

**Northern Kentucky Area Planning Commission
Meeting Minutes: April 23, 2012**

Vice Chairman Tom Kriege called the monthly business meeting of the Northern Kentucky Area Planning Commission to order at 5:17 PM in the Commission Chambers of the NKAPC Building in Fort Mitchell. Attendance of members was as follows.

	Term	Present	Absent
Chairman Bill Goetz	May 2010 through April 2012		X
Vice Chairman Tom Kriege	May 2010 through April 2012	X	
Treasurer Tom Litzler	May 2010 through April 2012	X	
Commissioner Sherry Carran	May 2009 through April 2013	X	
Commissioner Paul Meier	May 2010 through April 2012	X	
Commissioner Dick Spoor	May 2009 through April 2013	X	
Commissioner Gene Weaver	May 2009 through April 2013	X	

Also present were: Mayor Dan Bell, Councilwoman Elizabeth Fricke (Chair), Councilwoman Gloria Grubbs, City Manager Larry Klein, and Commissioner Kris Knochelmann of the NKAP Council’s Budget/Annual Work Program Review Committee; President David Jansing and Vice President Tom Vergamini, NKAP Council; Stacy Tapke, Legal Counsel; Jan Crabb, PHR, Finance/HR Administrator; Keith Logsdon, AICP, Deputy Director for Long-Range Planning; Dennis Andrew Gordon, FAICP, Executive Director; and Lori Remley, Administrative Assistant.

Vice Chairman Kriege asked for a moment of silent prayer and led the Pledge of Allegiance.

ACCEPTANCE OF AGENDA

Vice Chairman Kriege asked for review of the agenda. Commissioner Litzler made a motion to accept the agenda as amended; Commissioner Meier seconded the motion. Vice Chairman Kriege asked for a voice vote on the motion which found unanimous approval. The motion passed.

Vice Chairman Kriege called for comments from the public and noted that there were none.

FY13 BUDGET DISCUSSION

Vice Chairman Kriege then opened discussion on the initial draft FY13 budgets. Mr. Gordon provided members and the Budget/Annual Work Program Review Committee with copies of the FY13 budget and stated that this was a very preliminary draft which would be used as the basis for the final budget. He stated that the seven-page document was the NKAPC budget and that the two page document was the LINK-GIS budget.

Mr. Gordon reviewed the FY13 Projected Revenue Summary line by line and explained what goes into each item. He stated that Kenton County One Stop Shop fees would increase by roughly 10% on July 1st and how the increase would bring the fees up to where they would be if the fees had been increased annually as originally planned. There discussion moved to breaking out the LINK-GIS budget and the effect this would have on the LINK-GIS Reimbursements line item.

Mr. Gordon advised that Rental Income is realized from the State Plumbing Inspector and that the rent is paid by a \$25 fee paid by the plumbers to maintain the office. He indicated that he had spoken to Frank Henn regarding increasing this fee to \$35 and that Mr. Henn will speak to the Plumbers Association. He stated that he didn't believe this would be an issue since this would be the first adjustment in six years. Mr. Gordon also noted that Keith Logsdon, the Deputy Director for Long-Range Planning, would be retiring in July and that he would not be replaced. As a result, the Current Planning and Long Range Planning departments will be combined into one and be named Planning and Zoning Administration.

Following Mr. Gordon's review, there was a lengthy discussion regarding the compensating tax rate and how it was calculated. Mayor Bell indicated that it may be possible to reduce the rate. Councilwoman Grubbs stated that she felt it best to keep the rate as it is now or, if possible, reduce it. Mr. Klein stated that the City of Covington had received its numbers from the PVA and that the city's revenue had dropped. With property valuation down, he felt that NKAPC would be doing great job keeping it the same. Mr. Gordon stated that he received NKAPC's figures from the PVA on Friday afternoon and would have the calculations at next Monday's meeting. Commissioner Carran stated that it may be beneficial for members of the committee to have a historical view of the tax rate. Mr. Gordon responded he would provide it at the next meeting.

Mr. Gordon then reviewed the FY13 Projected Expenditure Summary and noted that salaries are down even with giving employees a three percent increase. He stated that there were several reasons for giving a three percent increase. There was a lengthy discussion regarding historical increases, the salary grid, how the three percent was calculated, and how it would be distributed among the employees. Mayor Bell indicated that he didn't believe there should be cost of living raises and that any raises given should be based on merit.

Commissioner Carran indicated that the City of Covington hadn't given raises since 2008 and recently gave employees a five percent raise. She questioned the city giving a five percent increase to employees who may not be as deserving as others. Discussion continued regarding the three percent raise. Mayor Bell recommended bringing it more in line with the private sector and base increases on merit reviews. Commissioner Knochelmann disagreed and stated that increases shouldn't be based 100% on merit. Mayor Bell indicated that his belief was based on the assumption that employees are salaried not hourly and that it was more applicable to salaried employees. There was discussion regarding longevity versus performance and moving to a merit review system. Mr. Klein stated that he believes there are two variables – industry average and performance. Members discussed the possibility of giving an initial one percent increase then up to a two percent merit raise.

Mr. Gordon also outlined proposed changes in the employee healthcare coverage. He indicated that spouses with coverage available through their employer will no longer be covered and that, for the first time, employees will be making contributions to cover the cost of their premiums. Ms. Crabb stated that the employee healthcare committee is waiting for estimates before determining how best to apportion costs – by level of coverage, based on salary, or a combination of both. Commissioner Litzler advised the committee members that, for the last three or four years, the Commission had set a dollar amount for healthcare benefits and that the employee committee had stayed within that amount. Mr. Gordon stated that employee deductibles have been going up while the coverage level has been going down to the point that the coverage is moving toward worthless and is really only good for catastrophic illness.

A lengthy discussion followed. Councilwoman Grubbs asked several questions regarding the level of coverage, choice of plans, wellness program/gym membership subsidy, and sick time donation policy. Ms. Crabb stated that currently two plans are offered with HRA, FSA, and HSA options and that there is a sick time donation policy. Mr. Gordon stated that there are currently only a handful of employees who take advantage of the gym membership subsidy. There was a brief discussion regarding the State retirement contribution (19.55% per year). Mayor Bell asked how many employees/salaries are in the GIS department. Mr. Gordon advised that there are six full-time and two part-time.

Mr. Gordon continued his review of expenditures. There was discussion regarding expenses for public officials. He stated Kenton County Joint Code Enforcement Board members are paid \$100 per meeting and meet once a month while NKAPCommission members get \$50 per month regardless of how many meetings there are. He also advised that since NKAPCouncil dinners have been discontinued the projected expenditures have been reduced preliminarily to \$1,000 per year.

With regard to mileage reimbursement, Commissioner Knochelmann asked if any vehicles were provided and Mr. Gordon stated that there were not. Commissioner Knochelmann indicated that this was “great” and more cost efficient.

There was discussion regarding contractual commitments and Mr. Gordon noted that NKAPC would not be renewing its contract for maintenance of the Pentamation software. He stated that the software originally cost around \$85,000 to purchase and that NKAPC is paying the Fiscal Court \$50,000 per year to maintain it. Mr. Gordon indicated that staff had started looking at other options last year but didn’t pursue them due to the petition drive. Commissioner Knochelmann asked if Mr. Gordon had discussed this issue with anyone at the County and Mr. Gordon indicated that both the Judge-Executive and Fred McKinley had been advised.

There was a brief discussion regarding interest expense and how NKAPC had taken loans in the past to cover operating costs until tax revenue was received. Mr. Gordon advised that there was now enough money in the reserve accounts to pull from and that there was no need to take a loan.

Mr. Gordon pointed out that, with the separation of LINK-GIS, NKAPC will now have to “pay” for those services and that there is now a line item under Contracts/Services. He indicated that staff will now track how much they use LINK-GIS and that the cost of that use will be paid by the tax levy. Mayor Bell asked where jurisdiction would have to go if NKAPC didn’t have GIS. Mr. Gordon indicated that GIS functions are typically funded and run by local government. Mayor Bell then asked what percentage of that function was supported by tax. Mr. Gordon stated that his best guess would be 70-75 percent. Mayor Bell asked who would take over GIS if NKAPC went away. Discussion followed regarding who should pay more or less and how to bill more equitably. There was also discussion regarding the Council’s recommendation to look at the structure of LINK-GIS.

Mr. Gordon indicated that the financial aspect of LINK-GIS was a nightmare to understand when he arrived ten years ago. He went on to explain that its budget had been simplified six years ago in an effort to streamline and to make it more transparent. He indicated that two-thirds of the LINK-GIS budget is underwritten by taxpayers.

Commissioner Spoor stated that the other partners will have to pick up the slack if NKAPC goes away. Mayor Bell then asked if the County owns the building. Mr. Gordon stated that NKAPC owns the building and that if NKAPC goes away, the County would own the assets after NKAPC’s debts are paid. There was discussion regarding paying down the building loan. Commissioner Litzler indicated that due to the low interest (<1%) the Commission had been advised not to pay it down.

Mr. Gordon finished reviewing the remaining line items and stated that contributions to the Sinking fund had reached 98 percent of the goal set by the Commission.

With no additional questions or comments, Mr. Gordon reviewed the LINK-GIS FY13 Projected Revenue and Expenditures. He indicated that the format of this budget is the same as the NKAPC budget and that the partners would be meeting next month to discuss.

Mr. Gordon stated that each of the Kenton County partners contributed \$25,000 per year for new aerials and that Campbell County also contributed \$25,000 plus paid for additional contract work. He indicated that fees for work outside of Kenton County would be higher and would include overhead recovery.

Mayor Bell asked if there was a market for the data and Mr. Gordon stated that any market was driven by the development community. There was discussion regarding other possible revenue sources. Mr. Gordon indicated that staff is exploring selling “packets” of data and that the prices would vary based on the level of data provided.

Discussion continued regarding Envista and the recent flyover under the State contract. Mr. Gordon advised that the partnership saved approximately \$75,000 by going with through the State.

Upon completion of Mr. Gordon’s review, Mayor Bell asked for the compensating rate figures and Mr. Gordon indicated that he would have the information available for next week’s meeting. Mayor Bell indicated that this had been a very informative meeting and the review committee excused themselves at 7:05 PM.

ONGOING BUSINESS

Ms. Crabb gave an overview of the March financial report and the most recent fee-based revenue report to date. After a brief discussion, Vice Chairman Kriege asked for a motion. Commissioner Weaver made a motion to accept the March reports as presented subject to audit; Commissioner Meier seconded the motion. Vice Chairman Kriege asked for a roll call vote on the motion which found Commissioners Carran, Litzler, Meier, Spoor, Weaver, and Vice Chairman Kriege in favor of the motion. The motion passed unanimously.

Vice Chairman Kriege asked if the Minutes of the March 19, 2012 monthly business meeting were acceptable or if anyone had any additions/corrections. Commissioner Weaver made a motion to accept the March 19 minutes as presented; Commissioner Spoor seconded the motion. Vice Chairman Kriege asked for a roll call vote on the motion which found Commissioners Carran, Litzler, Meier, Spoor, Weaver, and Vice Chairman Kriege in favor of the motion. The motion passed unanimously.

Vice Chairman Kriege asked for legal counsel's report. Ms. Tapke stated that she had nothing to report.

Vice Chairman Kriege asked the executive director for his report. Mr. Gordon provided members with a copy of his handouts from Saturday's NKAP Council meeting which outlined both the auditor's eight recommendations and the Council's 16 recommendations.

Mr. Gordon outlined the costs incurred as a result of the March 2nd tornado (\$19,800). He stated that staff time and mileage came to \$9,800, work for Pendleton County to be invoiced was \$1,500, and that \$8,500 in permit fees had been waived. Mr. Gordon indicated that Steve Hensley has advised that these costs are probably not recoverable from FEMA.

Mr. Gordon indicated that, as a result of the recent audit and at the suggestion of the auditor, he is providing members with a listing of his NKAPC credit card usage from July 2011 through February 2012. There was a brief discussion regarding the charges and it was noted that the majority was for the laptop that members had authorized.

With no further comments, Commissioner Spoor made motion to ratify the Executive Director's charges for July 2011 through February 2012; Commissioner Carran seconded the motion. Vice Chairman Kriege asked for a roll call vote on the motion which found Commissioners Carran, Litzler, Meier, Spoor, Weaver, and Vice Chairman Kriege in favor of the motion. The motion passed unanimously.

Vice Chairman Kriege asked for reports from committees or members. Commissioner Meier indicated that he and Commissioner Weaver had briefly met with Keith Logsdon regarding how to improve attendance at Direction 2030 meetings and that they would try again in May. He indicated that interviews were being conducted with groups not covered by the survey and that staff is working on scheduling the second round of meetings.

Commissioner Litzler stated that the Council meeting on Saturday was a delight and that he believes members left with a better understanding/feeling. He advised that the electrical issue was addressed and that he thought that there would be more support from the Council. Mr. Gordon indicated that the atmosphere at the meeting was more business like.

NEW BUSINESS

With no additional new business, Vice Chairman Kriege adjourned the meeting at approximately 7:30 PM.

Tom Litzler, Chairman

Dennis Andrew Gordon, FAICP
Executive Director/Secretary