

# Oldham County Vision Council

July 17, 2007

Kevin Eldridge,  
Chairman

Members

Ann Brown

Barrie Conner

Frankie Culbertson

Lambert Franklin

Julie Gathof

Bill Hinton

Kathy Hockersmith

Vernon Hodge

Scott Jackson

Deana Epperly Karem

Kelly King

Sally Landes

Fariba Muhlheizler

Pat Osborne

Doug Ostwalt

Larry Otterback

Raymond Simpson

Doug Wampler

Wendell Wright

The Honorable Duane Murner  
Oldham County Fiscal Court  
100 West Jefferson Street  
LaGrange, Kentucky 40031

On behalf of the members of the Oldham County Vision Council, I hereby submit our vision paper describing what our collective view of what Oldham County should be in four years.

Upon our appointment in January of this year, twenty Oldham County citizens answered your call to action to examine critical issues facing Oldham County over the next few years. We have met seven times since our formation and spent considerable time and effort contacting our fellow Oldham County citizens to seek their input regarding a vision for Oldham County. In addition, we gathered their thoughts on a series of questions we were asked to consider.

As a result, our overall conclusions and recommendations submitted today reflect more than the sum of our relatively small council, although the specific content of the paper reflects an overall consensus of the Vision Council itself.

We have been honored to serve on this important Council. Each of us has learned more about this special county than when we started our endeavors. We have also come to understand that the county is facing significant financial challenges that must be addressed now in order to not only meet today's county governmental obligations, but to meet the county's needs and expectations for the future.

As the Vision Council has answered your call to action, we trust that you and Fiscal Court will answer the call to action inherent in the enclosed vision paper.

Respectfully submitted,

Kevin Eldridge  
Chairman  
Oldham County Vision Council



**Oldham County Vision Council**

**Report to Oldham County Fiscal Court**

**July 17, 2007**

## Executive Summary

In January, 2007, Oldham County Judge/Executive Duane Murner appointed 20 Oldham County citizens to serve on a Vision Council. The task to the Council was to meet, gather information, solicit input from fellow citizens, and create a paper describing the vision of what Oldham County should be in four years—all within a six-month time frame. Additionally, the Council was asked to address a series of specific questions related to achieving that vision for the future. The Council's collective vision and response to specific questions were provided to Judge/Executive Murner and the Oldham County Fiscal Court on July 17, 2007.

Our vision for Oldham County is very simple.

*We must become, and strive to remain, the best rural/suburban county in Kentucky. By 2011, Oldham County has:*

- *A financially sound and well managed county government*
- *A spirit of cooperation, coordination, and communication among all government, private, and non-profit organizations*
- *A “managed growth” philosophy that provides adequate and efficient infrastructure and utilities; great schools; open spaces, greenways, trails and parks, and the continued high quality of life we enjoy as residents of the county*
- *A “lean” government that provides a safe environment for residents and families to live and prosper*

To realize this vision, county government must operate within the following framework:

- We must experience efficiency, professionalism and integrity in the leadership and government of our county. Enhanced cooperation among all public entities, balanced budgets, and the wise utilization of our financial resources are a must.
- We must have a focused approach and one that is well planned in each aspect of managing our county. County government must set policy, encourage actions that are in keeping with that policy and march forward while avoiding intrusion on the areas that are best left to the private sector.
- Our school system must remain at the highest level possible.
- The rural character that remains must be maintained.
- We must accept that the county will experience growth but that growth must be managed to allow for a high quality of life our citizens expect with the very real fiscal constraints the county must operate within.

We believe that the majority of Oldham County residents value the rural and suburban nature of the county and desire to preserve the delicate balance between future growth and the preservation of the county's rural attributes. We should support and reward quality development that benefits the county.

Oldham County's financial situation is serious. To maintain our existing budget without depleting our reserves, we must either raise revenues or continue to cut expenses. Any increases that might prove necessary should only be enacted after all other avenues have been exhausted and citizens fully informed. We have recommended guidelines for a budget reserve policy predicated upon the principal that Fiscal Court should not depend on the availability of a reserve to balance the annual budget.

We believe that the parks, open spaces, and greenways goals and objectives from the Oldham County Comprehensive Plan remain valid and the county should fully implement them. While we greatly value the accomplishments of our Oldham County utilities, we recommend that the county explore options to determine what framework can provide the services required at the greatest efficiencies and lowest cost.

Some common threads have emerged through all of the questions we addressed: Better planning, coordination, and communication are needed to effectively address future growth challenges and to realize the vision we present in this paper.

## **Oldham County Vision Council Members**

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## Oldham County Vision Council July 2007

Our task today is to share our vision with you. We were originally tasked with a group of questions to address; circumstances have changed some of those questions, but during our studies we found many to have common threads.

Our vision for Oldham County is very simple.

*We must become, and strive to remain, the best rural/suburban county in Kentucky. By 2011, Oldham County will have attained the following:*

- *A financially sound and well managed county government*
- *A spirit of cooperation, coordination, and communication among all government, private, and non-profit organizations*
- *A “managed growth” philosophy that provides adequate and efficient infrastructure and utilities; great schools; open spaces, greenways, trails and parks, and the continued high quality of life we enjoy as residents of the county*
- *A “lean” government that provides a safe environment for residents and families to live and prosper*

Before we begin to answer the questions given to us concerning this vision, we must first outline it with the following framework.

- We must experience efficiency, professionalism and integrity in the leadership and government of our county. Enhanced cooperation among all public entities, balanced budgets, and the wise utilization of our financial resources are a must.
- We must have a focused approach and one that is well planned in each aspect of managing our county. County government must set policy, encourage actions that are in keeping with that policy, and march forward while avoiding intrusion on the areas that are best left to the private sector.
- Our school system must remain at the highest level possible.
- The rural character that remains must be maintained.
- We must accept that the county will experience growth, but that growth must be managed to allow for a high quality of life our citizens expect with the very real fiscal constraints the county must operate within.

As we step inside the framework we will answer seven key questions.

### **1. Which utilities should remain strictly Oldham County entities?**

Who can best provide the service at its greatest efficiencies and lowest cost? Our utility systems were developed based on critical needs at the time, and each is experiencing growing pains. In addition, the coming EPA mandated storm-water regulations will add a new level of responsibility and burden to an already overtaxed county staff and will likely result in additional out-year financial obligations.

We continue to expand a rural water system, when an urban one with multiple loops for continuing expansion and provision for fire suppression for developments like Eden Park and

Buckner Crossings is required. These systems will require mass capitalization infusion to meet our development growth, additional wells, filtration, storage, and fire suppression capacity. We should seriously consider the economies of scale that may be afforded in being part of a regional utility system(s).

The county should thoroughly explore contracting with Metropolitan Sewer District (MSD) (or private operating firms) and Louisville Water Company for provision of product and for possible operation and maintenance of utility-related facilities. This is opposed to building facilities, purchasing maintenance equipment and hiring staff to accomplish these tasks. The existing personnel should be important to the adequacy of such a plan and should become part of the overall operations of the expanded merged system(s) to the greatest extent possible.

Proposals should be secured from MSD and others. They should then be evaluated and compared to maintaining an independent approach on a professional basis, so that immediate cost alone does not determine the approach chosen. Other considerations should include but not be limited to: extension of service throughout the county, projected longer term costs, quality, and availability to meet future expansion. An alternative example solution might be for Oldham County Sewer District (OCSA) and MSD to form a Joint Sewer Agency under Kentucky Revised Statute 76. Crestwood saw the wisdom of working with MSD for their sewer needs, and Interlocal Agreements can still allow for local involvement in the governance process for both water and sewer.

## **2. What should we be using our substantial bonding capacity for?**

The county should only use its bonding capacity for longer-term capital improvements and/or acquisitions that are in keeping with the county's vision, such as infrastructure, facilities, and public lands. If the opportunity arises to meet matching grants for such purchases then this is obviously the better practice.

In contrast, bonds should never be used for short term non-capital expenditures even when matching grants are available. Bonding creates larger overhead in the future and results in larger budgets so the practice of bonding must be used judiciously and only with careful consideration for the "return on investment" projected from the expenditure/investment.

## **3. What should be our position in encouraging destination tourism?**

Immediately form and shore up the tourism commission as appointed by Fiscal Court. That commission, whose income was about \$90,000 last fiscal year, should be allowed to expend up to one year's income solely toward organizing and expanding their impact on Oldham County's tourism industry.

This group must organize themselves and utilize the idea of a county-wide logo. They should then produce a web-based and a paper-based brochure that can be accessed through the tourism website, mailed to the citizenry, installed in racks at the hotels and rest areas, and distributed by direct mail to special interest groups.

In a coordinated effort with the tourism council and other local organizations, county government should explore the viability of and encourage the development of a fair/convention/exposition center. Likewise, county government should encourage the expansion of the Westport Park and the riverfront and explore the viability of having a private/public marina area in the next five years.

Their efforts should be strongly encouraged at all phases by a liaison with fiscal court, the Chamber of Commerce, Discover Downtown LaGrange, and other tourist-minded organizations. Encouraging tourism may involve building structures but it certainly involves building a reputation and an understanding of what we have.

#### **4. What does Oldham County see as the future of its park system?**

Oldham County citizens value the county's privately and publicly owned open spaces and parks as they contribute to the county's high quality of life and help the county meet its federal and state environmental protection mandates. Those goals and objectives from the county's Comprehensive Plan relating to parks, open spaces, and greenways remain valid today and the county should work towards fully implementing them over the next few years.

The county's green infrastructure—its public parks, greenways, trails and wildlife corridors—should be planned, programmed and funded as separate budget line items just as any other capital acquisition.

The ongoing Parks and Recreation Master Plan and the Greenways Master Plan will likely provide a solid framework for the county in planning future open space needs of county citizens. The county should commit to implementing the respective plans' county-approved recommendations by including funding requirements in its annual and long-range budgets and by measuring progress on a yearly basis.

The county should establish a goal of acquiring an additional 1,000 acres of park land by the year 2030 which will allow it to meet national standards for parks for its estimated 2030 population.

The county should complete its trails and conservation subdivision sections of its Subdivision Regulations by year's end. These sections should promote interconnecting trails/sidewalks between subdivisions and connectivity to planned county greenways. Developers should be encouraged to include trails/sidewalks that exceed county standards in their designs and to meet or exceed land conservation thresholds in proposed conservation developments.

By appropriating a modest amount annually for potential future land acquisitions for parks or greenways, the county will be in a position to act quickly if private individuals offer prime lands to the county for use as parks or other open space.

The county should continually seek to acquire by gift or purchase land on the Ohio River to enhance the public's access to one of its key assets.

The county should continue to pursue partnerships with the many county non-profit organizations that are involved in recreation and the promotion of parks, trails, and equine activities for public use. The county and these organizations should work together to obtain maximum grant funding to support county objectives. The county should coordinate with the Oldham County Board of Education, non-profit organizations and other users to help maintain these public facilities to optimize taxpayers' investments.

The county should actively promote and assist in the voluntary and private efforts of citizens to place their properties in conservation easements that result in the preservation of the county's rural character and heritage.

Sufficient staff is needed in the Planning and Zoning office for effective planning, community coordination, grant requests, and implementation of the county's parks and open spaces plans.

The county should consider the use of its bonding authority as one option for implementing its parks and open space programs—especially if the opportunity arises to acquire exceptional lands with public access to the Ohio River. The use of bonds could be placed on the ballot to ensure citizen support.

## **5. What should our reserve policy be?**

Oldham County's budget reserve represents a significant asset to the county. The county Administration and Fiscal Court should not rely on the availability of a reserve to balance annual budgets as a matter of course. Use of reserves should be viewed as an exception and should require analyses, a detailed justification; and a proposed plan to "pay the reserve back" within a two-year fiscal period. In short, a "pain factor" needs to be engineered into the Reserve Policy to enforce fiscal discipline in the budgeting process.

The Administration and Fiscal Court should consider the following guidelines (refined as necessary to the actual budget situation) for incorporation into a formal resolution guiding the county's use of reserves as a tangible actionable product of this visioning process.

- Oldham County should establish a policy to have a separate Reserve Fund balance equal to 20% of the fiscal year's total projected revenue. The reserve should be invested in short and medium-term, high quality, marketable financial instruments and should be totally excluded for use unless Fiscal Court declares a formal financial emergency due to natural or other catastrophic events or disasters. Interest earned from this "rainy day" account will remain in that account to accommodate out-year budget increases.
- Two percent of the total annual projected revenues should be budgeted, allocated and reserved for unprogrammed and unfunded mandated federal, state, or bonding compliance requirements.
- It is essential that county government plan for capital improvements and regularly budget for those expenditures; therefore, 4-7% of the annual projected revenues should be budgeted to fund current-year county capital improvement needs, as prioritized in the multi-year budget. Using a formal prioritization system, Fiscal Court can allocate Capital Improvements funds over that multi-year budget period, adjusting as time progresses. Each department should maintain an unfunded capital improvement prioritization list that receives an overall county priority in the event of any windfall revenues available for capital investments.
- Requirements arising that would ordinarily be funded in the general fund budget for unprogrammed and capital requirements as described above could be "borrowed" by Fiscal Court to balance any year-end deficits by providing full justification and a proposed plan to pay back the fund within a two year period.
- The reserve should commence with the present amount included in general funds and normally referred to by county officials as cash reserve. The cash reserve should be transferred to the separate "rainy day" Reserve Fund.

## **6. What should our approach be to the residential/commercial split in development?**

As we have worked through this vision process we have found a common thread in every vision that has come both from us and to us. That thread is planning.

We believe strongly that the Oldham County Comprehensive Plan includes nearly every tool and process necessary for the county to proceed in the fashion that the citizenry desires. Every effort should be made to enable the facilitation of that plan.

The Planning and Zoning department should be reorganized to make it more user-friendly. The Planning and Zoning department should be enabled, through proper funding, staffing, resources, and management, to accomplish every item in the Implementation Measures section of the Comprehensive Plan and keep it updated as specified in that document. This is a daunting task to accomplish while attending to day-to-day business. How best to accomplish this goal should be studied carefully but expeditiously.

Use our current regulations to carefully monitor all development as it occurs. Provide better communication between Oldham-LaGrange Development Authority (OLDA) and Oldham County Economic Development Authority (OCEDA), the legislative bodies, and the county at large. Encourage OLDA and OCEDA to bring in commercial development that brings beneficial employment opportunities to Oldham County. OCEDA should be supported and encouraged to reach a point where they can sell enough land to become “in the black”, and then carefully placed incentives can be offered to desired clients.

Future proposals should be studied closely and encouraged only when they can offer real quality of life and/or economic improvement to Oldham County. Merely “providing convenience” is not necessarily sufficient to offset the financial effects on the county’s budget nor should convenience be allowed to significantly inhibit the attainment of our county’s future goals.

## **7. How do we pay for our vision?**

We believe that to maintain our existing budget we must raise revenues or cut services.

We are loath to even suggest an increase in the amount of money that our citizens must pay. The general consensus, sometimes well founded, is that government runs ahead of its income. Governments appear to spend to the point that they must always rely on tax increases from their own constituents. Every family home should spend an amount equal to or less than it brings in, yet governments can seemingly spend without fear of the impending consequences. We are aware that you have taken measures to combat this, and such action was needed.

In this document we have mentioned cooperation and communication. We can not emphasize this enough. The current Administration along with the Fiscal Court has pared down expenses. This action is greatly appreciated and encouraged to continue. There must be no duplication of service. There must be every effort to cut cost, every effort to cut waste, and every effort to live and function within the means that government has been provided.

In reality the question has become “How do we keep from raiding our reserves, thereby quickly depleting them and going into a bankrupt situation?” To that end we recommend immediate and

thorough study of the income stream or streams necessary to produce the amount needed to cover expenses without further encroachment on the reserves.

The vision we have outlined calls for a reorganization of the Planning and Zoning department. We believe that those needs can be met through changes in fee structures.

We recommend an outlay of money for public lands but if the budget could be balanced under current revenue streams without this added expense, then we would not recommend an increase in Oldham County's revenue structure at this time.

Due to state and federal unfunded mandates, such as the new storm water regulations (MS4); pension costs; and jail subsidies, as well as general inflation and the demands for service made by the citizenry, it would appear that balancing the budget cannot be accomplished without increased revenue.

If after immediate study to find ways to further increase efficiency and decrease waste, the county finds itself still under-funded, we must move quickly to change our fiscal stance before our reserves are depleted and we find ourselves in dire straits.

It would appear that the short term solutions available without state legislative authority would be an occupational tax and/or an increased insurance premium tax. We believe that adding additional tax entities to the ones we already have may not be the answer. The imposition of impact fees and an increase in property taxes in the future should also be reviewed.

Longer term solutions that should be studied and reviewed with the help of our state legislators include the repealing of House Bill 44 and the possibility of a real estate transfer tax increase.

Whatever increases that prove necessary should only be enacted after all other avenues have been exhausted and the citizenry is brought up to speed on all aspects of our financial situation.

## **8. Communications Liaison**

In closing, we feel compelled to comment on one topic not on our original task list. From the very beginning it was apparent that lack of communication was a big issue in Oldham County. As we began our process, it became clear that when we spoke of any issue in our county there seemed to be a lack of information or a plethora of misinformation.

While we have many great private organizations and public services—each striving to make the county a better place to live--there is currently no county-level designated point of contact that coordinates county, non-profit and private initiatives to achieve a true unity of effort to realize the county's overall vision.

We feel that the county needs a liaison/public relations position. The Deputy County Judge Executive position would be the natural place for this additional responsibility as it should be fulfilled by someone vested at a senior level of County government and would not require hiring additional staff.

We believe this additional formal role for the Deputy Judge Executive position will allow for the coordination of all of our many organizations and government projects and would pay huge benefits to the county in better understanding, more efficiency, and a spirit of unified efforts to maintain and build an even better county.

