??? The Salem Common Council met in regular session on Monday evening, December 8. All members were present, unanimously approving the minutes of previous meetings, the payroll and all claims except for one submitted by the Board of Aviation Commissioners.

Mayor David Bower told the Council that efforts to cut expenses are paying off. According to Bower the General Fund balance should be in excess of $1 million as of the first of the year. That estimate is an increase of $343,000 over the beginning of 2008.

Continuing his belt tightening theme, Bower said that he expects tax revenues to decline for the foreseeable future and that some tough decisions will have to be made about which projects to fund. Pointing to grants from both the State of Indiana and the federal government as ways to help complete some of those projects, Bower alluded to one such grant targeted at infrastructure in the amount of $3.2 million with an $800,000 local match.

After approving requests from Salem Clerk/Treasurer, Pat Persinger, to transfer money between various funds, the Council encumbered $134,898 from the 2008 budget to be spent in 2009. The encumbrances were targeted at a variety of items from engineering fees for the trails project to bullet proof vests for the Salem Police Department.

In other business, Bower gave an update of the long awaited mural for the council chambers room. According to Bower, the artist has made two proposals for modifications to original specifications for the projects. No decision was made on the project.

City Attorney, Drew Wright, informed Bower and the Council of his recommendation for the process to transfer title of the “old cheese factory” property to the county. According to Wright, a quiet title process would assure that nothing would arise at a latter date calling into question ownership of the property. Plans call for the structure to be demolished with only the concrete floor remaining in tact. Several suggestions have been floated by Bower as to the use of the property. The most popular idea seems to be that the property be made into a public space with a shelter house, tables and benches.

Wally Terkhorn was unanimously re-elected as Common Council President Pro Tempore for 2009.

A lengthy discussion took place among Bower and the Council members over $59,000 in invoices related to the new airport project. The invoices ranged from attorney fees to appraisal fees. Terkhorn questioned if the city was responsible for the bills and it was determined that the services described in the invoices were approved by the Board of Aviation Commissioners (BOAC). Terkhorn referred back to two separate actions taken by the Council in spring and summer of this year calling for an end to support for and use of taxpayer money for the new airport project. Terkhorn went on to say that the city should not be expected to pay anything on the project until the official approval came down from the Federal Aviation Administration (FAA).

Wright responded that his research indicated it is not unusual for as much as 35% of an airport project to be paid for by federal, state, and local money before official approval is given. Apparently, that is normal procedure for the FAA.

Council member, Danny Libka, asked if the BOAC could be abolished and operation of the airport be taken over by the Common Council. According to Wright there seems to be a bit of ambiguity as to whether the Council has the authority to take that action. He said that he would research the subject and report at the next meeting.

The (FAA) has a yearly grant cycle ending in August of each year for paying claims related to the construction of new general aviation facilities like the one planned for Salem. Due to the uncertainty of support by city government and a unexpected historic structure impact study, the deadline to submit the aforementioned claims to the FAA was missed by the City of Salem and

the BOAC. Since the beginning of the airport project, the City of Salem as “fronted” the money, if necessary, until the FAA grant money was received. Between federal and state grants, 97.5% of the $22 million project will be covered, leaving just 2.5% to be covered by local matching funds.

According to information received from the FAA, the grant money earmarked for the Salem project in August of 2008 was $1 million. However, since the application was not sent in by the deadline, that funding was not available to local government this grant cycle.

Additionally, Jim Kiefer of the FAA suggested that this situation is a first. He and his colleague are unaware of any community in America ever turning down this kind of project considering the potential economic impact such projects have on rural communities.

On a different subject, Bower updated the Council on efforts to develop a cell phone policy for city employees, noting that the Internal Revenue Service can tax the use of those cell phones if used for personal business.

The Council voted to rescind an ordinance restricting motorists to “right turn only” at the intersection of North Water Street and Highway # 56.

Bower, Police Chief Scott Ratts, and Fire Chief, Roger Pennington canvassed residents around the intersection to get their input before a recommendation was made to the Council.

The Council also approved the Senior Citizen Utility Assistance Program for 2009. The program, funded by usage fees of sportsmen on Lake John Hay and Lake Salinda, will assist senior citizens who have difficulty in paying their utility bills.

With no further business to conduct, the Council adjourned until its next regularly scheduled meeting on Monday, January 12, 2009.