

The Berea City Council met in a regular session, Tuesday, June 6, 2017; Mayor Steven Connelly presiding. A quorum being present, the meeting was called to order at 6:30 p.m.

COUNCIL MEMBERS PRESENT: J. Davis, B. Fraley, T. Schultz, B. Wooten, J. Little, S. Caudill, C. Wilson, R. Terrill

OFFICIALS: J. Gilbert, R. Stone, C. Chasteen, D. Gregory, S. Sandlin, D. Isaacs, S. Meeks, E. Fortner, K. Hensley, D. Brindley, D. Brumley, D. VanWinkle

VISITORS: Beth Myers, Reid Connelly, Robert New, Steve Wilkins, David Rowlette, Randy Coffey, Ed LaFontaine, Jacqueline Bowling, Rebecca Bowling, Tim Wade, Chris Allen, Ken Felty, Mary Colmer, Gwen Childs, Janice Fields, Trana Moorner, Justin Burton, Ali Blair, Kathleen Murphy

- A work session of the Audit & Finance Committee was held at 6pm. The Tourism committee agreed to allocate \$25,000 for the Splash Pad at the pool, and \$25,000 allocated towards the Brushy Fork Trail. Final review of the budget was discussed and approved by the council.

APPROVAL OF MINUTES: MAY 2ND & MAY 16TH, 2017

May 2nd; approved. May 16th; two corrections noted. Fraley motioned, Caudill seconded approval with corrections.

2018 BUDGET PRESENTATION R. STONE

City Administrator Stone gave a brief presentation to the council and public about the process of preparing, and reviewing the annual cities budget. The budget is the first key to transparency; it explains in detail the anticipated receipts of all funds. Each department head details their expected spending plan for the year, along with a 5-year capital plan for review, and the long term planning for their departments. The Annual Audit is the second key that measures the transparency, and also demonstrates the strength of the cities management. A clean audit report gives the mayor, city council and the citizens, an enhanced degree of confidence in the day to day operations of the city. KRS.91A.030 requires that each city in the Commonwealth of Kentucky operate, and expend funds under an annual budget that must be adopted by ordinance. The budget ordinance must be passed and printed in the paper each year prior to July 1. This year's budget is very fiscally strong; we have approximately 5.5 million dollars in unbudgeted revenues, even if we spent everything in the budget, which we won't do. Large purchases are always scheduled and approved ahead of time.

Audit & Finance Chairman, Steve Caudill thanked the City Administrator, Finance Director, Susan Meeks, and the department heads for their work on preparing the 2017-2018 budget. The committee met and reviewed the new budget on May 25th; there is a 2% across the board raise for the city employees, with three new positions that will be added in the coming year. The council preformed a thorough review, with few minor adjustments taking place. He thanked the Tourism Commission for working with the

council and agreeing to allocate funds towards city projects. Caudill motioned to approve the recommendations and changes to the budget; all ayes.

ORDINANCE #09-2017; 2017-2018 BUDGET – 1ST READING

Corporate Counsel read the ordinance by title and summary.

COMMITTEE REPORTS:

Audit & Finance – no additional report.

Economic Development – J. Davis; the committee met May 24th. Guest visitors were Bluegrass Energy; they discussed their new program to promote Industrial sights to potential entities. They have a drone that will fly over the sights to show any infrastructure or properties available; there is a cost for this service. There was a ribbon cutting today at the St. Joe, Berea; they will be developing the 4th floor. The Wings, Etc. Restaurant will be opening on June 19th, and the Barbecue Restaurant on 25N is progressing. Danny Isaacs reported the training workshops will begin in August. Next meeting will be June 19th.

Parks – T. Schultz; there will be a special called meeting on the 8th at 5:30 pm, due to the cancellation of their regular meeting on the 25th.

Personnel – C. Wilson; interviews will be held on the 8th, beginning at 4:30 p.m.

Public Works – J. Little; the committee met Monday the 5th; we discussed the need to allocate monies in the budget to go towards water, and drainage issues on city streets. The Allen Company completed the recent paving projects under budget. Two (2) new street lights were recommended to be installed in Hope Estates; no objections. Approval for contractors were as follows; General Contracting– Devere Construction; Electrical – Stamper Electric; Plumbing – POH Resources; Drywall – Devere Construction.

Bids were opened for Blacktop Installation; Parrett Brothers was approved and awarded.

PUBLIC COMMENTS:

Randy Coffey questioned statue KRS.91A; dealing with Tourism Commission. Various city boards are required to fill out reports through DLG; researching “on line” he found no reports from Tourism, are they in violation of the statues. Another section defines that a member who represents the hotels and restaurants, must reside within the city limits. He feels the council should look at this issue and withhold any appropriations to the Tourism Commission, and possibly vote to repeal the complete tax. He is not against Tourism, but he has a problem with how they waste money, they don’t help the little guy. Mayor Connelly thanked Mr. Coffey for his update on the Tourism Commission statutes, but informed him that a little bit of knowledge is sometimes a dangerous thing.

Justin Bolton announced that he, and Tim Wade have opened up a new business in “The Shifflet Cabin” in front of the welcome center; a grand opening will be held on June 22nd at 1pm, they are the “little guys”.

CITY ADMINISTRATOR'S REPORT; R. STONE

- There will be a committee of the council to stay abreast of what is going on with Tourism, a partnership type, to keep us updated and educated moving forward.
- The building project is going well and still within schedule.
- The city has assisted the county on a grant that was received to remove an illegal dump site on Chapel Road, over 40 containers of waste have been removed to date.
- Attendance at the pool has been very well since opening, averaged 445 people each day, with one day having over 600; tonight is "Free Family Swim" night at the pool.
- Delinquent property tax listing will come out in the paper this week.
- According to KU reports; our electric rate will increase 7.2% this year.
- Next council meeting will have an ordinance for an update to the "Land Management Development Ordinance", it will be a change for use in an Industrial Zone. We have received a request from one of our local industries to have child care, and a health care facility for their employees, on their property.

Questions: Caudill asked if the July 4th meeting will be held; Stone stated it will be up to the council.

COUNCIL COMMENTS:

Davis – thanked the Tourism committee for working with the council on the changes to the budget.

Fraley – compliments to everyone that was involved with the welcoming of the Sister-City-Japanese Delegation that visited in May, the outpouring of hospitality from the International Committee was very impressive. Thanks to details presented by the department heads, the city administrator, and Ms. Meeks during for the budget meeting held on the 25th, compliments to all.

Schultz – he thinks the mayor's comments after Mr. Coffey's remarks were uncalled for, and unprofessional.

Wooten – he appreciates all the interest towards the dog park proposal; we are still in discussions and he will try to keep everyone updated, people may email him for any concerns, or questions. The Economic Development survey results conducted by his class are in; anyone can obtain those results also, email him for a copy. There is a possibility of a clothing store locating in Berea, they have expressed an interest after seeing the survey results. Thanks to the Tourism Commission for their wiliness to work together; he appreciates Mr. Stone in mentioning a committee be formed to work with the commission, as a joint committee which will address an update to the Strategic Plan to benefit all of Berea. In response to Mr. Coffey's email to the council requesting to repeal the restaurant tax; eliminating this tax would negatively impact the city. There is rumors that the state government may pass a bill for a 75/25 split of restaurant tax. If we have money going into our general fund from the tax going towards projects that the

citizen's want, then he feels it would hurt all of us. If we cut the tax we would have to come up with money from another source. He asked for city meetings be recorded and made available to the public to help and protect wrong interpretations taken by the public. He requested a presentation from the Berea Housing Authority in light of complaints he has received recently.

Little – thanks to the Tourism Commission for working with the city council; it is important to work together. He quoted from the Kentucky League of Cities; as with any public purpose spending decision on cities and their Tourism Commission; should consider how best to spend Tourism dollars to serve the interest of the community as a whole. This is something we all should think about.

Caudill – echo what his colleagues said in appreciation for Tourism's wiliness to work with the council for the recommendations in the budget. The Youth Splash and Dash will be held June 25th from 8:30am – 1pm at the City Park and pool. Ages 7-15 may participate. We have an infrastructure here that many cities would be happy to have, and we have opportunities to offer more things.

Wilson – thanked Tourism for working with the council; she is not for repealing the restaurant tax, the majority of the tax is collected from Berea people, would like to see the money put back into our community. She appreciates the letter from the people in Old Town regarding advertising; she owns a business out of town and pays for her own advertising, she often sends her customers to other business, advertising is for all of Berea.

Terrill – glad that Tourism supported the council, he is also not for cutting the tax, but he would like to see more money placed in things that would bring more foot traffic to Berea.

Mayor Connelly suggested at the risk of being considered doubly unprofessional, for everyone to read KRS.91A.350 - .400 (the Tourism Statutes) plus the other statues that are referred to, as a starting point to better understand the requirements of the Tourism, and the requirements for appointments. Tourism Commission is a special fund and has the ultimate decision of what is a legitimate expenditure for Tourism. When the council and Tourism can work in harmony, they will achieve the most success. A memo will be distributed for further guidance. Little read information he found quoting an opinion of the Attorney General stating each city can make their own determination of the spending.

Meeting adjourned: 7:37 p.m.