



# ORIGINAL

## CITY COUNCIL MEETING Minutes of Special Meeting June 6, 2023

A special meeting was held on June 6, 2023.

The following City Council Members answering roll call:

Amy Hurst	Present	Joyce Carson	Present
Sabrina Hazen	Present	Bob Pettit	Present
Darryl Ammerman	Present	Luke Price	Present

Also Present: Mayor Sebastian Ernst, Attorney Brandon Voelker, Clerk Ramona Williams

Mayor Ernst dispensed with the pledge and invocation, and called the meeting to order stating it was a special meeting for two (2) items only on the agenda would be discussed.

**Resolution 06.06.23:1** was read reappointing Jeff Carson to the Tax Appeal Board for a one-year (1) term.

**MOTION:** Motion to approve Resolution 06.06.23:1 by Darryl Ammerman, seconded by Sabrina Hazen. Amy Hurst-yes; Sabrina Hazen-yes; Darryl Ammerman-yes; Joyce Carson-abstain; Bob Pettit-yes; Luke Price-yes. Vote carried 5-1-0 (5-yes; 1-Abstain; 0-no).

**Budget-**The Mayor began discussion for the proposed budget stating they had all received a copy for review prior to this meeting. Mayor explained the summary page with revenues and expenses in the General Fund. He pointed out the beginning balance was generous due to the cost savings he had implemented along with revenues that were not anticipated, and some expenses that were budgeted but not yet paid.

Amy Hurst and Joyce Carson both asked if they could not review line by line the proposed budget. In doing so questions arose in Mayor & Council department of no funds being allocated for Code Enforcement. Mayor Ernst replied he felt as residents paying city taxes, we were already paying for the service. He did not wish to stop the service, just the city contributing extra funds to the county for which city residents pay taxes.

Mayor stated he was adding into the budget a \$15,000 line item for charitable contributions to cover areas such as KRT, PC Rec, Airport Board, and Search & Rescue. As discussion ensued, he pointed out that each contribution would reduce the carryover for 2024 and that currently there would only be \$30,000.

There was a revenue source inadvertently omitted for the opioid funds to be received on an annual basis of approximately \$2400. This would carry through for about ten years and can only be used for drug mitigation.

During review of the police department budget, it was asked how many officers were accounted for in the budget as presented. Mayor felt the leases that would soon end would free up money to allow for five full time officers as of January. Joyce Carson suggested the city hire another part-time officer after the five to get Falmouth 24/7 coverage. Mayor Ernst explained that would take more of the \$34,000 surplus to a deficit. Carson stated they could "take the money out of somewhere else".

Mayor continued through the summary page of general fund explaining the expenditures were for the Mayor and Council, staff, police department, and fire department. The fire department revenue was reduced due to the recent agreement with County going from \$225,000 to \$150,000. He then explained the need for the \$565,000 line and wanted the funds to be used for community development.

Joyce Carson then commented on the lines for Code Enforcement, Animal Control, and Planning and Zoning had all been zeroed with no allocations. Mayor Ernst responded by stating those services were provided free of charge through the county, and the city residents are being charged as county and city residents; or more importantly, double-billed. He added if that is the case, then every time one of our police officers respond to a county call, we need to be charging for that service. Both Council members Amy Hurst and Joyce Carson felt the services needed to be put back into the budget. Mayor stated they could look into interlocal agreements continuing but with no monetary exchange. He was not saying to end the services but felt the city did not need to continually fund such as they already were with the County taxes that city residents pay.

Luke Price stated he wanted Code Enforcement to stay with the county and then asked Attorney Brandon Voelker how we would treat Planning and Zoning if we did not contribute to that agency. Attorney Voelker explained the city could have a Planning & Zoning plan that is separate from the county and it would have a separate board of adjustments. If the city paid the county for coverage all issues could be handled by the County. He went on to explain that Code Enforcement is determined by the city using a Code Enforcement Officer or using city police; an idea Carson stated had not worked in the past.

After further discussion regarding Code Enforcement, Mayor mentioned the \$34,000 surplus he hopes to keep, and that would cut into any surplus. It was suggested to take from the \$565,000 to which he responded that money is a one-time expense option should be allocated for fixing up the town, fixing water run-off issues, and other issues. He defended that last year the city operated on a \$100,000 plus deficit. It is his goal to have a budget surplus.

It was then asked by Council woman Sabrina Hazen what expenses would fall under the \$565,000. Mayor explained that utility repairs of any kind have to be taken out of utility fund money. General and Utility were different pots of money and to a degree restricted to expenses within those parameters. He stated water or sewer lines cannot be repaired using general fund

money. Some stated they were agreeable only if they had the right to approve the possible uses of funds. The school center would necessarily be funded from the \$500,000. Hazen then asked what was included in the \$30,000 for parks and streets. City Clerk Williams explained that money was earmarked for repairs to playground equipment, new equipment, maintenance such as mulch. The funds were used for both the Veteran's Park and the Skateboard Park.

Bob Pettit then added that community development was not always something that could be seen. He then asked about animal control. Mayor Ernst again said that would cut into the \$35,000 surplus. It was asked if the city had any better service with the funds we were contributing, and if it did not, then why is the City paying, for example law enforcement. Mayor Ernst again stated to Council the city wild not lose services. He tried to reiterate the money would be invested into the city in order to attract other people to town, bringing in more tax money.

More discussion took place on general fund and then council moved to the utility fund. Mayor Ernst reported there had been a meeting with the engineer that is conducting the wholesale water rate study. Based on preliminary numbers, it is expected the rate will have a significant increase that will generously help the utility fund, which in turn will allow for water and sewer line repairs and other utility related repairs as needed. Because they are waiting until after year-end close for the June final numbers, the proposed amount was not being discussed or disclosed at this time.

In then reviewing the Special Accounts that are not related to General or Utility funding, it was explained the ARPA (Federal funds) monies would be used for potential splash pad and common plaza area, an allocation to repair/restore inoperable fire hydrants, and the rest towards a new roof on the school center. LGEA funds of \$53,000 would be used towards completion of the windows at City Hall, Municipal Road Monies would be allocated to start working on street/sidewalk repairs. It was suggested a committee be formed to asses all the streets within the City to determine the top 10 worst. As with all projects, it is recommended to develop preventative maintenance measures to get on a cycle of repairs so that it does not get to the point of being unmanageable. Carson suggested repair of water lines at the same time streets are being repaired to prevent double work.

Mayor Ernst had provided a lengthy report from NKY Inspectors on the school center assessment. Upon the attorney recommendation, he had also contacted Tyson Hermes with Hermes Construction to do a walk-through and give his professional opinion moving forward. Mr. Hermes had submitted a letter with a summary of his opinion on the building. He was favorable the building was worth and could be saved. There were much needed repairs, but the immediate need was to get the roof fixed which will stop the moisture issue causing mold. He outlined in his letter several phases to do the repairs, the first of which is to repair/replace said roof. He then recommended detailed drawings and documentation be made of the current conditions. Once complete, the City could fine-tune the vision of what they wish the building to become and how it can serve the community for the future. Hermes Construction was open to work with the city to move forward on restoring the building. The inspection report was detailed as to the degree of damage and upgrades the building would need.

Mayor Ernst then explained the ARPA allocation as the roof needing approximately \$250,000, the splash pad/common area approximately \$200,000 and the rest on fire hydrants. He also explained the ARPA funds must be expended by December 2024. Joyce Carson mentioned the trees that still needed to be cut out of power lines, and the \$200,000 could be used for that purpose. It was then asked why that was on the City to do and not the property owner-then explained removing from our power line interference was on the City.

A resident in attendance, Ray Riley addressed the council regarding his sewer line issue a few months back and why the City did not invest in a camera system to mark and identify problem areas with the sewer system. The unit he had to hire had an elaborate system that he was told was about \$40,000. He felt the city would be wise to make such an investment.

After more discussion, Mayor Ernst then encouraged Council to vote on the budget as presented. Council expressed their desire to have a rewrite to include the items they wanted put back as line items, to which he responded the vote could be taken as it was with changes not formally made. It was asked why he was adamant that a vote be taken, especially since the council had just received the proposed changes just prior to the meeting. Luke Price gave the opinion council should be required to vote on expenses over \$10,000. He voiced his concern over the fire hydrant replacement stating more needed to be replaced. He expressed concerns over the school center and splash pad, citing the need to change some items. Other council members voiced concern they wanted a chance to see a formal revision before they would commit to a vote.

Attorney Voelker held a second FIRST reading explaining the changes required another first reading. The public has another meeting and a second reading would be held in two weeks.

Adjournment

**MOTION:** Luke Price made a motion to adjourn the special meeting, seconded by Sabrina Hazen. All aye 6-0-0.