

THE COMMON COUNCIL OF THE CIVIL CITY OF NEW ALBANY, INDIANA, HELD A REGULAR COUNCIL MEETING IN THE THIRD FLOOR ASSEMBLY ROOM OF THE CITY/COUNTY BUILDING ON MONDAY, DECEMBER 2, 2013 AT 7:30 P.M.

PRESENT: Council Members, Mr. Coffey, Mr. Caesar, Mr. Phipps, Mrs. Benedetti, Mr. Blair, Mrs. Baird, Mr. Gonder, Mr. Zurschmiede and President McLaughlin.

OTHERS PRESENT: Mr. Duggins, Mr. Robison, Mr. Thompson, Police Chief Knight, Colonel Pennell, Fire Chief Juliot, Mrs. Moeller, and Mrs. Glotzbach.

MOMENT OF REFLECTION:

PLEDGE OF ALLEGIANCE:

APPROVAL OR CORRECTION OF THE FOLLOWING MINUTES:

Mr. Phipps moved to approve the Executive Session Minutes for November 21, 2013, Mrs. Baird second, all voted in favor with the exception of Mr. Coffey who abstained.

Mrs. Baird moved to approve the Regular Meeting Minutes for November 21, 2013 with corrections, Mr. Coffey second, all voted in favor.

COMMUNICATIONS – PUBLIC:

COMMUNICATIONS – CITY OFFICIALS:

Mr. Coffey moved to amend the agenda to introduce A-13-11 for first and second readings under introduction of ordinances, Mr. Phipps second, all voted in favor with the exception of Mr. Caesar and Mr. Zurschmiede who voted no.

Mrs. Benedetti asked if any council members have any concerns with the audit information that Mrs. Moeller sent out in email. She said that we are basically getting written up for the same thing of monitoring of controls. She explained that there are two main bank accounts which are Sewer and Bank 1 that have not been reconciled since last September or October. She stated that all last year while she was president the council talked about getting copies showing that the banks were being reconciled and this is the year that they were not reconciled. She stated that the council is the financial body and responsible for those being done. She also said that she trusts Mrs. Moeller and thinks she is putting things in place but she was also told when Mrs. Prestigiacomo was here to trust what was going on. She doesn't understand why she is the only one on the council that is questioning these things.

Mr. Zurschmiede stated that he has questioned several people since he has been on the council and has asked for all kinds of reports. He said that at the beginning of last year when the audit came out, we asked for a monthly report that showed where this had been reconciled. He also said that he doesn't know how the council can make sure that is being done.

Mrs. Benedetti stated that we spent \$8,000.00 for audit assistance for them to come in and tell us what to do and learn the system ourselves and we chose not to pass the ordinance that was introduced but it didn't change anything from happening and that is what she is upset about. She also stated that the board of works approved things that they didn't have docket information to approve.

Mr. Zurschmiede stated that we don't have the authority to hire and fire the controller.

Mrs. Benedetti stated that these things need to be changed and as a body we need to be responsible. She also stated that she kept hearing from Mr. Blair that everything is running fine and the audit is proof that they weren't reconciling and that is big.

Mr. Blair stated that we also have a new controller in place.

Mrs. Benedetti stated that we had one then and you told me that everything was okay.

Mr. Blair stated that he didn't say it was okay, he just said that it wasn't the council's responsibility and it is the controller's responsibility. He said that he feels that it is still the controller's responsibility to reconcile. He explained that his understanding is that after the audit came they put new procedures in place to make sure that they are balanced.

Mrs. Benedetti stated that she thinks that every month the council should get a report that puts checks and balances in place. She added that in this audit they are out greater than the dollar figure than they were the year before. She also stated that the sewer report that they get each month from Rodefer Moss ties back to the cash monthly not back to the bank account.

Mr. McLaughlin stated that once you read the report you will see that the city did a response to address each one of those items.

Mrs. Benedetti stated that everyone keeps telling her that it is okay but it is not okay. She also stated that the council is the financial body.

Mr. McLaughlin agreed but said he doesn't know how much in terms of compliance that the council plays a part in.

Mrs. Benedetti stated that if the body passes ordinances and things aren't being followed then what are we doing here.

Mrs. Moeller stated that she can't speak as to things that happened in the past. She also said that Mrs. Benedetti spoke of the board of works not approving certain things.

Mrs. Benedetti stated that they have been approving things but have not had the dockets to go along with them.

Mrs. Moeller stated that the board of works receives a list of all claims over \$1,000.00 which is by ordinance. She also stated that an ordinance was passed that allows the controller's office to pay utility bills and that was what was not on the proposed list every board of works meeting. She said that the state board of accounts just wanted the board of works to know that these are being paid so we did that immediately and now have a form that is used that breaks those down and our field worker was very pleased with that. She stated that bank 1 has always had issues.

Mrs. Benedetti stated that we had it consistent at one dollar figure.

Mrs. Moeller agreed and stated that Mr. Flynn has been focusing on bank 1 and what he is finding is that number is still fluctuating. She said that it is very difficult to go back and reconstruct everything but their goal by the next audit is to keep that bottom number consistent for several months so that we know what the difference is. She also said that Rodefer Moss was doing the sewer account and reconciling to the bank but the reconcilements were just not done through the system and we are working on that as well. She added that all other 18 bank accounts are reconciled so we will keep going on those and will also keep focusing on those two bank accounts to get them under control with the help of Rodefer Moss and Mr. Wilkinson. She stated that Mr. Wilkinson does an excellent job with helping them with their financials.

Mrs. Benedetti asked what should be passed to make sure that those reports of exactly what is happening are given to this body.

Mrs. Moeller stated that they give those to the board of works but she will do whatever the council requests her to do. She also stated that the council is welcome to come into her office at any time and she will be happy to show where they are and what they are doing.

Mrs. Benedetti stated that the council passed an ordinance to separate EDIT, Riverboat and Rainy Day and it has not been done.

Mrs. Moeller stated that part of that report is the continued criticism from state board of accounts that New Albany has too many bank accounts so that is part of the problem. She added that state board of accounts wants to decrease the number of bank accounts and yet we want to add another one to separate the funds so we are looking at that to see which way is the best way to go.

Mrs. Benedetti stated that when this body passes an ordinance it is a law and they don't get followed.

Mrs. Moeller stated that she just got here and her focus right now is to get those bank accounts reconciled.

Mrs. Benedetti stated that this financial is on the city council because we don't do checks and balances.

Mr. Coffey asked if it is possible to receive the same report that the board of works receives.

Mrs. Moeller replied yes.

Mr. Coffey stated that he would like to get it because it is this body's responsibility for the financial end and he doesn't want to go through a second or third party to get that. He added that this is head and shoulders above what it has been in the past and you can tell that we are on the right path to get this worked out.

Mr. Gonder asked if the information would be in email form or a hard copy.

Mrs. Moeller stated that it is a hard copy.

Mr. Gonder stated that they could easily receive it in email form.

Mr. Coffey stated that it could be kept on file in the clerk's office.

Mrs. Benedetti asked that the clerk scan it and email it to the council.

Mr. Coffey stated that he really appreciates the work that Mrs. Moeller is doing and he understands where Mrs. Benedetti is coming from as well.

Mrs. Moeller stated that the field worker worked very well with them and they took his suggestions to heart and they are prioritizing to get things done.

Mrs. Benedetti stated that we also have to be responsible for what has happened in the past. She asked if they needed to pass something to get that information.

Mrs. Moeller stated that she doesn't think so because it is public record.

Mr. Coffey stated that we don't want to get in the same mess that the county is in so that's why he wants this information.

Mrs. Moeller stated that the city is fortunate because in the time that she has been here, she has seen Mr. Gibson pouring over these reports and constantly watching the numbers.

Mrs. Benedetti asked if he was watching it why he didn't know that they were not reconciled.

Mrs. Moeller stated that the bank reconciliation would have taken place in the controller's office and that wouldn't have been Mr. Gibson's responsibility.

Mrs. Benedetti stated that Mr. Gibson was supposed to be combing through those because the council needed him to.

Mrs. Moeller stated that Mr. Gibson was looking at budget to actuals and making sure that the city has the operating funds that it needs, all of the grants, the TIFs, etc.

Mrs. Benedetti stated that he worked on it for a solid year with Ms. Prestigiacomo to get to \$51,000.00.

Mrs. Moeller stated that they were trying to get a bottom line.

Mrs. Benedetti stated that it was \$51,000.00 and it was consistent.

Mr. Zurschmiede asked if they are reconciling the account every month but just not getting it to balance number.

Mrs. Moeller stated that she has been working on the sewer account for October and with the extent of activity of that account, she is not sure that you could get it reconciled within that same month.

Mr. Zurschmiede stated that the council needs to have whatever it is each and every month. He also stated that the council needs to know when the individual accounts will be set up for those funds. He added that he would like for Mrs. Moeller to let them know at the next meeting.

Mrs. Moeller stated that she would do her best.

Mr. Blair asked to what extent a new software system would help with these reports.

Mrs. Moeller stated that it would help a lot because the system that they are using now is very cumbersome to use. She also stated that Tyler Technologies was back this week doing some more demos.

Mrs. Benedetti asked what the amount is in the CCI fund.

Mrs. Moeller stated that she doesn't know off the top of her head.

Mrs. Benedetti stated that fund needs to be looked at if we decide to purchase because that can be used to purchase computers.

Mrs. Moeller stated that she thinks the new software will be a big help, not only to the controller's office, but maybe some other departments as well.

Mr. Zurschmiede stated that he knows that it will be cumbersome learning a new system but the sooner we can move forward with this the better.

Mrs. Moeller stated that both companies that are being looked at are saying that it will probably take about a year to get it up and running fully. She added that they are possibly going to be bringing it to the council in January.

Mr. Blair stated that Mr. Flynn was brought in to be the project manager and help implement the whole project and help correct a lot of things that are going on. He also stated that you can't expect for things to get corrected overnight.

Mr. Coffey stated that this audit is superior to any audits that we have had in quite some time and thanked Ms. Moeller for her work in the short time she has been here.

Mrs. Moeller stated that the field worker that she had was very complimentary because they were provided everything that they asked for and for the cooperation that he got from the city. She added that we didn't do everything perfectly but we have a plan to correct what is wrong and that is what they are working on now.

Mr. McLaughlin stated that there are different classifications of violations and asked about the levels of inaccuracies that we had.

Mrs. Moeller stated that the audit is unmodified which is good and as far as the internal controls they mentioned, they have already been corrected in the office. She also stated that there were minor things such as initialing and signing off so that there are better checks and balances so we are doing that. She added that she thinks a field worker would find some minor things in all offices because as people go through their day to day activities they may do things without thinking or realizing. She explained that is why you want state board of accounts to come in and look at what you are doing and review it. She said that it is a good overhaul.

Mr. McLaughlin stated that he asked the field worker if there was ever a perfect audit and he replied no. He then encouraged everyone to look at the report.

Mrs. Baird stated that she is working on an ordinance with Mr. Lorch regarding panhandlers. She stated that Clarksville just passed an ordinance on it and she is concerned that since they can't do it there, they may move to this area. She said that it might be on the next agenda.

Mr. Zurschmiede stated that he thought that the police department was already handling those.

Police Chief Knight said they are most often near the interstates and the police usually give them a trespass warning.

Mrs. Baird stated that she knows it is not a problem now but she just wanted something to give a little more strength to keep this from happening here.

Mr. Gonder asked if anyone received an email from a lady that was having trouble with her sewer bill. He said that she is paying electronically and it is not being credited.

Mrs. Benedetti stated that she spoke with the customer and the lady reassured her that Mrs. Dickey is working with her. She also said the customer told her that if it was not solved then she would call her back.

Mr. McLaughlin asked Mr. Thompson how we are doing with the paving and what the status is.

Mr. Thompson stated that he is hopeful that they will finish up this week and if not then it will be next week.

Mr. McLaughlin thanked Mr. Thompson, Mr. Brewer and all of the people involved with the lights and the Jingle Walk. He said that they had a very good turnout.

Mr. Blair asked Mr. Thompson how much is left in the budget for paving.

Mr. Thompson stated that he hasn't gotten all of the pay applications in yet.

Mr. Blair asked if it is too soon to think about what we should allocate next year.

Mr. Thompson stated that he would wait until we got all of the pay applications in and see what we have left.

Mr. Coffey asked Mrs. Benedetti about the tree on Main Street.

Mrs. Benedetti stated that they inserted a rod to tie it together and they think that it can hold for years until the tree actually dies.

COMMUNICATIONS – MAYOR:

Mr. Duggins stated that the mayor wanted the council to know that there were 514 people at the Jingle Walk.

APPROVAL OF CF-1 FORMS:

INTRODUCTION OF ORDINANCES AND RESOLUTIONS: READING

A-13-10	Additional Appropriation from EDIT/Riverboat Fund Matching Fund of Fire Department Grant For Fire House Vehicle Exhaust Systems	Coffey 1&2
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Mr. Coffey introduced Bill No. A-13-10 for first and second readings, Mr. Phipps second, all voted in favor.

Fire Chief Juliot stated that they received a grant award back in April and went through a big process just to see what companies and products are out there and narrowed it down to one company. He stated that the grant total was \$174,000.00 and \$56,600.00 is what the actual is that will come from FEMA and the 10% match would be \$17,400.00. He said that it is an exhaust removal system for all of their vehicles and ejects the exhaust out of the buildings. He said that they went through an audit with OSHA earlier this year to make sure that they are keeping employees safe and they mentioned that none of the stations have the systems.

Mr. McLaughlin stated that the trucks have to be running sometimes.

Fire Chief Juliot stated that the trucks have to be checked daily and it will be nice to be able to do it inside the engine rooms now.

Mr. Caesar asked if there will be any local employment because of this.

Fire Chief Juliot replied that the company is out of Chicago but they do reach out to local contractors and he does know that they have reached out to Star Electric.

Mr. Caesar asked if there is a carbon monoxide gauge that comes with this.

Fire Chief Juliot stated that there are sensors on it that would notify if there was a problem. He said that the system is contained to the engine room with duct work.

Mr. Caesar asked if this system will assure that it will not go into the living quarters.

Fire Chief Juliot replied yes.

There was a lengthy conversation regarding firehouse renovations.

Mr. Blair asked if we have to fund this upfront and then get reimbursed.

Fire Chief Juliot stated that we need a purchase order sent to the vendor stating that we are purchasing but he doesn't want to do that without the council's 10%. He also stated that we do not have to put the \$174,000.00 upfront because we will not pay them until the work is completed. He said that they will submit a receipt once they have completed it and we will electronically email it to FEMA and they will electronically transfer \$56,600.00 to the city. He also said that will go into the city's bank account that FEMA has on file and when that money is deposited into the fund that's when he will fill out a claim for the \$74,000.00.

Mrs. Benedetti asked what amounts are in EDIT and Riverboat.

Mrs. Moeller replied that the projected balance for the end of December for Riverboat is \$1.6M and for EDIT is \$548,000.00.

Mrs. Baird asked if that includes the money transferred from the sewer utility.

Mrs. Moeller stated that it does not.

Mrs. Benedetti asked when that will be transferred.

Mrs. Moeller explained that it is money that would be paid to sewer from EDIT and from TIF.

Mrs. Benedetti asked if that payment was made for 2013.

Mrs. Moeller replied no.

Fire Chief Juliot stated that the system that was installed at station 3 was not the right system for fire department application but the company agreed to take that out and we will move it out to the street department for them to use in their bays.

Mrs. Benedetti asked what fund it would be taken out of.

Mr. Coffey said that it doesn't matter to him.

Mrs. Benedetti stated that she thinks it needs to be taken out Riverboat.

Mr. Coffey stated that he doesn't have a problem with that at all.

**A-13-11 Additional Appropriation in an amount of \$450,000 Coffey 1&2
from the EDIT/Riverboat Fund for the Police Department**

Mr. Coffey introduced A-13-11 for first and second readings, Mr. Phipps second, all voted in favor with the exception of Mr. Caesar, Mr. Blair and Mr. Zurschmiede who voted no.

Police Chief Knight stated that they are requesting 15 police cars to replace cars that are early 2000 models.

Mr. Gonder stated that there have been a couple of occasions where we've gotten raked over the coals for buying out of the area and not buying from a local dealer and asked if there was going to be anything different this time.

Police Chief Knight stated that they are going to buy from a local dealership which she has quotes on. She also stated that the last ones came from Bloomington Ford.

Mrs. Benedetti stated that is because they run the fleet of the state and asked if they were also going to get a quote from them.

Police Chief Knight stated that she would get one from them.

Mr. Coffey asked if they were going to run about \$30,000.00.

Police Chief Knight stated that are running about \$30,200.00.

Mr. Gonder asked if they are all wheel drive.

Police Chief Knight replied yes.

Mr. Coffey stated that the amount of savings that we will recoup from these cars is worth it. He explained that the ones we replaced last year were costing about \$100,000.00 a year in maintenance and we saved between 30%-40% on gas.

Police Chief Knight stated that fuel savings has been significant and we monitor the consumption not the dollar amount. She also stated that they have saved quite a bit in maintenance expenses.

Mr. Coffey stated that he checked with the state police in both Indiana and Kentucky and they used to allow a car to go to 70,000 miles and now they allow them to go 100,000. He added that mileage on the highway is easier on a car than mileage in the city. He explained that over time the cars pay for themselves in the savings in maintenance and fuel.

Police Chief Knight stated that the cars she is requesting will all be marked patrol cars.

Mrs. Baird asked if the new patrol cars will be given to local officers.

Police Chief Knight replied that the cars are replaced by their age. She explained that the plan outlined last year that she presented to the council was that once they get caught up with a satisfactory fleet then they would go on a rotation. She said that when an officer is assigned a car they will have that car until it is time to replace it. She said that if they live further out and put higher miles on their car then they would have to drive a car with higher miles. She also said that they would be rotated every five to seven years regardless of where they live or anything else.

Mrs. Benedetti asked if the money from selling the old fleet could be put into an account that the council can see so that it can be used to purchase other things.

Police Chief Knight stated that the old cars go through the auction and they usually bring about \$200.00-\$300.00.

Mr. Coffey stated that he would set them up on a website for free to sell the cars all over the country and that money could go directly to the department.

Mr. Blair asked where the money went for the cars sold last year.

Police Chief Knight replied that it went into the abandoned vehicle fund.

Ms. Benedetti asked Police Chief Knight about her vehicle.

Police Chief Knight stated that it is on a lease.

Mr. Zurschmiede stated that he had asked for a list of all of the cars a couple of meetings ago and wanted to know if he could get that.

Police Chief Knight replied that she doesn't have it tonight but will get that to him.

Mr. Zurschmiede stated that he is not going to vote for it without that list and said that if he could get it before the final reading he would appreciate it.

Mr. Gonder asked Police Chief Knight if she has followed the mileage on the cars that were purchased last year.

Police Chief Knight replied that mileage is usually submitted in January.

Mr. Gonder asked if we also bought some used cars then.

Police Chief Knight replied that the initial presentation was for used cars for the detectives but we were able to work out a new car with warranty so we went with the newer ones for no additional funds.

Mrs. Benedetti asked if her vehicle lease comes out of the police budget.

Police Chief Knight stated that it comes out of the abandoned vehicle fund.

Mr. Zurschmiede asked Mr. Thompson if there are still a bunch of old police cars sitting on his lot.

Mr. Thompson replied about three.

Mr. Gonder asked what the greatest distance is that an officer drives to go to and from his house.

Police Chief Knight said that there is one that lives in Fredericksburg and one that lives in Salem.

Mr. Gonder pointed out that would be like 400 miles a week back and forth to work so \$20,000 miles per year on a five or seven year plan would be 140,000 miles just to go home and back and not even taking into account the normal wear and tear from the job.

Police Chief Knight stated that they did figure it at one time and it was like 1,000 miles per month and so they figured 12,000 to 15,000 per year.

Mr. Gonder stated that if they drive an equal amount on the job as they do commuting then you could expect that car to get about 280,000 miles on it before it is turned in. He asked if that was reasonable.

Police Chief Knight stated that if their car does not last the entire time that they have it then they would forfeit it and take a line car.

Mr. Gonder stated that we are appropriating money to buy cars and if those cars are kind of squandered in that use then it is kind of wasteful on our part to do that.

Police Chief Knight stated that she doesn't disagree but that is the choice of the officers that live far out. She explained that the FOP and city went through arbitration a few years ago and it was decided that there could be no discriminatory action on who had what cars and how far they

could drive them. She stated that it is a state statute that they can legally live in an adjoining county.

Mr. Zurschmiede stated that there is no state statute that says we have to provide them a car.

Mr. Blair asked if the only way to change the take home cars is to change the contract.

Police Chief Knight replied yes.

Mr. Coffey stated that the fact is that new cars save money over the years.

Mr. Zurschmiede stated that there is no doubt that we need the new cars and at the next meeting he will ask Mrs. Moeller if we have the money for the cars and if so, what fund should the money be taken out of.

Mr. Coffey stated that it could be taken out of a combination of the two funds.

BOARD APPOINTMENTS:

MISCELLANEOUS ITEMS:

COMMUNICATIONS – PUBLIC (non-agenda items):

IN COMMITTEE:

TABLED ORDINANCES:

ADJOURN:

There being no further business before the board, the meeting adjourned at 9:00 p.m.

Pat McLaughlin, President

Vicki Glotzbach, City Clerk