

AD VALOREM OPTIONS FY 2019

Council Work Session

September 11, 2018



LEXINGTON



Why the Redo?

- State recertified our assessments
 - Incorrect assessment on personal property caused by computer error with state system
 - 45 day timeline restarts
- Impacts
 - The General Services Fund
 - Library allocation
 - Extension Office?
- Approval
 - First Reading September 13
 - Second Reading September 27



General Services – Library Allocation

- Five cents of the general fund property tax goes to the library
- The increase based on certification for FY 2019 is \$181,290
 - Revised allocation of \$16,274,250



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	0.079	0.082
Personalty	0.0915	0.0915	0.0995	0.1033
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	0.0915	0.0995	0.1033
Watercraft (Non-Commercial)	0.0915	0.0915	0.0995	0.1033
Abandoned Property	1	1	1	1
<i>Impact on FY 2019 Budgeted Fund Balance:</i>		\$190,880	\$108,880	\$995,880



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	\$138.25	\$143.50
Total	\$140.00	\$138.25	\$143.50



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
Total	\$303.28	\$295.40	\$306.95	\$333.20



Special Tax Districts

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

Questions?



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