



ORIGINAL

CITY COUNCIL MEETING
Minutes of June 2, 2016

The Alexandria City Council met on the above date at 7:00 p.m. with the following members answering roll call:

Bob Simon Present Sue Neltner Present
Stacey Graus Present Sandy Decker Present
Scott Fleckinger Present Andy Schabell Present

Also: Karen Barto City Clerk/Treas Mike Ward Police Chief
Mike Duncan City Attorney

Mayor Rachford read the invocation and led the pledge to the flag.

APPROVAL OF MINUTES: May 19, 2016

MOTION: Stacey Graus made a motion to approve the minutes of the May 19, 2015 meeting, seconded by Scott Fleckinger. All in favor, motion passed 6-0-0.

VISITORS & GUESTS:

Rick Miller, KLC- Kentucky RX Card

Rick here to explain about the FREE Kentucky RX Card and is hoping to help people save money on prescriptions for our residents. A lot of money can be saved on the price of prescription medications by getting prescription cards into the hands of individuals.

Last fall, the City of LaGrange, Kentucky put these cards in with city residents' tax bills. In two months, the residents saved \$144,000 on their medications. He would like the City of Alexandria to help him get the same information out to our residents.

Mayor Rachford reiterated there is no cost for the card. Anyone can use the card - seniors on Medicare as well as those who have health insurance. You may save more money on the Kentucky RX Card than using your insurance.

In order to stay HIPPA compliant, they cannot mail this card directly to individuals because of the privacy law. However, we can distribute them by putting a card in with tax bills or just handing them out.

ORDINANCES & RESOLUTIONS:

Mr. Duncan read the following:

First Readings:

ORD2016-07: Amending Sections 116.02 and 117.03 of the City Code of Ordinances in order to amend/modify the City's occupational license fee and occupational license tax ordinances.

Mr. Duncan explained Alexandria has a "bare bones" occupational license ordinance. When this ordinance was adopted there was framework for an expansion to go to one of the other methods of taxation - gross receipts or gross profit tax. The gross receipts tax was set at 0%. This ordinance would modify that to 0.25% of the gross receipts. The structure of the occupational business license fee would also be modified from \$75 to \$100. This will not only cover the license but also the first \$200,000 of gross receipts of a business. The .25% would only kick in once a business goes over the \$200,000.

ORD2016-08: Adopting the annual budget for the fiscal year July 1, 2016 through June 30, 2017 by estimating revenues and resources and appropriating funds for the operation of city government.

Mr. Duncan explained exhibits are attached, and each council member has a copy of the recommended budget from the Finance Committee along with a revised budget due to recent changes by the Mayor. The budget ordinance should be adopted before the end of June.

Ms. Neltner asked why the city decided to go with gross receipts instead of net receipts. She has always been against gross receipts because the smaller companies would be taxed *before* payroll, expenses, etc. Mayor Rachford said that is exactly the reason why the first \$200,000 is covered by the license fee.

Mr. Graus explained the net profits are problematic and are subject to manipulation. Gross receipts are much more objective and accurate. The rate and the "floor" were set so small businesses would not be affected. A lot of discussion and research was done by the Finance Committee and almost every other city in Northern Kentucky has a gross receipts tax. Also, Alexandria is growing and expenses are increasing. The Finance Committee did not want to increase property tax because that is a direct hit on Alexandria residents. A gross receipts tax will only affect Alexandria businesses.

Mr. Simon is a small business owner in Alexandria and he has also done a lot of research on this. This is *just for work done in Alexandria*. If an Alexandria business does work in Cold Spring, they are already paying a gross receipts tax to Cold Spring. Highland Heights, Wilder, Southgate, and other cities have had gross receipts for several years. Alexandria is not proposing this because it is one of the few cities that don't yet collect gross receipts, but because there is a need to have an increase in revenue at this time for needed expenses. Campbell County will collect this tax for Alexandria, as it does for other cities, for a 2% fee. Mr. Simon believes it is the best thing for our city at this time.

Mr. Schabell asked how much revenue is expected to be generated. There is no way to come up with an accurate figure, but the budget reflects \$264,833 for gross receipts revenue, which is a conservative guess. Mr. Simon said there has been a lot of thought and research done before implementing the gross receipts tax, and it will generate the extra revenue without increasing the property taxes for residents.

DEPARTMENT REPORTS:

City Clerk: The City has received a safety grant through KLCIS for \$758.73.

Community Center Events:

- June 14 – Putt-Putt with Lifeline (in the Community Center Gym, enjoy some lemonade)
More info to follow.
- Wednesdays, 9:15-10:00 a.m. – Free Chair Yoga Program
- 2nd & 4th Mondays, 9:00-10:00 a.m. – Baptist Home Free Health Screenings

Alexandria Community Park Events

- June 4, 9:00-11:00 a.m. – Fishing Derby for children up to age 14.
- Movie Nights-all movies start at Dusk. Concession stand will be open
 - o June 17 - "Minions"
 - o July 29 – "Inside Out"
 - o August 8 – "Hotel Transylvania"

Beautification Committee: Sue Neltner - On May 21st she worked with about 10 Boy Scouts on the North Sign. They re-planted some things and added topsoil and mulch. She is also working on cleaning up around the Annex Building with the help of a group of volunteers from St. Mary's.

Finance Committee: Scott Fleckinger – Please see the budget proposal distributed tonight.

ORIGINAL

NEW BUSINESS:

Ms. Neltner asked if there has been any progress in repairing the Village Green parking lot. Mayor Rachford said the City did contact the owners who are responsible for the upkeep of the property. The first contact was in late Winter or early Spring. They wanted to wait until the weather improved, but so far, nothing has been done. He will follow up with them.

OLD BUSINESS: None

COMMUNICATIONS:

Mayor Rachford reported a recent copy of the Cincy magazine has rated Alexandria as #26 out of the top 50 cities in the Greater Cincinnati Area. Campbell County School System was rated #35 out of 50, and Alexandria was rated #56 as one of the safest communities. Chief Ward said the safety rating is based on crime rates, primarily generated through the businesses in Alexandria. There have been very few burglaries in the residential areas of the city.

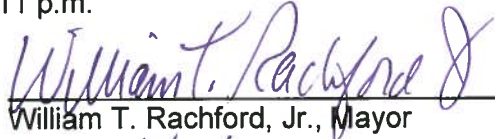
ADJOURNMENT:

MOTION: Scott Fleckinger made a motion to adjourn, seconded by Andy Schabell. All in favor, the motion passed 6-0-0. The meeting adjourned at 8:11 p.m.



Karen M. Barto, City Clerk Treasurer

Date: 6/17/16



William T. Rachford, Jr., Mayor

Date: 6/17/16

Approved: *June 16, 2016*