

**THE COMMON COUNCIL OF THE CIVIL CITY OF NEW ALBANY, INDIANA,
HELD A WORK SESSION IN THE SECOND FLOOR COMMISSIONER'S
ROOM OF THE CITY/COUNTY BUILDING ON THURSDAY, SEPTEMBER 11,
2013 AT 6:00 P.M.**

The meeting of the **New Albany City Council** was called to order by President Pat McLaughlin at 6:00 p.m.

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

OTHERS PRESENT: Mrs. Moeller, Mr. Lorch and Mrs. Glotzbach, Ms. Meredith, Mr. David Hall, Dr. Luanne Jensen and Dr. Michelle Fisher

Mr. Gibson started with the animal control budget and stated that there is a slight increase in the line items but the overall budget is slightly decreased due to insurance because it was moved over to the controller's office just to make it easier to pay.

Mr. Hall stated that he had two board members present and introduced Dr. Luanne Jensen and Dr. Michelle Fisher. He stated that they attended this type of thing with the county on Tuesday and they have agreed to pay everything that they owe for 2015 which is close to \$300,000.00. He stated that the percentage is broken down at 48% for city and 52% for county.

Mrs. Benedetti asked if the \$300,000.00 is from the past.

Mr. Hall replied no and stated that it is for 2015.

Mr. Blair asked if they are behind from previous years.

Mr. Gibson replied yes, they are behind some but they were extremely close this year.

Mr. Blair asked Mr. Hall if they underfund does he have to decrease his budget somewhere.

Mr. Gibson replied that the city makes up the difference slightly and Mr. Hall does a really good job of keeping really good track of his budget. He also stated he thinks that the pressure Dr. Luanne Jensen put on the county is one of the reasons that they actually funded it this year. He gives their board a lot of credit because she has taken the initiative to actually go to county and let them know how important it is.

Mr. Caesar asked about the insurance that was moved and if it was for premiums and administration.

Mr. Gibson stated that it was just for premiums.

Mr. Hall stated that his budget increased \$3,000.00 for contractual services because he has an issue of removal of the animals that has to be dealt with and done on a different basis than what used to be done because OSHA stepped in.

Mrs. Benedetti stated that the budget has equipment repairs in one line item at \$2,000.00 and another line item at \$4,000.00 and asked what the difference was.

Mr. Hall stated that the \$4,000.00 is contract equipment repair for things such as HVAC and the \$2,000.00 is for little general things.

Mr. Blair asked about staffing because he saw that so far for this year his is under budget in that area.

Mr. Hall stated that he is under budget because he likes to keep them and he also has an increase in animals at the Christmas season so he has more people that he has to hire on.

Ms. Meredith began her presentation of the parks which is on file in the city clerk's office. She started with a diagram of Binford Park and what it should look like when they are finished. She stated that they are expecting to have grass at the end of this season and then will come back in and fill in Bermuda grass next year. She added that the irrigation has been put in and they are working on the shelter and entry way signage. She moved on to the old original plan of Hoosier Panel and went over it with the changes that have been made. She then showed drawings of the pool and said they are working on picking out the colors of the slides. She then reviewed what has been accomplished from August, 2013 until December, 2013. She said that they repaired fencing at every park that had fencing and repaired doors at Billy Herman and Joe Kraft. She said that they added rubber mulch, repaired playground equipment and added lighting to basketball court at Bicknell as well as hosted a bonfire there. She stated that they renovated the Bud Flynn Center turning it into the New Albany Parks and Recreation main office. She said that they increased staff with the addition of the parks director, administrative assistant and promotion of one maintenance technician to maintenance team leader. She then moved on to Anderson and stated that they added bases and base carts as well as pitching rubbers and mounds and edged all of the infields. She said that she also took one of the maintenance technicians and turned him into a ball field specialist so his main job is to focus on Billy Herman and Anderson ball parks. She added that they increased their fall league teams from 16 last year to 28 this year.

Mrs. Benedetti asked what kind of revenue has been brought in from concessions and league dues.

Ms. Meredith replied that it depends on how many teams they have as well as the night and how many fields are going. She said some nights they bring in \$36.00 and other nights they bring in couple of hundred. She added that if they have tournaments they bring in close to \$1,000.00 per day.

Mrs. Benedetti asked who runs the concessions.

Ms. Meredith replied that they hired a part-time person that oversees the staffing of it and there is another person that they have contracted with to oversee the inventory. She added that they pretty much break even. She also said that they earn most of their money with league dues.

Mrs. Benedetti asked where the money goes.

Mr. Gibson stated that right now it goes into the parks non-reverting fund. He added that in the 2015 they are moving that income to the parks general fund as an income stream.

Ms. Meredith stated that on September 21st they have a serve day planned with Northside Church and they will paint all scorer's boxes, dugout signs, main sign and parking bumpers at Anderson.

Mr. McLaughlin asked if vandalism is a problem in our parks.

Ms. Meredith replied that it is in different ones. She stated that she just met with a guy from Security Pros and they do camera systems and she is going to try to install at least one or two parks if she can get it approved. She then moved on to Billy Herman and went over the improvements there. She said that her goal was to host three tournaments

there and they have exceeded that goal tremendously. She also said that they paved and striped the old farmer's market and added a crosswalk. She said that on September 21st Northside volunteers are going to help skin the infield of field 4 so that we can use it for baseball and softball.

Mrs. Benedetti asked if there is any reason that we just focus on Northside Church for serve day or are there other organizations that we can use.

Ms. Meredith stated that they have just started a volunteer organization that Tonya Fischer is spearheading and they have done some volunteer work for them and they also have some work coming up on the map.

Mr. Gibson explained that Northside does serve day and they come to us to ask for projects and they post them and then their members sign up to volunteer.

Mrs. Benedetti asked if we could do that for some of the schools that require service hours from their students.

Ms. Meredith stated that is something that Ms. Fischer actually did over the summer.

Mr. McLaughlin stated that Home Depot has groups and organized volunteer programs and recommended that Ms. Meredith get in touch with them.

Mr. Phipps stated that at IUS the Office of Campus Life has student organizations that have to do volunteer work and in particular the sororities and fraternities like to do stuff like this.

Mrs. Benedetti stated that IUS's athletic department does a lot of stuff like this.

Ms. Meredith stated that she has been in contact with Joe Glover and they have talked about a lot of things. She then showed more pictures of Billy Herman and the improvements that have been made there. She then went over the schedule of tournaments that they have had there this year and how many teams were involved.

Mr. Blair asked if there are any teams that are just composed of New Albany kids.

Ms. Meredith said that there are teams that practice there but she doesn't know how many kids are from New Albany on the tournament teams. She also said that New Albany Little League practices there. She then moved on to the Griffin Center and went over all of the repairs and improvements made there. She also went over some of the summer programs that went over really well. She then moved on to Fairmont and showed a picture of some of the kids that Ms. Fischer recruited to paint benches, trashcans, playground and shelter. She moved on to Cherry Valley Golf Course and stated that they just paved the cart paths and are working on the signage for the main entrance. She then discussed Cannon Acres and stated that SIU Soccer is using it and has been working on cleaning the barn.

Mr. Caesar asked if there are any plans to laser grade that field to make it safer for soccer.

Ms. Meredith replied that it is currently a redevelopment project so he could speak with Mr. Duggins to get more information on that. She added that she believes that it is something that we are looking at for April or May of next year. She then moved on to Ritter Park and stated that they replaced the tire swing and put in all new lights. She added that they have quite a few rentals that are scheduled there. She then discussed Joe Kraft Park and stated that the ramp was repaired and repaved to allow access for parks vehicles and equipment as well as easier access for patrons. She said they also replaced

the slide and cut a large branch and portion of trunk from tree hanging over steps and playground and added timbers and mulch to the playground. She moved on to Sertoma Park and stated the street ramp was repaired and paved and went over other repairs and improvements. She then discussed items they purchased such as a bus, tractor, truck, mower with a bagging system, gooseneck trailer, pallet jack and edger. She said they developed an interactive website with pictures, information and online forms and increased their following and presence on Facebook. She said that they started twitter account and developed a new logo. She also said that they hired an assistant parks director to oversee Billy Herman, Anderson, Silver Street Park and assist with upcoming pool among other duties.

Mr. Gibson stated that the parks budget is probably the most overhauled of all the budgets. He said that Ms. Meredith does a fabulous job and if you look at the parks now compared to where we were a couple of years ago, it is night and day. He then passed out a sheet of revenues. He said that there are three new things to mention that are coming on which are the aquatic center that will come on next spring, Silver Street Park and Binford Park. He said that in salaries you will see AC and SC which stands for aquatic center and sports center. He explained that since these are new facilities they are trying to budget for them specifically and then to be able to look and track them for next year and the years thereafter. He stated that he feels good about the numbers but there is no history to go off of other than just experiences from other communities. He also stated that when the income comes in they will be categorizing it too as AC and SC. He said that it is a budget of \$2.08M with approximately \$1M in salaries and he asked the council to keep in mind that salaries will increase dramatically with the swimming pool and sports center.

Mrs. Benedetti asked how many employees the parks actually has.

Ms. Meredith replied that they have eight full-time people and Ms. Wilkerson has a handful of part-time people and there a handful of people that work part-time during the summer at Anderson.

Mrs. Benedetti asked if the city is going to contract the aquatic center out to be operated.

Mr. Gibson stated that they are still having discussions with the YMCA to figure out the best solution for them and for the city and feels that there will be some type of partnership. He then moved on to employee benefits which are dictated by state statute and went over them.

Mr. Blair asked if we contract with the YMCA does that mean that salary becomes contractual.

Mr. Gibson replied no and stated that the discussions with them have been more along the line of them helping train the staff but they would be our employees. He said they have looked at it both ways and are leaning more toward in-house because we would have more control over the personnel versus when it is contracted out. He added that the salaries are budgeted as if we are staffing it ourselves. He said that if we went in the direction of contracting that out then we would have to come back to the council to switch that around a little bit. He then went through supplies, printing and gasoline. He said that gasoline is up to \$32,000.00 from \$25,000.00 and that accounts for the increase in mowing of the 15 acres at Silver Street Park.

Ms. Meredith added that they are putting Bermuda grass in at Binford Park and that is 18.8 acres and it has to be mowed every three days.

Mr. Gibson then went through oil & lube, tires, cleaning supplies, other operating supplies, equipment repairs and other supplies which are concessions. He then went

through chemicals and then down to contractual services which are for Heat/AC or something like that but most of these things will be under warranty. He said that it could also include some contracting out for mowing and those types of things. He then went through postage, travel and training, telephone, property casual, worker's comp and utility based items. He moved on and explained building repair, equipment repair, rentals and subscription and dues.

Mr. Zurschmiede asked if there has been any thought to putting money in reserves for future major repairs.

Mr. Gibson replied not in this budget but he feels there needs to be. He said that once the revenue starts coming in and we can track it and see what it is then he thinks it is probably prudent for that to be done next year. He said that fortunately for the next couple of years everything will be under warranty.

Mr. Blair stated that it should be scheduled out because if you have equipment then you know what the depreciation schedule looks like and how much it will cost to repair that every year so he feels that there should be a line item added this year.

There was a lengthy discussion regarding revenue that will be brought in by the aquatic center.

Mr. Gibson stated that your goal in any park or amenity like this is to break even. He added that it is a service to the community that the city is providing and we don't generate income off of a lot of our departments; we provide services. He said that they want to offset as much expense as possible. He also said that they are marketing both the aquatic center and sports center and trying to get as much excitement out about them before next year.

There was a lengthy discussion regarding inserting a line item into the parks budget for reserves.

Mr. Caesar asked if there is money in the non-reverting fund right now because he is with Mr. Zurschmiede and Mr. Blair on needing a reserve somewhere.

Mr. Gibson replied there is \$20,000.00.

Mr. Blair stated that he doesn't see why we just don't put a line item in and budget for it now because we know that we will have to replace things in the future.

Mrs. Benedetti stated that it will be under warranty right now.

Mr. Blair stated that he knows but your maintenance budget is for things that wear out. He said that it also concerns him that if we would have a bad season then that would help with those operating expenses.

Mr. Caesar said that he would almost like to start it now.

Mr. Gibson stated that he can keep the non-reverting going.

Mr. Caesar asked what the \$20,000.00 in the non-reverting would be used for in the remainder of the year.

Mr. Gibson replied that we still have expenses. He added that a lot of the activities of Ms. Wilkerson's come out of that fund. He said that he wasn't going to have a non-

reverting but now that they've talked about it, he doesn't believe that it is a bad idea to have a capital replacement line item in there and that would be about the only thing.

Mr. Blair asked Mr. Gibson if he is saying that to create a non-reverting fund, you cannot take it from the general levy but you have to take it from income.

Mr. Gibson stated that you can slice off part of your general fund to go there next year but this year we don't have the ability to shave that off.

Mrs. Benedetti stated that when you shave off that \$25,000.00 from the general levy then you have to shave it off from some other department that may need it. She added that it can't all be focused on the aquatic center because there are other departments.

Mr. Gibson said that is why he is saying this year is not the right year and next year will be because he will have pretty solid numbers.

Mr. Zurschmiede asked if the budget of \$2.08M is all from the levy or does it take into account all of the income.

Mr. Gibson stated that it takes into account all of the income.

Mr. Zurschmiede asked if it is anticipated that the monies we borrowed for the aquatic center are going to be completely used up.

Mr. Gibson replied yes.

Mr. Zurschmiede stated that if we don't act today on setting aside some money now for future costs then he feels like a huge piece missing from the budget.

Mr. Gibson stated that he respectfully disagrees because we have warranties on all of the new facilities and all of the equipment. He said that he still believes that next year is the best time to do that after we have something under our belt.

Mr. Zurschmiede stated that he hopes that everything goes fine next year but if we don't start this year then there will be another excuse next year why we don't do it.

Mr. Blair stated that he would like to set that discipline in place now.

Mr. Gibson asked how much they want to put aside because that will have to be taken from other departments.

Mrs. Benedetti stated that we can't do that because other departments can't suffer.

Mr. Blair stated that he heard about \$420,000.00 income coming in from the pool and he is looking at expenses which are about \$420,000.00 but then he looks at the sports center income which is projected to be about \$50,000.00 and the expenses are \$225,000.00 so we will be behind about \$75,000.00 and he didn't anticipate that.

Mrs. Benedetti asked if contractual services could be reduced down to \$125,000.00 so that we can put \$25,000.00 aside.

Mrs. Meredith stated that the contractual services is bare bones right now and if you take any of that away it will take away a lot of Ms. Wilkerson's activities because we pay for those out of contractual services.

Mrs. Benedetti asked if the programs generate any income.

Mrs. Meredith replied that they generate some income but not even enough to break even. She added that they are quality of life and here to serve the public.

Mr. Gibson said that he thinks he can potentially shave a little off those to set the precedent this year but Mrs. Meredith may be back asking for it.

Mr. Zurschmiede stated that he would like to see it put somewhere that someone from the parks would have to come before the council to request it and explain why they need it.

Mr. Gibson stated that he can make a specific line item in the budget that says capital replacement and if Ms. Meredith needs it she will come to the council and if it is not used then at the end of the year they will do a resolution to transfer it from the general fund to the non-reverting.

Mr. Zurschmiede stated that if it is in the budget then she will not have to come to the council to request it.

Mr. Gibson stated that if you put it as capital replacement and you see that it is spent then you can bring her in to see why she spent.

Mr. Zurschmiede said that then it is too late because it has already been spent.

Mr. Gibson stated again that if you shave it off then you are shaving her budget.

Ms. Meredith stated that when she submitted this budget, she did not know that she wasn't going to have a non-reverting budget which she thought was going to be an additional \$100,000.00 to work with. She also said that if they shave even more off the budget that is really putting handcuffs on them before they get started.

Mrs. Benedetti asked her if she is already shy \$100,000.00.

Ms. Meredith replied yes because we are taking away the non-reverting.

Mr. Phipps stated that he thinks we can go one year to see what is going to happen with this because everything is under warranty. He added that he just doesn't think that one year will put us at great risk.

Mrs. Benedetti stated that if we do it next year and there hasn't been enough revenue come in then we are going to have to shave her budget again.

Mr. Gibson said that he feels comfortable with the budget and that it is really close and she can survive on it. He said that he can't tell them for sure but he feels comfortable with it. He also said that if our budget is right and our growth continues, we are not going to go backwards.

Mr. Zurschmiede stated that he doesn't know what the projections are for the pool but he suspects it will be like any new business and peak at about its second or third year and then slowly start tailing off in the income that it generates.

Mr. Gibson stated that they have been told that you have about a three to four excitement factor and by year four you need to change it a little to give it freshness.

Mrs. Baird stated that we should budget for that too just to have a little money set aside for changes. She also stated that she agrees with Mr. Phipps in that we don't have to do it this year but it is something that we should be thinking about.

Mrs. Moeller stated that you could establish the line item.

Mr. Gibson stated that you don't establish the line item in the non-reverting and make them come ask the council for the money to get an additional appropriation. He said that will accomplish what you are asking. He also said that he agrees with having a reserve but it will just be easier to do it once we have a track record.

Mr. Zurschmiede stated that even if it is just \$1,000.00 to get it started, he just wants it on the budget to get discussed every year.

Mr. Gibson suggested budgeting a line item in the non-reverting at a simple minimal dollar amount and that way it is there so when we go over it again it will ring a bell.

Mr. Zurschmiede stated that is okay. He also stated that he would like Ms. Meredith to give the future some thought because she is not always going to be here and someday someone will be thanking her because there will be money there to maintain what we have built.

Mr. Blair stated that there looks to be about \$225,000.00 in expenses at the sports center and he understood Mr. Gibson to say that there is about \$50,000.00 projected revenue and he was under the impression when they approved this facility that there wouldn't be that big of difference.

Mr. Gibson stated that it is mostly staffing and activities and it depends on how much programming you do. He said that if he remembers correctly, the costs estimates to truly run the facility itself were about \$30,000.00-\$40,000.00. He added that he doesn't think that aspect has changed and it all depends on the programming, the times that it is open and whether it is rented out. He added that the splash pad park was not included in the operating expenses. He said that he doesn't feel that it is that out of line of what was there.

Mr. Blair asked if there will be extra staff at the splash park.

Mr. Gibson replied no.

Mr. Caesar asked Mr. Gibson if next year when they look at this again they will have a really good idea of how much income came in and what expenses were.

Mr. Gibson replied yes.

Mrs. Benedetti asked Mr. Gibson if he could set that up in non-reverting even if it is just \$1,000.00 so that it will get our attention next year.

Mr. Gibson replied yes. He then moved on to Rainy Day and said there is almost \$712,000.00 in there.

Mr. Blair asked if there is a way to project what we should have in Rainy Day.

Mrs. Benedetti said 10%.

Mr. Blair asked if DLGF could tell us.

Mr. Gibson stated that they may give us some ideas of what others do but he doesn't know if there is a true standard. He said that you can fund Rainy Day in many ways such as transfer from EDIT or a transfer from Riverboat. He also said that the sewer board released the \$570,000.00 today. He then moved on to Riverboat and said that he has a revised one because of the lighting downtown that has to be budgeted for. He said that

Mr. Duggins, Mr. Summers and Mrs. Benedetti have been involved in that. He also said that election expense has to be budgeted for which is about \$100,000.00.

Mrs. Moeller stated that a contract will be signed with the county clerk for her to execute the election for the city.

Mr. McLaughlin asked what the cost used to be.

Mrs. Moeller stated that she looked back and \$100,000.00 has always been budgeted but it usually comes in at about \$85,000.00. She added that there hasn't been an election done for the city with the vote centers that we have now so it will be hard to estimate. She recommended that they leave it at \$100,000.00.

Mrs. Benedetti asked what the police record management is.

Mr. Gibson said that he is going to have Police Chief Bailey explain that and do a presentation. He explained that it is a system for their internal reporting.

Mrs. Benedetti stated that he definitely needs to come in and explain it.

Mr. Blair stated that the other alternative is to do it during a council meeting and do an appropriation. He added that he would prefer to do it during a public meeting than to do it in the budget.

Mr. Gibson then moved on to the financial records management system that is also in the budget.

Mr. Blair stated that he would like to do an appropriation on that as well.

Mrs. Moeller stated that the purpose of budgeting for it is to know that the money is there January 1st and we can get started as soon as DLGF approves it.

Mr. Blair asked why they can't come in next month to request it.

Mrs. Moeller stated that they have tried that and it failed.

Mrs. Benedetti stated that she does like to budget things in here.

Mr. Blair asked if they brought an appropriation before the council for it.

Mrs. Moeller replied no but there was money within the budget targeted for it and it was spent on something else.

Mrs. Benedetti asked if this was just for the financial records.

Mrs. Moeller stated that it is not just for the controller's office, it is also for the sewer department too as well as other departments.

Mrs. Benedetti asked if the sewer department is paying for their portion when they do their conversion.

Mrs. Moeller stated that is part of the package and she thinks that some of it is coming out of their budget.

Mrs. Benedetti stated that we want to make sure of that.

Mr. Blair asked why we don't just do an appropriation for it next month so that it can be started on now.

Mrs. Moeller replied that it is so late in the year and she doesn't believe that the funding is really available right now because it would have to be taken out of Riverboat and she would be very cautious about taking money out of there at this point.

Mr. Blair asked what they have in Riverboat.

Mr. Gibson replied that it is about \$1.9M.

Mrs. Benedetti stated that there is a list of appropriations coming out. She also stated that she agrees with budgeting for it so that she will have it January 1st and be ready to go.

Mr. Gibson stated that part of the budgeting process is anticipating our needs for the future and have these discussions now.

Mr. Blair stated that he is just saying let's do it now.

Mr. Gibson moved on to asset inventory and said that is one of the issues that we have had in the past in our audit so we are looking at contracting someone for that.

Mrs. Benedetti stated that is very much needed.

Mr. Gibson added that it will be good for our insurance too. He then moved on to downtown street lights.

Mrs. Benedetti explained that Duke cannot get parts to our downtown lights any longer and that they are over 30 years old. She said that basically Duke has proposed that they will sell us all of the downtown lighting for \$1.00 and then we will replace the globes and the lighting and add some features that the lamp posts will be able to do like play music during festival times. She also explained that this is Duke's last year for doing festivals for free so they will come in to put in two or three big boxes to take care of all of the festival. She said this cost is including that in there so we need to take care of that ASAP. She also said that there are so many lights out downtown and it was going to run about \$4,400.00 to replace each one but by them selling it to us for \$1.00, it will cost about \$2,400.00 per pole for what we need to do. She added that within the \$300,000.00 it will include taking care of all of the wiring for downtown festivities.

Mr. Gibson stated that right now Duke has to run all of those power supplies for us but this would put in permanent spots for those power supplies for us to use.

Mrs. Benedetti explained that if we buy the poles from Duke and implement what we need to then the total cost will be about \$300,000.00 and it is a project that the mayor wants to see done next year.

Mr. Blair stated that the good thing when you appropriate is that you have a presentation and discussion on it but if we do it now this will probably be all of the discussion that we have on it.

Mrs. Benedetti stated that it will still have to come to the council at one point just like the farmer's market did.

Mr. Blair stated that when he looks at budgeting it is for operating expenses and now we are putting capital expenses in there.

Mrs. Benedetti said that is the way we've done it for the last couple of years.

Mr. Blair asked what the difference is between bringing it to the council for an appropriation and putting it in the budget. He stated that it is coming out of the same bucket of money and the same decision making but it is more in front of the community.

Mrs. Benedetti explained that during this Harvest Homecoming Duke is going to be down here and we are going to be able to lay out exactly where the boxes go and get that part of it over.

Mr. Zurschmiede asked if Duke has been responsible for repairing and maintaining the lights.

Mrs. Benedetti replied yes but they are 30 years old and they can't get the parts for them any longer.

Mr. Zurschmiede asked if part of the agreement is that Duke will maintain the new lights.

Mrs. Benedetti replied no.

Mr. Phipps asked if we are keeping the same poles but just rewiring and putting new fixtures on.

Mrs. Benedetti replied yes.

Mr. Blair stated that he still thinks that it needs to come before the council as an appropriation.

Mr. Gibson suggested leaving it where it is right now and maybe talk about it more in a public meeting and have a presentation to the council.

ADJOURN:

There being no further business before the board, the meeting adjourned at 8:25 p.m.

Pat McLaughlin, President

Vicki Glotzbach, City Clerk