

Council Meeting Minutes

July 15, 2013

The regular scheduled meeting of the City Council, City of Audubon Park was held on Monday, July 15, 2013 at 3340 Robin Road with the following present: Mayor Michael Scalise, along with Council Members Joanne Bader, Vince Osbourn, Mark Stevens, Al Huber and Cary Campbell. Council Member Nancy Zinner was absent. Also present were Police Chief Jeffrey Cox, and City Clerk Stephanie Lee. Assistant City Attorney Jonathan Leachman was present.

Call to Order: Mayor Scalise called the meeting to order at 7:30 P.M. followed by the Pledge of Allegiance.

Approval of the Minutes: No minutes from the June meeting were available for review.

Bond Issue Presentation: John Egan with Frost, Brown, Todd LLC was introduced by Mayor Scalise. He represents St. Xavier High School in the re-issuance of bonds entitled “**City of Audubon Park, Kentucky Educational, Cultural, and Recreational Revenue Bonds, Series 2010 (St. Xavier High School Project)**” that were issued under the auspices of the City in 2010. The school is requesting that the City again act as the issuer for the refinancing of these bonds which requires a public hearing and to specifically designate them as qualified, tax-exempt obligations. Mr. Egan reminded the City that the refinancing creates no debt or liability on the part of the City. Tom Eifler was introduced in the audience as a representative of St. Xavier. Mayor Scalise explained the IRS code that provides for private revenue bonds. Joanne Bader asked the amount being refinanced; Bill Skees with Frost, Brown, Todd noted it was \$7 million out of the total of \$10 million the City is allowed to issue in bonds every year. Cary Campbell asked whether the members of the Council could receive a copy of the bond issue request for educational purposes. It was noted that the Council should receive a copy of the resolution in advance if being asked to vote on something in the future. Al Huber made a motion to accept the bond resolution as presented. Joanne Bader seconded and the motion passed unanimously. A copy of the bond resolution is made a part of these minutes.

Public Comments: The following is a list of people who spoke and a general summary of what they had to say:

1. Mary Miller, 1307 Audubon Parkway – is Chairman of the Garden Tour. She thanked everyone who made the Garden Tour a success, noting it takes an entire City to make it work. She said our garden tour is unique in that it has a great city hall to provide restrooms and a place for refreshments. She thanked the City for allowing the Garden Club to use its facilities for its meetings and that has served as an example to other garden groups. She thanked Mayor Scalise and the Forest Board for all that they have done to support the Garden Club and noted the Sara Pope Memorial Garden was at its peak during the tour. Mayor Scalise deflected credit to Anne Bobigian, Betty Weise, and Leah Netherland.

2. Pat Kehoe, 3305 Oriole Drive – thanked the board (Council) for their support of the Fourth of July parade. Unfortunately the weather was too bad this year to hold the parade, but he hopes to do it again next year. While putting out flags along the parade route, he noted the streets are in pretty bad shape and wanted to know if there was an update on a plan for repair of the streets. There is a bad sewer hole down Cardinal past Bobolink which cars must go over and can damage them and wondered if the City can be liable for not fixing them and resultant damage to cars. It was noted that the sewer in question is actually at the end of Curlew near the intersection with Eagle Pass. The Mayor noted he would check it out and the City does have a plan to improve roads in the budget proposal under consideration for some streets and hopefully paving will occur later this summer. Re question of City liability, Jonathan Leachman said Metro takes claims but doesn't know if they have to; he said he would have to look into it and Pat Kehoe asked him to do so. Vince Osbourn and Cary Campbell thanked Pat Kehoe for all his efforts on the parade.
3. Laura Kelty, 3242 Cross Bill Road – She said that Audubon Park has a high reputation within the area, known for its Dogwood Festival, trees, beautiful parks, different architectural housing, award winning police department and gardens and this is reflected in recent robust home sales. She noted that it is the responsibility of the City's elected officials to represent the City in its best light and to the best of his/her ability. She felt that this responsibility was not upheld at last month's Council meeting where one of the Council members threatened the livelihood of another Council member, called a long time member of the community a liar, and insinuated said community member was a manipulator (?) without her being present to defend herself. Al Huber said that Ms. Kelty was out of order. Ms. Kelty said that Councilman Huber's actions were shameful and she called for him to publicly apologize to Cary Campbell and Mrs. Davis. Al Huber said he had no reason to apologize and her remarks were derogatory and inflammatory and she owed him an apology. A request was then again made by Ms. Kelty for an apology and for Mr. Huber to resign from the Council and he responded with a "no". Mayor Scalise noted that the point had been taken and asked to discontinue this discussion.

Ms. Kelty then said that she had asked several council members about why the sanitation fee is nearly double its actual cost and she has not gotten a response. Mayor Scalise said the budget on the agenda tonight is not ready for discussion because the sanitation costs are being addressed as part of that discussion. She asked the Mayor how long he had served and why he couldn't answer the question about the doubling of rates. The Mayor responded "14 years" and said that when the rates were set, it was done with the best advice they had at the time. The City has now been informed otherwise and the City is addressing them. Ms. Kelty asked if the residents would be issued a refund to which the Mayor said that had not been worked out yet. When asked, the Mayor did not acknowledge the residents had been overcharged. When pressed further as source of the advice, the Mayor said it would have come from the City Attorney and the City accountant at the time.

4. Pat Kehoe, 3305 Oriole Drive – asked the Council to look into getting a new Audit company, particularly if the past accountants were providing bad advice and

evidently our financial books that have been audited have not been done well. The Mayor disputed that charge but said the city can look at other audit firms since that contract has not been signed yet. The Mayor informed the audience that the City has a new accounting firm now that replaced the Treasurer, which is represented by Mr. Charlie Veeneman. He is our accountant who has helped prepare the financial reports in the last couple months and is helping with the budget so this represents several changes in the last couple years. Vince Osbourn suggested that the City look at changing auditors to provide a fresh review. Joanne Bader told Mr. Kehoe the recent decision to change to an accountant from the treasurer was made in direct response to suggestions made by the auditor to have a CPA in charge of our financials.

5. Pete Becker, 3105 Chickadee Road – asked whether if someone doesn't like what someone says on the Council that they should be asked to resign? He noted others have made controversial remarks in the past. Mr. Huber thanked Pete for his comment.

Financial Report: Charlie Veeneman passed out new financial reports, noting that he had made some changes to reflect the amended budget that was passed in April, 2013. The only changes made were in the certain new line items in the FY2012-13 budget column denoted by a blue check mark. Mr. Veeneman explained how he is handling some parts of the budget differently than how it was done previously e.g. taking \$75,000 of loan amounts out of “miscellaneous fees” since that process doesn't correlate with the standard reporting used by accountants. He then went through a comparison of actual spending vs. budgeted and highlighted where the City was under- or over-budget in spending categories. The large increase in insurance premiums was explained by a change in the way the state was collecting the tax and is now distributing it back to cities where it should have gone; this increase should be sustainable going forward. Discussion ensued about how to report the revenues from contracted police services which will be looked at in more depth. Overall, revenues were less than budgeted, in part due to shortfalls in court revenues.

When discussing expenses, particularly in the general fund, Mr. Veeneman was unable to give detail because in differences with the way they were reported by the Treasurer from how it is now reported. But going forward, he will be able to provide detail by each budget category. He encountered the same problem with the public safety and public works. It was noted there appears to be roughly a surplus of \$30-35,000 based on actual expenses compared to revenues.

Mr. Veeneman then discussed another report that he distributed on road funds. Actual revenues came in were higher than budgeted (\$38K vs. \$35K). He couldn't find any detail on actual road fund expenditures which were budgeted at \$58,000; the Mayor noted that the City took only \$35,000 out of the road fund to transfer to the general fund so that any expenditures relating to road fund appropriations would have been paid out of general funds. Mr. Veeneman said a transfer should not be accounted for as an expense. Many of the budgeted appropriations under the road fund were not even paid for at all according to the Mayor. Vince Osbourn asked whether the leftover money would be incorporated into the new budget; the Mayor said that surplus is more of an accounting basis for budgetary purposes but isn't actually

money that can be spent. Those monies may or may not still be there depending on how the auditor classifies them in his report which we will receive in about six months. Joanne Bader suggested that if there is any surplus in this year's budget from actual receipts that it should be transferred back to the road fund to replace those funds transferred out to the general fund because it is an identified need of the city to increase road funds for paving. Vince Osbourn concurred. The excess is a bookkeeping entry; all balances are zeroed out at the beginning of a new fiscal year. Mark Stevens asked if the money was actually there if needed; Mr. Veeneman said that the money is there on a cash basis which is sometimes confusing. Several council members questioned why the excess revenue could not be transferred back into the road fund since it was initially transferred out of the road fund to the general fund. It was suggested by Joanne Bader that we discuss this further in the budget meeting in the interests of time and the Mayor agreed.

Al Huber made the motion to accept the Financial Report as presented and Mark Stevens seconded. Cary Campbell then asked whether financial reports were kept in a binder somewhere and, if discussions are held, are the reports filed the ones received initially by the Council or are they corrected and then filed? The Mayor noted they are corrected by the next month. Cary asked whether a disclaimer could be put on reports to indicate possible inaccuracies if they are filed before corrections could be made and to refer persons to the meeting minutes to see what changes were reflected. The Mayor asked for Mr. Veeneman's opinion who recommended the reports be accepted with the following corrections. Thus for this month, he would suggest the report reflect corrections made to the \$75,000 loan reclassification and the \$27,500 future revenues for the contracted police services for Parkway Village that were received in advance of fiscal year they belong to. Joanne Bader then made a motion to approve the report as presented with the two exceptions noted above, Al Huber seconded. The motion was passed unanimously.

Budget Ordinance: The Mayor indicated that the budget is not ready so will be deferred this month.

Police Report: Chief Cox read the Police Report for the month of June. A copy of the report is made a part of these minutes. Chief Cox noted the Police Department tried to help with the Fourth of July Parade, which did not happen due to weather issues. The leftover food supplies were donated to Wayside Christian Mission to be used before their expiration dates. The Mayor asked whether there was a higher than normal number of speeding citations, but he noted most were from outside the park.

Forest Board Business: Anne Bobigian presented the Forest Board report to the Council and was introduced by the Mayor. She generally described what the Forest Board does, inventorying the conditions of trees in each of the City's parks. It has been almost ten years now that the board has done annual reviews of the parks. In their review, the Forest Board makes notes of trees that are dead, dying or declining and looks at the ornamental trees, then draws up a work plan. There are two major components: reestablishing easement trees and replacement of existing lost trees (e.g. from storms, disease etc.). Each park has sustained huge losses in trees since first annual review in 2005. Ethelyn Maxwell noted that each of the parks

had a specific purpose defined over a long period of time as planting was done: Curlew was to be a habitat/naturalized place; two parks, Robin and Triangle were to maintain open centers for playing because they were the most level; Henderson was set up at great expense with lighting for the Festival of the Dogwood and a concrete pad for a stage area; Oriole was used for the September art fair. She acknowledged that some residents have concerns that Curlew is being overplanted; however, when she first came in 2005, it was completely filled with trees, many of which were damaged or came down in storms in 2009, taking down other trees as they fell. New plantings that have been done recently are being done adjacent to the depressed areas where stumps were removed. Thus the open area left is approximately what it was originally. They have been fortunate to only have a 4-5% loss ratio for newly planted trees which replaced the old trees that came down. The only new areas that have been planted are the Rain Garden in Curlew at the intersection near Cross Bill which was a wetland area and the area under the electrical wires in Henderson Park which were both demonstration projects funded through the Garden Club. The area in Curlew floods and develops sinkholes due to natural drainage from the creek on the other side. The rain garden was developed to intercept drainage that would otherwise flow into the creek, which MSD did not want. There are still sinkholes near the bench in Curlew which are being planted with perennials. Henderson and Oriole parks have train beds that went through which have sinkholes and cinders under them, making them unfavorable to plant. The demonstration project in Henderson is to show trees that can be planted under wires that are acceptable to LG&E. If people want to change the intent of a particular park, they will need to look at its topography and what was there previously. There has been no change; if a tree is lost, they just try to replace it.

The City has lost nearly the entire easement trees in Robin Park along Robin and the other side of Robin Park along Wren Road. She noted the next walkthrough will be next Saturday, meeting in Curlew Park at 9:30 a.m. Al Huber asked if Robin Road damage was due to wind or type of trees there. Anne noted it was due to type of trees and the fact that 3 of trees that came down were listed as hazards previously. The ash that came down wasn't but it hadn't been treated so was expected to be taken down.

Anne said the Parks need a line item in the budget to pay for treatment of ash trees for Emerald Ash Borer. They have treated 12 ash trees but have over 30 new ones needing treatment since exams have shown that the borer has entered the Park. There needs to be a process for removing those ashes most damaged and for treating those that can be saved; cost for treating is approximately \$300-\$400/tree and it needs to be done every couple years. Ongoing cost is matched against paying for removal of hazardous trees at \$4000/tree. They will come down eventually but it is better to space out need to remove all at once by treating trees instead. So costs for tree maintenance need to start going into the budget before they become emergency removal costs. The Mayor thanked Anne for her report.

Unfinished Business: There was not any "unfinished business" to report at this time.

New Business: Mark Stevens introduced an amendment to the Estate Sale ordinance which was prepared by Pat McElhone and reviewed by Jonathan Leachman. Mark Stevens made a motion for the first reading of the new ordinance **0006, Series 2013 – AN ORDINANCE**

AMENDING TITLE IX OF THE CODE OF ORDINANCES OF THE CITY OF AUDUBON PARK TO CLARIFY THE RULES AND PROCEDURES FOR CONDUCTING AN ESTATE SALE.

Al Huber seconded the motion. The Mayor clarified this was only a first reading. Joanne Bader asked whether this change was to make the ordinance and permit process consistent. The Mayor replied it was to address the perceived conflict between the two and to clarify that the wording is the same for both.

Vince Osbourn reminded the Mayor that the appointment of Jonathan Leachman as City Attorney in place of Pat McElhone who has stepped down requires, per city ordinance, to be approved by the Council. He asked that the Mayor bring Jonathan’s credentials to the next meeting of the Council for discussion. Joanne Bader asked there also be contract details provided as well in advance of the meeting so the Council can review before approval. The Mayor noted no contract terms had been discussed yet. The Mayor agreed.

Mayor’s Report: Mayor Scalise wanted to recognize Nancy Shelton and her husband who worked at the Preston Street entrance to clean it up. He also recognized Anne Bobigian, Betty Weise and Leah Netherland for working on the circle by the flagpole. Joanne Bader also mentioned that Mike and Cathy Lally were involved in that as well. The Mayor thanked all for their dedication to the City.

The Mayor noted the City tried to continue the Fourth of July parade with Mark Stevens’ leadership but because of repeated rain delays on the 4th and 6th, they were unable to do so this year. The City tried to notify people via the ReachAlert system which the City has paid for. The City tries to only issue city-specific notices through this system, not things like weather warnings that are issued elsewhere. Approximately 60-70 residents have signed up for this system so far but he encouraged any that haven’t already signed up for it to do so. Regarding the parade, the Mayor recognized Mr. Henry Kupper who donated hotdogs for the event, which were donated to Wayside since they were perishable. Non-perishables such as chips and soft drinks were kept.

Al Huber made a motion to adjourn the meeting, Mark Stevens seconded, and the meeting was adjourned.

ATTESTED

APPROVED