

**COMMON COUNCIL
FINANCE COMMITTEE
AUGUST 20, 2020**

The City of Noblesville Council Finance Committee met pursuant to public notice in room A214 at City Hall on Thursday, August 20, 2020. The meeting was called to order at 8:18 a.m. with Mike Davis, Greg O'Connor, Darren Peterson, and Megan Wiles present.

Also present were City Clerk Evelyn Lees, Deputy Mayor Matt Light, Information Technology Director James Yost, Controller Jeff Spalding, Budget/Financial Analyst Sam Beres, Chief Accountant Heather Trexler, Administrative Assistant Jacqueline Thompson, and Sandy Stewart, Board President of the Noblesville Preservation Alliance.

Noblesville Preservation Alliance

Mr. Light stated he first spoke with Ms. Stewart in February and toured the new Preservation Hall. He stated he has informed Ms. Stewart that extra funding is difficult to find right now, but the Mayor appreciates the tone she has set for working with the City.

Ms. Stewart distributed materials about the Noblesville Preservation Alliance (NPA). She stated she became a member when she and her husband applied for a historic home façade improvement grant from the NPA. She stated their home was featured on the annual Home Tour, and she was hooked. She stated she is retired after 30 years as an executive for a non-profit organization. She stated she has been impressed that the NPA is an all-volunteer organization. She stated her family moved to Noblesville in 1952, and she has seen the phenomenal change in Noblesville over the years to become a very charming community. She stated part of that transformation is due to NPA's influence and advocacy over the last 35 years. She noted the NPA's advocacy has not always been welcome or reasonable, but now they want to be a valued partner with the City. She stated they do not want to fight the City's plans, but rather provide input. She stated when plans for the Levinson were being considered, no one on their Board wanted the structure, but they recognized the need and worked with the developer to improve the architecture to blend with historic Downtown.

She stated as board president, she has worked to document standard operating procedures and bring all the organization's records to Preservation Hall. She stated the NPA is working to provide community programming, such as Picnic in the Park and Noble Stories. She stated last year the NPA received a \$75,000.00 interest-free loan from Indiana Landmarks to restore and renovate Preservation Hall. She stated they raised \$5,500.00 quickly, but then the pandemic occurred. She stated rentals of the hall have been canceled, fundraising events have been canceled, and sponsorships have been withdrawn due to the pandemic. She stated Mayor Ditslear had originally added a \$50,000.00 public purpose grant to the 2020 budget, but it was removed before the budget was approved. She stated she was not offended, but she has come now to ask again. She stated the City has awarded a \$25,000.00 façade improvement grant, which reimburses the NPA once work has been performed. She stated she understands a \$50,000.00 grant may not be possible, but they would be grateful for any help the City could give them. She stated once Preservation Hall is renovated, there will be much programming to benefit the

community, and it will continue to be an asset to the City. Mr. O'Connor asked when the Indiana Landmarks loan is due. Ms. Stewart replied the loan has been extended. She stated loan payments were contingent on rental fees for the building, but it must be renovated first. She noted Indiana Landmarks must approve any changes to the building, but they have been reasonable and not dictatorial. She stated their plans have been approved. Mr. O'Connor thanked Ms. Stewart for coming and for NPA's approach to the Levinson project. He stated fundraising during COVID-19 is challenging, but the City would like to help if possible. Ms. Stewart stated her goal had been to retire the loan as soon as possible, but the pandemic has made it very difficult.

Appropriation Transfer Request – IT Services Contract

Mr. Beres stated this appropriation transfer request is to move \$120,000.00 within the IT budget from the 400 series to the 300 series. He stated the Sondhi Solutions contract was not included in the 2020 budget, and a transfer was executed in February to fund the contract mostly from salary savings. He stated this transfer should be the last one needed to fund the contract, since it will be included in the budget going forward. Mr. Yost stated he and staff audited the IT budget to identify spending needs. He stated he is confident this transfer will cover the contract costs for the remainder of the year, barring unknown emergency spending. Mr. O'Connor stated IT infrastructure is vital, and he does not want the City to be too frugal. He stated IT needs must be met to keep City services running smoothly. Mr. Yost stated everything in the IT budget prioritizes maintaining and protecting the City's network.

New Cost Allocations for 2021

Mr. Spalding stated these allocations have been mentioned in the budget presentations, but he wanted to explain the concept in more detail. He stated in order to better understand cost drivers for the City going forward, four items will be budgeted with employee salary and benefits: the City's deferred compensation match, the severance pay program, worker's compensation insurance, and unemployment compensation insurance. He stated a formula will be used to calculate the amounts to charge to each department's budget and will be deposited into an internal services fund to pay the incurred expenses. He noted in the past, severance pay and unemployment insurance were not budgeted. He stated this change is a financial management tool and will have little effect on departments. Mr. Beres stated by setting aside a certain amount each payroll cycle, budgets will be smoother and will not have a large payout charge when an employee retires or leaves. He reviewed how the categories will be calculated. Mr. Spalding stated this practice will help the City understand its costs better. He stated it will also help show how much of cash reserves in the General Fund and the Rainy Day Fund are actually available. Mr. Light stated the Administration is reviewing the calculations to make sure they fall within the Mayor's priority that spending will not increase in 2021. Mr. Spalding agreed that the calculations are not firm yet.

Fiscal (and Related) Actions on Council Meeting Agenda – August 25

- *Appropriation Transfer TA-18-20 – IT Consulting Services (General Fund)*

This item was discussed earlier in the meeting.

Claims Docket Review

The committee recommended approval of the claims.

Review of Agenda Addendum

There was no update.

Other Business at Discretion of the Chair

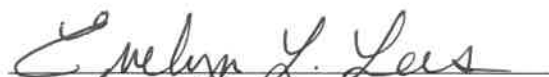
Ms. Wiles asked how much total funding is available for public purpose grants. Mr. Light stated each grant is assigned to a department to oversee it. He stated it may be wise to determine an overall total for the grants, then decide how to divide it among the recipients. He cautioned that approach could make it very difficult to add new grants. Ms. Wiles noted the three-year contribution to the Boys and Girls Club concluded last year, and a one-time grant was given to the Friends of Central Pool last year. Mr. Spalding stated he has never had a sense of an overall limit on requests. He stated each request has been decided on its merits. The committee expressed a desire to help the NPA. After a brief discussion, Mr. O'Connor asked the Administration to make a recommendation. He stated the Finance Committee should review all existing public purpose grants as well. Ms. Wiles stated it would be helpful to see the grants in total, since they are not always mentioned when individual budgets are presented.

Mr. Peterson left the meeting.

Mr. Spalding stated he has a list of public purpose grants and sponsorships that are in the 2020 budget, but amounts for the 2021 budget are not final yet. He stated there are also a few non-profit organizations who contract with the City to provide services, such as the Humane Society and Nickel Plate Arts.

The meeting adjourned at 9:50 a.m.


GREG O'CONNOR, COMMITTEE CHAIR


EVELYN L. LEES, CITY CLERK