

**CITY OF RUSSELLVILLE, KENTUCKY  
ORDINANCE 2023-06**

**AN ORDINANCE ASSESSING AND LEVYING THE 2023 ANNUAL PROPERTY  
TAX ON REAL PROPERTY AND TANGIBLE PERSONAL PROPERTY  
WITHIN THE CITY OF RUSSELLVILLE, KENTUCKY**

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

REAL PROPERTY	\$ 378,393,855
TANGIBLE PERSONAL PROPERTY	\$ 72,612,713

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

SECTION ONE: There is levied for the Year 2023, 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, 2023.

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SECTION FOUR: All portions of any section of any Ordinance or Rule or Regulation in conflict herewith are hereby repealed to the extent of that conflict only.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 12<sup>th</sup> day of September, 2023.

SECOND READING CONDUCTED AND PASSAGE by roll call vote on this  
19<sup>th</sup> day of September, 2023.

AYES

NAYS

ABSENT

ABSTAINING

**Jimmy Davenport**

**Pat Bell**

**Diane Walker**

**Bill Decker**


**Sandra Kinser**

**Larry Wilcutt**



\_\_\_\_\_  
Mayor

ATTEST:

  
\_\_\_\_\_  
City Clerk

**City of Russellville**  
**Property Tax Data Sheet**  
**Aug 2023**

	<b>2022</b>	<b>2023</b>
	<b>Prior Year</b>	<b>Current Year</b>
<b>Real property assessment</b>	\$ 363,042,888.00	\$ 378,393,855.00
<b>Tangible property assessment</b>	\$ 63,007,797.00	\$ 72,612,713.00
<b>Total Property Subject To Rate</b>	<u>\$ 426,050,685.00</u>	<u>\$ 451,006,568.00</u>
<b>Additional assessments</b>	\$ 6,249,400.00	\$ 2,022,789.00
<b>Deleted assessments</b>	\$ (651,985.00)	\$ (1,945,657.00)
<b>Net New Property Assessments</b>	<u>\$ 5,597,415.00</u>	<u>\$ 77,132.00</u>

<b>Real Property Tax Rate</b>	0.255
<b>Personal Property Tax Rate</b>	0.329

# City of Russellville Real Property Tax Rate Calculations Aug 2023

1) 2022 Actual Tax Rate (per \$100) Real Property	0.255
2) 2022 Actual Tax Rate (per \$100) Personal Property	0.329
3) 2022 Total Property Subject to Rate	\$ 426,050,685.00
4) 2022 Real Property Subject to Rate	\$ 363,042,888.00
5) 2023 Total Property Subject to Rate	\$ 451,006,568.00
6) 2023 Real Property Subject to Rate	\$ 378,393,855.00
7) 2023 New Property (KRS 132.010)	\$ 77,132.00
8) 2022 Personal Property Subject to Rate	\$ 63,007,797.00
9) 2023 Personal Property Subject to Rate	\$ 72,612,713.00

**I. Compensating Rate for current year (KRS 132.010(6)):**

$$\frac{\$ 363,042,888.00}{\text{Prior year real property}} \div 100 \times \frac{.255}{\text{Prior year rate}} \text{ is } \$ 925,759.36 \text{ Prior year revenue}$$

$$\frac{\$ 925,759.36}{\text{Prior year revenue}} \div \frac{\$ 378,316,723.00}{\text{Existing property assessment}} \times 100 = \mathbf{0.245}$$

**Check for minimum revenue limit on compensating rate for current year (KRS 132.010 6)):**

$\frac{\$ 451,006,568.00}{\text{Current year total property}} \div 100 \times$	$\frac{.245}{\text{Rate I}}$	is	$\$ 1,104,966.09$
			* <b>Total 2023 revenue</b>
$\frac{\$ 363,042,888.00}{\text{Prior year real property}} \div 100 \times$	$\frac{.255}{\text{Prior year rate}}$	is	$\$ 925,759.36$
			Prior year real property revenue
$\frac{\$ 63,007,797.00}{\text{Prior year personal property}} \div 100 \times$	$\frac{.329}{\text{Prior year rate}}$	is	$\$ 207,295.65$
			Prior year personal property revenue
			$\$ 1,133,055.02$
			* <b>Total 2022 revenue</b>

\*If current year revenue exceeds prior year revenue, the next step is NOT necessary.

$$\frac{\$ 1,133,055.02}{\text{Total prior year revenue}} \setminus \frac{\$ 451,006,568.00}{\text{Current year total property}} \times 100 = \mathbf{.252}$$

Substitute for Rate I (Round Up)

**II: Rate allowing 4% Increase in Revenue from real property (KRS 68.245 (6)):**

$$\frac{\$ 378,316,723.00}{\text{Total real property less new property}} \div 100 \times \frac{.252}{\text{Rate I (or Sub rate)}} \text{ is } \frac{953,358.14}{\text{Current year base revenue}}$$

$$\frac{\$ 953,358.14}{\text{Current year base revenue}} \times 1.04 \div \frac{\$ 378,316,723.00}{\text{Total real property less new property}} \times 100 \text{ is } \mathbf{.262}$$

Rate II (Round Down)

# City of Russellville Personal Property Tax Rate Calculations Aug 2023

Information Needed:

- 1) 2022 Actual Tax Rate (per \$100) Real Property
- 2) 2022 Actual Tax Rate (per \$100) Personal Property
- 3) 2023 **Compensating Tax Rate** (per \$100) Real Property
- 4) 2022 Real Property Subject to Tax Rate
- 5) 2023 Real Property Subject to Tax Rate
- 6) 2022 Personal Property Subject to Tax Rate
- 7) 2023 Personal Property Subject to Rate

0.255
0.329
0.245
363,042,888.00
378,393,855.00
63,007,797.00
72,612,713.00

**\*STAGE ONE:**

$\frac{\$ 378,316,723.00}{\text{Current year real property}} \div 100 \times 0.245$	is	$\frac{\$ 926,875.97}{\text{Current real property revenue}}$
$\frac{\$ 363,042,888.00}{\text{Prior year real property}} \div 100 \times 0.255$	is	$\frac{\$ 925,759.36}{\text{Prior year real property revenue}}$
$\frac{\$ 926,875.97}{\text{Current real property revenue}} \text{ minus } \frac{\$ 925,759.36}{\text{Prior year real property revenue}}$	is	$\frac{\$ 1,116.61}{\text{Revenue increase over prior year}}$
$\frac{\$ 1,116.61}{\text{Revenue increase over prior year}} \div \frac{\$ 925,759.36}{\text{Prior year revenue}}$	is	$\frac{0.1206\%}{\text{Percentage increase over prior year (1)}}$

**\*STAGE TWO:**

$\frac{\$ 72,612,713.00}{\text{Current year personal property}} \div 100 \times 0.245$	is	$\frac{\$ 177,901.15}{\text{Current year personal property revenue (1)}}$
$\frac{\$ 63,007,797.00}{\text{Prior year personal property}} \div 100 \times 0.329$	is	$\frac{\$ 207,295.65}{\text{Prior year personal property revenue}}$
$\frac{\$ 177,901.15}{\text{Current year personal property revenue (1)}} \text{ minus } \frac{\$ 207,295.65}{\text{Prior year personal property revenue}}$	is	$\frac{\$ (29,394.51)}{\text{Personal property revenue increase}}$
$\frac{\$ (29,394.51)}{\text{Personal property revenue increase}} \div \frac{\$ 207,295.65}{\text{Prior year personal property revenue}}$	is	$\frac{-14.1800\%}{\text{Percentage increase over prior year (2)}}$

**\*STAGE THREE:**

**Option One:**

If  $\frac{-14.1800\%}{\text{Percentage increase (2)}} > \text{ or } = \frac{0.1206\%}{\text{Percentage increase (1)}}$ , the maximum personal

tax rate is

**FALSE**  
Current year real property rate

Otherwise, use option 2

**Option Two:**

If  $\frac{-14.1800\%}{\text{Percentage increase (2)}} < \frac{0.1206\%}{\text{Percentage increase (1)}}$ , Option Two may be utilized.

$\frac{\$ 207,295.65}{\text{Prior year revenue}} \times \frac{100.1206\%}{\text{Percentage increase (1) + 1}}$  is  $\frac{\$ 207,545.68}{\text{Maximum personal property revenue}}$

$\frac{\$ 207,545.68}{\text{Maximum personal property revenue}} \div \frac{\$ 72,612,713.00}{\text{Current year personal property}} \times 100$  is **0.2858**  
Maximum personal property tax rate

**Option Three:**

The local agency always has the option of setting a personal property tax rate less than the rate for real property.

NOTE: Items 1 and 4-7 carry over from real property worksheet.  
2023 Property Tax Tool - 8-18-2023

**City of Russellville**  
**Vehicle Property Tax Rate Calculations**  
**Aug 2023**

**\*Motor Vehicle: 2022 Revenue using 2022 Assessed Values & 2022 Rate**

$$\underline{\$ 42,960,513.00} \times \underline{0.2200} / 100 = \underline{\$ 94,513.13}$$

**\*The Assessed Values can be provided by the Ky Dept of Rev / Prop Tax Div, Kathy Freeman 1-502-564-8180**

**\*Motor Vehicle: 2023 Revenue using 2023 Assessed Values & 2023 Rate**

$$\underline{\$ 50,568,767.00} \times \underline{0.2200} / 100 = \underline{\$ 111,251.29}$$

**\*The Assessed Values can be provided by the Ky Dept of Rev / Prop Tax Div, Kathy Freeman 1-502-564-8180**

**\*Motor Vehicle: 2023 Revenue using 2023 Assessed Values & 2023 Compensating Rate**

$$\underline{\$ 50,568,767.00} \times \underline{0.1869} / 100 = \underline{\$ 94,513.13}$$

**\*The Compensating Rate could not exceed the maximum rate.**

**\*Motor Vehicle: 2023 Revenue using 2023 Assessed Values & 2023 Maximum Rate**

$$\underline{\$ 50,568,767.00} \times \underline{0.2700} / 100 = \underline{\$ 136,535.67}$$

**\*The maximum is whatever rate *could* have been levied in 1983**

**No one (BRADD/DLG/KYREVDEPT) knows what the rate was in 1983.**

**The Matt Bullock, DLG 1-502-573-2382 said Greensburg is currently at \$ 0.270.**

**City of Russellville**  
**Property Tax Revenue Estimates**  
**Aug 2023**

Option	Real Tax Rates	Jan 1, 2022 Real Property w/New	Percent Increase	Jan 1, 2023 Real Property w/o new	Jan 1, 2022 New Property	Jan 1, 2023 New Property	Personal Tax Rates	Jan 1, 2022 Personal	Percent Increase	Jan 1, 2023 Personal	Total Calendar 2022	Percent Increase	Total Calendar 2023
Assessments		\$ 363,042,888.00	4.207%	\$ 378,316,723.00	\$ 5,597,415.00	\$ 77,132.00		\$ 63,007,797.00	15.244%	\$ 72,612,713.00	\$ 426,050,685.00	5.857%	\$ 451,006,568.00
1) Last Year's Rate	25.500%	\$ 925,759.36	4.207%	\$ 964,707.64	\$ 14,273.41	\$ 196.69	32.900%	\$ 207,295.65	15.244%	\$ 238,895.83	\$ 1,133,055.02	6.244%	\$ 1,203,800.16
2) Compensating Rate	24.500%	\$ 889,455.08	4.207%	\$ 926,875.97	\$ 13,713.67	\$ 188.97	28.583%	\$ 180,092.38	15.244%	\$ 207,545.68	\$ 1,069,547.45	6.083%	\$ 1,134,610.63
3) Minimum Comp Rate	25.200%	\$ 914,868.08	4.207%	\$ 953,358.14	\$ 14,105.49	\$ 194.37	25.200%	\$ 158,779.65	15.244%	\$ 182,984.04	\$ 1,073,647.73	5.857%	\$ 1,136,536.55
4) Comp Rate plus 2%	24.990%	\$ 907,244.18	4.207%	\$ 945,413.49	\$ 13,987.94	\$ 192.75	29.154%	\$ 183,694.23	15.244%	\$ 211,696.60	\$ 1,090,938.40	6.083%	\$ 1,157,302.84
5) Comp Rate plus 4%	25.480%	\$ 925,033.28	4.207%	\$ 963,951.01	\$ 14,262.21	\$ 196.53	29.726%	\$ 187,296.07	15.244%	\$ 215,847.51	\$ 1,112,329.35	6.083%	\$ 1,179,995.05
<b>Proposed Rates</b>	<b>25.500%</b>	<b>\$ 925,759.36</b>	<b>4.207%</b>	<b>\$ 964,707.64</b>	<b>\$ 14,273.41</b>	<b>\$ 196.69</b>	<b>32.900%</b>	<b>\$ 207,295.65</b>	<b>15.244%</b>	<b>\$ 238,895.83</b>	<b>\$ 1,133,055.02</b>	<b>6.244%</b>	<b>\$ 1,203,800.16</b>
6) Bank Deposit Prop Tax	25.000%	\$ 405,134,348.70		\$ 405,134,348.70							\$ 101,283.59		\$ 101,283.59
7) In Lieu of Prop Tax	25.500%	\$ 123,909.57		\$ 89,575.02							\$ 31,596.94		\$ 22,841.63
											<u>\$ 1,265,935.54</u>		<u>\$ 1,327,925.37</u>

Notes:

- 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
- 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.
- 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.
- 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.
- 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.

FY2024 Budget \$ 1,212,786.00  
Increase / (Decrease) \$ 115,139.37

Note: Before the impact of Emerson

Option	Vehicle Tax Rates	2022 Vehicle	Percent Increase	2023 Vehicle
Assessments		\$ 42,960,513.00	17.710%	\$ 50,568,767.00
1) Last Year's Rate	22.000%	\$ 94,513.13	17.710%	\$ 111,251.29
2) Compensating Rate	18.690%	\$ 80,293.29	17.710%	\$ 94,513.13
3) Same Rate as Proposed Real Rate	25.500%	\$ 109,549.31	17.710%	\$ 128,950.36
4) Maximum Legal Rate	27.000%	\$ 115,993.39	17.710%	\$ 136,535.67
<b>Proposed Vehicle Rate</b>	<b>22.000%</b>	<b>\$ 94,513.13</b>	<b>17.710%</b>	<b>\$ 111,251.29</b>

Notes:

Est Increase/(Decrease) from prior year \$ 16,738.16

FY2024 Budget \$ 100,847.00  
Increase / (Decrease) \$ 10,404.29