

# Ad Valorem Options FY 2018

Council Work Session

August 15, 2017

Department of Finance

Budgeting

# Overview

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- 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 17	18	19	20 CERTIFICATION DATE <b>DAY 1</b>	21
22	23	24	25	26
31	AUGUST 1	2	3	4
7	8	9	10	11
14	15 WORK SESSION DISCUSSION AND APPROVAL OF RATES	16	17 COUNCIL MEETING FIRST READING OF TAX RATES	18 FIRST ADVERTISEMENT*
21	22 WORK SESSION SECOND ADVERTISEMENT*	23	24	25
28	29	30	31 COUNCIL MEETING PUBLIC HEARING** SECOND READING OF TAX RATES	SEPTEMBER 1 <b>DAY 45</b> <b>(September 2<sup>nd</sup>)</b>



# Taxing Districts

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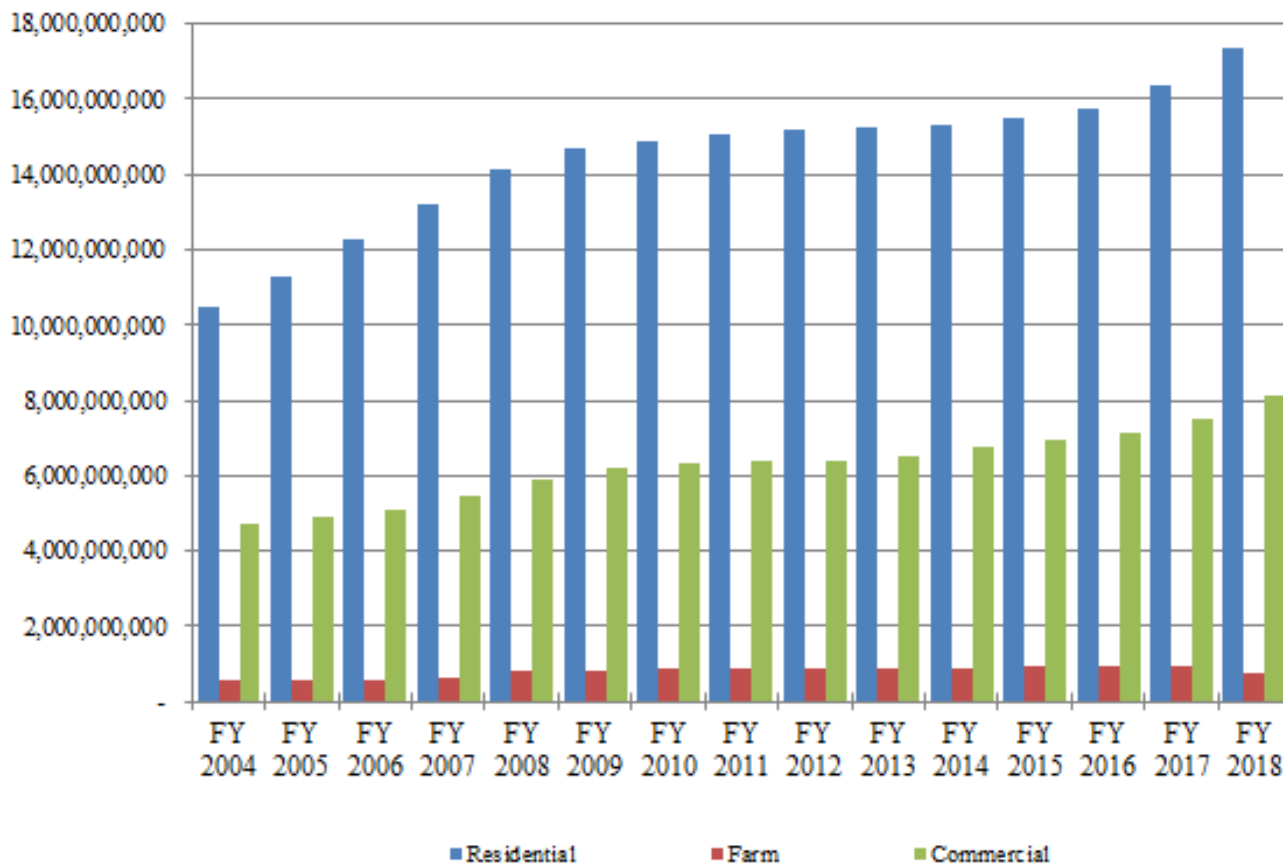
- **LFUCG Taxing Districts**
  - General Services
  - Urban Services
    - Street Lights
    - Refuse
    - Street Cleaning
- **Special Taxing Districts**
  - Soil and Water Conservation District
  - Agricultural Extension Service
  - Health Department



# Real Estate Values

## General Services

### Real Estate Assessments By Category



# General Services

## Library Allocation

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- Five cents of the general fund real estate tax goes to the library
- The increase based on certification for FY 2018 is \$408,330
  - Revised allocation of \$15,699,600



# Ad Valorem Tax Rate Options for Consideration

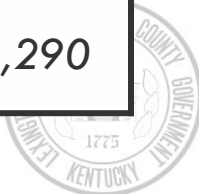
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1. Keep Rate the Same
2. Compensating Rate – provide approximately the same revenue as previous fiscal year for existing property
3. House Bill 44 Limit – increase rates to those that give a 4% revenue increase from existing real properties
4. Set the Rate above 4% - subject to voter recall within 45 days if petition signed by 10% of voters in the last Presidential Election (12,841)



# General Services Fund (Options 1-3)

Category	Prior Year Rates	Option 1	Option 2	Option 3
Real Estate	0.08	0.08	0.079	0.08
Personalty	0.0915	0.0915	0.0909	0.0944
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	0.0909	0.0944
Watercraft (Non-Commercial)	0.0915	0.0915	0.0909	0.0944
Abandoned Property	1.00	1.00	1.00	1.00
<i>Impact on FY 2018 Budgeted Fund Balance</i>		\$313,290	(\$461,710)	\$382,290





# General Services

## Average Tax Bill

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

Taxing District	Option 1	Option 2	Option 3
LFUCG			
General	\$140.00	\$134.75	\$140.00
<b>TOTAL</b>	<b>\$140.00</b>	<b>\$134.75</b>	<b>\$140.00</b>



# Urban Services Fund (Options 1-4)

Category	Prior Year Rates	Option 1	Option 2	Option 3	Option 4 Cost of Service
Refuse Collection	.1431	.1431	.1372	.1426	.1431
Street Lights	.0210	.0210	.0202	.0210	.0315
Street Cleaning	.0097	.0097	.0094	.0097	.0099
Public Service Companies	.1738	.1738	.1668	.1733	.1845
Insurance Companies Capital	.0920	.0920	.0920	.0920	.0920
<i>Impact on FY 2018 Budgeted Fund Balance</i>		\$1,035,260	(\$506,740)	\$925,260	\$3,448,260



# Urban Services

## Average Tax Bill

### Urban 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	\$250.43	\$240.10	\$249.55	\$250.43
Street Lights	36.75	35.35	36.75	55.13
Street Cleaning	16.98	16.45	16.98	17.33
<b>TOTAL</b>	<b>\$304.15</b>	<b>\$291.90</b>	<b>\$303.28</b>	<b>\$322.88</b>



# Special Tax Districts

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



Questions?

# Average Tax Bill

## Average Tax Bill

### Property Tax Bill on a \$175,000 house

Taxing District	Requested Rates	Taxes Paid
LFUCG		
General	.0800	\$140.00
Refuse Collection	.1426	249.53
Street Lights	.0210	36.75
Street Cleaning	.0097	16.98
Soil/Water Conservation	.0006	1.05
Extension	.0035	6.13
Health	.0280	49.00
<b>TOTAL</b>		<b>\$499.45</b>

