

**CITY OF HARRODSBURG
BOARD OF COMMISSIONERS
MINUTES FOR REGULAR MEETING**

DATE: June 23, 2025

TIME: 12 p.m.

PLACE: City of Harrodsburg, Conference Room

Mayor Robert “Bob” Williams called the regular meeting to order at 12 p.m. Members present, Commissioners; Kerry Anness, Charlie Mattingly, Jack Coleman and Marvin “Bubby” Isham

ROLL CALL

Commissioner Anness – Present; Commissioner Mattingly – Present; Mayor Williams – Present; Commissioner Coleman – Present; Commissioner Isham – Present

APPROVE MINUTES FOR THE REGULAR MEETING HELD ON JUNE 9, 2025

Motion by/seconded, Mayor Williams/Commissioner Isham to approve the minutes for the regular meeting held on June 9, 2025. Motion carried unanimously.

APPROVE MINUTES FOR SPECIAL CALLED MEETING HELD ON JUNE 11, 2025

Motion by/seconded, Mayor Williams/Commissioner Mattingly to approve the minutes for the special called meeting held on June 11, 2025. Motion carried unanimously.

APPROVE MINUTES FOR SPECIAL CALLED MEETING HELD ON JUNE 16, 2025

Motion by/seconded, Mayor Williams/Commissioner Anness to approve the minutes for the special called meeting held on June 16, 2025. Motion carried unanimously.

APPROVE AND PAY DEPARTMENTAL INVOICES

Motion by/seconded, Mayor Williams/Commissioner Coleman to approve and pay department invoices. Motion carried unanimously.

FIRST READING OF ORDINANCE 2025-11 – FY26 BUDGET

Commission had first reading of ordinance 2025-11 – FY 26 Budget. Mayor opened the floor to the panel for any questions, comments, concerns that they may have regarding the budget. Mayor said he knows in the special called meeting we had it was indicated in both the water department and the general fund that there was a shortfall. COA Stacey Maynard said correct. Mayor asked how are we covering that shortfall. Ms. Maynard said we would take that from money in the bank. Mayor Williams asked if we had a fairly good supply of money in the bank at this point. Ms. Maynard said we could get through this year for sure, we do have funds in the bank but we

are using them to balance the budget. Mayor said that is not a good operating process is it. Ms. Maynard said it is not ideal; it is not something you want to do long term for sure. City Attorney Norrie Currens said we can't do it long term. Ms. Maynard said we have to look at revenue on both sides water, sewer and general fund. Mayor said understandable this last fiscal year has been extremely difficult for the city from a financial standpoint with the break downs of the pumps at the water treatment plant, the infrastructure, the flood, everything kind of coming together. He said he knows we have done several ordinance amendments for moving around the finances. Mayor asked if there is anything short term that we can do to try to shore this up and make the budget a little bit more stable? Ms. Maynard said there is not a lot of fluff in the budget, if that is what you are asking. She said we do have some deferred maintenance stuff we have in the budget on the water, sewer side that we could cut some of that excess, but it is maintenance that we have put off so it is necessary. Ms. Maynard said we have some stuff on the general fund side, some of our departments that we have said no to different things and they have tried different ways to get money for stuff. She said and again there are things they need to do their jobs. Ms. Maynard said you can cut those things but there are costs associated with that. Mayor said short term and long term. Mayor asked if there were any other expenses like contributions to organizations that really the city has no vested interest in except contributions, is there anything we can cut out in the short term that would increase our revenue or our bank standing at all? Commissioner Isham said we have a shortfall every year we've done budget; I've been here fifteen years. He said every year we've never been able to balance the budget without taking money out of the bank, but we always have money left at the end of the year that we didn't spend so it worked out. Commissioner Isham said he knows we have had a lot of extra expense so it might not happen this year. Commissioner Isham said he can't see that we can deduct any money, on an individual basis because we are not wasting any money. He said if we take money out of these things it will cost us more in the long run, I believe. Mayor said he thinks essential services and voluntary contributions are two different things. He said if we are meeting the needs of the essential services than that is our priority. Mayor said any of these other contributions that we can do without, again in the short term, at least this year and possible the next two to five, whatever we can do to shore this up. He said again the problem is what you just said for the last fifteen years you have been drawing from the bank account and not replenishing the bank account. Commissioner Isham said no we always did, we had money left over at the end of that year. He said like the year before last we was a million over budget, we took money out the bank to balance the budget but there was probable a million or two left at the end of the year that we budgeted from the past year that we did not spend. Commissioner Isham said the money we didn't spend it so it was there, we showed we spent but it wasn't so it balanced and we didn't have to use that money. Mayor said if this past year showed us anything, it showed us that you can't count on that. He said you can't budget for something in hopes that it is going to be there. Mayor said we have got to get a handle on it and make sure that before we budget something we have the means and know that those means are going to be there to cover that expense. He said we can't just throw it out there and hope it sticks. Ms. Maynard said to your question there is a page in your budget information that has outside agencies that we give money to. She said they are the same ones the city has provided funds to as far back as I can see. Ms. Maynard said none of those have an increase except Anderson Dean Park because we didn't give them their increase last year. She said so that is the only one that has increased other than the Industrial Authority which we approved when we hired Greyson to cover half of his salary and there was a 2.9% increase the county gave, so that increased by that much. She said Historic Preservation, Tree

Board are ours so we would support them; the other ones are not necessarily our organizations and I guess there have been some questions on whether we are required or obligated to provide those funds, but that is something you all could decide. Mayor asked if she had any idea at this time what that would equate to? Ms. Maynard said it is not a lot; the whole total of it including things that we split 50/50 with the county, it wouldn't be maybe \$40,000 maybe. Mayor asked if she anticipates any residual revenue at the end of this fiscal year. Ms. Maynard said we should have a little bit of left over on the general fund side when those numbers come in. She said she doesn't know about water and sewer because we have had a lot go wrong this year on water and sewer. She said she doesn't anticipate a very large fund balance on the water and sewer side, but that's to be determined. Mayor said from the general standpoint, do you have any kind of estimate as to what you think it might be. Ms. Maynard said no, but by the time we have our next meeting we should have a better idea because our last bill run for this year will come out this week, so we will have a better idea of what's going on. Mayor said we're most likely going to have to have a special called meeting sometime between now and the next meeting to discuss this more. Ms. Maynard said we will have to have a special meeting for second reading of the budget. Mayor said if any changes are made, we will have to redo the first reading, correct? Ms. Maynard said correct. Ms. Currens said so normally we don't do discussion at the first but I think this is good because from a time perspective we need to have these discussions now.

Commissioner Coleman said with the growth we've had for the last five years; we have got to consider the revenue side at 4%. He said we've never taken it but maybe one time and when you have 52 new families come into this community and they all expect water, sewer, police, fire, their roads to be scraped and we don't raise any revenue and we are still paying, this is what happens in the end. Commissioner Coleman said he is not saying raise taxes 4% because that's what everybody says; I'm saying raise revenue. He said under House Bill 44 if 4% revenue, let's say I'm going to use numbers, say 4% is \$100,000 we get our new assessments and all these houses and all this development we got that 4% raises \$130,000. He said you can't raise \$130,000 you can only raise \$100,000 so you have to you have got to back that 4% off. He said it can be 2.6, it can be 2.7 but it gives us that money in the budget because the next year you are going to have another 40-50 families in this community that move in here and build houses and they are going to expect it. Commissioner Coleman said if you look over the last 8-10 years, I would say you have 150 families or more that build houses and move into the city with the development we've got going on. He said and we have never raised any revenue and we still have to pay our police and our fire. He said I've always brought this up the very first term I had it was 8 years ago and second term I had and I am going to bring it up again, I just think it's something that we look at the numbers it's something that we really need to try to take into consideration and do it because we are at the end now so if we don't correct this and start putting some money back in that pot. He said if you don't have a lot of growth, you don't take it but we have had so much growth this community, the county probable from a building perspective and development is probable one of the biggest growing counties in the area. Mayor Williams said 4% increase that we put in last year netted us about \$20,000. Ms. Maynard said he is right it is not a 4% increase it is 4% on your revenue collected so it is not 4% to the customer.

Commissioner Coleman said the time we looked at it the growth back then was about 2.8, I think. He said that's been several years ago, but we are still experiencing growth and that is a great thing as long as you can take advantage of it as opposed to going back in the bank account paying for it. Mayor said anytime our revenue is increased especially as we have seen over the last several years the expenses increase. He said we voted for a 2.5% or 2.9% increase on the

water treatment plant but the cost of chemicals went up 10% so we are starting off 7% behind and we are setting here spinning our wheels and it doesn't seem like we are making much headway. Mayor said having the increase in growth and hopefully an increase in revenue we've got to figure out where other sources of revenue are, take advantage of those and make sure that it gets collected. Commissioner Coleman you have got to be sure you can cash flow your water department, you've got to be sure sure you can cash flow your sewer department. He said if the rates that we're charging cause is to have to take out how much. Ms. Maynard said its significant. Commissioner Coleman said it's a significant amount, but that's not because of the rate necessarily it was a maintenance so I'm not talking about that. He said I'm talking about your everyday bills that pay for your everyday operating expenses and we are not doing that, or it doesn't seem like we are doing that. Ms. Maynard said she thinks we are probable looking at doing a rate study within the next year to see where are water and sewer rates are versus where they should be because we do a CPI increase annually. She said she doesn't know how long that's been. Commissioner said about 4 years. Ms. Maynard said this year that was 2.9%, but our cost of chemicals is going up 10% so we are falling behind so she thinks a rate study is probable due just to see where we are.

FIRST READING OF ORDINANCE 2025-12 – PUBLIC COMMENT ORDINANCE

Commission had first reading of ordinance 2025-12 – Public Comment Ordinance.

APPOINT JASON TYLER TO THE PVA LOCAL BOARD OF APPEALS

Motion by/seconded, Mayor Williams/Commissioner Coleman to appoint Jason Tyler to the PVA Local Board of Appeals. Motion carried unanimously.

APPOINT STACEY MAYNARD TO THE HARRODSBURG MERCER COUNTY TOURIST COMMISSION

Motion by/seconded, Mayor Williams/Commissioner Anness to appoint Stacey Maynard to the Harrodsburg Mercer County Tourist Commission for a three-year term. Motion carried unanimously.

AUTHORIZE MAYOR WILLIAMS TO SIGN THE MCGREGOR ACA AGREEMENT

Motion by/seconded, Mayor Williams/Commissioner Mattingly to authorize Mayor Williams to sign the McGregor ACA agreement. Motion carried unanimously.

AUTHORIZE MAYOR WILLIAMS TO SIGN THE MCGREGOR 125 PREMIUM ONLY CAFETERIA PLAN AGREEMENT

Motion by/seconded, Mayor Williams/Commissioner Coleman to authorize Mayor Williams to sign the McGregor 125 Premium Only Cafeteria Plan agreement. Motion carried unanimously.

AUTHORIZE MAYOR WILLIAMS TO SIGN KENTUCKY DEPARTMENT OF WORKERS' CLAIMS DRUG-FREE WORKPLACE RENEWAL AFFIDAVIT

Motion by/seconded, Mayor Williams/Commissioner Isham to authorize Mayor Williams to sign the Kentucky Department of Workers' Claims Drug-Free Workplace Renewal Affidavit. Motion carried unanimously.

AUTHORIZE MAYOR WILLIAMS TO SIGN THE REPUBLIC SERVICE AGREEMENT

Mayor said we are going to skip over the Republic Service agreement for now [it never came back up at this meeting].

APPROVE STREET CLOSURES FOR HARRODSBURG BAPTIST CHURCH VBS

Motion by/seconded, Mayor Williams/Commissioner Mattingly to approve closing Chiles Street from Mooreland Ave to the entrance of Lee's Famous Recipe June 23rd to June 27th from 5:30 p.m. to 8:30 p.m. for Harrodsburg Baptist Church Vacation Bible School. Motion carried unanimously.

ACCEPT AUSTIN PRICE'S RESIGNATION

Motion by/seconded, Mayor Williams/Commissioner Isham to accept Austin Price's resignation from the Harrodsburg Police Department effective June 21, 2025. Motion carried unanimously.

ACCEPT TREVOR MOORE'S RESIGNATION

Motion by/seconded, Mayor Williams/Commissioner Isham to accept Trevor Moore's resignation from the Harrodsburg Fire Department effective June 28, 2025. Motion carried unanimously.

APPROVE PAY RAISE FOR KEVIN MESSER

Motion by/seconded, Mayor Williams/Commissioner Anness to approve \$1.00 per hour pay raise for Kevin Messer for passing his DW Treatment IV license effective June 17, 2025 at the Water Treatment Plant. Motion carried unanimously.

CAO REPORT

Ms. Maynard said just for everybody's information we've had a lot of water stuff going on, a lot of clean up that needs to be done. She said they have a crew in town this week, now that it is not raining anymore dedicated to doing some of that clean up. Ms. Maynard said hopefully folks across town will see some movement on a positive note in some of that clean up from the water project. She said as long as the weather holds out and it looks like it will.

COMMISSIONER ISHAM SPOKE

Commissioner Isham said the city purchased a hot box. He said they put blacktop in to keep hot all the time instead of using this cold patch, patching these holes that don't last for a week and it comes back out. He said they have been out using that and it's doing a great job. They have already started using it and its going to really be good. Commissioner Coleman said he wondered why the holes were smoother. Mayor Williams said we had an individual come in this morning that was wanting to know how he could handle damage that he incurred on his vehicle due to a pot hole. Mayor said he told him to file it with his insurance. Mayor asked if that was the correct answer. Ms. Currens said that's one way to handle it. Mayor asked what was another way. Ms. Maynard said this hot box will allow us on times when our pavement or asphalt plant is shut down, we can go somewhere else and get blacktop. She said our hands were tied for a little bit because the plant was shut down and we didn't have a way to get it here. Ms. Maynard said now we will be able to go to Danville and get it if we need to. Mayor asked what is the capacity of the hot box? Ms. Maynard said four tons. Mayor asked Bubby based on your vast experience how many pot holes can four tons fill. Commissioner Isham said a bunch, a whole bunch but we've got some big holes. He said it does look a lot better when they use it. Mayor said he seen one the other day with the skyline of Harrodsburg in it.

ADJOURN

Motion by/seconded, Commissioners Coleman/Mattingly to adjourn at approximately 12:30 p.m.
Motion carried unanimously.

Robert O. Williams, Mayor

Shavonna Huffman, City Clerk

Stacey Maynard, CAO (City Clerk was absent)