June 9, 2014

The Common Council of the City of Glasgow, KY met in regular session on Monday the 9th day of June, 2014 at 7:00 p.m. in the Council Chambers with the following persons present:

HONORABLE MAYOR: Rhonda Trautman

COUNCIL MEMBERS: Harold Armstrong
Dick Doty - absent
Brad Groce
Stacy Hammer
Wendell Honeycutt
Jim Marion
James Neal
Freddie Norris - absent
Karalee Oldenkamp
Sheila Oliver
Joe Trigg
Marlin Witcher

There being a quorum present, the Mayor declared the meeting open for business.

Pledge of Allegiance

Mike Padgett opened the meeting with a prayer.

Prior to the Council Meeting, pursuant to KRS 42.255 and KRS 174.100, at 6:30 p.m. a public hearing was held in the Council Chambers for the discussion of Municipal Road Aid. Kurt Frey, Superintendent of the Department of Public Works, went over the list of the streets that he and the Infrastructure Committee felt were in most need of patching and/or paving. Frey also reviewed the sidewalk projects for the upcoming fiscal year. There were no questions or comments from the public. Public hearing was adjourned at 6:38 p.m.

At 6:45 p.m. a public hearing was held for the 2014-2015 Budget for the City of Glasgow. Council Member Oliver asked how many employees the city has now and what will be the total cost of the raises for the employees. Mayor Trautman said there are 165 employees and raises will be about $300,000.00. There were no questions or comments from the public and the hearing adjourned at 6:47 p.m.
MINUTES OF COUNCIL MEETING ON 5-12-14

MOTION was made by Council Member Armstrong for the approval and adoption of the 5-12-14 Council Meeting minutes
SECOND was by Council Member Groce
VOTE unanimous approval of the Council present

MINUTES OF SPECIAL CALLED COUNCIL MEETING ON 5-15-14

MOTION was made by Council Member Hammer for the approval and adoption of the 5-15-14 Special Called Council Meeting minutes
SECOND was by Council Member Witcher
VOTE unanimous approval of the Council present

ORDINANCE NO. ______

ORDINANCE ENACTING AND ADOPTING A SUPPLEMENT TO THE CODE OF ORDINANCES OF THE CITY OF GLASGOW, KENTUCKY

A proposed ordinance was presented for the first time and caused to be read for the first time.

MOTION was made by Council Member Marion for the first reading approval of the ordinance
SECOND was by Council Member Neal
VOTE unanimous approval of the Council present

ORDINANCE NO. ______

ORDINANCE ACCEPTING THE EXTENSION OF EAST LEECH AVENUE AND LAUDERDALE DRIVE AS CITY STREETS

A proposed ordinance was presented for the first time and caused to be read for the first time.
MOTION was made by Council Member Armstrong for the first reading approval of the ordinance
SECOND was by Council Member Oldenkamp
VOTE unanimous approval of the Council present

ORDINANCE NO. ____

ORDINANCE AMENDING ORDINANCE NO. 2825, THE CITY OF GLASGOW ANNUAL BUDGET FOR FISCAL YEAR 7-1-13 THROUGH 6-30-14, BY RECEIVING AN INSURANCE CHECK IN THE AMOUNT OF $9,774.00 INTO THE GENERAL FUND FOR THE POLICE DEPARTMENT, BY RECEIVING A CONTRIBUTION IN THE AMOUNT OF $2,000.00 INTO THE CEMETERY FUND AND TO RECEIVE A STATE GRANT ON THE METHANE PROJECT IN THE AMOUNT OF $100,000.00 INTO THE SANITATION/LANDFILL FUND

A proposed ordinance was presented for the first time and caused to be read for the first time.

MOTION was made by Council Member Armstrong for the first reading approval of the ordinance
SECOND was by Council Member Witcher
VOTE unanimous approval of the Council present

ORDINANCE NO. ____

ORDINANCE ADOPTING THE CITY OF GLASGOW ANNUAL BUDGET FOR FISCAL YEAR 7-1-14 THROUGH 6-30-15, ESTABLISHING REVENUES AND RESOURCES AND APPROPRIATING FUNDS FOR THE OPERATION OF CITY GOVERNMENT

A proposed ordinance was presented for the first time and caused to be read for the first time.

MOTION was made by Council Member Armstrong for the first reading approval of the ordinance
SECOND was by Council Member Honeycutt
VOTE unanimous approval of the Council present

Prior to the reading of the ordinance, Mayor Trautman stated pursuant to KRS 91A.030 (7), the
Mayor of a city of our class is required to present the budget to the Council and that must include a budget message. Mayor Trautman went over the proposed budget by reading the following budget message to be recorded in the minutes.

BUDGET MESSAGE

The Annual Budget for the City of Glasgow 2014-2015 Fiscal Year contains 12 funds:

General Fund – Fund 010

The General Fund is the largest of the funds in the City’s budget. This fund represents expenses and revenues related to the operation of the Administrative, Legislative, Building Inspector/Code Enforcement, Police, Animal Control, Fire, Street, Transit, Recreation, Swimming Pool, Mitchell Club House, Cultural Center and Communications.

Budgeted Revenues in FY 14-15 for General Fund is estimated at $849,844 more than FY 13-14 budgeted revenues representing a 7.5% increase. This increase is due to improved occupational tax, net profits and insurance premiums. These are all three positive indicators of an improving economy.

Budgeted Expenses for FY 14-15 are $12,634,007 or $63,147 less than budgeted in FY 13-14 (the current budget) or a 0.5% decrease in spending compared to the current budget. It should be noted that Projected Expenses for current budget are $846,737 less than budgeted. This is significant savings during the current budget year and it is the result of ongoing cost cutting strategies and personnel turnover. In addition, Projected Revenues for the current budget are ahead of the Budgeted Revenues.

Retirement rates for non-hazardous and hazardous duty decreased from 18.89% to 17.67% and 35.70 to 34.31% respectively in the FY 14-15 year. The only capital purchases included in the General Fund include 2 vehicles for the Police and Fire Departments, a mower for the Street Department and turn out gear for the Fire Department.

With the 7.5% increase in revenues, 0.5% decrease in expenses in the FY 14-15 budget and the ongoing savings and improved revenues in the current year, the General Fund is in the best financial position it has been in years. With the improvements in revenues and expenses, the audited FY 14-15 Fund Balance is projected to remain steady or increase for the second year in a row.

The ESTIMATED FUND BALANCE for the General Fund for FY 14-15 is $3,877,750.

Plaza Theatre Fund - Fund 014

The Plaza Theatre Fund includes $130,000 in a General Fund transfer, a decrease of $20,000 from the previous year. This demonstrates the Plaza’s trend to becoming a self-sustaining department. Projected Revenues for the Plaza Fund for FY13-14 are significantly higher than budgeted. Budgeted Revenues and Expenses for FY 14-15 are essentially unchanged leading to an ESTIMATED FUND BALANCE: $157,564.
**Stormwater Fund – Fund 015**

The Stormwater Fund receives revenues collected as part of the Stormwater Program as required by the Clean Water Act and the Kentucky Department of Environmental Protection. All revenues are dedicated to stormwater projects. Budgeted Expenses for the FY 14-15 include equipment purchase (skid steer loader), personnel (Stormwater Manager 0.5 FTE, Equipment Operator, Laborer, Street Sweeper Driver), and outside contracted/in-house capital construction projects as identified by the Stormwater Master Plan developed in 2013. ESTIMATED FUND BALANCE: $413,527.

**Municipal Road Aid – Fund 022**

The 2014-2015 Municipal Road Aid Fund projects revenues at $345,000. Expenses budgeted for FY 14-15 are $329,530 and will include paving, patching, sidewalk projects and citywide repairs as identified in the Municipal Road Aid Plan. The ESTIMATED FUND BALANCE: $366,470.

**KCDBG – Fund 023**

The FUND is considered closed with a FUND BALANCE of $0.

**Kentucky Revolving Loan – Fund 024**

The Revolving Loan Fund has no Estimated Revenues or Expenses for FY 14-15 with an ESTIMATED FUND BALANCE of $292,904. In agreement with the Industrial Development and Economic Authority (IDEA) and recommendation from Department for Local Government, the CDBG revenues previously being received into this fund are now being received and held by IDEA resulting in less projected Revenue in FY 13-14 than budgeted.

**KLEFPF - Fund 025**

Fund 025 can only be used to supplement wages of police and fire personnel. Each hazardous duty employee of the Police and Fire Departments receives $3100 from the Fund annually. Revenues supporting this Fund are received from the state as part of the Kentucky Law Enforcement Foundation Program Fund (KLEFPF) rewarding training by means of a salary supplement. ESTIMATED FUND BALANCE: $59,344.

**Glasgow Economic Development Loan - Fund 026**

This Fund provides loans to businesses and industry who wish to expand or to any new business or industry who wish to locate in Glasgow and create new jobs under certain requirements and criteria. This loan program works in cooperation with the Glasgow Barren County Industrial Development and Economic Authority (IDEA) as well as the Kentucky Cabinet for Economic Development in our efforts to recruit and maintain jobs for the community allowing the City to leverage its funds in cooperation with the State’s economic development incentives. Projects are reviewed and recommended by the Glasgow Economic Development Loan Board and then presented to the City Council for consideration. The FY 14-15 Budget includes $200,000 appropriated for loans and revenues of $15,700 from repayment of outstanding loans resulting in an ESTIMATED FUND BALANCE of $1,121,907.
Municipal Cemetery – Fund 027

This Fund has an ESTIMATED FUND BALANCE of $89,421 including a $120,000 transfer to this Fund from the General Fund.

Perpetual Upkeep – Fund 028

This Fund has an ESTIMATED FUND BALANCE of $493,225 for the FY 14-15 budget year.

Sanitation/Landfill – Fund 085

The Sanitation Landfill Fund projects an ESTIMATED FUND BALANCE of $4,439,550 for the FY14-15 budget year. This year’s budget includes the new 6-acre cell construction, Methane Capture Project and ongoing cell maintenance. Capital purchases also include a garbage truck with ½ budgeted in FY 14-15 and ½ in the previous year, a vehicle and a maintenance building. The Methane Capture Project is being funded in part by a $1,000,000 no-interest USDA loan and a $100,000 Energy Efficiency Grant from the state both received in FY 13-14.

Closure-Post Closure – Fund 089

This Fund represents monies required to close our present landfill site when it reaches full capacity as required by the State. The City is required to maintain this Fund with an investment account per State regulations; the Landfill now has the required balance with an ESTIMATED FUND BALANCE of $4,445,151.

NOTE 1: FY 14-15 personnel expenses in all department and funds include a standard raise for all fulltime and part-time employees of $0.80 and $0.25 respectively.

NOTE 2: Per KRS 243.075 this year’s budget document includes a separate insert following the Administrative Budget highlighting Budgeted Alcohol Sales as compared to Administrative and Policing expenses related to this activity.

Submitted by

Rhonda Riherd Trautman, Mayor

ORDINANCE NO. _____

ORDINANCE AMENDING AND UPDATING
ORDINANCE NO. 2828, THE CITY OF GLASGOW
PERSONNEL POLICIES AND PROCEDURES
MANUAL

A proposed ordinance was presented for the first time and caused to be read for the first
A proposed resolution was presented and caused to be read

MOTION was made by Council Member Oldenkamp for the approval and adoption of the resolution
SECOND was by Council Member Witcher
VOTE unanimous approval of the Council present

Announcements:

The Glasgow Community Band will present their annual Concert on the Square, Thursday, June 19th at 7:00 p.m. The band will be playing Military and Circus Marches along with Melodies from Movies, so bring your lawn chairs for an evening of free entertainment.

Mayor Trautman said the U.S. Army Band from Fort Knox presented a concert on Sunday, June 8th honoring the Midway Reunion.

Friday, June 27th, Orchestra Kentucky will present the Annual 4th of July Concert on the Square. The concert will begin at 7:30 p.m. in front of City Hall.

Council Member Honeycutt said Tuesday, June 10th at 6:00 p.m there will be a Community Dog Park meeting held at the Chamber of Commerce office.

Council Member Groce said there will be no Planning and Development meeting this week.

Council Member Armstrong said there will be a Plaza Board Meeting, Tuesday, June 10th at noon at the Plaza office.

There being no further business to come before Council, Council Member Armstrong made motion for adjournment at 7:39 p.m., Council Member Groce seconded. Motion carried.
ATTEST:

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RHONDA RIHERD TRAUTMAN, MAYOR

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TOMMIE S. BIRGE, CITY CLERK