



Questions About Sumner County's 2014 Tax Rate

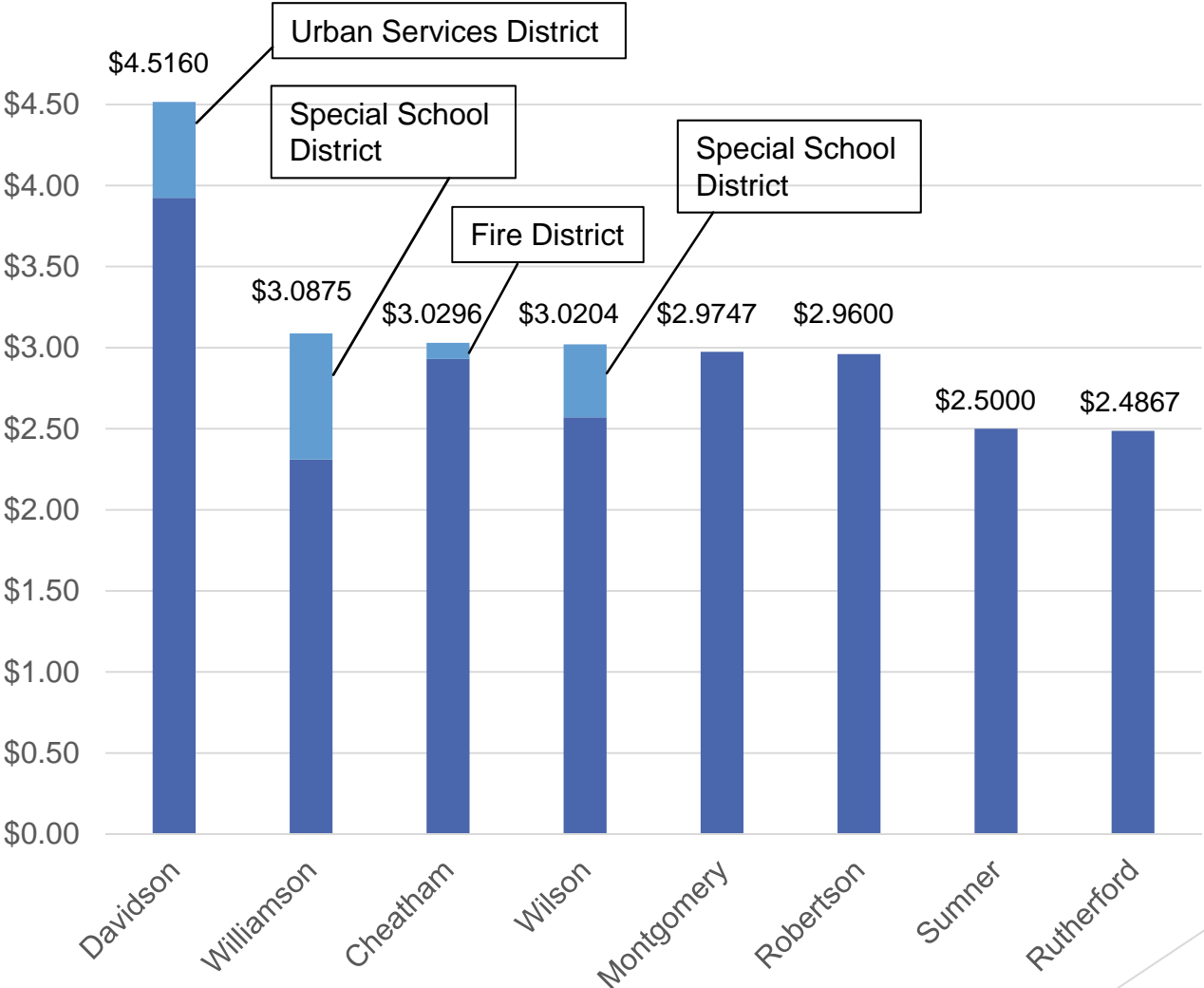
January 26, 2015

WHAT ARE THE OBJECTIVES OF THE NEW RATE?

Minimum Additional Resources Needed to:

- ▶ Create a Long-term Plan for Capital Needs
- ▶ Maintain Current Level of Services
- ▶ Stabilize Operations for 3-4 Years
- ▶ Finish/Continue Uncompleted Initiatives

HOW DOES THE 2014 RATE COMPARE?



Rutherford County decreased rate from \$2.5652 due to appreciation in value from reappraisal

IS THIS THE LARGEST TAX INCREASE?

Tax Year	Fiscal Year Ending	Fiscal Year Rate	State or Original Rate	Increase	% Increase
1988	1989	\$2.8800	\$2.5500	\$0.3300	13%
1989	1990	3.3800	2.8800	0.5000	17%
2003	2004	2.5900	2.1400	0.4500	21%
2014	2015	2.5000	2.0807	0.4193	20%

Largest Increases

Subsequently, in 1990 the rate was decreased to \$3.11, and the wheel tax was increased by \$35.

For fiscal years 1989 and 1990, the combined increase was 33% from 1989 base year (compounded).

WHY DOES THE PROPERTY TAX RATE INCREASE?

- ▶ Inflation
- ▶ New or Increased Initiatives
(programs)

Programs or initiatives increased significantly more than
inflation and population growth combined

INFLATION

CPI Inflation Calculator

\$

in

Has the same buying power as:

in

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CPI Inflation Calculator

\$

in

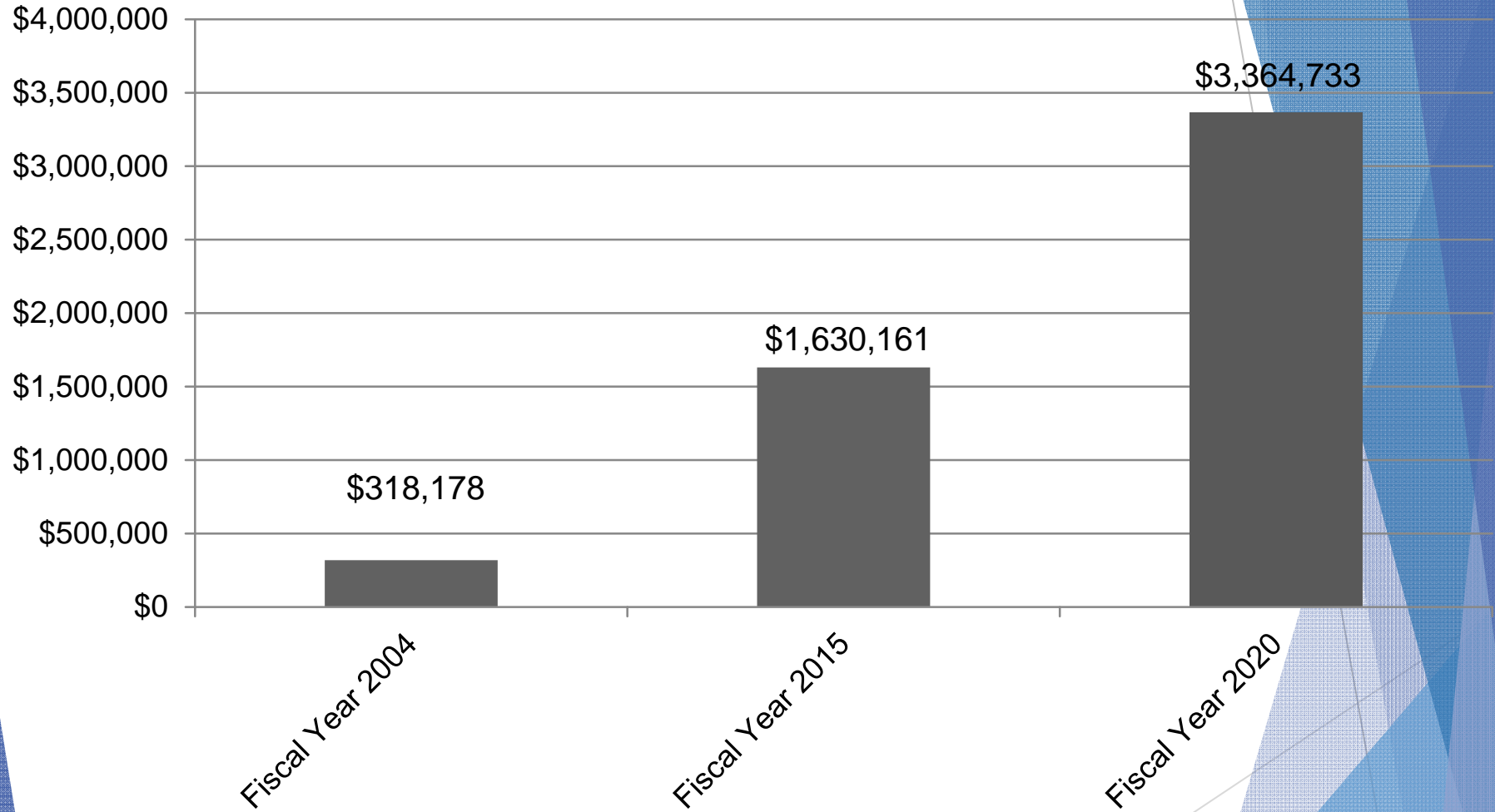
Has the same buying power as:

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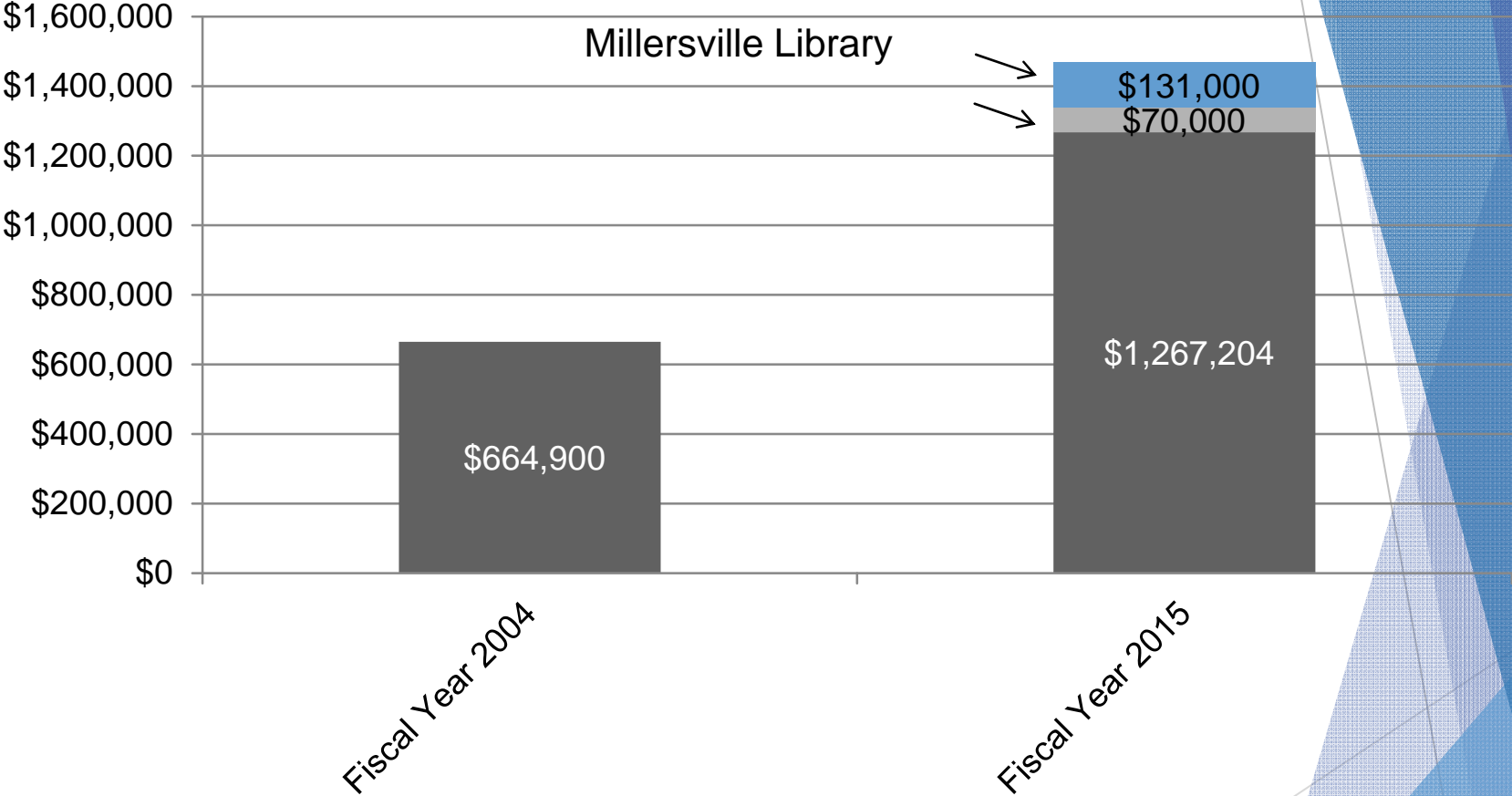
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http://www.bls.gov/data/inflation_calculator.htm

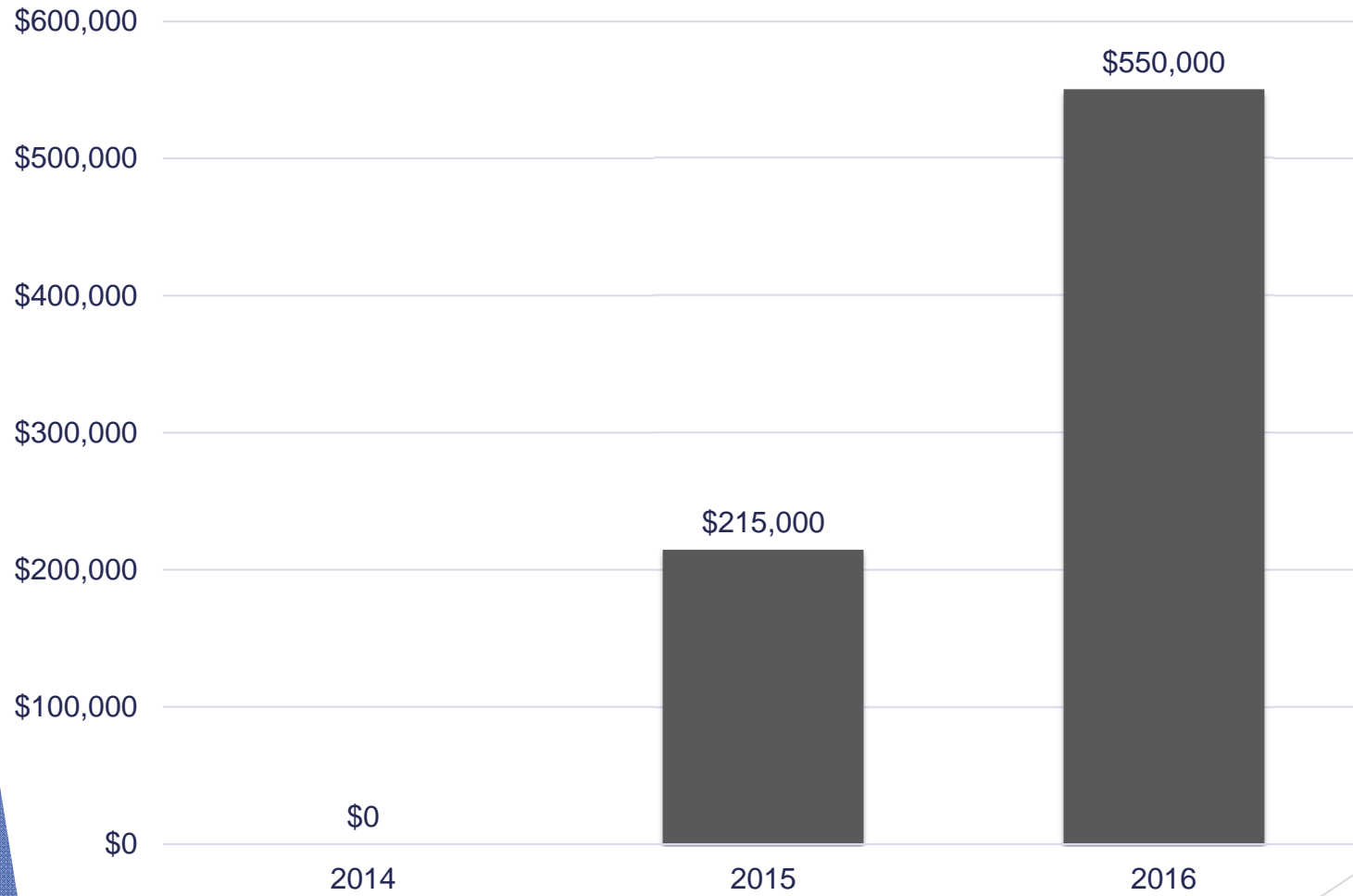
SCHOOL RESOURCE OFFICERS



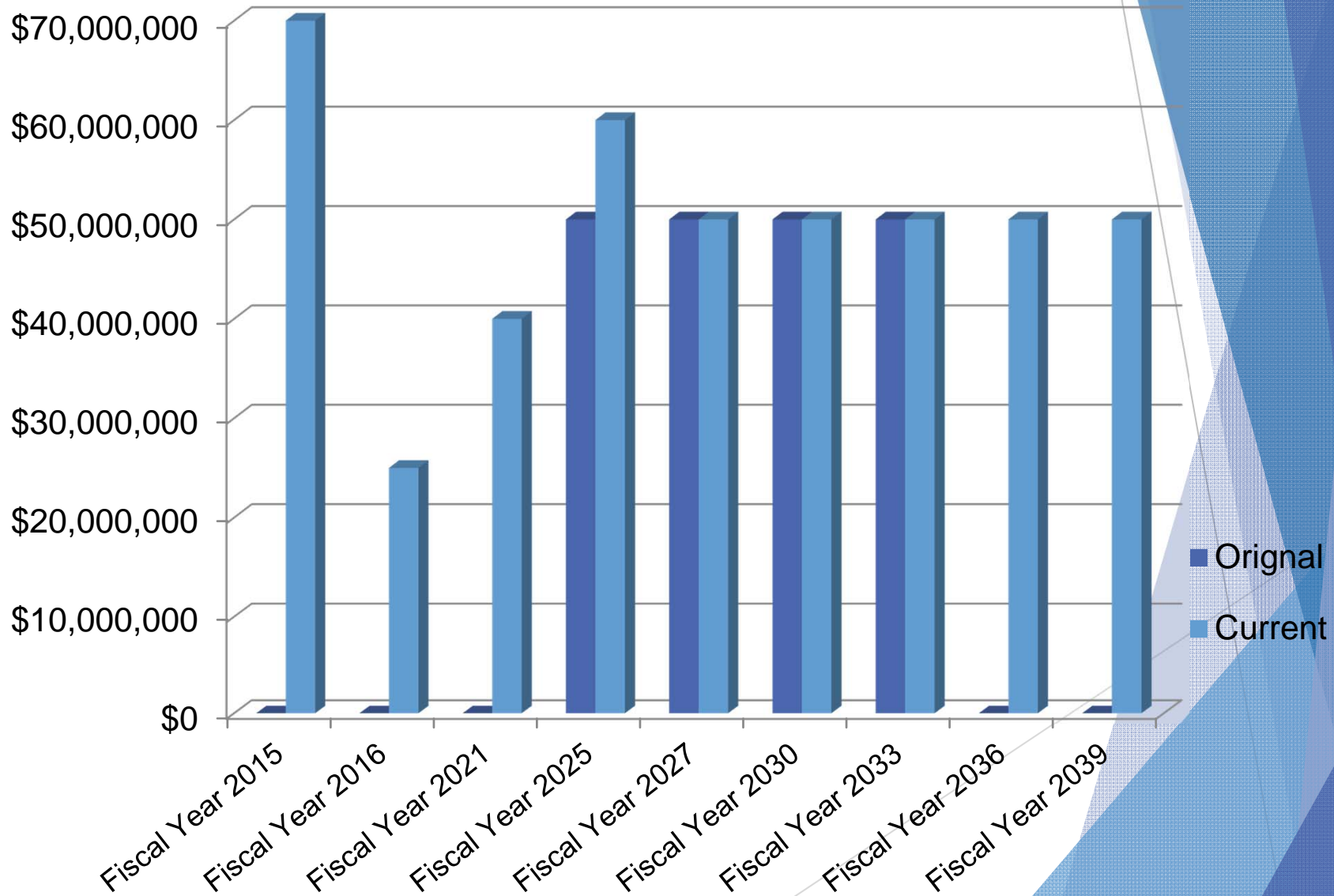
LIBRARIES



NEW GENERAL SESSIONS JUDGE

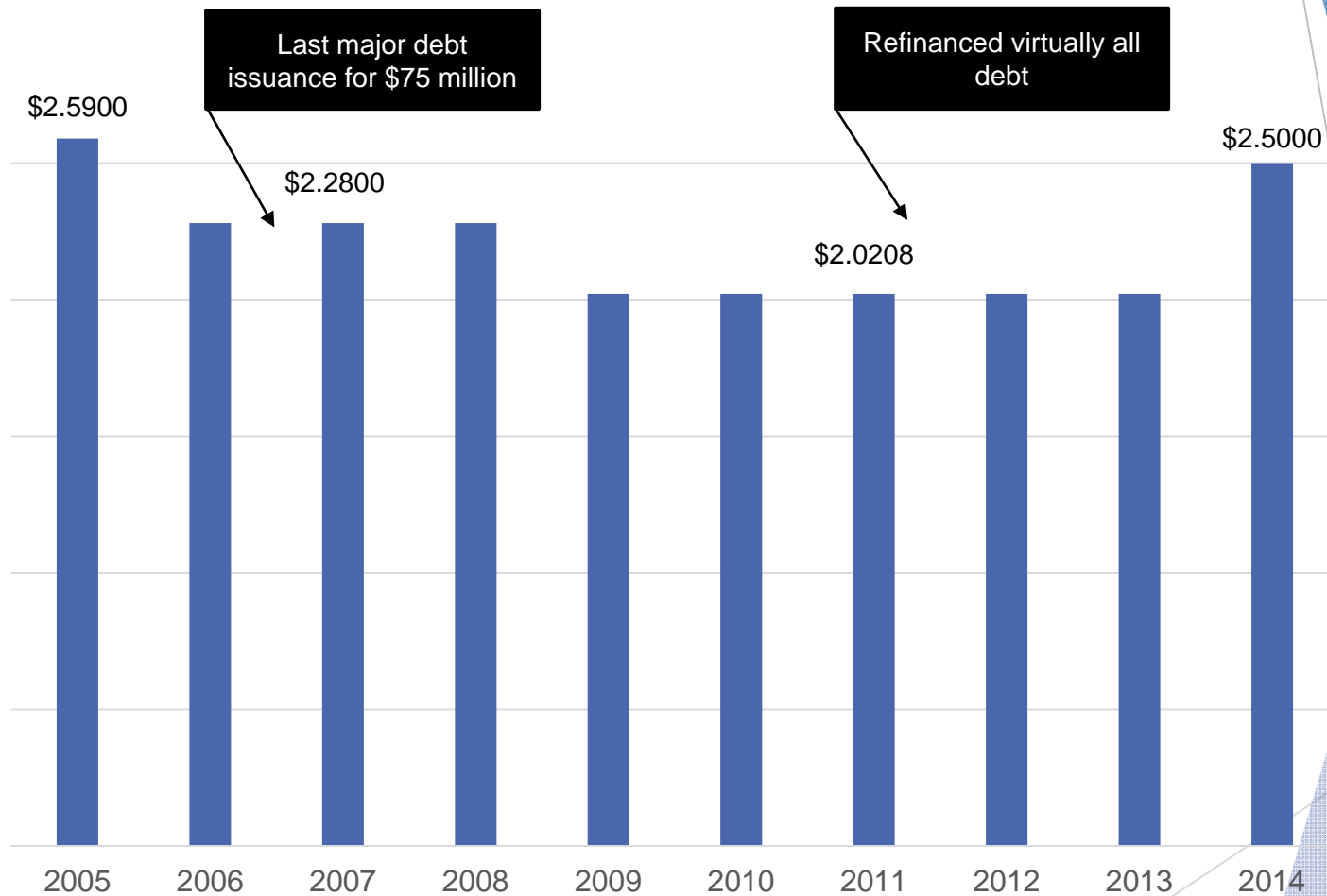


WHY DOES THE ORIGINAL CAPITAL IMPROVEMENT PROGRAM NO LONGER WORK?



HISTORICAL RATES

Tax Rate for Calendar Year



Reappraisal does not capture inflation

WHY DOES GROWTH NOT COVER ALL COSTS?

- ▶ Additional Citizens = Growth in Property Taxes
- ▶ Additional Citizens = Increase in Services
 - In 1990 - 103,281 Citizens
 - In 2000 - 130,449 Citizens
 - In 2005 - 145,009 Citizens
 - In 2013 - 168,888 Citizens