

CITY OF HENDERSON – RECORD BOOK

Record of Minutes of A Work Session *Meeting on* February 20, 2018

A Work Session of the Board of Commissioners of the City of Henderson, Kentucky, was held on Tuesday, February 20, 2018, at 5:30 p.m. in the third floor Assembly Room, Municipal Center, 222 First Street, Henderson, Kentucky.

There were present the Honorable Steve Austin, Mayor, presiding.

PRESENT:

Commissioner Patti Bugg
 Commissioner Robert N. Pruitt, Sr.
 Commissioner Bradley S. Staton
 Commissioner Austin P. Vowels

CITY STAFF MEMBERS included Russell R. Sights, City Manager; Dawn Kelsey, City Attorney; Maree Collins, City Clerk; Donna Stinnett, Public Information Officer; Connie Galloway, Human Resources Director; Robert Gunter, Finance Director; Dawn Winn, Assistant Finance Director; John Stier, Accounting Manager; Trace Stevens, Parks & Recreation Director; Jason Hargitt; Interim Police Chief; Ray Nix, Code Administrator; Dylan Ward, Public Works Engineer; and Mike Richardson, Police Reserve Officer.

THE FOLLOWING AGENDA ITEM WAS DISCUSSED:

1. Fiscal Year 2018 Mid-Year Budget Review

- ✓ City Manager Russell Sights gave opening remarks and introduced Finance department employees.
- ✓ Finance Director Robert Gunter reported that approximately 93% of all current property taxes that were billed were collected by year-end and had a decrease in revenue of \$1,181,504.00 or 15.6% due to the reduction in the property tax rate; insurance premium tax saw an increase from the prior year with collections up 3%; payroll tax collections were up \$548,435.00 or 11.4% which only include approximately five months of the 29% increase enacted by the Board; the unemployment rate decreased from 5.8% in January 2017 to 3.3% in December 2017; personnel expense for the General Fund is up 2.6% from the same period the previous year with over 60% of the increase attributed to salaries and nearly one-third related to pension costs; health insurance decreased \$11,676.00 or 0.7% while workers compensation expenses increased \$19,006.00 or 13%; personnel expense for all funds combined was up 3.2% over the same period the previous year; total personnel services for all funds were up 8.8%; there were ten full-time vacant positions in the General Fund and 16 full-time and one part-time vacancy across all funds at the end of December; for the first 26 weeks of fiscal 2018 health insurance expenses increased \$8,907.00 or 7.2% per week from the previous year, possibly due to the addition of the health clinic; variances in expenses due to repairs or purchase of materials and equipment and transfers to funds that do not generate enough revenue were reviewed which include maintenance expenses for the MSC, an ADA ramp at the Park's office, vehicle repairs, boat ramp dredging, Fire Station improvements and repairs, Outside Agency funding, a coding error in Ambulance Service expenses, purchase of emergency sirens, pursuit vehicles and a dump truck and that the concrete work for the upper pad for the material handler at the landfill had been inadvertently left out of the budget; and repairs to Commonwealth Drive. Mr. Gunter indicated that we are on track to spend at least \$2,000,000.00 of reserves this fiscal year with \$8,900,000.00 in reserves at the beginning of the fiscal year and unknown increases in pension costs looming.

NO FORMAL ACTION WAS TAKEN BY THE BOARD OF COMMISSIONERS.

CITY OF HENDERSON – RECORD BOOK

Record of Minutes of A Work Session Meeting on February 20, 2018

MAYOR AUSTIN announced a special called meeting for Friday, February 23, 2018 at 1:00 p.m. for the purpose of executive session for review of City Manager applications.

EXECUTIVE SESSION: Real Estate

MOTION by Commissioner Bugg, seconded by Commissioner Staton, to go into Executive Session pursuant to KRS 61.810(1)(b) for the purpose of deliberation on the possible future purchase of real estate located at Highway 60 and Wathen Lane in that publicity would likely affect the value of the property to be acquired for public use.

The vote was called. On roll call, the vote stood:

Commissioner Staton ----- Aye:
Commissioner Pruitt ----- Aye:
Commissioner Bugg ----- Aye:
Commissioner Vowels ----- Aye:
Mayor Austin ----- Aye:

MEETING RECONVENED:

MOTION by Commissioner Pruitt, seconded by Commissioner Staton, the Board of Commissioners reconvened in regular session.

The vote was called. On roll call, the vote stood:

Commissioner Staton ----- Aye:
Commissioner Pruitt ----- Aye:
Commissioner Bugg ----- Aye:
Commissioner Vowels ----- Aye:
Mayor Austin ----- Aye:

MEETING ADJOURN:

MOTION by Commissioner Staton, seconded by Commissioner Bugg to adjourn.

The vote was called. On roll call, the vote stood:

Commissioner Staton ----- Aye:
Commissioner Pruitt ----- Aye:
Commissioner Bugg ----- Aye:
Commissioner Vowels ----- Aye:
Mayor Austin ----- Aye:

WHEREUPON Mayor Austin declared the work session adjourned at approximately 6:45 p.m.

ATTEST:

Steve Austin, Mayor
February 27, 2018

Maree Collins, City Clerk