

Graves school board pays off disputed taxes

BY SHELLEY BYRNE

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The Graves County Board of Education has now paid disputed taxes owed to the City of Mayfield, but the lawsuit between them continues.

During a news conference she said was called to clear up miscommunication regarding the pending legal issues between the organizations, Graves Superintendent Kim Dublin said the school board has paid the disputed tax money for the third and fourth quarters of 2017 and the first quarter of 2018.

"It is unfortunate that current circumstances exist," Dublin said. "However, due to misleading and erroneous information that has been disseminated, the Graves County Board of Education felt compelled to offer an explanation to the community as to the ongoing litigation and the relationship between city leaders and the board."

The City of Mayfield annexed property along Ky. 121, including Graves County Middle School, Graves County Central Elementary, the Graves County Board of Education central office, and the school bus garage and maintenance building, in January 2016. Graves County High School was already within the city limits, and employees working there already paid city taxes.

The board of education fought the annexation and sought a special election, going so far as to plan to move two employees onto the school board property, making them the only voters in the election. In a lawsuit, the trial court ruled that the annexation be placed on the ballot, but the Kentucky Court of Appeals overturned the decision, and the Kentucky Supreme Court did not accept the case for further review.

The board then sought an appeal on other grounds, and that litigation remains pending.

On Feb. 27, the city filed a lawsuit against the school board and the individual board members and superintendent in an attempt to get the tax money.



SHELLEY BYRNE/Mayfield Messenger

Graves County Schools Superintendent Kim Dublin speaks Friday at a news conference held seeking to clarify the board's position in an ongoing lawsuit with the City of Mayfield. The city sued the school board and its representatives in February over a tax dispute.

That tax money has now been turned over, Dublin said. The board of education began withholding the taxes from affected employees in January for the first quarter of 2018 and presented it to the city after the quarter ended in March.

The board paid the additional tax money due from the third and fourth quarters of 2017, Dublin said. The payment, which totaled more than \$30,028.03, came out of the school board's general fund instead of being taken out of employee paychecks, pending the settlement of the ongoing litigation, Dublin said. A copy of the check, obtained by the Messenger through an open records request to the city clerk's office Friday, showed the check was dated May 8.

Dublin said the board will comply in submitting all other required amounts until a ruling on the case on appeal is received.

"The board believes that the annexation of the school property amounts to taxation without representation but nonetheless has complied in paying the obligations due and owed to the City of Mayfield," Dublin said.

The ongoing lawsuit has created other issues as well, she said.

"The city is also seeking discovery of documentation which will take hours to compile and will involve use of resources of the district at taxpayer expense," Dublin said.

Additionally, she said, "The impact of the annexation and the subsequent taxation of employees of the district will make it difficult to retain and to recruit qual-

ity teachers who provide the educational services for the children of Graves County."

In the lawsuit filed in February, the city asked the Graves Circuit Court not only to pay the taxes, but to award the city damages in an amount equal to the amount of tax money owed, thus doubling the amount the city is seeking the school board to pay. The city also asked for the court to compel the school board to turn over documentation going back years on employees, including where they worked and how much money they made, as well for a bench trial, interest on the tax money and court costs, including attorney fees.

In a response, the Graves County Board of Education asked the court to dismiss the complaint or for the litigation to be set aside until the Court of Appeals issues a ruling specifically concerning the right of any residents of the annexed area to vote as part of the previous lawsuit. The board also asked for attorney fees.

Glenn Denton, attorney for the City of Mayfield, said the city had deposited the check for the tax payment, although it did not come with documentation typically coming with such payments showing how they were calculated.

He also confirmed the Graves County Board of Education had recently declined an offer to continue discussions on a global settlement of all lawsuits.

Denton declined to comment on the school board's news conference, saying that he would first like to have the opportunity to discuss the conference's contents with his client.