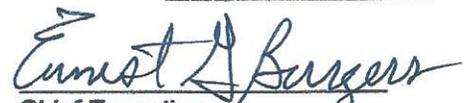


CALCULATION FORM FOR CERTIFIED TAX RATE

COUNTY	JURISDICTION	TAX YEAR
Rutherford County (075)	County Basic (2013-\$2.5652)	2014 (6/25/2014)
1. Total locally assessed Real Property		\$ 5,812,524,065
2. Total assessed value of tangible Personal Property		\$ 437,826,092
3. Total locally assessed property value		\$ 6,250,350,157
4a. New construction and improvements taxable for the first time this year		\$ (69,650,227)
4b. New tangible personal property taxable for the first time this year		\$ (10,626,042)
Total of 4a & 4b.....		\$ (80,276,269)
5. Total locally assessed tax base before adjustments by boards of equalization for CTR computation		\$ 6,170,073,888
6. Net assessment gain from adjustments by County Board of Equalization		\$ 0
7. Net assessment loss from adjustments by County Board of Equalization		\$ (0)
8. Estimated public utility assessments		\$ 176,216,750
9. Total Tax Base		\$ 6,315,243,268
10. Prior year's adjusted tax levy		\$ 157,042,712
11. Certified Tax Rate (unless adjusted further by item 12)		\$ 2.4867
12. PILOT adjustment, if any		\$ 0.00
13. Add item 11 and 12 for proposed certified tax rate		\$ 2.4867



 Assessor



 Chief Executive

Please Note:

Rounding up is not permitted.

Tax Freeze deducted from total tax base - \$31,047,370

Tax Freeze Adjustment deducted from PY Levy - \$642,836

RECEIVED

JUL 21 2014



STATE OF TENNESSEE
STATE BOARD OF EQUALIZATION
9TH FLOOR, W.R. SNODGRASS TN TOWER
312 ROSA PARKS AVENUE
NASHVILLE, TENNESSEE 37243-1102
PHONE (615) 401-7883

July 17, 2014

Honorable Ernest G. Burgess
Mayor, Rutherford County
Courthouse, Room 101
One Public Square
Murfreesboro, TN 37130

Re: Certified tax rate

Dear Mayor Burgess:

We concur in your calculation of the county certified tax rate of \$2.4867. The county may proceed to formally determine the certified rate and then adopt the actual 2014 tax rate if the actual rate will not exceed the certified rate as determined. If the certified rate must be exceeded, refer to our step-by-step instructions available through the assessor. It is especially important that any notice of intent to exceed the certified rate be published in the proper form.

Sincerely,

A handwritten signature in cursive script that reads "Kelsie Jones".

Kelsie Jones
Executive Secretary

c: Robert Mitchell, Assessor of Property



STATE OF TENNESSEE
STATE BOARD OF EQUALIZATION

9th Floor, W.R. Snodgrass TN Tower
312 Rosa L. Parks Avenue
Nashville, TN 37243-1102
Writer's direct line (615) 747-5379
Writer's e-mail: kelsie.jones@cot.tn.gov

July 23, 2014

Memorandum

To: County Mayor & City Mayors
Rutherford County

From: Kelsie Jones, Executive Secretary
State Board of Equalization

Subject: 2014 certified tax rate compliance

Please accept my apology for the confusion surrounding this year's tax neutral rate process. Last week (July 17) we concurred in revised tax neutral rate calculations for the county, Smyrna and LaVergne. The revised rates were slightly higher or lower than preliminary calculations you signed and submitted in May, because subsequent discussions between my staff and Assessor Mitchell's indicated the 2014 assessment base is a bit higher or lower now than two months ago. When we received the first calculations we began a dialog with the assessor's staff to properly document the calculations we received, but in fact we should have formally replied to you as well, to let you know we could not concur in the calculation until it was documented. Assessor Mitchell could not have informed you otherwise without our formal reply.

Technically a city or county that has submitted a signed calculation to the State Board of Equalization can proceed to determine its tax neutral rate if the Board has not reported back in fifteen days. For this reason those of you who have already acted on the original calculation may let that action stand *unless the recalculated tax neutral rate is lower. If the recalculated rate is lower*, to avoid the possibility of a taxpayer challenge to the eventual levy, I strongly urge you to re-vote your 2014 levy.

The process for re-voting the levy is straightforward. The governing body should place 'reconsideration or ratification of previous tax rate action' on its next agenda. If there is a chance the body may vote to exceed the revised rate your newspaper notice should contain language similar to the attached. At the meeting, the governing body should formally determine the tax-neutral rate on motion and second, and then after receiving public comment, the commission may vote to reconsider and adopt a new tax rate. After

this is done please send a publisher's affidavit of publication for the notice and a certified copy of the original tax rate resolution and any subsequent actions ratifying or modifying the rate. I will be happy to discuss this process further with you or your counsel if that would be helpful.

The recalculated rate should still produce the same revenue as the 2013 levy (because the new base changed) plus there will be new revenue associated with growth (lines 4a & 4b on the calculation form). If your preliminary rate was higher than the latest calculation, obviously it would have produced more revenue, but the law requires particular notice and hearing before exceeding the tax neutral rate. If your final 2014 rate needs to be higher than the most recent calculation of the tax neutral rate, your safest course is to re-vote the levy as described above. To those of you who must re-vote please accept my apology for the inconvenience, and to all of you I apologize for the confusion.

Enc.

cc: Mr. Rob Mitchell, Assessor

Estimated Revenue from Current Property Taxes
2014 Assessments Based on Estimated Assessed
Valuation of - Real & Personal Property **\$6,250,350,157**
Tax Freeze Properties **(31,047,370)**
Valuation of - Public Utility Property **176,200,000**
TOTAL **\$6,395,502,787**

Fund	2013 Tax Rate	Revised Certified Tax Rate	Amount of Tax Levy	Reserve for Delinquency 4.5%	Estimated Collection of Unfrozen Taxes	Total Frozen Taxes 642,836	Reserve for Delinquency 4.5%	Estimated Net Collection of All Taxes	6/27/2014 Estimate	reduction
County General	\$ 0.6700	\$ 0.6495	\$ 41,538,791	\$ 1,869,246	\$ 39,669,545	\$ 167,902	\$ 7,556	\$ 39,829,891	\$ 40,382,070	\$ 552,179
Solid Waste	-	-	-	-	-	-	-	-	-	-
Ambulance Service	0.0579	0.0561	3,587,877	161,454	3,426,423	14,502	653	3,440,272	3,492,637	\$ 52,365
Highway	0.0130	0.0126	805,833	36,263	769,571	3,257	147	772,681	780,270	\$ 7,589
Education	1.1930	1.1565	73,963,990	3,328,380	70,635,610	298,966	13,453	70,921,123	71,908,694	\$ 987,571
Education Capital Projects	0.0451	0.0437	2,794,835	125,768	2,669,067	11,297	508	2,679,856	2,718,560	\$ 38,704
Debt Service	0.5862	0.5683	36,345,642	1,635,554	34,710,088	146,911	6,611	34,850,388	35,335,085	\$ 484,697
Total	\$ 2.5652	\$ 2.4867	\$ 159,036,968	\$ 7,156,664	\$ 151,880,304	\$ 642,836	\$ 28,928	\$ 152,494,213	\$ 154,617,316	
				Less City	10,409,264		Less City	10,451,339	10,626,921	
				Total Available	<u>\$ 141,471,040</u>		Total Available	<u>\$ 142,042,874</u>	\$ 143,990,396	
			Revenue Per Added Penny			Revenue Per Penny				
				General	\$ 610,771		General	\$ 613,239	\$ 619,262	
				Schools	524,041		Schools	526,159	531,079	
			Total			Total				
WFTEADA Allocations (estimated)			Education	Ed. Cap. Projects	Total	Education	Ed. Cap. Projects	Total		
County		85.80%	\$ 60,605,354	\$ 2,290,060	\$ 62,895,413	\$ 60,850,324	\$ 2,299,316	\$ 63,149,640	\$ 61,668,896	\$ 2,331,437
City		14.20%	10,030,257	379,008	10,409,264	10,070,799	380,540	10,451,339		
Total		100.00%	\$ 70,635,610	\$ 2,669,067	\$ 73,304,677	\$ 70,921,123	\$ 2,679,856	\$ 73,600,979	\$ 818,572	\$ 32,121

**RESOLUTION AUTHORIZING THE TAX LEVY IN
RUTHERFORD COUNTY, TENNESSEE FOR THE
FISCAL YEAR BEGINNING JULY 1, 2014**

SECTION 1. BE IT RESOLVED by the Board of Commissioners of Rutherford County, Tennessee assembled in regular session on the 14th day of August, 2014, that the combined property tax rate for Rutherford County, Tennessee for the fiscal year beginning July 1, 2014 shall be \$2.4867 on each \$100.00 of taxable property, which is to provide revenue for each of the following funds, and otherwise conform to the following levies:

FUND	RATE
County General	\$.6495
Ambulance Service Fund	.0561
Highway Fund	.0126
General Purpose Schools	1.1565
Education Capital Projects Fund	.0437
Debt Service	.5683
TOTAL	\$2.4867

SECTION 2. BE IT FURTHER RESOLVED, that there is hereby levied a gross receipts tax as provided by law. The proceeds of the gross receipts tax herein levied shall accrue to the above funds on a pro rata basis.

SECTION 3. BE IT FURTHER RESOLVED, that the county's situs portion of sales tax revenue will be divided as follows: Solid Waste/Sanitation Fund – sixty percent (60%); General Fund – twenty percent (20%); Road & Bridge Fund – twenty percent (20%).

SECTION 4. BE IT FURTHER RESOLVED, that the Wheel Tax Revenue will be divided as follows: General Fund – thirty percent (30%); Road & Bridge Fund – thirty percent (30%); General Purpose School Fund – forty percent (40%).

SECTION 5. BE IT FURTHER RESOLVED, that the Development Tax Revenue will be divided as follows: General Fund – fifty percent (50%) and General Debt Service Fund – fifty percent (50%).

SECTION 6. BE IT FURTHER RESOLVED, that interest earned on idle operating balances, with the exception of the Special Purpose Fund and the Drug Control Fund, will be distributed as follows: General Fund – fifty-five percent (55%); General Purpose School Fund – twenty-five percent (25%); Road & Bridge fund – five percent (5%); with the balance to the General Debt Service Fund. Provided that the Finance Director will monitor General Purpose School Fund available cash balances and interest rates to determine that the above allocation is justifiable.

SECTION 7. BE IT FURTHER RESOLVED, that the delinquent County property taxes for the year 2013 and prior years and the interest and penalty hereon collected during the year ending June 30, 2015 shall be apportioned to the various County funds according to the various County funds according to the subdivision of the tax levy for the year 2014. The Clerk and Master and the Trustee are hereby authorized and directed to make such apportionment accordingly.

SECTION 8. BE IT FURTHER RESOLVED, that all resolutions of the Board of Commissioners of Rutherford County, Tennessee, which are in conflict with this resolution are hereby repealed.

SECTION 9. BE IT FURTHER RESOLVED, that the resolution authorizing a tax levy in Rutherford County, Tennessee for the fiscal year beginning July 1, 2014 and approved on June 27, 2014 is hereby repealed.

SECTION 10. BE IT FURTHER RESOLVED, that this resolution shall take effect from and after its passage, the public welfare requiring it. This resolution shall be spread upon the minutes of the Board of Commissioners.

RESOLVED this 14th day of August, 2014.

RUTHERFORD COUNTY, TN

BY: _____
ERNEST G. BURGESS, Chairman

ATTEST:

LISA CROWELL, County Clerk