

# AD VALOREM OPTIONS FY 2019

*Council Work Session*

*August 14, 2018*



**LEXINGTON**



## Overview

- Required Ad Valorem dates
- Taxing Districts
- Real Estate Values
- Taxing Options
  - General Services Fund
  - Urban Services Fund
  - Special District Tax Rates
- Questions



# Require Ad Valorem Dates

(KRS 132.0225)

M	T	W	TH	F
JULY 23 CERTIFICATION DATE <b>DAY 1</b>	24	25	26	27
30	31	AUGUST 1	2	3
6	7	8	9	10
13	14 PRESENTATION & SET RATES WORK SESSION	15	16 FIRST READING COUNCIL MEETING	17 FIRST ADVERTISEMENT*
20	21 SECOND ADVERTISEMENT* WORK SESSION	22	23	24
27	28	29	30 PUBLIC HEARING** SECOND READING OF TAX RATES COUNCIL MEETING	31
SEPTEMBER 3	4	5 <b>DAY 45</b>	6	7

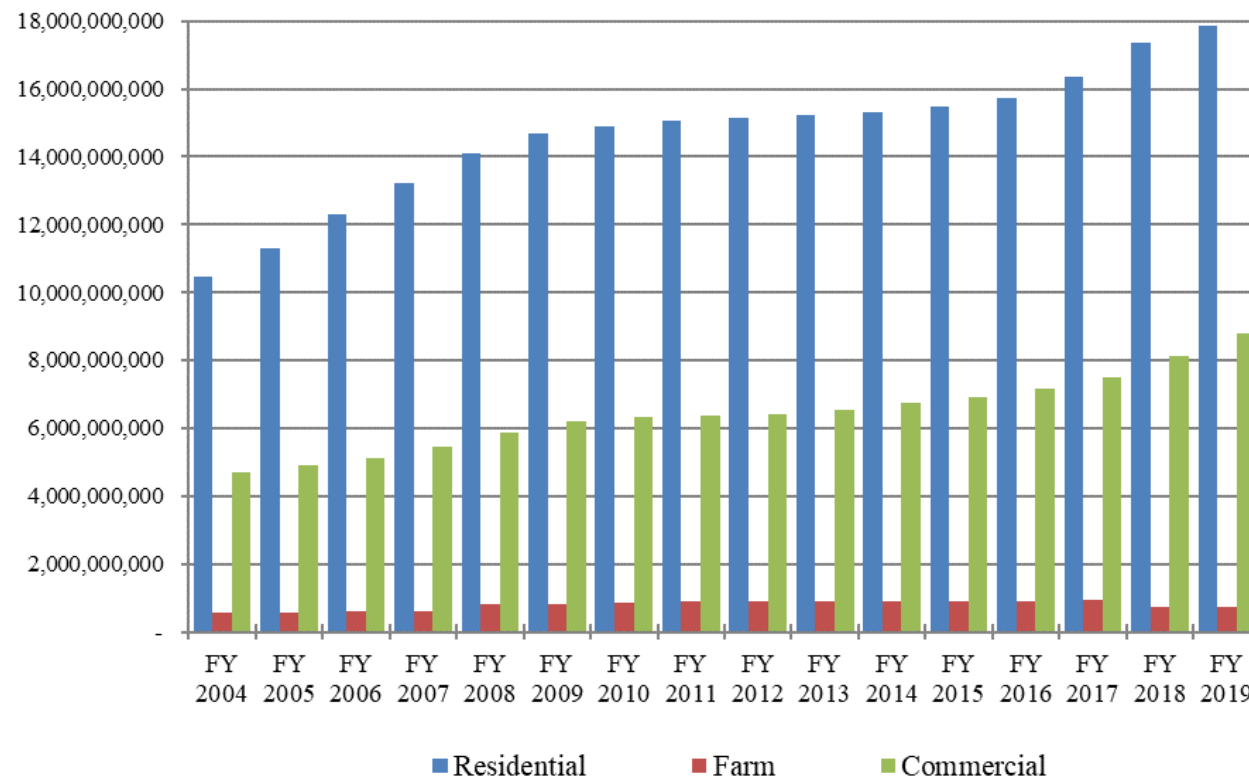


## Taxing Districts

- LFUCG Taxing Districts
  - General Services
  - Urban Services
    - Street Lights
    - Refuse
    - Street Cleaning
- Special Taxing Districts
  - Soil and Water Conservation District
  - Agricultural Extension Service
  - Health Department



## Real Estate Values – General Services





## General Services – Library Allocation

- Five cents of the general fund real estate tax goes to the library
- The increase based on certification for FY 2019 is \$657,300
  - Revised allocation of \$16,750,260



## Ad Valorem Tax Rate Options for Consideration

1. Keep the Rate the same
2. Compensating Rate – provide approximately the same revenue as previous fiscal year for existing property
3. House Bill 44 Limit – increase rates to those that give a 4% revenue increase from existing real properties
4. Set the Rate Above 4% – subject to voter recall within 45 days if petition signed by 10% of voters in the last Presidential Election (13,632)



## General Services Fund (Options 1 – 3)

Category	Prior Year Rates	Option 1	Option 2	Option 3
Real Estate	0.08	0.08	0.078	0.081
Personalty	0.0915	0.08	0.078	0.081
Motor Vehicles/Watercraft	0.088	0.088	0.088	0.088
Tobacco in Storage	0.015	0.015	0.015	0.015
Agri. Products in Storage	0.045	0.045	0.045	0.045
Insurance Companies Capital	0.15	0.15	0.15	0.15
Aircraft	0.0915	0.08	0.078	0.081
Watercraft (Non-Commercial)	0.0915	0.08	0.078	0.081
Abandoned Property	1	1	1	1
<i>Impact on FY 2019 Budgeted Fund Balance:</i>		\$164,870	(\$436,130)	\$455,870





## General Services – Average Tax Bill

General Fund Property Tax Bill on a  
\$175,000 house

Taxing District	Option 1	Option 2	Option 3
LFUCG			
General	\$140.00	\$136.50	\$141.75
<b>Total</b>	<b>\$140.00</b>	<b>\$136.50</b>	<b>\$141.75</b>



## Urban Services Fund (Options 1 – 4)

Category	Prior Year Rates	Option 1	Option 2	Option 3	Option 4 (Cost of Service)
Refuse Collection	0.1426	0.1426	0.1389	0.1444	0.1488
Street Lights	0.021	0.021	0.0204	0.0212	0.0314
Street Cleaning	0.0097	0.0097	0.0095	0.0098	0.0102
Public Service Companies	0.1733	0.1733	0.1688	0.1754	0.1904
Insurance Companies Capital	0.092	0.092	0.092	0.092	0.092
<i>Impact on FY 2019 Budgeted Fund Balance:</i>		\$713,000	(\$327,000)	\$1,197,000	\$4,710,000



## Urban Services – Average Tax Bill

Urban Services Fund Property Tax Bill on a  
\$175,000 house

Taxing District	Option 1	Option 2	Option 3	Option 4 (Cost of Service)
LFUCG				
Refuse Collection	\$249.55	\$243.08	\$252.70	\$260.40
Street Lights	36.75	35.70	37.10	54.95
Street Cleaning	16.98	16.63	17.15	17.85
<b>Total</b>	<b>\$303.28</b>	<b>\$295.40</b>	<b>\$306.95</b>	<b>\$333.20</b>



## Special Tax Districts

Taxing District	Current Rates	Requested Rates*
<u>Soil and Water Conservation</u>		
Real Property	.0006	
<u>Extension</u>		
Real Property	.0035	
Personal Property	.0038	
<u>Health</u>		
Real Property	.028	
Personal Property	.028	

*\*All requested rates have not been received yet. Presentation will be updated for Tuesday once rates are received.*

# Questions?



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