



City of Fort Wright

409 Kyles Lane | Fort Wright, KY 41011 | www.fortwright.com | 859.331.1700

City of Fort Wright Caucus Meeting Wednesday, September 16, 2020 – 6:00 PM

CALL TO ORDER

The Caucus Meeting was called to order at 6:00 PM by Mayor Dave Hatter. Mayor Hatter led the Pledge of Allegiance and a moment of silence. City Clerk Maura Russell called the roll.

Councilman Abeln	Here
Councilman Feinauer	Here
Councilman Wall	Here
Councilman Weber	Here
Councilman Wessels	Here
Councilwoman Witt	Here

Also present for the meeting were:

City Administrative Officer Jill Bailey
City Attorney Todd McMurtry
Fire/EMS Chief Steve Schewe
Police Chief Ed Butler
Public Works Director Jeff Bethell
City Clerk Maura Russell

CITIZEN COMMENTS/GUESTS

There were no citizen comments or guests.

ITEMS FOR DISCUSSION

Tax Rates – FY 20/21.

Mayor Hatter said the preliminary information has been sent from the PVA [Kenton County Property Valuation Administrator] and there is good news to report. City Administrator Jill Bailey said the current rate is 0.279 which yielded revenues of \$1,490,342. She said there was extensive property growth that yielded about \$40 million, so rate calculations decreased.

Ms. Bailey said the compensating rate is 0.270, which would yield approximately \$1,591,413.25, and listed the various compensating rate plus percentages. Those were: compensating rate plus 1% at 0.273 would yield approximately \$1,607,327.39; compensating rate plus 2% at 0.274 would yield approximately \$1,612,890.39; compensating rate plus 3% at 0.276 would yield approximately \$1,628,703.04; and compensating rate plus 4% at 0.280 would yield approximately \$1,650,354.48. Ms. Bailey said she would like for Council to indicate what their threshold is for the tax rate so the

ordinances can be prepared, and public hearings scheduled. She also said waste charges would be ready for the next meeting.

Mayor Hatter asked to confirm two items. First, he wanted to confirm that overall property values in Fort Wright went up because of the PVA reassessment, which occurs every four years. The second item he requested to confirm was that additional new development added new properties to the tax roll. Ms. Bailey confirmed and said new property only accounts for \$3.7 million and the rest is the valuation from PVA.

There was discussion on the projection spreadsheet and Mayor Hatter advised he would insert the new numbers, including updated salary figures, to adjust for projections.

Ms. Bailey reminded Council that there was no increase in pension costs this year because of the legislation to separate CERS [County Employees Retirement System] from KRS [Kentucky Retirement Systems], and there is no way to project what the costs may be if an increase occurs next year.

Councilman Wessels said he is not in favor of increasing the tax rate because properties that were reassessed at a higher value will be hit harder.

Mayor Hatter agreed, saying the impact of income from payroll and commercial taxes is unknown because of COVID-19 and the City does not know what will happen with potential increases from CERS. He said he thinks reducing property taxes will still generate more revenue. He also commented that the City has a substantial reserve that may be too much and does not want to continue building on that at the residents' expense. Mayor Hatter said he is opposed to anything but the compensating rate.

There was discussion on how to bring a proposed Ordinance to residents, including two potential options that would allow further review prior to a vote. Mr. McMurtry confirmed that there is no need for a public hearing unless the City chooses to increase the rate. Ms. Bailey said a blank ordinance could be prepared and then the rate can be filled in prior to voting, as there is also no requirement to advertise if the rate will not increase.

Fort Wright Building & Facilities Lease.

Mayor Hatter said Cincinnati Bell has been leasing space in the Public Works building for telecommunications equipment. He said the 30-year lease is up in 2023 and there is language in the lease that they can renew for another 30 years. Ms. Bailey said there was confusion on the lease agreement language, but City Attorney Todd McMurtry said Cincinnati Bell only has to notify the City by the deadline and they will pay only \$4,000 for another lease agreement. Ms. Bailey said she requested this item be placed on the agenda because she thought there would be an option to expand into that area currently occupied by Cincinnati Bell, but that may no longer be an option.

Councilwoman Witt asked about any recourse the City has if Cincinnati Bell requests to renew prior to the lease expiration, and Mr. McMurtry said there was none. Ms. Bailey said there is a clause in the agreement to buy out the remaining portion of the lease at \$168 per each month bought out.

Fire Chief Steve Schewe said Cincinnati Bell was initially going to build a small building for fiber optics near the City Building but the City did not want them to do that. He said the City Administration at the time suggested Cincinnati Bell move onto City land so they paid for part of the construction of the Public

Works garage so that they could have space for their equipment. He continued, saying it is a fiber optics switching station, like the one at Amsterdam Road and Collins Road or in Lakeside Park on Dixie Highway. Ms. Bailey said Cincinnati Bell paid \$81,000 in one lump-sum payment almost 30 years ago and that is it.

Mayor Hatter said there is no leverage to negotiate, but the City can try. Mr. McMurtry said there are no cancellation provisions. Mayor Hatter confirmed the only way out of the lease is if Cincinnati Bell chooses to leave.

Ms. Bailey said Cincinnati Bell has not been a problem on City property. She said they will work to make sure this agreement is recognized in the audit and confirm their insurance policy. Councilman Weber asked if there was an easement and Ms. Bailey confirmed an easement does exist.

Trick or Treat Hours/COVID-19 Safety Precautions for Halloween.

Mayor Hatter began by stating his intent is to proceed as usual and suggested if someone does not want to participate they do not take their children out and keep their door closed. Ms. Bailey said she received a call from a resident, upset because they thought it was cancelled.

Councilwoman Witt said the City has promoted a Community Yard Sale, food truck events, and events at the James A. Ramage Civil War Museum and should carry forward with Halloween as usual.

Ms. Bailey confirmed there is no action for Council to take regarding the matter, as it is already set to be 6 PM to 8 PM on October 31.

COFW Investment Policy.

Mayor Hatter thanked Councilman Weber and Councilman Wessels for their work on the Investment Policy and with the vendor selection. Councilman Weber said the Finance Committee is close to finishing the Policy and made a couple updates based on suggestions from RedTree Investment Group. He said an authorized signer sheet will be added to the Policy as well. Ms. Bailey said another update was made, adding the Police Chief as a secondary signer.

Mayor Hatter said Council and the Finance Committee are close to getting this finalized and he hopes this will help generate revenue to keep taxes down. Ms. Bailey said once the language is ironed out, they will meet with RedTree and Mr. McMurtry to finish. She said she hopes to have the final policy ready for the next Council meeting.

EXECUTIVE SESSION

There was no need for an Executive Session.

Councilwoman Witt suggested a Fall clean-up day for the City. She said she will work with Mr. Bethell to schedule.

Councilman Abeln asked about the work SD1 [Sanitation District No. 1 of Northern Kentucky] is doing on Highland Pike and if they will take the parking lot out when complete. Mr. Bethell confirmed the parking lot will be removed but the sidewalk will be added back.

ADJOURNMENT

There being no further business, Councilman Weber made a motion to adjourn the Caucus Meeting. Councilman Wessels made a second. City Clerk Maura Russell called the roll.

Councilman Abeln	Yes
Councilman Feinauer	Yes
Councilman Wall	Yes
Councilman Weber	Yes
Councilman Wessels	Yes
Councilwoman Witt	Yes

MOTION CARRIED

The Caucus Meeting was adjourned at 6:52 PM.

Respectfully submitted,

Dave Hatter, Mayor

Attest:



Maura Russell
City Clerk