

**THE COMMON COUNCIL OF THE CIVIL CITY OF NEW ALBANY, INDIANA,
HELD A BUDGET WORK SESSION IN THE THIRD FLOOR ASSEMBLY
ROOM OF THE CITY/COUNTY BUILDING ON WEDNESDAY, SEPTEMBER 9,
2015, AT 6:00 P.M.**

The meeting of the **New Albany City Council** was called to order by President Pat McLaughlin at 6:05 p.m.

MEMBERS PRESENT: Mr. Coffey, Mr. Caesar, Mrs. Benedetti, Mr. Blair, Mrs. Baird, Mr. Gonder, Mr. Zurschmiede and Mr. McLaughlin. Mr. Coffey, Mr. Phipps and Mr. Zurschmiede were not present.

OTHERS PRESENT: Shane Gibson, Linda Moeller, Alicia Meredith and Vicki Glotzbach

Board of Works

Mr. Gibson stated that the board of works budget is down about \$12,000.00.

Mrs. Benedetti asked what salaries come out of board of works.

Mr. Gibson replied Mr. Mike Hall, Mrs. Pat Linck, part of the engineer's salary and part of the IT's salary.

Mrs. Benedetti stated that IT is listed.

Mr. Gibson stated that is more for equipment and services for upgrades and things like that.

Mrs. Benedetti asked if we still need \$200,000.00 in the quality of life line item.

Mr. Gibson stated that is what we use for a lot of the activities at Bicentennial Park and on the riverfront.

Mrs. Benedetti asked for a list of expenditures that come out of there. She also asked if we get donations and sponsors for some of that.

Mr. Gibson explained that we get sponsors for the fireworks such as Horseshoe, McNeeley Stephenson and WFPK was a free publicity sponsor.

Mrs. Benedetti stated that she thought there were a lot of companies that gave to that.

Mr. Gibson stated that those are the only ones that he is aware of.

Mrs. Benedetti asked if we get \$50,000.00 from Horseshoe.

Mr. Gibson replied yes and it goes to the fireworks, movies, etc. He then moved on to worker's compensation and stated that last year it was overlooked and we didn't budget for it. He said that annexation was reduced from last year because we had to catch up last year.

Mrs. Baird asked about other services.

Mr. Gibson stated that is usually for engineering when we have to hire for things outside of Mr. Summer's capacity.

Mrs. Benedetti asked if that could come out of contractual services.

Mr. Gibson replied that he thinks that some of it comes out of there.

Mrs. Benedetti said that she doesn't see why you would need both.

Mr. Blair stated that currently we are using only 14% of salaries.

Mr. Gibson stated that IT's salary is just starting to come out of it and he will have to check to see where Mr. Summer's salary is coming out of.

Mrs. Benedetti stated that the paper said we were going to have to purchase servers and asked how much they run.

Mr. Gibson stated that the servers run about \$9,000.00. He also stated that right now the servers are kind of at their capacity so we were going to need our own anyway. He explained that there would be two servers, one for email and one for building and sewer.

Mr. Caesar asked if we should change storm water because we are 200%.

Mr. Gibson stated that he will have to check into that.

Mr. Blair stated that under contractual services we have already used the budget up for this year so are we sure that we have the correct number in there moving forward.

Mr. Gibson replied that he is not sure and will have to look into it.

Mrs. Baird stated that communications and materials need to be bumped up too.

Mr. Caesar asked about annexation fees.

Mr. Gibson explained that it goes to the township fire district for our portion of the annexed area for any debt that is incurred and it went a little over because there were three annexations and we paid the two small ones off to be done with them. He said that we still have the Charlestown Road which was the largest one.

Mr. Caesar asked how long it will go on.

Mr. Gibson replied that it will go on until the debt is paid.

Mrs. Baird asked about communications and materials.

Mr. Gibson stated that would be legal publishing and he doesn't know why that is over but he will check on it.

EDIT and Riverboat

Mr. Caesar asked what salaries are coming out of EDIT.

Mr. Gibson replied Mr. David Duggins and Ms. Tonya Fischer.

Mrs. Benedetti asked why they don't come out of redevelopment since he is the redevelopment director.

Mr. Gibson stated that he would check into it.

Mr. Gonder stated that he is also economic development director.

Mr. Gibson stated that is correct.

Mrs. Baird asked what Mr. John Rosenbarger's title is because she thought he was in redevelopment.

Mr. Gibson stated that he is partly in redevelopment too and handles the oversight of larger projects for the city.

Mrs. Benedetti asked what Ms. Fisher's salary is.

Mr. Gibson stated that he doesn't know off the top of his head but he can find out. He added that the salary ordinance hasn't been done yet but it will be coming too. He then stated that the \$975,000.00 is other capital improvements and he made a list of some possible things that could be done and to facilitate those, some kind of committee could be set up to identify those. He explained that this is similar to what was done last year

and the council should review them and then they have to be approved in some fashion through the council.

Mrs. Benedetti asked how you come up with the \$975,000.00 figure. She said for instance, what amount Wi-Fi would take.

Mr. Gibson stated that they don't have numbers. He explained that they have budgeted \$975,000.00 in the past and it came from looking at where we are currently at budget wise in EDIT and also the fund balance. He said that sewer should be released back EDIT again so the projection is about \$1.5M if all expenditures go through the remainder of the year in the balance of EDIT.

Mrs. Benedetti stated that when you say façade improvements, we have UEZ for that.

Mr. Gibson stated that we do have to some degree. He said that these are projects that have been brought to the administration's attention so we want to plan for them.

Mr. Blair asked if we could just say other capital improvements and not list them because they are just ideas and concepts.

Mr. Gibson stated that these were just some things that come to the administration's attention.

Mr. Blair asked if the dog park is still in the budget.

Mr. Gibson replied yes.

Mr. Blair asked if it dies at the end of this year.

Mr. Gibson stated that appropriations will end at the end of the year unless there is a contract bid and a contract in some fashion.

Mr. Caesar asked if with the \$3,270,000.00 means that we should have \$1,500,000.00 left in EDIT or does this deplete it completely.

Mr. Gibson stated that as of August 31st we have \$2.7M and at the end of 2016, you would be sitting on \$1,500,000.00 if the sewer didn't release that \$578,000.00 but if they release that again, which he doesn't see any reason that they wouldn't, you would still be at \$2M.

Mr. Caesar asked if we are still looking at more paving, striping and street signs.

Mr. Gibson replied yes. He moved on to riverboat because capital projects is also set out in riverboat. He said that he still projects \$1M in riverboat at the end of 2016.

Mr. Caesar asked if the council will have the final say on these projects.

Mr. Gibson stated that these can be done in resolution form.

Mr. Blair asked if the council needs to do a resolution to document that they have to be voted on.

Mr. Gibson stated that the council could do a resolution like they did last year.

Mrs. Benedetti asked if anything can be added to this list.

Mr. Gibson replied yes and stated that he is open to any capital projects.

Mrs. Benedetti stated that she would like to see body cameras for police officers added.

Mr. Gibson stated that his goal was to keep EDIT at \$1.5M and riverboat at \$1M.

Mrs. Benedetti asked where the police records management program and financial management program are as far as projects.

Mr. Gibson stated that he thinks the plan is to get them to the council sometime next month.

Mr. Gonder stated that he noticed in the storm water newsletter that \$26M in bonds have been retired and asked if that claim against EDIT floats with all of the bonds or were there just certain bonds with that requirement on them.

Mr. Gibson stated that it was an SRF requirement and he thinks it was the 2006 bond that was pledged.

Mr. Gonder asked if that was one of the \$26M.

Mr. Gibson replied that it is not one of the ones that are gone.

Mr. Gonder asked if it were, would that requirement go away.

Mr. Gibson replied yes. He stated that as soon as that bond is either retired, redone or paid off then that obligation is not necessary.

Mr. Gonder asked if there is a schedule of the bonds due to be paid off this year.

Mr. Gibson stated that he didn't think there were any this year. He said that there is a slight schedule in the reports that Rodefer Moss provides.

Mr. Gonder asked if it would be more helpful to pay that one off that has the grasp of the EDIT fund.

Mr. Gibson stated that he would have to look but he doesn't think that is one that we can just pay off because it is one of the larger ones.

Mr. Blair stated that we should have our financial advisors look at the bonds.

Mr. Gibson stated that we do. He said that he thinks there are a couple next year that could be paid off early. He explained that the problem we run into is that there are time limits that we are required to keep them.

Mr. Blair stated he thought after a conversation with Mr. Dave Duggins that there were some available this summer to pay off early. He added that he is thinking more about the big cash balance that we have in sewer.

Mr. Gibson said to keep in mind that cash balance does look really large but it can be a little misleading because half of that balance is required to be in cash reserve. He added that we are paying for all projects out of pocket now.

Mr. Blair stated that we really need to do a cash flow projection because we have a lot of revenue coming in too.

Mr. Gibson said that he does believe that there are a couple next year that should be discussed and looked at.

Mr. Gonder asked if there are costs associated with calling a bond.

Mr. Gibson replied yes there are if you are required to hold it for a certain amount of time and then pay it early.

Mr. Gonder asked what the interest is earned on the surplus of the sewer.

Mr. Gibson stated that he would have to look.

Mr. Blair asked about the financial software because it didn't make the capital projects list.

Mrs. Moeller stated that it is in the 2015 budget and she has hopes that before the end of the year we will move forward with it.

Mr. Gonder asked what determines the amount of riverboat.

Mr. Gibson stated that we get the majority of it from the state and it is based on the admission numbers.

Mr. Gonder asked if their numbers are down, does that affect this number.

Mr. Gibson stated that he doesn't anticipate that being an issue unless another recession was to hit and affect the revenue.

Mr. Blair asked what other services are in EDIT.

Mr. Gibson stated that it is usually some kind of professional services contract or something like that.

Mr. Gonder asked what the street department line item is.

Mr. Gibson stated that is the part-time help that is seasonal.

Mrs. Benedetti asked why it is under services and charges too.

Mr. Gibson stated that the \$50,000.00 is for part-time seasonal help and the other is contractual services and would be for hiring contractors.

Parks Department

Mr. Gibson stated that there is a slight increase of \$20,000.00.

Mrs. Benedetti asked if we set up the maintenance fund.

Mr. Gibson stated that it is in the non-reverting.

Mrs. Benedetti asked if a new director was hired.

Mr. Gibson replied yes and stated that he will start on October 1st.

Mrs. Benedetti asked about storage of the chemicals for the pool.

Ms. Meredith stated that they are being kept out at Corydon Pike.

Mr. Caesar asked about salaries.

Ms. Meredith stated that she has nine full-time right now.

Mr. Caesar asked if the salaries for the aquatic center is just one or two.

Mr. Gibson stated that it is more like one and a half because they have the aquatic director and a pool manager.

Mrs. Benedetti asked about revenues that were brought in.

Mr. Gibson stated that it will be approximately \$500,000.00.

Mrs. Benedetti stated that she would like to have something that compares the revenues and the expenses.

Mrs. Baird asked about contracted services for the aquatic center and sport center.

Mr. Gibson stated that part of it is like some of the fields require special grass cutting and treatment so it would be maintenance things.

There was a lengthy discussion about the aquatic center schedule and hours.

Mr. Gibson stated that they are going to do a recap on what worked well, what needs to be fixed, what we need to improve, etc. He also stated that the hours of operation will be in there because we have had people who have asked if the hours could be later because they work.

Mr. Blair stated that this department is the most important we have as far as bringing in revenue and fees.

Mr. Gibson stated that it has the ability to bring in something and in that respect it is different from the services that other departments provide.

Mrs. Benedetti asked if we have contracted anything with the YMCA.

Mr. Gibson stated that they have been a good partner and have helped with staffing of lifeguards and those kinds of things. He also stated that they helped manage the pool from an operational standpoint like a certified pool operator.

Mr. Caesar asked if there will be a work session or a report given once the recap is done because he would really like to know what worked well and what needs improvement. He also said that there have been promises made as to things that still need to be done and he wants to know how those things are progressing.

Mr. Gibson stated that he would have to prepare for a meeting for that.

Mr. Blair stated that that parks department has their own board and we have a liaison to that board and he would expect the board to be very involved in that.

Non-Revertings

Mr. Gibson stated that the parks non-reverting operating is the same as last year and nothing has been spent this year. He also stated that parks non-reverting shelter is the same as it was last year.

Mrs. Benedetti said that she has been asked if swings could be installed at Sertoma Park.

Ms. Meredith stated that is something that they have been talking about.

Mr. Gibson then went over the ambulance medical transport fund and said that is different from what you have seen in the past.

Mr. Caesar asked what exactly that is.

Mr. Gibson stated that the battalion chiefs have to have certain medical supplies. He then went through animal shelter non-reverting, animal control runs non-reverting and tree board non-reverting.

Mr. Gonder asked if there was any room to put a little extra in tree board because there is a lot of planting that could be done.

Mr. Gibson stated that it would have transfer from somewhere else.

Mrs. Baird asked if they could appropriate the money if necessary.

Mr. Gonder stated that they are always kind of depending on someone to give a tree or something like that.

Mr. Gibson stated that it could be a transfer from EDIT or riverboat and come out of beautification. He then moved on to the parking non-reverting and said the only increase is the 2% raise.

Mr. McLaughlin asked if the parking patrol salaries come out of this.

Mr. Gibson said that some of the part-timers do.

Mr. Gonder asked about Complus Billing.

Mr. Gibson stated that is the system that is used for the hand held ticket dispensers and they also send out the delinquent letters. He then moved on to the abandoned vehicle non-reverting.

Mr. Blair asked what kind of fees we generate from selling those vehicles.

Mr. Gibson replies it is usually in the ballpark of \$160,000.00.

Mr. Caesar asked Mr. Blair if he is okay with just looking at the expenses going out of these funds and not seeing what revenue is coming in.

Mr. Blair stated that the parks is the one that interests him.

Mr. Gonder stated that he thinks it would be helpful to have the revenue number on anything that generates.

Mr. Gibson stated that in the last packet there should've been a fund report in there.

Mr. Blair stated that the fund balance is different than the revenue stream. He said they are asking for the revenue that is being brought in.

Mr. Gibson stated that report should say that. He then went over local law enforcement education.

There was a lengthy discussion regarding traffic tickets and the revenue that the city receives from them.

Mr. Gibson then moved on to the unsafe building non-reverting.

Mr. Caesar asked why the salary is not being used.

Mr. Gibson stated that we just don't have space right now to hire anyone else.

Mr. Gonder asked if the costs of tearing down the buildings all comes back because of the liens.

Mr. Gibson said that it is almost like bad debt and you collect on some of it but some of it is also written off.

There was a lengthy discussion regarding the process for foreclosing on properties and the lien process.

Mr. Gibson then went over the fire contract run fund, community promotions fund and interest federal equity share fund.

Mr. Blair asked Mr. Gibson to explain the interest federal equity share fund.

Mrs. Moeller stated that it is the drug seizure money and is a federal program.

Mr. Gibson then went over the park cumulative capital fund and the Fairview Cemetery perpetual care fund.

ADJOURN:

There being no further business before the board, the meeting adjourned at 8:00 p.m.

Pat McLaughlin, President

Vicki Glotzbach, City Clerk