

General Information/Explanation of the Truth-in-Taxation Notice

Boards of Education must take action on a specific timetable each year to certify the amount of revenue required from local taxes. That process is known as the levy. The timetable includes the adoption of an estimated levy (board action in November) and adoption of the final levy (board action in December). At least 20 days must pass between the adoption of the estimated levy and final levy. The levy should also be displayed to the public between these two actions. A-O's final levy must be presented to the two County Clerks before the last Tuesday in December. If the Levy amount is more than 105% of the prior tax year's extensions, the taxing district must give public notice and hold a public hearing on the levy.

This is the third time that we are required to post the notice on our webpage. We have posted the notice in the paper for the last 20 years, as legally required. This requirement does not prohibit us from explaining the process and may assist our taxpayers in understanding the process better.

It is not uncommon for someone to read the notice in the paper and assume that the district is raising taxes. The legal requirement for the posting leaves no room for explanation and is rigid in its format. For example, section III of the Notice makes it look like the district is raising the levy for bonds from \$834,376.14 to \$1,355,565.00, a 62.4645% increase. This is not correct. The notice does not allow the district to explain that the bond amounts are provided, as required by law, before the abatement occurs. The actual levy for the upcoming year is only expected to be \$838,870 or a 0.7789% increase. The percentage increases on the notice make it look like we are significantly raising taxes. Frankly put, we are not.

It is anticipated that the district will lower the tax rate for the 10th year in a row. The anticipated tax rate will be the lowest it has been in over 20 years. A-O's tax rate is lower than 7 of the 10 other districts in the Macon-Piatt ROE educational service region.

Here is a summation of the district's tax rate over the last 8 years and an estimate for this upcoming year's rate.

Year	Assessment Rate	Difference
2017	\$4.39606	(\$0.00471)
2018	\$4.38580	(\$0.01025)
2019	\$4.37923	(\$0.00657)
2020	\$4.34810	(\$0.03113)
2021	\$4.30545	(\$0.04265)
2022	\$4.20723	(\$0.09822)
2023	\$4.11350	(\$0.09373)
2024	\$4.04855	(\$0.06495)
2025	\$4.03073	(\$0.01782)
2026*	\$4.02441	(\$0.00632)

*Predicted

Additional Analysis

If the school district's tax rate went down, how come my taxes went up? This is a fair question. This did occur for many. The district has no control over the assessment (value) of local property. If the county increases the value of property (which it did) that can override the savings of a lower tax rate causing an increase in your tax bill. So, in essence, your house was worth more than the previous year so your taxes went up. Whitmore and Friends Creek were also were part of a quadrennial reassessment. This state mandated process increased the value of the properties in both townships. Raising the value of the properties will result in a higher tax bill. Additionally, although the school district may be the largest taxing body impacting your tax bill, we are not the only one. There are over a dozen other taxing bodies. If several raised their rate, it may override the reduction that we made.