



Fayette County Public Schools

Executive Summary Fayette County Public Schools Board Meeting Agenda Item

MEETING: Regular

DATE: 8/28/2023

TOPIC: Adoption and Levy of Tax Rates

PREPARED BY: Dr. Houston Barber, Rodney Jackson and Rebecca Riley

Recommended Action on: 8/28/2023

Action Item for Vote (REGULAR MEETING)

Superintendent Prior Approval: Yes

Recommendation/Motion: A motion is in order: "That the Board of Education for 2023-2024 levies a total tax rate of 81.0 cents (real estate) and 83.3 cents (personal property) per \$100 assessed valuation and a total motor vehicles property rate of 59.2 cents per \$100 assessed valuation, all for the good of the common schools, in preparation of the Working Budget for School Year 2023-2024

Background/Rationale: On July 27, 2023, the District received from the Department of Property Taxation and Department of Education certified net assessment growth and tax rates calculated as provided in KRS 134.590(7), 157.440, 160.470 and 160.463 for the 2023-2024 school year. The current rate is 83.3 cents per \$100 for real estate and 83.3 cents per \$100 for personal property. KRS 160.470 provides the process by which a local board of education annually adopts property tax rates. As a result of a question about the process from a district, KDE recently conducted a review of the statutory requirements. The review determined that the statute permits a local board of education to adopt a tax rate up to and including the 4% tax rate without advertising or holding a public hearing. In the past, KDE provided guidance that a board was required to advertise and hold a hearing if they exceeded the compensating rate. Exonerations may be included in the property tax adoption but will not trigger any additional advertising or hearing requirements. KRS 132.0225 provides that, unless the local board is adopting a tax rate, excluding exonerations, above 4%, they must adopt a property tax rate within 45 calendar days of the Department of Revenue's property certification for the school district. If this requirement is not met, the compensating tax rate will be applied to that year's tax bills. Staff recommends that the Board approve a rate to be applied for the 2023-2024 school fiscal year. The following are the certified tax rates per \$100 assessed valuation, which may be levied for 2023-2024

Strategic Priority:

- Student Achievement Diversity, Equity, Inclusion & Belonging
- Highly Effective & Culturally Responsive Workforce
- Stakeholder Engagement & Outreach Organizational Health & Efficiency

Data Considerations: Available resources to meet the District's mission

Policy: KRS 160.470

Fiscal Impact:

<u>Item</u>	<u>Amount</u>	<u>Funding Source</u>	<u>Recurring/ Nonrecurring</u>	<u>Measurable Expected Impact and Timeline</u>
<u>Real and Personal Property</u>	\$308,209,903.61_	Property Owners of Fayette County	Recurring	Continue to provide quality education to all children and address facilities needs

Attachments(s): Tax Rate Guidance