 2024. These impending changes present substantial challenges to the town's long-term financial planning. Clerk Sipkema noted that discussions are ongoing at the local and state levels regarding the impacts of SB1 and that there is hope that revisions will be made in future sessions.

1. Parks Department: Budget and Improvement Planning

- 2026 Park Budget & Financial Review
 - Current year (2025) budget: \$157,450, with \$94,000 unexpended
 - 2025 Property tax funds: \$100,000
 - Fund balance as of June 30: \$512,699
 - So far, the Park Cash Reserve has remained steady (~ 35%)
- Park Caretaker Pay
 - Caretaker position has not received a raise since January 2021
 - Seasonal role (May 1 – Nov 1), averaging 32 hours/week
- Proposed 2026 Park Projects
 - Construction of a 20x20 pavilion near the splash pad (\$50,000–\$55,000)
 - Demolition of the Maple Shelter; possible converting to a parking lot (Maple Shelter located south of the loop, east side)
 - New walking trail
- Long-Term Planning
 - Replacement of the shelter north of the cabin

2. Motor Vehicle Highway – Street Department – Street Commissioner Roger Young

- Increase Superintendent budget line
 - 2025 budget: \$14,000; 2025 Salary: \$19,999.98
- Maintenance & Equipment Review

- Interest in transitioning brush pickup from plastic to paper bags
- Consider purchase of leaf vac (\$24,000); enables dumping without bagging
- Maintenance of alleys and easements: current 2025 budget is \$1,500 (suggested \$5-6,000 for 2026)
- Review of stone, sand, and pea gravel use
- Capital Planning
 - Payment terms and financing needed for new dump truck (to be included in 2026 budget planning)

3. Fire Department – Chief Garrett

- Vehicle Replacement & Station Needs
 - Engine 6 replacement anticipated in 5 years; aligns with order lead times
 - Newer trucks are larger and won't fit in current fire station
 - Council encouraged to consider long-term planning for a new station
 - Financing options discussed: federal grants (availability uncertain), township and county support
- Incident Response Update
 - Monon Meats fire required mutual aid from 13 agencies across 4 counties
 - 90+ firefighters involved; aerial units and a bulldozer were critical to success
 - Light towers were essential due to overnight fire and power outage
 - Request for council to consider purchase of a department-owned light tower
- Proposed Equipment Upgrades
 - Passenger side ball valves (~\$5,000)
 - Light tower (~\$2,500)
 - Future goal: convert Squad 8 into multipurpose rescue/brush truck

4. Police Department – Town Marshal Roger Young

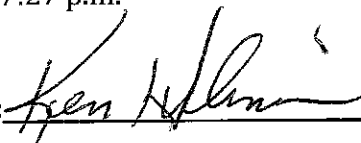
- Vehicle Maintenance & Replacement
 - Dodge cruiser and truck experiencing frequent mechanical issues
 - Consider increasing vehicle repair fund (suggested: +\$2,000)
 - Discussed shortening vehicle life cycle from six to five years

5. Employee Compensation & Budget Planning

- 2026 Salary Discussion
 - Clerk Sipkema requested input on salary adjustments
 - Reviewed pay scales:
 - TA was recently bumped from Sewage Plant Op, no cert to Labor 1A (1 cert). Council to consider if TA should have been bumped to Sewage Plant Operator (1 cert). A difference of \$1.26/hr
 - Crossing Guards: currently \$22/day
 - Need to review market averages to stay competitive
- Funding Reallocations & Competitiveness
 - Discussed reallocating budget to support pay increases
 - Stressed importance of competitive salaries for retention
 - More detailed funding options to be distributed by Clerk Sipkema

Being no further business,

Jamie Myers made a motion to adjourn the meeting. Chris Franklin seconded. Meeting adjourned at 7:27 p.m.

COUNCIL PRESIDENT: 

COUNCIL VICE PRESIDENT: 

COUNCIL MEMBER: 

COUNCIL MEMBER: _____

COUNCIL MEMBER: _____

ATTEST: _____

These minutes are a summary of actions taken at the Monon Town Council meeting. The full video archive of the meeting is available for viewing at <https://www.youtube.com/@townofmonon> for as long as this media is supported.

Official signed minutes may be requested at the Clerk's Office or viewed at <https://townofmonon.com/2025-minutes>