

**THE COMMON COUNCIL OF THE CIVIL CITY OF NEW ALBANY, INDIANA,  
HELD A BUDGET HEARING AT NEW ALBANY CITY HALL IN ROOM 100 ON  
WEDNESDAY, SEPTEMBER 21, 2022 AT 6:00 P.M.**

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

**ALSO PRESENT:** Shane Gibson, Linda Moeller, Amy Stein, George Sch, Tyler Ferree, Joe Ham, Scott Wood and Vicki Glotzbach

**President Applegate** called the meeting to order at 6:05 p.m.

**Mr. Gibson** stated that Fire Chief Juliot couldn't make it tonight so his budget will be added to next week's meeting. He reported that the city is running right at 99% and if the trend for the year continues they will be 99% of the actual revenue, which is slightly lower than the budget. He stated that halfway through the year they have spent \$14,054,000.00 through and they anticipate \$28,100,000.00 with expected revenue at \$28,470,000.00.

**Mayor Budget**

**Mr. Gibson** reminded everyone that he has highlighted anything that has changed or is in need of a change. He stated that that next year they are budgeting a 6% increase for non-bargaining employees and with the 2% this year that will be an 8% increase over 2 years. He added that they would like to get employees above the inflation rate and will continue to work to do so.

**Mr. Turner** asked if non-bargaining includes sewer.

**Mr. Gibson** replied yes.

**Mr. Blair** asked if he had to cut other areas to get it to 6%

**Mr. Gibson** replied no and explained that when they talk about non-bargaining employees they are talking about ~80 employees that are not covered by contracts. He added that they are currently in negotiations with AFSCME to finish up and try to get them a 6% raise as well.

**Mr. Blair** stated that the received 5% increase in the levy and asked where the additional 1% is coming from.

**Mr. Gibson** stated that 5% is based on the current levy amount of ~\$18M which would be ~\$900,000.00 and the salaries are nowhere near total.

**Mr. Blair** asked if this would mean that they may not have done increases in other areas.

**Mr. Gibson** stated that even if they wanted to use the levy for the entire amount they could because the recommended pay raise is ~200,000.00 versus the ~\$900,000.00 that they will receive in the increased levy.

**Mr. Applegate** stated that the elected official's salaries have not been touched for a long time and asked if he has looked at the number from other areas.

**Mr. Blair** asked who he is considering when he is referencing elected officials.

**Mr. Applegate** stated that he is talking about the city council, mayor and city clerk.

**Mr. Blair** stated that it is his understanding that they are giving the clerk and mayor increases.

**Mr. Gibson** stated that the past pay raises have been extended to those two elected offices.

**Mr. Applegate** asked if they have looked at a salary comparison of other areas.

**Mr. Blair** asked if he is specifically talking about city council.

**Mr. Applegate** stated that while they are looking at this for city council they should also review other offices as well.

**Mr. Blair** stated that if they are going to do that he would like to see it done for all city employees.

**Mr. Gibson** stated that staff did look at benchmarks on comparable cities and their elected mayor, council and clerk. He added that this was done a couple of years ago and is readily available if they want to review it, although it may need to be updated. He stated that none of this is included in the budget at this time.

**Mr. Aebersold** asked if they could get those numbers.

**Mr. Gibson** stated that they can have that updated and sent to them.

**Mr. Applegate** stated that they could then make a decision individually or as a whole.

**Mr. Aebersold** stated that every city is different which would influence who is in charge of different departments and what you would consider for salaries.

**Mr. Gibson** stated that the staff accumulated similarly situation areas as well as those that are not, and the summary included a lot of things like population, city class, and comparable towns/city. He reminded them that raises are a separate ordinance from what they are talking about which would be a salary ordinance to set salaries for elected officials.

### **Controller Budget**

**Mr. Gibson** reported that there is ~\$300,000.00 increase in insurance cost to help meet the projections which has held steady for several years. He added that hopefully projections are off and they won't have that much of an increase.

**Mr. Phipps** stated that from 2021-2022 the postage jumped from \$8,000.00 to \$18,000.00 and asked why that was.

**Mrs. Moeller** stated that with the move to city hall they were able to include a mailroom and they took the postage from other departments.

**Mr. Turner** asked if they have ever looked at having a contract nurse practitioner on site for a flat fee to possibly reduce costs.

**Mr. Gibson** stated that they haven't looked at that option but they are looking at partnering with a local clinic to possibly pull the cost down and offer that as an additional incentive to employees. He added that they do work with local pharmacies that come in and give routine vaccine shots, but they can definitely look into the option of a nurse practitioner.

**Mr. Turner** explained that contract services looks like it is going to be \$50,000.00 over budget if it trends as is, as well as an accounting contractual service which will make it ~15-20% over at the end of the year. He stated that in 2022 some additional contract services for accounting were added at \$35,000.00 which looks like it is going to be over as well.

**Mr. Gibson** stated that once we start seeing that things are going to be tight, we usually try to pull back to keep things in line. He explained that accounting services is the CPA that they used for part of the ARP funds as well as other items in the controller's office. He added that while he

is a big picture person, Mrs. Moeller is more of a line-item person and she will monitor those to make sure they stay within reason.

### **City Clerk Budget**

**Mr. Gibson** he stated that Mrs. Glotzbach's office rarely asks for anything so this is an easy one. He explained that parking non-reverting pays for one of Mrs. Glotzbach's staff members through revenue that is generated from ticket fines. He added that non-reverting funds are ones that the controller continually examines to ensure that they don't spend money that they don't have.

**Dr. Knable** asked if the part-time salaries that were eliminated were reassigned.

**Mr. Gibson** stated that it was part of the temp ticket writers for the police department and Chief Bailey has moved those into the civil line item of his budget. He explained that the expenses that come out of this are Ms. Cousins' salary, the attorney that prosecutes traffic violations and Comp Billing which is the ticket writing system.

### **City Council Budget**

**Mr. Gibson** reported that there are no changes to this budget.

**Mr. Blair** asked if there is a 2% increase in salaries.

**Mr. Gibson** replied yes. He added that when they update the benchmark summary they can look at this number.

### **City Attorney Budget**

**Mr. Gibson** reported that there are no changes to this budget

**Mr. Turner** asked if he is a contracted employee.

**Mr. Gibson** replied yes and added that he is paid \$135/hr.

**Mr. Turner** stated that the city has a controller so he doesn't understand why they would pay Mr. Gibson hourly to take care of things like these budget meetings.

**Mr. Gibson** stated that he services the entire city staff and works for the mayor who has asked him to handle some of this. He explained that the reserve liability is a fund that is used to pay claims for items like accidents and insurance claims. He added that it is a non-reverting fund but it isn't used very often and there hasn't been a need to do anything with it.

**Dr. Knable** asked if it is to pay an insurance premium or just a reserve.

**Mr. Gibson** stated that it is a reserve to handle that type of claim if necessary.

**Mr. Blair** stated that he would assume that they match up their deductibles.

**Mr. Gibson** stated that they have to pay deductibles and it would be used as an expense out of this on occasion if necessary. He gave the example that if a city vehicle threw off a rock and broke a window, this would be used to pay the claim.

### **Weights and Measure**

**Mr. Gibson** explained that this is an expense that they get invoiced for through the county to cover costs related to salaries and benefits. He stated that the position is technically a county position but the city contributes. He added that the city hasn't ever received an invoice for this

but Mrs. Moeller pulls the salary from the previous year and she makes a claim for the city's portion and documents it for audit purposes.

**Mr. Phipps** stated that it is a shame that they don't follow that lead for the animal shelter.

### **Cumulative Capital Improvement Budget**

**Mr. Gibson** stated that the cum cap fund is a cigarette related income that the city gets and is used to help with things like computer expense and the income comes from the miscellaneous scheduled that they received a couple of weeks ago.

### **Fire Department**

**Mr. Gibson** reminded them that Chief Juliot will be here next week but he will highlight some of the changes. He reported that items they will go over when chief is here is a stipend that is part of the contract and an increase in gasoline.

**Mr. Blair** stated that it looks like they are purposely underbudgeting for overtime and he doesn't understand why.

**Mr. Gibson** stated that he is tired of seeing that number too but it should ultimately go down, minus individuals getting hurt, because the department is fully staffed. He explained that usually when they add up the salary and overtime it comes out pretty close. He added that he understands what Mr. Blair is saying but it is not their goal to be closure to the \$150,000.00-175,000.00. He stated that in the past the overtime was created by some staff shortages, but they just recently hired 9 which puts them close to being full-staff.

**Mr. Blair** stated that if they look at the current run-rate based on the end of June, they are going to have \$540,000.00 and only \$150,000.00 was budgeted.

### **Building Department Budget**

**Mr. Gibson** stated that Mr. George Schureck is here to answer any questions and he will highlight the changes in the budget. He stated that they moved the clothing allowance to the proper line in the budget and a \$10,000.00 increase in demolition. He asked Mr. Schureck how many homes they have demoed this year.

**Mr. Schureck** stated that they have taken out five houses so far this year so far with five more on the list that they hope to do by the end of the year if they can get permission from the courts. He reported that they have one by Anderson Park on Mosier Road that has been going through the court system for over two years and it is waiting on a judge's order to take it down. He added that they have several others that they want to take down before cold weather because that gets into fire season.

**Mr. Blair** asked Mr. Schureck if they should report to his office any buildings that they see of concern.

**Mr. Schureck** replied yes.

**Mr. Gibson** stated that unfortunately they get some individuals that don't want to do anything with it and don't want to spend the resources so they ultimately have to get the courts involved. He explained that they prefer to get these resolved outside of court with a mutually agreed to order to rehab the property and ultimately get it back out on the market. He added that they changed their policy a couple of years ago to something like a two strikes rule where the city will make an initial visit to let them know there is an issue followed up by a second notice, and then legal action will be taken. He stated that they do have instances where once they file a lawsuit the property owner gets motivated to get the work done and the city will dismiss the lawsuit.

**Mr. Blair** asked how his staffing is going with all of the new construction.

**Mr. Schureck** stated that they are doing great. He added that they are busy but they are on top of it.

**Mr. Blair** asked if code enforcement is okay.

**Mr. Schureck** replied yes.

**Mr. Blair** stated that he is looking over the numbers and they were right at 100% spending for both years so that tells him that they might be gearing back a little so that they don't go over budget, and he doesn't want to see that. He asked if they think they might need to add anything to their budget.

**Mr. Gibson** stated that they can analyze it as they are going on and do an additional appropriation if needed.

**Dr. Knable** asked how many active cases is he aware of if money, staffing and the legal process wasn't an issue.

**Mr. Schureck** stated that in a perfect world they have 25-30 vacant homes that would be candidates for demolition.

**Mr. Gibson** stated that they have gotten to the point where they are working from a proactive state with regards to code enforcement, aside from the continuous problem locations.

**Mr. Blair** stated that he would agree with that because typically in the spring he gets a lot of calls about grass and he hasn't nearly as many as he has in the past so he really appreciates the work they are doing.

**Mr. Phipps** asked about the rental registration and what percentage of the landlords have complied. He asked if they have cited anyone that wasn't registered.

**Mr. Schureck** stated that they are still wrapping that program up and have not cited anyone yet.

**Mr. Gibson** stated that they have a new employee that is tasked with taking over the new zoning code part of the inspection but also the rental registration component. He explained that there was a list started several years ago and they are at a point where they are getting ready to update the list and send out notices. He added that this will kick start the inspection component that they passed in the zoning code.

**Mr. Phipps** asked that the council be kept up-to-date on that.

### **Unsafe Building Budget**

**Mr. Gibson** explained that if they city gets any monies from foreclosures or liens that money goes into this budget. He stated that unfortunately for the last two and half years they have not been permitted or allowed so that has diminished the ability to do a lot with this fund.

**Mr. Blair** asked if they still collect if the property is sold

**Mr. Gibson** stated that if they have a lien filed they do.

**Mr. Applegate** stated that if they see a lot of these foreclosures coming off of moratorium at one time they might have to look at it from a different side to make sure they aren't leverages other services that they have, so it needs to be monitored.

**Mr. Schureck** stated that a lot of the homes foreclosed on back in 2008-2009 were owned by banks California/Florida/New York and a lot of times the municipalities didn't realize these homes were empty until it was too late. He added that it is hard to monitor these because if the property owners are out of town they usually aren't aware of what is going on with their properties. He stated that if they have any ideas on how to monitor this in a more effective way he would love any input.

### **Plan Commission Budget**

**Mr. Gibson** stated that there are no change. He added that a lot of permits are being taken out for a lot of work throughout the city and plan commission is seeing that increase in permit requests as well.

**Mr. Wood** stated that there is an organization called The Ohio River which is a group of individuals looking to turn the Ohio River into sort of a liquid Appalachian Trail that extends north of Cincinnati down to Fort Knox. He added that it is not costing the city anything but they are getting assistance from the National Parks Service and it is a great example to show what they have done to add to the quality of life in New Albany. He explained that last summer they had an IU intern that did a greenhouse gas inventory for them so that they would have a baseline for gas emissions in New Albany and they believe this is going to be a focus area for them to see what they can do to improve as a community to lower that footprint.

**Mr. Turner** asked how much revenue are generated from permits per year.

**Mr. Wood** stated that he knows enough to know that he doesn't know much about that. He stated that from what he has seen they are very similar to comparable communities.

**Mr. Turner** asked if they could give him an average.

**Mr. Gibson** stated that they are estimating \$126,000.00 from permitting

**Mr. Wood** stated that right now they are about \$5,000.00 over what they were at the end of last year but things will start slowing down.

**Dr. Knable** asked if he received a report on the greenhouse gases inventory.

**Mr. Wood** stated that he doesn't have anything to hand out at this point but they are looking to work with IU to get a final report.

**Dr. Knable** stated that he would like to look at the data and see if it is reliable.

**Mr. Wood** stated that it is very reliable. He explained that The intern was supervised by the Indiana University Environmental Resilience Institute (IUERI) and the data was reported to ICLEI – Local Governments for Sustainability, an international consortium for environmental planning, who had two full-time staffers working with all the IU interns that summer. He stated that the data was supplied by Duke Energy and CenterPoint (formerly Vectren) as well as our wastewater treatment plant, among others. He added that the data is available on the ICLEI website.

**Dr. Knable** stated that he would like to see that report first before they add to it and compare our tree canopy to other communities.

**Mr. Wood** stated that he would be happy to share that with him.

**Mr. Blair** asked if Mr. Wood if he has an open staff position.

**Mr. Gibson** stated that they have a zoning enforcement officer position that they haven't filled yet.

**Mr. Blair** stated that it has been vacant for quite a while.

**Mr. Gibson** stated that it has been budgeted for a while and they were waiting until they moved to the City Hall building. He added that the filled once spot and he anticipates filling the other soon.

**Mr. Blair** asked if this is something they could use elsewhere.

**Mr. Gibson** stated that there is a need to fill it, it is just a matter of priorities and getting the right candidate.

### **Tree Board Budget**

**Mr. Gibson** he stated that this is not a robust budget and is mostly used for the arborist. He explained that before city trees come down they usually get a written determination/conclusion from them. He added that the tree implementation plan is funded through EDIT and is ran by Krisjans Streips.

### **Rental Housing Inspection Budget**

**Mr. Gibson** introduced Mr. Tyler Ferree and stated that he has spent the last month familiarizing himself with the zoning code and building codes because there is so much overlap and he will be working with both.

**Mr. Ferree** introduced himself and stated that he has lived in Sothern Indiana most of his life and graduated from IU. He explained that he has spent is first month here going through documents to familiarize himself with the codes and trying to figure out the best steps to take to move forward with the programs.

**Mr. Gibson** stated that he has basically been updating forms and making recommendations on the legal components on how it will be structured to hopefully finalize a true rollout policy for registrations by the end of the year, and inspections by the spring.

**Mr. Turner** thanked Mr. Ferree for coming on board with the city and stated that he hopes that when he has a policy in place he will come before the council and give them an update on how they can commutate with him to help him with this job.

**Mr. Ferree** stated that they have a fairly solid database but he welcomes and encourages assistance from all of them.

**Mr. Applegate** stated that there is also a human aspect to this as well because there are a folks that maybe can't afford homes so they rent and that sometimes translates to them being treated at a lower level, so his position is important because it will hold them all accountable. He thanked Mr. Ferree for coming aboard and stated that he is excited about the addition of his position.

**Mr. Gibson** stated that this falls into the classic 80/20 where 80% of the problems come from 20% of the people, and they hope to have this policy focused on that 20% to give them the motivation that they maybe need to make changes.

**Dr. Knable** stated that hopefully this will give enforcement leverage as well. He encouraged all of them to brush up on this policy since many of them weren't on the council at the time it was passed.

**Mr. Blair** welcomed Mr. Ferree and stated that he is also glad he has been brought. He stated that he thinks that a lot of people who rent are nervous or reluctant to report a problem so they have to find ways to get passed that so they feel more comfortable doing so. He added that while Mr. Ferree is going through the ordinances he encourages him to make suggestions or

recommendations about anything that he thinks they could make positive changes to, even if it doesn't pertain to rental registrations.

**Mr. Gibson** stated that if any of the council members have friends that are good landlords that they wouldn't mind asking if they would be open to the inspection process, that might be a good way to get the ball rolling as well. He added that they will reach out when they get closer to that point.

### **Rental Housing Budget**

**Mr. Gibson** stated that this is the one that was originally set up to accumulate the money from the rental registration component. He added that it is more for administrative items and hasn't been used in years.

### **MVH Budget**

**Mr. Gibson** stated that they will see an increase in gasoline which is self-explanatory as well as an increase in equipment repair supplies.

**Mr. Ham** explained that stated that his is primarily for the rolling stop, pickup trucks, tractors and any other items they need to perform their duties. He added that it is also used for preventive maintenance items such as oil changes.

**Mr. Gibson** reported that there is a slight increase in paint/signs and stated that they may be looking at an additional appropriation for that as well. He explained that the street department has the city separated into zones and they are slowly working through those zones, and this is to fund replacing faded signs and paint. He added that from their discussions they believe they will need an additional \$30,000.00-\$40,000.00. He stated that there is also an increase in bit material and salt.

**Mr. Ham** stated that they do have a commitment with the state which requires them to have a certain amount on hand. He added that because of the weather last year they went to the maximum and this year there is a slight increase in the cost.

**Mr. Gibson** explained that it is a fluctuating scale to a degree because there is no real way to know what you will ultimately need, and the state requires that the city buy a certain amount whether they need it or not.

**Mr. Ham** stated that last year they were jockeying around trying to find salt.

**Dr. Knable** asked if there is a price break for buying more tonnage.

**Mr. Gibson** stated that he doesn't believe there is per the state contract, they just have to commit to buying a certain amount. He added that they may not deliver it all at one time but they have to purchase at least that amount.

**Mr. Aebersold** asked if they can keep the unused salt.

**Mr. Ham** stated that they can.

**Mr. Aebersold** asked if they have a reserve of salt and we don't think we will need it but another community will, can we sell it to them.

**Mr. Ham** stated that it would still be a guessing game and they would need to make sure that the city's needs would be able to be met before doing anything like that.

**Mr. Gibson** stated that they have never really considered anything like that because it is not worth the risk.



**Mr. Turner** asked if we are required to go to the state for salt.

**Mr. Ham** stated that they have to commit to a certain amount.

**Mr. Gibson** stated that their experience has been that the state provides the lowest rate because they are buying it in such a huge bulk.

**Mr. Blair** asked how the street department is paying for infrastructure repairs such as one-off sidewalks and curbs that may be a safety hazard.

**Mr. Gibson** stated that the MVH Fund is limited and a lot of the times those types of issues will come through via a request and then they will search for the funds to do it.

**Mr. Blair** asked if maybe this fund should support those types of items.

**Mr. Gibson** stated that unfortunately the revenue doesn't allow it. He explained that they could start doing it but it would take reallocation of money because it is such a specific fund. He stated that they could look at funding that in different areas for the future, and added that they are currently looking at using some ARP Funds to pay for sidewalk and storm water projects that he is facing.

**Mr. Blair** asked what fund it would come out of if they have an emergency collapse of a sidewalk that has to be repaired.

**Mr. Gibson** stated that his staff does go out and fix smaller panels.

**Mr. Ham** stated that when they have four to five sidewalk panels that need repaired they typically can do that in-house.

**Mr. Gibson** stated that they would look for whatever revenue is available in situations that require more than is staff.

**Mr. Blair** stated that he just wants to make sure the department has the resources that they need and even if staff is making the repairs it still requires an increase in material cost.

**Mr. Applegate** asked if there is something they can set up to have a liaison with downtown businesses to be able to provide salt for them for the winter months. He stated that they have built this incredible downtown area over the years and they want to assist the businesses to make sure it is safe and walkable. He added that salt can be hard to get from a residential side and this might be a great program to set up for them.

**Mr. Gibson** stated that he doesn't know if the product the city purchases can be applied to sidewalks, but they have had discussions about how they help businesses and Develop New Albany with sidewalks during the winter months. He explained that they wouldn't want to jeopardize the supply for the streets but he can inquire if that salt can be applied to sidewalks.

**Dr. Knable** stated that he would like to see some sort of proposal from DNA because they have businesses far from downtown that would like the same assistance.

### **MVH Restricted Budget**

**Mr. Gibson** explained that they have to do two budgets to meet state requirements so the MVH Fund requires that half of it be spent directly related to roads and maintenance. He added that this also includes staff but it has mostly created another layer of documentation.

**Dr. Knable** asked why there is no budget increase.

**Mr. Gibson** explained that is already over the percentage that the city is going to get and at the end of the day it is one pot of ~\$1.3M that they have to dedicate at least half to the restricted fund.

**Mr. Blair** stated that if he remembers correctly there was an audit finding on this last year.

**Mr. Gibson** stated that they are still working on correcting it. He added that this fund is very nitpicky but they are working on getting that ironed out.

### **LRS Budget**

**Mr. Gibson** stated that this is self-explanatory. He explained that they cannot pay employees from this fund but they can do paving, which is used as part of the overall paving allocations for each year.

### **Cemetery Budget**

**Mr. Gibson** reminded them that they previously merged this into one department that falls under Mr. Ham. He stated that there are no major increases and explained that they are responsible for Fairview and West Haven.

**Mr. Ham** stated that they do have a project planned for a cremation ditch and explained that the trend for a lot of people has been to cremate instead of bury so in order to expand what they have they will install an Actuarium that will hold ~420 urns and will set outside the current mausoleum.

**Mr. Gibson** stated that the funding for this will come through the Perpetual Care Non-Reverting Fund, which will help with both cemeteries and expand their capacity.

**Dr. Knable** asked if that is the big jump in contract services.

**Mr. Gibson** replied yes.

**Mr. Turner** stated that he walked through Fairview a couple of months ago and noticed a lot of issues with upkeep on the stones. He asked if there is a project in the works to clean them up.

**Mr. Ham** stated that the Friends of Fairview do provide supplies to repair stones and the VA has stated that they will replace certain stones that relate to them. He added that doing routine cleaning as much as they can.

**Dr. Knable** asked for an update regarding the trustee's office and the Freedom Land issues.

**Mr. Gibson** stated that the city has helped with legal components and have been assured that they are on top of it with plans to get the marker fixed. He added that they did get the title in the trustee's name so that they are the designated person for maintenance and now they need to figure out access. He stated that he will get an update and share it with the council.

**Mr. Blair** asked if he has had the change to find out how much milling the city should be doing.

**Mr. Gibson** stated that Mr. Summers did get him a memo on this but he hasn't review it yet.

### **ADJOURN:**

There being no further business before the board, the meeting adjourned at 7:35 p.m.

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Jason Applegate, President

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Vicki Glotzbach, City Clerk