

THE PARK HILLS CITY COUNCIL HELD A SPECIAL AND CAUCUS MEETING ON MONDAY, OCTOBER 22, 2018 AT 7:00 P.M. AT THE ST. JOSEPH HEIGHTS LOCATED AT 1601 DIXIE HIGHWAY WITH MAYOR MATT MATTONE PRESIDING. COUNCILMEMBERS PRESENT: KATHY ZEMBRODT, PAM SPOOR, JASON RESER, GREG CLAYPOLE , STEVE ELKINS AND KARL OBERJOHN
ALSO PRESENT WAS CITY ATTORNEY, TODD MCMURTRY AND CITY ENGINEER, JAY BAYER

Call to Order

Pledge of Allegiance

Roll Call

Special Meeting:

I. Mr. John Chamberlin, VanGorder Walker & Co., was present at the meeting to give the 2017 – 2018 audit report. Several Council members, along with those running for Council this year, were in attendance. Mr. Chamberlin said he appreciated everyone's enthusiasm and questions. Mr. Chamberlin went through an abbreviated version of the budget which is attached as an addendum to the minutes.

Mr. Chamberlin stated the city no longer had a segregation of duties issue with the hiring of an outside accountant to do monthly reconciliations and by taking Ms. Alig off the check signing and adding Chief Stanley and Lt. Webster. The marks against the city were regarding credit cards. Some purchases included tax which the city is exempt from. Also, the question of who reviews credit card purchases. Mayor Mattone would like to have a policy clarifying the use of city credit cards and that department heads make sure their purchases are exempt of tax.

Motion to accept the audit, subject to improvement on the use of credit cards and sales tax exemption and placing the final audit on the city's website, was made by Ms. Spoor; second by Mr. Reser. Roll call: all ayes

II. Resolution No. 9, 2018, IRB for Condoview, LLC, and Resolution No. 10, 2018 were tabled at the last meeting for Council to have more time to look at. Motion to take the Resolutions off the table and continue discussion, re-read and vote was made by Ms.

Spoor; second by Mr. Claypole. Roll call: all ayes

Discussion took place about the contents of the agreement.

Resolution No. 9, 2018 was read by Attorney McMurtry. At the last meeting, Ms. Zembrodt motioned to accept the Resolutions; second by Mr. Claypole. Roll call at current meeting: Ms. Spoor; abstain, Ms. Zembrodt; aye, Mr. Reser; aye, Mr. Claypole; aye, Mr. Elkins; aye; Mr. Oberjohn; aye Motion carried

In regards to Resolution 10 and the Agreement, Mr. Elkins asked if Sections 3.5 and 3.6 of the Agreement would impact the Old State Road closure. Mr. McMurtry stated it would not. Old State will remain closed with emergency access only. Mr. Elkins also referred to Section 4.3 which addresses cleanup. He asked if restoration should be added.

Mr. McMurtry replied that in getting a new road, restoration should not come into play. Amsterdam Road options were discussed. Mayor Mattone thanked everyone for all their work in putting this Agreement together.

Mr. Dougherty asked about Amsterdam Road access during the road project. Mayor Mattone replied if Amsterdam has a deep fix, it could be closed for some time. This is not yet known. Another resident asked if the city has any control over the landscaping of the area where the fill dirt will be dumped. Mayor Mattone stated most of that area will be in Covington so it will be their, and the developers', responsibility. There will be a landscaping plan at the entrance to the city and along the reconfigured Patton Drive planned by the city. Mr. Oberjohn wants to make sure future Councils hold the developers to these plans. Ms. Zembrodt asked what happens if the Agreement is not accepted. Mr. McMurtry stated Mr. Zeltwanger is not able to make any changes to the Agreement. If there are, the Agreement will have to come back to the city for a vote. Resolution No. 10, 2018 was read by Mr. McMurtry. Roll call at current meeting: all ayes

III. First Reading; Ordinance No. 12, 2018 was read by Mr. McMurtry

7:49 Motion to adjourn from the Special Meeting was made by Ms. Spoor; second by Ms. Zembrodt. Roll call: all ayes

Caucus Meeting:

I. Committee Reports

A. Infrastructure Committee – Karl Oberjohn

1. Road Fund loan status

Mr. Oberjohn went over the street repairs that were made by using the Road Fund Loan:
2015 – Coram, Harriet and Alhambra

2016 – Altavia Avenue

2017 – Aberdeen Road

2018 – North Arlington

The remainder will be used for the Lower Jackson Road improvements.

Mr. Oberjohn stated he would be happy to discuss the 2nd Lower Jackson Road concept regarding the placement of the sidewalk after the meeting if anyone is interested.

There is an Infrastructure Meeting scheduled for this Thursday. Mr. Oberjohn will let everyone know if it is to be rescheduled.

Discussion took place regarding a potential sidewalk on St. Joseph Lane. This was brought up some time ago but, at this time, the funding for the sidewalk is not available. A grant was applied for but so far nothing has been awarded. Mr. Oberjohn would still like to see the city move forward with the sidewalk if possible. Ms. Spoor reminded everyone that the Road Fund is not to be used for sidewalks unless they are installed in conjunction with a street project such as the case with North Arlington.

Mayor Mattone added the city may still be in the running to receive funding for a sidewalk from North Arlington along Dixie Highway to the Views.

B. Communications Committee – Karl Oberjohn

Mr. Oberjohn reminded everyone to get their newsletter articles to him by November 1st.

II. Old Business

Mr. Oberjohn presented a Draft Municipal Order to Mayor and Council that he created. The Order would require proposed transfers of municipal funds be discussed at public meetings and listed on the agenda. He would like the details of the treasurer's report worked out prior to the meetings. A better job is needed to establish which funds projects are to be paid from. He is also concerned about approving transactions on the spot such as the shed for the Civic Association and other requests brought up at meetings without notice.

Ms. Zembrodt added she would like to have the financial statements available at least three days ahead of the meeting.

Mr. McMurtry weighed in on the Order by saying the Mayor is the executor and Council is legislature. The Mayor has the discretion to spend money that is in the budget. He added; such an Order could violate the law. Council's role is to ask questions of how the Mayor is spending money. Council is able to amend the budget to be more restrictive. He believes the Order may be helpful to Council but he is not sure if it is enforceable or necessary. He advised waiting to see how the new Mayor wants to handle this going forward. Mr. Claypole agreed he also believes it is a good idea to wait until the new Council is appointed. Mr. McMurtry, however, will look into.

Ms. Spoor said she would like to discuss moving the tax due date to October 31st at the next meeting. Mayor Mattone added that may also want to be discussed by the new Council.

8:39 Motion to adjourn from Caucus Meeting was made by Ms. Zembrodt; second by Mr. Reser

Mayor, Matt Mattone

ATTEST:

City Clerk

CITY OF PARK HILLS, KENTUCKY

June 30, 2018

ANNUAL FINANCIAL REPORT PRESENTATION PACKAGE

Presented By:
John R. Chamberlin, CPA, MBA
Van Gorder, Walker & Co., Inc.
Certified Public Accountants

October 18, 2018

SUMMARY

- ▶ UNMODIFIED OPINION
- ▶ REPORT ON INTERNAL CONTROL AND COMPLIANCE
 - No matters involving internal control over financial reporting and operations were considered to be *material weaknesses* or *significant deficiencies*. This is a change from prior years. Addition of BBTS has provided the City with adequate segregation of duties.
 - No instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Other Items

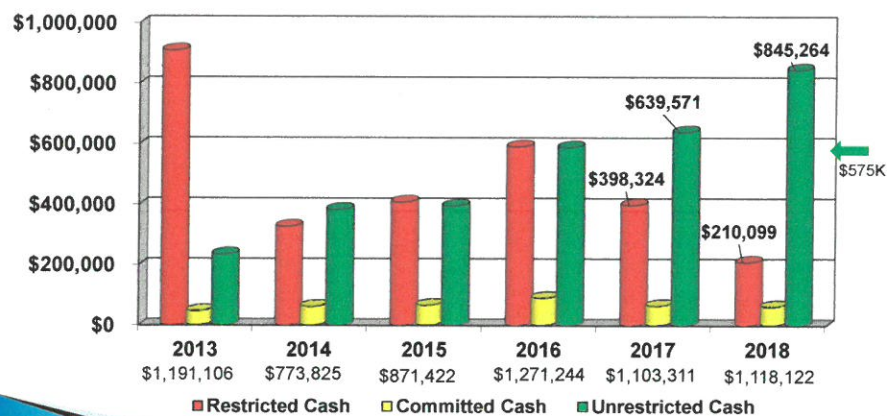
- ▶ Pension and Other Post-Employment Benefits (OPEB) Health Insurance Unfunded Liabilities – Statement of Net Position only
 - *CASB 68* – City's share of CERS system unfunded pension liability.
 - (\$248K NHaz, \$1.06M Haz)
 - *CASB 75* – City's share of CERS system unfunded OPEB liability.
 - (\$85K NHaz, \$392K Haz)
 - Prior Period Adjustment – New accounting standard – To recognize starting balance of \$271,701 of (OPEB) unfunded liability
- ▶ Governance Letter
 - Audit Adjustments
 - To recognize \$425K in fixed assets and \$433K in depreciation expense in government-wide statements (not funds)
 - To recognize \$184,574 in actuarial pension and OPEB expense
- ▶ Management Letter
 - Two small items brought to management's attention regarding:
 - Needlessly paying sales taxes on some credit card purchases
 - Approval process for credit cards

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City of Park Hills, Kentucky

Cash Position
Governmental Funds
As of June 30, 2018

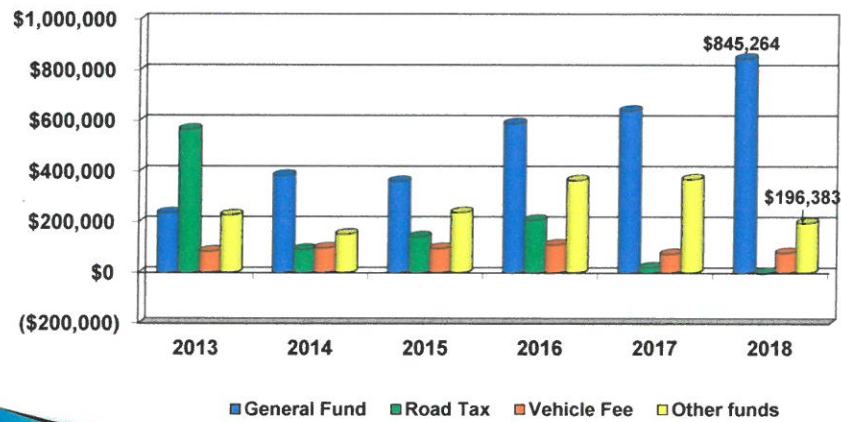


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City of Park Hills, Kentucky

Cash Comparison by Fund
As of June 30, 2018

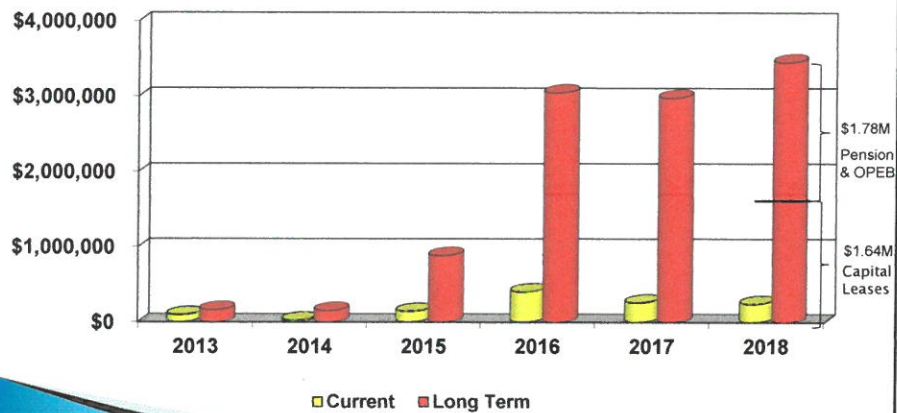


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City of Park Hills, Kentucky

Liabilities Comparison
Governmental Activities
As of June 30, 2018



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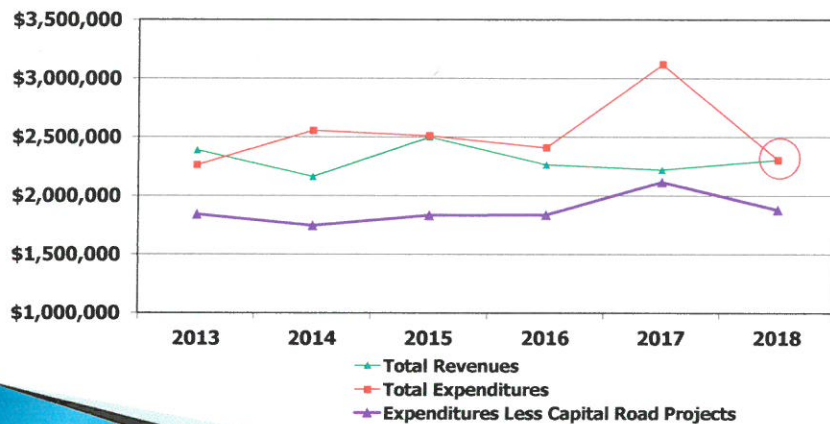
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City of Park Hills, Kentucky

Revenues vs. Expenditures

All Funds

For the Years Ended June 30, 2018



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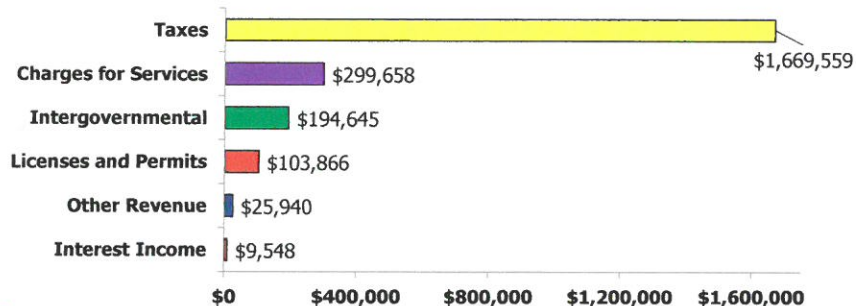
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City of Park Hills, Kentucky

Revenues - All Governmental Funds

For the Year Ended June 30, 2018

Total Revenues \$2,303,216



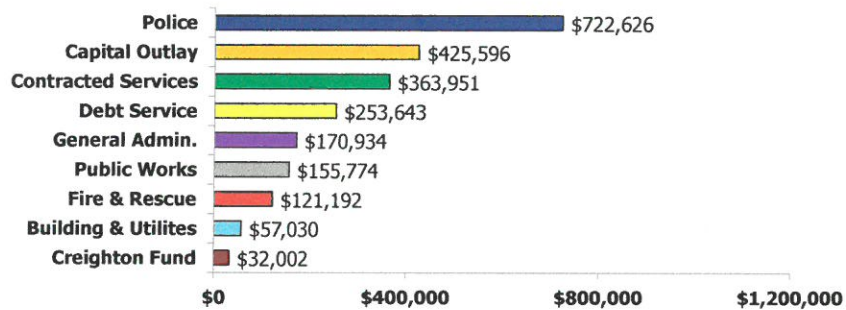
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City of Park Hills, Kentucky

Expenditures by Dept. – All Governmental Funds
For the Year Ended June 30, 2018

Total Expenditures \$2,302,748



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Questions?

Contact Information

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