

County Budgets —— & —— Property Tax Administration

Seth Grigg, Executive Director



Primary County Revenue Sources

Fees for Services

- District Court Fees
- Computerized Mapping Fees
- Recording Fees
- Solid Waste Fees
- Etc.

Intergovernmental Revenues

- Sales Tax Revenues Sharing
- Liquor Fund Revenue Sharing
- Highway User Revenue Sharing
- Payment in Lieu of Taxes
- Grants

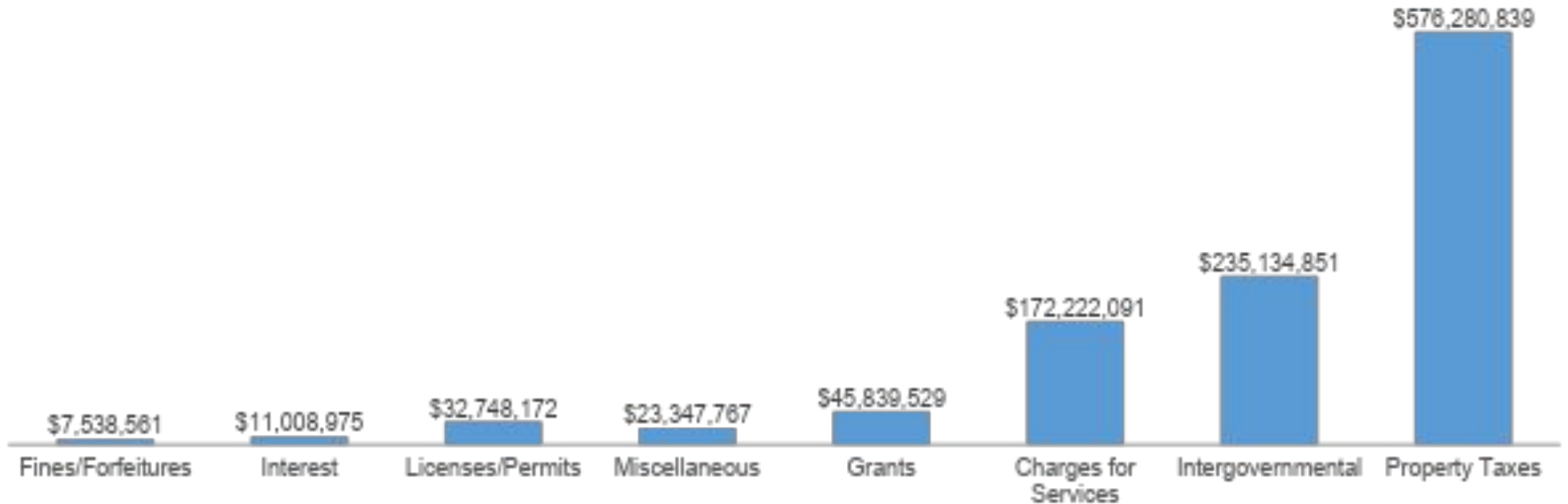
Property Taxes

- Current Expense Levy
- Justice Levy
- District Court Levy
- Road and Bridge Levy
- Etc.

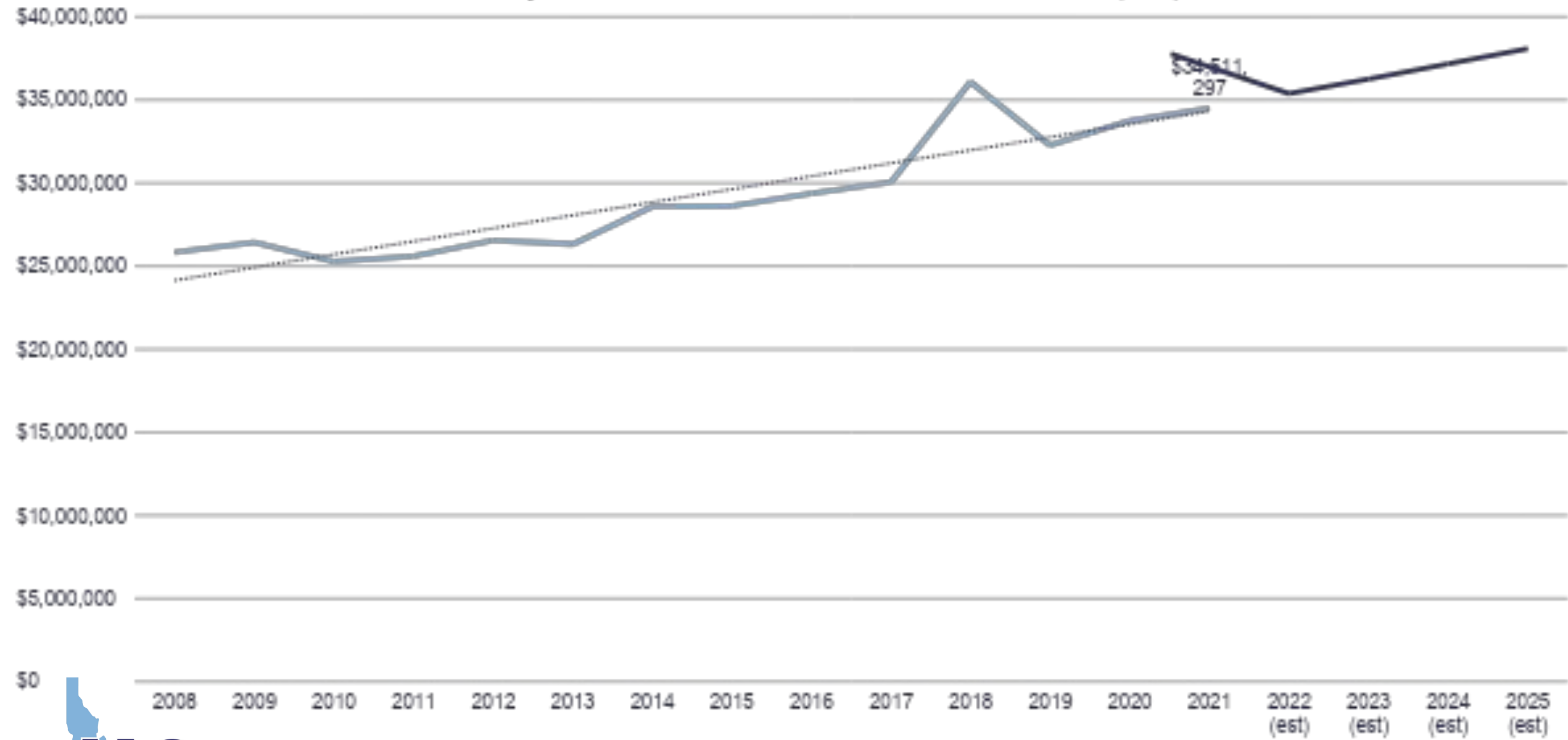
Fund Balance/Cash Reserves

- Unassigned Reserves
- Court Facilities Fund
- Justice Fund
- Dedicated Reserves for Projects

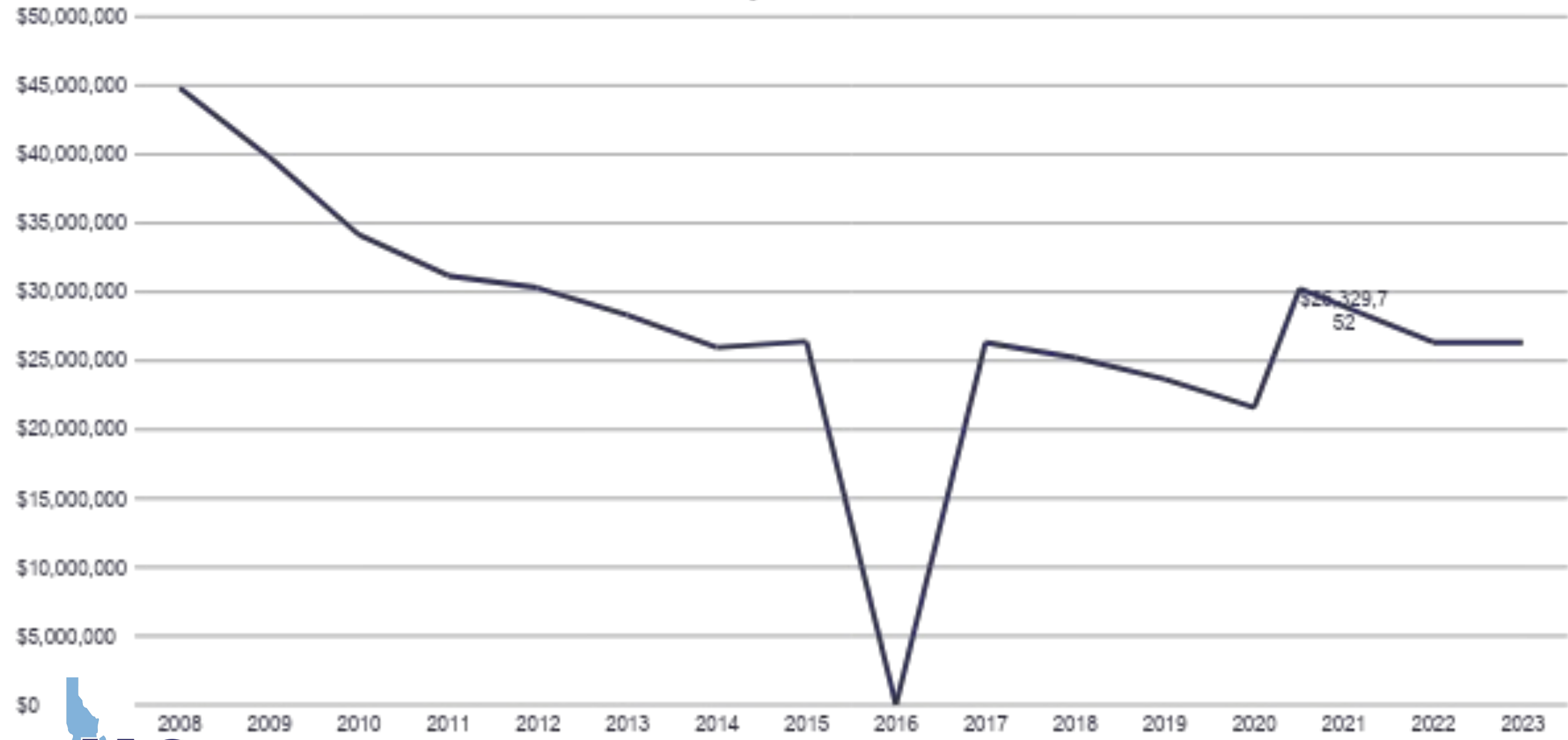
County Revenue Sources



PILT Payments to Idaho Counties, 2008-2025 (est)

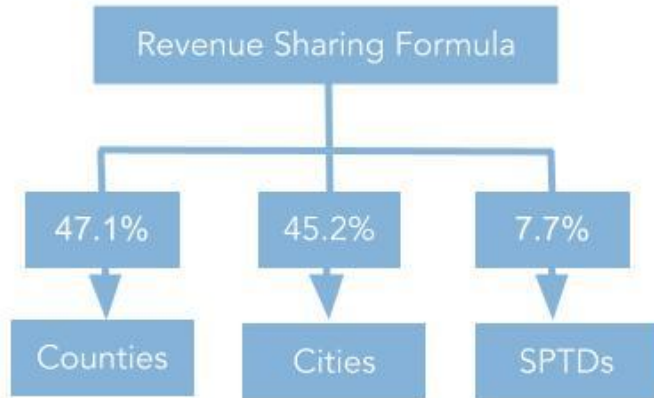


Total SRS Payments, 2008-2023



Sales Tax Distribution Flow Chart

Sales Tax Collected

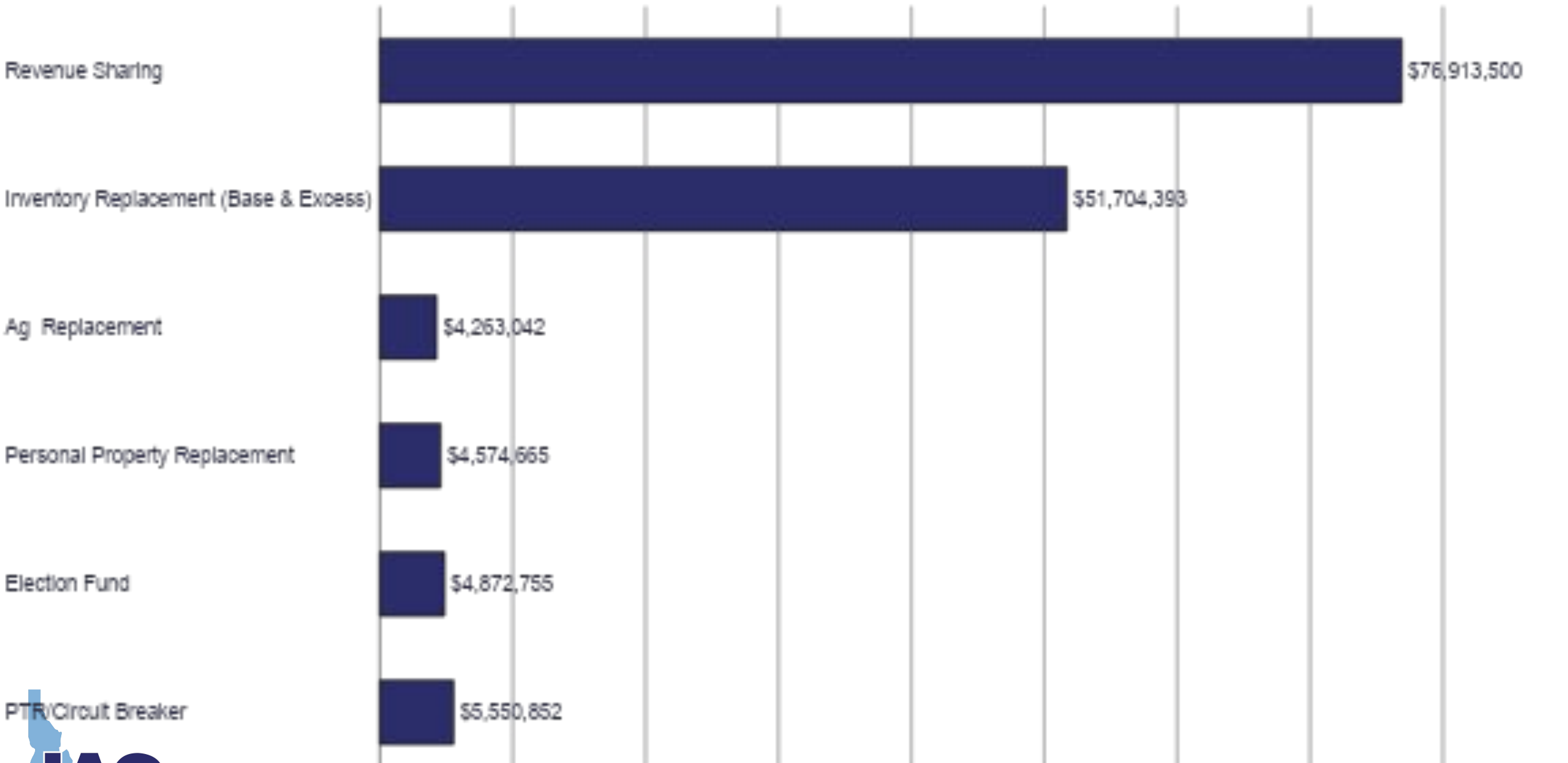


- Refunds
- Online Marketplace Sales Tax to Tax Relief Fund
- Permanent Building Fund (\$5,000,000)
- Water Pollution Control Fund (\$4,800,000)
- Property Tax Relief (Circuit Breaker)
- Election Consolidation (2008 Base + CPI Growth)
- Revenue Sharing (11.5%)
- Ag Replacement (\$8,487,103)
- Sales Tax Demonstration Project
- Personal Property Replacement (\$18,550,086)
- Transportation Distribution (4.5%)

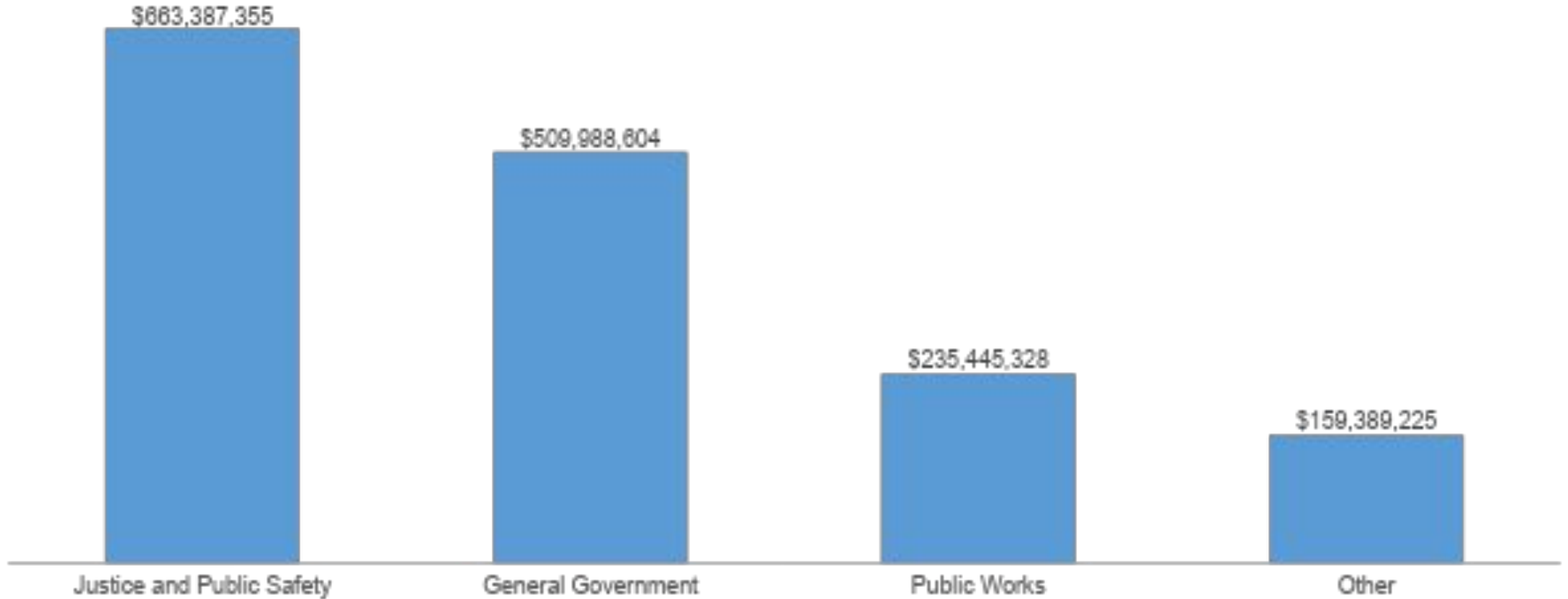
General Fund



Sales Tax Distribution to Counties, 2021



County Expenditures



ABC's of County Budgets

- Expenditures types are prescribed in state code ([§31-1604](#)):
 - "A" budget = salaries
 - "B" budget = detail of other expenses (operations)
 - "C" budget = capital expenses
 - "D" budget = benefits

ALL IN A DAY'S WORK[®]



"Do you want a salary or benefits?"

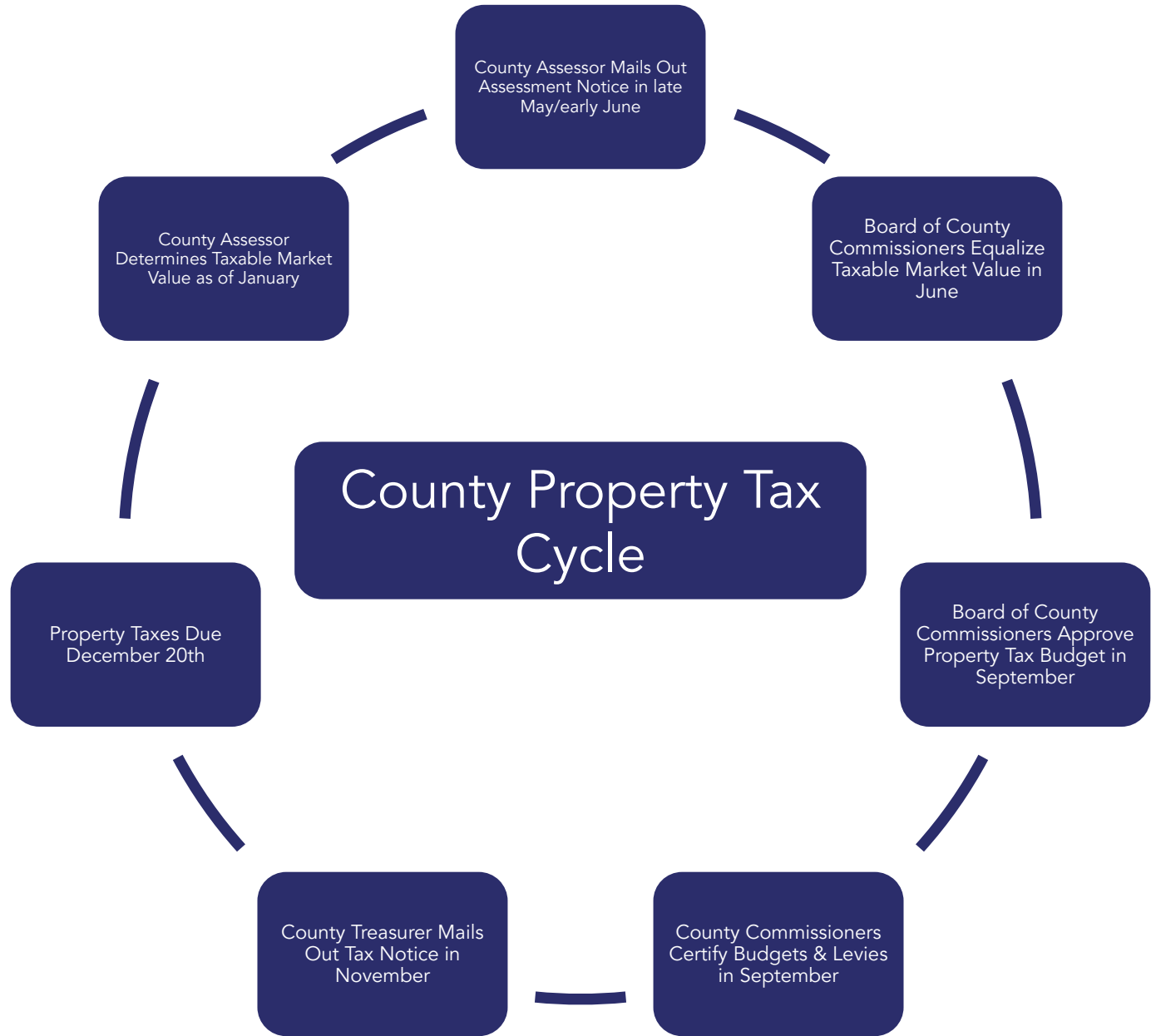
A Note on Elected Official Salaries

“It shall be the duty of the board of county commissioners of each county, through the county budget process, as detailed in [chapter 16, title 31](#), Idaho Code, to fix the annual salaries of the several county officers as of and from October 1 for the next ensuing year.”

(§31-3106)

Property Tax Administration





Key County Budget Dates

- 1st Monday in May: County clerk distributes budget forms to elected officials and department heads
- 3rd Monday in May: Budget forms due to county clerk
- 1st Monday in August: County clerk submits suggested budget to BOCC
- 3rd Week in August: Clerk publishes BOCC approved tentative budget
- Tuesday following 1st Monday in September: BOCC holds budget hearing/approves county budget
- October 1st Start of county fiscal year
- June 1st: Deadline to submit annual audit




Key Roles & Responsibilities

- County clerk is chief budget officer, prepares suggested budget, collects budget requests from elected officials and department heads
- Elected officials and department heads must submit budget forms
- BOCC sets tentative budget and adopts final budget
- County clerk ensures annual budget is implemented correctly
- County clerk and county treasurer have specific reporting requirements

The Assessment Notice (§63-308)

- Notice of assessment market value for tax purposes
- Notice of taxpayers right to appeal
- Notice of taxing district budget hearing dates
- Must be mailed by first Monday in June



Robert H. McQuade
Ada County Assessor
190 E Front Street Suite 107
Boise, ID 83702-7300
adacountyassessor.org

2022
ASSESSMENT NOTICE
PROPERTY ROLL

THIS IS NOT A BILL
DO NOT PAY.

For any questions, please notify the Assessor's Office immediately
Assessor's Telephone Number: (208) 287-7224
jswift@adacounty.id.gov
Parcel Address: [REDACTED]

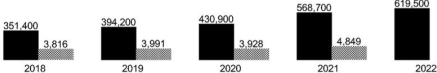
Appeals of your property value must be filed in writing, on a form provided by the County, by: June 27, 2022

Tax Code Area: [REDACTED]

Parcel Number: [REDACTED]

ASSESSED VALUE OF YOUR PROPERTY			
CURRENT DESCRIPTION	LOTS/ACRES	LAST YEAR'S VALUE	CURRENT YEAR'S VALUE
RES LOT OR TRACT RES IMPROVEMENT	0.193	152,000 416,700	236,900 382,600
TOTAL ASSESSED VALUE:	0.193	568,700	619,500
LESS HOMESTEAD EXEMPTION:		-125,000	-125,000
NET TAXABLE PROPERTY VALUE:		443,700	494,500

These values may not include personal property values. Taxes are based on the values shown on this Notice and on the Budgets of the taxing districts.



HISTORICAL ASSESSED VALUES & TAXES
Property Roll
Black = Total Assessed Value
Gray = Taxes
Current Year Tax not yet available

TAXING DISTRICT INFORMATION		
TAXING DISTRICTS	PHONE NUMBER	DATE OF PUBLIC BUDGET HEARING
ADA COUNTY	(208) 287-7000	7-27-2022
EMERGENCY MEDICAL	(208) 287-2975	7-27-2022
ADA COUNTY HIGHWAY DIST	(208) 387-6100	8-24-2022
SCHOOL DISTRICT NO. 1	(208) 472-2607	6-13-2022
BOISE CITY	(208) 912-8147	7-19-2022
MOSQUITO ABATEMENT	(208) 577-4646	7-27-2022
COLLEGE OF WESTERN IDAHO	(208) 562-3291	6-9-2022

THIS IS NOT A BILL. DO NOT PAY.

Assessments reflect MARKET VALUE as of 1/1/22; for Homestead and Property Tax Reduction questions call (208) 287-7200.

See the back of this Notice for details

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The Annual Budget

- A taxing district must adopt at a public meeting its annual property tax September
- The adopted budget includes the amount of revenues from property taxes, property tax replacement, cash/interest, and other revenue sources
- Idaho law limits the amount of property taxes that a taxing district can budget
- Idaho law does not limit the amount of non property tax revenues that a taxing district can budget

Budget Based Property Tax Increases

- In Idaho, property taxes increase based on local government budget needs and not by statutory levy rates
- Budget caps exist in Idaho to limit how much a taxing district can increase the amount of property taxes it levies
- Since the 1980's the legislature has instituted a number of property tax reform measures, primarily focused on capping local government property tax budgets

Major Property Tax Reform Efforts

1978
1% Initiative

1980
Budget Freeze

1991
Truth in Taxation

1992
5% Cap Added to Truth in Taxation

1995
Truth in Taxation Repealed, Replaced w/3% Cap

2021
8% Cap on New Construction

Annual Property Tax Base Budget Increase

- A county may increase its annual property tax budget by:
 - 3% over its highest property tax budget from the prior 3 years
 - The amount of new property tax budget capacity associated with new construction
 - The amount of new property tax budget capacity associated with the expiration of a revenue allocation area (urban renewal)
 - 1% of its property tax budget if forgone property taxes are available
 - A county's base property tax budget cannot increase by more than 8% from the 3% base budget increase and new construction

Calculating 3% Property Tax Budget Increase

$$\frac{\text{Highest Prior 3 Year Property Tax Budget}}{\times 1.03}$$

Base Property Tax Budget Increase

Alturas County 3% Increase

$$\begin{array}{r} \$10,000,000 \\ \times \quad \quad 1.03 \\ \hline \$10,300,000 \end{array}$$

Calculating the Preliminary Levy Rate

$$\begin{aligned} & \text{(Prior Year Property Tax Budget} \times 1.03) \\ & \div \text{(Current Year Locally Assessed Market Value} \\ & \text{+ Prior Year Operating Property Market Value)} \\ & = \text{Preliminary Levy Rate} \end{aligned}$$

Alturas County Preliminary Levy Rate

$$\begin{array}{r} \$10,300,000 \\ \div \$1,630,400,000 \\ \hline 0.006317 \end{array}$$

New Construction

- 90% of new construction value multiplied by preliminary levy rate
- 80% of expired tax increment value multiplied by preliminary levy rate
- Improvements are placed on new construction roll once occupied
- Note: effective January 1, 2022, change in use is no longer used to calculate new construction amount

Calculating New Construction Budget Capacity

$$\frac{(New\ Construction\ Roll \times 0.9) \times Preliminary\ Levy\ Rate}{New\ Construction\ Budget\ Capacity}$$

Alturas County New Construction

$$\begin{array}{r} (\$30,000,000 \times 0.9) \\ \times \quad \quad \quad 0.006317 \\ \hline \$170,559 \end{array}$$

Calculating New Construction Budget Capacity from Expiring Urban Renewal

$$\frac{(Tax\ Increment\ Value \times 0.8) \times Preliminary\ Levy\ Rate}{Urban\ Renewal\ NC\ Budget\ Capacity}$$

Alturas County URD New Construction

$$\begin{array}{r} (\$55,040,000 \times 0.8) \\ \times \quad \quad \quad 0.006317 \\ \hline \$278,150.14 \end{array}$$

Forgone Property Taxes

Option 1: 1% Base Budget Increase

A county increase its base budget by an additional 1% by budgeting available forgone.

Option 2: 8% Base Budget Increase

If a county does not increase its base property tax budget by 3% or available new construction, it may increase its prior year budget by up to 8% by budgeting available forgone.

Alturas County Forgone Options

Option 1: 1% Increase

$$\begin{array}{r} \$10,000,000 \\ \times \quad 1.01 \\ \hline \$10,100,000 \end{array}$$

Option 2: 8% Increase

$$\begin{array}{r} \$10,000,000 \\ \times \quad 1.08 \\ \hline \$10,800,000 \end{array}$$

Forgone for Capital Projects

- A county may increase its base budget by an additional 3% from forgone if the forgone is dedicated to a capital project.
- Forgone dedicated to a capital project is not used for purposes of calculating future base budget increases.
- Once the project is complete a county loses the ability to budget the forgone funds dedicated to a completed capital project.

Alturas County Forgone Budgeted for Special Projects

$$\begin{array}{r} \$10,000,000 \\ \times \quad \quad 1.03 \\ \hline \quad \quad \quad \$300,000 \end{array}$$

Putting It All Together

- Prior year property tax budget
- 3% base increase
- NC increase
- Forgone increase
- Total Base budget increase
- Forgone for capital projects (not included in the base)

Alturas County Maximum Hypothetical Property Tax Budget Increase

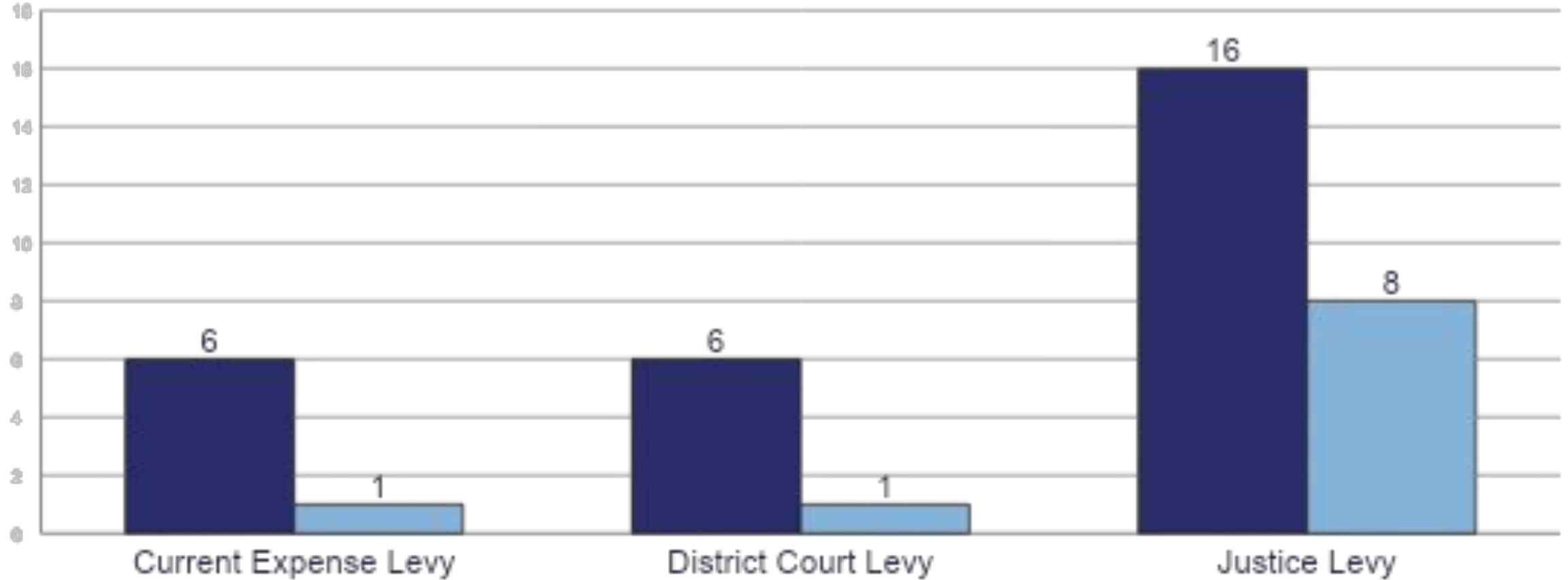
Budget Type	Budget Amount
Highest Prior 3 Year Budget	\$10,000,000.00
3% Budget Capacity Growth	\$300,000.00
New Construction Budget Capacity Growth (1.7%)	\$170,559.00
Forgone Budget Capacity Growth (1%)	\$100,000.00
Property Tax Budget (5.7% < 8% Cap)	10,570,559.00



Levy Caps

- Property tax levies are subject to levy limits (or ceilings).
- Examples:
 - Current expense levy: .0026 (w/o justice levy) or .0020 (w/justice levy) (Section 63-805, Idaho Code)
 - Justice levy: .002 (Section 63-805, Idaho Code)
 - District court levy: .0004 (Section 31-867, Idaho Code)
 - Charity levy: .001 (Section 31-863, Idaho Code)
- Once a property tax levy reaches its limit, the levy cannot be increased further.

Counties Levy Capped, 2017 v 2021



■ 2017 ■ 2021

Impact on Taxpayers

- Calculating the levy rate:

Net Taxable Market Value ÷ Approved Property Tax Budget = Levy Rate

$$\$1,937,042,290 \div \$1,857,592 = 0.00095898$$

- Calculating property taxes due:

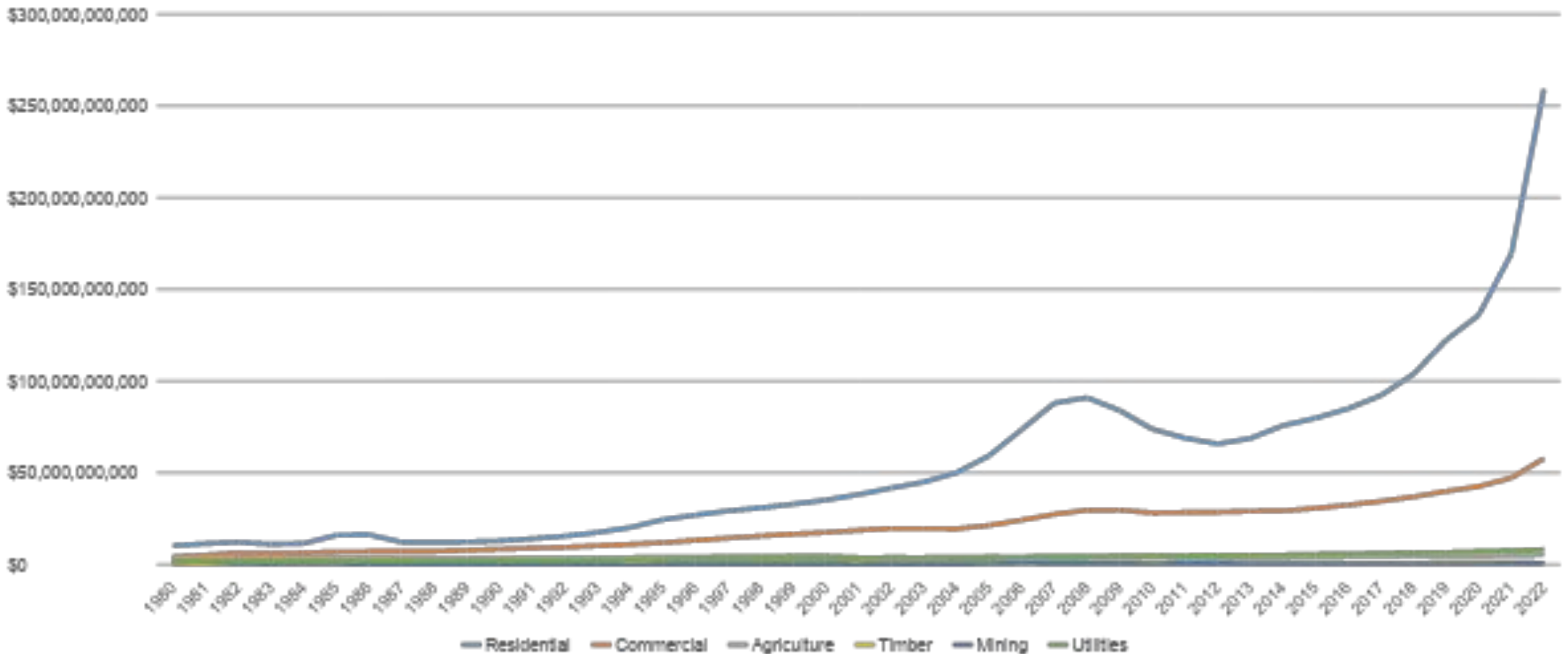
Taxable Market Value of Your Property X Certified Levy Rate = Property Tax

$$\$350,000 \times 0.95898 = \$335.93$$

Exemptions and Tax Shifts




Market Value and Tax Shifts



Tax Collections (§63-902)

- Mailed or emailed by fourth Monday in November
- Include property taxes due to school, county, city, and any special taxing districts
- Taxes due by December 20th
- (§63-902)

ADA COUNTY CONSOLIDATED PROPERTY TAX BILL


ADA COUNTY TREASURER
 P.O. BOX 2868
 BOISE, ID 83701

TAX YEAR
2021

Phone: 208-287-6800
 Email: taxinfo@adacounty.id.gov
<http://adacounty.id.gov/treasurer>

DUE DATE: DECEMBER 20, 2021 **BACK OF BILL INCLUDES IMPORTANT DETAILS** **PARCEL NUMBER:** [REDACTED]

Property Description: [REDACTED] 2021 Bill Number: [REDACTED] Property Type: [REDACTED]

Property Address: [REDACTED] Tax Rate: [REDACTED] Code Area: [REDACTED]

ADA COUNTY BILLS PROPERTY TAX, CERTIFICATIONS, AND SPECIAL ASSESSMENTS FOR THE TAXING DISTRICTS BELOW AND DISTRIBUTES REVENUE IN THE AMOUNT INDICATED. LEVY SHEETS ARE AVAILABLE TO THE PUBLIC. THE EXPIRATION DATE OF ANY BOND AND VOTER-APPROVED LEVY IS AVAILABLE AT <https://adacounty.id.gov/treasurer>

TAXING DISTRICT	PHONE	DISTRICT LEVY	TAX AMOUNT
BOISE CITY	208-972-8147	.004610213	2,045.53
SCHOOL #1 M & O	208-854-4029	.002912072	1,292.09
SCHOOL #1 BOND	208-854-4029	.000527612	234.10
SCHOOL #1 OTHER	208-854-4029	.000090559	3.58
SCHOOL #1 - PERM OVERRIDE	208-854-4029	.000306758	136.11
ADA COUNTY	208-287-7000	.001744946	774.23
ADA COUNTY HIGHWAY	208-387-8123	.000597271	265.01
COLLEGE OF WESTERN IDAHO	208-562-3291	.000104843	46.52
EMERGENCY MEDICAL	208-287-2976	.000099950	44.28
MOSQUITO ABATEMENT	208-577-4646	.000017776	7.89
SUBTOTAL		.010929350	4,849.34
<i>Certifications & Special Assessments:</i>			
DRAINAGE DIST #3	208-343-5454		10.00
		TAX-ADJUSTMENT:	0.00
		CURRENT YEAR TAX:	4,859.34
		PREPAYMENTS RECEIVED:	0.00
		STATE PROPERTY TAX REDUCTION:	0.00
		TOTAL DUE:	4,859.34

COMMON QUESTIONS

WHAT DATE WAS MY BILL PRINTED?
 NOVEMBER 15, 2021

WHO REQUESTED MY BILL?
 CALIBER HOME LOANS

WHAT IS MY CURRENT ASSESSED VALUE?
 TOTAL ASSESSED VALUE: 568,700
 HOMEOWNER'S EXEMPTION: 125,000
 TOTAL TAXABLE VALUE: 443,700






WHO DO I CONTACT ABOUT THE ASSESSED VALUE OF MY PROPERTY?
 ASSESSOR'S OFFICE, 208-287-7200



WHAT WAS PRIOR YEAR TAX?
 PRIOR YEAR TAX: 3,928.66

IMPORTANT MESSAGE

WHEN ANY PORTION OF PROPERTY TAX BECOMES DELINQUENT, A 2% LATE CHARGE WILL BE APPLIED. INTEREST ON THE DELINQUENT BALANCE ACCRUES AT 1% PER MONTH FROM JANUARY 1ST (IDAHO CODE 63-903 & 63-1001). WHEN PAYING DELINQUENT BALANCES, PLEASE CALL OUR OFFICE FOR THE PAYOFF AMOUNT INCLUDING LATE CHARGE AND INTEREST.

PAYMENT OPTIONS

 Mail P.O. Box 2868 Boise, ID 83701 USPS postmark by due date Use coupon and envelope provided	 Bill Pay Online through your bank Allow 7-10 days for processing	 Online adacounty.id.gov/treasurer E-check: \$3.00 flat fee Debit card: \$3.95 flat fee Credit card: 2.4% fee	 Phone 1-844-471-7324 E-check: \$3.00 flat fee Debit card: \$3.95 flat fee Credit card: 2.4% fee Have your parcel and bill number ready	 In Person Courthouse: 200 W. Front St. M-F 8:00 am to 5:00 pm* Public Admin Bldg: 182 N. Cloverdale Nov. 22 - Dec. 20 only *In-person hours subject to change
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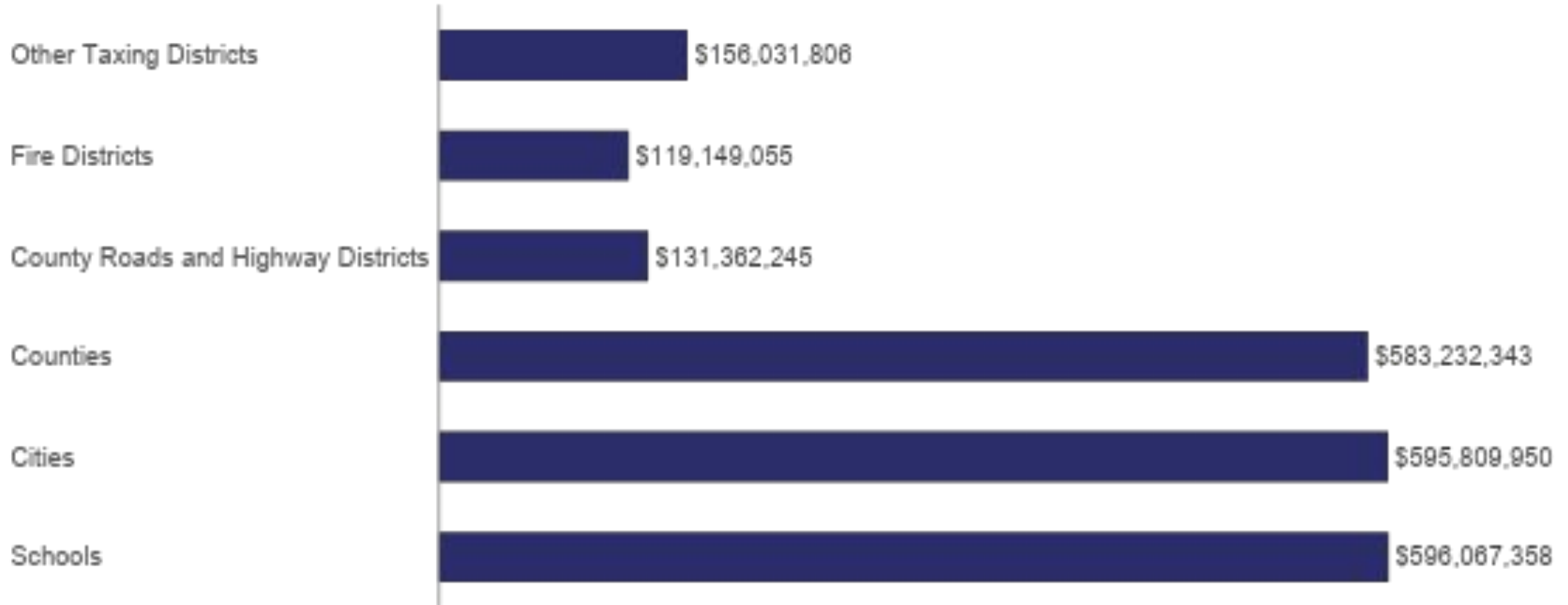



SECURE DROP BOXES AVAILABLE
See our website for locations

IMPORTANT - IF YOU ARE NOW PAYING TAXES WITHOUT AN ESCROW, USE THIS COUPON FOR ACCURATE PAYMENT PROCESSING.



Distribution of Property Taxes (2022)



Late Payments, Penalties, Interest, and Tax Deeds

- Delinquent property taxes are subject to penalties and interest
- Three years of delinquency results in the issuance of a tax deed
- If not redeemed, county auctions off property