

Upcoming Programs

Gale Cherry - Mayor of Princeton, KY
July 17
J. D. Chaney - Chief Gov Affairs
Officer, KY League of Cities
July 24
Dan Kemp - Mayor of Hopkinsville, KY
July 31

Club Leaders

Chris McNeill
President
Jamie Futrell
President-Elect, Vice President
Phyllis B. Russell
Secretary
John A Williams Jr.
Vice President
Thomas Scott Taylor
Treasurer
Missy R Eckenberg
Past President
Michael A. Muscarella
Membership Chair, Past President
Debbie DeWeese
Club Executive Secretary

Birthdays

Walter C Howerton
July 11
Kenneth A Wheeler
July 11
Donald E. McKinney
July 12
Tim Thomas
July 13
Glen Anderson
July 14
John A. Williams Sr.
July 14
Julie Hart
July 19
Gloria Meriwether
July 19
William Robert Johnston
July 20
Jeff Pederson
July 21
Melanie W. McNeill
July 23
Brandon Barnhill
July 24
Dan Key
July 25
Erik Wolfe
July 27



GearTeeth

The Rotary Club of Paducah

Website: www.PaducahRotary.org
July 10th, 2013 Issue 75, Number 1

*Gear Teeth is published weekly except New Year's, Easter, Quilt Week,
4th of July, Labor Day, Thanksgiving and Christmas.*

Overcoming Challenges

July 10th, 2013



Berea Mayor Steven Connelly knows what it means to turn challenges into opportunities. Connelly is only the 4th mayor in the small city's history and he inherited a unique civic history of chronic challenges. For much of the city's history, Berea College performed most of the functions of city government, even to providing utilities for the eastern Kentucky city renown for its culture and crafts.

Mayor Connelly said the first real challenge was to provide the city with a revenue stream independent of property taxes due to the fact the college owned most of the property in the town and is tax-exempt. Even the income generated by the famous Boone's Tavern goes to support the college. In the first 100 years there was not even a city hall, a fire department or garbage college.

As manufacturing jobs came to the area following WW II, the city enacted a payroll tax, which by 1980 far outpaced the revenue generated by property taxes. However, this

prevented another challenge. Mayor Connelly said that left Berea overly dependent on the payroll tax revenue and vulnerable to an economic recession, which could produce layoffs.

In 2007, with dark clouds gathering on the horizon, the tax brought in \$4.8 million making up 65% of the city's general fund. To reduce the city's dependence on that huge revenue stream, the city council voted to increase the property tax from 3 cents (the lowest in the state) up to 10 cents. In comparison, Paducah's property tax is 25 cents. They also instituted a 3% restaurant tax and a 6% insurance premium tax. The city was able to reduce their dependence on the payroll tax by \$1.1 million just as the stock market crashed, which resulted in a \$1 million shortfall due to the resulting economic recession. Today, Berea has a \$4.5 million reserve fund.

Looking ahead, Mayor Connelly is focused on expanding the local economy by encouraging local entrepreneurs, expanding crafts tourism and attempting to allow alcohol sales in the city. The measure to allow alcohol sales in restaurants has been thwarted in the past, but Mayor Connelly says it has a "decent chance" of passing in the future.

Next week Rotarians will hear from Mayor Gail Cherry of Princeton.

Announcements

July 10th, 2013

Blood Drive - Rotarians are urged to mark August 15th as the day to give blood during the annual competition with the Lions Club to benefit the American Red Cross. You may reserve a time to donate by contacting the Red Cross or the Rotary Office.

St. Jude Dream Home - Rotarians are also asked to volunteer for the St. Jude Dream Home Giveaway between July 19th and August 17th. Volunteers are needed to help with tours of the home and answering phones.

Reading Pals - Ashley Wright of the United Way said training is now being held for those interested in becoming "Reading Pals" during the upcoming school year. The next training session will be held August 1st at noon with a free lunch at her office.

Committee Sign Up - President Chris needs all Rotarians to sign up for at least one Rotary Committee for the current year. Sign up sheets are available at the weekly meetings or contact Debbie at the Rotary Office.



New Member - Rotary welcomes Gary Dyer to the Club! Zach Hosman sponsored Gary, the Portfolio Manager for U.S. BANK.



New Paul Harris Fellow - Roger Truitt presented a Paul Harris Fellow award to Tom Grassham. Congratulations, Tom!

Guests

July 10th, 2013

Cameron Sene and Jared Sene – guests of Basil Drossos

Thana Connelly and Steven Connelly – guests of club

Dakarin Decker – guest of LL Joe Crawford

Tammy Potter- guest of Robyn Shapiro