

Town Council Meeting
Monday, February 13, 2012
6:00 P.M. Town Hall

Edinburgh Town Council met in a regular session on Monday, February 13, 2012 at 6:00 P.M. at the Town Hall, 107 South Holland Street, Edinburgh, Indiana.

President Hoffman called the meeting to order and led the Pledge of Allegiance.

President Hoffman thanked everyone for coming.

Members answering roll call were: Councilman John Drybread, Councilman Jeff Simpson, Vice President Curtis Rooks and President Ron Hoffman. President Hoffman said Councilwoman Ervin was in Pennsylvania on work related business. Also present was Clerk Treasurer Jackie Smith and Town Attorney Dustin Huddleston.

President Hoffman presented the minutes of the January 23, 2012 council meeting. Councilman Rooks made a motion to approve the minutes. Councilman Simpson seconded. Unanimous.

President Hoffman said claims were next and turned them over to Clerk Treasurer Smith. Clerk Treasurer Smith said he had signed all claims submitted to him and turned them over to the council for approval. Councilman Simpson made a motion to approve the claims. Councilman Drybread seconded. Unanimous.

President Hoffman said next on the agenda was Ordinance 2012-1 Electric Cash Reserve to Sewage Operating and turned it over to John Drybread.

Councilman Drybread said this money is already there from a previous loan, which is being paid back presently, and this loan is a paper shuffle to restart that loan. Councilman Simpson made a motion to approve Ordinance 2012-1. Councilman Rooks seconded. Unanimous.

President Hoffman said next on the agenda was Resolution 2012-1 Shelby County Edit Capital Improvement Plan. Ron said we have to designate what the edit money from Shelby County is being spent for in Shelby County. This designates \$34,000 to be spent on remodeling the clubhouse and pond maintenance at the golf course. Councilman Rooks made a motion to approve Resolution 2012-1. Councilman Drybread seconded. Unanimous.

President Hoffman said next on the agenda was Resolution 2012-2 Bartholomew County Edit Capital Improvement Plan. Ron said the amount of this is \$17,000 and it has to be designated for its use. Ron said it is going to be used to remodel the old Blue River Bank. Councilman Simpson made a motion to approve Resolution 2012-2. Councilman Drybread seconded. Unanimous.

President Hoffman said next on the agenda was the Amos-Hill Grain Elevator Contract. Ron said this was discussed at the last meeting and Dustin incorporated the changes in it and asked Mr. Huddleston if it had been approved by Amos-Hill?

Town Attorney Huddleston said it has.

President Hoffman said we need a motion to approve the purchase of the property from Amos-Hill.

Town Attorney Huddleston said he wanted to remind us before we make the motion that we pay the closing costs and any costs related to preparing the closing papers and the real estate tax for this year and then we will be exempt. Dustin said the costs all add up to far less than if we had to buy it outright.

Councilman Rooks made a motion to sign the contract. Councilman Simpson seconded. Unanimous.

Town Attorney Huddleston said by a motion it would make it easier at the closing if there could be one or two people that could sign on behalf of the council at the closing.

President Hoffman suggested Councilman Drybread and himself.

Councilman Rooks made a motion to have President Hoffman and Councilman Drybread sign the appropriate documents. Councilman Simpson seconded. Unanimous.

President Hoffman said next on the agenda was Timbergate update and turned it over to Wayne Gibbs.

Wayne said you have two packets: One for January 2012 and one for the year 2011. Wayne said sales for 2011 were decent and will continue to get better, expenses were high due to a lack of maintenance and other issues we had at the golf course and we had to pay H & B as well as our staff. Wayne said we had a negative \$504,831, which isn't out of the ballpark considering the others on the list. Wayne said the next page has the expenses. H & B was 12% and the bond payment was 34% and if you add those two together you get 46%. We plan to make up at least 12% next year. Wayne said they spent out \$ 969,251.18 and some of that was from what we had in the bank last year and \$376,815.55 was in golf course maintenance from taxes.

Councilman Simpson asked what you are calling overhead?
Wayne said utilities, maintenance and everyday expenses.

Councilman Simpson said anything that is not associated with the course.

Wayne said yes. Wayne said the next page was memberships and based on information we had in the past we probably had 10 or 12 of them. In 2011 we had 56 members and that generated \$83,230 in revenue and this shows what types of memberships we had. Wayne said next is the sales broken down by department and the quantity sold is the transaction, examples are the snack shop had 27,694 transactions and revenue of \$ 48,337.58, range balls had 2725 transactions for a revenue of \$ 14,179.98. Wayne said green fees were our largest at \$547,552 and alcohol sales were \$61,322.50 and with the addition of the simulators and moving the bar the numbers have gone crazy. Wayne said we sold almost 21,000 rounds of golf and the average rounds for Indiana was 14,000 and we are happy about that. Wayne said if you break it down by percent green fees are 66 % of our sales, membership fees 10%, pro shop sales 8%, alcohol sales 7% and snack shop sales 7%. Wayne said the next page is the breakdown on the types of rounds of golf we track: 9 hole twilight, 9 hole weekend, 9 hole weekday, 18 hole twilight/resident which is our largest and it shows the average per round that we get. Wayne said there has been some question on whether our memberships our worth it. This shows that we had 1,732 rounds at \$83,230.01 revenue for an average of \$48.00. Our highest round of golf is \$43.00 and they average \$ 48.00, which is well worth it because some members only play 2 or 3 times.

President Hoffman asked what do you consider comp rounds.

Wayne said we had some college kids at night that were ringing up employee's rounds when they shouldn't have been and that number is inaccurate.

John Rondot asked if Wayne thought lowering the membership fee would increase the folks coming out there and increase rounds as well as sales at the pro shop and the snack shop?

Wayne said there is some argument for that, but I say no because we have a championship course and we are well in the price range for a championship course. I think if you dropped it anymore you would be devaluating your course.

John Rondot asked if we had the number of rounds for 2007? John said the reason he is asking is according to sales we haven't recovered from the flood because the sales in 2007 are higher than any years since.

Wayne said in 2008 they dropped off and have come back and prior to 2007 sales were low.

John said that 2007 might have been a spectacular year.

Wayne said it could have been weather related, but we do not have any rounds or records and that's all we have for the end of the year. Wayne said the next report was for January 2012 and January looked good. The expenses were high because our bond payment of \$231,000 was due January 15th and the only previous year that was lower was 2008 and the first bond payment after refinancing was \$168,000. The gross profit in January was way up there compared to the previous years. Wayne said he didn't know what happened in 2006, but in January you usually get some memberships. The last page we can compare year against year. Alcohol sales and simulator sales show the impact of what has been done. Wayne said if you compare 2011 to 2012 you see a big jump. Alcohol sales for 2011 was \$ 61.17 and for 2012 \$ 34,739.99 a big jump. Simulator sales in January were \$ 3157.00 and because of great weather we had \$6,036 in green fees in 2012 compared to \$0.00 in 2011.

Councilman Drybread asked if they had some re-ups in memberships in January?

Wayne said they had more in December and some were because of the simulators.

Ted Lucas said we refinanced the bond in 2007, is there any chance to do that again?

Wayne said not until 2014.

President Hoffman said it was ten years.

Councilman Drybread said yes it was 2017.

President Hoffman said we might be able to do it in 2016.

Ted asked when was the bond payable?

Wayne said not until 2022.

Ted said it would be nice do that with the interest rates being so low.

Wayne said they are paying 4.5 now.

President Hoffman said we could get better if we could do it.

Wayne said ½ percent is huge.

John Rondot said if we could get a loan and pay it off and get the loan at a lower rate.

President Hoffman said we are a step ahead of you and we want to make sure we do it legally.

John Rondot said you need to check and see if there is any prepay penalty and all that stuff.
Ted asked who the bond was through?

Councilman Drybread said Salin Bank and he was pretty clear that 2017 is the year for reissue.

President Hoffman said that's a good point that we will explore.

Councilman Drybread said Salin Bank is willing to work with us. John said we talked with the President of Salin, but they have some language they need to talk about.

COUNCIL COMMENTS:

Councilman Drybread said he was contacted by the Warrant Officers from Atterbury about projects and they are looking for one now, because they don't want to do the dam project. John said we will find something.

John said he met with the Ministerial Association on the Edit Money and he is going to take a couple of them over to show them what we are doing with it. John said tomorrow Daniel, Wade, John Burton and himself are going to do some planning on it. John said they are interested in getting the pantry done. John said Larry Taulman dropped of a packet on the food pantry and said with all the donations they have they have no place to put them. John said that is good news, but their space is limited.

John said the Timbergate house will be knocked down shortly.

Councilman Rooks asked John about the one way street up there and wanted to know if they had a chance to get the signs up?

Councilman Drybread said he thought they were up now and he would swing by there. John said Mike had to reorder, but he didn't know what happened

Councilman Rooks said he had a chance to go out to Timbergate last week and Wayne showed him around. Curtis said when he walked in and saw the simulators it was really nice and hats off to all the guys that helped put it in. Curtis said he thinks the banquet room will still host a good gathering out there.

DEPARTMENT REPORTS:

Clerk Treasurer Smith said in your packet there is a sheet for possible 2012 budget shortfalls that I worked with the Department of Local Government Finance and they said this would be the easiest way to understand it. Last year was the maximum for the circuit breaker and we are not going to get much more on our property taxes except for the growth factor. The possible shortfalls are something we need to take a look at.

President Hoffman asked do you know what the final budget will be?

Clerk Treasurer Smith said it was what was in the 1782.

President Hoffman that is the budget that is over here.

Clerk Treasurer Smith said the budget is there, but they don't know if the funding will be there.

President Hoffman asked if we know what the funding will be?

Clerk Treasurer Smith said no.

President Hoffman said so you are putting the cart before the horse until we know what we are going to do, because as far as I know the 2011 revenue has nothing to do with the 2012 budget, because the budget is approved they wouldn't approve it unless they thought we had the revenue.

Clerk Treasurer Smith said if you look at the front page of the 1782.

Councilman Drybread said the way the 1782 works is the 1782 give you an estimate on revenue and that's what you should look at. John said your 2012 budget is what the state estimates you will have revenues to fund. They are saying on their estimates you will have funds to cover that budget or the state would never approve it. John said Jack and I talked about this 2 or 3 times and we have to be very delicate in how we spend our money just like we did last year. John said 2011 was the watershed year and the town doesn't know what the budget caps are, once we receive that information we will know and I wouldn't panic on this, but this is something we need to keep in front of us. John said last year we got hit for \$600,000 in the fall and in January for \$400,000.

President Hoffman said it was reversed, but it stills adds up to the same.

Councilman Drybread said we did get hit in the fall and in January and I am hoping that what we have budgeted and what the state has approved that we also have the revenues to support. John said it's the levy plus the estimated revenues on the 1782 and it is 18 months not 12 months, so hopefully if we go another 6 months we should be in pretty good shape. John said he thinks it's the right thing to do to keep it in front of us and I don't see any shortfall unless they come back and say we don't have the revenues to support that. We were told on the

1782 that we do have the funding and it's a legitimate budget or they wouldn't have sent it back to us. We have to be careful that we don't make a bad decision based on the wrong data.

President Hoffman said until we get the correct data we won't know if we will be funded.

Clerk Treasurer Smith said he just wanted you to be aware of that possibility.

President Hoffman said we thank you and last year we dealt with a million dollars and came out in good shape.

Parks Director Teter said they had softball and baseball signups going on and were taking applications for lifeguards, umpires and concession workers for this summer. Daniel said if you get a chance go to Irwin Park and see the good job our crew did cleaning up the levy, hillside and walking trail. Daniel said it looks the best it has since he has worked for the town.

President Hoffman said it's not flooded now.

PUBLIC COMMENTS:

John Rondot said that you said the Bartholomew County edit money was going into the Blue River Bank building. John asked what was the intended use of that building?

Councilman Drybread said half of the bottom floor will be the food pantry and we will be modernizing it. John said the rest of the building will be an incubator type of facility; hopefully we will have some professional offices come in. John said last week there was a gentleman talking about a couple of real estate offices and a insurance office and he is coming back this week to tour the building. John said we put it on hold last year to work on Timbergate and this year we are going get to work on the building.

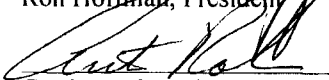
Carol said she appreciated seeing the agenda in the Journal Friday and today.

President Hoffman said that doesn't always happen.

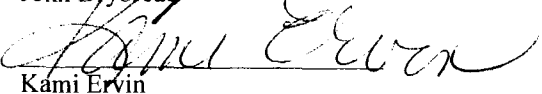
Being no further business or comments, Councilman Simpson made a motion to adjourn the meeting, Councilman Drybread seconded. Unanimous.

EDINBURGH TOWN COUNCIL


Ron Hoffman, President

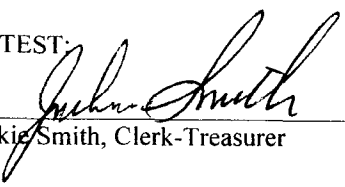

Curtis Rooks, Vice President


John Drybread


Kami Ervin


Jeffrey A. Simpson

ATTEST:


Jackie Smith, Clerk-Treasurer