Henderson County Board of Education

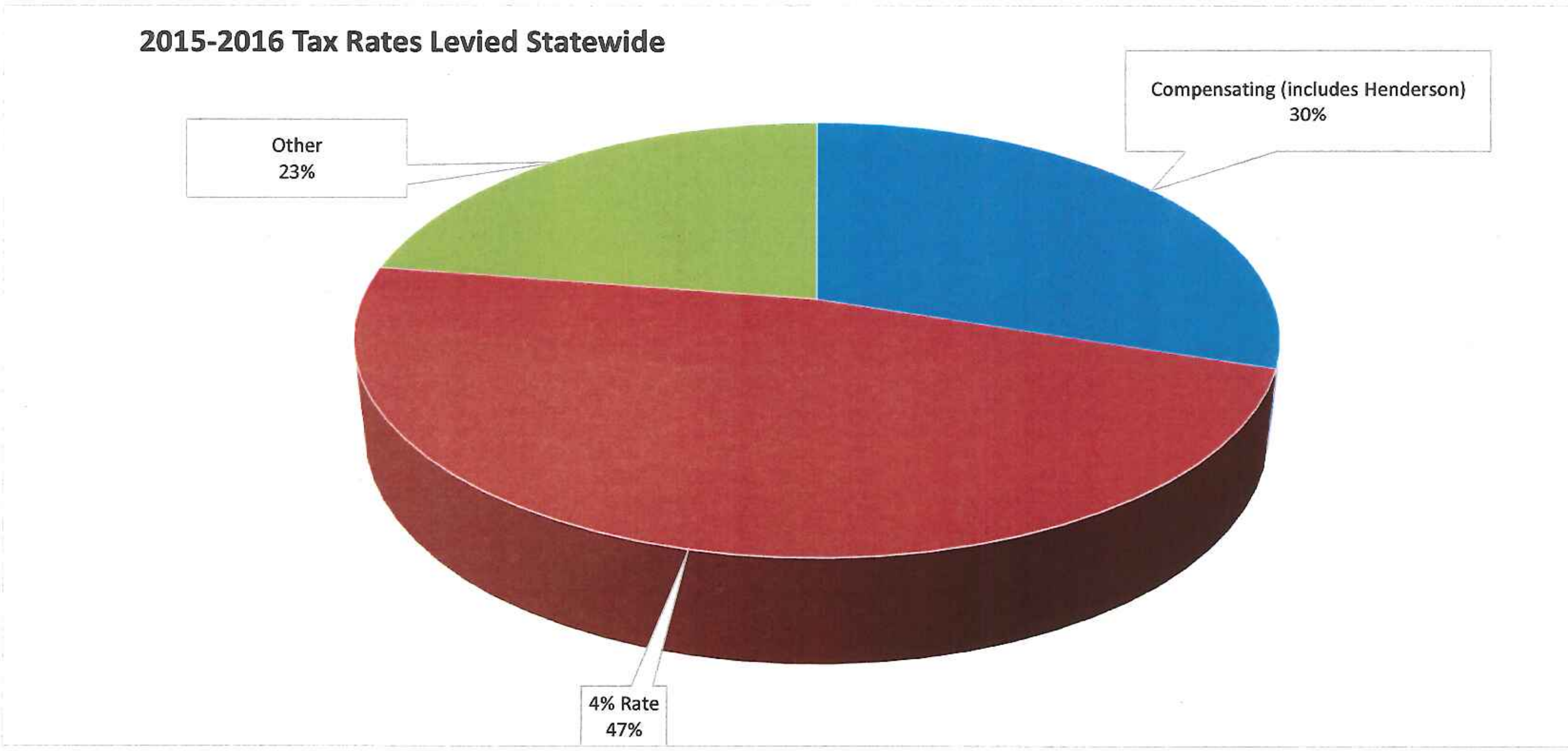
LOCAL PROPERTY TAX RATES

Henderson County Schools
Preparing Students To Succeed Globally
Henderson, Kentucky
Learners Today . . . Leaders Tomorrow

2016-2017 School Year

State Wide Tax Rates Levied

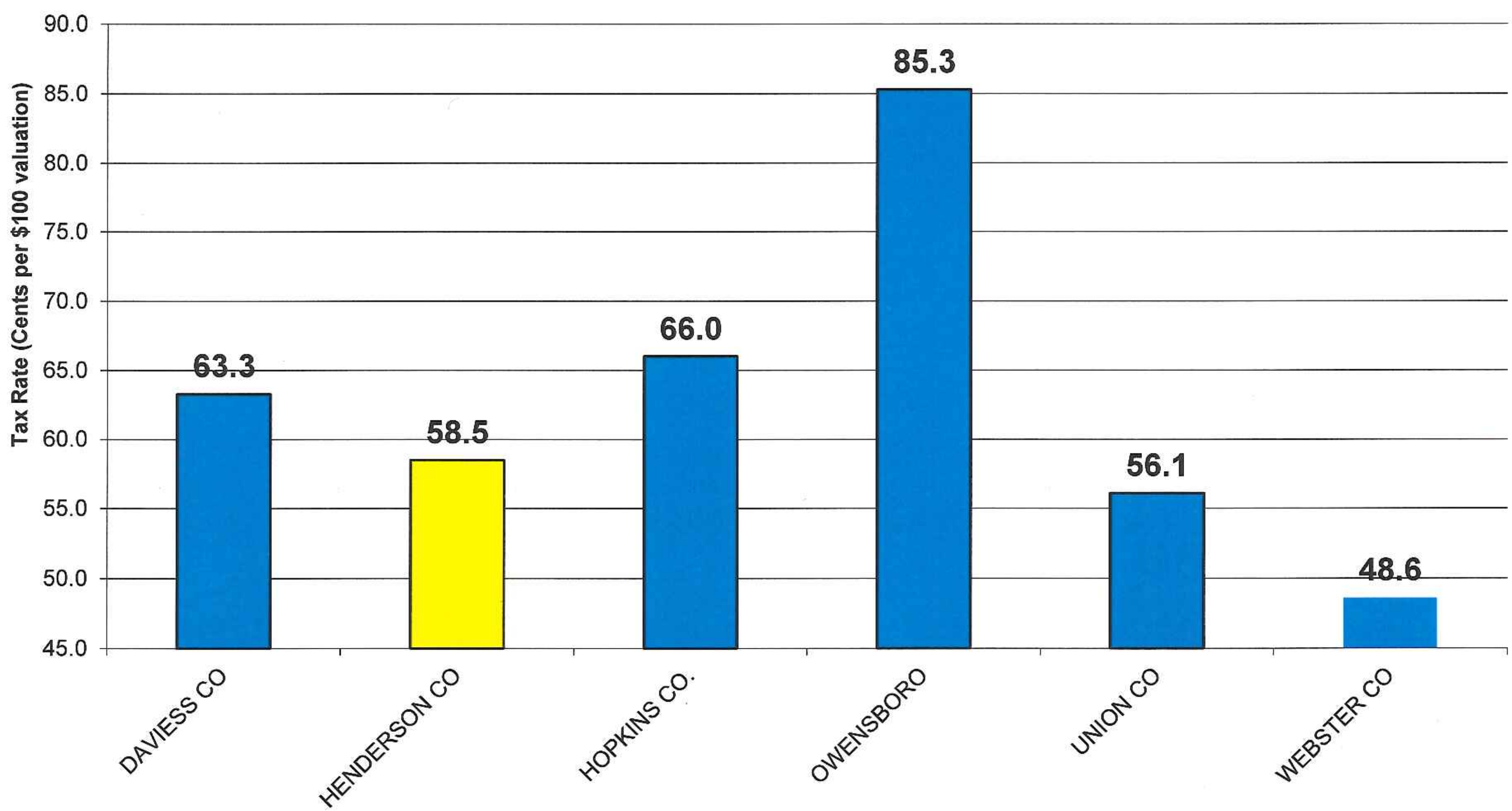
Tax Rate Levied	2015-16 No. of Districts	% Of Districts
Compensating (includes Henderson)	*52*	*30.1%*
4% Rate	82	47.4%
Other	39	22.5%
Total	173	100.0%



Henderson County Schools
Property Tax Rate History

Fiscal Year	Years of History	Rate Levied	Exonerations	Tax Rate (Cents per $100 valuation)
93-94	2	Compensating	0.2	42.3
94-95	3	Subsection 1	1.2	43.6
95-96	4	Subsection 1	0.2	42.7
96-97	5	Subsection 1		42.8
97-98	6	4% Rate Increase	0.1	43.0
98-99	7	4% Rate Increase	0.1	42.1
99-00	8	4% Rate Increase	0.1	42.4
00-01	9	4% Rate Increase	0.3	43.0
01-02	10	Subsection 1	0.1	43.3
02-03	11	Subsection 1	0.2	43.3
03-04	12	4% Rate Increase	0.1	44.5
04-05	13	Subsection 1	0.5	45.0
05-06	14	4% Rate Increase	0.4	46.2
06-07	15	4% Rate Increase	0.1	46.5
07-08	16	4% Rate Increase	0.1	46.4
08-09	17	4% Rate Increase	0.1	47.0
09-10	18	4% Rate Increase	0.1	47.7
10-11	19	4% Rate Increase	0.2	50.0
11-12	20	4% Rate Increase	0.1	51.7
12-13	21	4% Rate Increase	0.1	53.0
13-14	22	Compensating	0.1	52.8
14-15	23	Compensating	0.3	52.7
15-16	24	Compensating plus Nickel	0.5	58.5

2015-2016 Local School Property Tax
Surrounding School Districts



Henderson County Board of Education
REAL ESTATE and PERSONAL PROPERTY TAX RATES
for 2016-2017 School Year

Description	Compensating Tax Rate	Subsection (1) Tax Rates	4% Increase Tax Rates
Tax Rates *(Cents per $100 Valuation)*			
Real Estate	58.8	55.2	61.1
Personal Property	58.8	55.2	61.1
Exoneration Addition (included above)	0.2	0.2	0.2
Motor Vehicles	54.8	54.8	54.8

Tax Rates Recommended for Approval based on 4% Increase Rates

Class of Property	Valuations	Base Tax Rate	Exonerations	Tax Rate Levied
Real Estate	$2,215,581,036	60.9	0.2	61.1
Personal Property	$448,925,338	60.9	0.2	61.1
Motor Vehicles	$324,706,791	54.8		54.8

Tax Revenues *(assuming 100% collection rate)*

Description	Property Valuations	Compensating Tax Rate	Subsection (1) Tax Rates	4% Increase Tax Rates
Real Estate	$2,217,321,019	$13,037,848	$12,239,612	$13,547,831
Personal Property	$476,348,561	$2,800,930	$2,629,444	$2,910,490
Motor Vehicles	$341,170,969	$1,869,617	$1,869,617	$1,869,617
Total Tax Revenues	$3,034,840,549	$17,708,395	$16,738,673	$18,327,938
Difference from Compensating Rate			($969,722)	$619,543

Tax Payer Impact

Description	Property Valuation	2016 Taxes (Compensating)	2017 Taxes (4%)	$ Change	% Change
Real Estate	$100,000	$585.00	$611.00	$26.00	4.4%
Personal Property	$5,000	$29.25	$30.55	$1.30	4.4%
Motor Vehicles	$15,000	$82.20	$82.20	$0.00	0.0%
Total Property Taxes	$120,000	$696.45	$723.75	$27.30	3.9%

Tax Payer Impact

Description	Property Valuation	2016 Taxes (Compensating)	2017 Taxes (Compensating)	$ Change	% Change
Real Estate	$100,000	$585.00	$588.00	$3.00	0.5%
Personal Property	$5,000	$29.25	$29.40	$0.15	0.5%
Motor Vehicles	$15,000	$82.20	$82.20	$0.00	0.0%
Total Property Taxes	$120,000	$696.45	$699.60	$3.15	0.5%

Cumulative Effect of Revenue Not Collected Over a 4 Year Period				
	2013-2014	**2014-2015**	**2015-2016**	**2016-2017**
2013-14	-485,050	-485,050	-485,050	-485,050
2014-15		-504,091	-504,091	-504,091
2015-16			-532,901	-532,901
2016-17 (if adopt Compensating Rate)				-619,543
Annual Tax Revenue Foregone Due to Adopting Compensating Rate	**($485,050)**	**($989,141)**	**($1,522,042)**	**($2,141,585)**
Cumulative Tax Revenue not collected due to adopting Compensating Rate over a 4 year Period				**($5,137,818)**

TIMELINE INFORMATION AND NEXT STEPS

How long does the board have to adopt rates?

KRS 132.0225 provides that if a district is not adopting a rate above 4%, it must establish a final tax rate within 45 days of the Department of Revenue's certification. Any district that fails to meet this deadline shall be required to use the compensating tax rate for that year's property tax bills. The certification date for Henderson County was **July 26, 2016**. We have 45 calendar days from this date to adopt, which is September 8, 2016.

What are the notice requirements?

For rates that exceed compensating tax rates, the notice requirements of KRS 160.470 (7)(b) state that a notice must be "...published at least twice for two (2) consecutive weeks, in the newspaper of largest circulation in the county..."

Example: Place advertisement on August 4th and August 7th (two consecutive weeks) and the hearing could be held on August 15th (7-10 days after the second advertisement).

NOTICE OF PUBLIC HEARING
HENDERSON COUNTY
BOARD OF EDUCATION

The Henderson County Board of Education will hold a public hearing in the Professional Development Center on August 15, 2016 at 5:45 p.m. to hear public comments regarding a proposed general fund tax levy of 61.1 cents on real property and 61.1 cents on personal property.

The General Fund tax levied in fiscal year 2016 was 58.5 cents on real property and 58.5 cents on personal property which produced revenue of $14,487,597.83. The proposed General Fund tax rate of 61.1 cents on real property and 61.1 cents on personal property is expected to produce $16,458,321.13. Of this amount, $2,939,633.80 is from new and personal property. The compensating tax rate for 2017 is 58.8 cents for real property and 58.8 cents for personal property and is expected to produce $15,838,777.13.

The general areas to which revenue above 2016 revenue is to be allocated are as follows: Cost of collections, building fund, instruction, transportation, and maintenance of plant.

THE KENTUCKY GENERAL ASSEMBLY HAS REQUIRED PUBLICATION OF THIS ADVERTISEMENT AND THE INFORMATION CONTAINED HEREIN.