

City of Basehor 2023 Revenue Neutral Rate and Budget



**August 24, 2022
City Council Regular
Meeting**

2023 Budget Timeline

April 8, 2022- Governing Body Retreat



May 25, 2022- Presentation to Governing Body in Work Session



June 15, 2022- Presentation to Governing Body in Work Session



June 22, 2022- Intent to Exceed Revenue Neutral Rate Presentation



July 13, 2022- Presentation to Governing Body in Work Session



August 10, 2022- Presentation to Governing Body in Work Session



August 24, 2022- Budget Public Hearings (2)



The City of Basehor

2023 Budget Priorities

Basehor is...
a desirable place
to work and
grow a business.



Basehor is...
a place where we
take pride in our
community and its
safety.



Basehor is...
continuing to
promote fiscal
transparency
and stewardship.



Basehor is...
proposing
no tax rate
increase.



Basehor is...
advancing
trails and
parks projects.



Basehor is...
improving,
modernizing, and
maintaining
roads.

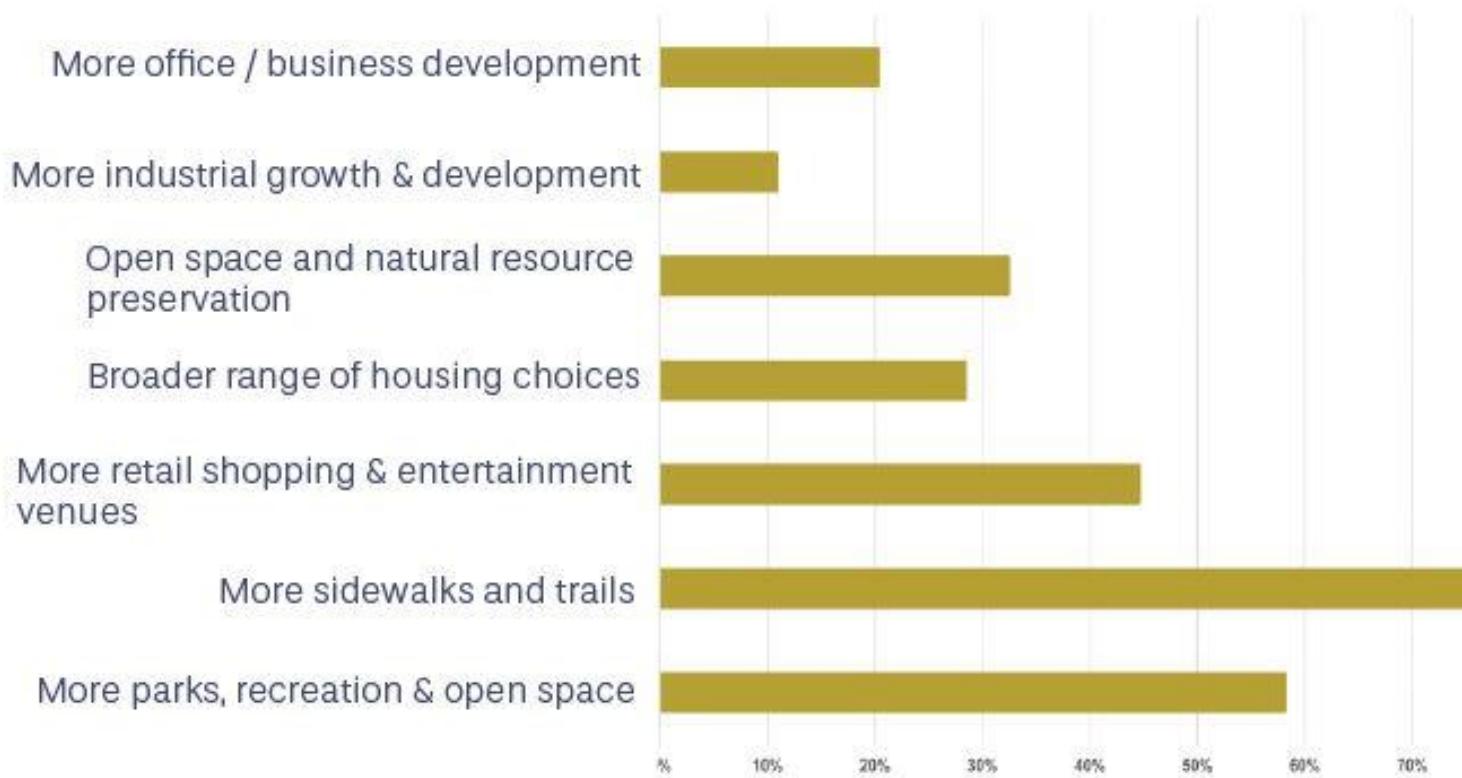


You spoke. We listened.

Priorities established are in line with results of 2019 ETC Citizen Survey

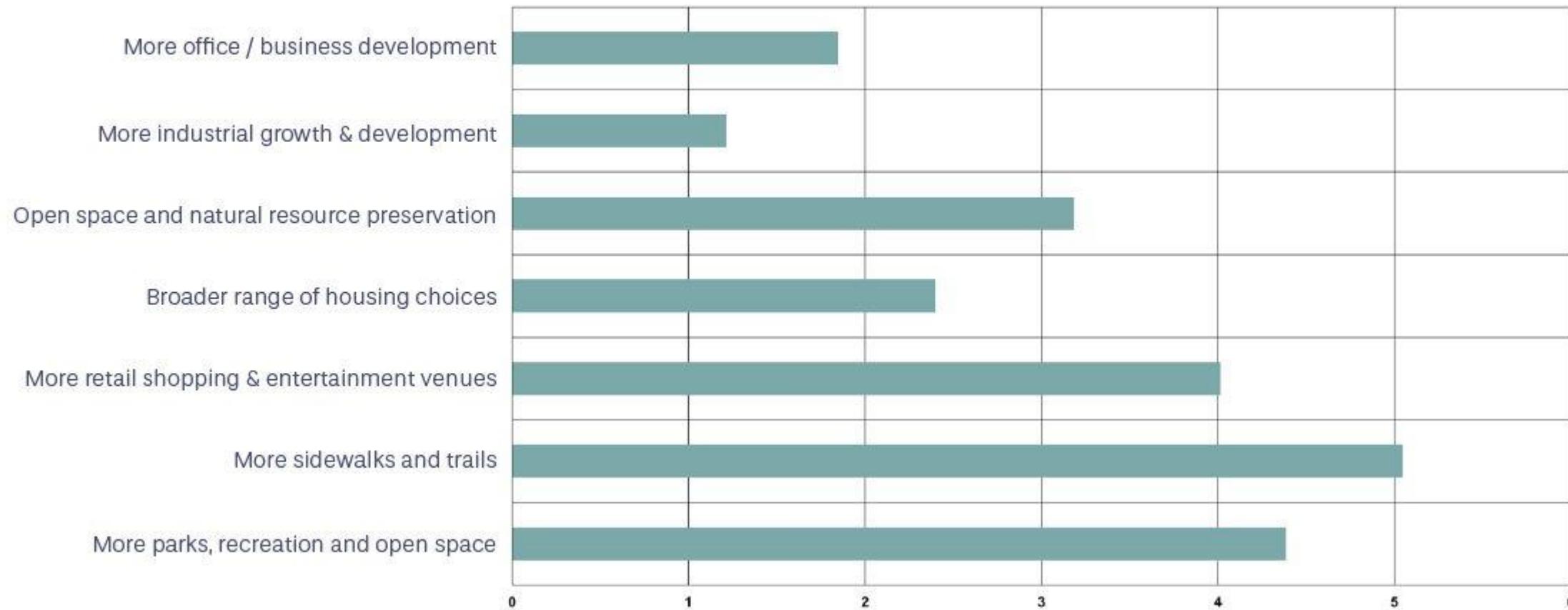
Community Engagement – Comprehensive Plan Results

4. Basehor needs more of the following:



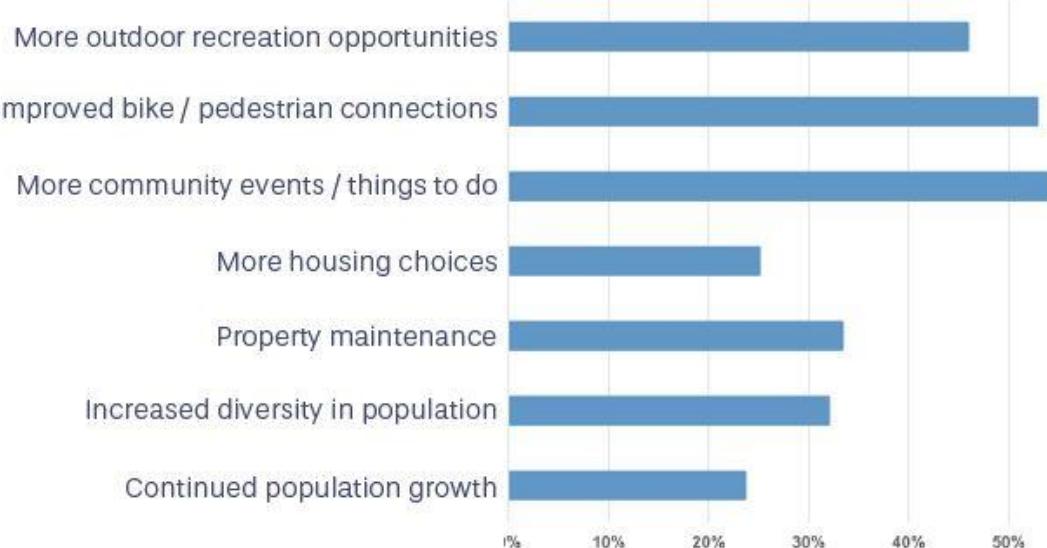
Community Engagement – Comprehensive Plan Results

5. Please rank the items in terms of need and priority:

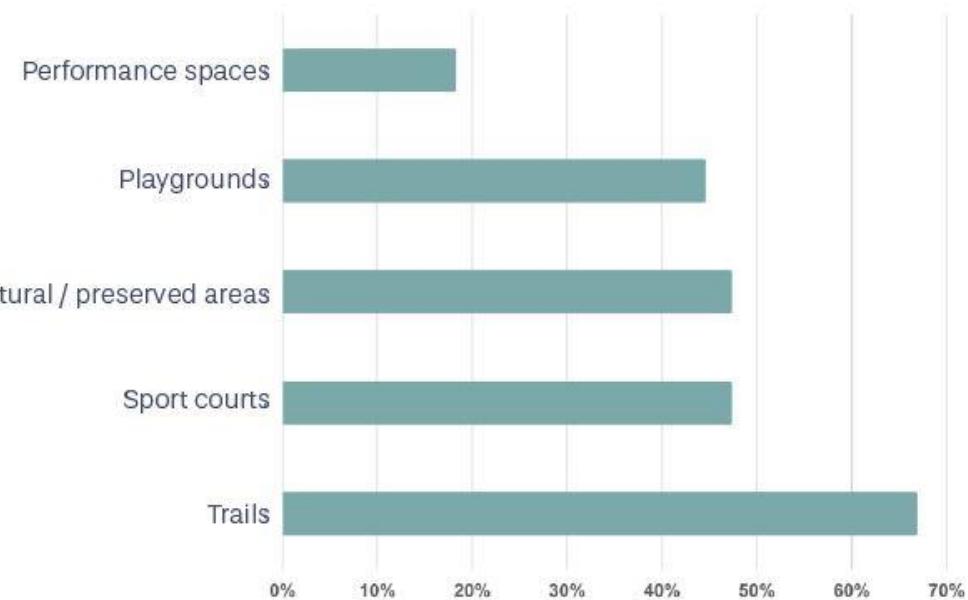


Community Engagement – Comprehensive Plan Results

8. Please indicate the changes you think would improve the quality of life in Bashor



10. The City of Basehor needs more of the following recreational amenities



Tax Terminology



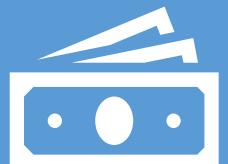
Ad Valorem Tax = Property Tax



Mill Rate = Property Tax Rate



1 mill generates \$111,100 of City tax levy,
given \$111.1M assessed value



Tax Levy = Revenue generated by applying
mill rate to assessed value

How are property taxes calculated on a house?



The Leavenworth County Appraiser's Office assigns an appraised value to all homes in Basehor.

Appraised Value \times Assessment Percentage = Assessed Value



Assessed Value \times Mill Rate \div 1,000 =

City Portion of Tax Bill

The Mill Rate is the only portion of the tax calculation equation that the City controls.

How are property taxes calculated on a house?



The Leavenworth County Appraiser's Office assigns an appraised value to all homes in Basehor.

$$\$325,000 \times 11.5\% = \$37,375$$



$$\$37,375 \times 33.868 \div 1,000 = \$1,266$$

The Mill Rate is the only portion of the tax calculation equation that the City controls.

Breaking Down the Mill Rate

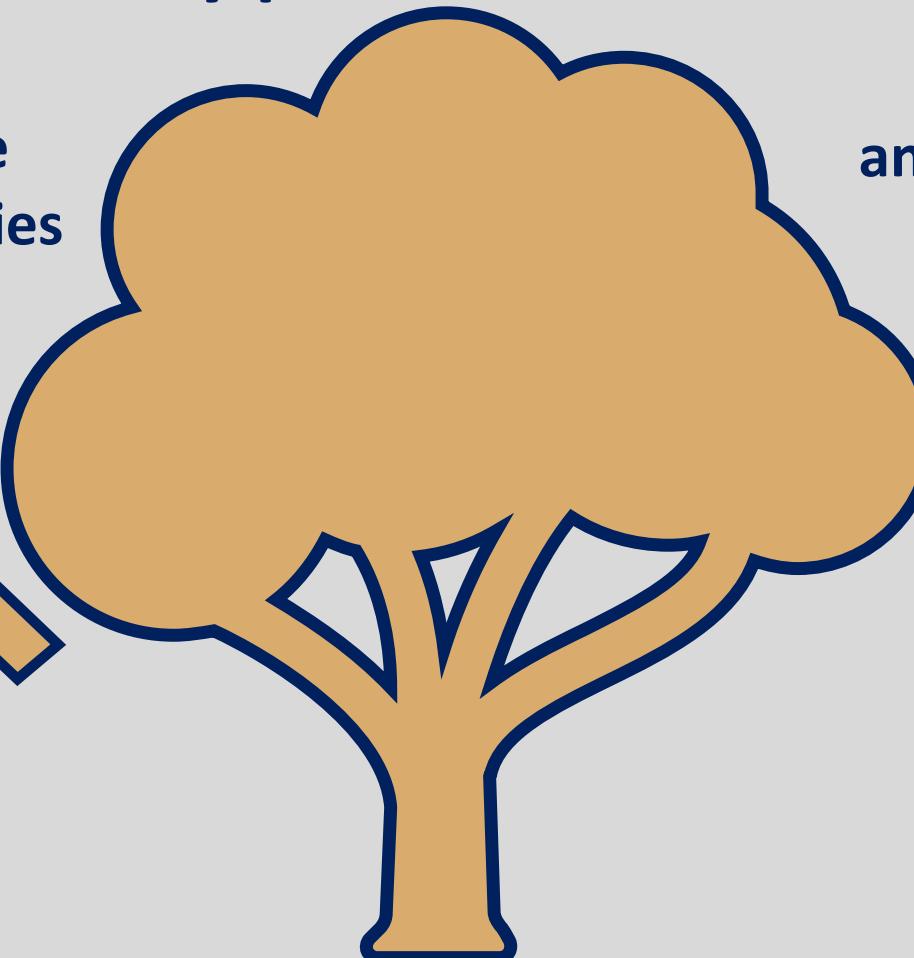
Taxing Jurisdiction	Mill Rate	Breakdown of Tax Bill
City	33.868	\$1,266
Leavenworth County	36.421	\$1,361
USD #458	59.630	\$2,229
State	1.500	\$56
Fairmount Township	7.422	\$277
Library	7.145	\$267
Total	144.361	\$5,456



No increase in tax rate but property values increased... what does that mean for Basehor property owners?

On average, the City portion of the taxes will increase...

an estimated \$126 for the
year for residential properties



an estimated \$540 for the year
for commercial properties



What is the Revenue Neutral Rate from Senate Bill 13?

- Revenue Neutral Rate = mill rate that generates levy dollars in 2023 equal to levy dollars in 2022, given year-over-year increase in the City's assessed value.
- City of Basehor Revenue Neutral Rate for 2023 = 28.410
- Proposed City Mill Rate = 33.868 (no increase from 2022)





**Staff respectfully recommends
City Council approval of
Resolution 2022-48:**

**A RESOLUTION OF THE CITY OF
BASEHOR, KANSAS REGARDING THE
GOVERNING BODY'S APPROVAL TO
LEVY A PROPERTY TAX RATE
EXCEEDING THE REVENUE NEUTRAL
RATE HAVING HELD A PUBLIC HEARING
REGARDING SAME**

City of Basehor 2023 Budget



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City of Basehor Fund Structure

<u>Governmental Activity Funds</u>	<u>Capital Project and Equip Funds</u>	<u>Enterprise Funds</u>	<u>Fiduciary Funds</u>	<u>Special Funds</u>
<i>These funds are primarily funded by property tax.</i>	<i>These funds are primarily funded by sales tax.</i>	<i>These funds are primarily funded by utility charges.</i>	<i>These funds are held by the City but not controlled by the City.</i>	<i>These funds have specific restrictions of revenues and expenditures.</i>
General	Capital Improvement	Wastewater	Cedar Lake	Land Bank Fund
Employee Benefit	Consolidated Highway	Solid Waste	Glenwood Sewer	Mayor's Charity Fund
Parks & Recreation	Special Alcohol Fund			American Rescue Plan Act (ARPA) Fund
Bond & Interest				

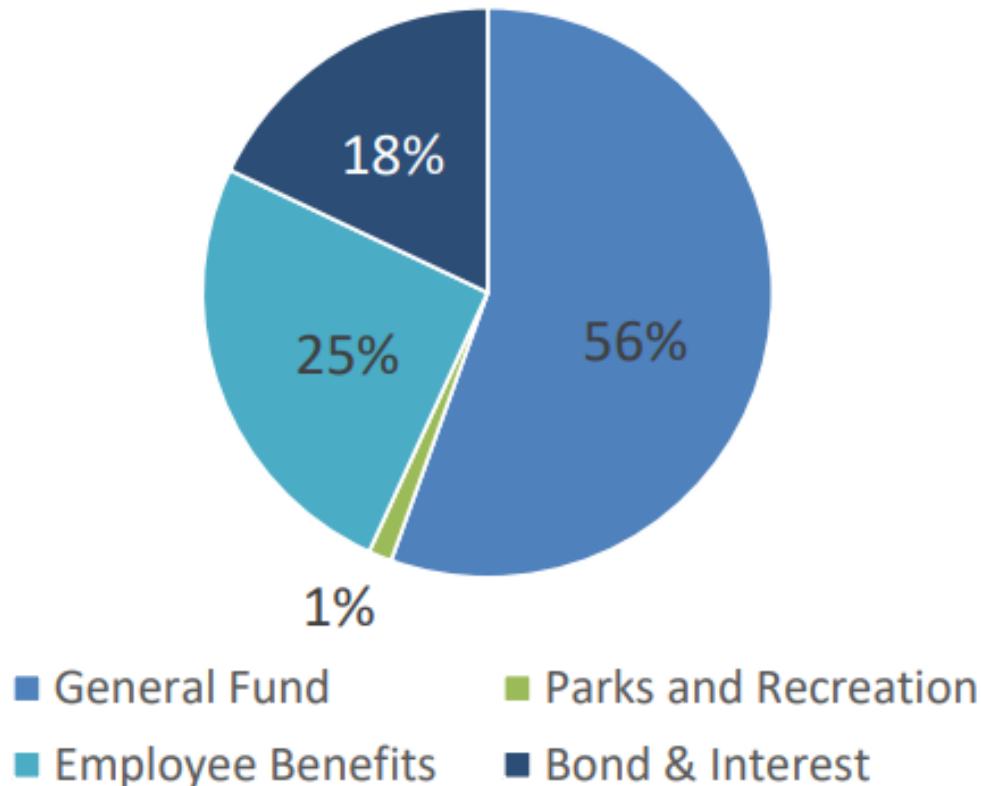


Summary of 2023 Budget Highlights

- Flat Mill Rate: 33.868 (no mill rate increase from 2022)
- Economic Development Resources
- Continuing Communication Efforts such as the *Basehor Quarterly*
- Additional Positions:
 - Police Officer
 - Management Analyst
 - Parks Maintenance Worker
- Replacement of Three Police Vehicles
- Strategic Investments into the Sewer System



Property Tax- What does it fund?



- General Fund:
 - Funds Facilities, Administration, Planning and Zoning, Streets, and Police.
- Employee Benefits:
 - Funds indirect pay of City employees.
- Bond & Interest:
 - Funds the repayment of City municipal bonds and interest accrued on such bonds.
- Parks and Rec.:
 - Funds park upkeep and development.



2023 Proposed Budget- Revenue and Expenditure Summary

Does not include Sewer Policy Changes in Ordinance No. 862.

Fund	Revenues	Expenses	Difference
General Fund	\$5,558,869	\$5,536,840	\$22,029
Employee Benefits	\$1,208,973	\$1,198,046	\$10,927
Sewer	\$5,010,309	\$4,047,523	\$962,786
Solid Waste	\$597,053	\$580,391	\$16,662
Bond & Interest	\$1,229,958	\$1,210,491	\$19,467
Consolidated Highway	\$1,105,007	\$940,816	\$164,191
Parks & Recreation	\$147,647	\$89,644	\$58,003
Capital Improvement*	\$6,226,250	\$7,131,117	-\$904,867
Cedar Lakes Maintenance	\$40,347	\$40,000	\$347
Glenwood Sewer District	\$33,395	\$33,000	\$395
Local Alcohol	\$21,063	\$15,476	\$5,587
ARPA	\$0	\$0	\$0
Mayor's Charity Fund	\$0	\$0	\$0
Land Bank Fund	\$500	\$500	\$0

**The spending of fund balance in the Capital Improvement Fund is intentional.*

Includes Sewer Policy Changes in Ordinance No. 862.

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General Fund	\$5,558,869	\$5,536,840	\$22,029
Employee Benefits	\$1,208,973	\$1,198,046	\$10,927
Sewer	\$5,062,227	\$4,047,523	\$1,014,704
Solid Waste	\$597,053	\$580,391	\$16,662
Bond & Interest	\$1,229,958	\$1,210,491	\$19,467
Consolidated Highway	\$1,105,007	\$940,816	\$164,191
Parks & Recreation	\$147,647	\$89,644	\$58,003
Capital Improvement*	\$6,226,250	\$7,131,117	-\$904,867
Cedar Lakes Maintenance	\$40,347	\$40,000	\$347
Glenwood Sewer District	\$33,395	\$33,000	\$395
Local Alcohol	\$21,063	\$15,476	\$5,587
ARPA	\$0	\$0	\$0
Mayor's Charity Fund	\$0	\$0	\$0
Land Bank Fund	\$500	\$500	\$0

**The spending of fund balance in the Capital Improvement Fund is intentional.*





Staff respectfully recommends
City Council approval of
Resolution 2022-49:

*A RESOLUTION APPROVING THE
2023 CITY OF BASEHOR OPERATING
BUDGET AS AUTHORIZED BY
KANSAS STATE LAW*