

REGULAR MEETING OF THE CITY COUNCIL

OF THE CITY OF SHIVELY HELD IN THE

NEWMAN MEMORIAL BUILDING, 3920 DIXIE HIGHWAY

SHIVELY KY 40216

ON MONDAY, FEBRUARY 1, 2010

The meeting was called to order at 7:30 p.m. by Mayor Conner.

Opened the meeting with the Pledge of Allegiance to the flag.

ROLL CALL:

Mayor Conner	present		
Ms. Burton	present	Mr. Dummitt	present
Ms. Mayes	present	Ms. Renn	present
Mr. Vance	present	Mr. Wathen	present

Motion made by Ms. Mayes, second by Ms. Renn to approve the minutes from the last meeting as received. All ayes.

ROLL CALL:

Ms. Burton	yes	Mr. Dummitt	yes
Ms. Mayes	yes	Ms. Renn	yes
Mr. Vance	yes	Mr. Wathen	yes

COMMITTEE REPORTS:

Ms. Burton, no report.

Mr. Dummitt, no report.

Ms. Mayes, no report.

Ms. Renn, no report.

Mr. Vance, no report.

Mr. Wathen, no report.

CORRESPONDENCE:

None.

OLD BUSINESS:

Second reading: Ordinance 1, Series 2010 – Providing For Payment Of Attorney Fees By Delinquent Taxpayers. Introduced by Ms. Mayes. Motion by Ms. Burton, second by Ms. Renn. All ayes.

ROLL CALL:

Ms. Burton	yes	Mr. Dummitt	yes
Ms. Mayes	yes	Ms. Renn	yes
Mr. Vance	yes	Mr. Wathen	yes

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NEW BUSINESS:

M.O. No. 3, Series 2010 – Approving Bills Over \$500.00. Introduced by Ms. Mayes. Motion by Mr. Wathen, second by Mr. Vance. All ayes.

ROLL CALL:

Ms. Burton	yes	Mr. Dummitt	yes
Ms. Mayes	yes	Ms. Renn	yes
Mr. Vance	yes	Mr. Wathen	yes

CITIZENS PARTICIPATION:

None.

Ms. Mayes then made a motion to discuss the insurance premium tax by saying when the 10% was first put on, there was discussion that within two (2) years we would lower it to 8% and it has been over two (2) years and we still haven't changed it. I feel we owe it to the citizens to do this because we collected \$1,113,500.00 and if we changed it to the 8%, it would make it \$890,800.00 and I feel we have enough to make our payroll and pay our expenses without that extra 2%. Every week I get a phone call on this so I would like to have discussion on it for a vote or have an ordinance drawn up to pass it.

DISCUSSION ON LOWERING INSURANCE PREMIUM TAX RATE:

Mr. Dummitt asked are these good figures? Everyone seems to be struggling and I also remember when we had fewer fire fighters years ago and those where hard times. If this is given back and then asked for later on that will bring on criticism. I would like to see what the true figures are first.

Mitzi Kasitz, City Clerk asked did the tax collector give those figures to you?

Ms. Mayes said yes as accurately as she could.

Mr. Vance said I think the citizens of Shively deserve a break because I've heard some flack on it myself.

Ms. Burton asked how long ago was this?

Mayor Conner said it took effect in 2006. It was voted on in 2005 but the deadline was missed so it didn't take effect until 2006.

Mr. Wathen said in 2005 we were hurting for money big time. That is one of the reasons Mayor Jenkins left.

Wendell Vincent, Fire Chief asked during that time did the property tax go up at all?

Mayor Conner said maybe once but for the last three (3) years the tax rate did not go up.

Mr. Vance said it wasn't just that tax, it was several taxes.

Mayor Conner said when we missed the deadline on the insurance premium tax, we raised the occupational tax rate which hadn't been increased in 15 years. We had to do something to get additional revenue. This is entirely up to the council to do but the budget is set by what you take in – it's not what you have in the bank.

Ms. Mayes said we realize that.

Mayor Conner said I just want to make sure everyone does realize that. So this is entirely up to you as the council. We can have the city attorney draw up an ordinance.

Mr. Dummitt asked how much savings per household would this be?

Ms. Mayes said no one knows because the sizes of houses varies and the value could be different also. This also applies to vehicles so people that have multiple vehicles can make a difference too.

Mayor Conner said it is all of your total policy.

Ms. Renn said I don't know if the natural disasters we've had has a lot to do with it but they didn't allow me hardly anything on mine and my premium jumped to over \$1,000.00 a year when it was around \$350.00-\$400.00 previously.

Ms. Burton said I like Mr. Dummitt would like to know what all this means as far as figures if this happened in 2006.

Mayor Conner said when it increased, it brought in an additional \$350,000.00.

Wendell Vincent then spoke as a citizen by saying when something is taken away, you all will catch heck if you have to raise something else to bring it back. I'm just a citizen looking out for other citizens.

Mr. Vance said I really don't think our citizens want to know that we've failed to help them out on their taxes again. I don't think they'd like that.

Mr. Dummitt said I think when you fail them is when you only have four (4) people on the fire department when you're supposed to have six (6) they don't realize just how much in danger they are or the police department is short or we didn't have the manpower to clean up after the natural disasters we've had in the last year.

Mr. Wathen said in 2005 I think we were borrowing money to make our payroll so why would we want to get back into that situation again?

Wendell Vincent said we have recouped a lot of the money from FEMA but all the departments would have still done their jobs whether that money was ever received.

Mr. Dummitt said I know no one wants to pay more taxes and I don't want to see anyone suffer or have hardships but at the same time, we are a 3rd class city and we have to have paid police and fire departments and we have to still perform as a city unless you want to start cutting back and then the quality of service isn't there, that's the price you pay. Unless some companies move into Shively to generate our tax base unfortunately, we're just always going to have to raise taxes to meet budget and that's just the reality unless someone can figure out a better way to generate money.

Mr. Wathen said we tried to raise taxes several years ago and it didn't go over too good so if we get in trouble again it's not going to make it this time either especially now with the economy the way it is.

Mr. Dummitt said we're not one of the few cities that is struggling right now.

Ms. Mayes said yes and we're paying the highest insurance tax percentage in Jefferson County.

Mr. Dummitt said that's unfortunate but we have a first class police and fire departments.

Ms. Mayes said so does Jeffersontown.

Mr. Wathen said Jeffersontown also has the industrial park that brings in taxes that would swallow us up big time.

Mr. Dummitt said now that Dillard's is gone, we're not going forward and it's not that we can't, it's just that no one is knocking down the door to open up a business in Shively.

Mr. Vance suggested it be tabled until next week.

Mayor Conner then asked Ms. Mayes do you want the city attorney to draw up an ordinance to change this from 10% to 8%?

Ms. Mayes said yes.

Mayor Conner said now this doesn't mean it will get voted on or that it will pass but we will have him draw it up. All council members were okay with the city attorney drawing up this ordinance except Mr. Wathen who was opposed.

Ms. Mayes said it's going to be voted down anyway.

Ms. Burton said why don't we do what Mr. Vance suggested by tabling it.

Ms. Renn said why don't we discuss it at our committee meeting next Monday.

Mr. Dummitt said we can research the facts and look at the figures.

Ms. Mayes said I would just like for the senior citizens to know that we tried to help them.

Ms. Renn said we all need to go home tonight and look at our premiums and see what is being taken out now.

Mayor Conner said so next Monday you all want the figures that Ms. Mayes got from the tax collector today. Okay. She also mentioned she received notification from the governor's office regarding the 2010 pay increases for elected officials. Sometime back in the 1990's, that city council decided we would accept whatever increase they sent to us. By next Monday, I will let you all know exactly what the difference in your pay will be. It looks like the increase for the last 12 months is 2.72%. If you all are talking about lowering the insurance premium tax, you may want to talk about considering not taking an increase in your salary – just something to think about.

Mr. Wathen said it is based on the Consumer Price Index.

Mayor Conner said right.

ADJOURN:

There being no further business to come before the council, motion by Ms. Mayes, second by Ms. Renn to adjourn the meeting.

All in favor signify by saying aye. Those opposed, no. Ayes have it, so ordered. Motion carried. Meeting adjourned at 7:55 p.m.

MAYOR

CITY CLERK