



**Caucus Meeting  
June 10, 2015**

Mayor Irvin T. "Butch" Callery called the June 10, 2015 City of Villa Hills Caucus meeting to order at 6:30 p.m. at the Dennis M. Stein Municipal Building, 719 Rogers Road, Villa Hills, Kentucky. Mayor Callery asked City Administrator/Clerk Craig Bohman to take the roll. Those in attendance:

**Mayor Butch Callery**  
**G. Bruns**  
**M. Koenig**  
**S. Ringo**  
**J. Vaden**  
**G. Waugaman**

**Lee Metzger, Assistant City Attorney**  
**Craig T. Bohman, City Administrator/Clerk**  
**Chief of Police Bryan Allen**  
**Buck Yelton, Public Works Director**

**G. Kilburn – absent**

A quorum was present.

The first item on the agenda was the discussion of the budget with the finance committee. Mr. Waugaman noted that Mr. Cahill had informed him he would be late for the meeting. At the request of Ms. Vaden, the first item on the agenda was passed over until Mr. Cahill from the Finance Committee arrived. Mayor Callery called for the next item on the agenda, discussions about personnel policy changes.

- City Administrator/Clerk Bohman presented a memo detailing the current and previous compensated absences policies such as vacation, sick time, and paid-time-off. Mr. Bohman noted it was difficult to take vacations at in the fall for the police department due to required training s down state, for administration staff due to property tax collections and in the winter for public works due to snow removal. Mr. Ringo inquired what staff was asking of Council by presenting this information. Mr. Bohman replied that staff is requesting an increase in the Paid time off maximum accrual from 280 hours to 320 hours. He noted that this topic had been discussed at the Safety and Administration committee meetings. Mr. Bohman stated that adding 40 hours to the PTO limit would give department heads 7 more weeks of time to allow for staff to take time off before hitting the cap. He noted that discussions at the committee level had included suggestions to return to previous policies therefore the issue has been brought forward during the caucus for discussion. Ms. Vaden noted that the Administration Committee has discussed this issue extensively over the past two months and supported the increase in the PTO cap.
- Mr. Ringo inquired to the procedure to change the PTO limit. Mr. Bohman explained that two methods existed to move forward, one was to pass an ordinance, the second is to follow the alternate adoption method outlined in city code allowing for the change through executive order with Council having an opportunity to reject the change. He noted that the executive order route was

the preferred route and the one used to adopt the 2013 personnel policies. Mr. Bohman informed Council that other sections would also need to be amended such as references to civil service which no longer exist and the technology chapter needs to be reviewed with legal staff to make sure it complies with recent EEOC and court rulings on social media use. The current technology section also includes provision against the use of cloud computing which are unworkable due to the internet, apps and other platforms used by the city. Mr. Bruns sought clarification regarding the types of information stored on the cloud by the city. Mr. Bohman explained retirement and medical brokers use secure email systems for the sending of private information. Mr. Bohman noted that the apps used by the city contain private e-mail addresses of those who have signed up for notifications from the city, but that state systems used for required police department reporting to the state contain confidential information. Mr. Bohman said that the whole chapter should be reviewed to ensure the city is following best practices. Mr. Bruns stated he supported reviewing the social media policy and that he was comfortable with the Mayor issuing an executive order to increase the PTO cap in order to address the issue immediately.

- Mr. Ringo inquired how much additional liability the city would incur by increasing the cap, if it would be \$10,000 to \$15,000. Mr. Bohman responded it would be in that range.
- Mayor Callery asked if everyone was OK with issuing an executive order and council members indicated yes. Mayor Callery said that an executive order would be sent out.

The meeting then turned to the discussion of the Fiscal Year 2015-2016 budget with the finance committee.

- Mr. Bohman brought council's attention to the budget documents. Ms. Koenig had requested a simplified version of the budget report. He noted that the final version would change again due to adjusting the health insurance following the granting of a credit for the city's spousal exclusion policy. This along with a restructured formulary reduced the expected increase in medical cost from 24% to 18.6%. As a result the part-time seasonal public work laborer was put back into the budget. Mr. Waugaman noted that a large increase in the first year of self-funding pools is normal in order to build the trust fund. Mr. Bohman explained that the increase was also driven by higher than expected office visits and pharmacy use.
- Mr. Ringo inquired if the current budget had the funds needed to meet the city's needs without a property tax increase. Mr. Bohman noted that the budget is balanced with no surplus or tax increases. He noted that \$47,000 is being taken from reserves for one time expenses from one-time revenue sources. The uses are replacement of the Amsterdam Village sign that paid for with a check from an insurance carrier, previous vehicle sales that will be moved to the capital expense fund, and money for a zoning update which is a one time expense. Mr. Bohman noted that a 4% property tax increase would add \$57,000. Mr. Bohman stated that Council could budget the 4% increase as long as they were committed to taking the increase when property tax rates are calculated in September.
- Mr. Ringo asked Mr. Waugaman if the finance committee was comfortable taking money out of reserves. Mr. Waugaman noted that the money from reserves was placed into reserves with the intention of taking them when

needed, except for \$22,000 for the zoning update which was a last minute issue. Mr. Ringo asked again if the committee recommended using reserves versus a property tax increase to balance the budget. Mr. Waugaman acknowledged that the finance committee has not made a recommendation in regards to the draft budget. Mr. Ringo directed his question to the members of the finance committee in attendance. Mr. Noll said he was in favor of using the reserves to balance the budget. Mr. Cahill expressed concern about identifying where the money was surplus was coming from. Mr. Bohman confirmed that the \$47,000 was coming from the sources identified to be sold for the three purposes discussed.

- Mr. Ringo inquired if the finance committee had a minimum balance the city needed to keep in reserves. Mr. Cahill responded that the auditor has recommended 3 to 6 months of expenses as the size of needed for reserves. Mr. Waugaman reiterated that the money coming from surplus was set aside for these purposes except for the zoning update which was a last minute addition. Mr. Ringo asked if Council was comfortable with a 3 month reserve. Mr. Bohman noted that the draft budget contained a provision creating a \$750,000 operational reserve to meet the cash flow needs of the city, particularly the period between July 1<sup>st</sup> and October when property tax payments are received. He noted this would leave an unrestricted reserve of roughly \$400,000 available. Mr. Waugaman stated he did not have a problem using the reserves. Mr. Bruns stated that he would feel more comfortable with 6 months of expenses in reserve but did not see anything could be done to increase the reserves by that amount this year. Mr. Bruns stated the city needs to begin to put more money into reserves. Mayor Callery noted that many cities take out loans to cover operational shortfalls but with the \$750,000 mentioned by Mr. Bohman Villa Hills does not have to do that. Mr. Bruns stated that the city has never been in dire straights and is well off. Discussion followed.
- Mr. Ringo asked finance committee members how they feel about the proposed budget. Mr. Noll explained that the committee had received the latest version at its last meeting and had not discussed it as a group and therefore he would not want to speak on behalf of the committee until the committee meets next week. Mr. Cahill stated he does not understand the \$40,000 in transfers from account to the other. He noted the positive change in the healthcare renewal quote was explained by Mr. Bohman was a good thing for the city, but questioned if \$17,900 from vehicle license fees would be collected. Mayor Callery noted that the money was already in hand. Mr. Bohman explained that \$120,000 had been collected but \$102,000 was budgeted so the \$18,000 increase is being moved from prior year vehicle license fee collections into the draft budget. Mr. Cahill noted a few other minor issues such as the changes in the Other Insurance and Bonds line. Mr. Bohman explained that staff reviewed the annual insurance bill from the Kentucky League of Cities and assigned the costs to the department where the insured risk was located, except for the commercial liability which was divided up across 4 departments. This caused some budget lines to be adjusted. Mr. Cahill said that the committee would have a recommendation following its meeting next week. Mr. Ringo asked that the recommendation be forwarded immediately to Council for consideration. Mayor Callery and Mr. Bohman agreed to forward the recommendation following the finance committee meeting.
- Mr. Ringo inquired if there were any wish list items still needing to be addressed. Mr. Cahill responded that he was not aware of any wish list items and that the

committee was tasked with making sure the budget works and stated Mr. Bohman did a good job on the budget. Mr. Bohman explained that wish list items were addressed in the budget amendment and in the budget draft. He stated the only items not funded were body cameras for which the city was seeking grants and internal discussions were on-going about the need for additional help during snow removal. Ms. Vaden noted that the security film project had been removed from the budget. Mr. Bohman noted that an opportunity existed to fund that project out of the current budget.

- Mr. Cahill noted the only item that the committee sees as needing to be addressed was the roads issue. Mr. Ringo noted that the road funding issue is not addressed in the budget but he hoped it would be addressed by the end of the year.

With no further discussion on the budget, the next item on the agenda was potential legislation.

- City Administrator/Clerk Bohman reported that the Ethics Board had reviewed and made suggested changes to the KLC model ethics ordinance presented at the March caucus meeting. The Ethics Board decided to largely adopt the KLC model ordinance except for the disclosure section. The proposed disclosure requirements would make nearly everyone connected with the city file an annual statement while the Ethics Board decided to retain the existing provisions. The draft worked up by the ethics Board was emailed to Council. Mr. Ringo asked for a "redline" version to compare to the KLC draft. Mr. Bohman indicated he could provide the copy worked up during the Ethics Board meeting with his notes and distribute that to everyone.
- City Administrator/Clerk Bohman requested that the encroachment ordinance that was defeated at the December 2014 meeting be revisited. He explained that the previous attempt was rushed due to a pending request to place 2 driveways on the Highwater curve. In an effort to quickly address that issue, drawings for road segments from Fort Mitchell were referenced. The issue that caused concern was resolved amicably with a variance issued by the Kenton County Planning Commission to allow 1 driveway. Mr. Bohman noted that the proposed ordinance also contained rules for how streets cut by utilities and contractors are to be replaced and such rules are still needed. He has discussed having the City Engineer develop new drawings to match Villa Hills street profile. Mr. Ringo asked that the potential legislation discussed during the caucus be added to the agenda for the next Council meeting as discussion items. Mr. Bruns inquired if the encroachment ordinance addressed line-of-sight issues. Mr. Bohman noted that the draft referenced line-of-sight requirements.
- City Administrator/Clerk Bohman presented the traffic and parking regulations of Villa Hills and the City of Lakeside Park. Mr. Bohman noted that the need to review the traffic and parking regulation came about during a review of the information on the city's citation books discovered that the tickets referenced the 2005 Code of Ordinances. Attention was brought to the fact that Villa Hills' traffic and parking regulations are spread out into 4 chapters of the City's Code of Ordinances. Mr. Bohman noted that Chief Allen has requested that the existing regulations be revised into a 1 chapter. Lakeside Park's single chapter for parking and traffic regulations was presented as an example. Mr. Bohman suggested that other issues that are common complaints also be addressed such as parking in

front of mailboxes and parking at stop signs. Mr Waugaman noted that most cities paint the curb next to hydrants and stop signs to denote no parking zones. Mr. Bruns explained that most hydrant are located on the no parking side of the street, but if there was a street where they were not, then the fire department would like the curb striped. Additional discussion about possible changes to the regulations followed.

The next item on the agenda was the discussion regarding the bidding of banking services.

- City Administrator/Clerk Bohman stated that it had been 5 years since the city bid banking services and presented RFP's from the cities of Edgewood and Elsmere as examples to draft and RFP. Mr. Bohman noted that if a new bank was to be selected, it would have to be done immediately in order to have the accounts transferred and new mailing address set before tax bills are mailed out if a new bank is selected. Mr. Bohman asked Council to review the example RFPs presented and forward any suggestions of services they would like to see such as local branches able to accept property tax payments at their counter. Mr. Bohman noted that credit card process may be handled as a separate issue in order to offer on-line tax payments. He said providing additional methods of payment of tax bills such as local branch acceptance and on-line tax payments will significantly address the "November 30<sup>th</sup>" deadline issue in tax payments. Mr. Bohman noted that the lockbox had been very helpful to staff but its location in Pittsburgh is an issue. Discussion followed regarding banking needs.

Mr. Ringo noted that the agenda contains a new first reading of the budget. Mr. Bohman stated he added that to the agenda so it would be available if needed. Discussion followed and consensus emerged that a new first reading was not required.

With no further items on the agenda, Mayor Callery opened the floor to councilmembers for general discussion.

- Mr. Bruns noted that the Kids Fishing Derby is Tuesday June 16<sup>th</sup>. Ms. Koenig provided the details about the event and discussed the awards that would be given by age group.
- Mayor Callery introduced Assistant City Attorney Lee Metzger who was filling in at the caucus.

There being no further comments or business, Mr. Waugaman made a motion to adjourn. Mr. Bruns seconded the motion with all members in favor by voice vote.

Adjournment time: 7:18 p.m.

Respectfully submitted,

  
Craig T. Bohman, City Administrator/Clerk

  
Irvin T. "Butch" Callery, Mayor