

ORDINANCE# 03-10

An Ordinance relating to an interlocal cooperation agreement with the City of Georgetown and the Scott County Public School District concerning the collection of occupational license taxes.

Be it Ordained by the Fiscal Court of the County of Scott, Commonwealth of Kentucky, as follows:

ARTICLE 1

The Interlocal Cooperation Agreement ("Agreement"), a copy of which is attached to this ordinance, is hereby accepted and approved. The County Judge Executive is authorized to execute this Agreement on behalf of the County.

ARTICLE 2**PUBLICATION.**

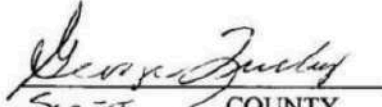
This Ordinance shall be published in full in the Georgetown News and Times, Georgetown, Kentucky.

Voting in favor of passage of this Ordinance:

ISANCS	LUSBY	FEATHER
PEZZY	RANKIN	BRUIN
MCCLANAHAN	HOPPMAN	

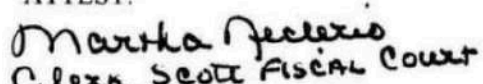
Voting against passage of this Ordinance:

Passed by the Fiscal Court of Scott County on the 25 day of Sept., 2003.



 COUNTY
 JUDGE EXECUTIVE
 SCOTT COUNTY

ATTEST:


 Clerk, Scott Fiscal Court

INTERLOCAL COOPERATION AGREEMENT

This agreement is made and entered into this_ day of, 2003, pursuant to the Kentucky Interlocal Cooperation Act, KRS 65.120 et seq., by and among the City of Georgetown (the "City"), the County of Scott (the "County"), and the Scott County Public School District (the "School District") (individually a "Party," collectively "Parties").

RECITALS

WHEREAS, the Georgetown City Council, the Scott County Fiscal Court, and the Scott County Public School Board have determined that it is in the best interests of the City, the County and the School District, and their respective taxpayers, to be served by a single revenue commission formed to collect each Party's occupational and net profits license taxes, and that a single revenue commission will contribute to the efficiency of tax collections in each of the tax districts;

WHEREAS, the Georgetown City Council, the Scott County Fiscal Court, and the Scott County Public School Board wish to discontinue their current separate tax collection operations and have the taxes collected by the Revenue Commission, per the terms of this Agreement;

NOW THEREFORE, in consideration of the mutual promises made in this Agreement, the City, the County and the School District agree as follows:

1. The City, the County and the School District will become members of the Georgetown/Scott County Revenue Commission, a nonstock, nonprofit corporation organized pursuant to the Kentucky Nonprofit Corporation Act, KRS 273.161, et seq, and the Parties hereby approve and authorize their participation as members. A copy of the Articles of Incorporation are attached hereto as Exhibit A It is intended that the newly created Revenue Commission will be operated as a governmental entity as described in Section 115 of the Internal Revenue Code.
2. The Revenue Commission will have all corporate powers including the power to sue and be sued and to act as the agent of the City, the County and/or the School District in this capacity. Additionally, the

Revenue Commission will be subject to all privacy requirements regarding tax return information as are applicable to the Parties.

3. The newly organized Revenue Commission shall consist of a governing body composed of three (3) Commissioners which are at all times to be the then-serving Mayor of the City of Georgetown, the County Judge Executive of the County of Scott, and the Superintendent of the Scott County Public School District. The Commissioners may develop bylaws, rules and regulations necessary for the conduct of the operations of the Revenue Commission. Each Commissioner shall have equal voting power regarding matters of the Revenue Commission.
4. The Revenue Commission will be located at the offices of the City and will lease office space from the City. The Revenue Commission may, if it desires, lease its employees from the City, the County and the School District and the City, the County and the School District will continue to perform their existing payroll functions with respect to such employees leased to the Revenue Commission.
5. The Revenue Commission will have the power to purchase or lease the equipment, furnishings, supplies or other capital assets necessary for its operations. The expenses of any purchases will be shared equally by the Parties, one-third (?) by the City, onethird (?) by the County and one-third (?) by the School District.
6. The Revenue Commission will develop regulations to interpret the occupational license tax laws of the City, the County and the School District. The regulations developed by the Revenue Commission shall be effective only upon approval by ordinance or resolution of the governing body of each of the City, the County and the School District. The Revenue Commission will have the authority to develop any necessary tax forms and instructions to aid in its collection of the license taxes. The Revenue Commission also will have the authority to issue interpretive rulings on issues that may arise under the occupational license tax laws of the City, the County and the School District. The Revenue Commission shall have the authority to hire such independent contractors, including but not limited to, lawyers and accountants, to assist it in its duties as it deems appropriate.

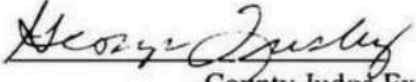
7. The Commissioners of the Revenue Commission shall conduct an annual budget review process before December 31st of each year. During the budget review process, the Commissioners shall determine the amount to appropriate to the Revenue Commission for its operations in the upcoming year based upon the estimates determined by the Commissioners. The City, the County and the School District will share the budgeted expenses of the Revenue Commission based upon a predetermined percentage split. Initially, the percentage split will be forty percent (40%) from the City, forty percent (40%) from the County, and twenty percent (20%) from the School District. The Commissioners may redetermine this percentage split annually. The Commissioners may amend the Budget at any time if the aggregate amount of the actual monthly expenses of the Revenue Commission are anticipated to exceed the annual Budget amount for the expenses of the Revenue Commission.
8. Beginning January 1, 2004 and thereafter, the Parties will cease their individual license tax collections and the Revenue Commission will collect the occupational license taxes for the Parties. The Revenue Commission will collect the occupational license taxes and distribute the tax collections (net of each Party's respective share of expenses) to the City, the County and the School District based on the actual tax collections from the three (3) taxing authorities within the County. The taxes will be collected monthly and distributed to the Parties monthly.
9. Each month, the Revenue Commission will deduct from each Party's monthly gross collections its percentage share of one-twelfth (1/12) of the annual Budgeted expense amount. The amount withheld will be deposited by the Revenue Commission into a separate operating expense account established by the Revenue Commission for this purpose. The aggregate monthly amounts deposited into this account shall not exceed the annual Budget amount without an amendment to the Budget. The net receipts of each Party's license tax will then be deposited into a separate tax receipts account to be set up for each Party. The amount deposited into each Party's separate account will be paid over to that Party monthly.
10. This Agreement shall be effective after (a) its execution by the Parties, (b) review and approval, or statutory deemed approval, by the

Commonwealth of Kentucky Attorney General's office, and (c) filing of certified copies of the Agreement with the Scott County Clerk's Office.

11. The terms of this Agreement shall be perpetual provided, however, any Party may withdraw from the Agreement by written notification to the other Parties provided at least nine months before the first day of the upcoming calendar tax year or prior to April 1st of each year. If two (2) of the Parties terminate the Agreement, the Revenue Commission shall liquidate and distribute its assets to the three (3) Parties equally.
12. The Agreement may be amended upon approval by ordinance or resolution of the governing bodies of the City, the County and the School District.
13. The Parties hereby each authorize and direct their respective Mayor, County Judge Executive and Superintendent to execute, acknowledge and deliver any and all documents necessarily required to effectuate the purpose of this Agreement.
14. The Parties agree and acknowledge that this Agreement contains the entire Agreement between the Parties and that this Agreement may be amended only by writing and signed by all Parties. If any provision of this Agreement is held to be in conflict with any applicable statute or rule of law, or it is otherwise held to be unenforceable, the invalidity of such portion shall not affect any or all of the remaining portions of this Agreement.

_____, Mayor
City of Georgetown

_____, Superintendent
Scott County Public School District


_____, County Judge Executive
County of Scott

APPROVED:

A.B. CHANDLER, III
ATTORNEY GENERAL OF KENTUCKY

By: _____
Assistant Attorney General