

JEFFERSON COUNTY LEAGUE OF CITIES
P. O. Box 22443 * Lyndon, Kentucky 40252 * 502-649-4540
www.jeffersoncountyleagueofcities.com

April 16, 2015
Monthly Member Meeting
Minutes

JCLC President, Mayor Bill Dieruf, City of Jeffersontown, welcomed everyone and opened the meeting at 7:00 PM, Central Bank/Hurstbourne, 2nd floor Community Room, 9300 Shelbyville Road. He opened the floor for self introductions.

Minutes: Mayor Dieruf referred the attendees to the March 19, 2015 Monthly Meeting Minutes at their seats. A correction was offered in reference to the correct name and spelling for Air BnB. Correction accepted and minutes were approved by consensus as amended.

Treasurer's Report: Mayor Jim Ising, JCLC Treasurer, offered the following Treasurer's Report for March 31, 2015. Opening balance of \$8,601.87; income of \$.14 interest; expenses of \$1581.20; balance of \$7,020.81. The income and expense numbers are in line with the 2014-2015 budget and JCLC 2013-2014 budget as of this date. He reported that the Board has reviewed these JCLC monthly 2014-2015 income/expenses at the April Board meeting.

Mayor Dieruf gave an update on the 2015 Kentucky Legislature and its outcomes for cities and the Metro Council policy on City annexation.

Mayor Dieruf introduced Laura Ross, Managing Legal Services Counsel, Kentucky League of Cities for a presentation on preparation and implementation of City budgets.

Ms. Ross covered the following topics: public purpose of spending; budget; contracting; procurement; surplus property; audits & financial statements; uniform financial reports.

Public Purpose Spending: Rule: public funds must only be spent for public purposes. Legal basis: Kentucky Constitutional requirements that taxes shall only be levied for public purposes. Flexibility: broad power under home rule to spend as necessary for health, safety and welfare of citizens. Questions to ask: Does the city receive benefit and is the activity one in which the city could independently engage? Does the city have control over the organization or how the money is spent? Does the expenditure primarily benefit the public at large, not just the private entity?

Budgeting: Annual budget adopted by ordinance; covers fiscal year July 1-June 30; if failure to adopt for new fiscal year, previous budget remains in force. Preparation of budget proposal is the responsibility of the city's executive authority, Mayor, Commission or City Manager. Adoption of the budget: legislative body adopts by ordinance; becomes effective when published; budget can be amended at any time.

Expenditures only in accordance with adopted budget ordinance; expenditures may not exceed revenues for fiscal year unless amended prior to expending funds. Budgeting is responsibility of executive authority.

Contracting: Cities may contract with entities or individuals. Binding Effect: terms may extend beyond the terms of legislative body members but may NOT limit power of future legislative bodies. City officers and employees cannot contract with the city for property or services, exceptions, KRS 61.252. Municipal contracts authorized or regulated by statute: Inter-local Cooperation Act; Franchise Agreement; Ambulance Services Contracts; Governmental Leasing Act; Construction Contracts were reviewed.

Procurement: Kentucky law requires cities to comply with procedural requirements for the procurement of goods and services involving expenditure in excess of \$20,000. General Bidding Statute: KRS 424.260; Local Model Procurement code: KRS 45A.343-45A.460. A local model procurement code can be adopted by a city by ordinance. General bidding statute will not apply.

Ms. Ross covered the additional aspects of procurement: Local Model Procurement Code Advertisement; Acceptance; Exceptions; Residential Bidder Preference (KRS 45A.490; KRS 45A.494; 200 KAR 5:400): Basic Requirements; Resident Bidder; Effect on City Bidding Procedures. Nondiscrimination Clause: KRS 45.570.

Surplus Property: KRS 82.083; Surplus Property Local Model Procurement Code KRS 45A.425; disposal of firearms & ammunition: KRS 65.041.

Financial Statements: Required for cities under 20,000 in population; publication: KRS 91A.040; Alternatives: KRS 424.230.

Audits: Cities with populations of 1,000 or more required to have annual audit. Cities with populations of less than 1,000 required audit in odd-numbered years. Completed by February 1 following fiscal year being audited. Conducted by CPA or Auditor of Public Accounts through written contract. Uniform Financial Reporting: KRS 65.905.

**Upon completion of questions and answers, Mayor Dieruf thanked Ms. Ross.
Meeting adjourned at 8:25PM.**

Respectfully submitted,

Mayor David Brown, Secretary