

ABATEMENT OPTIONS TAX LEVY 2023

Stacey Corder
Business Services 2.13.24



KEY THINGS TO KEEP IN MIND

- Total bond payments to be made out of 2023 Tax Levy \$4,749,400.
- Projected Debt Service Fund Balance as of June 30, 2024 is \$6,017,630.
- The total amount that is abated reduces the amount of revenue that will be available to make bond payment obligations. Thus reducing the Debt Service Fund balance.
- BOE must make a decision on the amount to abate at the February Board Meeting. Abatement documents must be filed with the counties by February 27, 2024.
- All abated taxes will be out of the Debt Service Fund.



ABATEMENT OPTION # 1

- Original option presented with the Tax Levy.
- Abate \$2,398,500 in taxes.
- For the median home assessed value of \$225,000 (or \$69,000 equalized value) this would be approx. \$753 in property tax savings. Savings is calculated based on what tax bill would be if no abatement was done.
- Total tax rate of est. 6.28%.
- Debt Service levy would be \$2,350,900.



ABATEMENT OPTION #2

- Abate an additional \$196,500 above option 1.
- Abate \$2,595,000 in taxes.
- For the median home assessed value of \$225,000 (or \$69,000 equalized value) this would be approx. \$820 in property tax savings. Savings is calculated based on what tax bill would be if no abatement was done.
- Total tax rate of est. 6.19%.
- This option would keep the Debt Service levied amount equal to the 2022 levy. \$2,154,000.
- Additional cost of ≈\$10,000 in interest revenue.



ABATEMENT OPTION #3

- Abate an additional \$500,000 above option 1.
- Abate \$2,898,500 in taxes.
- For the median home assessed value of \$225,000 (or \$69,000 equalized value) this would be approx. \$924 in property tax savings. Savings is calculated based on what tax bill would be if no abatement was done.
- Total tax rate of est. 6.05%.
- Debt Service levy would be \$1,850,900.
- Additional cost of ≈\$25,000 in interest revenue.



ADDITIONAL CONSIDERATIONS

- 2023 Tax Levy is the last planned year of abatement.
- If 2023 Debt Service Levy is less than \$2M, this will make the 2024 Tax Levy have a larger impact on the tax payers. Option #3 would cause this to happen.