

**CITY OF RUSSELLVILLE, KENTUCKY  
ORDINANCE 2014-08**

**AN ORDINANCE ASSESSING AND LEVYING THE 2014 ANNUAL PROPERTY  
TAX ON REAL PROPERTY AND TANGIBLE PERSONAL PROPERTY  
WITHIN THE CITY OF RUSSELLVILLE, KENTUCKY WITH REPEALER  
AND SEVERABILITY CLAUSE AND PROVIDING FOR AN EFFECTIVE DATE**

**WHEREAS**, the property assessment for property within the City of Russellville, Kentucky, has been certified as follows:

REAL PROPERTY	\$265,776,200
TANGIBLE PERSONAL PROPERTY	\$ 60,689,095

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF  
RUSSELLVILLE THAT:**

**SECTION ONE:** There is levied for the Year 2014, an Ad Valorem Tax of Twenty-Five and Five Tenths (\$0.255) per one hundred dollars (\$100.00) assessed valuation of all taxable Real Property within the jurisdiction; and, an Ad Valorem Tax of Thirty-Two and Nine Tenths (\$0.329) per one hundred dollars (\$100.00) assessed valuation on all taxable tangible Personal Property within the jurisdiction of the City of Russellville.

- a.) There are hereby levied the following tax rates on the assessed value of all public service corporations as certified by the Kentucky Department of Revenue, as being located and/or doing business within the corporate limits of the City of Russellville, Kentucky, as of January 1, 2014.

DESCRIPTION	RATE PER \$100 ASSESSED VALUE
Franchise – Real Estate	\$0.255
Franchise – Personal Property	\$0.329

**SECTION TWO: Penalty and Interest**

- a.) Any taxes remaining unpaid on the first day of the month following that in which they become due and payable shall be deemed delinquent and shall bear interest at the rate of six percent (6%) per annum from the due date until paid; a penalty of six percent (6%) per annum on the taxes so delinquent shall also be paid.

**SECTION THREE:** In the event any provision of this Ordinance is invalid for any reason, such invalidity shall not affect the validity of any other provision.

**SECTION FOUR:** All portions of any section of any Ordinance or Rule or Regulation in conflict herewith are hereby repealed to the extent of that conflict only.

SECTION FIVE: This Ordinance shall be effective upon its passage and publication according to law.

FIRST READING CONDUCTED ON THE 2<sup>nd</sup> day of September, 2014.

SECOND READING CONDUCTED AND PASSAGE by roll call vote on this 9<sup>th</sup> day of September, 2014.

AYES

NAYS

ABSENT

ABSTAINING

Jimmy Davenport  
Pat Bell  
Sandra Kinser  
Jack Whipple  
Bill Decker  
Darlene Gooch

Maup Stetten  
Mayor

ATTEST:

B. L. Nipp  
City Clerk

City of Russellville													
AUGUST 2014 - Property Tax Revenue Estimates													
Option	Real Tax Rates	2013 Real Property w/New	Percent Increase	2014 Real Property w/o new	2013 New Property	2014 New Property	Personal Tax Rates	2013 Personal	Percent Increase	2014 Personal	Total 2013	Percent Increase	Total 2014
Assessments		\$ 261,134,455.00	1.9%	\$ 266,028,885.00	\$ (1,776,967.00)	\$ (252,685.00)		\$ 60,592,485.00	0.2%	\$ 60,689,095.00	\$ 321,726,940.00	1.5%	\$ 326,465,295.00
1) Last Year's Rate	\$ 0.255	\$ 665,892.86	1.9%	\$ 678,373.66	\$ (4,531.27)	\$ (644.35)	\$ 0.329	\$ 199,349.28	0.2%	\$ 199,667.12	\$ 865,242.14	1.4%	\$ 877,396.43
2) Compensating Rate	\$ 0.251	\$ 665,892.86	0.3%	\$ 667,732.50	\$ (4,531.27)	\$ (634.24)	\$ 0.329	\$ 199,349.28	0.3%	\$ 199,900.01	\$ 865,242.14	0.2%	\$ 866,91
3) Minimum Comp Rate	\$ 0.266	\$ 665,892.86	6.3%	\$ 707,636.83	\$ (4,531.27)	\$ (672.14)	\$ 0.266	\$ 199,349.28	-19.0%	\$ 161,432.99	\$ 865,242.14	0.4%	\$ 868,397.68
4) Comp Rate plus 2%	\$ 0.256	\$ 665,892.86	2.3%	\$ 681,087.15	\$ (4,531.27)	\$ (646.92)	\$ 0.336	\$ 199,349.28	2.3%	\$ 203,898.01	\$ 865,242.14	2.2%	\$ 884,338.24
5) Comp Rate plus 4%	\$ 0.261	\$ 665,892.86	4.3%	\$ 694,441.80	\$ (4,531.27)	\$ (659.61)	\$ 0.343	\$ 199,349.28	4.3%	\$ 207,896.01	\$ 865,242.14	4.2%	\$ 901,678.20
Proposed Rates	\$ 0.255	\$ 665,892.86	1.9%	\$ 678,373.66	\$ (4,531.27)	\$ (644.35)	\$ 0.329	\$ 199,349.28	0.2%	\$ 199,667.12	\$ 865,242.14	1.4%	\$ 877,396.43
Notes:												Estimated	\$ 12,154.30
1) Remember last year's rate, which was adopted in 2004, is an option, but is subject to requirements for Public Hearings if revenue generated is greater than Substitute Comp Rate, and even subject to recall if revenue is over 4% greater												Increase / (Decrease)	
												Budget	\$ -
												Increase / (Decrease)	
2) KRS 132.010 (6) follows: Definition of compensating tax rate says only that the calculated compensating rate will produce an amount of revenue approximately equal to that produced in the preceding year from real property. It shall not produce less, but the calculated rate may calculate to more depending on what happens with the assessments. The calculated rate is dependent on factoring in the rate adopted the year before. If assessments go down, obviously, the rate would go up. If the assessments were to show a significant increase the rate will decrease from the prior year.													
KRS 42.495 requires that, "A local government cannot reduce its general tax effort for any fiscal year below the level of fiscal year 1991-92. Not the rate for 91-92, but the revenue produced.													
3) Substitute Compensating Rate is the overriding rate which includes Personal Property in the Compensating Rate calculation. If this rate is adopted, or a lower rate is adopted, a Public Hearing is not required.													
4) If a rate is adopted which generates more than the Substitute Compensating rate, a Public Hearing is required. The Public Hearing requires notice be published 2 times in consecutive weeks, and ending at least 7 days before the Public Hearing.													
5) If a rate is adopted which generates more than a 4.0% increase in revenue, a Public Hearing is required, and the rate is subject to a recall. The Public Hearing requires notice be published 2 times in consecutive weeks, and ending at least 7 days before the Public Hearing.													
Option	Vehicle Tax Rates										2013 Vehicle	Percent Increase	2014 Vehicle
Assessments											\$ 32,069,999.00	-1.7%	\$ 31,535,290.00
1) Last Year's Rate	\$ 0.220										\$ 70,554.00	-1.7%	\$ 69,37
2) Compensating Rate	\$ 0.224										\$ 70,554.00		\$ 70,554.00
3) Same Rate as Proposed Real Rate	\$ 0.255										\$ 70,554.00	14.0%	\$ 80,414.99
4) Maximum Legal Rate	\$ 0.270										\$ 70,554.00	20.7%	\$ 85,145.28
Proposed Vehicle Rate	\$ 0.220										\$ 70,554.00	-1.7%	\$ 69,377.64
Notes:												Estimated	\$ (1,176.36)
1) Last years Rate has been in effect since adoption in 1991.												Increase / (Decrease)	
2) The Compensating Rate will keep 2014 Revenue at same level as 2013												Budget	\$ 0.00
3) Same Rate as Proposed Real Rate will increase 2014 Revenue compared to 2013												Increase / (Decrease)	
4) The maximum is whatever rate could have been levied in 1983. No one knows what that rate was in 1983. The DLG said Greensburg was at \$ 0.270.													