

DATE:

August 23, 2022

AGENDA ITEM (ACTION ITEM):

Consider/Approve: 2022-23 Property and Utility Tax Rates

APPLICABLE BOARD POLICY:

01.11 Levy of Tax Rates

HISTORY/BACKGROUND:

As part of the budgetary process, the Board shall levy tax rates in compliance with statutory and regulatory requirements in KRS 160.470. Tax rates under consideration include Real Property, Personal Property, Motor Vehicle and Utilities taxes to fund General and Building Fund expenditures for the 2022-23 fiscal year. Property values have increased resulting in a reduction from the previous year rates of 0.5 cents for Real Property and a slight increase of 0.1 cents on Personal Property. The proposed rates reflect these adjustments.

FISCAL/BUDGETARY IMPACT:

\$ 2,235,569 General Fund revenue and \$ 1,037,451 Building Fund revenue

RECOMMENDATION:

Approval of proposed 4% tax rate of 66.6 cents per \$100.00 valuation on Real Property, 67.2 cents per \$100.00 on Personal Property, continue the existing rates of 63.5 cents per \$100.00 valuation on Motor Vehicles and 3% Utility Gross Receipts Tax for fiscal year 2022-23.

CONTACT PERSON:

Susan Bentle, Exec. Director Finance

Principal



District Administrator



Superintendent



Kenton County School District

Proposed Tax Rate for 2022-23

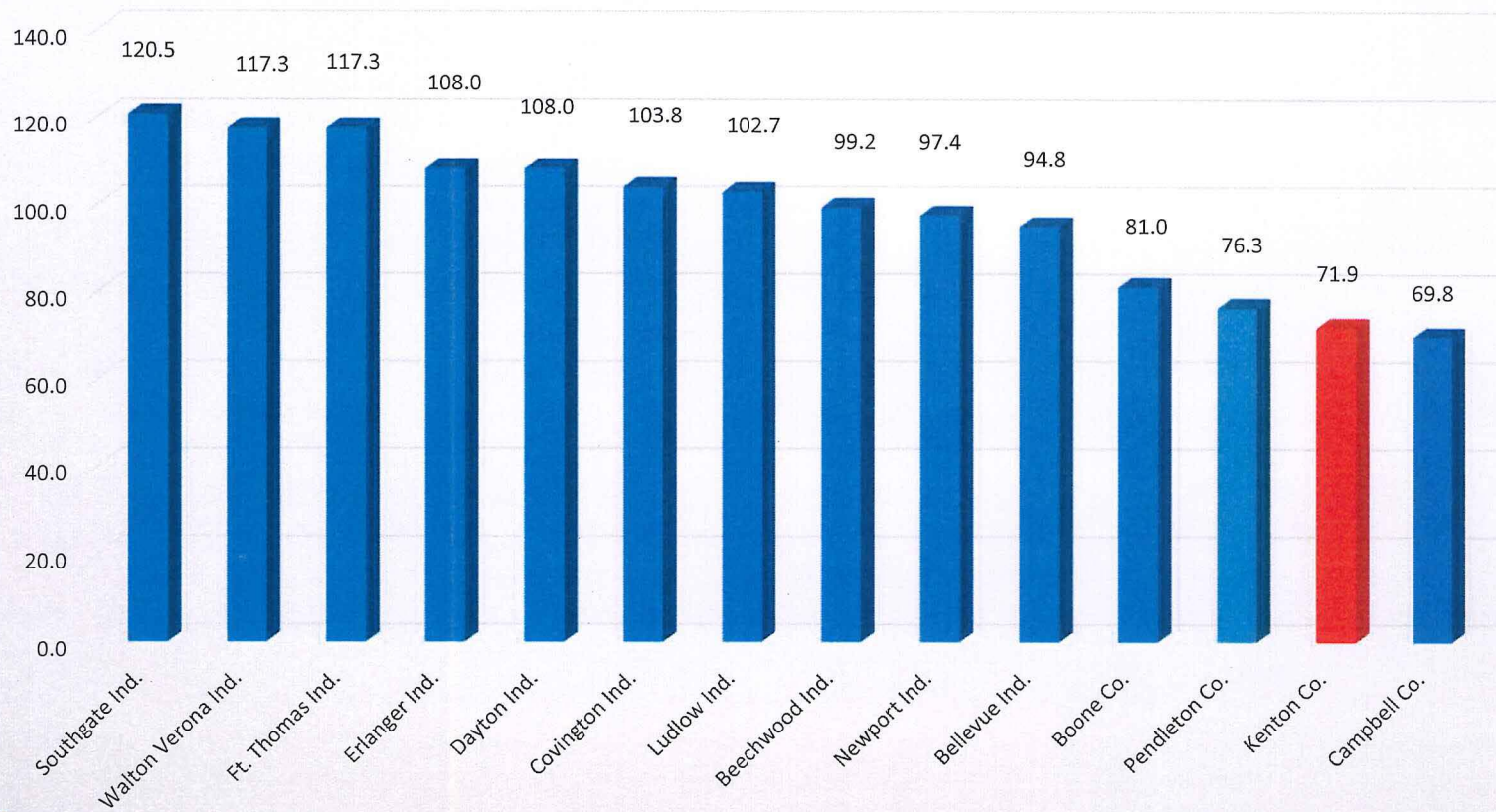
August 23, 2022

Northern KY School District Tax Rates 2021-22



Northern KY School District Tax 2021-22

Levied Equivalent



State/Region School District Tax Rates

2021-22

District	Total Real Estate Rate	Motor Vehicle Rate	Levied Equivalent Rate	Total
291 Kenton County	67.1 Cents	63.5 Cents	71.9 Cents	# of Districts
Rank in NKY Region	12	9	13	17
Rank in Top 10 Districts	6	2	8	10
Rank in State of KY	70	21	76	171

Kenton County School District 2022-23 Tax Rate Alternatives

	Current 2021-22 Rate & Taxes	Compensating Rate	3% Over Comp Rate	4% Over Comp Rate + Exonerations (.1)
	67.1	64.0 cents	65.9 cents	66.6 cents
Total RE Property Assessment	\$ 9,603,229,420	\$ 10,194,916,779	\$ 10,194,916,779	\$ 10,194,916,779
Total RE Tax Revenue Assessed	64,437,669	65,247,467	67,184,502	67,898,146
Total Tax Rev Increase (Net)		\$ 765,931	\$ 2,598,034	\$ 3,273,020
Gen Fund Tax Revenue Increase		(271,520)	1,560,583	2,235,569
Building Fund Tax Rev Increase		1,037,451	1,037,451	1,037,451
SEEK Reduction (30 cent Local Effort)		(1,498,901)	(1,498,901)	(1,498,901)
General Fund SEEK Revenue (+100.00 PP)	40,310,309	41,536,533	41,536,533	41,536,533
General Fund Annual Revenue (Tax + SEEK)	\$ 87,149,608	\$ 88,104,312	\$ 89,936,415	\$ 90,611,401
Net Rev (Reduction)/Increase from Taxes		\$ (271,520)	\$ 1,560,583	\$ 2,235,569
Net Rev (Reduction)/Increase from SEEK		\$ 1,226,224	\$ 1,226,224	\$ 1,226,224

Kenton County School District Tax Rates

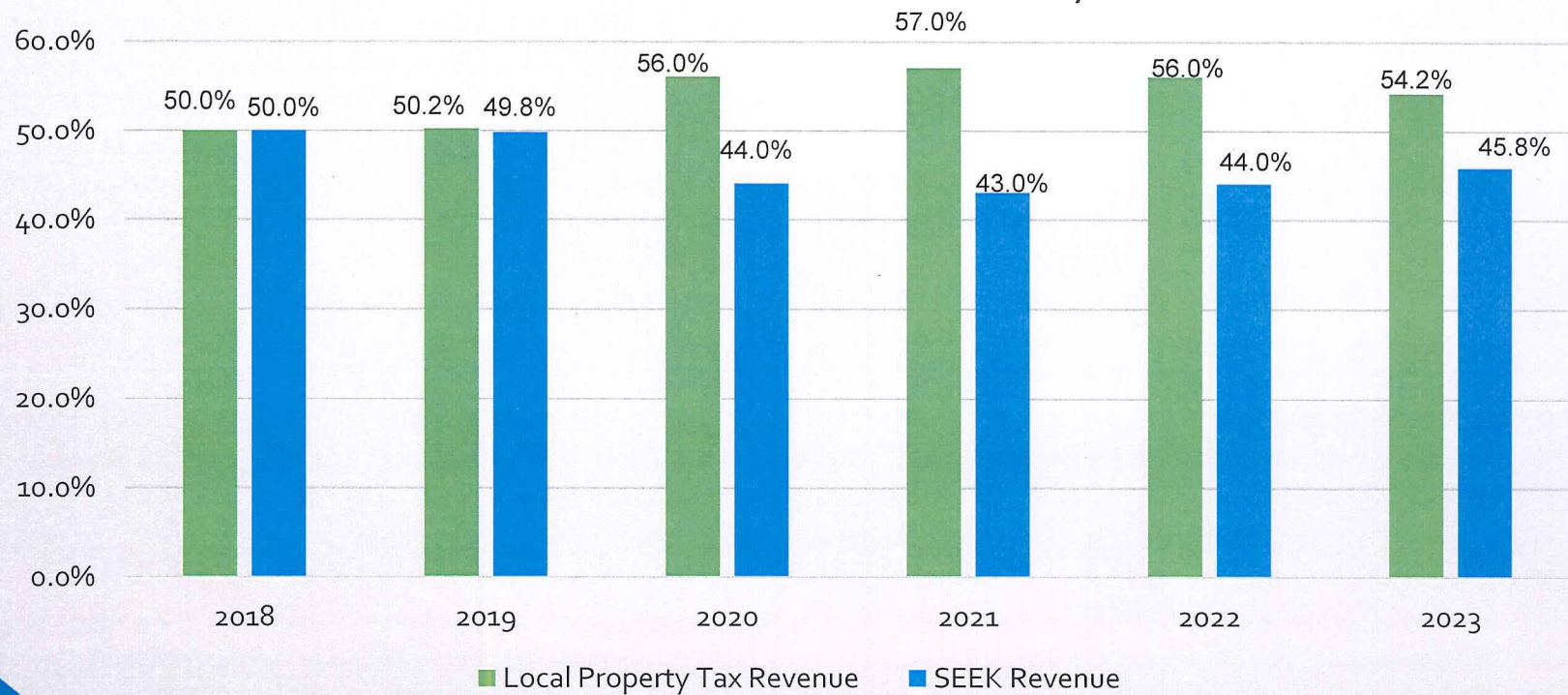
Fiscal	Real Estate	Real Property	School Property Tax on Residence Valued at				
Year	Assessed Value	Rate Per \$100	\$200,000	\$250,000	\$300,000	\$ 350,000	\$ 400,000
2022-23	10,194,916,779	66.6 cents	\$1,332	\$1,665	\$1,998	\$2,331	\$2,664
2021-22	9,603,229,420	67.1 cents	\$1,342	\$1,678	\$2,014	\$2,350	\$2,684
2020-21	9,021,103,696	67.1 cents	\$1,342	\$1,678	\$2,014	\$2,350	\$2,684
2019-20	8,507,968,399	67.2 Cents	\$1,344	\$1,680	\$2,016	\$2,352	\$2,686
2018-19	8,192,593,430	65.9 Cents	\$1,318	\$1,648	\$1,977	\$2,306	\$2,636
2017-18	8,127,745,112	63.8 Cents	\$1,276	\$1,595	\$1,914	\$2,233	\$2,552
2016-17	7,982,577,526	62.1 Cents	\$1,242	\$1,552	\$1,863	\$2,173	\$2,484

Kenton County School District Tax Rates

Motor Vehicle Assessment & Tax Rate					
Year	Assessed Value	Tax Rate Per \$100	Total Revenue		
2023	\$ 980,668,397	63.5	\$ 6,800,000	(Projected)	
2022	880,722,231	63.5	6,857,330		
2021	873,393,568	63.5	6,296,786		
2020	867,386,149	63.5	5,423,085		
2019	830,214,349	63.5	5,539,244		
Utility Tax Rate					
Year			Tax Rate	Total Revenue	
2023			3 %	\$ 6,000,000	(Projected)
2022			3 %	5,913,104	
2021			3 %	5,887,000	
2020			3 %	5,734,431	
2019			3 %	5,731,737	

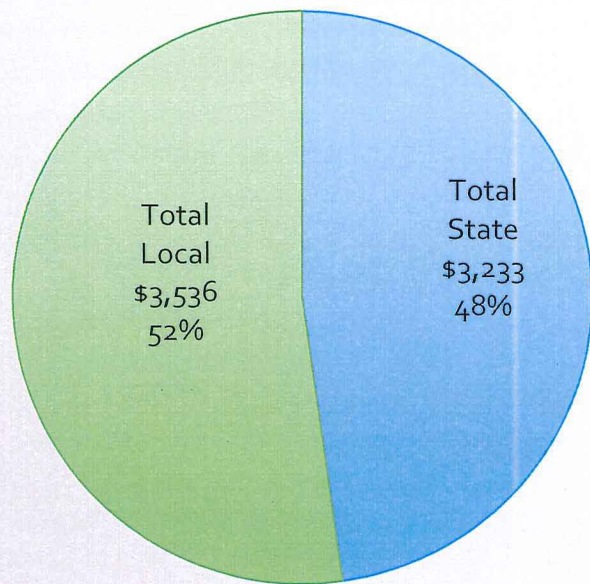
SEEK VS LOCAL PROPERTY TAX REVENUE

General Fund Revenue History



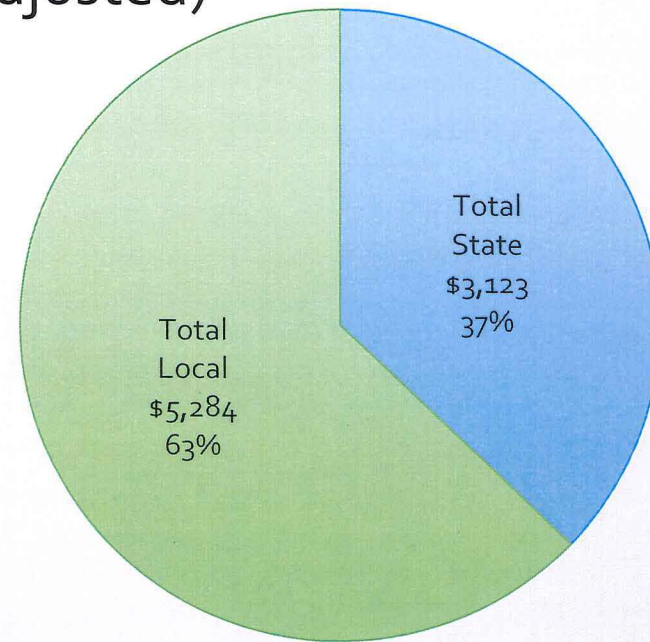
2008 & 2022 State and Local Per Pupil SEEK Funding Kenton County (Inflation Adjusted)

2008



■ Total State ■ Total Local

2022



■ Total State ■ Total Local

Council for Better Education, www.kycbe.com
2022 projected data

General Fund Revenue

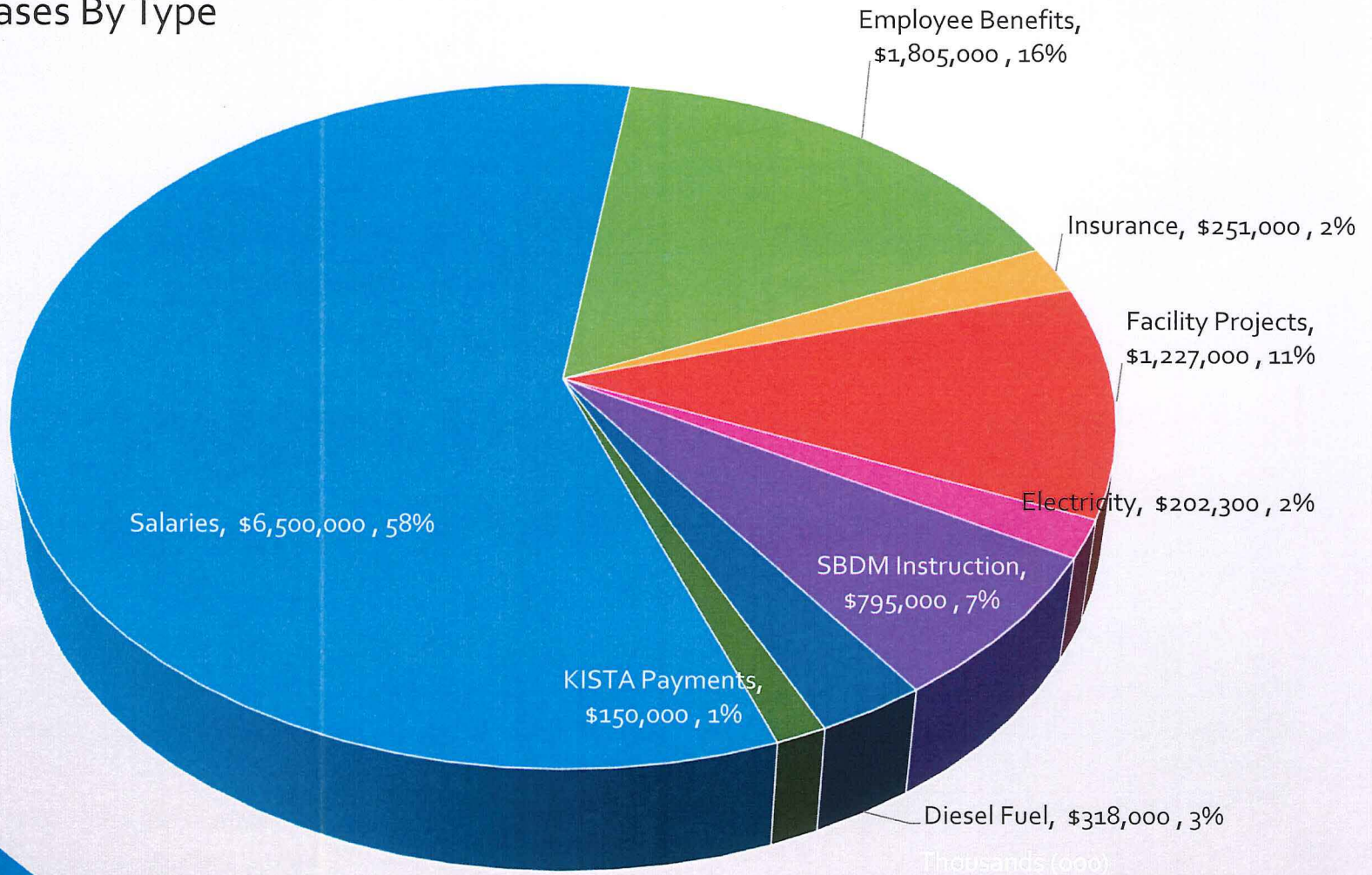
Thousands (ooo)	2022		2023 Projected	
Local Taxes	\$ 60,013	48.4%	\$ 59,650	45.8%
SEEK	40,310	32.5%	41,536	31.8%
Capital Outlay Transfer	1,227	0.9%	1,327	1.0%
Other State & Federal	2,054	1.7%	1,906	1.4%
Other Local	1,446	1.1%	1,302	1.0%
Carryover Funds	19,029	15.4%	24,745	19.0%
Total Revenue	124,079	100%	130,466	100%

General Fund Expenses

Thousands (ooo)	2022		2023 Projected	
Salaries & Benefits	\$ 82,675	82.1%	\$ 90,980	80.2%
Other Operating Expenses	18,033	17.9%	22,467	19.8%
Total Expenses	100,708	100%	113,447	100%
Change in Carryover Funds	4,356	4.4%	(5,416)	(4.8%)
Unrestricted Carryover Funds – End of Year	22,435	22.3%	17,019	15.0%

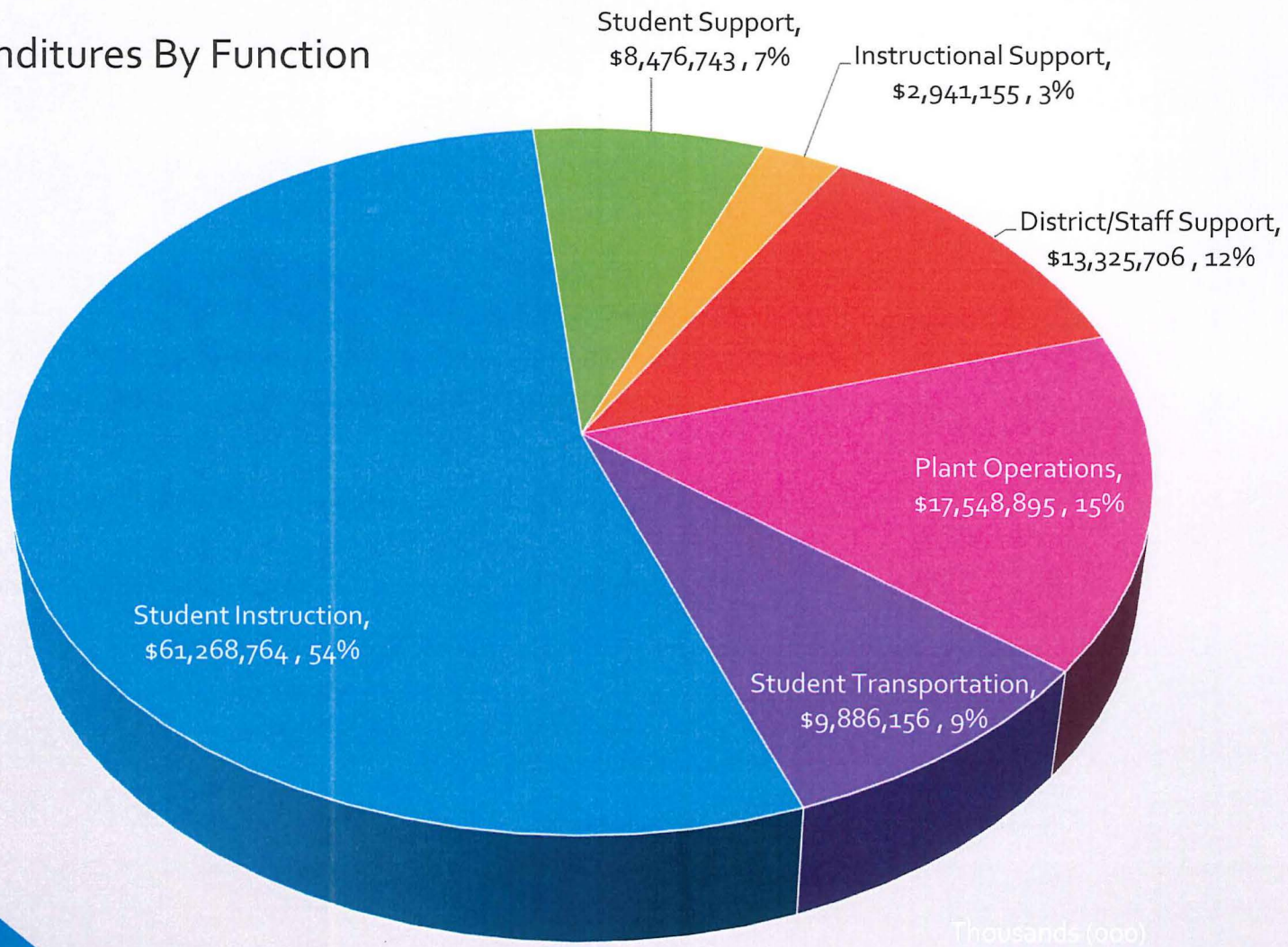
2023 General Fund Expenditure Increases

Increases By Type



2023 General Fund Expenditures

Expenditures By Function



District Goals

Transition Readiness Rate 100%

Attendance Rate 96.25%



CBAS Pillars

Student Learning and Progress

- Ensure academic success for all students so that every student reaches his/her maximum learning potential

Student Readiness

- Ensure all students are prepared with the knowledge, skills and dispositions to be transition ready

Engaged, Well-Rounded Students

- Engage students in a way that contributes to their overall development and future wellbeing

Community Engagement and Partnerships

- Ensure all stakeholders in the community have the opportunity to meaningfully engage and support all schools in the KCSD

Professional Learning/Quality Staff

- Ensure that every student has quality teachers and adults that promote the learning and well-being of students

Fiscal and Operational Systems

- Ensure the district is financially responsible/efficient and using its resources to further the district mission

Safety and Well-Being

- Ensure students are educated in an optimal environment that is safe, secure, and conducive to learning. This includes both physical safety as well as the social/emotional needs of each student

Recommendation

- Approve Real Estate Tax Rate of 66.6 cents per \$100 for 2022-23
- Approve Personal Property Tax Rate of 67.2 cents per \$100 for 2022-23
- Approve existing Motor Vehicle Rate of 63.5 cents per \$100 for 2022-23
- Approve existing Utility Tax Rate of 3% for 2022-23