

**COMMON COUNCIL  
FINANCE COMMITTEE  
OCTOBER 24, 2019**

The City of Noblesville Council Finance Committee met on Thursday, October 24, 2019. Megan Wiles called the meeting to order at 8:15 a.m. with Greg O'Connor and Rick Taylor present. Christopher Jensen participated by phone.

Also present were City Clerk Evelyn Lees, Deputy Mayor Steve Cooke, Controller Jeff Spalding, Human Resources Director Holly Ramon, City Engineer Ali Krupski, Assistant City Engineer Jim Hellman, Street Commissioner Patty Johnson, Information Technology Director Misty Shearer, Parks Director Brandon Bennett, Golf Course Superintendent Curt Brisco, and Budget/Finance Analyst Sam Beres.

**Funding Update for Selected Street Projects**

Ms. Krupski stated the Council approved a resolution in 2017 designating funding for the Pleasant Street project, and now an appropriation is needed for the final design of Phase I. Mr. Spalding stated the request seems straightforward, but there are several details to sort out before the appropriation can be executed. He stated some of the funds may simply be transferred. The committee recommended that the funds be made available.

There was a discussion concerning an appropriation of \$320,000.00 from the Downtown Development Fund for street light poles and design for traffic signal poles.

It was noted that d) on the agenda should be SR 32, not SR 37.

Ms. Krupski and Mr. Hellmann left the meeting.

**2020 Health Insurance Plan Update**

Ms. Ramon reviewed changes to the City's health insurance plan for 2020. She stated the City's stop loss insurance projects a 24 percent increase to premiums, and an 18 percent increase to medical and prescription premiums. She stated these increases result in a large deficit, which is being addressed with a three-pronged approach: 1) plan design changes; 2) premium increases; and 3) spending down a portion of the insurance reserve fund. She stated the open enrollment letter already sent to employees explains increased deductibles and a 15 percent increase in medical premiums (vision and dental remain unchanged). She stated the increases will equal just over half of the general pay increase for the lowest paid employees. She noted the remainder of the deficit not addressed by these changes will be absorbed by the reserve fund, while still preserving a healthy balance. Ms. Ramon stated compared to Carmel, Fishers, and Westfield, Noblesville's premiums are higher, but the deductibles, out-of-pocket limits, and out-of-network charges are much lower. She noted the other cities have high deductible plans that pay nothing until the deductible is met. She stated Noblesville pays the least overall per employee and provides a better plan.

Mr. Spalding stated this item was for information only – there is no request to the committee. Mr. O’Connor asked if the information could be presented earlier in the year, since it is such a large expense. Ms. Ramon and Mr. Spalding explained earlier information would have been very inaccurate, and the process of determining benefit adjustments is very complex.

### **Golf Course Renovation**

Mr. Bennett distributed a list of proposed renovations to Fox Prairie Golf Course that included price ranges and proposed timelines for completion. He and Mr. Brisco explained the rationale and timeline for each project. Mr. Bennett explained the items are recommendations only and welcomed the Council’s feedback. The Council agreed action is needed, but wanted the incoming Administration to identify priorities. Mr. O’Connor suggested a Council retreat might be appropriate. Mr. Bennett stated he will meet with Mr. Jensen to determine the next step.

Mr. Bennett and Mr. Brisco left the meeting.

### **Budget Modifications – Street/Maintenance & Administration**

Mr. Spalding stated purchase of the Downtown flower pots was already appropriated, but some changes in the process necessitated transferring the appropriation to a different budget series. He stated it is possible for the Council to pre-approve transfers between series so that every transfer would not need to come before the Council.

Ms. Johnson stated the transfer in the Local Roads and Streets (LRS) Fund is straightforward. She stated the Street Department was able to complete more paving than was planned.

Ms. Johnson left the meeting.

### **2019 Year-End Fiscal Administration**

Mr. Spalding stated a virtually identical resolution was approved last year, which permits the Controller to make budget-neutral year-end transfers of less than \$50,000.00 in order to balance budgets as required by State statute. He stated the resolution requires the Controller to report the transfers to the Council after the beginning of the new year. He noted transfers larger than \$50,000.00 will be brought to the Council.

### **2020 Civil City Budget**

Mr. Spalding distributed a list of possible amendments to the 2020 budget that had been suggested by Council members. He noted only changes to fund balances require amending the budget; budget-neutral changes can be made internally and don’t require Council action. The committee discussed the possible changes and recommended the General Fund should be reduced by the amount budgeted for EMS dispatch services, which will now be paid by the recently increased Local Income Tax (LIT).

### **Fiscal (and Related) Actions on Council Meeting Agenda – October 15<sup>th</sup>**

- *Ord. #40-10-19 – 2020 Civil City Budget*
- *Ord. #41-10-19 – 2020 Salary Ordinance for Non-Elected Employees*

These items were discussed earlier in the meeting.

- *Ord. #42-10-19, as amended – 2020 Salary Ordinance for Elected Officials*

Ms. Lees stated earlier this year, the legislature amended the statute regarding compensation for elected officials. She stated because of the change, the State Board of Accounts now requires total compensation to be included in the salary ordinance, which she did not learn until after the ordinance was introduced. Ms. Lees stated the amendment is an additional sentence added to the ordinance to comply with the new statute. She noted this is a good faith effort to comply, and if the auditors suggest other changes, they can be added to next year's ordinance.

- *Ord. #43-10-19 – Bond Authorization for COIT Refunding Bonds of 2009*
- *Ord. #44-10-19 – Appropriation of Debt Proceeds for LIT Refunding Bonds of 2019*
- *Ord. #45-10-19 – Bond Authorization of Capital Projects Short-term GO Bond of 2019*
- *Ord. #46-10-19 – Appropriation of Debt Proceeds for Capital Projects Short-term GO Bond of 2019*
- *Appropriation Transfer TA-14-19 – Street Dept. Funding Realignment (Downtown Development Fund)*
- *Appropriation Transfer TA-15-19 – Street Dept. Funding Realignment (LRS Fund)*
- *Resolution #RC-15-19 – 2019 YE Fiscal Administration*
- *Resolution #RC-16-19 – 2020 Maximum Property Tax Rate*

These items (except Resolution #RC-16-19) were discussed earlier in the meeting. Mr. Spalding addressed Resolution #RC-16-19 in an email following the meeting.

### **Other Business at Discretion of the Chair**

Mr. Cooke stated as a result of a contracted assessment of the City's IT Department, a contract for IT services with Sondhi Solutions will be considered by the Board of Public Works and Safety on Tuesday. He stated as a part of the contract, three current IT employees have been offered to become employees of Sondhi beginning November 4<sup>th</sup>. He stated Ms. Shearer will be a facilitator between Sondhi and the City. He stated payroll savings for November and December will be used to partially fund the contract for that time. Mr. Spalding stated an additional appropriation may be needed in 2020 to fully fund the contract for the next year.

Ms. Shearer left the meeting.

There was a brief discussion about replacing the inoperable street lights on 146<sup>th</sup> Street between Cumberland Road and Marilyn Road.

Mr. Spalding informed the committee that the 2020 high Assessed Value levy growth appeal was submitted to the Department of Local Government Finance (DLGF) on October 18<sup>th</sup>. Mr. O'Connor asked when the DLGF will respond. Mr. Spalding replied they respond once they issue the budget order for Hamilton County, which is due by December 31<sup>st</sup>. He noted there is a possibility the appeal could be decided by the end of November. He stated because of the uncertainty, the short-term bonds to control the tax rate are set to go to market on December 30<sup>th</sup> or 31<sup>st</sup>. He stated the amount of the bonds is dependent on the outcome of the tax levy appeal.

### **Claims Docket Review**

The committee recommended approval of the claims.

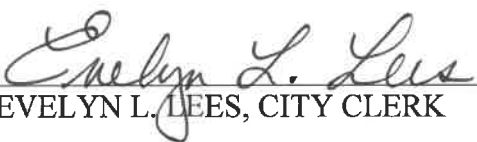
### **Review of Agenda Addendum**

Mr. Spalding stated Mr. Beres has been doing brilliant work in OpenGov. Mr. Spalding stated Mr. Beres is adding revenue data, which will allow even more uses for the software, including the possibility of adding a multi-year capital projects budget.

Mr. Spalding stated Economic Development Assistant Director Andrew Murray continues to work with Policy Analytics on the TIF district proformas. Mr. O'Connor expressed a desire for a Council retreat to review the data once it is ready.

The meeting adjourned at 10:23 a.m.

  
MEGAN G. WILES, COMMITTEE CHAIR

  
EVELYN L. DEES, CITY CLERK