

**CITY OF NEWPORT, KY**  
**MEETING OF THE BOARD OF COMMISSIONERS**  
**Monday, April 21, 2014**  
**MINUTES**

**CALL TO ORDER / ROLL CALL**

The meeting was called to order by Mayor Peluso at 7:00 p.m. in the Multi-Purpose Room of the Newport Municipal Building at 998 Monmouth Street. The meeting was opened with a moment for silent invocation and the mayor led the Pledge of Allegiance.

**In attendance** were: Commissioner Beth Fennell, Thomas Guidugli, Jr., Commissioner, Commissioner John Hayden, Commissioner Frank Peluso, and Mayor Jerry Peluso. Also in attendance were: City Attorney/Acting City Manager Daniel Braun, Chief Tom Collins, Fire Chief Gary Auffart, Assistant City Attorney Robert List, CFO C.R. Wirthlin, Community Liaison Bev Holiday, and City Clerk Amy Able.

**PERSONNEL ORDERS**

The city clerk read **R-2014-033**, an order **appointing Brett Finnell to the position of Chief Mechanic** in the Public Works Division of the Community Services Department effective April 28, 2014. Commissioner Peluso made a **motion to approve**; second to the motion was offered by Commissioner Guidugli. Commissioner Fennell noted that, though their names are pronounced in the same way, the spelling is different and they are not related. Upon hearing there were no further comments or questions, the mayor called for a roll call vote.

<b>Commissioner Peluso:</b>	<b>Yes</b>	<b>Commissioner Fennell:</b>	<b>Yes</b>	<b>Mayor Peluso:</b>	<b>Yes</b>
<b>Commissioner Guidugli:</b>	<b>Yes</b>	<b>Commissioner Hayden:</b>	<b>Yes</b>	<b><u>Motion carried 5-0.</u></b>	

The city clerk read **R-2014-034**, an order **appointing Ryan Whaley** to the position of **Firefighter/Medic Grade 0**, in the Newport Fire/EMS Department effective April 22, 2014. Commissioner Guidugli made a **motion to approve**; second to the motion was offered by Commissioner Hayden. Upon hearing there were no further comments or questions, the mayor called for a roll call vote.

<b>Commissioner Guidugli:</b>	<b>Yes</b>	<b>Commissioner Fennell:</b>	<b>Yes</b>	<b>Mayor Peluso:</b>	<b>Yes</b>
<b>Commissioner Hayden:</b>	<b>Yes</b>	<b>Commissioner Peluso:</b>	<b>Yes</b>	<b><u>Motion carried 5-0.</u></b>	

Mayor Peluso administered a ceremonial oath to the newest member of the Fire/EMS Department.

**PRESENTATIONS**

Mr. Ken Lewis played a time-lapsed video and gave an update on the **New Riff Distillery** which will hold a grand opening in two weeks.

Chief Auffart recognized **Ms. Alison Ruebusch**, an employee of Ride the Ducks, for her life saving action and response with an AED in a medical emergency experienced by a guest at Newport Aquarium.

The Mayor called for a brief recess at 7:15 p.m. The meeting resumed at 7:25 p.m. with all members of the Board present.

**PUBLIC FORUM**

**Mr. Kyle Randall** reported the West Side had a successful **clean up event** in April and thanked the City for providing supplies.

Mr. Joe Harpin of East Tenth Street offered praise for Josh Tunning, a great community organizer with Brighton Center and his enthusiasm stating it is important for local agencies to work together.

Mr. Kevin Cook of West Eighth Street stated a broken curb in the 200 block needs attention.

### **AUDIT PRESENTATION**

Mr. John Chamberlain of Van Gorder Walker gave a presentation reviewing the audit report.

- Looking at internal controls, found no significant deficits or material weaknesses
- A special audit for federal fund expenditures was also done
- Total assets have been relatively steady over the last five years
- Bonds are starting to expire - this is beneficial, payments are now \$1.5m less than in 2011
- Unrestricted cash position is starting to stabilize – the three month of operating expenses on hand is still a recommended goal, for Newport this amount would be \$4.3m, (currently at \$660,000 which is an improvement) Reserves are improving and there is no longer the level worry seen in 2009
- Looking at revenue and expenditure comparison for governmental funds, management is responding accordingly
- Reviewing assets versus cash for proprietary funds (mainly the Levee) shows total assets decreasing each year for depreciation which is normal; cash has increased dramatically, three month reserve would be \$1.7m; and the Levee and refuse assets are \$5.2m with \$4.8m restricted
- Regarding the comments in the letter – one recommended improvement has already been put into place, since December CFO Wirthlin is producing monthly financial reports
- Consolidated Annual Financial Reports are in CAFRA format
- The Board is reminded of their fiduciary responsibility to review closely for understanding pages 15 through 25, CFO Wirthlin did a good job putting this together
- Basic net position if covered on page 25  
Asset position total roughly \$32m, for business type \$40m, total of \$72m  
Liabilities are \$25.9m governmental, 29.9 for business, total of \$55.8m
- Balance sheet begins on page 27, \$42m assets, \$3.2m liabilities, net \$736,000
- Statement of revenue, expenditures and changes on page 28 shows amounts by fund and then total governmental funds; total revenues of \$17.5m, total expenditures of \$17.3m, excess of revenues over expenditures \$161,000

### **APPROVAL OF MINUTES**

Commissioner Peluso made a motion to approve the minutes of the March 24, 2014 regular meeting; second to the motion was offered by Commissioner Fennell. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

Commissioner Peluso: Yes      Commissioner Guidugli: Yes      Mayor Peluso: Yes  
Commissioner Fennell: Yes      Commissioner Hayden: Yes      Motion carried 5-0.

### **UNFINISHED BUSINESS**

Commissioner Peluso made a motion that the second reading of the proposed ordinance on bicycle operation on sidewalks be removed from the agenda and that the matter be added to a future caucus agenda for further discussion. Second to the motion was offered by Commissioner Guidugli. Upon hearing there were no further comments or questions, the mayor called for a roll call vote.

Commissioner Peluso: Yes      Commissioner Fennell: Yes      Mayor Peluso: Yes  
Commissioner Guidugli: Yes      Commissioner Hayden: Yes      Motion carried 5-0.

The city clerk gave first reading of tentative number O-2014-006, an ordinance amending section 30.042 of the Code of Ordinances concerning meeting agendas. Commissioner Guidugli made a motion to approve; second to the motion was offered by Commissioner Peluso. Mr. Braun

explained this is a housekeeping measure following the dissolution of the NCAC; reporting from that organization can be removed from the agenda. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

**Commissioner Guidugli: Yes      Commissioner Fennell: Yes      Mayor Peluso: Yes**  
**Commissioner Peluso: Yes      Commissioner Hayden: Yes      Motion carried 5-0.**

The city clerk gave second reading of tentative number **O-2014-007**, an ordinance amending section 30.040(a) of the Code of Ordinances concerning the **order of business for regular meetings**. Commissioner Fennell made a **motion to approve**; second to the motion was offered by Commissioner Guidugli. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

**Commissioner Fennell: Yes      Commissioner Hayden: Yes      Mayor Peluso: Yes**  
**Commissioner Guidugli: Yes      Commissioner Peluso: Yes      Motion carried 5-0.**

The city clerk gave second reading of tentative number **O-2014-008**, an ordinance amending section 32.201 of the Code of Ordinances concerning powers and duties of the **Board Of Adjustment** to include variance and appeals procedures from the flood damage prevention ordinance. Commissioner Fennell made a **motion to approve**; second to the motion was offered by Commissioner Peluso. Mr. Braun explained this follows the recent adoption of flood regulations (FEMA FIRM) and makes clear under the duties of the Board of Adjustments that they are the body to hear related variance and appeals matters. Upon hearing there were no comments or questions, the mayor called for a roll call vote.

**Commissioner Fennell: Yes      Commissioner Guidugli: Yes      Mayor Peluso: Yes**  
**Commissioner Peluso: Yes      Commissioner Hayden: Yes      Motion carried 5-0.**

### **NEW BUSINESS**

The city clerk read **R-2014-035**, a resolution supporting the Regional Trails Alliance Trail Plan. Commissioner Peluso made a **motion to approve**; second to the motion was offered by Commissioner Guidugli. Mr. Braun explained this was requested by Mayor Sherry Carran of Covington. Local governments are showing approval of the regionalized plan by adopting similar resolutions. Upon hearing there were no further comments or questions, the mayor called for a roll call vote.

**Commissioner Peluso: Yes      Commissioner Fennell: Yes      Mayor Peluso: Yes**  
**Commissioner Guidugli: Yes      Commissioner Hayden: Yes      Motion carried 5-0.**

### **COMMENTS FROM CITY DEPARTMENT HEADS** No comments.

### **COMMENTS FROM THE CITY MANAGER'S OFFICE**

Mr. Braun stated the Pavilion Project continues to be built out and the next ground breaking will be next week for an IHOP by the Tire Discounters. This leaves the lots by Dick's for future development.

The Carother's Road project is progressing at a good pace with no problems and is expected to be completed on time, by the end of June.

### **COMMENTS FROM THE BOARD OF COMMISSIONERS**

Commissioner Guidugli

- Newport Recreation hosted a successful Easter Egg Hunt. Thanks to all who worked to make this an enjoyable event.

Commissioner Fennell

- With the warm weather we have experienced many are working on various planting projects throughout the city. Thanks to Mr. Don Spaulding for adding a splash of color by planting flowers near the underpass. Thanks to all who are working on their yards and islands it is starting to look like spring.
- Received positive comments from a local official on the professional conduct at Newport's Commission meetings. This is a great reflection on everyone involved.

Commissioner Hayden

- Regarding some of the things in the Auditor's Report, looking at financials over several years we have decreased debt spending and our revenues are exceeding our expenditures. Credit is due to the city staff for their fantastic efforts in this regard and their continued hard work following cuts. The effects are exponential as seen with all the positive development in the city. There are more people than ever coming into the city and still crime is relatively low. It is a proud time in the City and there will be more positive announcements coming.

Commissioner Peluso

- A resident commented the quality of the televised meetings is not good. Everyone is reminded to speak clearly into the microphone.
- Thanks to the volunteers as so many enjoyed the Recreation Commission hosted Easter Egg Hunt at the Fire House.

Mayor Peluso

- Thanks to the Police Department for assisting another agency in the arrest of the "creepy burglar" as reported in the news.
- NISD has announced a free production of "You're a Good Man, Charlie Brown" at the Newport Primary School on April 23-25.
- Wade Cruse is congratulated on his retirement after over 32 years in service to the community. Mr. Cruse recently retired from the Board of Education, he maintained the stadium at the high school, and previously served as a police officer in the Newport Auxiliary Police Department. To recognize his service a walkway will be named in his honor. The path he traveled daily for so many years from Seventh and Oak to the stadium entrance is being named in his honor.

**ADJOURNMENT**

There being no further business, Commissioner Guidugli made a **motion to adjourn**; second to the motion was offered by Commissioner Fennell. The mayor called for a roll call vote.

**Commissioner Guidugli: Yes      Commissioner Hayden: Yes      Mayor Peluso: Yes**  
**Commissioner Fennell: Yes      Commissioner Peluso : Yes      Motion carried 5-0.**

The meeting adjourned at 8:20 p.m.

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Date Approved/Signed

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Jerry R. Peluso, Mayor

Attest:

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Amy B. Able, City Clerk