

Ad Valorem Options FY2016

Council Work Session

August 11, 2015

Department of Finance

Budgeting

Overview

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



Required Ad Valorem Dates

(KRS 132.0225)

M	T	W	TH	F
JULY 20	21	22	23 CERTIFICATION DATE DAY 1	24
27	28	29	30	31
AUGUST 3	4	5	6	7
10	11 WORK SESSION DISCUSSION AND APPROVAL OF RATES	12	13 COUNCIL MEETING FIRST READING OF TAX RATES	14 FIRST ADVERTISEMENT*
17 SECOND ADVERTISEMENT*	18 WORK SESSION	19	20	21
24	25 WORK SESSION	26	27 COUNCIL MEETING PUBLIC HEARING** SECOND READING OF TAX RATES	28
31	SEPTEMBER 1	2	3	4 DAY 45 (September 5th)



Taxing Districts

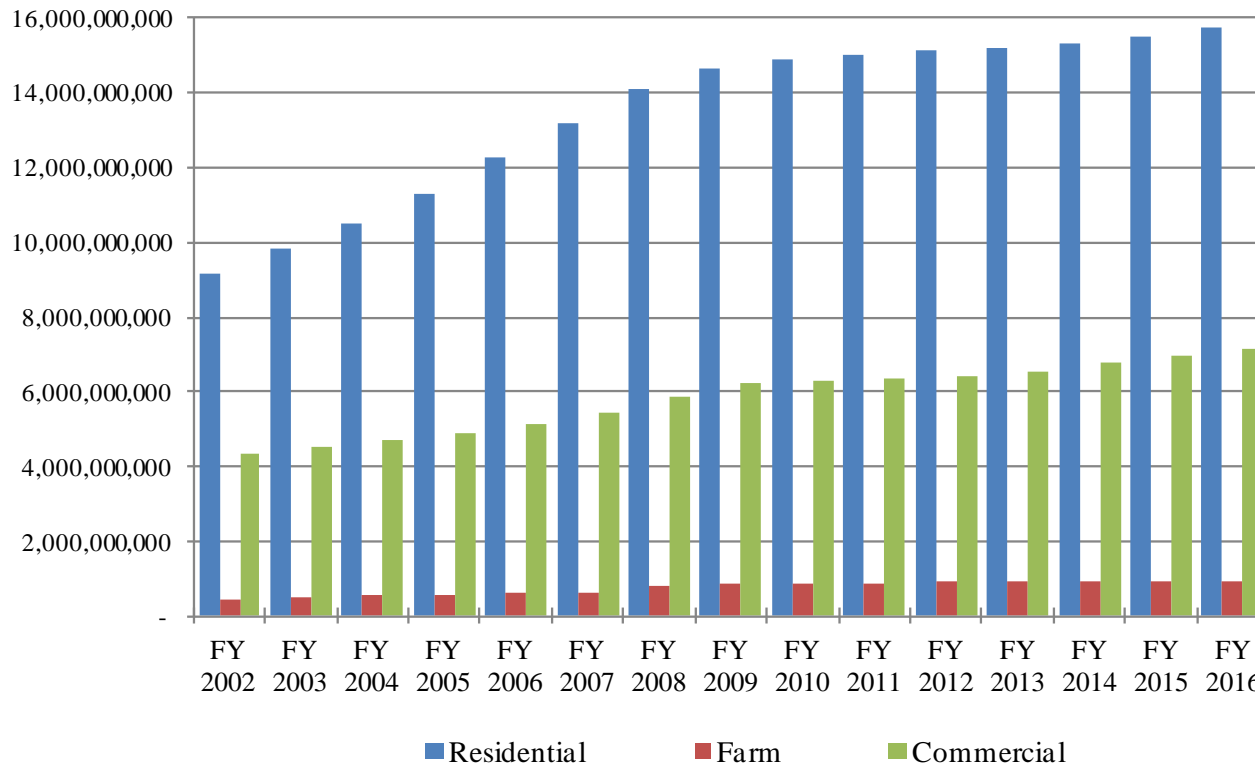
- **LFUCG Taxing Districts**
 - General Services
 - Urban Services
 - Street Lights
 - Refuse
 - Street Cleaning
- **Special Taxing Districts**
 - Soil and Water Conservation District
 - Agricultural Extension Service
 - Health Department



Real Estate Values

General Services

Real Estate Assessments By Category



General Services

Library Allocation

- Five cents of the general fund real estate tax goes to the library
- The impact based on certification for FY2016 is \$82,700
 - Revised allocation of \$14,364,650



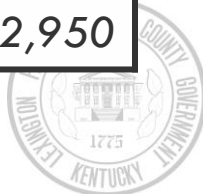
Ad Valorem Tax Rate Options for Consideration

1. Keep Rate the Same
2. Compensating Rate – provide approximately the same revenue as previous fiscal year for existing property
3. Maximum 4% Increase – highest increase that can be generated without triggering a voter recall
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 (12,841)



General Services Fund (Options 1-3)

Category	Prior Year Rates	Option 1	Option 2 Compensating	Option 3 Maximum
Real Estate	0.08	0.08	0.08	0.083
Personalty	0.0931	0.0915	0.0915	0.0949
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	0.0931	0.0915	0.0915	0.0949
Watercraft (Non-Commercial)	0.0931	0.0915	0.0915	0.0949
Abandoned Property		1.00		
<i>Impact on FY16 Budgeted Fund Balance</i>		\$594,950	\$594,950	\$1,352,950



General Services

Average Tax Bill

General Fund Property Tax Bill on a \$165,000 house

Taxing District	Option 1 Prior Rates	Option 2 Compensating	Option 3 Maximum
LFUCG General	\$132.00	\$132.00	\$136.95
TOTAL	\$132.00	\$132.00	\$136.95



Urban Services Fund (Options 1-4)

Category	Prior Year Rates	Option 1 Prior Rates	Option 2 Compensating	Option 3 Maximum	Option 4 Cost of Service
Refuse Collection	.1431	.1431	.1416	.1472	.1441
Street Lights	.0210	.0210	.0208	.0216	.0325
Street Cleaning	.0097	.0097	.0096	.0099	.0101
Public Service Companies	.1738	.1738	.1720	.1787	.1867
Insurance Companies Capital	.0920	.0920	.0920	.0920	.0920
<i>Impact on FY16 Budgeted Fund Balance</i>		\$130,330	(\$222,670)	\$1,094,330	\$2,718,330



Urban Services

Average Tax Bill

Urban Fund Property Tax Bill on a \$165,000 house

Taxing District	Option 1 Prior Rates	Option 2 Compensating	Option 3 Maximum	Option 4 Cost of Service
LFUCG				
Refuse Collection	\$236.12	\$233.64	\$242.88	\$237.77
Street Lights	34.65	34.32	35.64	53.63
Street Cleaning	16.01	15.84	16.34	16.67
TOTAL	\$286.77	\$283.80	\$294.86	\$308.06



Special Tax Districts

Taxing District	Current Rates	Requested Rates
<u>Conservation/Soil</u>		
Real Property	.000516*	
<u>Extension</u>		
Real Property	.0034	
Personal Property	.0038	
<u>Health</u>		
Real Property	.028	
Personal Property	.028	

*Billed at .0005



Questions?