

To: **Superintendent Middleton
Members, Newport Board of Education**

From: Tete Turner

Date: August 28, 2019

Re: **Discussion Points - 2019 tax rates (School Year 2020)**

1. City assessments and tax rate information have been received from KDE; we have 45 days to set the rate for this year's taxes; August 12 is Day 1 and September 25th is Day 45.
2. Recommend the 2019 rate be the same as last year's rate of 108.6 cents for both real and personal property. The proposed real and personal property rates (108.6) are above the compensating rate (104.8) so newspaper notifications and the hearing are required. The recommendation includes NOT taking the additional .2 cents allowed for exonerations.
3. First publication notice of the hearing will be the week of 09/02; second publication will be the week of 9/9; we suggest the hearing be held prior to the September 18 Work Session / Special Meeting or prior to the regular Board meeting on 9/25. After that hearing the Board may consider comments, recommendations and take official action to adopt the new rates.
4. The recommended rates (108.6) are expected to produce an additional \$313,611 over last year's revenue, which was \$8,463,721; all additional revenue (after cost of collections) will be dedicated to instruction.
5. Net assessments of property values in Newport increased by \$36,653,394 and this is determined by recent property sales, most notably the Newport Shopping Center; new real property grew by \$4,843,645 and 23% of that was Public Service Cos. real estate.
6. Also recommending the automobile rate remains at 99.3 cents per \$100 of assessed value. These values increased by \$3,696,648 and will bring in additional revenue of \$35,441 over last year.

<u>Newport Independent Schools</u>			
<u>Tax Rate Discussion 08/28/19</u>			
Assessments of existing property up \$36,653,394			
Growth new property up \$ 4,843,465			
No add-on for exonerations			
Collection fee considered, revenue is net			
Rates are expressed in \$100 of assessed value			
Automobile assessments up \$3,696,648			
<u>Description</u>	<u>Rate</u>	<u>Revenue</u>	<u>Increased \$\$</u>
Current property rate; 2018	108.6	\$8,463,721	
Compensating property rate; 2019	104.8	\$8,479,956	\$16,235
<i>Recommendation // Continue Existing rate; 2019</i>	108.6	\$8,777,332	\$313,611
4% increase property rate; 2019	108.9	\$8,801,579	\$337,858
Current automobile rate; 2018	0.993	\$714,069	
Considered automobile rate; 2019	0.993	\$749,510	\$35,441