

**COMMON COUNCIL
FINANCE COMMITTEE
NOVEMBER 29, 2018**

The City of Noblesville Council Finance Committee met at 8:20 a.m. on Wednesday, November 29, 2018. Greg O'Connor, Wil Hampton, and Megan Wiles were present. Roy Johnson was absent.

Also present were City Clerk Evelyn Lees, Controller Jeff Spalding, Fire Chief Greg Wyant, Human Resources Director Holly Ramon, and Chief Accountant Heather Trexler.

Review Meet & Confer Recommendations

Chief Wyant stated the firefighters union requests a one dollar per hour increase in pay when firefighters fill in for an absent firefighter of the next higher rank. He stated there is risk involved; for example, if the position being filled is a driver, the driver can be personally liable if there is an accident. He stated the financial impact to the City is estimated at approximately \$10,000.00 per year. He stated the union has called the proposal "acting in capacity pay." Mr. Spalding stated the practice is not unusual, and the cost is not significant. Chief Wyant noted the extra pay will act as an incentive. Ms. Ramon stated the extra pay would be added as a paragraph in the salary ordinance. Chief Wyant stated payroll has indicated it will not be an issue. Ms. Trexler stated the pay will be treated the same as on-call pay for civilian employees, but will be given a different name. Mr. Spalding noted the accounting system used to code everything as regular wages, but now there is a code for special assignment pay, so it can be tracked. Ms. Trexler noted the employee will have to enter a code when clocking in under the special provisions to receive the pay. Mr. Spalding stated in time there will be good accounting data, which we do not have now. Mr. O'Connor noted better data will be good for future negotiations. Chief Wyant noted the union originally requested an extra 50 cents per hour if firefighters are qualified to fill in, then an additional 50 cents per hour if they actually did fill in for the next rank. He stated the Administration rejected that request. The committee agreed with the Administration's recommendation.

Mr. O'Connor asked if any other issues were still being negotiated. Mr. Cooke replied the union has requested restructuring of pay for ranks, which the Administration supports, but not until 2019. Chief Wyant stated under the current structure, the union feels there is not enough difference in pay between some ranks. He supports restructuring. Mr. Cooke stated the union also requested linking pay to the median pay of all departments in the county, but the Administration does not support the idea. Mr. Spalding stated median pay is relevant, but he does not believe it is wise to formally link our firefighters' pay to it. Ms. Wiles agreed the link should not be formal, but it is important to stay competitive. She wondered what the cost to the City of losing trained firefighters is. Chief Wyant replied he would not disregard the median pay, but firefighters tend to choose Noblesville for a variety of reasons, not necessarily just for pay. While turnover exists, it is typically for other reasons. He stated the Administration would like to correct a fallacy, because while our pay is not the highest in the county, our benefits are very robust. He stated the Administration would like to compare a total compensation package to the rest of the county. He noted if only salaries are used for comparison, we fall after Carmel and

Fishers and usually above Westfield. He stated the Administration has asked the union to compile total compensation packages for comparison. Mr. Cooke stated one reason the Administration does not support a link to median pay is because they do not have the data to make an informed decision.

Ms. Ramon stated she will update the committee on the Police meet and confer because Chief Jowitt has been ill. She stated one request the union has made is to use float time in 15 minute increments. She stated the current practice allows use of float time only in two hour increments. She noted this change will be implemented for civilian employees as well and will only apply to use of float time. Ms. Trexler noted the 15 minute increments are much more flexible and convenient for employees to use. She stated sick time is already used in 15 minute increments.

Ms. Ramon stated another proposed change involves holiday pay for sworn officers. She stated if an officer is scheduled to work on a holiday but has seniority and takes the day off, he receives holiday pay; if, however, he is called in to work, he will be paid time-and-a-half. She stated currently if an officer is called in to work after his holiday shift ends, the paid holiday shift is cut from 12 hours to 8 hours, and he is paid time-and-a-half for the time he works. She noted this does not happen often and is not voluntary. These scenarios are only for mandatory call-in work. Ms. Ramon stated these changes will amend the Police and Fire benefit ordinance. Mr. O'Connor asked what the cost of these changes would be. Mr. Spalding replied he is not sure, but it should be minor. He noted that doing the right thing justifies the expense. The committee agreed. There was a discussion concerning civilians who are called in to work mandatory overtime on a holiday. They currently receive holiday pay plus time-and-a-half. She stated the most notable example is Street Department employees who have to plow snow on Christmas. Ms. Wiles and Mr. O'Connor felt this policy was overly generous; employees know when they are hired that it is part of the job. Ms. Ramon reminded the committee that this is a rare occurrence involving only a few employees. The committee agreed that the issue should be discussed further at another time.

Ms. Ramon and Chief Wyant left the meeting.

YE Subsidy for Parks Golf - Update

Mr. Spalding stated since the last meeting he has given more thought to the subsidy and has decided to execute it differently than was discussed at the last meeting. He stated instead of a cash transfer between funds, he will have the Parks Department make a payment in the Parks 108 Fund to the Parks 110 Fund. He noted the payment will be treated as a public purpose grant, with the only difference being that the recipient of the grant is City-operated. He stated he will present a transfer resolution to the Council increasing the Parks/Maintenance & Admin 300 series by \$250,000.00, and decreasing the non-departmental 300 and 400 series by \$125,000.00 each. He stated these transactions will show the subsidy payment as a Parks expense instead of a transfer from other funds. Ms. Trexler stated this method will also make the Parks Board aware of the subsidy, because they will see the expense on the claims they approve. The committee agreed the transfer and payment was a good solution.

Mr. O'Connor noted the Fox Prairie bonds will be paid off in 2019, and the cash saved could then be used to repair the bunkers at the Fox Prairie golf course.

Pre-YE Fiscal Administration Transfer Resolution

Mr. Spalding handed out a transfer resolution with a spreadsheet attached detailing multiple transfers to balance budgets at year end. He stated he plans to attach a separate spreadsheet for each fund, thus saving time and paperwork at the Council meeting. He stated he planned to present these transfers at the meeting on December 4th, but they would probably not be ready in time for packets. Ms. Lees replied if he will provide them by Monday, she can provide them to the Council for review.

Promotional Fund Contingency

Mr. Spalding stated the goal this year has been to accurately track spending first, then build the budget. He stated the Promotional Fund had been in City code for many years, but when he re-established it this year, he forgot to include a contingency. He stated this left no room to make up for overspending. He noted only the Council overspent this year. He stated he could just fix the issue with a cash transfer, but he wants to do it correctly. He stated he will present an ordinance for an additional appropriation in the Promotional Fund to appropriate a contingency. He noted the appropriation will be fiscally neutral.

2018 Year End Encumbrances

Mr. Spalding stated if a department has a contract or vendor and knows an approximate amount to be spent, money from this year's budget can be encumbered to next year's budget. He stated this action moves appropriation authority from 2018 to 2019 for specific expenses.

Fiscal Actions on December 4 Council Agenda

These items were discussed earlier in the meeting.

Other Pending 2018 Ordinances/Resolutions on Fiscal Matters

Appropriation of Park Impact Fee Fund (198) and Road Impact Fee Fund (199) – On Hold

City Code Revision (OFA Matters) – On Hold

These items were not discussed.

Updates of Ongoing and Planned Financial Initiatives and/or Process Improvements

Revise Travel Reimbursement Policy

TIF Fund Reconciliation

OpenGov Budget Builder & Personnel Cost Forecasting Module

OFA Staff Structure

Cash Advisory Service – On Hold

Key Purchase Card Program & Centralized Purchasing – On Hold

These items were not discussed.

Claims Docket Review

The committee recommended approval of the claims.

Other Business at Discretion of Chairman

Mr. Spalding stated he has administratively established a Railyard Rehabilitation Fund, which is currently receiving revenue in the form of storage fees. Mr. Cooke explained owners of equipment that have not yet been able to move it are paying a monthly storage fee to the City. He stated they are waiting to receive an initial cleanup estimate from Parks Director Brandon Bennett. He stated monitoring wells may need to be installed. Ms. Trexler stated all money in the fund is segregated, so it is easy to track.

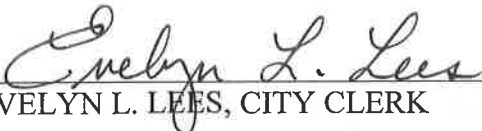
Mr. O'Connor expressed a desire to re-establish the CCD rate as early in 2019 as possible.

Ms. Trexler stated Mr. Bennett had estimated \$15,000.00 in revenue from Black Friday online golf sales, but the actual sales were approximately \$26,000.00. Mr. Spalding stated it is possible these sales will cannibalize 2019 revenue, but we don't know yet.

The meeting adjourned at 9:51 a.m.



GREGORY P. O'CONNOR, COMMITTEE CHAIR



EVELYN L. LEES, CITY CLERK