



**CITY OF COVINGTON, KENTUCKY
LEGISLATIVE MEETING
BOARD OF COMMISSIONERS
MONDAY, June 27, 2016, 6:00 PM**

**20 WEST PIKE STREET
COVINGTON, KENTUCKY**

AGENDA

CALL TO ORDER: Mayor Sherry Carran

PRAYER AND PLEDGE OF ALLEGIANCE TO THE FLAG

ROLL CALL

ITEMS FOR CONSIDERATION:

NEW BUSINESS – FIRST READING OF ORDINANCES

1. Consider Ordinance No. O-xx-16 entitled: **AN ORDINANCE RE-APPROPRIATING AND RE-APPORTIONING THE ANTICIPATED GENERAL FUND REVENUE AND THE ANTICIPATED REVENUE OF ALL OTHER FUNDS OF THE CITY OF COVINGTON, KENTUCKY, FOR THE FISCAL YEAR BEGINNING ON JULY 1, 2015, AND ENDING JUNE 30, 2016, AMONG THE VARIOUS DEPARTMENTS AND FOR THE GENERAL AND SPECIAL PURPOSES AS INDICATED IN THE “RECOMMENDED ALL FUNDS OPERATING BUDGET 2015/2016” TO MEET THE EXPENSES OF THE CITY OF COVINGTON, KENTUCKY FOR THE SAID FISCAL YEAR.**

Staff Reporting: Lisa Desmarais, Director of Finance and Operations
First Reading, No Vote

2. Consider Ordinance No. O-xx-16 entitled: **AN ORDINANCE APPROPRIATING AND APPORTIONING THE ANTICIPATED GENERAL FUND REVENUE AND THE ANTICIPATED REVENUE OF ALL OTHER FUNDS OF THE CITY OF COVINGTON, KENTUCKY, FOR THE FISCAL YEAR BEGINNING ON JULY 1, 2016, AND ENDING JUNE 30, 2017, AMONG THE VARIOUS DEPARTMENTS AND FOR THE GENERAL AND SPECIAL PURPOSES AS INDICATED IN THE “RECOMMENDED ALL FUNDS OPERATING BUDGET 2016/2017” TO MEET THE EXPENSES OF THE CITY OF COVINGTON, KENTUCKY FOR THE SAID FISCAL YEAR.** *The FY 17 budget is **historic**. It is the first budget since 1976 where the City does not have to incur short term debt to pay its payroll or operating expenses each month. It is a budget that sets a course to reduce reliance on long term debt to finance capital projects by the establishment of a Capital Reserve Fund funded by 1% of annual General Fund revenues for capital projects. It is a budget that includes the four (4) additional Police Officers authorized by the Mayor and Commission in October of 2015, and also a new position in the Police Department, that of Computer Forensic Analyst. It is a budget that continues the City’s commitment to the monthly pensions of its 105 retired Police, Fire and other City Employees by increasing the funding again this year, and sets a trajectory that in three years the City will be funding 100% of the annual actuarial report recommendation. It is a budget that includes a robust \$31 million capital budget leveraging state, federal and other non-City funding sources, reinvesting in the City’s infrastructure, parks, riverfronts, neighborhoods, and economic development. It is a budget that includes more than \$1 million for a Police, Fire and Public Improvements Fleet and Equipment Replacement Plan. It is a budget that does not include tax or fee increases. It is a budget that Moody’s Investors Service acknowledges, changing the City’s credit rating outlook from “Negative” to “Positive”. It is the most transparent budget the City has had in anyone’s memory (Opengov.com) It is a budget built on principles of Responsibility, Sustainability and Investment.*

Staff Reporting: Lisa Desmarais, Director of Finance and Operation
First Reading, No Vote

3. Consider Ordinance No. O-xx-16 entitled: **AN ORDINANCE CODIFYING THE PASSAGE, BY OPERATION OF LAW, A MAP AMENDMENT TO THE OFFICIAL ZONING ORDINANCE OF THE CITY OF COVINGTON, KENTUCKY (O-37-06) CHANGING THE ZONING CLASSIFICATION OF 303 MADISON PIKE, AN AREA OF 37.4 ACRES LOCATED TO THE EAST OF KY 17, BETWEEN HANDS PIKE TO THE NORTHERN AND FOWLER CREEK TO THE SOUTH, APPROXIMATELY 2,000 FEET**

SOUTH OF HANDS PIKE, FROM RS-7.5 (SUBURBAN RESIDENTIAL) TO CG-2A (A GENERAL COMMERCIAL ZONE). *In order to provide an additional opportunity for Covington residents to learn about this requested zoning map amendment and express their support, opposition or neutrality, the City held a public hearing in South Covington on June 21st to afford all parties including the applicant the opportunity for public comment.*

Staff Reporting: Alex Koenig, Zoning Specialist

First Reading, No Vote

OLD BUSINESS – SECOND READING OF ORDINANCES

Consider Ordinance No. O-xx-16 entitled: **AN ORDINANCE THAT AMENDS THE ORDINANCE RELATING TO ENHANCING FISCAL STABILITY TO ENACT A FORMAL POLICY FOR THE ESTABLISHMENT, MAINTENANCE AND USE OF CERTAIN FUND BALANCES WITHIN THE CITY'S GENERAL FUND AND OTHER FUNDS.** *With the elimination of the City's 40 year dependence on short term debt to pay its payroll and other operating expenditures in the FY 17 budget, the City now establishes a Capital Reserve Fund to reduce its future reliance on long term debt to finance capital projects. By committing 1% of General Fund revenues in a given year, except that in FY 16 and FY 17 the amounts of \$350,000 from each budget year are allocated, funding is therefore provided for certain elements of debt-financed capital projects.*

Staff Reporting: Larry Klein, City Manager

Recommendation: Approve Ordinance. Approval allows the City to reduce its reliance on long term debt to finance capital projects by committing 1% of General Fund revenues in place of issuing debt.

4. Consider Ordinance No. O-xx-16 entitled: **AN ORDINANCE AMENDING SECTION 111.120 OF THE COVINGTON CODE OF ORDINANCE TO AMEND THE MUNICIPAL INSURANCE PREMIUM LICENSE FEE FROM 10% OF PREMIUMS COLLECTED TO 12% OF PREMIUMS COLLECTED, EXCLUDING THOSE PREMIUMS EXEMPT FROM LICENSE FEES AND TAXES PURSUANT TO KRS 91A.080, ASSESSING A 10% PENALTY FOR A TAX OR FEE NOT PAID WITHIN THIRTY DAYS AFTER THE DUE DATE, AND FURTHER PROVIDING FOR A SUNSET CLAUSE TO REVERT THE INSURANCE PREMIUM TAX RATE BACK TO 10 PERCENT SIX YEARS FROM THE EFFECTIVE DATE OF**

THIS ORDINANCE; AND, RESTRICTING THE TAX REVENUE GENERATED BY THE 2% INCREASE, CALCULATED AS ONE-SIXTH OF THE ACTUAL INSURANCE PREMIUM LICENSE FEE RECEIVED, TO CAPITAL EXPENDITURES AND NOT TO BE USED FOR GENERAL FUND EXPENDITURES.

Staff Reporting: Larry Klein, City Manager

Recommendation: Approve Order/Resolution. Approval clarifies the use of the Insurance Premium License Fee increase, restricted for capital expenditures only, and the calculation thereof, to clarify that one-sixth of the actual proceeds of all Insurance Premium License Fees are allocated to the use and restrictions of the Ordinance that increased the rate from 10% to 12%, with the balance, five-sixths, remaining allocated to the General Fund.

5. Consider Ordinance No. O-xx-16 entitled: **AN ORDINANCE CLOSING A PORTION OF THE 10 FOOT (10') WIDE ALLEY LOCATED TO THE WEST OF THE CITY-OWNED PARKING LOT AT 20-30 WEST EIGHTH STREET PURSUANT TO KRS 82.405.** *As part of the Development Agreement with 730 Washington LLC, the City agreed to vacate a portion of the alley that is adjacent to the City-owned parking lot on 8th Street. This is necessary as the Duvenek Place development will be constructed over a portion of the alley.*

Staff Reporting: Donald Warner, Assistant City Solicitor

Recommendation: Approve Ordinance. Approval fulfills a commitment from the City pursuant to the Development Agreement with 730 Washington LLC, wherein the City agreed to vacate a portion of the alley adjacent to the City's parking lot on 8th Street to allow the Duvenek Place project to be constructed over a portion of the alley.

PUBLIC COMMENTS

COMMISSIONERS' COMMENTS

CITY MANAGER'S COMMENTS

CITY SOLICITOR'S COMMENTS

MAYOR'S COMMENTS

ADJOURNMENT