Fayette County
Public Schools

Fayette County Board of Education Meeting
Agenda Item Executive Summary

MEETING: Regular **DATE:** Aug 17, 2026

TOPIC: Intention to Adopt and Levy Tax Rates

PREPARED BY: Kyna Koch and Amy Smith

Recommended Action on: 9/10/2026
Action Item for Vote (REGULAR MEETING)

Superintendent Prior Approval: Yes

Recommendation/Motion: A motion is in order: "That the Board of Education for 2026-27 intends to levy a total tax rate of 79.7 cents (real estate) and 81.1 cents (personal property) per $100 assessed valuation and a total motor vehicle property tax rate of 59.2 cents per $100 assessed valuation, in preparation for the Working Budget for school year 2026-27.

Background/Rationale: The District received net assessment growth and tax rates from the Department of Property Taxation and Department of Education, as calculated under KRS 134.590(7), 147.440, 160.470 and 160.463 for the 2026-27 school year. The current rates are 79.8 cents per $100 for real estate and 83.0 cents per $100 for personal property. KRS 160.470 outlines the annual process by which local boards of education adopt property taxes. Additionally, under KRS 132.0225, unless a board adopts a rate exceeding the 4% threshold (excluding exonerations), it must adopt its property rate within 45 calendar days of receiving the Department of Revenue's property assessment certification. It is important to note that the Tentative Budget, previously approved by the Board, was developed under the assumption that the 4% rate would be adopted for the FY 2026-27 fiscal year. The following table lists the certified tax rates per $100 assessed valuation, which may be levied for FY 2026-27. The administration recommends adopting the 4% rate which is a decrease from prior year.

	Compensating Rate 2026-27	Subsection 1 Rate 2026-27	4% Rate 2026-27	Levied Rate 2025-26
Real Estate	76.7	90.5	79.7	79.8
Personal Property	78.0	90.5	81.1	83.0
Projected Revenue	$348,448,782	$410,638,943	$362,093,939	$340,212,439
Budget at 98% Collection	$341,479,806	$402,426,165	$354,852,060	N/A

Tax rate for Motor Vehicle: 59.2 cents (unchanged from 2025-26)

Again, the Tentative Budget approved in May is predicated on an increase in property tax revenue. This assumption was made in consideration of inflation and the many unmet needs recognized at the time. Staff recommends levying a rate appropriate to generate revenue for the 2026-27 fiscal year.

Strategic Priority:

- ☐ Student Achievement
- ☐ Unity, Belonging & Student Efficacy
- ☐ Highly Effective, Culturally Responsive Workforce
- ☐ Outreach & Engagement
- ☑ Organizational Health & Effectiveness

Data Considerations: 2026-27 Tentative Budget; Tax Certifications
Policy: 01.11 General Powers and Duties of the Board; 04.1 Budget Planning and Adoption
Fiscal Impact: Real and Personal Property Taxes

Attachments(s): Kentucky Department of Education Reports 1-4