

**THE COMMON COUNCIL OF THE CIVIL CITY OF NEW ALBANY, INDIANA,
HELD A WORK SESSION AT NEW ALBANY CITY HALL IN ROOM 100 ON
WEDNESDAY, AUGUST 9, 2023 AT 6:00 P.M.**

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

ALSO PRESENT: Ms. Stein, Mr. Gibson, Mrs. Moeller, Mr. Rake, Mr. Wood, Mr. Kalbaugh and Mrs. Glotzbach

President Collier called the meeting to order at 6:00 p.m.

Mr. Gibson stated that he doesn't have revenue numbers but hopefully will have them by next week. He said that they are still waiting on the second major one, which is the Local Income Tax (LIT) which is factored into EDIT in the budget so he is just going off of last year's number, but it is expected to be a little higher and Department of Local Government (DLGF) will release it on August 16th. He stated that if they remember last year, he kind of gave the miscellaneous revenues and all of that so he will have that in the packet once he gets that final number. He said he will have that next week from DLGF and then he will give them what he thinks the miscellaneous and the total income will be for the budget next year.

Mr. Blair asked if he has the growth factor?

Mr. Gibson replied yes and stated that it is 4%.

Mr. Blair asked if that is what he used?

Mr. Gibson replied yes. He then stated he is starting off with some of the easier ones because there are no major changes, hardly any changes really, from what you saw last year. He said as they are going through, he usually highlights those and they do have 2% raises factored in right now. He stated that they are going to look at that again as soon as they get that number next week to see what that income will do to the whole revenue stream.

Mr. Turner asked if they could get budget to actuals sooner just so that he can look at them before the meeting?

Mr. Gibson replied yes and stated that they just got these because they just got them done yesterday and today. He said that they will actually get June's tomorrow or Friday.

BUILDING COMMISSION

Mr. Gibson stated that this is a rather all-encompassing department and they handle probably more phone calls than maybe the rest of the city combined. He said that on average, they do a couple of thousand calls a year for code enforcement, which will range anywhere from grass to dilapidated buildings, broken windows, trashed alleys, etc. so that kind of falls within this budget. He stated that Mr. Kalbaugh, as Building Commissioner, in 2021 issued 2,339 permits through their office and 2,222 in 2022. He said on average it is not only a couple of thousand code enforcement calls that they deal with within a year, but they also deal with a couple of thousand permits within a year. He added that those could be electrical, building, plumbing, etc. He stated that the only real change that you will see is a vehicle and some equipment for them that we had budgeted last year and we have gotten that over the past year, and that addition is not in there right now. He said that they will probably look at it again when they need to replace that equipment, but it is not there at this time.

Mr. Turner stated that they are at 103% of contract services and asked if \$120,000.00 is going to be enough because they have already hit that?

Mr. Gibson stated that contract services is one of those difficult ones.

Mr. Kalbaugh said that it goes back and forth. He stated that in summer time it does go up because of grass cutting and cleanups. He said that in the winter time it does go down a little bit, but it seems to be more on the rise because the cost of everything is going up.

Mr. Turner asked what a typical contract service is for the building commission?

Mr. Kalbaugh stated that they have grass cutting, cleanup of properties and buildings, some minor demo, etc. He said that it varies from job to job.

Mr. Gibson stated that they have a lot of alley cleanups and they hire a crew to literally go through back alleys from one street to the next and just cleanup. He said that they kind of get neglected by owners because they are just not used very often, so a lot of contract services is alley cleanups, yard cleanups and those kinds of things.

Mr. Blair asked if they do put liens on properties?

Mr. Kalbaugh replied yes.

Mr. Blair asked how we are doing on as far as collecting on those?

Mr. Gibson stated that they are checking on that because they didn't show up on the most recent settlement and maybe that's just because they were filed after the tax bills went out.

Mr. Blair stated that obviously when they sell the property whoever is doing the lien search and so forth is going to call the city to find out how to get it released. He asked if that revenue goes into the building commission or if it goes somewhere else?

Mr. Gibson stated that it will usually go back into the unsafe fund if it is related to a demolition, and if not, it would usually go back into some kind of miscellaneous revenue fund for the general fund.

Mrs. Griffith asked about the clothing allowance and said that it is a very small amount. She asked Mr. Kalbaugh if he plans on getting new shirts or anything?

Mr. Kalbaugh stated that if they needed a winter jacket or whatever, it has already been done.

Mrs. Griffith stated that she was just curious on if that is something that we need to keep in every year or if you can use those funds for something else.

Mr. Kalbaugh stated that it just depends on if the guys wear out their jackets, sweatshirts and stuff like that. He added that mainly on theirs it is work boots. He said that the code enforcement guys have to wear work boots to have their feet and toes protected.

Mr. Blair asked if all of his inspectors are able to keep up with all of the development going on?

Mr. Kalbaugh stated that right now it is mainly him doing the inspections, and yes, he does keep up with everything. He added that sometimes he is not done until 5:00 or 6:00 o'clock.

Mr. Blair stated that he appreciates that work because there is a lot of construction going on. He then asked if he sees people getting remodeling permits?

Mr. Kalbaugh stated that it depends on what they are doing. He said that if they are just doing drywall, installing some counters or whatever, usually they don't come in for a permit. He stated that once they start plumbing fixtures, electrical fixtures or redoing windows, doors and stuff like that, they usually get permits.

Mr. Blair asked if the code enforcement officers see something, do they report it?

Mr. Kalbaugh stated when they see it, they will give him a call and tip him off and he also has contractors out there that say "hey, did you know this was going on" or something like that and

then he can go and investigate. He added that he doesn't catch all of it but he tries to catch most of it.

Mr. Blair stated that he thinks remodeling is where you will see the less quality workmanship versus the contractors.

Mr. Kalbaugh agreed and said that they do have ones floating around and try to get them when they can get them.

Mr. Aebersold asked if the travel line item is for seminars and things or is it for all of your trucks?

Mr. Kalbaugh replied that it is his understanding that it is for seminars, training and stuff like that. He said that a lot of the occupancy training and the ICC training for the codes and everything is usually in Zionsville or Indianapolis. He stated that they haven't used anything in that line item because they are already certified in all of the classes that have come up so far this year.

Mr. Applegate asked if they write everything up on paper or if they use laptops or tablets?

Mr. Kalbaugh stated that he usually just does it all on paper and then when he gets back to the office, he writes it up. He said that they are starting to do some of it electronically because it is easier to keep track of. He added that SmartGov is coming up and he thinks that will resolve a lot of issues.

Mr. Applegate said that over time, they may want to look at budgeting for laptops or tablets or whatever that element would be to allow you to do it on site.

Mr. Kalbaugh stated that right now it is stickers, carbon copy paper and our cell phones.

Mr. Applegate stated that there are very few complaints that he receives from anyone about that department and that means they are doing a really good job.

Mr. Gibson stated that in the past if there has been a delay, they would get a phone call from a developer saying, "hey, I can't get an inspection" and they haven't had any phone calls come to the mayor's office for a while. He added that those were well before Mr. Kalbaugh was here.

RENTAL HOUSING

Mr. Gibson stated that this is one where you do see quite a bit of change. He said that he didn't know if anyone has been following Clarksville, but they have been dealing with being challenged on their rental housing stuff. He stated that when we started this, it was a preliminary budget and obviously it does not seem to be of that magnitude that we had originally had planned, so it has been scaled back. He said that you will see a \$75,000.00 deduct on contractual services because they don't see that it is necessary at this time to budget \$100,000.00 for that. He stated that travel is the same because they encourage all staff to go and educate themselves wherever they can.

Mr. Turner stated that the travel line item is at 139% and asked if that needs to be increased for next year?

Mr. Gibson stated that he doesn't think so because with Mr. Ferree being new, he was trying to obviously get as educated as possible. He said that the reason that he says probably not is because we do have some other areas that we can use if we need to.

Mr. Turner asked how everything has gone in his first year?

Mr. Tyler Ferree stated that it is going pretty well. He said that right now he would say that they are kind of more reactive where they go out and check out complaints of calls that come in. He said that either himself, Mr. Kalbaugh or Melissa, who is also in the building department, will

go out and take a look and do a little inspection and come back and write up a report to send to the landlord. He stated that so far, everyone has been pretty good about getting their issues fixed. He said that registration wise when they get a complaint or phone call from someone, they send out a registration form.

Mr. Phipps stated that we have had this in place for four or five years and asked if there is any way he can tell what percentage of landlords actually registered?

Mr. Ferree stated that it is kind of hard to know just because there are so many places out there that we may not know are used as rentals, so it hard to get a percentage at the moment. He said that he would guess that it is still fairly low, but he is hoping to get those numbers up.

Mr. Phipps asked if they are issuing citations when they find out that they are not registered and they receive a complaint on it?

Mr. Ferree stated that they have not yet. He said once they get a complaint, they will send the registration form to the property owner and everyone so far has been good about getting those back to them.

Mr. Applegate stated that Airbnb's are not included in this and asked if we have had any complaints on those?

Mr. Ferree replied not on the Airbnb's. He stated that they have a short-term rental registration but they haven't necessarily rolled that out completely yet. He said that he is still trying to figure out if Airbnb does their own inspections, but he hasn't really gotten a good answer. He stated that it is only on some of them that they will actually do their own inspections, so that is another aspect that they are figuring out as well.

NON-REVERTING FUNDS

Mr. Gibson stated that Mrs. Moeller highlighted the three non-reverting funds which are Rental Housing, Tree Board and Motor Vehicle Highway. He said that those are the ones that generate their own funds.

PLANNING AND ZONING

Mr. Gibson stated that he doesn't think there are any changes in their budget at all. He said that they work closely with Mr. Ferree. He said that Mr. Ferree is kind of a floater because he works with planning and zoning on the housing components and code enforcement on any complaints about rental property, and with some of his expertise, they are actually starting to bring him a little bit into the redevelopment side on some of the housing stuff that they are trying to do there. He added that his main focus is still the registration component but he also assists other departments.

Mr. Wood stated that they have added some environmental aspects to their portfolio and he thinks it is appropriate for them to do that. He said that they are working with Indiana University's Environmental Resilience Institute, which is one of the leading academic groups in the country on a climate vulnerability assessment, to determine what they need to do because 50 years from now, the climate is going to be a lot different than it is today. He said that they had a workshop a couple of weeks ago with a couple of council people in attendance and will be aggregating that data and coming up with a plan on how they can best respond to climate vulnerability. He stated that they are working on housing stuff and code enforcement, particularly the zoning code. He said that they succeeded in getting Mr. Andres Sr. to clean up his property on Corydon Pike. He added that they have been battling with him for years. He stated that they are hoping to get the judge to rule in their favor to get that flood plain restored back to its original condition.

Mr. Turner stated that he sees that they are at 102% for contract services as of June and there is no increase going into the next year. He asked if there is a need for more to be budgeted on contract services?

Mr. Wood stated that he thinks they are okay. He said that they are not looking at taking on anything too much in addition next year, so he thinks they are pretty close to amount budgeted.

Mr. Turner thanked Mr. Wood for always being responsive.

Mr. Blair stated that he is looking at the numbers and it looks like there is still an open position.

Mr. Wood stated that Mr. Streips and he are actually rewriting the job description for that position right now. He said Mr. Streips has taken on the tree board stuff and that is taking up a lot of his time, so they wanted to get a planner maybe with some management background to take a little bit off of Mr. Streips and help him with the forestry aspect as well as the street department when it comes to trees.

Mr. Blair stated that they obviously have the office space now to house someone. He said that he would really like to see another person to beef up the staff. He added that he thinks that is a good idea.

Mr. Turner asked if we are still a tree city USA?

Mr. Wood stated that he doesn't know the answer to that but he doesn't think that we are right now.

Mr. Dickey stated that he can check.

TREE BOARD

Mr. Gibson stated that their main expense is the arborist and they also do budget for the tree implementation program. He said that we have a new arborist and his name is Mr. Mark Stevens. He said that they asked Mr. Streips just off hand how many trees they planted within the last year and he said that it is approximately about 100, and as fall gets here, they will plant several more. He stated that Mr. Streips said that is about average. He then said that the arborist is beneficial to us because they go inspect the trees and recommend whether or not one should be taken out. He said that he will recommend species of stuff to plant and is trained in that along with everything else. He stated that EDIT is where they budget for the tree planting implementation program and part of the expenses that come out of that would be obviously the cost of trees, anytime we have to hire a contractor to take down trees, trim trees or tear up stumps. He added that the cost of maintaining the trees comes out of that also.

Mr. Applegate asked if there is anything on our site that shows native trees versus what is not good to plant?

Mr. Gibson stated that they have a site and they can put something on it regarding what is appropriate to plant and what should not be planted.

Mr. Blair stated that he just reminded everyone that anytime we are going to do a streetscape or go out and plant trees, let's make sure that we notify the residents because we had a fiasco will Lynnwood and Millerwood. He said that a lot of people were upset about it and the arborist at the time told them that it was city easement and they were going to plant the trees regardless, and those residents had been taking care of their yards for 30 years.

Mr. Gibson stated that it is the city right-of-way and technically the city can put a tree in if they want, but we have mechanisms in place now to talk to the residents first and then give them the option if they don't want to. He said that they are receptive to that.

Mr. Blair stated that the comment he had was that they had a chainsaw. He said that is what they told him.

Mr. Gibson stated that for everyone one of those calls, they had five calls from people saying that they would take a tree, but he agrees that those mechanisms need to be in place.

Mr. Dickey stated that he thinks it is important to recognize that those streets don't have the traditional grass strips with sidewalks on the side.

Mr. Griffith asked if anytime someone has a tree that needs to be trimmed, should they not do that or do they go through the tree board?

Mr. Gibson stated that if it is a city tree, technically the city should be responsible and we get the arborist to take a look at it. He added that if a homeowner wants to trim a tree, they would prefer that they contact the city so that they can send the arborist out and make sure that it is the right thing to do.

MVH/STREET DEPARTMENT

Mr. Gibson stated that Mr. David Rake is our new Street Commissioner. He said that this is one of those that we get funding directly from the state and it runs approximately \$1.5M or \$1.6M a year. He stated that they are asking for us to be able to account for a few things a little differently this year and it is a paper process or trail that he will need their assistance on. He said that part of the state requirement is that half of the money that we receive from MVH must be directly put into roads. He gave the example of if it is \$1.5M then \$750,000.00 of that needs to go directly into and accounted for in road type projects. He stated that includes manpower and everything else such as asphalt, paving, striping, etc., but the problem that we run into is keeping the accounting for that because it is almost impossible. He said that they have had to deal with it once or twice now with the state board and they have recommended to take part of the paving money that is allocated and transfer it over to MVH. He said that they should recall about two or three years ago, they had to do a MVH normal budget and an MVH restricted budget. He stated that the restricted was specifically for the paving type of things that he just mentioned. He said that they just ran into problems keeping it properly accounted for because they had to figure out if the employee actually worked four hours on road work or if he worked four hours on a ditch or whatever else. He then stated that Mr. Rake's department is kind of a catch all and they do anything and everything. He said that they help clean ditches if necessary, they cut grass when needed, they do street work as needed, they paint crossbars, replace signs, remove snow, etc.

Mr. Rake added that they remove snow and debris from storms. He said that they pretty much touch everything in one form or another and try to address everything that comes their way. He stated that the storm debris was really bad in the west end and they pretty much got a grip on it, and as of Friday, he could say that they were caught up and maybe a little ahead of the game. He then said that they do have a large variety of work that they do.

Mr. Turner stated that there is a 70% increase in salaries from last year.

Mr. Gibson stated that if you're looking at 2023, that was the half and now you are looking at the full. He asked Mr. Turner if that is what he is looking at?

Mr. Turner said that he sees in 2023, the salaries were \$273,000.00 and now it is \$538,000.00.

Mr. Gibson stated that he needs to give them a cleaned-up sheet because that was half and half. He said that half of that is there and half of that is in restricted.

Mr. Turner stated that this is the accounting issue that we had last year.

Mrs. Moeller stated that if you look at the restricted, you will see the 2023 figure there so if you take those two figures and combine them, you end up with 2024.

Mr. Gibson stated that they will clean it up so that they can see that they are looking at half and half.

Mr. Turner stated that he understands why they have to do it.

Mr. Rake stated that the restricted didn't even encompass some of the things that they do. He said that you have to try to explain that an employee worked 8 hours but did 4 hours here and 4 hours there. He stated that if you worded it a certain way, it was allowed, but if you were to word it differently, it wasn't allowed. He added that it is really difficult to use the money for what you need it for.

Mr. Gibson stated that this is only showing part of that and the other part is over in the restricted, and when we get there, you will see it. He said that he will get them an updated sheet so that they can see that it is not a dramatic change at all.

Mr. Dickey stated that the bottom line on salaries is that they are just asking for the normal 2%.

Mr. Gibson stated that they are in contract negotiations with them and hammering that out now and hopefully will get that done in the next month or so.

Mrs. Griffith stated that in salaries, the half of the \$1.5M is supposed to go for the asphalt.

Mr. Gibson replied yes and said that it is just difficult to track. He gave the example of if there is an accident and they need to go cut a tree and they were working on paving, they have to go do it and then it has to be documented.

Mr. Rake stated that daily you have to document who goes on restricted and not restricted. He said that it is a difficult formula that they set up and he understands that it actually got started by another community that did something wrong.

Mr. Turner asked if it is best to contact Mr. Rake through email or would he prefer them to contact him through his cell phone? He said that he knows that he has been reaching out a lot lately on email.

Mr. Rake stated that he has been really busy lately so if you email and you don't get a response, he can assure you that the problem is being worked on.

Mr. Turner stated that Mr. Rake has done a lot for him already and he really appreciates that.

Mr. Phipps asked if there is a traffic light out, should they contact the street department? He said that he has been calling the city engineer's cell phone.

Mr. Rake replied yes and said that they do have some streets in the city that are state highways, so if he gets the information, he does contact people to address the issue.

Mr. Gibson stated that if it is a stop light out, reach out to Mr. Rake because his department is who will go fix it immediately. He said that if you contact Mr. Summers, he will just have to transfer the message.

Mr. Rake stated that if it is a state highway light, he has to contact them but he can't vouch for their response time. He added that the new guy they have hasn't been very good with it.

Mr. Turner asked what budget the city engineer's salary comes out of?

Mr. Gibson stated part comes out of board of works and part comes out of the sewer utility.

Mrs. Griffith asked if all of the paving comes out of the street department?

Mr. Gibson stated that this is where the manpower comes from, not the paving allocation itself. He said that will come out of EDIT, Riverboat and LRS (Local Roads & Streets).

Mr. Blair stated that he gets a lot of requests for sidewalk repairs and has had several requests in for a while and things didn't get done last year. He asked Mr. Rake if he still has a list?

Mr. Rake stated that is actually a problem that they are working on because the former commissioner didn't have priority levels on some of these issues, so they are currently working on the sidewalk inventory.

Mr. Gibson stated that we have a sidewalk inventory which is citywide to see where we are at and any connections that need to be made as well as the conditions of certain areas. He said that Mr. Blair is talking about some spot areas that have been issues.

Mr. Blair stated that he is talking about a homeowner or neighbor that needs a sidewalk repaired.

Mr. Rake stated that many times they go to repair a sidewalk somewhere and then all the neighbors come out and ask them if they are going to do theirs. He said that he would like to see it prioritized.

Mr. Blair stated that we need to have an inventory and a plan no doubt.

Mr. Gibson stated that they will then have to determine the best way to fund it.

Mr. Rake stated that he wants to be fair to everyone.

Mr. Blair asked if there is going to be funding in this budget for next year?

Mr. Gibson stated that they are supposed to get the inventory, he thinks, in mid-September so if there is funding needed, he is anticipating coming back here with that as an additional.

Mr. Blair stated that we will not have enough funds to correct everything that needs to be corrected so he would like to see a plan started in this budget for sidewalk repairs and maintenance.

Mr. Gibson stated that he will see what he can do. He said fingers crossed that LIT revenue stream is a little higher then that would create some extra money that we don't have to allocate right now.

Mr. Blair asked what he should tell someone when they say that their sidewalk is broken up in front of their house and their kids can't ride their bikes there?

Mr. Gibson stated that needs to be sent to Mr. Rake so it can be documented and be put on the list, and then they will see how it falls with respect to the sidewalk inventory so they can hopefully start pecking away at those.

Mr. Blair stated that in the past, we have always torn out the old sidewalk and poured a new one in place. He said that he knows there are techniques where you can raise and lower sidewalks and you don't have to really repour a sidewalk. He stated that he has seen that in different areas, especially where they have grinded down a raised edge to make it smooth. He said that would be less expensive and a lot quicker and he would like for them to look into that possibility.

Mr. Rake stated that is something that they could possibly look at.

Mr. Blair stated that could be contractual too.

Mrs. Griffith asked if there are ways of implementing speed tables for traffic calming?

Mr. Gibson stated that is going to fall more under the city engineer's department.

Mrs. Griffith stated that is something that she thinks they need to look at too because a lot of people are cutting through neighborhoods with the bridge traffic.

Mr. Applegate asked if they could use the pothole hotline for sidewalks as well so people can call and leave messages?

Mr. Gibson replied yes.

Mr. Applegate stated that they could document a little bit by phone calls.

Mr. Gibson stated that it is okay if you want to give someone that number and obviously the street department number can be used as well because they take phone calls and log them into the system.

Mrs. McLaughlin asked if that includes alleys too?

Mr. Rake replied yes and said that there are some that he is looking at and they could possibly go under the masterplan for paving.

Mr. Turner stated that he brought this up a couple of years ago and thinks that we need to really consider this as a city. He said that if we name our alleys, we will get more funding from the state because of mileage.

Mr. Gibson stated that he is pretty sure that they looked at that and we do not.

Mr. Turner stated that Greenville does and that's how he got the information.

Mr. Gibson stated that he will check on it.

Mr. Rake stated that he can remember something to that effect several years ago but he doesn't know the exact answer.

Mr. Blair stated that it is his understanding that they changed that and now they go into the Community Crossings Grant.

Mr. Turner stated they do add up the miles though as street service.

Mr. Gibson stated that LRS money is based kind of a little bit on the mileage of your streets that you have, but he will check and see on the alleys again.

Mr. Phipps stated that he just talked to the mayor this morning about naming the alleys just off Market Street downtown because there is Sweet B's place and people have had trouble finding that. He said that the mayor said he will have the board of works look into it.

Mr. Gibson stated that the next one is the MVH restricted and like he said, he will get them an apples-to-apples comparison on that. He said to alleviate the problem they have had with documentation necessary for this, they are going to budget for paving out of EDIT, LRS and Riverboat and they can do a transfer, for example, from EDIT of \$750,000.00 to MVH paving and transfer it to restricted. He stated that it just seems silly to have to do it this way, but it will keep us from having SBOA have an issue with the accounting and documentation. He said that it would just be a transfer of those funds for paving which would go directly over to the MVH restricted, and then the paving bills would be paid directly out of that until it is depleted. He stated that then they would go to the other sources and that will meet the requirement of tracking and paying half of the dedicated funds from MVH.

CEMETERY/FAIRVIEW PERPETUAL CARE

Mr. Gibson stated that this is one that does have its own funding source and does get various donations and/or burials. He said that the biggest increase we have is for ossuaries, which are basically large decorative things that hold people's ashes, because we have essentially really gotten low on those. He stated that they are going to be adding these to Fairview Cemetery and the actual purchase is about \$90,000.00-\$100,000.00 for the actual units. He said that they will have to get a little engineering done because state law requires that anytime you are dealing with cemeteries, you have to follow some rules that they dictate. He added that there will be some landscaping that will obviously be needed as well as groundwork and some construction work

necessary to hold them because they are large heavy things so they need footers, concrete and stuff. He said that is the biggest change you will see in that.

Mr. Turner asked who is the engineer on that?

Mr. Gibson stated that it is HWC Engineering.

LOCAL ROADS & STREETS (LRS)

Mr. Gibson stated that this budget is based upon mileage as we talked about earlier and has been pretty consistent for the last several years. He added that they use a formula throughout the state. He stated that money is restricted to definitely go towards roads and streets.

Mr. Turner asked if he thinks he can get a paving list at some point in time?

Mr. Gibson stated that they are working on it.

CEMETERY

Mr. Gibson stated that it was this year or last year that they combined these because they used to have two separate budgets and it falls under Mr. Rake's department, and there are no changes in the budget from the previous year.

Mr. Phipps stated that collectively we are spending about \$500,000.00 a year to maintain the cemeteries. He added that he is not criticizing.

Mr. Gibson stated that \$327,659.00 is the budget and that is used and we do have budgeted that extra whatever for this addition to the cemetery. He wouldn't say that they always use the Fairview Cemetery Perpetual Care fund but that is not city funds anyway. He said that this comes out of our general fund, so this is miscellaneous revenue from the property tax, the income tax and then all of the other various other elements. He stated that the perpetual fund is not funded from those resources at all.

Mrs. Griffith asked about gasoline because it showed \$16,000.00 for 2022 and it is only about \$6,000.00 this year.

Mr. Gibson stated that they are at 53% right now. He said that the retracting lawn mower, vehicles and machinery that has to dig and all of those various things would be what the gasoline is for.

Mr. Rake stated that it also includes weed eaters, all of the lawn mowers and vehicles that have to run back and forth.

Mrs. Griffith said okay, but it just seemed really high in 2022 and she was just concerned if they were budgeting enough for next year.

Mr. Gibson stated that they are just a little over half this year but not that much.

WEIGHTS AND MEASURES

Mr. Gibson stated that this is just our contribution for the salary of the county's weights and measures individual because we share the expense of their salary.

Mr. Applegate asked if they should ever budget for equipment because he knows from time to time, they have to repurchase equipment?

Mr. Gibson stated that our obligation to them is just splitting the salary.

CONTROLLER

Mr. Gibson stated that this is Mrs. Moeller's budget and there are no changes. He said that they are pleased that they have been able to stay in check with insurance, which is one of the largest expenses that we have. He said to keep encouraging everyone to stay healthy because that helps our insurance plans. He stated that the insurance went up slightly last year but projections and expectations are that we get to hold steady moving into next year.

Mrs. Griffith asked if that is why the accounting line item went up?

Mr. Applegate stated that all accounting services have gone up. He said that he has been on four or five boards and the accounting fees used to be X amount of dollars but not anymore.

Mrs. Moeller stated that her contractual services pays for all of the maintenance agreements that they have with the software.

Mr. Turner stated that Mrs. Griffith is talking about line item 4317.0 which was \$35,000.00 last year and is \$42,000.00 this year.

Mr. Gibson stated that there was an increase in our accounting service.

Mr. Turner stated that contractual services for \$50,000.00 is for the software licensing and maintenance and then the accounting contractual services for \$42,000.00 this is year is, he assumes, for additional help when it is needed.

CITY ATTORNEY

Mr. Gibson stated that there are no changes in this budget. He said that the other thing that goes along with that is the limited liability for whenever we get various law suits. He said that they haven't had to use it so he is keeping his fingers crossed that it will continue that way. He added that a lot of times those expenses will be eaten up by his budget.

Mr. Blair asked if we are keeping a reserve for liability?

Mr. Gibson replied no and stated that there are no funds in it right now. He said that if they needed some, they could do transfers.

Mr. Blair said that obviously we have insurance coverage.

Mr. Gibson replied yes, but we still have \$25,000.00 to pay for stuff if necessary.

Mr. Blair stated that he just wants to make sure that we don't have a reserve fund.

Mr. Gibson said that we do not.

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Mr. Gibson stated that this is cigarette tax money and it is basically used a lot for IT stuff and technically capitally depreciated to a degree.

Mr. Applegate stated that every expense that comes out of this has to be depreciated.

Mr. Gibson stated that now they are requiring everything to be depreciated. He said that he doesn't agree with it, but that is what they are going to requiring them to start doing with it. He added that every building we have, we have to depreciate it. He stated that it makes sense when you are writing it off of taxes and various things, but when you are not, it skews your balance sheet in the wrong direction.

Mr. Blair stated that he thinks it is just a way for people who are used to accrual accounting to reconcile bank cash accounting.

Mr. Gibson stated that you will see something being depreciated and it will have a value of zero technically and we all know that is not true. He said that is what it is going to show at some point because that is now the process that they want done, and maybe that's the reasoning, but he doesn't agree with it in our business because we don't have an expense write-off system. He then stated that is everything for tonight and the goal is to get those numbers finalized. He said that he will have revenue numbers for them and he will have projections like he has done in the past for LIT, Riverboat, Rainyday and LRS.

ADJOURN:

There being no further business before the board, the meeting adjourned at 7:07 p.m.

Jennie Collier, President

Vicki Glotzbach, City Clerk