

Park Hills
Financial Oversight Committee Meeting
City Building, 1106 Amsterdam Rd
May 1, 2017, 7:00PM

Committee Members Present:

Jason Reser
Pamela Spoor
Kathy Zembrodt

Elisha Chamberlain
Gary Huff
Chris Carle

Cooper Ambjørn
Jason Reser
Alex Mattingly

Community Present: Mayor Mattone, Karl Oberjohn (silent observer)

1. Approval of April Minutes:

The April minutes were not approved. PS felt it was difficult to take accurate minutes with the fast and lively discussions. It was decided that resolutions and voted-upon agreements are the important parts for recording, and that spitballing ideas is less important for minutes, though there are no hard and fast rules.

With regards to future minutes, the committee will be given time to review the draft minutes before they are posted in draft form on the website.

2. City Admin Roll

Did not get any public support at the April 10th Business meeting. Jason Reser confirmed that the issue is not 'dead' but that there would be receptivity to it once there is more hard data about what the City Admin can do and what savings they can make.

3. Gateway

Park Hills has not been part of the discussion recently as the state and our neighbors may believe that we are not pro-development. We may need to hire outside council to look at how we can advocate for better visibility.

4. Police Budget

The large question is the department work within a 2% increase and still get an eighth officer? Chief Stanley gave a new refined budget of \$713,333 with 8 Full-Time officers. The Chief and Det. Webster both would defer their own raises for this arrangement, thought the rest of the officers would receive their annual raises. The Bromley contract basically funded 1-2 FTE (full-time equivalency). The financials of another city are not something that we can control and should Park Hills Police lose that agreement, the department would have to shrink.

Philosophically speaking with regards to department budgets, PS & KZ believe the budget heads to

have the freedom to manage their budgets and to offer them the incentive that half of any savings over the budget can be placed into a reserve fund. MM's view is that the budget should be as precise as possible, so the city can accurately budget and get the most out of each year's budget. The belief is this would also possibly reduce possible exaggerated amounts. No vote was taken over approach.

The current budget doesn't have any cushion for the savings of radios or a cruiser in the next fiscal year. Pam would want any additional to be SB 206 candidate so that that city doesn't have to cover the pension & medical.

Police FTE Recommendation: PS would like to go with 8, as would KZ – both in favor of 8 FTE with no part time with the given assumption that the Bromley contract is intact. PS would assume that the elimination of the Bromley contract would result in 2 FTE reduction, KZ agreed. Both PS and KZ would prefer 2 officers on duty as opposed to one.

Other committee members would like to see if the 7.6 FTE model could work where officers work 12 hour shifts that would mean that officers would work 36-38 hours.

JR asked if it would be appropriate to invite Chief Stanley to the next FO meeting. Gary Huff replied that the department should not be micro-managed, and it would probably be best just to send the 7.6 FTE idea for the Chief's consideration.

GH recommended the department should give an annual raise to the Chief and Detective even though they had offered to go without as it would be better for overall morale.

5. Reserve Funds and Overage Cash Year over Year

The police reserve currently has 13K, having recently spent 35K on a cruiser.

The Fire Department has 25K in its reserve with the Public Works at 24K.

The general fund plus the reserve funds have a combined total of 1.249M at the end of Feb 2017; PS noted that we need to allocate 50K this year for radios. There is about 68K for all the various department 'general reserves'.

AGREEMENT: Allocate from the various funds into one 'piggy bank' for a total of up to 100K for radios in the 18/19 budget year. That will come from all department reserve fund and the portion of the radios that can be allocated to the Fire Department can use the Creighton Fund. And it needed, from the general reserve if those aforementioned funds are not adequate. Council Member PS called for a vote, the motion was seconded and the vote was unanimous in the affirmative.

6. Cash Flow – Five Year Capital Plan

General note as we talked about the general state of the 17/18 budget - we need a cash flow analysis to precede creation of a 5-year capital plan. The cash flow analysis is all about forecasting for capital improvement. After discussion, all agreed a five-year plan is needed and should include, among other items, police headquarters, firetruck, cruisers and computers.

statutory requirements. While this is decent, it would still be a prudent idea to shop around and use an entirely different firm just to go above and beyond state statutes and possibly save money. PS is making motion to call around for some other proposals, JR seconded. Firm names were shared and KZ & MM took names of audit firms.

Adjourn.

Cruiser are part of the long-term need – the committee feels that the current replacement rate at ‘age’ basis is possibly high.

Councilmembers who have experience have noted that we need to look at the intersections of when repair costs start to be more than monthly payments. GH recommended software to track maintenance costs and help determine the best break-even points for cruisers.

The physical premises of the Police Department is an issue; there is no place for the officers to change, no lockers, no dedicated interrogation area, and so on. The city building also will more than likely need improvements as well as new PCs (that will be a near term need).

It would be a good to have a third-party to look at the first-time creation of a cash flow analysis for the City.

The City Audit contact has been with the current audit firm, which has been in place since 2008. Elisha Chamberlain stated that our audit firm likely changes the employee doing the audit each year to meet

