

**THE COMMON COUNCIL OF THE CIVIL CITY OF NEW ALBANY,  
INDIANA, HELD A COMMITTEE MEETING OF THE BUDGET AND  
FINANCE COMMITTEE, MEETING COUNCIL AS A WHOLE, IN THE  
COUNCIL CHAMBERS AT NEW ALBANY CITY HALL ON THURSDAY,  
DECEMBER 21, 2023 AT 6:00 P.M.**

**MEMBERS PRESENT:** Council Members: Mr. Dickey, Mr. Phipps, Mrs. McLaughlin, Mr. Turner, Mr. Blair (Zoom), Mr. Aebersold, Mr. Applegate, Mrs. Griffith and President Collier. Mr. Blair was not present.

**ALSO PRESENT:** Ms. Stein, Mr. Gibson, Mrs. Moeller and Mrs. Glotzbach.

**CALL TO ORDER:**

**President Collier** called the meeting to order at 6:00 p.m. She said that they will be discussing A-23-11 An Ordinance Amending Salaries for the Year 2024.

**Mr. Phipps** stated that this is his ordinance and asked if anyone had any questions or concerns?

**Mrs. Griffith** stated that she asked the other day about the general fund and thanked Mr. Gibson for providing that information. She then said that when she was looking over the ordinance, she found that the fire and police chiefs really didn't get that big of a raise. She asked if she was reading it wrong because the fire chiefs were a difference of like \$8.00 every two weeks. She asked if that was correct?

**Mr. Phipps** stated that he did not figure up the raises so he deferred to Mr. Gibson. He said that part of this too was that they were trying to bring the salaries up closer to what our neighboring cities are, so maybe those were not that bad.

**Mr. Applegate** stated that those didn't have anything to do with the initial raises.

**Mr. Phipps** stated that is because we forgot to put them on with the other salary ordinance. He said that we are not really giving them a raise, per say, other than what they were giving to everyone else. He said that it wasn't in the original salary ordinance and asked Mr. Gibson if that is correct?

**Mr. Gibson** replied yes and stated that the \$4,393.06 is the salary for the chief that has been recommended to be for next year.

**Mr. Phipps** stated that was put onto the same thing that we were looking at about trying to get the salaries of the elected officials brought up. He said that they discovered that so it was put it in this same ordinance that we are doing, so that we didn't have to do a separate one.

**Mr. Gibson** stated that it just cleans it up from the salary ordinance stance; it should have been in the original one with the budget and we inadvertently had those taken out. He said that deputy chiefs and chiefs are not part of the union contracts, so they should be in our salary ordinance. He added that they have been in the past and that is what their salaries should be for next year moving forward.

**Mrs. Griffith** stated that she does remember that they weren't on there because they had questioned that during one of the work sessions. She said that they are not actually getting a raise.

**Mr. Gibson** stated that they are not getting any raise above what was already planned for. He said that is not doing anything other than documenting what we should have done in October.

**Mrs. Griffith** said that she didn't have an issue with that, but when she went back and compared them, there wasn't that big of a difference. She was thinking with the elected officials having a larger income, in regards to the stipend, she just assumed that there was going to be a nicer increase in theirs.

**Mr. Phipps** stated that they did look into the fact about raising that \$500.00, but after looking at the numbers, \$500.00 is the most that we can do for the stipend for the other city employees.

**Mr. Turner** asked if there just wasn't enough money in there for that?

**Mr. Gibson** replied yes, in the budget appropriated items. He stated that in order to maintain and stay under budget, that is what we really feel comfortable with in order to not take a chance in going over. He said that if you remember, it is not an additional that we are doing so it's not like we are adding to the budget; we are going to absorb that additional \$39,000.00-\$40,000.00 within our current budget for the year.

**Mr. Aebersold** asked if we have ever given a stipend every six months?

**Mr. Gibson** said we have not in the past. He added that it is worthy of discussion.

**Mr. Applegate** stated that the only thing we ever did was during Covid when we did the premium pay.

**Mr. Gibson** stated that if he recalls right, several years ago there was something like a one-time longevity type of payment, but it has been numerous years. He added that is also worthy of discussion during budget time.

**Mr. Turner** stated that the one position of deputy chief was brought up at the last meeting because it looked like a 125% raise and it is not clear in the salary ordinance. He said that in the salary ordinance that he got from Mr. Blair just says deputy chief \$1,297.94 bi-weekly.

**Mr. Gibson** stated that obviously that was 2023, and if you look at it, it was clearly a mistake. He said that if you do the math, that's a \$33,000.00 position and we don't have a \$33,000.00 fire employee except maybe the administrative staff. He stated that is an error and there was no employee ever filling that spot.

**Mr. Turner** said, so it's a new spot?

**Mr. Gibson** stated that it is not a spot. He said that there are five deputy chiefs in the fire department and those are the ones that are listed now in the ordinance. He added that two of those used to be part of the contract in union salaries, but through a mediation and an agreement with the union, it was agreed that these people should be designated as deputy chiefs and that is why you see them now. He stated that they used to fall directly under the contract.

**Mr. Turner** stated that he sees four deputy chiefs and a fire chief and on the salary ordinance, he sees a fire chief and two deputy chiefs.

**Mr. Gibson** stated that it shouldn't be on the one that you have in front of you for modification tonight.

**Mr. Turner** stated that is what he is trying to figure out because in the old salary ordinance, it looks like we are adding two more positions.

**Mr. Gibson** stated that he would not say we have added, the deputy chiefs have just fallen under that deputy chief component.

**Mr. Turner** stated that he thought there was a deputy chief that had just taken a position that we hadn't filled in years.

**Mr. Gibson** stated that is correct. He said that in the past, he thinks there was just one line item for deputy chiefs and it was up to this amount of money for that pay. He added that it is actually broken out now a little bit so you can actually see every one of those positions.

**Mr. Turner** asked how they came up with the \$500.00 stipend amount?

**Mr. Gibson** stated that it was a number that we felt we could absorb into our current budget.

**Mr. Phipps** stated that he thinks someone even suggested that in our discussions during the meeting.

**Mr. Applegate** stated that we talked about that meetings ago and then he remembers that number was brought up.

**Mr. Phipps** asked if that is going to be in one paycheck or will it be proportioned over an entire year?

**Mr. Gibson** stated that it will be one paycheck.

**Mr. Turner** asked if we have done a market analysis on these positions that are getting raises and looked at total comp in these other municipalities?

**Mr. Gibson** said we did look at them but we didn't do a market analysis.

**Mr. Turner** stated that is seems like we are just using base pay and asked if we have looked at like insurance costs, etc.?

**Mr. Gibson** replied yes, but if you are asking like a formal analysis, no, we have not done that. He said that the controller will reach out to some controller's offices on theirs and our HR person will reach out and ask those. He stated that we have our chiefs reach out to their chiefs to kind of see where they are at.

**Mr. Turner** stated that we are basing this on Jeffersonville and asked what their total comp is?

**Mr. Gibson** stated that he doesn't keep track of Jeffersonville's.

**Mr. Turner** stated that is what we are basing our numbers on for these positions.

**Mr. Gibson** asked for which positions?

**Mr. Turner** stated elected officials.

**Mr. Gibson** stated they are \$15,000.00 approximately for city council and \$104,000.00 for mayor.

**Mr. Turner** asked what about the benefits?

**Mr. Gibson** stated that there aren't benefits in there.

**Mr. Blair** stated that he wanted to be clear and that the money for the salary ordinance is coming out of the 2024 budget.

**Mr. Gibson** stated that the stipend will be coming out of the 2023 budget and the elected official's component would be coming out the 2024 budget.

**Mr. Blair** stated that there is a resolution to transfer some money to the animal shelter coming up in the regular council meeting and asked where that money is coming from?

**Mr. Gibson** stated that it will be out of the general fund.

**Mr. Blair** asked if that will be in 2023?

**Mr. Gibson** replied yes.

**Mr. Blair** asked if it is possible to look at EDIT or Riverboat for additional funding for the stipend?

**Mr. Gibson** replied not in a timeframe for this year because appropriation obviously require two meetings. He added that to answer that question, yes, other funds can be used for stipends.

**Mr. Blair** stated that they could make an amendment to the ordinance to take the additional \$1,000.00 times the number of employees and take it out of one of those two funds.

**Mr. Gibson** stated that you would have to have the budgeted line items available to do that. He said that is where SBOA gets a little iffyish, when you cross line items or categories. He added that he is not sure that he understands the question completely.

**Mr. Blair** stated that if the money in EDIT is used for stipends, we could do that.

**Mr. Gibson** stated that if there is a budgeted line item, yes, that could support it without putting the fund over budget. He said yes, if he understands the question correctly.

**Mr. Blair** stated that he is having trouble hearing. He also stated that he looked at last year's budget numbers versus this year's budget numbers for salaries and there are some people that got pretty substantial raises. He asked if they could limit the stipend for certain classes of employees?

**Mr. Gibson** stated that we have kind of done that to date by taking just non-bargaining but he guesses that Mr. Blair is asking about certain levels of departments, maybe?

**Mr. Blair** stated that he is thinking like management levels or something. He said that he is sure they have some kind of classifications as far as job titles and so forth. He stated that may be a way to increase it for the regular employees and maybe not as much to the department heads. He added that he doesn't know if it is enough to be significant, but it was just another thought he had.

**Mr. Turner** asked if there has been an analysis on the regular employees?

**Mr. Gibson** replied no.

**Mrs. Griffith** stated that Mr. Gibson had said there are about 78 employees to receive the stipend and asked if he knew how many were department heads? She said that she kind of likes what Mr. Blair was bringing up.

**Mr. Gibson** stated that personally he doesn't because they are his employees and you are kind of discriminating, but to answer that question, we have about 15 departments but not everyone is non-bargaining because some are in sewer or somewhere else.

**Mrs. Griffith** said like management.

**Mr. Gibson** stated that a rough estimate would be around 20 people.

**Mrs. Griffith** stated that she is not trying to shortchange those guys by any means. She said hopefully you guys and department heads feel like you're being taken care of. She added that she wants to take care of those employees that maybe aren't in that position.

**Mr. Dickey** stated that if we are worried about the employees and their overall compensation, that's a bigger study and he thinks they need to talk about conducting that next year. He said if we are worried about providing an incentive or a bonus to indicate that we appreciate all that they do for this community, he does not think that it is wise to exclude based on management or some other arbitrary level because he thinks they are going to get into a situation, you're essentially sending a message to those employees about who is valued and who is not valued. He thinks as a general management principle, that's a bad principle to get into. He stated that if we are going to do that then we need to talk about how we can work with the administration to do merit-based raises or something like that, which is based on work performance or some other factor outside of what this was intended to be, which again, was a stipend to reward the full category outside of the union employees.

**Mrs. Griffith** said point taken and thanked Mr. Dickey.

**Mr. Phipps** stated that while a lot of the department heads are generally earning higher salaries, they have to deal with a lot of issues and a lot of stress, and sometimes it is not a 9-5 job in those types of positions.

**Mrs. Griffith** stated that Mr. Phipps is right and she agrees.

**Mr. Applegate** stated that in the future if you look at anything, maybe have a general type formula that if you did have some sliding scale and you did do a stipend, you just drop that stipend and it is the same every year depending upon what employees are ranked where. He also stated that if you ever did that, he thinks you would have to look at longevity, whether full-time or part-time, etc. He said that it opens up a can of worms versus kind of a last-minute, let's try to give everyone a little something.

**Mrs. Griffith** stated that she just feels like everyone is hurting this year and we have all felt the crunch every time we go to the grocery and everything else. She said that her heart does go out to the ones, who unfortunately, don't make nearly as much with the cost of living here in New Albany. She added that she is not downgrading our department heads because they do way too much and she understands that.

**Mr. Aebersold** stated that he talked about maybe in the middle of the year giving another little gift or whatever, but if you did that, you would really have to think seriously about giving it to every employee, because the ones that are head of the office might feel like they have been working their tail off and they didn't get anything. He said that he thinks that may not be a good idea either.

**Mr. Applegate** stated that if you are in a tight year and you can't do it and everyone is expecting it, then you get caught in that. He said that it almost needs to be how we are doing it now where if there is a little bit left, try to just get it to everyone. He added that it is not a perfect system by any means, but at least we are trying.

**Mr. Applegate** asked if they need to vote this favorable or unfavorable?

**Mr. Dickey** stated that since the committee is the council as a whole, we've generally agreed to move it on without any formal vote but we could take a formal vote if everyone wants to.

**Mr. Gibson** stated that his concern is that he doesn't want it to be recorded and counted as truly a vote because he doesn't want it to mess up whether it is appropriations or not. He also stated that he doesn't think it is necessary because you will be voting on it, where it is different when it comes from a true smaller subcommittee.

**Mr. Dickey** stated that he thinks if they were amending this, they would take a vote on that.

**Mr. Gibson** said how about we not change the path that we have done for years and he will gladly look into it and see for the future because it may come up again.

**Mr. Phipps** suggested that since they have 30 minutes until the meeting, if there is any other discussion on this, we do it now so that when it comes up on the agenda, we vote on it and not rehash it later on.

**Mr. Applegate** stated that he agrees.

**Mrs. Griffith** stated that her only question is if there is a way to amend this so that the elected officials are separate? She said that she just still can't vote on that because that is \$70,000.00 and that is a chunk of change. She also stated maybe they could spread it out over the next four years or something. She said that when she was thinking that it was fire chief and the police chief getting a raise and then going back and realizing that wasn't that big of a raise, that is over \$100,000.00 that we are going to be doing in raises. She stated that she knows Mr. Gibson has said that we can absorb it, but that's a lot for elected officials. She said she knows in the past we haven't done it, but if we put in here an amendment where this year you get one-fourth of it and next year one-fourth of it, she would be okay with it. She asked if that makes sense?

**Mr. Phipps** stated that he is sponsoring it and he is not open to amendments on it. He said it is up or down as it stands.

**Mrs. Griffith** said okay, then she will have to vote no. She stated that to her it would make sense to do it over time or put something in place so that we don't get in this situation again, but she doesn't know what that looks like.

**Mr. Phipps** stated that what that looks like is that every year when other city employees take a raise, we take the exact same raise as they do and we won't be in this position again. He said that we can't go on political grandstanding that we can't vote on our own raises, which is generally what has happened in the past.

**Mrs. Griffith** asked if the elected officials get that cost of living raise every year?

**Mr. Phipps** stated not unless you vote for it. He said that it is a separate ordinance for the elected officials versus the non-bargaining employees.

**Mr. Dickey** stated that what Mrs. Griffith is saying in concept sounds good but we really don't have control over a future year's budget; you are working in real time. He said that if we wanted to strategically say that we want to prioritize trying to do this, but we functionally would have to do it every year when the budget came up. He stated that this council can't approve a budget for four years out.

**Mr. Phipps** stated that we can't mandate what the council next year does.

**Mrs. Griffith** said but won't we be the same council for four years starting next year?

**Mr. Phipps** said yes, but you can't mandate it beyond one year's budget at a time.

**Mr. Turner** said but the next council could.

**Mr. Dickey** said no because you've got a formula that gets put in place to determine your revenues and your outgoing, so you've got to handle that one year at a time.

**Mr. Turner** said so the incoming council cannot amend this like we are doing today?

**Mr. Dickey** said no they can't.

**Mr. Turner** stated then they can do it on the next one. He said that we will get into this in the regular meeting because he wants to be on the record; he doesn't want to do this stuff behind the scenes.

**Mr. Gibson** stated that he has not researched it but he knows that elected officials cannot do anything in the year in which they are in. He said we are in 2023 right now and you could not pass an ordinance to increase the elected officials' salaries for 2023. He said that they don't permit that by state statute, which makes him think that you may not be able to stagger it over a term of years, which may not be a bad idea. He stated that he would have to research how that would look.

**Mr. Phipps** stated that we would still go in the hole in that situation because unless you do it now, you are still going to have salary compression in that situation. He said that if you bring it up one time and thereafter keep it the same rate as the other employees, it will keep up.

**Mr. Turner** stated that we have given ourselves the 2% cost of living raise every year.

**Mr. Phipps** said no we haven't.

**Mr. Applegate** stated that he thinks we did last year which was the first time.

**Mr. Turner** stated maybe he is just thinking of last year.

**Mr. Applegate** stated that he knows they didn't during Covid or the very first year.

**Mr. Phipps** stated that sometimes you have to make decisions like this that are not comfortable but it's the right thing to do, and that is part of leadership and he is willing to do that. He said let the consequences be what they may.

**ADJOURN:**

There being no further business before the board, the meeting adjourned at 6:40 p.m.

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Jennie Collier, President

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Vicki Glotzbach, City Clerk