



The Newport Board of Education held a special meeting on Wednesday, August 30, 2023, at 6:00 PM. The meeting was held at 30 W. 8<sup>th</sup> Street, Newport. PURPOSE: Tax rate hearing and adopting tax rates for 2024

### **CALL TO ORDER**

Chairman Ramona Malone asked for a roll call. The following were present: Ramona Malone, Melissa Sheffel, Sylvia Covington, Aaron Sutherland & Tim Curl.

Ms. Malone asked everyone to stand and recite the Pledge of Allegiance and to pause for a Moment of Reflection.

### **TAX RATE HEARING**

Any taxing district proposing to levy a tax rate which exceeds the compensating tax rate, must hold a public hearing to obtain comments from the public regarding the proposed tax rate. The taxing district shall advertise the hearing at least twice in two consecutive weeks in the newspaper of largest circulation. The announcement for this hearing appeared in the Enquirer on August 14, 2023 and August 21, 2023.

### **ADOPT REAL ESTATE PROPERTY TAX RATE FOR 2024**

In the absence of any public comments, Ms. Malone asked Mr. Watts to make his recommendation to the board regarding tax rates for 2024.

Mr. Watts recommended the 4% increase with exonerations of 0.4. This rate lowers the tax rate from 1.012 in 2023 to .964 for 2024. The reasons for this recommendation follow:

- To keep our salary schedule competitive with surrounding districts;
- There are positions currently paid with ESSER funds that we want to keep moving forward so general funds will be picking up additional salaries;
- The schools need new furniture for students;
- Phase 2 of the stadium project;
- Renewal of current curriculum programs;
- Keeping our contingency within state guidelines.

Property taxes on a \$200,000 home at last year's rate cost the homeowner \$2,024; with the proposed tax rate that same homeowner will pay \$1,928 in 2024.

Comments from the board regarding tax rates centered around the following:

- Spending – travel must be watched as well as other expenses. Travel and spending must impact student achievement before approval.
- Labor costs for district – the general fund budget is approximately \$18,000,000. Salaries, fringes, and taxes for the district is approximately \$14,000,000+ or 75% of the budget which is within state guidelines.
- Building fund obligations are approximately \$1.14 million – this includes the Welcome Center, high school renovations, high school cafeteria, primary school bathrooms, cafeteria, and gymnasium. Next year we will add in the stadium bond.
- Total district budget is \$30,000,000 – besides taxes, the balance of the revenue is generated through state seek funding, Medicaid reimbursements, and the electronic billboards off I471. This total also includes federal grants. Some funding is restricted by KDE mandates.

Ms. Malone asked if the board was ready to vote on the property tax rate for 2024.

On MOTION BY SHEFFEL AND SECONDED BY COVINGTON the board accepted Mr. Watts' recommendation and adopted the .0964 property tax rate for 2024.

Before roll call, Mr. Sutherland asked for an explanation of exonerations. Ms. Hoover explained that an exoneration is a process by which the city reduces a property tax assessment because it is incorrect or the property owner disputes the amount and the city agrees to lower the tax. An exoneration is a way for the district to recover prior year losses due to these actions.

1486 - MOTION CARRIED 5-0

#### **ADOPT MOTOR VEHICLE TAX RATE FOR 2024**

Mr. Sutherland suggested the board consider lowering the motor vehicle tax rate to .090. This would equalize the additional exoneration (\$40,000+) added to the property tax rate and show a goodwill gesture to the citizens that the board is trying to keep taxes as low as possible while still providing for the needs of our students. The board discussed the following:

- Assessments - the PVA assesses property every 4 years. Newport is due for a full assessment next year.
- Mr. Curl proposed lowering the rate to .095 instead of .090 which would only amount to a loss of approximately \$23,000 to the district and still show a good faith effort to constituents;
- The board's duty to the public to have sufficient funding to keep moving the district forward by making resources available for teachers and students.
- Wildcat Academy - is there potential to make money by inviting other districts to participate in these professional development opportunities?
- The board discussed budget cuts and requested a quarterly report to see where cuts are occurring.
- Financial impact of lowering the rate is minimal to individuals – around \$4.00 per year.

After discussion, the board felt that adopting the property tax of .0964 only to lose the additional income by lowering the vehicle tax rate was not in the best interest of the district at this time.

On MOTION BY SHEFFEL AND SECONDED BY MALONE the board adopted the proposed motor vehicle tax rate of .993 for 2024.

1487 – MOTION CARRIED 5-0

#### **ADOPT THE PERSONAL PROPERTY TAX RATE FOR 2024**

On MOTION BY SUTHERLAND AND SECONDED BY SHEFFEL the board adopted the proposed personal property tax rate of 101.7.

1488 – MOTION CARRIED 5-0

#### **ADJOURNMENT**

On MOTION BY SUTHERLAND AND SECONDED BY SHEFFEL the meeting adjourned. Time: 6:55 PM

1489 – MOTION CARRIED 5-0

---

Chairman

---

Secretary