

Town of North Smithfield

NOTICE PROPOSED PROPERTY TAX RATE CHANGES

The Town of North Smithfield, Rhode Island proposes to increase its property tax levy to \$30,731,840 in the 2018 – 2019 fiscal year. The property tax levy in the current year (fiscal year 2017-2018) is \$30,133,258. The FY 2018 and FY 2019 tax levies have excluded motor vehicle excise tax for the purpose of determining tax levy growth pursuant to Article 11 of 2017-H5157 Sub A, as amended. THIS IS A PROPOSED OVERALL LEVY INCREASE OF 1.99%.

It is anticipated that there will be an increase in residential and commercial tax base but a decrease in the tangible tax base which when coupled with the increase in the proposed tax levy will result in a property tax rate of \$17.28 per \$1,000 of assessed valuation for residential real estate, \$19.17 per \$1,000 of assessed valuation for commercial and industrial real estate and \$43.09 per \$1,000 of assessed valuation for tangible personal property, as compared to the current property tax rates of \$16.82 per \$1,000 of assessed valuation for residential real estate, \$18.66 per \$1,000 of assessed valuation for commercial and industrial real estate and \$41.95 per \$1,000 of assessed valuation for tangible personal property.

The preliminary FY 2018-2019 motor vehicle levy includes taxes on motor vehicles at an unchanged rate of \$37.62 per \$1,000 of assessed valuation, which includes the exemption amount provided by the state's motor vehicle excise tax phase-out legislation up to \$2,000.

The net assessment and tax rate breakdown are as follows:

| Classification | Actual Net Assessment FY 2018 | Estimated Net Assessment FY 2019 | Estimated Increases Decrease | Actual Tax Rate FY 2018 | Estimated Tax Rate FY 2019 | Change |
|----------------|-------------------------------------|--|------------------------------------|-------------------------------|----------------------------------|---------|
| Residential | \$ 1,064,156,157 | \$ 1,073,800,186 | \$ 9,644,029 | \$ 16.82 | \$ 17.28 | \$ 0.46 |
| Commercial | \$ 266,331,247 | \$ 289,940,257 | \$ 23,609,010 | \$ 18.66 | \$ 19.17 | \$ 0.51 |
| Tangible PP | \$ 173,460,266 | \$ 153,931,247 | \$ (19,529,019) | \$ 41.95 | \$ 43.09 | \$ 1.14 |
| Motor Vehicles | \$ 100,056,247 | \$ 91,476,929 | \$ (8,579,318) | \$ 37.62 | \$ 37.62 | \$ - |

A property tax rate of \$17.62 for residential real estate, \$19.55 for commercial/industrial real estate and \$43.95 for tangible property represents the maximum levy authorized by section 44-5-2 of the general laws.

The budget for the Town of North Smithfield will be considered at a Town Council meeting to be held on June 18, 2018 at 7:00 pm, located at the North Smithfield Middle School, 1850 Providence Pike, North Smithfield, RI 02896.

The above property tax estimates have been computed in a manner approved by the Rhode Island Department of Revenue.

Gary Ezovski, Town Administrator, Town of North Smithfield

Town of North Smithfield

REPORT TO TAXPAYERS ON THE CURRENT & PROPOSED BUDGET FISCAL YEAR 2018/2019

| | Current Operating FY 17/18 | Current Capital* FY 17/18 | Admin Proposed Operating FY 17/18 | Admin Proposed Capital* FY 17/18 |
|---|----------------------------------|---------------------------------|--|---|
| REVENUES | | | | |
| 1. Local Property Tax Levy (Current Year) | \$33,562,830 | \$ - | \$34,172,710 | \$ - |
| 1a. Abatements | \$ (100,000) | \$ - | \$ (100,000) | \$ - |
| 1b. Allowance for Current Year uncollectible (2%) | \$ (671,257) | \$ - | \$ (683,454) | \$ - |
| Net Tax Revenue for Budget | \$32,791,574 | \$ - | \$33,389,256 | \$ - |
| 2. Local Property Taxes (Interest & Other) | \$1,084,247 | \$ - | \$1,105,239 | \$ - |
| 3. Local Property Tax Levy (Prior Years) | \$510,000 | \$ - | \$456,000 | \$ - |
| 4. Local Non-Property | \$1,252,171 | \$ - | \$1,291,941 | \$ - |
| 5. State Aid | \$7,669,236 | \$ - | \$7,664,730 | \$ - |
| TOTAL REVENUES | \$43,307,228 | \$ - | \$43,907,166 | \$ - |
| EXPENDITURES | | | | |
| 1. General Government | \$1,845,272 | \$ - | \$1,637,461 | \$ - |
| 2. Financial Administration | \$855,354 | \$ - | \$877,338 | \$ - |
| 3. Public Safety | \$5,703,091 | \$ - | \$5,839,814 | \$ - |
| 4. Public Works | \$2,424,870 | \$ - | \$2,585,949 | \$ - |
| 5. Debt Service | \$4,100,772 | \$ - | \$3,973,436 | \$ - |
| 6. Fixed Charges | \$2,150,179 | \$ - | \$2,403,894 | \$ - |
| 7. Capital | \$892,525 | \$ - | \$765,632 | \$ - |
| 8. School Department | \$25,311,775 | \$ - | \$25,802,372 | \$ - |
| 9. Grants & Contributions | \$23,389 | \$ - | \$21,271 | \$ - |
| TOTAL EXPENDITURES | \$43,307,228 | \$ - | \$43,907,166 | \$ - |

*Please note that for FY2014/2015 and subsequent years, capital is being budgeted as an operating line item.

CERTIFICATION: This is to certify that the information in this report is accurate to the best of my knowledge.

Gary Ezovski, Town Administrator, Town of North Smithfield