November 8, 2012

The Owensboro Metropolitan Planning Commission met in regular session at 5:30 p.m. on Thursday, November 8, 2012, at City Hall, Commission Chambers, Owensboro, Kentucky, and the proceedings were as follows:

MEMBERS PRESENT: Drew Kirkland, Chairman
Ward Pedley, Vice Chairman
David Appleby, Secretary
Gary Noffsinger, Director
Madison Silvert, Attorney
Margaret Cambron
Tim Allen
Irvin Rogers
Wally Taylor
John Kazlauskas
Jason Strode
Fred Reeves

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CHAIRMAN: I would like to welcome everybody to the Owensboro Metropolitan Planning Commission meeting. Our invocation will be given by Mr. John Kazlauskas. Please stand.

(INVOCATION AND PLEDGE OF ALLEGIANCE.)

CHAIRMAN: Our first item of business is to consider the minutes of the October 11th meeting. Are there any additions, correction?

(NO RESPONSE)

CHAIRMAN: Questions from the audience?

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CHAIRMAN: From the commission?

(No response)

CHAIRMAN: If not the chair is ready for a motion.

MR. PEDLEY: Motion for approval.

CHAIRMAN: Motion for approval by Mr. Pedley.

MR. STRODE: Second.

CHAIRMAN: Second by Mr. Strode. All in favor raise your right hand.

(All board members present responded AYE.)

CHAIRMAN: Motion carries unanimously.

Next item, please, Mr. Noffsinger.

MR. NOFFSINGER: Mr. Chairman, on Item Number 2, the auditor's presentation needs to be postponed at this time. The auditor is not here. Should he arrive towards the end, we'll put him back on the end. If not, we'll have to postpone it until next month.

ZONING CHANGE

ITEM 3

2945 Highway 54, 12.867 acres (Applicant requesting postponement until 12/13/12 Meeting)

Consider zoning change: From P-1 Professional/Service to B-4 General Business

Applicant: Industrial Leasing of Florida, Inc.

MR. NOFFSINGER: Mr. Chairman, you will need

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to vote on this item. The applicant has asked for a postponement. It will take a vote in favor of postponement to postpone until the December meeting.

CHAIRMAN: Okay.

MR. APPLEBY: Move to postpone.

MRS. CAMBRON: Second.

CHAIRMAN: We've got a motion for postponement by Mr. Appleby. We've got a second by Mrs. Cambron.

All in favor raise your right hand.

(ALL BOARD MEMBERS PRESENT RESPONDED AYE.)

CHAIRMAN: Motion carries unanimously.

Next item, please.

ITEM 4

4460, 4470, 4540 Springhill Drive, 3.628+/- acres (Applicant requesting postponement until 12/13/12 Meeting)

Consider zoning change: From B-4 General Business and R-1C Single-Family Residential to R-3MF Multi-Family Residential

Applicant: Lake Forest Community, LLC

MR. NOFFSINGER: Mr. Chairman, this will require a vote to postpone this item at the applicant's request.

MR. PEDLEY: Mr. Chairman, I disqualify myself from this item.

CHAIRMAN: Let the minutes note Mr. Pedley is disqualifying himself.

MR. ROGERS: Motion for postponement.
Chairman: We've got a motion by Mr. Rogers.

Mr. Allen: Second.

Chairman: We've got a second by Mr. Allen.

All in favor raise your right hand.

(ALL BOARD MEMBERS PRESENT - WITH WARD PEDLEY DISQUALIFYING HIMSELF - RESPONDED AYE.)

Chairman: Motion carries unanimously.

Next item, please.

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MAJOR/MINOR SUBDIVISIONS

Item 5

4060, 4100 Medley Road, 1.284 acres

Consider approval of major/minor subdivision plat

Applicant: Jerry M. Ashley Trust

Mr. Silver: Would you state your name, please?

Mr. Howard: Brian Howard.

(BRIAN HOWARD SWORN BY ATTORNEY.)

Mr. Howard: This plan comes before you for a request of an access point to Medley Road.

If you recall back at the September Planning Commission meeting, a plat that was prepared by Bob Wimsatt back years ago was revoked by the Planning Commission which led to the possibility that the property could be split into two lots.

The property shown here was split, was

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approved September 28, 2012. It is one of the two lots.

On that original plat that was approved, we had notation that the access to the property should be limited to Deer Haven Drive only. No access should be permitted to Medley Drive; however, the applicant had proposed to split the property and include an access point to Medley Road.

Staff could not support the access point to Medley Road at this location. We would recommend that the plat be approved with an access point to Deer Haven Drive only, with an access easement maybe towards the rear of the property being extended over to the second lot. It's not an issue of the lot being approved. It's an issue with the access point on Medley Road.

Typically we'll send the plats to the city or county engineer for their review as well. We sent it to both in this instance because the property is actually, the property itself is in the county; however, both Deer Haven Drive and Medley are city streets. We got no comment from the county engineer. He said he would defer to the city since they are city roads.

I did get an e-mail from Mike Hamilton with Ohio Valley Reporting

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the city engineers department which said they would
support no access to Medley Road either.

They're in agreement with the Planning Staff,
that we should not have access at this location. They
cited in a phone conversation I had with Mike, you
know, he said there is some topography issues and
elevations and things and they would just prefer since
we had it on the original plat no access to Medley
Road to keep it there with no access to Medley Road.

So with that we would recommend that you
consider the plat for approval with easement only to
Deer Haven Drive for access. No access to Medley
Road.

MR. APPLEBY: It's a site issue you're saying?

MR. HOWARD: Yes. The city engineer's office
didn't go out and do any site distance calculations,
but Mike, in my conversation with him, noted the fact
that there are some topography issues. He said drive
access really from either street would be somewhat of
a concern on this property just because of the
elevation change. They just thought it would be best
not to have access there as well.

CHAIRMAN: Is there anybody here representing
the applicant?

MR. ASHLEY: Yes.

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MR. SILVERT: Could you state your name, please?

MR. ASHLEY: My name is Jerry Ashley.

(JERRY ASHLEY SWORN BY ATTORNEY.)

MR. ASHLEY: What I'm trying to accomplish out there, this was previously approved with five lots on it with access to Medley Road. There are no topography problem with that access because it's already in.

Mr. Wimsatt divided this property, this particular piece, into five lots, five 60-foot lots, which I think what I'm asking for is much more appropriate. Two nice lots rather than five.

When this was previously approved, there was three accesses approved for Medley Road. He went ahead and put these in. It's my understanding that they were inspected when he put them in.

All I'm asking for is you give back what you already approved. I don't see that -- there's no topography problems at all. I've been out there for the last three days with a grader and there's no problems at all. The access is already in. Was put in years ago. I see no problem with it. To cut an access in all the way from Deer Haven across the back of that, all the way back, that's not even reasonable.

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I feel like what I'm asking for is very, very reasonable since it's already been approved once. My plans hinge on my house, hinge on having that access.

CHAIRMAN: Let us hear about, what is the topography problems, Mr. Howard?

MR. HOWARD: Again, I'm just going off the conversation I had with Mike Hamilton from the city engineer's office.

He said that he felt like that there were some elevation change issue out there that led to them saying that they would prefer not to have an access point on Medley Road.

MR. APPLEBY: It's in the plat plan we revoked or the plat we revoked out there, this was actually five different lots?

MR. HOWARD: The plat that you all revoked was a preliminary plat. There were 12 total lots across these two. There were two properties that resulted from a minor subdivision plat. There were 12 lots. He's correct, there were three access points proposed at that time. But when the plat was revoked, the minor subdivision plat came in. You know, Medley Road is a major road. There are access standards, of 250 foot spacing standard. The fact that we were looking at one lot, the adjoining property that was created,
we limited it to a single access point to Medley Road whereas it had two proposed on the original preliminary plat.

The goal is when you're going from 12 lots to two to consolidate access so that it is more, you know, the more access points you have the more conflict points you have. What we try to do is try to reduce the number of access points, especially on a major road like Medley Road. So we limited the other lot to a single access point to Medley and this to Deer Haven only.

MR. APPLEBY: If I understanding this, he's proposing a single access point to be shared by the two lots?

MR. HOWARD: It is a shared ingress/egress easement, that's correct.

CHAIRMAN: Mr. Howard, did we originally approve and then rescind the previous application? Was it approved?

MR. HOWARD: The preliminary plat that was approved years ago --

CHAIRMAN: By Mr. Wimsatt.

MR. HOWARD: -- by Mr. Wimsatt, it had three access points to Medley Road. They were all shared ingress/egress easements. Some of them serve maybe Ohio Valley Reporting (270) 683-7383
two or three lots.

CHAIRMAN: And the Good Lord hasn't changed the topography of this area since then, has it?

MR. HOWARD: Probably not, no.

CHAIRMAN: We had three accesses that were approved and he's asking for one?

MR. HOWARD: He's proposing one on this lot and there would be one on the adjoining property, yes.

CHAIRMAN: I think Mr. Noffsinger wants to set us straight.

MR. APPLEBY: One on this lot and one on --

MR. HOWARD: Which was Lot 2. You're looking at Lots 1A and 1B which was a redivision. It's a redivision. Lot 2 would have separate.

MR. APPLEBY: I understand.

CHAIRMAN: Over the previous application, am I following you right, there would be two now as opposed to when we did have three; is that correct?

MR. HOWARD: That's correct.

CHAIRMAN: Okay. Thank you.

Mr. Noffsinger.

MR. NOFFSINGER: Yes. I do want to make sure that it's clear. That when the preliminary plat was revoked by this commission a couple of months ago, that was at the request of the property owner, Bob.
Wimsatt. So we didn't take anything away from someone that they didn't want taken away.

Mr. Wimsatt submitted the plat with no direct access to this property to Medley Road and specifically limited access to Deer Haven Drive.

My concern, the reason I did not sign this plat, even though the proposed access point meets the spacing standards, is that the adjoining property owner, Bob Wimsatt, would be effected by my action to approve the plat. Because if we approve this access point, it effects where his access point can be on his adjoining property. He owns the adjoining property that only has access to Medley Road. So I felt it was very important to bring that plat back before this commission so that we could have a time where this issue could be raised and Mr. Wimsatt would have an opportunity to speak.

Now, I do know Mr. Howard called Mr. Wimsatt today and he did have a conversation with him. I would like to get that on the record as to what he said, and state that this access point, I didn't realize had already been constructed. I thought it was just a proposed access point.

I want to hear from you in terms of your conversation with Bob Wimsatt, and then has this

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access point been constructed and was it constructed
to the standards that were previously approved on the
preliminary plat.

MR. HOWARD: I did have a conversation with
Mr. Wimsatt. He did not express any major concern
about an access point to Medley Road at this location.
I think with the amount of frontage he has on the
other property I think he felt that he would be able
to meet the access management requirements.

As far as it being an existing access point,
it's shown on here as an existing point. In my
conversation with the city engineer, he didn't say the
culvert is already in. I haven't been out to the
site. I didn't go out and look at it specifically.
He did not give me that information, but if Mr. Ashley
is saying that, I have no reason to doubt him.

MR. ASHLEY: All three of them are in.

CHAIRMAN: Mr. Howard, are you finished?

MR. HOWARD: Yes.

CHAIRMAN: Would you respond to that for the
record, Mr. Ashley.

MR. ASHLEY: All three of the access culverts
have been put in by Mr. Wimsatt some time ago.
The one that I'm asking for is 282 feet from
the intersection of Deer Haven Drive, which I'm sure
that's within the required specifications. I don't know. Medley Road really doesn't seem like a very high traffic road to me. I don't see where this would harm anybody. I talked to Mr. Wimsatt about 3:30 and he had no problem with it at all.

CHAIRMAN: Could you live with one access to those two pieces of property?

MR. NOFFSINGER: That's all he's proposing.

CHAIRMAN: I thought there was two. We were going for three.

MR. APPLEBY: The other two were on the other property.

CHAIRMAN: I'm sorry.

MR. ASHLEY: It would be a shared access for the two that I want to put in. Mr. Wimsatt will have two that are already in for the parcel he retained. So there's three all together.

MR. NOFFSINGER: Mr. Chairman, because the adjoining landowner, Mr. Wimsatt, did not raise an issue with the proposal to the Staff, and he is certainly not here tonight, and the fact that the access point is already in, Staff would recommend that the plat be approved as proposed; however, with the condition that the access point, the culvert that has been installed was properly installed as per the Ohio Valley Reporting

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original preliminary plat, because as I recall we had some specific standards as to how that access point was to be designed and there would have been surety posted at some point when the final plat for those access points. There was also sidewalk that was to be installed along Medley Road. I just want to make sure that we have a properly designed shared access point that was as per the original preliminary plat.

CHAIRMAN: Thank you, Mr. Noffsinger, for your advice.

Yes, sir.

MR. ASHLEY: Mr. Wimsatt tells me that they were properly installed and inspected. That's only what I can tell you about it. It looks to me like a great job.

CHAIRMAN: All right, sir.

At this time unless there's any further comment from the audience.

Anybody else from the commission have any comments?

(NO RESPONSE)

CHAIRMAN: Mr. Appleby, I know you're sitting there ready to make a motion. Hopefully I didn't stop you.

MR. APPLEBY: I just want Mr. Ashley to
understand what Gary is asking. The condition that we're going to have is that it was installed per the specifications in the original drawing. If it's not, it will be up to you to see that it is, if we pass this with this access point with this condition.

MR. ASHLEY: That's entirely fair.

CHAIRMAN: You understand the specifications and the requirements that Mr. Noffsinger has suggested? Mr. Appleby will include those comments and requirements in his motion.

MR. ASHLEY: Okay. Will it be inspected then and I be informed as to whether it's okay or not?

MR. NOFFSINGER: Yes, sir. We will not sign the plat until we're certain that it has been installed as per the original preliminary plat. Brian Howard from our office, as well as someone from the city engineer's office, will take a look at that.

MR. ASHLEY: Yes, sir.

CHAIRMAN: Mr. Appleby.

MR. APPLEBY: Make a motion for approval with a single shared accession point on Medley Road with a further condition that the access point was installed per the original specifications as set out in the original preliminary plat.

CHAIRMAN: We have a motion for approval with
conditions by Mr. Appleby.

MR. ALLEN: Second.

CHAIRMAN: We've got a second by Mr. Allen.

All in favor raise your right hand.

(ALL BOARD MEMBERS PRESENT RESPONDED AYE.)

CHAIRMAN: That motion carries unanimously.

Next item, please.

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MINOR SUBDIVISIONS

ITEM 6

11310, 11324 Gore Road, 8.836 acres

Consider approval of minor subdivision plat

Applicant: Mabel M. Worthington

MR. HOWARD: This plat comes before you as an exception. The 6.475 acre lot exceeds the three to one length to width ratio requirement. They are creating a smaller tract around an existing house. This would allow for the construction of another home on the property.

As identified, an eight acre parcel. This is a descent division of the property, in creating a lot around an existing home. They have a note on the plat that there will not be any further division of the property unless it meets subdivision regulations, which in this instance would likely include a construction of a street due to limited amount of road...
frontage. With that we would recommend that you consider it for approval.

CHAIRMAN: Any comments from the audience?
(NO RESPONSE)
CHAIRMAN: Any questions from the commission?
(NO RESPONSE)
CHAIRMAN: If not the chair is ready for a motion.

MR. APPLEBY: Motion for approval.
CHAIRMAN: Motion for approval by Mr. Appleby.
MR. REEVES: Second.
CHAIRMAN: Second by Mr. Reeves. All in favor raise your right hand.

(ALL BOARD MEMBERS PRESENT RESPONDED AYE.)

CHAIRMAN: Motion carries unanimously.

Next item, please.

ITEM 7
5925, 5935 Highway 144, 4.078 acres
Consider approval of minor subdivision plat
Applicant: John A. Strobel Estate; Joseph G. & Candy W. Strobel

MR. HOWARD: This plat comes before you again for an exception on the length to width ratio requirement. Tract 1 is already a lot that's longer than the depth would allow. Tract 2 was in

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conformance; however, they're adding some additional property to the rear squaring up the lot. So with that we would recommend that you consider for approval. They're not trying to maximize lots or get any additional building area out of this.

CHAIRMAN: Any comments from the audience?

(NO RESPONSE)

CHAIRMAN: The commission?

(NO RESPONSE)

CHAIRMAN: If not the chair is ready for a motion.

MR. STRODE: Motion for approval.

CHAIRMAN: Motion for approval by Mr. Strode.

MRS. CAMBRON: Second.

CHAIRMAN: We've got a second by Mrs. Cambron.

All in favor raise your right hand.

(ALL BOARD MEMBERS PRESENT RESPONDED AYE.)

CHAIRMAN: Motion carries unanimously.

Next item, please.

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NEW BUSINESS

ITEM 8

Consider approval of the August and September 2012 financial statements.

MR. NOFFSINGER: Mr. Chairman, each member has

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been mailed a copy of the financial statements and
they're ready for your consideration.

CHAIRMAN: Any questions from the audience?
(NO RESPONSE)

CHAIRMAN: Any questions from the commission?
(NO RESPONSE)

CHAIRMAN: If not the chair is ready for a
motion.

MR. KAZLAUSKAS: So moved.

CHAIRMAN: Motion for approval by Mr. Kazlauskas.

MR. ALLEN: Second.

CHAIRMAN: Second by Mr. Allen. All in favor raise your right hand.

(ALL BOARD MEMBERS PRESENT RESPONDED AYE.)

CHAIRMAN: Motion carries unanimously.

Next item, please.

ITEM 9
Consider approval of 2013 Filing Dates and Deadlines

MR. NOFFSINGER: Mr. Chairman, each member has
been mailed a copy of the dates for the Owensboro Metropolitan Planning Commission meetings, as well as the Board of Adjustment meetings. It's ready for your consideration.

CHAIRMAN: Any questions?

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(NO RESPONSE)

CHAIRMAN: If not the chair is ready for a motion.

MR. REEVES: So move.

CHAIRMAN: Mr. Reeves has a motion for approval.

MR. TAYLOR: Second.

CHAIRMAN: Mr. Taylor has a second. All in favor raise your right hand.

(ALL BOARD MEMBERS PRESENT RESPONDED AYE.)

CHAIRMAN: Motion carries unanimously.

Next item, please.

ITEM 10

Consider extension of the OMPC office lease.

MR. NOFFSINGER: Mr. Chairman, each member has been mailed a copy of the original lease and the amendment to the lease agreement. It's hard to believe that we've been in the Commerce Center now for six years and it's time for our lease renewal. We're required to give our landlord a minimum of 120 day notice if we intend to stay in those offices.

I will tell you that we lease from the Malcolm-Bryant Corporation in the Chase Bank Building, Commerce Center building, 4,792 square feet. The current rate for that office space is $7 per square
foot. That rate will increase on May 31st of 2013 to $7.84 per square foot.

The Staff has taken a look at our lease. There are no changes to the lease. These are renewal periods of five years. If you authorize the chair, as well as the director, to sign the lease agreement it will take us to May 31st of 2018.

The Staff, our customers are very happy with our location. We feel it's been very beneficial for our customers in terms of the space we have, parking. We have not heard any negatives.

The rates we've looked at in the downtown area range from a low of $8 per square foot to $13 per square foot on a high. If you get towards new Smothers Park you're looking at professional office rates that range from 13 to $15 per square foot. So we feel really good about the rate. It was pre-negotiated back six years ago when we made the decision to move into Chase Bank.

Staff would recommend that you authorize the director and chair to sign the lease extension. I'll be glad to answer any questions that you might have.

CHAIRMAN: Does anybody from the audience have any questions?

(NO RESPONSE)
CHAIRMAN: Does anybody on the commission have any questions?

MR. REEVES: Just one question.

Mr. Noffsinger, we don't have to pay any rental for any of the shared space we use like upstairs and so forth? We have requirement for that; is that correct?

MR. NOFFSINGER: We do not pay any utilities or fees for the use of the common areas. For example, the upstairs area, the board room, the training area, we have use of that and we do not pay any additional fees for that area. We do own a third of the chairs, tables, equipment that's in there, but we own that outright and we do not pay any rental. We do pay utilities. Our portion of that building usage is 17.2 percent, I believe. So we pay our share of 17.2 percent of the cost of all utilities in that building.

MR. REEVES: Thank you.

CHAIRMAN: Mr. Noffsinger, with the outstanding development of downtown, with all this going on downtown, I think the location of the office is absolutely outstanding. The lease going forward at the rate that we're going to be able to pay versus what's going on downtown is a real advantage. Also, having the common areas that we're able to use with
really no additional cost to our commission or to the
OMPC is a very good asset.

With that being said the chair is ready for a
motion.

MR. ALLEN: Motion to approve.

CHAIRMAN: Motion for approval by Mr. Allen.

MR. ROGERS: Second.

CHAIRMAN: Second by Mr. Rogers. All in favor
raise your right hand.

(ALL BOARD MEMBERS PRESENT RESPONDED AYE.)

CHAIRMAN: Motion carries unanimously.

One second, Mr. Noffsinger, before we get to
the next item.

All of you all should have noticed that our
meeting day in February is February 14th. I remember
one of our members made quite an issue of that in
years gone by.

Next item.

ITEM 11

Consider entering into contract with OMU for fiber
optic service.

MR. NOFFSINGER: Mr. Chairman, this is an
issue that I would like to postpone until the next
meeting. Currently we're receiving fiber optic
service from OMU. That provides our pipeline into the
City of Owensboro, their network and connects us with
their server, the geographic information system for
the community. We have been with OMU for a number of
years. I need to do some further research into this
contract to make sure that what we're going to enter
into moving forward is absolutely necessary and the
right thing to do.

So at this point in time I will be glad to
answer any questions you might have, but Staff is not
ready to move forward on this item at this time.

CHAIRMAN: Do we need a motion to postpone?

MR. NOFFSINGER: Yes. That would be Staff's
recommendation.

CHAIRMAN: Chair is ready for a motion.

MR. REEVES: So move.

CHAIRMAN: Motion to postpone by Mr. Reeves.

MR. KAZLAUSKAS: Second.

CHAIRMAN: Second by Mr. Kazlauskas. All in
favor raise your right hand.

(ALL BOARD MEMBERS PRESENT RESPONDED AYE.)

CHAIRMAN: Motion carries unanimously.

Next item, please.

ITEM 2

Presentation of Fiscal Year 2012 Audit by Gene Boaz,
CPA.

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MR. SILVERT: Could you state your name, please.

MR. BOAZ: My name is Gene Boaz, CPA.

(GENE BOAZ SWORN BY ATTORNEY.)

MR. BOAZ: First of all, I apologize for being a few minutes late. We got here as fast as we could.

Good evening, Ladies and Gentlemen. I was retained to audit the financial statements of the Owensboro Metropolitan Planning Commission as of and for the years ending June 30, 2011 and 2012.

These statements included the organization statement of net assets and related statements to revenues, expenses and changes in net assets and the statement of cash flows.

I conducted my audit in accordance with the US generally accepted auditing standards and the standards applicable to financial audits contained in governmental auditing standards issued by the Comptroller General of the United States.

Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

In my work, I examined on a test basis evidence supporting the amounts and disclosures in the financial statements.
financial statements. I also made inquiries of
management and assess the accounting principals used
and significant estimates that were made by management
as well as evaluating the overall financial statement
presentation.

Accordingly, I believe that my audit provides
a reasonable basis for my opinion. In my opinion, the
financial statements, which I refer to above, present
fairly in all material respects the net assets of the
Owensboro Metropolitan Planning Commission as of June
30, 2011 and 2012, and its revenues, expenses and
changes in net assets and cash flows for the years
then ended in conformity with accounting principles
generally accepted in the United States of America.

As part of my audit and in accordance with
government auditing standards, I was already retained
to consider the OMPC's internal control over financial
reporting and its compliance with certain provisions
of laws, regulations, contracts, grants and other
matters. The purpose of the aforementioned work was
to aid me in determining the scope of my testing
relating to the financial statements that I previously
mentioned and not for the purpose of rendering an
opinion on the organization's control or financial
reporting or its compliance with the items that

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iterated. However, I can report that I found no
exceptions that warranted any deficiencies.

In closing, let me take this opportunity to
thank the Board and the Board's personnel for all the
courtesies that have been extended to me during the
conduct of my audit.

I can now answer any questions that the
members of the Board may have.

CHAIRMAN: Mr. Boaz, you've done this before.
You've been over the books, the records, seen the
operation. You've also seen how the accounts are
handled in public with the board and through the
Staff, providing us information of financial
statements, etcetera.

From your opinion, based on the way we do this
in open, in public, is there anything that you as an
auditor would recommend to this board that you think
we should change, we should do differently? Anything
that you would make a recommendation to this
commission?

MR. BOAZ: I really genuinely think that you
all have a great system. You have a lady CPA that
keeps your records very, very emaculate.

CHAIRMAN: Just for the record, would you
state through your audit, the lady that does our
records is an outside CPA.

MR. BOAZ: That is correct.

CHAIRMAN: Not in-house, but outside.

MR. BOAZ: That's correct. That allows for a much better internal control system. I guess the classic fraud is the overlapping duties where the same person handles the cash that keeps the records, you know, so things can be hidden. In this particular instance, with the division duties as they are, it prevents that type of thing from happening.

The fact is that the individual that does the work is a very well qualified excellent CPA. She does a very fine job.

CHAIRMAN: Basically from your standpoint after reviewing the audit, after going through the records, our check and balance system of the outside accountant, you know, didn't have of the financial records in doing it, you know, you can't have any more open records than what we have.

MR. BOAZ: That's right.

CHAIRMAN: It's literally on TV. Is there any stone that we or you could possibly have not turned over?

MR. BOAZ: Well, I really don't think so because, again, if I might add, the audit is another
layer of redundancy in terms of double check and correction, this type of thing. I think you've got a very tight system. I would say just keep it going.

CHAIRMAN: You like the idea of the outside CPA overviewing and recordkeeping off site out of house?

MR. BOAZ: I think that is not a bad idea at all. Obviously it's up to the board to choose how they want to do things, but it does add a layer of internal control that is very difficult to match with an internal system. If you have an internal system, much easier, not that it would happen, but it's much easier for incidents with collusion to occur. If it's an internal set of books, you know, if they gain access to a password or something they can tinker with things. By having outside independent, in this case very excellent CPA to do the work, it just adds that layer of internal control of safety to the board's records and its operation.

CHAIRMAN: Even in our instance they're even using credit cards.

MR. BOAZ: Yes.

CHAIRMAN: It's one step even further where the control is, records, records, records.

MR. BOAZ: That's correct, yes.
CHAIRMAN: All right, sir.

Does anybody else -- I just had a few things on my mind that I wanted to ask.

MR. KAZLAUSKAS: I did have one question, and I don't know whether maybe Mr. Noffsinger would have information about this.

On Page 3 under the financial highlights, the second check mark, "Operating expenses increased by 7.1 percent," which equated out to $77,258. The line says, "increased in personnel and requirement cost."

How much of that is retirement? How much of that went to the retirement system and how much of that was personnel cost per se and what were those personnel costs?

MR. NOFFSINGER: I do not recall that breakdown, but I can tell you we did get hit with a significant increase in retirement cost. It was about, I think it was about four percent.

MR. BOAZ: It was. Somebody jumped from 12 fraction to like 16.

MR. NOFFSINGER: Yes. I mean it was a significant increase in terms of retirement cost.

MR. KAZLAUSKAS: Is that the majority of that 77,000?

MR. NOFFSINGER: I believe that -- well, that
would be a portion of it and then you also had salary
increases, as well as we brought on a part-time
customer service specialist.

MR. KAZLAUSKAS: That's what those stand for.

MR. NOFFSINGER: So that's going to factor
into that as well. There was some savings in terms of
the salary when we replaced the associate director of
billing, but then we brought on the customer service
specialist and that was an increase in personnel cost.

MR. KAZLAUSKAS: Now, what about the future
for our retirement funds? Is that going to bump up
again this coming year?

MR. NOFFSINGER: I would think that, yes.

Yes, it will and years to come.

MR. KAZLAUSKAS: That's what I was afraid of.

MR. NOFFSINGER: We do participate in CERS
Accounting Employees Retirement System. That's the
same system that Daviess County Fiscal Court is under
and the City of Owensboro. When you hear talk about
retirement cost affecting them, it affects the OMPC as
well at the same percentage, but because we're such a
much smaller staff the dollar amount is not as great
but percentage is the same. We don't have hazardous
duty employees. Hazardous duty you're looking at the
higher retirement cost.

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CHAIRMAN: With our retirement cost though isn't a lot of this due with our retention of our staff? Where we have our staff, we retain our staff, they're still with us. So as they stay with us longer their years of service go up, their pay rate goes up, and then obviously our retirement goes up also.

MR. NOFFSINGER: That would be correct.

CHAIRMAN: The credit to the staff, as you look at the rest of our financial statements about the income that we've had and the cost in there, and in that cost also we have not raised our co-fees since 1984 which is attributed to the internal management of the control of the money and control of the budget and the control of our expenses. So although our staff, we are able to retain them, which turnover cost is tremendous in the line of work that this commission does, it's good that we're retaining them, but the cost of retaining them is the increase of retirement, as these darn people get older. We can't do anything about it.

MR. BOAZ: That's it.

CHAIRMAN: Does anybody else got anything else they would like to say or questions or comments?

MR. NOFFSINGER: I would like to add that in terms of internal controls, I do not sign any checks.

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I review. I open all the mail. I review all the bills and I okay or authorize those bills to be paid. We have a lady in the office, Sheila Moore, that actually prepares the check, writes the check and gets the coding information to our outside accountant. Now, once that check is written, the check goes to me, but I do not sign those checks. It goes to our officers. One of our officers actually reviews and signs those checks. I do not sign any of those. I do not accept any cash money or any payments. We have someone that if someone is takings in a permit, before they can issue the permit they have to be able to approve that they have the fee and we provide receipts, but generally the money is going through more than just one person and there's checks and balances.

MR. BOAZ: That's right.

MR. NOFFSINGER: I think for a small staff in the operation that we have I think we do a very good job of making sure that one person is not doing it all. I think that's what Gene was referring to.

MR. BOAZ: Exactly.

MR. NOFFSINGER: There's check and balances in our system. We've been doing yearly audits now since we were created in 1970. We've learned a great deal.

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from those audits in terms of how to improve the
system.

CHAIRMAN: Are there any further comments or
questions?

(NO RESPONSE)

CHAIRMAN: Thank you for your report. Thanks.
We always look forward to your work. You've done a
nice job. Thanks for answering our questions.

If there are no further questions the chair --

MR. NOFFSINGER: You need to approve the
audit.

CHAIRMAN: The chair is ready for a motion.

MR. APPLEBY: Motion to approve the audit.

CHAIRMAN: Motion to approve by Mr. Appleby.

MRS. CAMBRON: Second.

CHAIRMAN: Second by Mrs. Cambron. All in
favor raise your right hand.

(ALL BOARD MEMBERS PRESENT RESPONDED AYE.)

CHAIRMAN: The motion carries unanimously.

Chair is ready for one final motion.

MR. STRODE: Motion to adjourn.

CHAIRMAN: Motion to adjourn by Mr. Strode.

MR. ALLEN: Second.

CHAIRMAN: Second by Mr. Allen. All in favor
raise your right hand.

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(ALL BOARD MEMBERS PRESENT RESPONDED AYE.)

CHAIRMAN: We are adjourned.

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STATE OF KENTUCKY )
)
SS: REPORTER'S CERTIFICATE

COUNTY OF DAVIESS )

I, LYNETTE KOLLER FUCHS, Notary Public in and
for the State of Kentucky at Large, do hereby certify
that the foregoing Owensboro Metropolitan Planning
Commission meeting was held at the time and place as
stated in the caption to the foregoing proceedings;
that each person commenting on issues under discussion
were duly sworn before testifying; that the Board
members present were as stated in the caption; that
said proceedings were taken by me in stenotype and
electronically recorded and was thereafter, by me,
accurately and correctly transcribed into the
foregoing 35 typewritten pages; and that no signature
was requested to the foregoing transcript.

WITNESS my hand and notary seal on this the
1st day of December, 2012.

LYNETTE KOLLER FUCHS
NOTARY ID 433397
OHIO VALLEY REPORTING SERVICES
202 WEST THIRD STREET, SUITE 12
OWENSBORO, KENTUCKY 42303

COMMISSION EXPIRES: DECEMBER 16, 2014

COUNTY OF RESIDENCE: DAVIESS COUNTY, KENTUCKY

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