MINUTES OF MEETING HELD SEPTEMBER 13, 2010

The Common Council of the City of Somerset, Kentucky met in a regular session on Monday, September 13, 2010, at 7:00 p.m. with the following present: Mayor Eddie Girdler. Council Members: Jim Mitchell, Pat Bourne, Jerry Burnett, Tim Rutherford, Jim Rutherford, Linda Stringer, Jerry Wheeldon, Steve Kelley, Jerry Girdler, Mike New, Donna Hunley, and John Minton. City Attorney Carrie Wiese and City Clerk David Godsey.

Mr. Wheeldon moved to approve the minutes of the regular meeting held on August 23, 2010, along with the reports as mailed. Mr. J. Rutherford seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Mitchell, Mr. Bourne, Mr. Burnett, Mr. T. Rutherford, Mr. J. Rutherford, Mrs. Stringer, Mr. Wheeldon, Mr. Kelley, Mr. Girdler, Mr. New, Mrs. Hunley, and Mr. Minton.

Second reading was given the following Ordinance # 10-09:

	ORDINANCE NO. 10-09
FRAI FOR	ORDINANCE NUMBER 10-09 FIXING THE TAX LEVY, AD VALOREM, NCHISE TAX, AND TAX FOR THE CITY OF SOMERSET, KENTUCKY, THE FISCAL YEAR BEGINNING JULY 1, 2010 AND ENDING JUNE 30, PROVIDING PENALTY AND INTEREST FOR NON-PAYMENT.
	T ORDAINED BY THE COMMON COUNCIL OF THE CITY OF ERSET, KENTUCKY:
for the June 3	10N 1. That for the purpose of providing income for general municipal expenses city of Somerset, Kentucky, for the fiscal year beginning July 1, 2010 and ending 0, 2011 is hereby levied an ad valorem of fourteen point four cents (.144) on each ed dollars (\$100.00) of taxable property within the city limits of Somerset, cky.
dollar shall	TON 2. That the fourteen point four cents (.144) ad valorem on each one hundred s (\$100.00) of taxable property within the city limits of Somerset, Kentucky, levied be deposited in the general fund account and shall be used to pay on general ses incidental to the operation of the city government.
for the June 2 hundr	10N 3. That for the purpose of providing income for general municipal expenses city of Somerset, Kentucky for the fiscal year beginning July 1, 2010 and ending 30, 2011 there is hereby levied a tax of fourteen point four cents (.144) on each ed dollars (\$100.00) on personal property, tangible and intangible of franchise s as determined by the Department of Revenue within the city limits of Somerset, cky.
(\$100 depos	TON 4. The fourteen point four cents (.144) on each one hundred dollars 00) for franchise property within the city limits of Somerset, Kentucky, shall be tied in the general fund account and is to be used to pay on expenses incidental to eration of city government.
	TON 5. That a one percent $(.01\%)$ discount shall be allowed on each one dollar 0) collected before November 1, 2010.
(.20%	10N 6. That there shall be added to and collected a penalty of twenty percent) and interest of six percent (.06%) per annum upon each one dollar (\$1.00) of all herein provided for and unpaid after January 1, 2011 until such time that said taxes id.
	10N 7. This Ordinance is to become in full force and effect on and after its val and passage according to law.
FIRS	r READING <u>August 23</u> 2010 SECOND READING <u>Septembre (3</u> 2010
ATT	Sund Clarken Caril Since

Mr. Bourne moved to approve the above Ordinance # 10-09 on its second reading setting the 2010 property tax rate. Mr. New seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Mitchell, Mr. Bourne, Mr. Burnett, Mr. T. Rutherford, Mr. J. Rutherford, Mrs. Stringer, Mr. Wheeldon, Mr. Kelley, Mr. Girdler, Mr. New, Mrs. Hunley, and Mr. Minton.

Second reading was given the following Ordinance # 10-10:

TAX: SETTING FORTH TIME TABLES FOR THE COLLECTION OF SUCH TAX FOR THE YEAR 2010 AND ALL SUBSEQUENT YEARS: AND SETTING FORTH ENFORCEMENT PROCEDURES, INCLUDING PENALTIES FOR THE COLLECTION OF DELINQUENT TAXES. BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SOMERSET, KENTUCKY AS FOLLOWS: SECTION 1: There is hereby imposed on all "financial institutions" as defined in KRS Chapter 136, located within the corporate limits of the City of Somerset, Kentucky, for the 2010 tax year and all subsequent years, a franchise tax at the rate of 0.025% on all deposits, as defined in KRS Chapter 136, maintained by such financial institutions. SECTION 2: The City of Somerset, Kentucky will issue tax bills to financial institutions no later than December 1 of each year. Payment of the tax shall be due with a two percent (.2%) discount by December 31 of each year, or without discount by January 31 of each year. SECTION 3: The City of Somerset, Kentucky, shall have a lien for taxes on the property assessed for taxes to the extent allowed under KRS 134-420. SECTION 4: All taxes due in accordance with these sections which are not paid before June 30, 2011 for the tax year 2010, or which are not paid before January 31, for all subsequent tax years shall be deemed delinquent and shall be subject to a penalty of .20% and shall bear interest at the rate of .6% per annum. SECTION 5: All moneys collected pursuant to these sections shall be paid into the General Fund of the City to be used for the payment of proper expenditures as determined by the City Council. SECTION 6: The City Clerk is hereby directed to send a copy of their Ordinance to the Commissioner of the Kentucky Department of Revenue, Frankfort, Kentucky. FIRST READING AUGUAL 3. 2010	SECOND READING September 13, 2010 ATTEST: Daw Holder Core F. Hinter	ORDINANCE NO. 10-10
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		second reading September 13 2010 ATTEST: Aline Mobers Cabie & June

Mr. Wheeldon moved to approve the above Ordinance # 10-10 on its second reading setting the 2010 bank franchise tax rate. Mr. Mitchell seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Mitchell, Mr. Bourne, Mr. Burnett, Mr. T. Rutherford, Mr. J. Rutherford, Mrs. Stringer, Mr. Wheeldon, Mr. Kelley, Mr. Girdler, Mr. New, Mrs. Hunley, and Mr. Minton.

Second reading was given the following Ordinance # 10-11:

ORDINANCE NO. 10-11

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SOMERSET, KENTUCKY, AUTHORIZING AND APPROVING THE ISSUANCE OF ITS GENERAL OBLIGATION REFUNDING BONDS, SERIES OF 2010 IN THE APPROXIMATE AMOUNT OF \$5,385,000 (WHICH AMOUNT MAY BE INCREASED OR DECREASED BY UP TO \$535,000) FOR THE PURPOSE OF REFUNDING ALL OR A PORTION OF CERTAIN OUTSTANDING INDEBTEDNESS; AUTHORIZING THE LEVY OF A DIRECT ANNUAL TAX ON ALL TAXABLE PROPERTY WITHIN THE CITY, IN ADDITION TO ALL OTHER TAXES, IN AN AMOUNT SUFFICIENT TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS WHEN AND AS THE SAME BECOME DUE; AUTHORIZING THE ESTABLISHMENT OF CERTAIN FUNDS TO PROVIDE FOR THE COLLECTION OF THE PROCEEDS OF THE TAX AND THE PAYMENT OF THE BONDS; AUTHORIZING THE PUBLICLY ADVERTISED, COMPETITIVE SALE OF SAID BONDS AND THE DISBURSEMENT OF THE PROCEEDS THEREOF; AND TAKING OTHER RELATED ACTION. *Ordinance to large to include in minutes. A complete copy is available in the City Clerk's Office.

Mr. Wheeldon moved to approve the above Ordinance # 10-11on its second reading regarding bond refinancing. Mr. New seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Bourne, Mr. Burnett, Mr. Wheeldon, Mr. Girdler, Mr. New, and Mrs. Hunley. Voting "Nay"; Mr. Mitchell, Mr. T. Rutherford, Mr. J. Rutherford, Mr. Kelley, and Mr. Minton. Choosing to "Pass": Mrs. Stringer. Motion Passed.

Mr. T. Rutherford moved to approve the following Municipal Order # 10-01 objecting to the City of Ferguson's intent and desire to annex. Mr. Mitchell seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Mitchell, Mr. Bourne, Mr. Burnett, Mr. T. Rutherford, Mr. J. Rutherford, Mrs. Stringer, Mr. Wheeldon, Mr. Kelley, Mr. Girdler, Mr. New, Mrs. Hunley, and Mr. Minton.

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	MUNICIPAL ORDER 10-01	
PURSUANT TO KRS 81A.42 OF SOMERSET, BY AND TI CITY OF FERGUSON'S INT HIGHWAY BELONGING TO	ACTED IN ACCORDANCE TO KRS 83A.060, 7, SETTING FORTH THE OBJECTIONS OF TI RROUGH THE CITY COUNCIL, REGARDING ENT AND DESIRE TO ANNEX A CORRIDOR D THE KENTUCKY DEPARTMENT OF TJ AND/OR PULASKI COUNTY, AND LOCA JCKY;	HE CITY THE OF
	81A.427, the City of Somerset has the right to ob g a municipal order according to KRS 83A.060; a	
81A.427(1), and that said infra	rset owns utility infrastructure as defined in KRS astructure is located within all, or part, of the area l and/or proposed that it intends to annex; and	which th
marked in its entirety as Exhib attached hereto as permitted u	rset herein incorporates by reference in full all att it "A", including but not limited to maps and/or d nder KRS 81A.427(5), and describing in detail the City of Somerset so that said infrastructure is clear ea;	rawings, e referred
BE IT ORDAINED BY THE KENTUCKY:	COMMON COUNCIL OF THE CITY OF SOME	ERSET,
preventing annexation of prop Somerset, as well as to fulfill Ferguson's intent and proposa	set, Kentucky does hereby object for the purpose erty containing infrastructure utilities owned by th he requirements of KRS 81.4.27, to the City of 1 to annex to the City of Ferguson the area as set f d hereto and incorporated in full herein, which was set by the City of Ferguson.	ne City o orth and
This Municipal Order	was enacted by vote of the Somerset City Council	on the
ATTEST: ALLEST: City Clerk	And	mh
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Mr. Wheeldon moved to approve the following Resolution objecting to the City of Ferguson's improper intention to annex. Mr. Burnett seconded the motion. Upon roll call the following Council Members voted "Aye": Mr. Mitchell, Mr. Bourne, Mr. Burnett, Mr. T. Rutherford, Mr. J. Rutherford, Mrs. Stringer, Mr. Wheeldon, Mr. Kelley, Mr. Girdler, Mr. New, Mrs. Hunley, and Mr. Minton.

RESOLUTION
A RESOLUTION OF THE CITY OF SOMERSET, KENTUCKY, OBJECTING TO THE IMPROPER INTENTION TO ANNEX, OR ANNEXING OF ROPERTY, BY THE CITY OF FERGUSON, SAID PROPERTY/AREA WHICH IS BELIEVED TO BE IN THE CORPORATE LIMITS OF THE CITY OF SOMERSET;
WHEREAS, the City of Somerset, Kentucky, by and through the City Council, herein wishes to state its objection on record to the intention and/or proposal of annexation by the City of Ferguson according to the attached description provided by the City of Ferguson, incorporated in full by reference and labeled as "Exhibit A"; and
WHEREAS, KRS Chapter81A, specifically 81A.410(2), prohibits any part of an area proposed for annexation to lie within the boundary of another incorporated city; and
WHEREAS, said proposed annexation of the City of Ferguson appears to include an area of property currently within the corporate limits of the City of Somerset which is prohibited under Kentucky law;
NOW THEREFORE, be it resolved by the Common Council of the City of Somerset, Kentucky this day of Superior 2010, that:
 That this resolution shall be considered an objection to the above described annexation by the City of Ferguson and herein reserves all rights to object and/or file suit before a Court of Competent Jurisdiction to prevent and/or void such annexation of property within the City of Somerset's corporate limits.
 This resolution shall be in full force and effect upon passage by the common council and according to law.
Approved by the Common Council of the City of Somerser on this the Bridge of September, 2010. ATTERN City Clerk, David Godsey

There being no further business the meeting adjourned.

APPROVED

MAYOR

ATTEST: ______CITY CLERK