

Tax Hearing

Bath County Board of Education

Oct 2, 2020 5pm

What tax rate is proposed for Bath County?

▶ **Compensating**

- ▶ Proposed tax rates of 49.3 cents (per \$100 of assessed value, including exonerations) on real property and 49.3 cents on personal property, which would generate **\$239,561.50 more revenue**

▶ **4%**

- ▶ Proposed tax rates of 51.2 cents (per \$100 of assessed value, including exonerations) on real and personal property, which would generate **\$343,172.48 more revenue**

▶ **Same rates as last year**

- ▶ Proposed tax rates of 52.6 cents (per \$100 of assessed value) on real and personal property which would generate **\$419,516.45 more revenue**

What will keeping the same tax rate option mean for Bath County property owners?

- ▶ Tax bills depend, of course, on the value of a particular property. At the proposed real property tax rate of 52.6 cents:
 - ▶ The owner of a **\$25,000.00** property would pay \$131.50, **no change** from last year's \$131.50.
 - ▶ The owner of a **\$50,000.00** property would pay \$263.00, **no change** from last year's \$263.00.
 - ▶ The change in amount paid would only be increased if their individual property value increased. For example, if a property owner's tax assessment went from \$50,000 to \$75,000, the tax bill would show the same rates, but increase \$131.50 for the year.

How do Bath County tax rates compare to other districts?

- ▶ In 2019, Bath County Schools were ranked 43rd of 171 KY school districts – one of the lowest school tax rates in the region
- ▶ Total real property rates of districts in the surrounding counties range from:
 - ▶ 56.6 at Rowan County Schools
 - ▶ 63.7 at Clark County Schools
 - ▶ 52.3 at Montgomery County Schools
 - ▶ 53.4 at Menifee County Schools
 - ▶ 62.3 at Morgan County Schools
 - ▶ 60.6 at Bourbon County Schools
 - ▶ 52.6 at Bath County Schools

Bath County Tax Info

- ▶ Approximately 7,000 property tax bills mailed each year
- ▶ Population estimate for 2018: 12,383

Historical Tax Rates – Bath County

- ▶ 2010-11 ~ 37.2 ~ House Bill (Lowest)
- ▶ 2011-12 ~ 36.7 ~ Compensating
- ▶ 2012-13 ~ 36.8 ~ Compensating
- ▶ 2013-14 ~ 44 ~ 4%
- ▶ 2014-15 ~ 44.2 ~ Compensating
- ▶ 2015-16 ~ 44.8 ~ Compensating
- ▶ 2016-17 ~ 44.8 ~ Same as last year
- ▶ 2017-18 ~ 47.2 ~ 4%
- ▶ 2018-19 ~ 52.6 ~ 4%
- ▶ 2019-20 ~ 52.6 ~ Same as last year
- ▶ 2020-21 (Proposed) ~ 52.6 ~ Same as last year

Historical Assessments– Bath County

▶ Property Assessments

- ▶ 2010-11 - \$391,062,832
- ▶ 2011-12 - \$402,007,010
- ▶ 2012-13 - \$403,681,188
- ▶ 2013-14 - \$418,032,179
- ▶ 2014-15 - \$424,602,437
- ▶ 2015-16 - \$438,360,816
- ▶ 2016-17 - \$490,963,849
- ▶ 2017-18 - \$514,367,628
- ▶ 2018-19 - \$544,469,451
- ▶ 2019-20 - \$554,563,811
- ▶ 2020-21 - \$621,783,914

How will the tax option benefit the schools and community?

- ▶ Will generate **\$419,516.45** increased revenue from 2019 revenue amounts
 - ▶ Taking the 4% tax option increased revenue from 2017 to 2018 by \$52,252.46
 - ▶ Taking the 4% tax option increased revenue from 2018 to 2019 by \$234,449.48
 - ▶ Taking the 4% tax option increased revenue from 2019 to 2020 by \$169,969.59
 - ▶ The difference for this year is due to the jump in assessment values for the county
- ▶ The increased revenue is important to keep our revenues stable due to SEEK funding decrease from the state when we have a property assessment increase

How will the tax option benefit the schools and community?

- ▶ The recurring decreases to our enrollment/attendance along with higher property assessment values have really impacted our state funding over the past few years as shown below:
 - ▶ 2015-16: \$9,746,124 ~ ADA 1873
 - ▶ 2016-17: \$9,451,038 ~ ADA 1864
 - ▶ 2017-18: \$9,258,312 ~ ADA 1826
 - ▶ 2018-19: \$9,152,264 ~ ADA 1779
 - ▶ 2019-20: \$8,693,369 ~ ADA 1722
 - ▶ 2020-21 tentative: \$8,493,586 ~ ADA 1722
 - ▶ This is a decrease of over **\$1,252,538.00 seek revenue** from 2015-16, and a decrease of over 151 in ADA

General Fund Background

- ▶ Bath County is able to provide services that most other districts do not provide such as:
 - ▶ Trip funding for up to 150 miles round-trip and full driver/fringe costs
 - ▶ Lower staffing allocations than most surrounding districts
 - ▶ Competitive pay scale/stipend scale

General Fund Background

- ▶ Excess funding for general fund in the following areas:
 - ▶ Technology: \$90,000
 - ▶ Testing: \$44,100
 - ▶ Athletics: \$13,500
 - ▶ Band: \$15,000
 - ▶ Textbooks: \$71,500
 - ▶ PD: \$46,000
 - ▶ SRO: \$100,000
 - ▶ Gifted & Talented Matching: \$54,000
 - ▶ Prom & After-Prom: \$2,000
 - ▶ CCR: \$4,000
 - ▶ Many More

Tax Increase Goals

- ▶ In order to keep all the services that we currently have in place, we will need to keep our revenue from recurrently decreasing.
- ▶ Keeping lower staffing allocations (by adding additional positions back) will be impossible without the proper funding
- ▶ The extra tax revenue this year will go directly toward instructional resources therefore directly impacting the students
- ▶ In the future, taking another state-matching nickel will also be important in order to keep our facilities up to date and look to renovate our middle school and high school HVAC systems as well as renovated/building a new middle school

Learn More

- ▶ More information about Kentucky school taxes is available at <https://education.ky.gov/districts/SEEK/Pages/Taxes.aspx>
- ▶ Contact Brittany Combs at Brittany.combs@bath.kyschools.us
- ▶ Contact Chay Ritter at Chay.ritter@education.ky.gov