

AD VALOREM OPTIONS FY 2020

Council Work Session

August 13, 2019



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 22 CERTIFICATION DATE DAY 1	23	24	25	26
29	30	31	AUGUST 1	2
5	6	7	8	9
12	PRESENTATION & SET RATES WORK SESSION	14	FIRST READING COUNCIL MEETING	16 FIRST ADVERTISEMENT*
19	SECOND ADVERTISEMENT*W ORK SESSION	21	22	23
26	27 WORK SESSION	28	29 PUBLIC HEARING** SECOND READING COUNCIL MEETING	30
SEPTEMBER 2	3	4 DAY 45	5	6

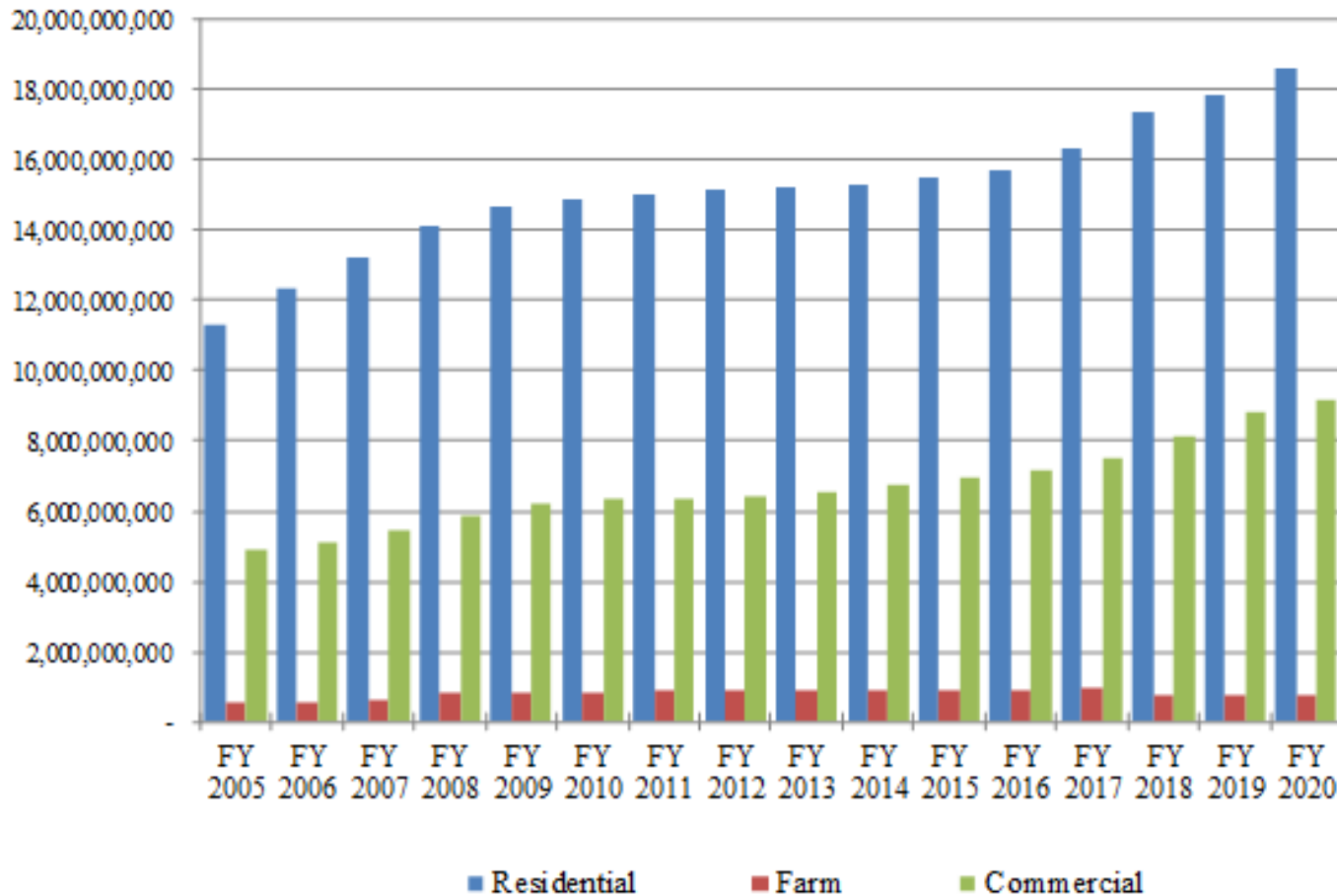


Taxing Districts

- 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 2020 is \$141,990
 - Revised allocation of \$16,964,300
 - Compared to the City's allocation of \$9,215,770



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 50 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 (Prior Year)	Option 2 (Compensating)	Option 3 (4%)
Real Estate	0.08	0.08	0.078	0.081
Personalty	0.0915	0.0892	0.0870	0.0903
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	0.0892	0.0870	0.0903
Watercraft (Non-Commercial)	0.0915	0.0892	0.0870	0.0903
Abandoned Property	1.00	1.00	1.00	1.00
<i>Impact on FY 2020 Budgeted Fund Balance:</i>		\$63,080	(\$512,920)	\$120,080



General Services – Average Tax Bill

General Fund Property Tax Bill on a
\$185,000 house

Taxing District	Option 1 (Prior Year)	Option 2 (Compensating)	Option 3 (4%)
LFUCG			
General	\$148.00	\$144.30	\$149.85
Total	\$148.00	\$144.30	\$149.85



Urban Services Fund (Options 1 – 4)

Category	Prior Year Rates	Option 1 (Prior Year)	Option 2 (Compensating)	Option 3 (4%)	Option 4 (Cost of Service)
Refuse Collection	0.1426	0.1426	0.1389	0.1444	0.1488
Street Lights	0.0210	0.0210	0.0205	0.0213	0.0289
Street Cleaning	0.0097	0.0097	0.0095	0.0098	0.0104
Public Service Companies	0.1733	0.1733	0.1689	0.1755	0.1881
Insurance Companies Capital	0.0920	0.0920	0.0920	0.0920	0.0920
<i>Impact on FY 2020 Budgeted Fund Balance:</i>		<i>(\$26,000)</i>	<i>(\$1,065,000)</i>	<i>\$989,000</i>	<i>\$3,756,000</i>



Urban Services – Average Tax Bill

Urban Services Fund Property Tax Bill on a \$185,000 house

Taxing District	Option 1 (Prior Year)	Option 2 (Compensating)	Option 3 (4%)	Option 4 (Cost of Service)
LFUCG				
Refuse Collection	\$263.81	\$256.97	\$267.14	\$275.28
Street Lights	38.85	37.93	39.22	53.47
Street Cleaning	17.95	17.58	18.13	19.24
Total	\$320.61	\$312.47	\$324.49	\$347.99



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	.0035
Personal Property	.0041	.0041
<u>Health</u>		
Real Property	.028	.028
Personal Property	.028	.028

Questions?

