



September 23, 2019

TO: City of Muncie Finance Committee Members  
FROM: Terry Whitt Bailey  
Mayoral Candidate  
RE: Response to 2020 Budget Proposal

I am honored to have this unique opportunity to speak with you tonight about the 2020 proposed City budget and about my plans as Muncie's next Mayor. Like you, I realize that we are at this juncture as the result of several things. First, revenues do not match expenditures. Second, job growth does not match expectations. And third, this budget does not match the needs of our community.

How do we respond? There are those who would argue that we take a "wait and see" approach, that we hope that things will turn around and that things will "all work out." There are those who would argue that we need to cavalierly cut programs because we must "make ends meet." **And there is my theory which is that we must work together to realistically set priorities, to set expectations and to convey them effectively to the people of Muncie.** John Kennedy, our former President and a leader of the Democratic Party that I am proud to represent, said it best: "Let us never fear to negotiate but let us never negotiate out of fear."

So, what should we do to help provide tangible direction?

First, let's remember that I only received this email and request a few days ago so unlike you, including my opponent, these are my first reactions and recommendations:

- I would implement a Zero-based budget where every expenditure will be reviewed to determine why something is a line item for that amount. I don't simply want to ratify a budget line item because "that is the way that we have always done things." Every resident of this community does budgeting every day and looks at the respective costs of something. Why shouldn't we? *The tangible: Once elected, I will immediately meet with our Department heads and ask that they justify each item in their budget, why it is in the budget and why we need to have things funded at those levels.*

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- We will immediately review all professional services expenditures to determine whether their work is first needed at the proposed levels and also determine whether we can self-perform those services. We have outstanding talent in this community. Why don't we make "Muncie First" part of our process? *The tangible: We will reduce professional service contracts and determine whether we can self-perform many of those functions.*
- I will reduce the fee levels established for legal, engineering and architectural services. Many of these functions are performed by large firms with no employees in Muncie or even in Delaware County. Why should we defray the costs of billable hours without limits? *The tangible: We will reduce the fees for professional service contracts.*
- We will seek the support and participation of Ball State and Ivy Tech on securing partnership grants to reduce the costs of some of our budget items. For example, we will seek their expertise and guidance on Assistance to Firefighter grants; Land, Water and Conservation Fund grants; HUD grants; Byrne grants (defray the cost of law enforcement officers); Economic Development Administration grants; Department of Natural Resources grants and other programs. There is no reason why we cannot be collaborative and competitive. When I researched and learned that Wayne Township in Indianapolis received \$2.5M for 15 new firefighters and that the City of Gary received \$3.1M for 20 new firefighters, I resolved to make a steadfast effort to look for more grants, develop more proposals and secure more funding for our City. I know first-hand as former grant writer and current Director of Community Development that there are funds available and, as Mayor, I intend to make sure that we do not leave potential resources on the table. *The tangible: We will seek additional resources via local, state and federal grants and partnerships to help defray certain aspects of our City budget.*
- I led by quoting former President Kennedy about the need to negotiate. We must and we shall. I will meet with each of the City's bargaining units to develop a long-range plan to better understand their needs and to mesh that with our ability to pay. I am not naïve---I realize that some of those bargaining units have endorsed my opponent. I remind you and them to remember that it was not Terry Whitt Bailey who voted against additional funds for turnout gear for our firefighters nor who voted against funding for sirens and lights for our Police Department. It was my opponent who sits on the City Council and voted against them. Despite that, I continue to be amazed by the numbers of members of organized labor and first responders who have approached me seeking a partnership with Muncie's next Mayor. We will have a partnership based upon trust, tenacity and transparency. *The tangible: We will negotiate in good faith with all bargaining units, remembering that we have as much of a responsibility to that Borg Warner retiree as we do to that business executive.*
- We need to be aspirational. We simply cannot let the jobs of tomorrow pass us by along I-69. We must be aggressive in securing the right kinds of jobs to increase revenues. That is why I seek support from our local corporate private sector to help defray some of the costs of our Economic Development Office and staff. In Indianapolis, the private/public sector model works for the Central Indiana Corporate Partnership. Why can't we do the same here? Saving money and building partnerships to retain and create better-paying jobs does matter. *The tangible: We will seek private sector support to augment our economic development and job creation efforts.*
- Continuing in that aspirational tone, we will seek additional private sector investments in housing to develop more desirable mixed rate housing options, increasing the value of our local properties. This will encourage more residents to live in Muncie, find creative re-uses

for vacant land, and increase local revenue. From day one, we will seek the support of investors who “Believe in Muncie”. And, we will do that by ensuring that we have protections that will ensure the safety of homeowners and renters, particularly our local college students. I Believe in Muncie - and I am sure that many of you feel the same. When I travel to Kokomo, Bloomington and Lafayette, I see new housing, adaptive re-use of present housing and a commitment from a City administration to think outside of the box in order to make a difference. Muncie must do the same. That means more revenue in future years and it means that Muncie will create the synergy and energy to be a juggernaut in East Central Indiana. *The tangible: We will seek developers to help us encourage new home construction and housing rehabilitation in order to create and renovate additional housing units.*

- Finally, this budget deserves a fair, open and transparent process. Our campaign has taken the information given me a few days ago and posted it on our website and sent it through social media to encourage residents to review the budget and to make recommendations on how our fiscal blueprint can better serve our community. We cannot simply look at something for a few days, determine where cuts can be made and move ahead without public input. That’s why I will take those recommendations received and, in addition to my statement provided today, provide you with continual recommendations as you move forward. This budget has a gap in revenues versus expenditures. I want our residents to know that I will always be consistent, accessible and transparent. That starts today by posting this proposed budget and seeking the input of citizens from all parts of Muncie.

Thank you for the opportunity to speak tonight. While we are less than six weeks away from electing a new Mayor, I want you to know that on November 6<sup>th</sup> I will be ready to work with you on making this budget work for all of Muncie. Thank you.