

**Special Meeting
April 22, 2016**

Mayor Irvin T. "Butch" Callery called the April 22, 2016 City of Villa Hills special meeting to order at 3:00 p.m. at Council Chambers located at 719 Rogers Road, Villa Hills, Kentucky. Mr. Kilburn gave the prayer and Mayor Callery lead the Pledge of Allegiance. Mr. Bohman took the roll. Those in attendance:

Mayor Butch Callery
G. Bruns
G. Kilburn
M. Koenig
S. Ringo
G. Waugaman

Craig T. Bohman, City Administrator/Clerk
Mary Ann Stewart, City Attorney
Bryan Allen, Chief of Police

J. Vaden, absent
A quorum was present.

The first item on the agenda was Legislation

Legislation:

- Ms. Stewart gave a second reading to draft ordinance 2016-C Approving a lease in the amount of \$750,000 for financing the costs of street repair and improvements, creating a sinking fund, and providing for the payment and security of the lease, authorizing the execution of lease documents, and making certain designations. Mayor Callery noted that Ms. Vaden had expressed support for this legislation. Mr. Ringo inquired regarding the sinking fund. Mr. Waugaman asked if the sinking fund would be a separate account. Mr. Bohman replied that the bank would create a new account for the lease proceeds at the bank, and upon advice of the city's accountant, Mr. Baker, the KMA fund would be set up with two check books, one for KMA and one for the lease proceeds. Ms. Koenig asked if it was a 10 year loan, Mayor Callery replied it was. Ms. Koenig inquired about the size of the debt service payment. Mr. Bohman replied \$86,000 per year. Mr. Kilburn made the motion to approve, seconded by Mr. Ringo. A roll call vote was taken as follows:

Mr. Bruns	aye	Mr. Ringo	aye
Mr. Kilburn	aye	Ms. Vaden	absent
Ms. Koenig	aye	Mr. Waugaman	aye

Motion carried 5-0. This will become Ordinance 2016-4.

- Ms. Stewart gave a first reading to draft ordinance 2016-D Amending the city's budget to appropriate the lease proceeds and debt service. Mr. Bohman noted that based on recommendations of the city's accountant, there would need to be a title amendment and an amendment to move the sinking account to the KMA

fund. Ms. Koenig inquired if a 2nd budget amendment would be needed. Mr. Bohman replied that the amendment could be delayed as late as the June Council meeting to avoid having to pass two separate budget amendments. Discussion followed.

With there being no further legislation on the agenda, the meeting proceeded to the Mayor's budget message.


Mayor's Budget Message:

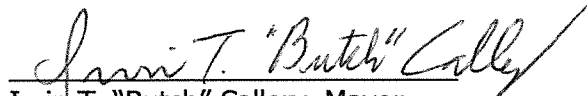
- Mayor Callery presented his budget proposal for fiscal year 2016/2017. He noted that the budget proposal is down 4% from the previous year. The budget proposes to keep property taxes the same and lowers the insurance premium tax from 7% to 5%. He announced that the Capital Budget proposal included the purchase of 3 new police cruisers and a new large dump truck for the Public works department as well as set aside 1/3 of the amount needed to fund new digital radios for the dispatch conversion for both the police and fire departments. Mayor Callery reported that the passage of SB-206 removes the punitive pension and retiree medical costs of hiring retired police officers, saving about \$70,000. He noted that personnel costs represent only 41% of the city's budget when most jurisdictions spend 70% of their budget on personnel costs. The budget includes a new road fund as a result of the passage of the road tax by voters last fall. Mayor Callery thanked the Council, staff, and the finance committee for their assistance in preparing and managing the city's budget.
- Ms. Koenig requested that the Mayor read the budget message at the next regular Council meeting.
- Mr. Kilburn noted that the 41% of the budget in personnel costs needs to be illustrated against other cities which have 75% of their budget covering personnel costs.
- Mr. Ringo asked if the costs of the shadow night event is in the draft budget. Mr. Bohman replied that it is in the Administration Department budget as a part of supplies. Discussion followed.

With there being no further business, Mr. Kilburn made a motion to adjourn, seconded by Mrs. Koenig. Motion carried by voice vote, all in favor.

Time of adjournment was 3:17 p.m.

Respectfully submitted,


Craig T. Bohman, City Administrator/Clerk


Irvin T. "Butch" Callery, Mayor