



City of Fort Wright

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City of Fort Wright Council Meeting Wednesday, October 7, 2020 – 6:00 PM

CALL TO ORDER

The Council Meeting was called to order at 6:00 PM by Mayor Dave Hatter. Mayor Hatter led the Pledge of Allegiance and a moment of silence. City Clerk Maura Russell called the roll.

Councilman Abeln	Here
Councilman Feinauer	Here
Councilman Wall	Here
Councilman Weber	Here
Councilman Wessels	Here
Councilwoman Witt	Here

Also present for the meeting were:

City Administrative Officer Jill Bailey
City Attorney Tim Theissen
Fire/EMS Chief Steve Schewe
Police Chief Ed Butler
Public Works Director Jeff Bethell
City Clerk Maura Russell

CITIZEN COMMENTS/GUESTS

There were no citizen comments.

JD Chaney – KLS Elected City Official of the Year Presentation - Mayor Hatter introduced Terri Johnson, Member Relations Manager for Kentucky League of Cities [KLC], attending on behalf of JD Chaney, KLC Executive Director. Ms. Johnson and Jeff Mando, attorney with Adams, Stepner, Woltermann & Dusing, PLLC, presented Mayor Hatter with the KLC 2020 Elected City Official of the Year award. Ms. Johnson said there were over 60 nominations for this award and Mayor Hatter stood out for the many things he has done including his passionate stance on pension reform, willingness to be a media referral for cybersecurity, college professor, radio personality, busy family life, and serving the City of Fort Wright for 22 years. The Mayor was nominated by City Council and City Administrator Jill Bailey, which Ms. Johnson said is a testament to his leadership.

Mr. Mando echoed Ms. Johnson's comments, adding that Mayor Hatter stood out because of his service-driven leadership and the work he has done to enhance services for residents, improve infrastructure, support the Fire Department and Police Department, and keep the City out of debt.

Mayor Hatter thanked City Council, Ms. Bailey, and City staff, saying he works to keep the ship on the rails and it's Council who sets the policies to do the hard work that he and the staff implement. He said he is proud to serve alongside them, with no hidden agendas. Mayor Hatter thanked former Mayor Joe

Neinaber, Jr., saying the results the City sees now are directly from his time as Mayor, setting the City on a path to become debt-free, and he appreciates his friendship and support. He also thanked KLC for their support to cities across the state of Kentucky. Mayor Hatter thanked his father, Jack, and stepmother, Penny, along with his wife, Leslie, and four children. He closed by thanking Representative Kim Banta, Senator Chris McDaniel, and Kenton County Judge-Executive Kris Knochelmann for their support.

Senator McDaniel/Representative Banda – Check Presentation - Mayor Hatter introduced Senator Chris McDaniel, whom he said was instrumental in helping secure funding for the City for the Fort Henry Road Stabilization project. Senator McDaniel began by congratulating Mayor Hatter for his award from KLC and presented him with a Senate Citation recognizing the accomplishment.

Senator McDaniel introduced Representative Kim Banta, saying she brings a depth of knowledge, particularly in education, and she has a passion for the region. He said they are both here to jointly present a check for \$82,540 for emergency repairs for the Fort Henry Stabilization project. Senator McDaniel said he appreciates the partnership and work the City is doing. Mayor Hatter thanked them both, saying the City has significantly invested in this project and this money will be a big help.

APPROVAL OF COUNCIL MINUTES

Councilman Weber made a motion to approve the minutes of the Council Meeting held on Wednesday, September 2, 2020. Councilwoman Witt made a second. City Clerk Maura Russell called the roll.

Councilman Abeln	Yes
Councilman Feinauer	Yes
Councilman Wall	Yes
Councilman Weber	Yes
Councilman Wessels	Yes
Councilwoman Witt	Yes

MOTION CARRIED

Councilman Feinauer made a motion to approve the minutes of the Caucus Meeting held on Wednesday, September 16, 2020. Councilman Abeln made a second. City Clerk Maura Russell called the roll.

Councilman Abeln	Yes
Councilman Feinauer	Yes
Councilman Wall	Yes
Councilman Weber	Yes
Councilman Wessels	Yes
Councilwoman Witt	Yes

MOTION CARRIED

UNFINISHED BUSINESS

RedTree Investment Services and Investment Policy Update - Ms. Bailey advised Council that the contract for RedTree Investment Group and the City's Investment Policy has been sent to Tim Theissen's office for review. She said she plans to schedule a meeting with RedTree in the next week to finalize these documents

Mayor Hatter took this time to introduce Mr. Tim Theissen, Shareholder with Strauss Troy, as the new City Attorney. He thanked Todd McMurtry for his many years of service. Mayor Hatter said Mr. Theissen is a long-term resident of the City of Fort Wright and has previously served on City Council, Board of Adjustments, and as a representative to the Kenton County Planning Commission. He said Mr. Theissen has enormous experience in planning and zoning and welcomed him as the City Attorney.

Mayor Hatter continued regarding the Investment Policy, thanking Councilman Weber and Councilman Wessels for their time spent on the work with RedTree and this new policy, including reviewing state statutes, working with KLC, various banks, and advisors. He said the City is very close to completing this process and when it is finished and executed should generate a significant revenue stream for the City.

NEW BUSINESS

1st Reading of Ordinance 04-2020 re: Establishment of Tax Rates for FY 20/21 – Mayor Hatter first thanked the Finance Committee for working through this information and analyzing the data. He also thanked Susan Ellis, City Treasurer/Senior Deputy Clerk, for her work on historical figures for line items. He said he is happy to report that the City is debt free, has significant reserves, and pays cash for capital improvements like fire trucks and police cars.

Mayor Hatter proposed a 5% reduction on the real property rate, going from 0.279 cents per \$100.00 of assessed valuation to 0.265 cents per \$100.00 of assessed valuation. He proposed holding the personal property rate at 0.409 cents per \$100.00 of assessed valuation.

Mayor Hatter said the ten-year projection needed to be refactored because of the change to the budget structure a couple years ago. He said this change makes some numbers look massive, but it is really because those line items did not exist prior, so there really is not an increase just a movement of the money. He said these things throw the projections off and there had to be conversations about reasonable numbers.

Councilman Wessels thanked Mayor Hatter for the time and effort he put into this information.

Mayor Hatter continued, saying they looked at unaudited actual numbers from last year versus what was budgeted in expenditures for this year to forecast approximately \$1.4 million excess revenue. He said if capital expenses are removed, revenue excess should be approximately \$704,000. He also noted that there are many one-time expense items within the budgeted expenses, including a new ambulance, work on Amsterdam Road, a new truck for the Public Works Department, and two new Police Department cruisers. He referenced the Street Program, saying each year approximately \$600,000 is spent on roads and that could be cut back if things got tight, even though safe roads is one of the most important things the City provides for residents.

Mayor Hatter discussed the pension numbers, saying it is the second largest individual expense for the City. He said with the straight-line increase of 7.64% the City would spend \$1.6 million a year, totaling \$11.8 million over a full ten-year period. Mayor Hatter also discussed salary, FICA, and pension items as being intertwined because it costs money to employ people, and the City has added a few positions over the last few years and health insurance costs have increased. Additionally, he noted that salary increases are typically 2% each year, but some starting salaries have had to increase to maintain competitiveness, specifically with the Police and Fire departments.

Mayor Hatter discussed some of the modeling that the City will use, including having an outside forecasting person review projections and historical items to determine reasonable measures moving forward. Mayor Hatter commented that he feels comfortable with the position the City is currently in, especially considering the current pandemic and how difficult it is to determine its impact.

Councilman Wessels requested to interject and add a point-of-clarification regarding assistance the City is seeking on projections. He said Councilman Weber has requested the assistance of a friend who will assist with the forecasting and projections. He also said one of the ongoing goals of City Council to reduce payroll taxes. Mayor Hatter said that is correct and the City would like to review payroll tax information to see when that tax could drop from 1.5% to 1%. He gave credit to Council and City staff for helping the City become more business-friendly, as payroll tax revenue was \$1.569 million last year, which is \$70,000 more than property tax income. Mayor Hatter referenced the removal of the car registration fee and would like to see payroll taxes move back to 1%, which is what neighboring cities currently assess. Councilman Wessels said another item to review is the insurance premium tax, with which Mayor Hatter agreed because of the lack of transparency.

Ms. Bailey commented that Mayor Hatter did a fantastic job on the spreadsheets. She said there have been changes made to the chart of accounts and those will be closely tracked as the spreadsheets are updated. She also said the City will be watching vendors closely and enforcing occupational and payroll taxes.

Ms. Bailey said many cities talk about reducing real property taxes but usually take the compensating rate. She said the City of Fort Wright is truly taking a cut, implementing a true decrease in taxes below the recommended compensating rate. Mayor Hatter said with the reassessed property values by the PVA [Kenton County Property Valuation Administration] the real property rate base in the City increased by almost \$44 million, or 8%, which he credits to City Council and staff for helping make Fort Wright a great place to live. He said the reducing rate he is proposing to Council may still lead to a slightly larger tax bill because property values have increased, but the tax rate is going down.

Mayor Hatter discussed the personal property tax, saying he was hesitant to make a cut there because the City is seeing a \$4 million, or 10%, decrease in those funds. Councilman Wessels commented that the delayed filing deadline of July 15 probably pushed some of these invoices out, so some people have not paid yet, which reflects in the decrease. Ms. Bailey said she anticipates it will catch up next year and sometimes the PVA does send out adjustments. She also reminded Council that the City budgeted conservatively because of the pandemic and the numbers proposed will easily meet the budget. Mayor Hatter also commented that the substantial reserves will help if something goes horribly wrong.

Councilman Weber advised Council that the Finance Committee worked with Mayor Hatter on the proposed rates and agrees with his proposal.

Mr. Theissen read Ordinance 04-2020, an ordinance fixing the tax rate for the fiscal year beginning July 1, 2020, and ending June 30, 2021, upon real estate, personal, and mixed property in the City of Fort Wright, Kentucky, and fixing the time and payment and penalty for non-payment of same. Mr. Theissen continued by reading Section I of the Ordinance, which reads "That an ad valorem tax of 0.265 on each One Hundred (\$100.00) Dollars value of real estate, and an ad valorem tax of 0.409 on each One Hundred (\$100.00) Dollars value of personal and mixed property, is subject to taxation for the fiscal year beginning July 1, 2020, and ending June 30, 2021."

Councilman Wessels made a motion to approve the first reading of Ordinance 04-2020. Councilman Weber made a second. City Clerk Maura Russell called the roll.

Councilman Abeln	Yes
Councilman Feinauer	Yes
Councilman Wall	Yes
Councilman Weber	Yes
Councilman Wessels	Yes
Councilwoman Witt	Yes

MOTION CARRIED

Councilman Abeln expressed appreciation, saying that occasionally one Committee has a larger volume of work than others, and the Finance Committee has put in countless hours for this proposal, along with the Investment Policy and firm appointment.

Councilman Feinauer reminded residents that taxes are due December 31.

1st Reading of Ordinance 05-2020 re: Waste Collection Rates for FY 20/21 – Mayor Hatter said Rumpke has been the waste collection vendor for the City for a long time and this is the second year of this contract. Ms. Bailey said this is the final year of the current contract and the rate is not going up. She said it will remain at \$183.00 per dwelling unit. She said the City will look at renewing or rebidding services in January or February. Mayor Hatter reminded residents this is a pass-through fee and that the City makes no money off this fee as it is what is charged by Rumpke.

Mr. Theissen read Ordinance 05-2020, an ordinance of the City of Fort Wright, in Kenton County, Kentucky, amending Section 51.09 of the Code of Ordinances to set the trash collection charge for the fiscal year 2020-2021. Mr. Theissen continued by reading Section 1(A), "A waste collection assessment of \$183 per dwelling unit is hereby levied for the assessment year beginning July 1, 2020, and ending June 30, 2021, for the purpose of defraying the cost of waste collection in the City."

Councilman Abeln made a motion to approve the first reading of Ordinance 05-2020. Councilman Feinauer made a second. City Clerk Maura Russell called the roll.

Councilman Abeln	Yes
Councilman Feinauer	Yes
Councilman Wall	Abstain
Councilman Weber	Yes
Councilman Wessels	Yes
Councilwoman Witt	Yes

MOTION CARRIED

Resolution 16-2020 Appointing Tim Theissen (Strauss Troy) as City Attorney – Mayor Hatter said he recently signed Executive Order 9-2020, retaining Mr. Theissen as the City Attorney, which he did with City Council’s blessing. He said he also wanted to do a Resolution to allow the Councilmembers the chance to voice their opinions and officially vote on the appointment.

Mr. Theissen read Resolution 16-2020, a Resolution of the City Council of the City of Fort Wright, in Kenton County, Kentucky, retaining Timothy B. Theissen, Esq., Attorney at Law licensed in the Commonwealth of Kentucky and a partner in the law firm of Strauss Troy, L.P.A., as City Attorney for the City of Fort Wright effective September 23, 2020.

Councilman Wessels made a motion to approve Resolution 16-2020. Councilman Weber made a second. City Clerk Maura Russell called the roll.

Councilman Abeln	Yes
Councilman Feinauer	Yes
Councilman Wall	Yes
Councilman Weber	Yes
Councilman Wessels	Yes
Councilwoman Witt	Yes

MOTION CARRIED

COMMITTEE REPORTS

Community Improvement Committee - Chair Councilman Feinauer said there is nothing additional to report at this time. He said CT Consultants is still working on sign plans, as well as garbage cans and benches for bus stops.

Economic Development Committee - Chair Councilman Abeln said the committee met and determined they will begin looking at ways to market some properties in the area for development. Mayor Hatter referenced the previous discussion about payroll tax and potentially rolling back the percentage. He said theoretically Council can change that rate anytime and recommended seeing how the pandemic plays out and impacts revenue. He recommended the Economic Development Committee use the rollback of the payroll tax as an incentive, when able, to bring business to Fort Wright.

Councilman Abeln said the committee also wants to have an open dialog with property owners about their thoughts and how the City can encourage development. He said there has also been discussion about Dixie Highway TIF [tax increment financing] area redevelopment.

Finance Committee - Chair Councilman Wessels had nothing additional to add to what has already been discussed regarding the tax rates and investment policy.

Human Resources Committee - Chair Councilman Weber said he had a couple pieces of information to share but deferred to the department heads to share the news.

CAO REPORT

Ms. Bailey said she has nothing additional to add aside from what was included in her written report shared to Councilmembers and she has been assisting Committees with various projects.

Mayor Hatter extended a special Thank You to Ms. Bailey and Susan Ellis, Treasurer/Senior Deputy Clerk, for their work on the spreadsheets for the tax rate information. He said all final versions will be published on the website to further transparency and visibility.

DEPARTMENT REPORTS

Administration/Finance – Ms. Russell reported that there were multiple events for the community in September, and she is preparing for the upcoming employee appreciation lunch and continuing to work through records organization. She also announced that the City has restarted Passport Acceptance by appointment only.

Ms. Bailey added that Ms. Ellis will be joining the Council Meetings beginning in November to begin a more formal process of presenting financial information, especially regarding the new investment policy, and maintain segregation of duties. She also said she anticipates the auditor attending the November meeting to present the audit.

Fire/ALS Department – Chief Schewe said the new ambulance has passed its 60th day of use and bugs have been worked out, which comes with a brand new vehicle like this. He said the department finished three days of live fire training at the Kenton County Training Center. He mentioned that the department does a lot of simulated trainings but this one was live and took a lot of people to put on, but he hopes these will happen more regularly. He said almost every department in Kenton County participated in the trainings.

Councilman Wessels asked Chief Schewe who is running the Fire Department's social media account. Chief Schewe said one of the full-time firefighters, Jeremiah Johnson, has been posting, using footage from his camera and drone.

Legal Counsel – Mr. Theissen had no report but said there will be information to present in Executive Session.

Public Works – Mr. Bethell reported that the new Public Works Laborer position was filled, and Trent Evans started last Monday. He said Mr. Evans previously worked for Boone County Public Works and goes to school at night so he will join the next Council Meeting to be introduced.

Mr. Bethell said the concrete portion of the street program has finished. He said the project went well and things look good. He said Riegler has started resurfacing on East Henry Clay and Upland. Regarding the Amsterdam Road project, Mr. Bethell said once the wall is finished, they will backfill then work on sewer lines. He said they are hoping for a decent winter so work can continue throughout the season. Mayor Hatter acknowledged the inconvenience of the Amsterdam Road project but said it will be a huge improvement for the City once complete. He reminded residents the road will be safer and will have sidewalks.

Mr. Bethell said the sewer projects on Highland and Fort Henry are ongoing. He said on Highland the manholes have gone in and the crew is working by hand to fill.

Mr. Bethell closed with a mention to the uniform policy he is working on for his department, which he hopes to implement soon.

Mayor Hatter asked Mr. Bethell about any updates to the five-year road plan that may be needed, as it is typically reevaluated halfway through the cycle. Mr. Bethell said it is only on year two. Ms. Bailey reminded Council and the Mayor that the City is working to get a few projects shovel-ready because of the pandemic and potential funding that could come through. She said CT Consultants is working on the design phase for next year's projects and hopes to bid those in January. She said the next two streets within the five-year program are Redwood and Birchwood.

Police Department – Chief Ed Butler said the current vacancy in the Department will be filled within two weeks as Aaron Arnsperger will be rejoining the force. He said it will be a contract position which means the City will not have to pay hazard pay or pension costs, and the City will be gaining a seasoned officer who knows the City well.

Chief Butler said the advertisement is now public for Sergeant George Kreutzjans' position, which will come open upon his retirement on October 31st. He said applications are due by October 16th for that position and most of the applications he has so far are for new or inexperienced candidates. He said the posting was opened to all candidates as they hope to get training through the state Academy beginning in February. Councilman Wessels asked why the training would have to wait so long. Chief Butler said the state is now getting those recruits whose training was interrupted because of the shutdown back into the Academy with modifications like single dorm rooms and smaller class sizes. He said their goal is to get caught back up and around December start planning new recruit classes.

Mayor Hatter commented on this delay, saying based on this plan the City may not get someone into the Academy until February which means they are not back with the City and on the street until late 2020 or early 2021. He reminded residents that they are paying taxes for this delay, as it will be almost a full year before a new hire could go out on their own. Mayor Hatter said the gap in the schedule means increased workloads for everyone else, and the City has one of the highest call volumes in Northern Kentucky relative to size.

Chief Butler said there is a planned lockdown drill with St. Agnes School next week. He also reminded residents to be careful on Halloween.

Chief Butler closed by mentioning the cars stolen from residents two weeks ago. He said it was an opportunistic crime and cautioned people to not leave valuables, including keys, in their cars.

SPECIAL ANNOUNCEMENTS

Employee Recognitions/Special Thank You's – Mayor Hatter said there were a few Thank You cards to the City, including one from Ms. Ellis for the flowers sent by the City when her mother died. He read a card from a resident thanking the Police and Fire departments for participating in a parade for her 92nd birthday, an acknowledgement from the organizers of the recent rally for President Donald Trump for the assistance with traffic, and a thank you to the Police Department for aiding someone on September 23rd. He said there was also a Congratulations card to him from the Elfers.

Councilman Feinauer reminded residents to be mindful of people out walking in the darker morning and evening hours. He also recommended those out walking or running carry or wear something identifiable, so it is easier to be seen by passing cars.

Mayor Hatter said the plan for Halloween is to proceed as normal on October 31st from 6 Pm to 8 PM. He said that could change if the Governor issues any type of order.

EXECUTIVE SESSION

Mayor Hatter requested a motion to adjourn to Executive Session under KRS 61.810 (1)(c) – Discussions of proposed or pending litigation against or on behalf of the public agency. A motion was made by Councilman Wessels. Councilwoman Witt made a second. City Clerk Maura Russell called the roll.

Councilman Abeln	Yes
Councilman Feinauer	Yes
Councilman Wall	Yes
Councilman Weber	Yes
Councilman Wessels	Yes
Councilwoman Witt	Yes

MOTION CARRIED

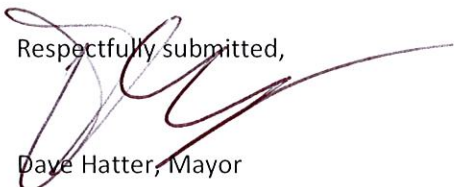
The Council Meeting was adjourned to Executive Session at 7:37 PM.

The Council Meeting was reopened to the public at 8:07 PM.

ADJOURNMENT OF THE COUNCIL MEETING

Councilman Wessels made a motion to adjourn the Council Meeting. Councilman Feinauer made a second. All voting in favor.

The Council Meeting adjourned at 8:08 PM.

Respectfully submitted,

Dave Hatter, Mayor

Attest:



Maura Russell
City Clerk