



Issue Paper

DATE:

August 19, 2024

AGENDA ITEM (ACTION ITEM):

Consider/Approve: 2024-25 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 2024-25 fiscal year. Property values have increased resulting in a reduction of 2.4 cents from the previous year rates for Real and Personal Property. The proposed rate of 63.5 cents per hundred reflects this adjustment.

FISCAL/BUDGETARY IMPACT:

\$ 2,236,600 General Fund revenue and \$ 1,493,262 Building Fund revenue

RECOMMENDATION:

Approval of proposed 4% tax rate of 63.5 cents per \$100.00 valuation on Real Property, 63.5 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 2024-25.

CONTACT PERSON:

Susan Bentle, Exec. Director Finance

Principal

Susan Bentle

District Administrator

[Signature]

Superintendent



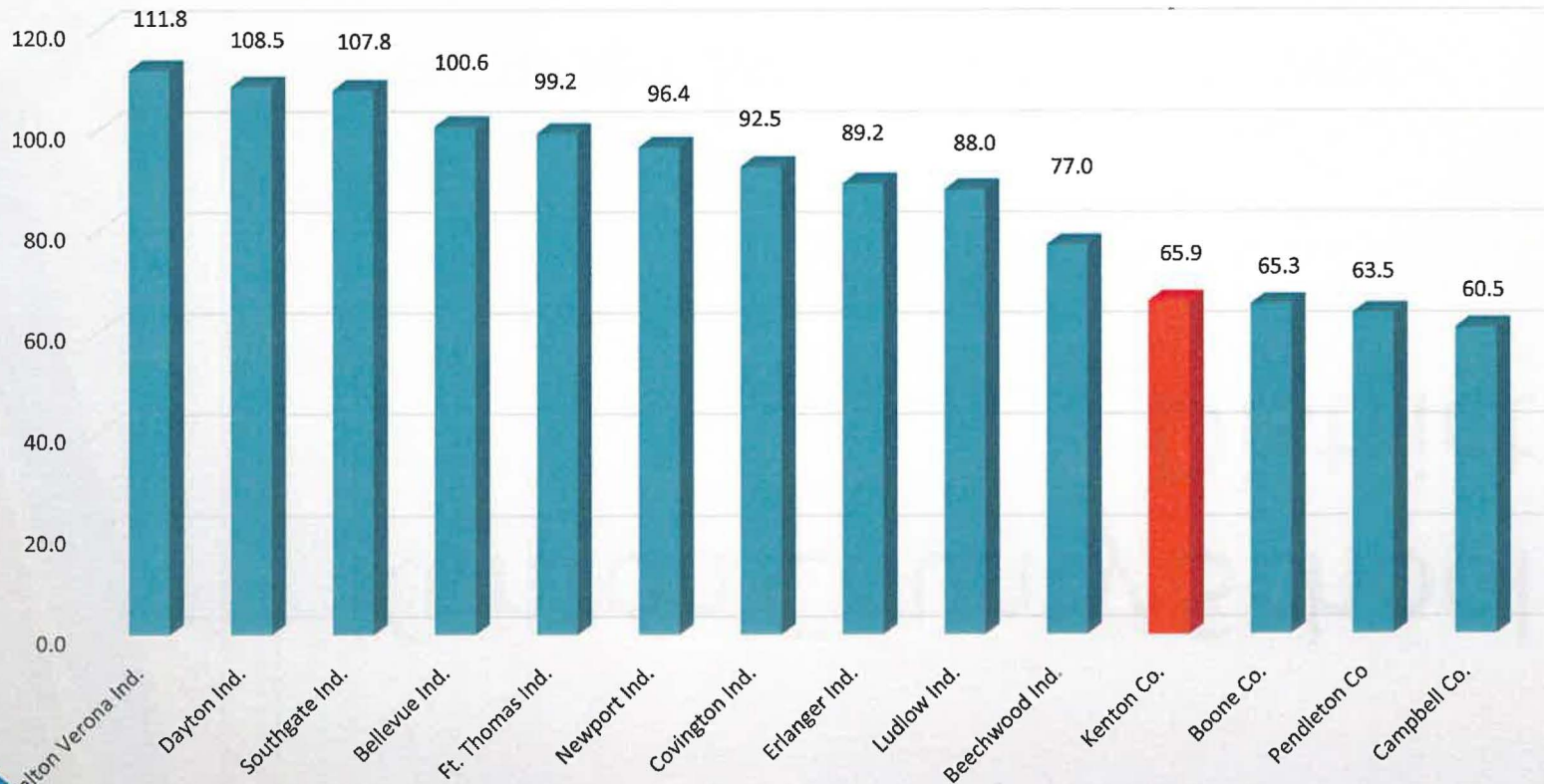
Kenton County School District

Proposed Tax Rate for 2024-25

August 19, 2024

Northern KY School District Tax Rates 2023-24

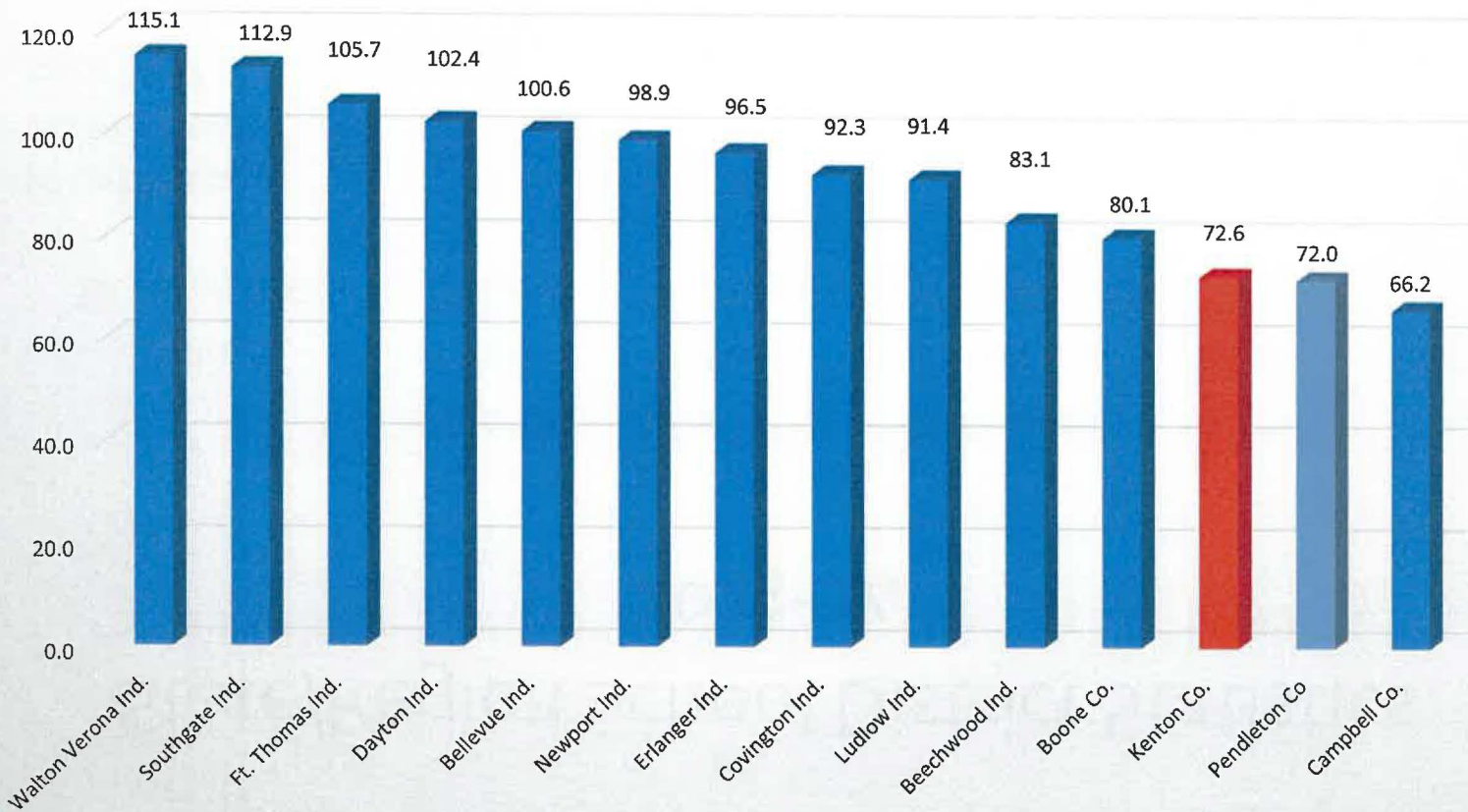
Real Estate



Northern KY School District Tax

2023-24

Levied Equivalent



State/Region School District Statistics 2023-24

District	Total Real Estate Rate	Motor Vehicle Rate	Levied Equivalent Rate	Average Certified Salary Schedule	Total # of Districts
291 Kenton County	65.9 Cents	63.5 Cents	72.6 Cents		
Rank in NKY Region	11	9	12	1	14
Rank in Top 10 Districts	6	2	7	3	10
Rank in State of KY	71	21	83	4	171

Kenton County School District

Property Tax Rate History

	Property Assessed		Rate	Rate	Coresponding SEEK Adjustment
	Value	Value Change	Category	Adopted	Local Effort
2024/25	12,143,257,612	1,025,624,288			(2,986,526)
		9.2%			
2023/24	11,117,633,324	922,716,545	4% Rate	65.9	(2,768,150)
		9.1%			
2022/23	10,194,916,779	591,687,359	4% Rate	66.6	(1,775,062)
		6.2%			
2021/22	9,603,229,420	582,125,724	4% Rate	67.1	(1,768,363)
		6.5%			
2020/21	9,021,103,696	513,135,297	4% Rate	67.1	(1,041,063)
		6.0%			
2019/20	8,507,968,399	315,374,969	4% Rate	67.2	(1,057,640)
2018/19	8,192,593,430	64,848,318	4% Rate	65.9	(632,769)
2017/18	8,127,745,112	145,167,586	4% Rate	63.8	(694,522)
2016/17	7,982,577,526	193,798,967	4% Rate	62.1	(679,370)
2015/16	7,788,778,559	146,505,972	4% Rate	60.9	(602,244)
2014/15	7,642,272,587	118,389,540	3% Rate	59.1	(338,586)
2013/14	7,524,183,047	54,737,947	4% Rate	57.7	(140,927)

Kenton County School District

2024-25 Tax Rate Alternatives

	Current 2023-24 Rate & Taxes	Compensating Rate	3% Over Comp Rate	4% Over Comp Rate
	65.9 cents	61.1 cents	63 cents	63.5 cents
Total RE Property Assessment	\$ 11,117,633,324	\$ 12,143,257,612	\$ 12,143,257,612	\$ 12,143,257,612
Total Tax To Be Collected	\$ 71,081,012	\$ 71,983,384	\$ 74,221,820	\$ 74,810,882
Total Tax Rev Increase (Net)		\$ 902,372	\$ 3,140,808	\$ 3,729,870
Gen Fund Tax Revenue Increase		(590,890)	1,647,546	2,236,608
Building Fund Tax Rev Increase		1,493,262	1,493,262	1,493,262
SEEK Reduction (30 cent Local Effort)		(2,986,526)	(2,986,526)	(2,986,526)
General Fund Prop Tax Revenue	\$ 52,600,067	\$ 52,009,177	\$ 54,247,613	\$ 54,836,675
Building Fund Tax Revenue	\$ 18,480,945	\$ 19,974,207	\$ 19,974,207	\$ 19,974,207
General Fund SEEK Revenue (+126.00 PP)	37,764,507	41,318,715	41,318,715	41,318,715
Net Rev (Reduction)/Increase from RE Taxes		\$ (590,890)	\$ 1,647,546	\$ 2,236,608
Net Rev (Reduction)/Increase from SEEK		\$ 3,554,208	\$ 3,554,208	\$ 3,554,208
Net Rev (Reduction)/Increase Gen Fund		\$ 2,963,318	\$ 5,201,754	\$ 5,790,816
Taxpayer Annual Effect:				
on \$250,000 home		\$ (120.00)	\$ (72.50)	\$ (60.00)
on \$300,000 home		\$ (144.00)	\$ (87.00)	\$ (72.00)
on \$350,000 home		\$ (168.00)	\$ (101.50)	\$ (84.00)
on \$400,000 home		\$ (192.00)	\$ (116.00)	\$ (96.00)
on \$500,000 home		\$ (240.00)	\$ (145.00)	\$ (120.00)
on \$600,000 home		\$ (288.00)	\$ (174.00)	\$ (144.00)

New Property Assessment Relief Funds

- 2024 Legislative Session
- Incentive for districts to recover some of the 30 cent local effort SEEK reduction
- KDE will calculate in Spring, 2025 and award if state SEEK funds have not been fully expended

- **2024-2025 Qualification Requirements (must met all four (4))**
 - ✓ Must qualify for KRS 157.360(17) in FY24 (4% Adjusted Growth SEEK Final 2023-24) **KCSD Qualified**
 - ✓ Must qualify for KRS 157.360(17) in FY25 (4% Adjusted Growth SEEK Final 2024-25) **KCSD Qualified**
 - ✓ Excess of 14.4% Growth in Real Property from FY23 to FY25 **KCSD Qualified**
 - District must levy a tax rate of 4% or greater in FY25

Kenton County School District Tax Rates

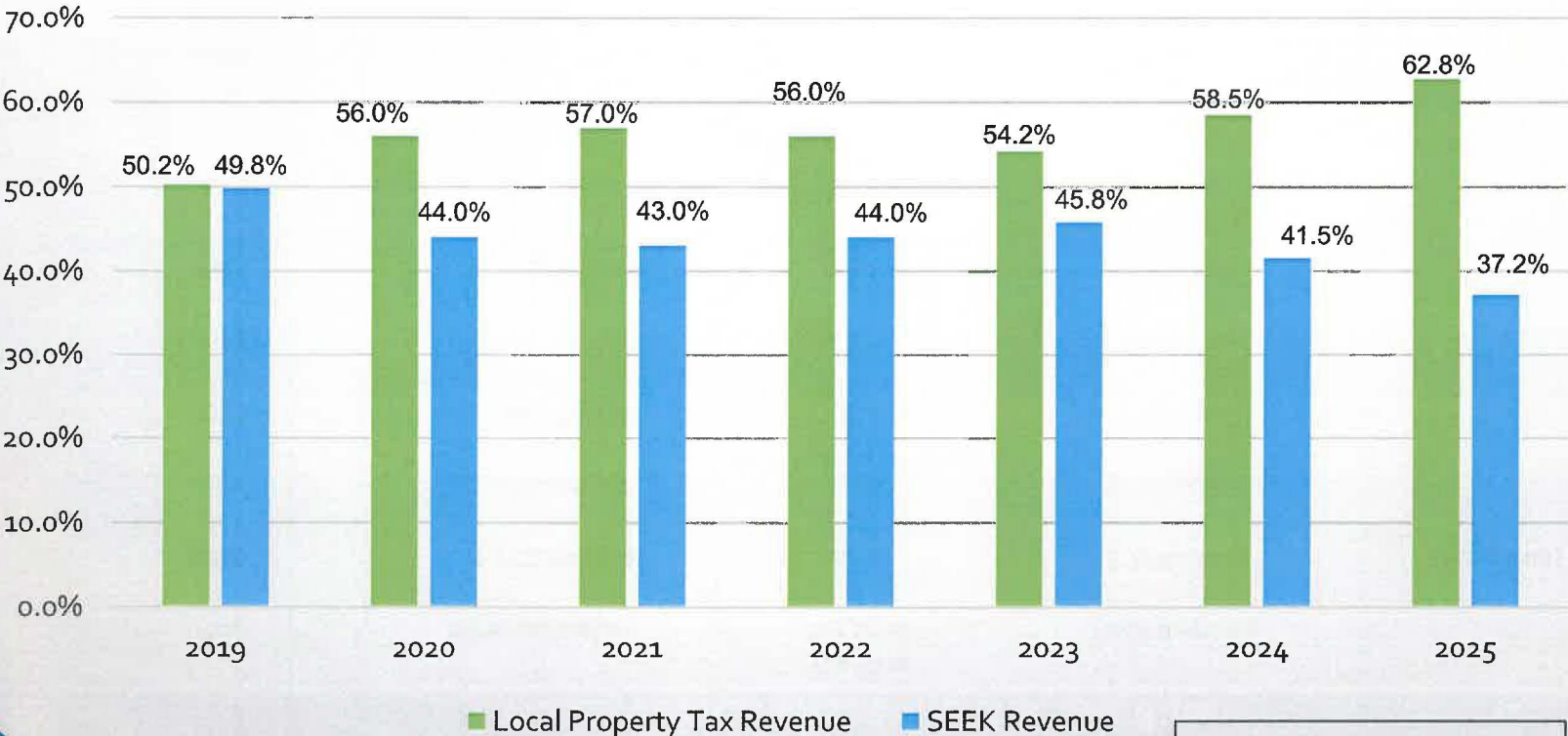
Fiscal Year	Real Estate Assessed Value	Real Property Rate Per \$100	School Property Tax on Residence Valued at				
			\$250,000	\$300,000	\$350,000	\$400,000	\$500,000
2024-25	12,143,257,612	63.5 cents	\$1,587	\$1,905	\$2,222	\$2,540	\$3,175
2023-24	11,117,633,324	65.9 cents	\$1,648	\$1,977	\$2,306	\$2,636	\$3,295
2022-23	10,194,916,779	66.6 cents	\$1,665	\$1,998	\$2,331	\$2,664	\$3,330
2021-22	9,603,229,420	67.1 cents	\$1,678	\$2,014	\$2,350	\$2,684	\$3,355
2020-21	9,021,103,696	67.1 cents	\$1,678	\$2,014	\$2,350	\$2,684	\$3,355
2019-20	8,507,968,399	67.2 Cents	\$1,680	\$2,016	\$2,352	\$2,686	\$3,360
2018-19	8,192,593,430	65.9 Cents	\$1,648	\$1,977	\$2,306	\$2,636	\$3,295
2017-18	8,127,745,112	63.8 Cents	\$1,595	\$1,914	\$2,233	\$2,552	\$3,190

Kenton County School District Tax Rates

Motor Vehicle Assessment & Tax Rate				
Year	Assessed Value	Tax Rate Per \$100	Total Revenue	
2025	1,172,880,435	63.5	\$ 7,500,000	(Projected)
2024	1,202,995,986	63.5	\$ 7,913,000	
2023	980,668,397	63.5	7,870,555	
2022	880,722,231	63.5	6,857,330	
2021	873,393,568	63.5	6,296,786	
Utility Tax Rate				
Year		Tax Rate	Total Revenue	
2025		3 %	\$ 7,000,000	(Projected)
2024		3 %	\$ 6,969,000	
2023		3 %	6,584,657	
2022		3 %	5,913,104	
2021		3 %	5,887,000	

SEEK VS LOCAL PROPERTY TAX REVENUE

General Fund Revenue History



**SEEK INCREASE \$126
Per Pupil 2025**

General Fund Revenue

Thousands (000)	2024 Unaudited AFR		2025 Budget Projection	
Local Taxes	\$ 68,039	46.6%	\$ 69,694	45.4%
SEEK	37,764	25.9%	41,318	26.9%
Capital Outlay Transfer	1,294	1.0%	1,293	1.0%
Other State & Federal	1,603	1.0%	1,100	0.7%
Other Local	5,114	3.5%	3,115	2.0%
Carryover Funds	32,030	22.0%	37,000	24.0%
Total Revenue	145,844	100%	153,520	100%

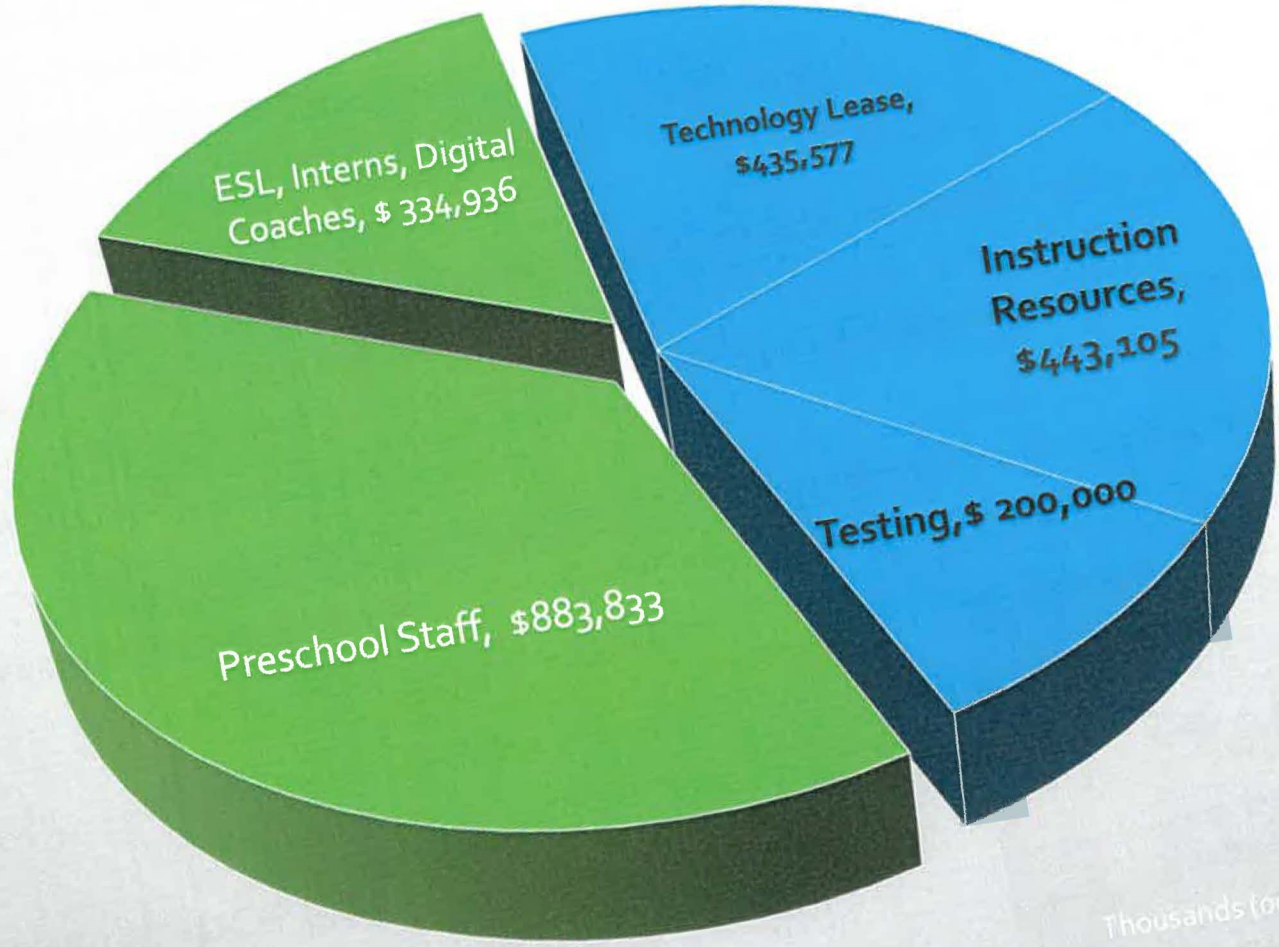
Estimated amounts as of Aug. 13, 2024

General Fund Expenses

Thousands (ooo)	2024 Unaudited AFR		2025 Budget Projection	
Salaries & Benefits <i>(5% Raise + Step + Preschool)</i>	\$ 89,432	82.9%	\$ 99,598	81.3%
Other Operating Expenses <i>(Utilities, Instruction, Insurance)</i>	18,411	17.1%	22,904	18.7%
Total Expenses	107,843	100%	122,502	100%
Change in Carryover Funds	5,971	5.5%	(5,982)	(4.8%)
Unrestricted Carryover Funds – End of Year	37,000	34.3%	31,018	25.3%

Estimated amounts as of Aug. 13, 2024

2025 & 2026 General Fund Expenditures from Expiring Grants



Thousands (000)

District Goals

Transition Readiness Rate 100%

Attendance Rate 96.25%



CBAS Pillars

Student Learning and Progress

- Ensure academic success and growth for all students so that every student reaches their maximum learning potential

Student Readiness

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

Student, Family and Community Engagement

- Ensure engagement of students, families and the community in ways that contribute to the overall growth and success of all stakeholders

World Class Staff

- Ensure recruitment, retention and support of high quality staff

Fiscal and Operational Systems

- Ensure the district is financially responsible and utilizes 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 63.5 cents per \$100 for 2024-25
- Approve Personal Property Tax Rate of 63.5 cents per \$100 for 2024-25
- Approve existing Motor Vehicle Rate of 63.5 cents per \$100 for 2024-25
- Approve existing Utility Tax Rate of 3% for 2024-25