

The City of Basehor's 2025 Operating Budget

Presented
June 12, 2024
Maddie Bouton
Deputy City Administrator



Information about the City's Proposed 2025 Budget

- The public meetings where the budget presentations are presented are available:
 - In person (City Hall – 1600 N 158th Street)
 - Via YouTube (<https://www.youtube.com/@cityofbasehor4443streams>)
- These public meetings are noticed:
 - On the City's website (www.cityofbasehor.org) where community members can sign up for email and/or text notifications
 - In the City's e-News
 - In the City's *Basehor Quarterly Newsletter*
 - On the City's social media pages
 - Public Hearings are noticed in the Leavenworth Times and/or the Tonganoxie Mirror
- Previous presentations as well as the proposed line-item budget document can be found here: <https://cityofbasehor.org/340/Budget-Presentations>



2025 Budget Timeline

May 10, 2024 Governing Body Retreat

June 12, 2024- Presentation to Governing Body

June 26, 2024- Intent to Exceed Revenue Neutral Rate Presentation

July 10, 2024- Presentation to Governing Body

July 24, 2024- Presentation to Governing Body

August 14, 2024- Presentation to Governing Body

August 28, 2024- Budget Public Hearings (2)



The City of Basehor

2024 Budget Priorities

Basehor is...
advancing
trails and
parks projects.



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



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



Basehor is...
proposing
no tax rate
increase.



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



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



You spoke. We listened.

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

The City of Basehor's 2025 Budget Priorities

*Priorities working together to
maintain Basehor as a
community of choice.*



Tax Terminology



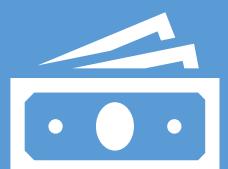
Ad Valorem Tax = Property Tax



Mill Rate = Property Tax Rate



1 mill generates \$139,798 of City tax levy,
given \$139.8 M assessed value



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

City of Basehor Fund Structure

Governmental Activity Funds

These funds are primarily funded by property tax.

General

Employee Benefit

Parks & Recreation

Bond & Interest

Capital Project and Equip Funds

These funds are primarily funded by sales tax.

Capital Improvement

Consolidated Highway

Special Alcohol Fund

Enterprise Funds

These funds are primarily funded by utility charges.

Wastewater

Solid Waste

Fiduciary Funds

These funds are held by the City but not controlled by the City.

Cedar Lake

Glenwood Sewer

Special Funds

These funds have specific restrictions of revenues and expenditures.

Land Bank Fund

Mayor's Charity Fund

Assistance Programs Fund



City of Basehor Fund Structure

The Governmental Activity Funds fund the general operations of the City.

The biggest expense in the Governmental Activity Funds is personnel.



Governmental Activity Funds

These funds are primarily funded by property tax.

General

Employee Benefit

Parks & Recreation

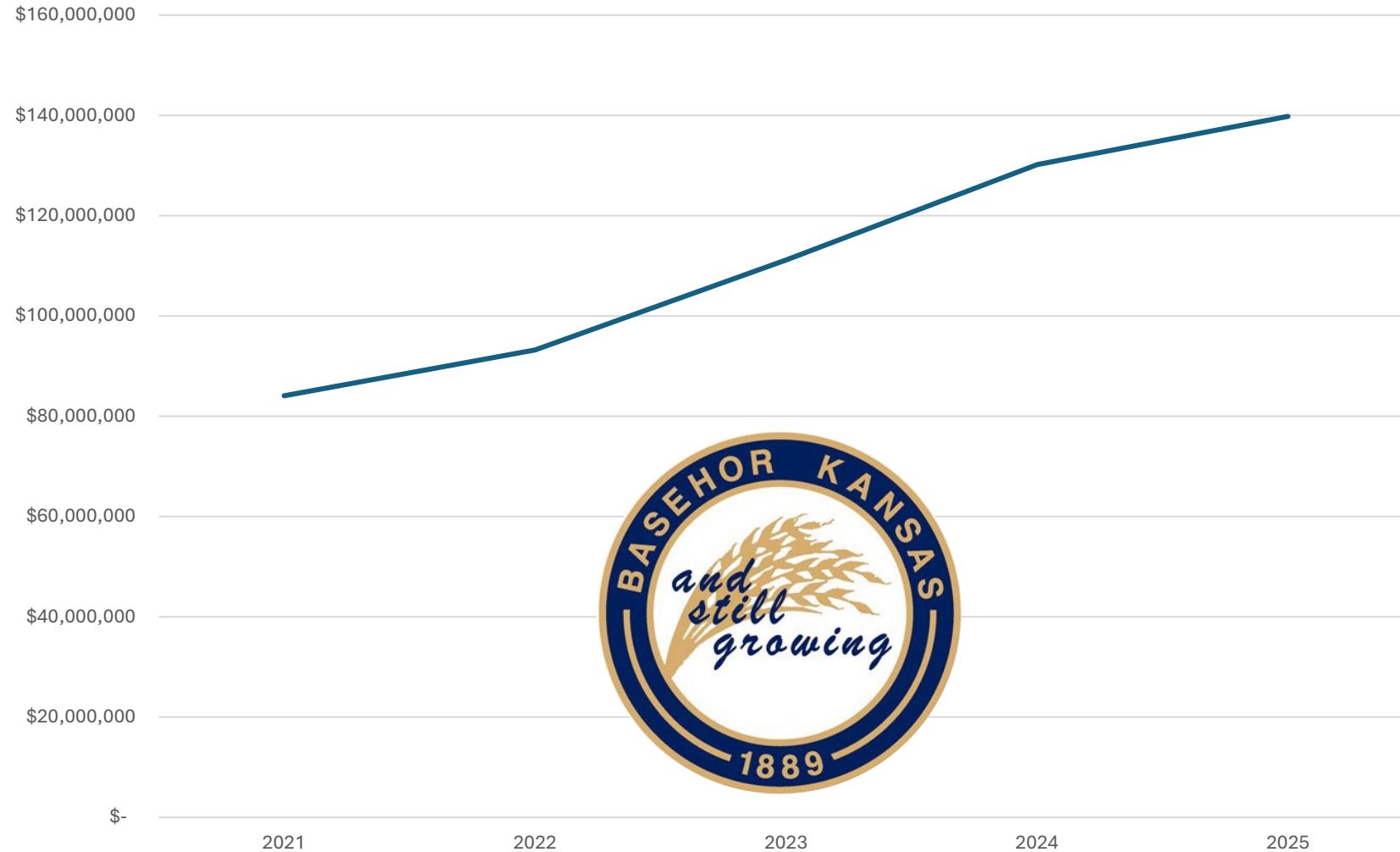
Bond & Interest

Breaking Down the Mill Rate

| | % of Total Levy | Total Mill Levy |
|---------------------------|-----------------|-----------------|
| City | 24% | 33.878 |
| Leavenworth County | 26% | 35.779 |
| USD #458 | 39% | 54.167 |
| State | 1% | 1.500 |
| Basehor Community Library | 4.5% | 6.153 |
| Fairmount Township Fire | 5.5% | 7.420 |
| Total | 1.000 | 138.897 |



History of Property Valuations in Basehor



2025 Value is \$139.8 million.

Increase of 7.4% from 2024.

55% of the increase is from new construction.

45% of this increase is from appreciation of existing properties.

History of Mill Rate in Basehor



No increase in property tax rate.

Residents and businesses may have paid more in taxes if property value increased.

City of Basehor Governing Body supports capping property valuations for the purpose of providing property tax relief to residents.

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.

$$\$395,000 \times 11.5\% = \$45,425$$



$$\$45,425 \times 33.878 \div 1,000 = \$1,539$$

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

Analysis of City Classes and Mill Rates

There are three classes of cities in Kansas: First Class (26), Second Class (96) and Third Class (503).

Basehor's mill rate in the previous budget was **33.878 mills** and the 2025 proposed mill rate is **33.878 mills**.

The average city mill rate (property tax rate) of third class cities is **47.503 mills**.

The average city mill rate (property tax rate) of second class cities is **52.660 mills**.

The average city mill rate (property tax rate) of first class cities is **38.905 mills**.

When ranked from the highest mill rate to the lowest mill rate, Basehor is **334** out of 503.



Analysis of Cities of with Similar Populations (7,000-9,000)

Regardless of class, there are 10 cities in Kansas that have a population of between 7,000 – 9,000.

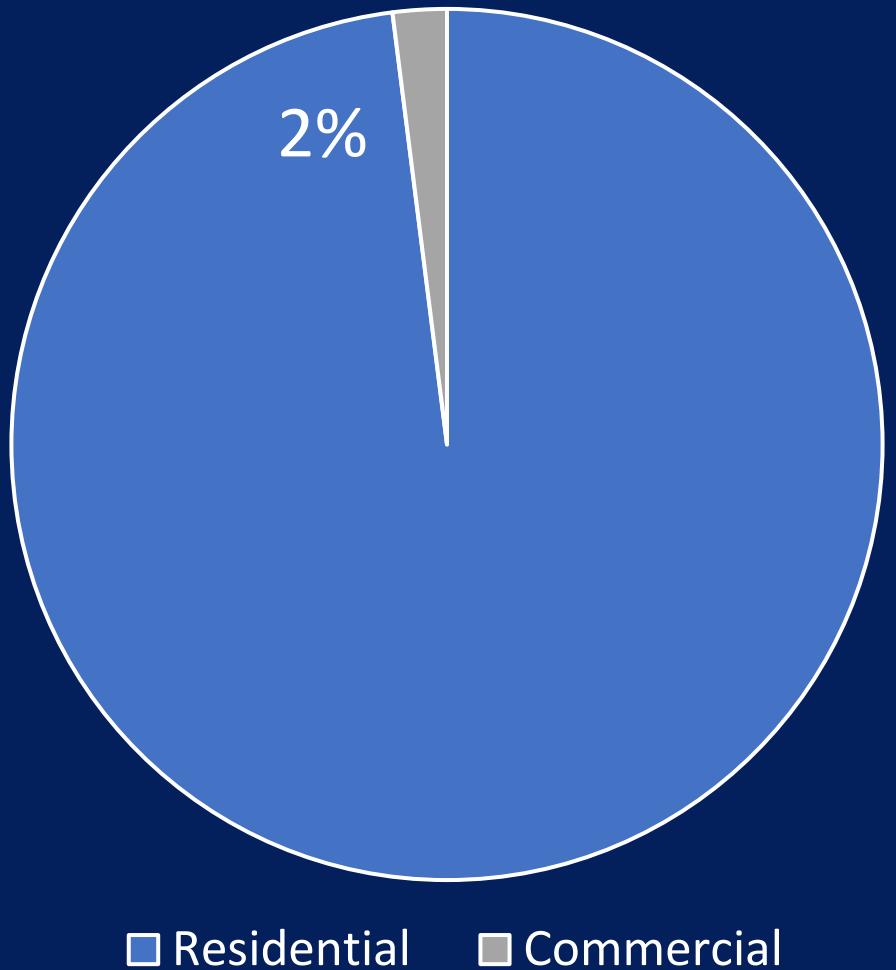
The average city mill rate (property tax rate) of those cities is **43.391 mills**.

Basehor's mill rate in the previous budget was **33.878 mills** and the 2025 proposed mill rate is **33.878 mills**.

When ranked from the highest mill rate to the lowest mill rate, Basehor is 9 out of 10.



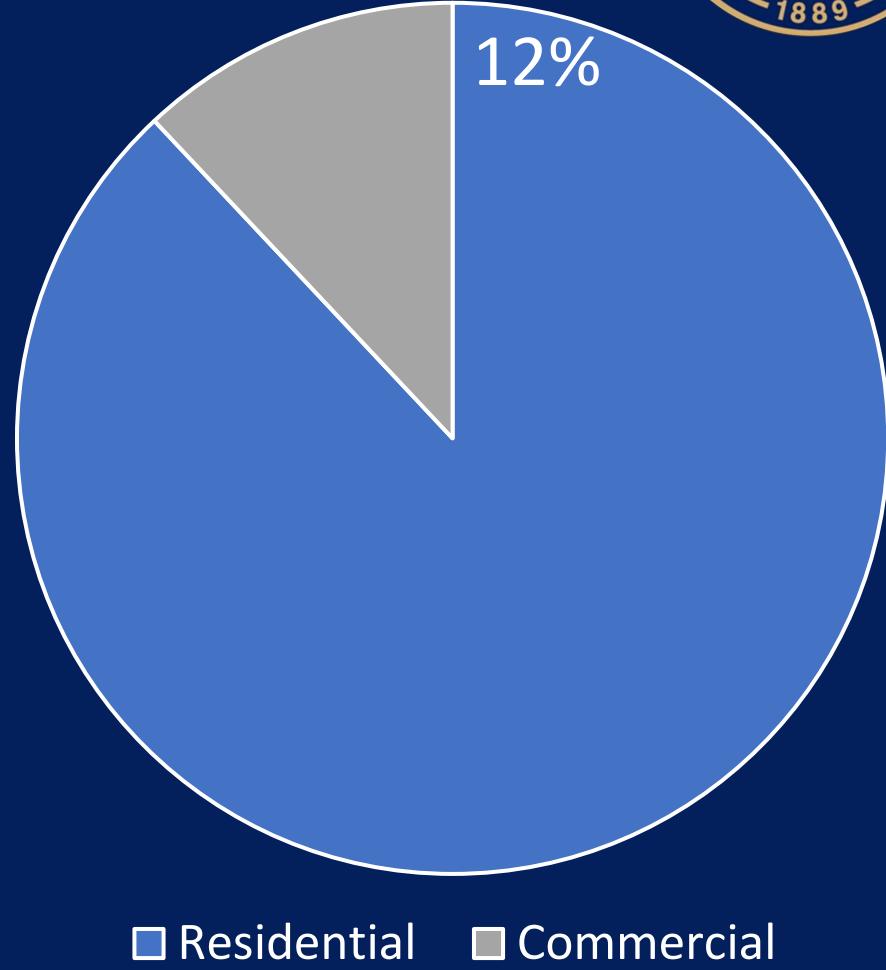
Continuing to Emphasize Economic Development



To the left, this chart displays the City's growth from 2024-2025, showing the percentage of parcels by type.

To the right, this chart displays the City's growth from 2024-2025, showing the percentage of increase in value.

These metrics display the City's emphasis on Economic Development is working by diversifying the taxbase.



What is the Revenue Neutral Rate from Senate Bill 13?

- Revenue Neutral Rate = mill rate that generates levy dollars in 2025 equal to levy dollars in 2024, given year-over-year increase in the City's assessed value.
- City of Basehor Revenue Neutral Rate for 2025 = 31.588
- Flat City Mill Rate = 33.878 (no increase from 2024)



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...

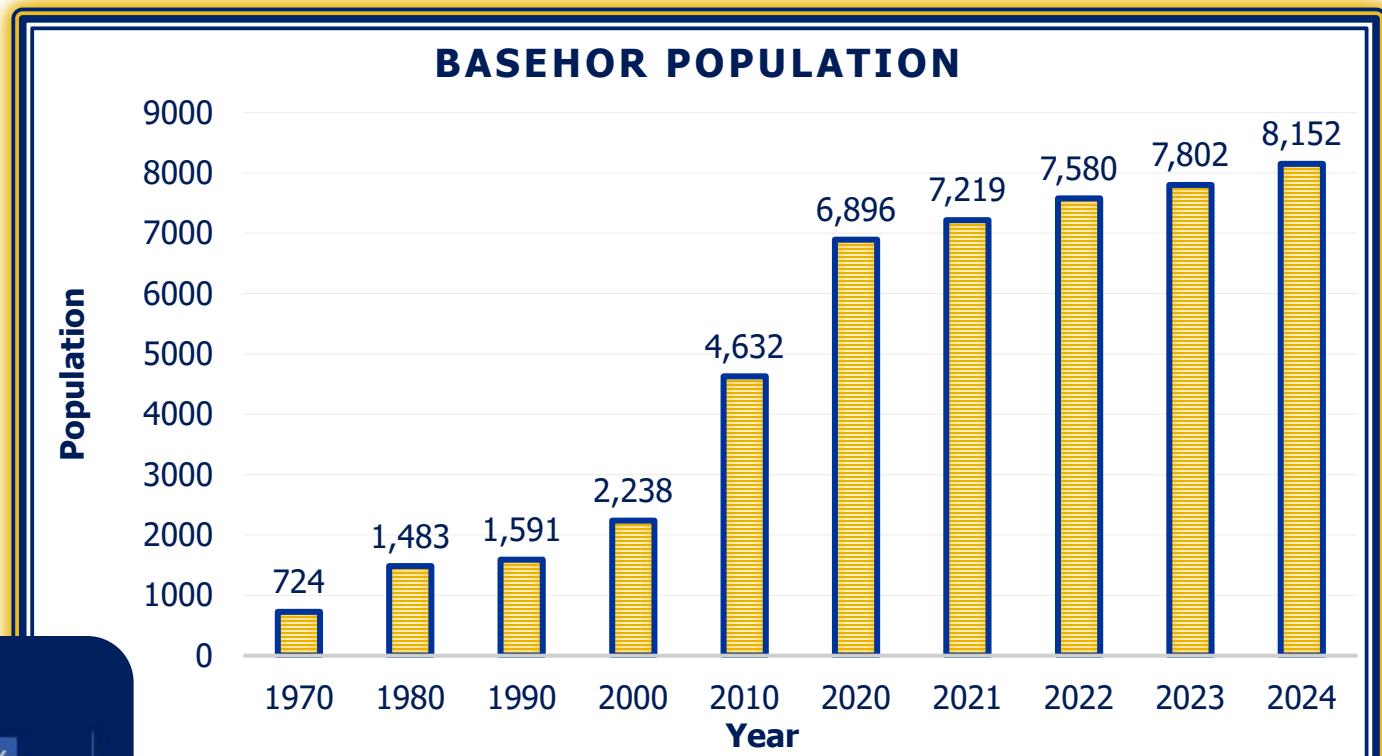
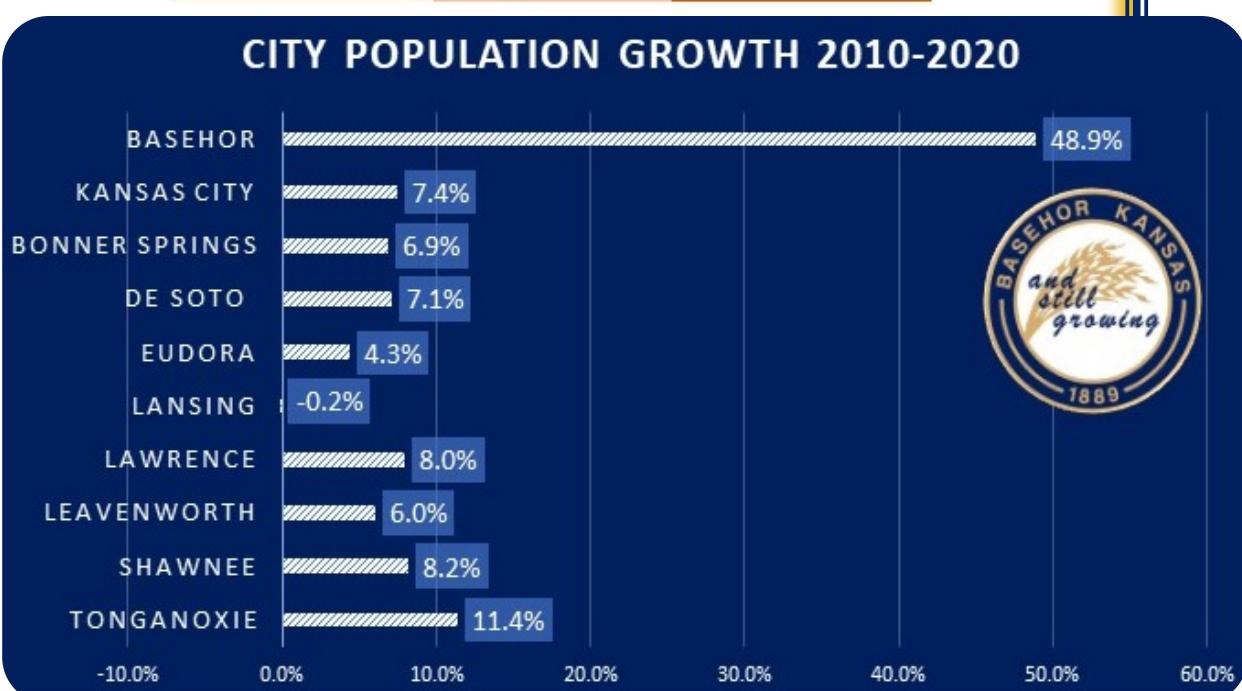
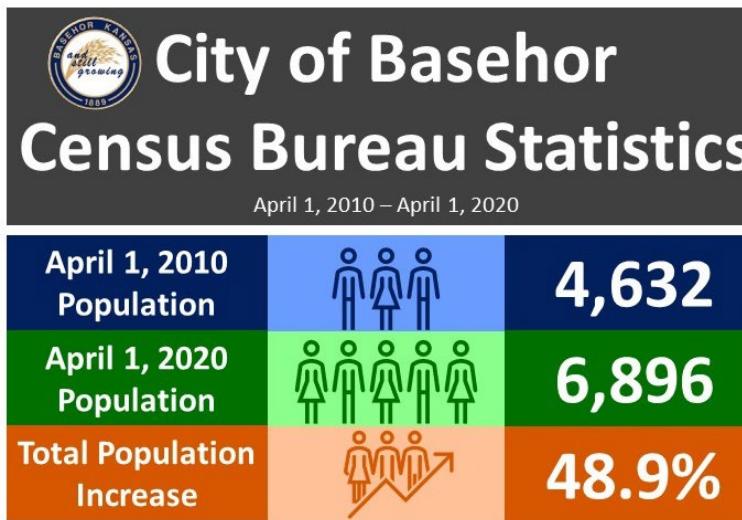
an estimated \$3 per month for
residential properties



an estimated \$20 per month
for commercial properties



AND STILL GROWING



2022-2024 POPULATION IS AN ESTIMATED COUNT FROM THE UNITED STATES CENSUS BUREAU AND OTHER SOURCES.

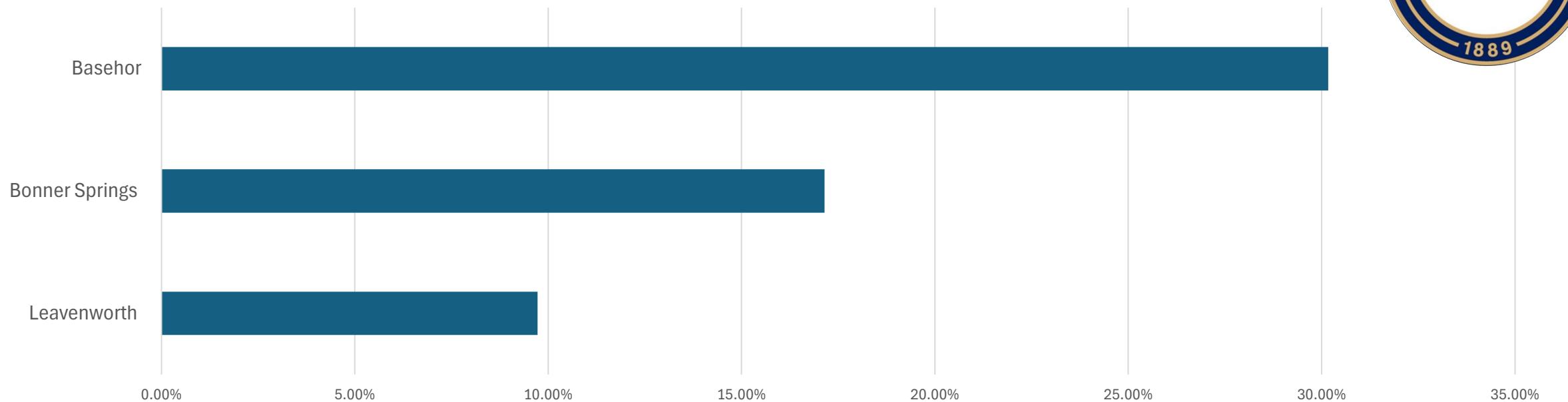
Kansas Population Statistics

- 14 of the 32 largest cities lost population
- 78 Kansas counties lost population between 2020 and 2022

Capital Investments in the City of Basehor

- 2024 was the first year the City of Basehor formally adopted a Capital Improvement Plan.
- With the grant funding the City of Basehor has been able to acquire, along with the prudent budgeting of the Governing Body, significant capital investments are happening in the City, with no increase to the mill rate.

Capital Investment as a % of Assessed Value



Data was obtained by the City's websites, League of Kansas Municipalities, and the Leavenworth County Appraiser's Office.



Recommended Emphasis for 2025 Budget



Paving for Progress Plan for 2025



Remain competitive for recruitment and retention of City staff



Prioritize maintenance of the public's investment into City facilities, trails and parks



Flat mill rate and continue to support 4% cap on property valuations



2025 Budget Next Steps

1

Return to Governing Body on June 26, 2024 with recommendations on 2025 Budget with flat mill rate – including Paving for Progress, personnel, and maintenance.

2

Consider Resolution of Intent to Exceed Revenue Neutral Rate at the June 26, 2024 City Council Meeting.