

**THE COMMON COUNCIL OF THE CIVIL CITY OF NEW ALBANY, INDIANA,
HELD A BUDGET HEARING VIA ZOOM.COM ON THURSDAY, AUGUST 20, 2020
AT 5:00 P.M.**

MEMBERS PRESENT: Council Members Mrs. Collier, Mr. Phipps, Mr. McLaughlin, Mr. Turner, Mr. Blair, Mr. Aebersold, Mr. Applegate, Dr. Knable and President Caesar.

ALSO PRESENT: Shane Gibson, Linda Moeller, Amy Stein and Vicki Glotzbach

President Caesar called the meeting to order at 5:00 p.m.

Mr. Caesar stated that there are no other budget meetings scheduled and we are looking at September 10th for the first and second readings, but we haven't heard from the fire department and many other departments so he asked when Mr. Gibson and Mrs. Moeller would like to get together again.

Mr. Gibson stated that they were going to shoot for doing similar to what we are doing here with the next two meetings so that would be the 10th and 17th.

Mr. Phipps asked if there was any way to do these on another night because it makes for a long evening when we have two meetings and it is hard to fit dinner in.

Mr. Caesar stated that he thinks they will need two more nights because they will have to do police and fire and he really doesn't want to do them in the same night but if they have to, they have to.

Mr. Gibson stated that he will get with Mrs. Moeller and lay out a schedule for the next two meetings. He said that if they break them up, he doesn't think they will take two hours each time but it will probably take an hour and a half.

Mr. Caesar stated that they are doing non-reverting funds tonight and asked Mr. Gibson to take a few minutes to explain the non-reverting budgets because they are different from the general fund and other budgets.

Mr. Gibson stated that essentially a non-reverting fund means that they generate their own fund in some fashion and therefore the income stays there. He said that they do not receive property tax-based monies and they also don't receive local income tax. He explained that these require them to monitor the income coming in annually on a monthly basis and then monitor the expenditures that are associated with it. He stated that if the revenue for whatever reason whether it is timing or it is not coming in as it normally does, that will affect our ability to use those budgets. He said they will cut back if necessary or whatever else is needed to ensure that those are not overspent from a budgeted standpoint and from a cash standpoint. He then started with the parks non-reverting fund and stated that the parks generate incomes through admissions, fees, classes, etc. He said that the pool money goes into the general fund so that is not factored here. He also said that they provided budget to actuals through June because usually six months gives you almost exact projections for the whole year. He stated that this budget stays pretty much the same and they use the funds if they need to purchase additional equipment or if something needs to be replaced. He moved to the parks reserve fund that is going to disappear after this year just because it is not necessary and is a fund that was left over from the joint parks. He said that it used to consist of revenue from shelter rentals and then they would use it to do improvements or things of that nature. He stated that it is really not used anymore and is not necessary but it does have a balance of \$6,400.00. He also stated that it has had that pretty consistently for a year or two so they are budgeting for it this year but next year you will see it go away. He said that they will clean this up and move the money into the non-reverting that he just talked about and then just get rid of it because any expenses paid for fixing shelters or anything else is coming out of the normal operating budget anyway.

Mr. Caesar stated that he is okay with that because it is all sort of coming from the same pot and going to same pot anyway.

Mr. Gibson moved on to the rental housing non-reverting and stated that it has a budget of \$15,000.00. He said that they are still moving forward on that program and the inspection program and this was set up as that whole process was going through. He also said that it has a balance of \$4,000.00 and nothing has been spent out of that. He reminded everyone that he said they would look at the funds as far as what the cash balance is and what the budgeted amount is. He stated that the revenue in this fund comes from rental housing permits. He then moved on to the parks maintenance fund and stated that Mr. Blair and Mr. Caesar were pretty good at spearheading this fund and it is essentially for major repairs that are needed such as a pump at the pool if one goes out. He said that they wanted to start building a reserve for situations like that so that we wouldn't have to do emergency appropriations. He stated that the fund has not been touched because we obviously haven't had any major issues and it has a balance of \$100,000.00 and he thinks they have budgeted \$50,000.00 for the last two years. He explained that small repairs are handled internally but large items are a little more expensive so that's what this fund is for. He added that it is for replacements too because sometimes the life of these things just go.

Mr. Caesar stated that he was hoping to add a little more to that fund this year but it will probably have to be the same for the next couple of years.

Mr. Gibson stated that it is still on his radar and it has been a transfer from EDIT in the past.

Mr. Blair stated that they really need to do a study and make sure that they have a sufficient reserve because he doesn't want to one day have a major problem and have to shut things down. He said that is what happened to the previous parks board with the Camille Wright Pool. He said that it is a good start but he just doesn't know if it is enough.

Mr. Caesar stated that he would like to see it go up to \$300,000.00 to \$500,000.00 but these are unprecedented times and we have to adjust.

Mr. Gibson stated that unless something happens, he anticipates doing the same thing that they have for the last two years. He said the goal is to keep funding that until we all feel comfortable where it's at. He then moved on to the medical transport non-reverting and said that it is another one that he would like to clean up and take it away. He stated that this was left over from when we actually ran our own ambulances and it is for medical supplies. He said that ambulance runs used to fund this so it has a very little balance in it since we don't do that anymore and our expenditures for supplies is going through our normal fire department budget now. He stated that he is budgeting \$7,500.00 for it and at the end of the year, they will zero it out and close out this fund. He then stated that the next two funds deal with the animal shelter. He explained that we have veterinarians that perform general services for us so the veterinary fund on page 18 pays for those sorts of things and supplies needed. He said that balance is \$77,500.00 and has been consistent and then asked Mr. Hall to explain the two funds.

Mr. Hall stated that the object here is before they adopt an animal, they want to have it spayed or neutered before it goes out into the community and this fund helps pay the veterinarian's salary to do that. He said when the animal is adopted, part of the adoption fee is broken down and goes back into that fund to help make sure that the veterinarians are compensated for their work as well as to make sure all medical supplies are there that are needed. He also said that they receive an additional \$20,000.00 a year from the Rescue League to help make this work the way it does. He stated that they provide a lot of the heart worm testing and feline leukemia testing; everything to make sure that when someone adopts these animals, they are getting a healthy animal.

Mr. Gibson stated that the animal control run is the other one that Mr. Hall has and asked him to explain that one a little bit.

Mr. Hall stated that animal control runs are when they issue a citation, they receive maybe a little compensation from the court system and it is used to pay for the housing costs for the animals as well as some of the other costs for the animals. He said revenue for this fund not only comes from citations but also from dog/cat licensing in the community.

Mr. Gibson stated that Mr. Hall does very well with his budgets and these funds are well within the parameters of what they should be.

Mr. Hall stated that one other thing that fund has is a grant in it that they track so that they can show how they spent the money.

Mr. Turner asked how many runs they make per year.

Mr. Hall stated that is a question that he honestly hadn't anticipated but he can get that to him.

Mr. Turner said that would be great because he was just curious about the average. He then asked if he receives funding from the county.

Mr. Hall said that they always receive funding from the county but Mr. Gibson can speak to that better than he can.

Mr. Turner asked Mr. Gibson if he knows how much comes from the county.

Mr. Gibson stated that it is based upon percentages. He said the mechanism through the interlocal agreement is that there is a budget passed and it is a percentage based upon population at that time. He stated that it is a little over \$300,000.00 and it is budgeted in the general fund so they use that money from the county to factor into the income. He then moved on to the tree board fund and stated that they have been funding them with an appropriation or a transfer yearly so they have approximately \$14,000.00 in their fund to do their operations. He said that they are the ones that spearheaded the tree inventory, plan and implementation component. He added that they got the study rolling on that. He then stated that page 25 is blank and was probably the budget to actual so he will get that to them.

Mr. Blair stated that he would like to have a presentation by the tree board at some point or some kind of update on their plans.

Mr. Gibson then moved on to the parking administration fund and stated that it is basically city parking or moving violations of the city ordinances. He said if someone runs a stop light or speeds, those fees will go into this fund. He stated that this actually funds one of Mrs. Glotzbach's staff who basically assists in running that program and also with everything else they do in that office. He then explained that when a state police officer pulls someone over and they have to pay a ticket, the city and county both get a small portion of that ticket so the revenue from that also goes into this fund. He then moved on to the abandoned vehicle fund and stated that is basically the tow in lot. He explained that this is from when a police officer pulls someone over and arrests them or we tow in a vehicle from somewhere; that is what operates and funds that program. He stated that it is also funded by usually two auctions a year of vehicles that are impounded and/or fees that are collected on towed vehicles.

Mr. Blair stated that the biggest line in that budget is contractual services and asked what that consists of.

Mr. Gibson stated that is where we pay the tow companies because we obviously don't have our own tow truck.

Mr. Aebersold asked if that is a contract per year.

Mr. Gibson stated that he believes so but would have to get with Chief Bailey on that and get back with him.

Mr. Gibson then moved on to the law enforcement training fund and stated that the fund is used to hire trainers for additional training and helps pay for ammunition for training and those sorts of things. He said it has stayed pretty consistent over the last few years and currently has a \$52,000.00 balance in it.

Mr. Blair stated that some of these lines have only spent 31% or so for the year and asked if that is because of the pandemic.

Mr. Gibson replied yes and stated that he thinks everyone is slightly down from where they would be because everything was shut down for three months. He did point out that this fund may be different because of timing also, so he wouldn't necessarily say that COVID was the reason because they do a lot of training in the fall and spring.

Mr. Blair asked if a department didn't have that much spending this year, is there any way to move some of that money over into different areas or maybe not fund it as much if they already have a balance from a previous year..

Mr. Gibson stated that it would depend on our cash availability. He gave the example of the police having a budget line item of \$10,000.00 left over and stated yes, they can transfer that money over. He said that the first factor is if there is room in the budget line item and the second factor is if their cash balance is able to do that.

Mr. Blair stated that we may not have to budget as much for 2021 because you have funds that are being rolled over.

Mr. Gibson then moved on to the unsafe building fund and stated that it is a fund designed for demolitions and those sorts of things. He said that the money that generates this fund is liens from grass cutting, demolitions, etc. He moved on to the emergency medical service fund and stated that we provide additional services to Caesars for fire protection and they pay us to do that for them so that funds this account. He said this allows us to offset expenses related to vehicles to help the fire department.

Mr. Aebersold asked if \$37,500.00 is what Caesars pays per year.

Mr. Gibson stated that is for half the year so double that.

Mr. Aebersold asked if they are the only ones that we have a contract with like that.

Fire Chief Juliot stated it is the only contract that the fire department has. He also stated that the contract is currently \$50,000.00 per year.

Mr. Gibson moved on to the interest federal equity share and stated that he would have Police Chief Bailey explain this more when they do the police budget. He said that it basically means that we participate with the feds and with police officers and their focus is a lot of drug trafficking aspects. He stated that as part of participating, if they do forfeitures such as money, cars and those kind of things that are actually seized, we get a portion or percentage of that back which then goes to this fund. He said that you see a little bit of a jump because they have some really good stuff in the past but for whatever reason, it has not been released from the courts yet so it is sitting there in their funds and we are hoping that someday it will get released. He also said that Chief Bailey thinks it is a ballpark amount of about \$350,000.00 and hopefully we will get some of that. He then moved on to the parks cumulative cap fund and stated that it is a non-reverting but is kind of a hybrid so when he said earlier that none of these get a percentage of the property tax levy component, this one actually does. He said it is a non-reverting so the money that goes into it stays in this particular fund but it does get a small percentage of that property tax levy and is .0091%. He stated that this fund is used for capital improvement projects or replacing things. He then moved on to the Fairview perpetual care fund and stated that is a fund set up to be specifically used to maintain and improve Fairview Cemetery such as the fencing

work we did. He said that we also repaired some of the older monuments that were cracked and fell over and we use it to purchase some of the equipment to keep the premises looking nice.

Mrs. Moeller stated that this is funded by the people that purchase cemetery lots as well as sometimes we will have families that leave money in trusts to the cemetery to maintain it so it is a combination of things, but we have always used it for the upkeep of the cemetery.

Mr. McLaughlin asked if the Friends of Fairview Cemetery figure much into this or are they just basically in for the couple of events they have every year.

Mr. Gibson stated that from an operational standpoint, not as much as they used to but they do still have people that assist quite a bit.

Mr. Blair asked if this fund includes Westhaven Cemetery.

Mr. Gibson replied yes, but stated that they have kind of limited a lot of the improvements to Fairview because that is what this was created for. He said that they use equipment in both areas as needed to help maintain them. He stated that he doesn't know if there are really any limitations on them because they kind of have a similar feel.

Mr. Blair stated that he was thinking that at one time we had separate funds for each cemetery and asked if we combined them.

Mr. Caesar stated that they did combine them several years back.

Mr. Gibson stated that we used to have separate budgets and we did merge those two budgets in the general fund component but this is Fairview's own fund that was set up and funded how Mrs. Moeller explained.

Mr. Blair asked if they will see both of their operating budgets when we get to the general budgets.

Mr. Gibson replied yes.

ADJOURN:

There being no further business before the board, the meeting adjourned at 5:50 p.m.

Bob Caesar, President

Vicki Glotzbach, City Clerk