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## CPA firms make cases for audit

### Council argues on course of action to take

BY DREW STONE  
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The city will decide whether to seek outside help or go it alone at the end of the month.

Tuesday, two certified public accounting firms vied for the opportunity to perform a citywide audit at the Huntington Common Council. The audit, in theory, would have the city run more efficiently and would allow officials a better understanding how to make the most out of 2011's budget

And while the councilmen

agreed an audit should be done, there was not a consensus on who should do it.

"None of us deserve to be here if we can't do this ourselves," Councilman Steve McIntyre said, voicing his desire to have the citywide audit performed by local officials and volunteers. "...We all know what it's going to take; it's either increase fees or cut resources or a combination of both."

"I have the opposite opinion," Council Joe Blomeke responded. "I think this is so important we need professionals doing it."

Offering their services to the city were the CPA firms Umbaugh and Waggnor, Irwin and Sheely, Umbaugh's bid was for

\$60,000 and Waggnor, Irwin and Sheely's was for \$43,000.

"I think it's time to take a real critical look at the services the city provides," Tom Samuelson of Umbaugh said. "And look at the quality of services."

Samuelson said his firm would establish a task force to determine what the most important services the city provides are and work with the city to prioritize them. With that information, it would provide options for the city to take — whether it be to increase fees or cut services — leaving the final decision with the council and Mayor Steve Updike's office.

Kent Irwin spoke on behalf of Waggnor, Irwin



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**SESSION** — The Huntington Common Council met in its first session for 2010 Tuesday night. There, council continued to discuss budget issues, including the possibility of hiring a certified public accounting firm to perform a citywide audit.

and Sheely, explaining his firm, too, would take a good look at the services the city provides. Along

with that, Irwin said, they would see if any services could be done out-of-city and which current out-of-

city services would serve Huntington better by bringing them back in.

See AUDIT / Page A6

### State candidates step up efforts for primary

Fusselman says his biggest challenge is Leonard

BY MIA BLOCHER  
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With the Republican primary less than four months away, State Senate District 17 Candidates Jim Banks and Tom Wall and House District 50 Candidate Ron Fusselman are stepping up their campaign efforts for the vote on May 4.



Fusselman

Fusselman, who recently dropped out of the State Senate race to run against Rep. Dan Leonard in the House, said he is using the local Taxed Enough Already "TEA" Parties to spread the word about his campaign.



Banks

"We're going to hopefully get a little more aggressive as far as getting out there and letting people know who I am," Fusselman said. "The number one thing is to get people out and energized that have not been involved before. We're hoping to get out and walk door-to-door trying to educate people as far as where we're at as far as where the government is right now and the changes we want to make."



Wall

Fusselman said if he was truly a politician, his mid-race switch would have hurt his campaign.

"Actually it's proving that we are non-politicians. I'm not in it to be a politician. It's time for change," Fusselman said. "If experience has got us where we're at, it's time to send some people down there to look at new ideas and new things."

Fusselman said he believes his biggest challenge in this campaign is running against Leonard.

"We're going against an

See VOTE / Page A6



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**FORECAST** — Huntington University Associate Professor of Business and Executive-in-Residence Jim O'Donnell speaks about the economic forecast at the HU Foundation breakfast Wednesday morning.

## O'Donnell encourages stock investments

### HU prof shares message of economic hope

BY MIA BLOCHER  
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The beginning of 2010 ended the worst decade for investing in stocks since reliable records began in the 1820s, according to Professor of Business and Economics and Executive-in-Residence Jim O'Donnell.

O'Donnell, who spoke at the Huntington University Foundation breakfast Wednesday morning, illustrated the public's economic sentiments over the last 10 years with a picture of Edvard Munch's painting "The Scream."

"I'm trying to make a case to invest at all after what's happened in the past couple of years. Some of us may be terrified to put our toes back in the water," O'Donnell explained. "It's so easy to take the wrong conclusion. Some might say, 'Oh my goodness! Sell everything and go to CDs! That is not necessarily the way to go.'"

While the market is anything but predictable, O'Donnell said the market is cyclical and sharp declines are almost always followed by sharp increases. He explained in the early 1930s the market fell 68 percent, followed by an 86 percent increase a few years later.

"Fast-forward. We have a 51 percent drop in the nine months preceding March of '09 and then

had a 62 percent rise at the end of the year," O'Donnell said. "The economy is not necessarily the market, (but) there is some hope expressed here that this is not an unexpected response to a very dire fall in markets."

O'Donnell said although stocks are more risky than bonds, it is wise to invest in stocks because they will earn more money than bonds in the long run.

"I'm trying to say what you see is not the end of the world, but a time of correction that may lead upward," O'Donnell said, explaining the stock market cannot climb forever without falling to create a balance. "If you aren't playing you can't make anything."

O'Donnell also suggested diversifying assets and discouraged making attempts to "time the markets."

"Do not say, 'You make some good points, but I'm going to wait until things get clearer.' They're not going to get clearer," he said, noting it's also important to "rebalance" a portfolio by purchasing some of the stocks that fell and selling some of those that rose. "Save so you don't have to sell. It was sad to me to see how many people had to sell assets that had been run through a Cuisinart (food processor) a year ago because they had to pay the rent. I want you to have some cushion. I want you to have some

savings."

O'Donnell also cautioned listeners to pay attention to the markets, not marketing tactics like "invest all your assets in gold." He also said to expect surprises.

"Don't be like, 'Oh my gosh, where is God?' He is right here with us," O'Donnell said. "Don't become obsessed (with the stock market). It's not important. There is grace, but don't expect a free lunch. Be thankful for what you have."

O'Donnell said he hopes people came away from his presentation with a lighter spirit.

"I hope they take away some hope and some greater confidence that there is a future," he said. "Tomorrow may come and it may be better."

Huntington resident Brooks Fetters said he appreciated the message.

"It's always great to hear (O'Donnell) share insights and advice," he said. "I'm not close to having as much knowledge that I need in investments."

Resident Cheryl Marley said she learned that always looking over your shoulder is not a wise way to invest financially.

"I think the main thing is not to be afraid because of what has happened," she said. "There is always going to be a future. We can't continue to dwell in the past."

## Etna Ave. project unfunded

### INDOT unwilling to fund drainage portion of project

BY DREW STONE  
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Huntington will have to find new means to fund the drainage portion of the Etna Avenue Project.

Tuesday, City Director of Engineering Dave Schoeff informed the Huntington Common Council that the Indiana Department of Transportation was unwilling to include fixing Etna Avenue's drainage issues as part of the curb and sidewalk grant. The city will now have to find some other way to remedy Etna's sewer overflow woes.

"They want us to separate the contracts," Schoeff said. "Due to the fact we want to save money, we're unfortunate."

In March, 2009, the city received a \$2.5 million, 80-20 road grant from INDOT to widen Etna Avenue and put in curbs and sidewalks. The grant, which provided 80 percent of the needed road project funds, required \$500,000 as the city's 20 percent match.

To solve the problem of excessive standing water in the area, Schoeff also proposed a \$1.9 million storm drain enlargement project in conjunction with Etna's sprucing-up, bringing the city's total bill to \$2.4 million for first phase of the project.

In December, however, INDOT reported to the city it did not want plans for sewer work to be included in the sidewalk and curbs project it was funding. However, Schoeff said, there is a silver lining in the form of another grant he wants to apply for — even if it may be something of a long shot.

With the city now freed up to look for funding exclusively for the stormwater project, Huntington could have it completely paid for if they are awarded a grant through the Indiana Office of Community and Rural

See PROJECT / Page A6

INSIDE:

Classified, B4-6  
Comics, B2

Crossword, B3  
Obituaries, A4

Opinion, A5  
Sports, B1-3

Weather, A2  
Food, A3



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