

FY 22 Tax Information

I received the certified assessment and taxing options for your review from KDE. I have placed consider/take appropriate action regarding FY 22 Tax Levy on the agenda. The board would need take action to advertise a public hearing for possible board action regarding the levy, should you, as a board, elect to levy a tax higher than the compensating rate of 51 cents per one hundred dollars of assessed property value for real estate and 52.3 cents per one hundred dollars of assessed property value for personal property (we would need to identify the rate being considered in the advertisement). The present rate is 53.3 cents for real estate and 53.3 for personal property without exonerations included.

The motor vehicle rate is currently at 51.8 and the FY 22 maximum rate remains at 51.8 cents per one hundred dollars of assessed property value. The maximum rate has remained constant for at least 18 years.

The Board has elected to tax watercraft and aircraft.

TAX LEVY OPTIONS

1. Adopt the compensating rate at of 51 cents per one hundred dollars of assessed property value for real estate and 52.3 cents per one hundred dollars of assessed property value for personal property. The compensating rate is what KDE calculates as the rate necessary to generate the same amount of revenue generated the previous year. If the board elects to adopt the compensating rate, a hearing would not be required. You could actually adopt the compensating rate at the 8/16/2021 meeting. This rate is 2.3 cents less than the current rate of 53.3 for real property and 1 cent less than the current rate of 53.3 for personal property.
2. Adopt the rate of 53 cents for real estate and 53.3 cents for personal property which, based on KDE calculations, will increase local property tax revenue by an additional 4% (House Bill 44). This would decrease the levy by 0.3 cents for real property and would remain the same for personal property and would require a public hearing.
3. Adopt a different tax rate between 51 and 53 cents per \$100 of assessed property for real property and/or adopt a rate between 52.3 and 53.3 cents per \$100 of assessed property for personal property; this option would also require a hearing.
4. Adopt a rate above 53 for real property and above 53.3 for personal property. A public hearing would be required, and the tax would be subject to recall. This would apply to adopting the same rate as last year for real property since the current rate is 53.3 cents for real property.

HEARING INFORMATION / TIMELINE

The rate must be adopted by the Allen County Board of Education 45 days from the date the Department of Revenue certified our assessment. Our assessment was certified on July 27, 2021, making the deadline for adopting the final tax rate September 9, 2021.

Should there be a need for a hearing, the advertisement for the notice of hearing must run for 2 weeks in the local paper. The hearing must be conducted 7-10 days after the last date ran in the paper. The chart below presents the options for this to occur.

FY 22 Tax Information

Advertise Week 1	Advertise Week 2	Possible dates for Meeting
8/19/2021	8/26/2020	9/2, 9/3, 9/4, or 9/5

The board would need to host a special called meeting following the hearing to adopt the tax rates for the 2021-22 school year.

HISTORY

2016-2017 REVENUE FROM TAX LEVY

In the chart below, you will find the numbers projected in July 2016 when we received the tax information. However, actual tax collections produced \$4,775,091.90 in revenue (\$44,137.60 less than projected; approximately 99.1% of the projected revenue).

FY 17 – Compensating			
	Tax Rate	Assessment	Revenue
Real Estate	57.3	\$ 735,261,896.00	\$ 4,213,050.66
Personal Property	57.6	\$ 105,239,381.00	\$ 606,178.83
Totals		\$ 840,501,277.00	\$ 4,819,229.50

2017-2018 REVENUE FROM TAX LEVY

In the chart below, you will find the numbers projected in July 2017 when we received the tax information. However, actual tax collections produced \$5,092,885.59 in revenue (\$50,127.82 less than projected; approximately 99% of the projected revenue).

FY 18 - 4% Rate			
	Tax Rate	Assessment	Revenue
Real Estate	58.7	\$ 757,289,850.00	\$ 4,445,291.42
Personal Property	58.7	\$ 118,862,349.00	\$ 697,721.99
Totals		\$ 876,152,199.00	\$ 5,143,013.41

2018-2019 REVENUE FROM TAX LEVY

In the chart below, you will find the numbers projected in July 2018 when we received the tax information. However, actual tax collections produced \$5,141,400.34 in revenue (\$28,011.17 less than projected; approximately 99.5% of the projected revenue).

FY 19 - Compensating Rate			
	Tax Rate	Assessment	Revenue
Real Estate	56.9	\$ 800,140,663.00	\$ 4,552,800.37
Personal Property	58.7	\$ 105,044,487.00	\$ 616,611.14
Totals		\$ 905,185,150.00	\$ 5,169,411.51

FY 22 Tax Information

2019-2020 REVENUE FROM TAX LEVY

In the chart below, you will find the numbers projected in July 2019 when we received the tax information. However, actual tax collections produced \$5,276,465.27 in revenue (\$173,250.57 less than projected; approximately **96.82%** of the projected revenue – usually a much higher percentage – impacted by COVID-19).

FY 20 - 4% Rate			
	Tax Rate	Assessment	Revenue
Real Estate	54.3	\$ 875,063,485.00	\$ 4,751,594.72
Personal Property	54.3	\$ 128,567,424.00	\$ 698,121.11
Totals		\$ 1,003,630,909.00	\$ 5,449,715.84

2020-2021 REVENUE FROM TAX LEVY

In the chart below, you will find the numbers projected in August 2020 when we received the tax information. However, actual tax collections produced \$5,739,967.34 in revenue (\$29,456.12 more than projected; we believe this is due to the lower tax collection rate of **96.82%** the preceding year – COVID-19 Impact).

FY 21 - 4% Rate			
	Tax Rate	Assessment	Revenue
Real Estate	53.3	\$ 926,760,260.00	\$ 4,939,632.19
Personal Property	53.3	\$ 144,630,219.00	\$ 770,879.07
Totals		\$ 1,071,390,479.00	\$ 5,710,511.25

FY 21 TAX LEVY INFORMATION – ALL DISTRICTS

- 40 Districts took the 4% Rate
- 61 Districts took the Compensating Rate
- 70 Districts did something else (i.e., adopted a rate b/w compensating and 4%, HB 940 calculation)

ALLEN COUNTY RANKING FOR FY 21

- Ranked lowest to highest
 - 45th out 171 (126 had a higher tax rate) for Real Property
 - 44th out 171 (127 had a higher tax rate) for Tangible Property
 - Levied Equivalent Rate (51.3 cents): 8th out of 171 (163 had a higher tax rate)
- We do tax aircraft and watercraft along with 71 other districts.

FY 22 Tax Information

2021-2022 ESTIMATED REVENUES FOR VARIOUS LEVIES*

FY 22 - Compensating			
	Tax Rate	Assessment	Revenue
Real Estate	51	\$ 974,701,488.00	\$ 4,970,977.59
Personal Property	52.3	\$ 148,388,244.00	\$ 776,070.52
Totals		\$ 1,123,089,732.00	\$ 5,747,048.10

FY 22 - 4% Rate			
	Tax Rate	Assessment	Revenue
Real Estate	53	\$ 974,701,488.00	\$ 5,165,917.89
Personal Property	53.3	\$ 148,388,244.00	\$ 790,909.34
Totals		\$ 1,123,089,732.00	\$ 5,956,827.23

FY 21 - Same as FY 22 (Real Estate would be subject to recall)			
	Tax Rate	Assessment	Revenue
Real Estate	53.3	\$ 974,701,488.00	\$ 5,195,158.93
Personal Property	53.3	\$ 148,388,244.00	\$ 790,909.34
Totals		\$ 1,123,089,732.00	\$ 5,986,068.27

Exonerations			
	Tax Rate	Assessment	Revenue
Real Estate	0.1	\$ 974,701,488.00	\$ 9,747.01
Personal Property	0.1	\$ 148,388,244.00	\$ 1,483.88
Totals		\$ 1,123,089,732.00	\$ 11,230.90

*Does not include motor vehicle.

Motor Vehicle Levy: 51.8 cents

Anticipated Revenue for FY 22: \$789,676.33

Anticipated Revenue for FY 21: \$735,803.77 (Actual \$859,855.34)

Anticipated Revenue for FY 20: \$707,128.56 (Actual \$665,303.45; GF = \$577,321.29; BF = \$87,982.16)