**SUPERINTENDENT REPORT**

**September 19, 2024**

**OLDHAM COUNTY BOARD OF EDUCATION**

**CONCERN**

Consider a report on adopting tax rates for FY25 (July 1, 2024 – June 30, 2025)

**DISCUSSION**

On July 26, 2024, the Oldham County School District received its property tax certification and notification of available tax rates (per $100 of assessed value) from the Kentucky Department of Education. Available tax rates (per $100 of assessed value) are as follows:

|  |  |  |
| --- | --- | --- |
|   | **Real Estate** | **Personal Property** |
| Without Exonerations  | With Exonerations | Without Exonerations  | With Exonerations |
| 1) Compensating  | 76.5 | 76.7 | 76.5 | 76.7 |
| 2) Subsection (1)  | 81.6 | 81.8 | 81.6 | 81.8 |
| 3) 4% | 79.5 | 79.7 | 79.5 | 79.7 |
| 4) Tier I (HB 940)  | 67.5 | 67.7 | 67.5 | 67.7 |

The District’s current Real and Tangible Personal Property tax rates are 81.2. This rate consists of the following allocation:

 General Fund 58.4

 Building Fund 22.8

In addition to the Real and Tangible Personal Property tax rates, the Board must also adopt a tax rate for Motor Vehicles and Utilities, whose revenues are recorded in the General Fund. The District’s current rates for such taxes are as follows:

 Motor Vehicle 64.3 cents per $100 in assessed value

 Utilities 3.0%

After analysis of the available rates and anticipated increases in budgeted expenditures for salaries/benefits and inflation, adopting the same tax rate of 81.2 is recommended for both real and personal property. Additionally, it is recommended that the current tax rate of 64.3 cents for motor vehicles and the 3% for utilities remain unchanged. No increase in tax rates is recommended.

As outlined in the advertisements in the Oldham Era, the proposed tax rate is expected to generate tax of $7,610,455 above 2024 revenue. The general areas to which the revenue increase would be allocated are as follows:

1. $114,157 for cost of collections
2. $1,532,629 to the Building Fund
3. $5,963,669 for salary increases and related fringe benefit costs

**RECOMMENDATION**

Take this report under advisement. The board will be asked to vote after a public hearing.