



# City Commission Meeting Highlights

Tuesday, October 4, 2016 at 5:30 p.m. at City Hall

*Note: Commissioner Sandra Wilson was unable to attend this meeting.*

## **Property Tax Levy Ordinance**

The Paducah Board of Commissioners approved an ordinance setting the real estate and personal property taxes for fiscal year 2017. A property tax levy public hearing was held at the beginning of last week's Commission meeting. The City's real estate tax levy will remain at 25.5 cents per \$100 assessed value. The City's Compensating Rate, the rate that would keep the revenue at the same amount as this fiscal year, is 25.4 cents per \$100 assessed value. Kentucky Revised (KRS) Statutes permits a city to adjust the rate upward by not more than 4 percent of the compensating rate. With the 25.5 cents, the City is taking an amount less than the 4 percent allowed by KRS. The rate of 25.5 cents is much less than what the rate was more than twenty years ago in fiscal year 1995. At that time the real estate rate was 43.8 cents per \$100 assessed value. The revenue generated by the property tax is the City's second highest revenue source behind the payroll tax.

Recently, the Paducah Independent School District voted to set its tax rate at 79.9 cents per \$100 of assessed value. The City collects the school tax, but passes the funds along to the district.

## **City of Paducah Health Insurance for 2017**

Greg Carlton with Peel & Holland and Human Resources Director Martin Russell provided an overview of the City of Paducah's 2017 health insurance plan through Anthem Blue Cross Blue Shield as the City's third party administrator. The City of Paducah has a self-insured health insurance plan which means the premiums paid into the plan by the employees are used to pay the claims. The Board approved a municipal order for the health insurance, vision, and dental premiums. Those who participate in the City's health plan will have no change to their premiums as compared to this current year. Russell praised the City employees for their efforts to improve their health and wellness.

Additional actions taken by the City Commission regarding health insurance are as follows:

- Municipal Order approved establishing the policy for the use of spending credits for the 2017 plan year.
- Ordinance introduced (vote Oct. 11) to authorize an agreement between the City of Paducah and Anthem Blue Cross Blue Shield to provide administrative services related to the City's health insurance plan.
- Ordinance introduced (vote Oct. 11) to authorize an agreement between the City of Paducah and Anthem Blue Cross Blue Shield for stop loss insurance which is used when a plan participant's claims exceed a set value or when the City's total claims exceed a set maximum. The insurance protects the City from catastrophic health insurance claims. The maximum city liability per person will be set at \$175,000. Anthem will assume liability for individual claims that are higher than \$175,000 up to \$1 million. Anthem also will step in when the City's total health claims reach a little more than \$2.9 million.
- Ordinance introduced (vote Oct. 11) for the contract between the City and Peel & Holland for the administration of the City's health insurance during 2017. The contract amount is for \$76,900 with an additional fee of \$200 per hour subject to a minimum retainer of \$5000 for services requested by the City or the City's legal counsel for issues that arise in connection to employee bargaining, legal matters, disputes, etc.

## **Quick Highlights**

- Mayor Gayle Kaler proclaimed October 1 as Purchase Area Walk to End Alzheimer's Day. On that day, there was a walk downtown to raise awareness and funding for Alzheimer's care, support, and research.
- Ordinance approved accepting the Arts Engagement in American Communities grant through the National Endowment for the Arts in the amount of \$10,000. The grant requires a \$10,000 match from the City. The funds will be used for the installation of a wayfinding system of signs at key locations in downtown and the Lower Town Arts District.



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- Ordinance approved establishing a property tax assessment and reassessment moratorium for the W.B. Sanders Apartments and the Jackson House. The owner of the properties is contemplating major improvements to both buildings. The moratorium defers the value of improvements from the taxable assessment of the property for five years.
- Ordinance approved to purchase a new telescoping aerial truck for the Engineering-Public Works Maintenance Division using the State contract vendor, Altec, in the amount of \$106,590.
- Ordinance approved to quitclaim to the two adjacent property owners two 20-foot wide strips of property near John Puryear Drive adjacent to the floodwall. The strips of property are not required for floodwall purposes.
- Ordinance introduced (vote Oct. 11) to accept the final subdivision plat for tract 9 in the Strawberry Hill Development which includes the accepting of the right-of-way of James Sanders Boulevard.
- City Manager Jeff Pederson provided an overview of the inspection and code enforcement history this year for the historical property located at 304 North 6<sup>th</sup> Street, a home that is in need of repairs. Pederson says, “This was not an example of a lack of enforcement in the property code.” However, Pederson says the city’s property maintenance code may need to be reviewed with the possibility of increasing the initial fines with the hope of achieving greater compliance from the property owners in bringing structures up to code.

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