

Kip Kendrick, Presiding Commissioner
Justin Aldred, District I Commissioner
Janet M. Thompson, District II Commissioner



Roger B. Wilson
Boone County Government Center
801 East Walnut, Room 333
Columbia, MO 65201-7732
573-886-4307 • FAX 573-886-4311

Boone County Commission

To Whom It May Concern:

On Friday, July 7, 2023, Governor Parson signed Senate Bill 190 (SB 190). SB 190 authorizes the Boone County Commission to adopt a policy that grants a property tax credit to eligible taxpayers residing in Boone County, essentially freezing property taxes on primary residences for senior citizens across the County.

We have seen an increase in constituent contact regarding SB 190 and the County's intentions on adopting said policy.

The Boone County Commission is in the information gathering phase. We do not intend to rush to any decisions, but rather carefully consider the impact this policy may have on constituencies across Boone County, including but not limited to taxing entities.

At this time, we formally request your entity's fiscal analysis on the impact of a property tax freeze as outlined in SB 190. This information is critical to our ability to make an informed decision. Please send this information to me via email at kkendrick@boonecountymo.org and by mail to Kip Kendrick, Boone County Government Center, 801 East Walnut, Rm 333, Columbia, MO 65201.

Please feel free to reach out if you have questions. Your prompt attention to this request would be greatly appreciated.

Respectfully,

Kip Kendrick

Kip Kendrick

From: Heather McArthur <HMcArthur@cpsk12.org>
Sent: Wednesday, October 25, 2023 2:30 PM
To: Brian Yearwood
Cc: Kip Kendrick
Subject: RE: [External] SB 190: Impact on Taxing Entities

Follow Up Flag: Follow up
Flag Status: Flagged

CAUTION: This email originated outside of boonecountymmo.org. ONLY use links and attachments which are familiar.

Kip –

Any limitation on increases to assessed valuation or property that can be included for calculating property taxes will have a significant effect on district revenue. The impact of SB 190 could be anywhere from 10% to 20% based on the assessed valuation attributed to those affected by the law. Absent specific data on the age range of each Boone County property owner and the historic value attributed to them, it is impossible for us to calculate the exact impact of SB 190. Using the conservative number of 10%, that would equate to approximately \$3 million in revenue. If you want to make a comparison or give examples of how this could affect Columbia, the three million dollars is how much it costs to operate or step all employees on the salary schedules each year (without any improvements to schedules) or would be the equivalent of the salaries for 50 teachers. Other districts have calculated the impact to be as much as 20% which would equate to approximately \$6 million and would double the affects of each of the examples given.

I am also providing link to the most recent tax rate presentation given to the Board of Education back in August when setting the tax rate. That presentation shows the total amount the district receives from property taxes.

<https://simbli.eboardsolutions.com/Meetings/Attachment.aspx?S=42&AID=309186&MID=13550>

If you have additional questions or know something about those numbers that I do not know, please let me know.

Thanks.

Heather M. McArthur, CPA
Chief Financial Officer

Columbia Public Schools
1818 W, Worley St.
Columbia, MO 65203
Email – hmcArthur@cpsk12.org
Phone – 573-214-3416
Fax – 573-214-3401

From: Brian Yearwood <BYearwood@cpsk12.org>
Sent: Wednesday, October 25, 2023 2:15 PM

September 26, 2023

Boone County Commissioners,

I am writing in response to the Commission's request for fiscal impact on the Southern Boone R-I School District, should Senate Bill 190 (SB 190) be enacted in Boone County through the adoption of a policy that would grant real property tax credits to eligible taxpayers. This letter provides our analysis, along with additional related information on the funding of our public school districts.

The calculation of potential fiscal impact is based on imperfect data and, as such, we have adopted a conservative approach. Presuming that those under the age of 18 are not owners of real property, 17.33% of Boone County's remaining population is age 65 and older. Because this policy would impact the larger group of taxpayers age 62 and older, and because we presume older residents own homes at a greater rate than younger residents, we estimate that more than 20% of homes within Boone County are owned by those age 62 and older. As such, we have conservatively estimated the policy would impact collections on 20% of existing residential property within our district boundaries.

Because historical data are the best data available, we have calculated the potential fiscal impact based on the district's assessed valuation and tax rates from 2017 through present. Based on current and historical data, presuming 20% of residential property would have been impacted, we estimate we would have experienced a reduction of \$640,887 in 2023 revenue through adoption of such a policy. This amount represents nearly 8.5% of our local revenue in this category—the wages and benefits of ten teachers, or roughly 5% of our faculty.

Missouri's school funding mechanisms limit increases in property tax collections in accordance with the Hancock Amendment. State law requires the annual recalculation of public school district tax rates to ensure rates are adjusted downward as property values increase. Revenues are collected based on the assessed value of property, and any increased revenue based on a biannual reassessment is capped at the consumer price index or five percent, whichever is lower. As such, a circuit breaker to prevent significant increases is already in place as a protection to homeowners.

As you are undoubtedly aware, public school funding is woefully inadequate. Missouri's educator pay is among the lowest in the nation. After implementing special funding allocations subject to annual appropriation by the legislature, base teacher pay has been temporarily increased to \$38,000 per year. This amount is significantly less than private sector entry-level pay for professionals with similar education. Pay is likewise uncompetitive for our other staff classifications, including bus drivers and hourly staff. If we are serious about increasing the recruitment and retention of highly qualified teachers and staff in Missouri's schools, we must carefully consider the negative impacts of any reduction in revenues.

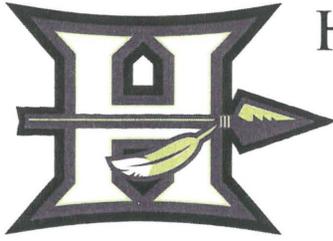
Obviously, schools are also subject to the same cost increases experienced by any business or resident. Expenses associated with fuel, natural gas, electricity, and supplies increase annually. Such increases, along with the need to establish wages and benefits that are as competitive as possible, places a strain on school budgets that are exacerbated by any decline in funding.

While we agree that senior citizens within our county, especially those living on fixed incomes and with limited means, would benefit from relief from the rising costs of home ownership, SB190 provides no accommodation for the need of those taxpayers impacted by the potential policy. Rather, it demands a blanket approach based exclusively on age and without consideration of household means. As such, SB190 presents a simplistic approach that will cause unnecessary funding challenges to our public entities and should be reconsidered prior to implementation.

I hope this information is helpful. Please feel free to contact me with any questions.

Sincerely,

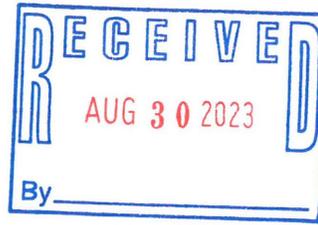
Dr. Tim Roth
Superintendent
Southern Boone R-I School District



HALLSVILLE SCHOOL DISTRICT

411 E. HIGHWAY 124
HALLSVILLE, MO 65255
PHONE (573) 696-5512
FAX (573) 696-1605

JOHN DOWNS
SUPERINTENDENT OF SCHOOLS
JDOWNS@HALLSVILLE.ORG



August 28, 2023

Boone County Commissioners,

I am writing in response to the Commission's request for fiscal impact on the Hallsville R-IV School District, should Senate Bill 190 (SB 190) be enacted in Boone County through the adoption of a policy that would grant real property tax credits to eligible taxpayers. This letter provides our analysis, along with additional related information on the funding of our public school districts.

The calculation of potential fiscal impact is based on imperfect data and, as such, we have adopted a conservative approach. Presuming that those under the age of 18 are not owners of real property, 17.33% of Boone County's remaining population is age 65 and older. Because this policy would impact the larger group of taxpayers age 62 and older, and because we presume older residents own homes at a greater rate than younger residents, we estimate that more than 20% of homes within Boone County are owned by those age 62 and older. As such, we have conservatively estimated the policy would impact collections on 20% of existing residential property within our district boundaries.

Because historical data are the best data available, we have calculated the potential fiscal impact based on the district's assessed valuation and tax rates from 2017 through present. Based on current and historical data, presuming 20% of residential property would have been impacted, we estimate we would have experienced a reduction of \$238,006 in 2023 revenue through adoption of such a policy. This amount represents nearly six percent of our local revenue in this category—the wages and benefits of four teachers, or roughly four percent of our faculty. Viewed another way, this amount represents more than \$1,250 in salary and the associated benefits for each of our teachers.

Missouri's school funding mechanisms limit increases in property tax collections in accordance with the Hancock Amendment. State law requires the annual recalculation of public school district tax rates to ensure rates are adjusted downward as property values increase. Since 2017, the Hallsville School District's tax rate has decreased more than 18 cents in accordance with this provision of law. Revenues are collected based on the assessed value of property, and any increased revenue based on a biannual reassessment is capped at the consumer price index or five percent, whichever is lower. As such, a circuit breaker to prevent significant increases is already in place as a protection to homeowners.

As you are undoubtedly aware, public school funding is woefully inadequate. Missouri's educator pay is among the lowest in the nation. After implementing special funding allocations subject to annual appropriation by the state legislature, base teacher pay has been temporarily

increased to \$38,000 per year. This amount is significantly less than private sector entry-level pay for professionals with similar education. Pay is likewise uncompetitive for our other staff classifications, including bus drivers and hourly staff. If we are serious about increasing the recruitment and retention of highly qualified teachers and staff in Missouri's schools, we must carefully consider the negative impacts of any reduction in revenues.

Obviously, schools are also subject to the same cost increases experienced by any business or resident. Expenses associated with fuel, natural gas, electricity, and supplies increase annually. Such increases, along with the need to establish wages and benefits that are as competitive as possible, place a strain on school budgets that are exacerbated by any decline in funding.

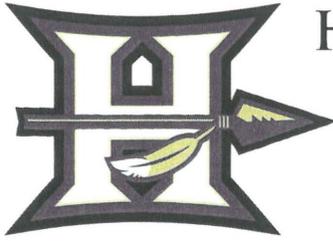
While we agree that senior citizens within our county, especially those living on fixed incomes with limited means, would benefit from relief from the rising costs of home ownership, SB190 provides no accommodation for the need of those taxpayers impacted by the potential policy. Rather, it demands a blanket approach based exclusively on age and without consideration of household means. As such, SB190 presents a simplistic approach that will cause unnecessary funding challenges to our public entities and should be reconsidered prior to implementation.

I hope this information is helpful. Please feel free to contact me with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. John Downs', with a long horizontal line extending to the right.

David John Downs
Superintendent
Hallsville School District



HALLSVILLE SCHOOL DISTRICT

411 E. HIGHWAY 124
HALLSVILLE, MO 65255
PHONE (573) 696-5512
FAX (573) 696-1605

JOHN DOWNS
SUPERINTENDENT OF SCHOOLS
JDOWNS@HALLSVILLE.ORG

September 1, 2023

Boone County Commissioners,

This communication serves as an amendment to my letter dated August 28, 2023, sent in response to the Commission's request for information on the fiscal impact of Senate Bill 190 (SB 190), should Boone County adopt a policy that would grant real property tax credits to eligible taxpayers. New interpretations of SB 190 have been issued that, if correct, will alter that fiscal analysis.

As you may be aware, the State Tax Commission has issued its interpretation of several provisions contained within SB 190. This interpretation reads, in part:

SB 190 will apply prospectively because it does not contain a specific provision allowing it to be applied retroactively. Consequently, once a county enacts an ordinance based on SB 190, eligible individuals within the county would be able to claim the credit going forward. However, under the plain language of the statute, the collector would be required to calculate the credit based on the tax liability for the homestead when the eligible individual first became eligible for social security benefits, which might have occurred a few or many years in the past. This calculation will result in a loss of revenue to the taxing districts. [Emphasis added]

Additionally, the Missouri Association of Counties appears to affirm the State Tax Commission's reading of SB 190 in their interpretation.

If this interpretation is deemed correct, it would be even more financially detrimental to the Hallsville School District than we calculated and reported to the Boone County Commission in our initial fiscal analysis. Under such an interpretation, a 92-year-old property owner would be effectively capped at the residential property tax paid thirty years ago. This would result in an increased loss of local revenue supporting our educational programs.

Absent specific data on the age of each Boone County property owner and the historic value of their property, it is impossible for us to calculate the exact impact of a policy adoption. In light of this new interpretation, however, it is clear that our fiscal analysis previously provided is more conservative than we stated, and the potential exists for a significantly larger decrease in local revenues. Such losses to a school district inevitably have a detrimental impact on the education provided to students, from increased class sizes resulting in decreased support from teachers, to the loss of programs, such as career and technical education, the arts, and athletic programs.

As stated in my prior letter, SB 190 presents a simplistic approach that will cause unnecessary funding challenges to our public entities and should be reconsidered prior to implementation. I would encourage the Boone County Commission to decline the adoption of a policy until the concerns shared previously and within this additional communication can be addressed at the state level.

I hope this information is helpful. As always, please feel free to contact me as needed.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. J. Downs', with a long horizontal flourish extending to the right.

David John Downs
Superintendent
Hallsville School District

Total (All Counties)

	Residential	Tax Rate	Total Rev	20% >61	Cap	Fiscal Note
2017	\$ 50,942,560	\$ 4.3595	\$ 2,220,841	\$ 444,168	\$ 444,168	\$ -
2018	\$ 52,263,130	\$ 4.3595	\$ 2,278,411	\$ 455,682	\$ 444,168	\$ 11,514
2019	\$ 56,818,625	\$ 4.3327	\$ 2,461,781	\$ 492,356	\$ 444,168	\$ 48,188
2020	\$ 57,806,190	\$ 4.3331	\$ 2,504,800	\$ 500,960	\$ 444,168	\$ 56,792
2021	\$ 62,285,365	\$ 4.3162	\$ 2,688,361	\$ 537,672	\$ 444,168	\$ 93,504
2022	\$ 63,632,426	\$ 4.3134	\$ 2,744,721	\$ 548,944	\$ 444,168	\$ 104,776
2023	\$ 69,063,312	\$ 4.3230	\$ 2,985,607	\$ 597,121	\$ 444,168	\$ 152,953

Boone County

	Residential	Tax Rate	Total Rev	20% >61	Cap	Fiscal Note
2017	\$ 38,643,960	\$ 4.3595	\$ 1,684,683	\$ 336,937	\$ 336,937	\$ -
2018	\$ 39,799,930	\$ 4.3595	\$ 1,735,078	\$ 347,016	\$ 336,937	\$ 10,079
2019	\$ 44,129,005	\$ 4.3327	\$ 1,911,977	\$ 382,395	\$ 336,937	\$ 45,459
2020	\$ 44,918,150	\$ 4.3331	\$ 1,946,348	\$ 389,270	\$ 336,937	\$ 52,333
2021	\$ 48,764,385	\$ 4.3162	\$ 2,104,768	\$ 420,954	\$ 336,937	\$ 84,017
2022	\$ 49,855,136	\$ 4.3134	\$ 2,150,451	\$ 430,090	\$ 336,937	\$ 93,154
2023	\$ 54,674,922	\$ 4.3230	\$ 2,363,597	\$ 472,719	\$ 336,937	\$ 135,783

Audrain County

	Residential	Tax Rate	Total Rev	20% >61	Cap	Fiscal Note
2017	\$ 12,127,010	\$ 4.3595	\$ 528,677	\$ 105,735	\$ 105,735	\$ -
2018	\$ 12,287,370	\$ 4.3595	\$ 535,668	\$ 107,134	\$ 105,735	\$ 1,398
2019	\$ 12,514,360	\$ 4.3327	\$ 542,210	\$ 108,442	\$ 105,735	\$ 2,707
2020	\$ 12,713,510	\$ 4.3331	\$ 550,889	\$ 110,178	\$ 105,735	\$ 4,442
2021	\$ 13,319,890	\$ 4.3162	\$ 574,913	\$ 114,983	\$ 105,735	\$ 9,247
2022	\$ 13,559,910	\$ 4.3134	\$ 584,893	\$ 116,979	\$ 105,735	\$ 11,243
2023	\$ 14,149,770	\$ 4.3230	\$ 611,695	\$ 122,339	\$ 105,735	\$ 16,604

Monroe County

	Residential	Tax Rate	Total Rev	20% >61	Cap	Fiscal Note
2017	\$ 171,590	\$ 4.3595	\$ 7,480	\$ 1,496	\$ 1,496	\$ -
2018	\$ 175,830	\$ 4.3595	\$ 7,665	\$ 1,533	\$ 1,496	\$ 37
2019	\$ 175,260	\$ 4.3327	\$ 7,593	\$ 1,519	\$ 1,496	\$ 23
2020	\$ 174,530	\$ 4.3331	\$ 7,563	\$ 1,513	\$ 1,496	\$ 16
2021	\$ 201,090	\$ 4.3162	\$ 8,679	\$ 1,736	\$ 1,496	\$ 240
2022	\$ 217,380	\$ 4.3134	\$ 9,376	\$ 1,875	\$ 1,496	\$ 379
2023	\$ 238,620	\$ 4.3230	\$ 10,316	\$ 2,063	\$ 1,496	\$ 567



HARRISBURG R-VIII SCHOOL DISTRICT

Home of the Bulldogs

September 8, 2023

Boone County Commissioners,

Senate Bill 190 (SB 190) will have an adverse effect on the Harrisburg R-VIII School District. If Boone County adopts this policy and grants real property tax credits to eligible taxpayers, it significantly reduces funding for our district. The Harrisburg community has little industry, and we rely heavily on local property taxes.

Our 21-22 audit data shows that our district collected \$2,610,430 from current and delinquent taxes. When you compare our total revenue of \$7,231,118, you will see that 36% of our total revenue is secured from local taxes. Presuming that those under 18 are not owners of real property, 17.33% of Boone County's remaining population is 65 and older. This policy would impact a large group of taxpayers. We estimate that locally, in the Harrisburg School District, more than 30% of homes are owned by those age 62 and older. This number may be conservative because, like many small towns in Missouri, our demographics are getting older as our young people are not returning home. Another factor is our part of the county. We have not experienced the exponential growth the rest of Boone County has enjoyed. Therefore, when you look at the data, \$783,129 of the district's revenue will somehow be affected, whether by freezing current taxes or rescinding amounts back to when individuals had reached 62.

School budget expenditures are primarily on personnel (teachers), so any revenue loss will mean cutting educators, directly affecting our greatest asset and future, our students. The pool of quality educators has considerably shrunk in the last decade. With state initiatives to raise teachers' pay (woefully low), SB 190 seems counterproductive. I understand taxes are a financial burden on our older population, but until a plan is put in place to offset the revenue loss, SB 190 is not advantageous for our students.

Everyone is in a difficult position, but this is not the solution. I would like to thank all the commissioners for their continued public service. Please contact me with any questions.

Sincerely,

Steve Combs
Superintendent

Harrisburg School District

Equal Opportunity Employer

"Developing Tomorrow's Future, Today!"

Administration Office
1000 South Harris
Harrisburg, MO 65256
Phone (573) 875-5604
Fax (573) 875-8877

High School Office
801 South Harris
Harrisburg, MO 65256
Phone (573) 875-5602
Fax (573) 443-1559

Middle School Office
233 South Harris
Harrisburg, MO 65256
Phone (573) 817-5857
Fax (573) 875-8936

Elementary Office
221 South Harris
Harrisburg, MO 65256
Phone (573) 875-0290
Fax (573) 875-8572

Sturgeon R-V Schools

"All Bulldogs Succeed in Learning Through Commitment, Teamwork and Accountability"

210 W Patton Street
Sturgeon, Missouri 65284

Phone (573) 687-3515
Fax (573) 687-2116

September 6, 2023

Boone County Commissioners,

I am writing in response to the Commission's request for fiscal impact on the Sturgeon R-V School District, should Senate Bill 190 (SB 190) be enacted in Boone County.

We have estimated approximately 20% of our population is 62 or older falling into this category for the tax credit. Being located in rural Boone county leads us to believe that more than 20% of our tax paying population is aged 62 or over. As such, we have conservatively estimated the policy would impact collections on 20% of existing residential property within our district.

Based on current and historical data, presuming 20% of residential property would have been impacted, we estimate we would have experienced a reduction of \$71,751 in 2023 revenue through adoption of such a policy. This amount represents one and a half new teachers. Viewed another way, this amount represents more than \$1,650 in salary increase for each of our current teachers. Recent interpretations of SB 190 have indicated that the tax credits may be retroactively implemented which could further limit revenue to Sturgeon R-V.

The Hancock Amendment limits property tax collections to protect homeowners. In addition, Missouri public schools are finding it difficult to recruit and retain teachers and classified staff to meet student needs. Certified and classified staff working in Missouri public schools are underpaid and limiting revenues for public education will only exacerbate this problem. Public school funding system in Missouri does not adequately allow school districts to meet the ever increasing needs of our students. Expenses to operate and maintain schools are also increasing. Such increases, along with the need to improve wages and benefits packages that are competitive, places a strain on school budgets.

Sturgeon R-V values and supports our senior citizens within our county who live on a fixed income. We recognize the benefit from relief of the rising costs of home

Dr. Dustin Fanning Rod Sears Jamie Boyd Christina Ridgeway Jeff Carr
Superintendent High School Principal K-8 Principal Special Ed Director Director of Operations

Board of Education

Freedom Pollard, *President* ♦ Bethany Stone, *Vice President* ♦ Ben Pollock, *Treasurer* ♦ Peggy Leerhoff, *Secretary*
Denise Flaspohler, *Member* ♦ Kenneth Ladyman, *Member* ♦ Kelly Sharp, *Member* ♦ Morgan Ritchie, *Member*

Sturgeon R-V Schools

"All Bulldogs Succeed in Learning Through Commitment, Teamwork and Accountability"

210 W Patton Street
Sturgeon, Missouri 65284

Phone (573) 687-3515
Fax (573) 687-2116

ownership. However, SB 190 provides no accommodation for the future of Boone county. Boone county students are our future and will be negatively impacted by the enactment of SB 190. I would respectfully ask you to carefully consider the unintended consequences associated with SB 190 prior to implementation.

Thank you for inquiring about how SB 190 will impact the students in the Sturgeon R-V School District. I hope you find it helpful.

Sincerely,



Dustin Fanning, Ed. D.
Superintendent
Sturgeon R-V



A D I S T R I C T O F C H O I C E

Dr. Dustin Fanning
Superintendent

Rod Sears
High School Principal

Jamie Boyd
K-8 Principal

Christina Ridgeway
Special Ed Director

Jeff Carr
Director of Operations

Board of Education

Freedom Pollard, *President* ♦ Bethany Stone, *Vice President* ♦ Ben Pollock, *Treasurer* ♦ Peggy Leerhoff, *Secretary*
Denise Flaspohler, *Member* ♦ Kenneth Ladyman, *Member* ♦ Kelly Sharp, *Member* ♦ Morgan Ritchie, *Member*

Kip Kendrick

From: Jim Smith <jsmith@dbrl.org>
Sent: Friday, August 18, 2023 8:09 AM
To: Kip Kendrick
Subject: Fwd: SB 190

CAUTION: This email originated outside of boonecountymo.org. ONLY use links and attachments which are familiar.

Mr. Kendrick:

Given that 13.9% of the population in Boone County is 65 or older according to the US Census data for Boone County, we estimate the financial impact of SB 190 at approximately \$101,100 annually for the Columbia and Boone County Library District property tax revenue. Sorry this took so long. Please let me know if you have any questions. Thank you..

--

James (Jim) Smith, CFO
Daniel Boone Regional Library
(573) 817-7012
jsmith@dbrl.org

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James (Jim) Smith, CFO
Daniel Boone Regional Library
(573) 817-7012
jsmith@dbrl.org

2700 WEST ASH STREET, COLUMBIA MO 65203

Laura Cravens, Executive Director

573-874-1995 TEL | 573-554-3049 FAX

WWW.BCFR.ORG

BOONE COUNTY
Family
RESOURCES

August 14, 2023

Boone County Commission
Boone County Government Center
801 E Walnut Street, Room 333
Columbia MO 65201-7732

RE: Missouri Senate Bill 190

Esteemed Commissioners Kendrick, Thompson & Aldred:

I am writing to share the estimated fiscal impact of SB 190 on Boone County Family Resources, should the law be enacted in Boone County. According to the U.S. Census, an estimated 26,000 Boone County residents are 65 or older and may be eligible for the tax freeze. Based on data supplied by the similarly-sized Jefferson County, MO, the average five-year loss in revenues would start at \$39,000, or \$7,900 annually. The loss of revenue would most likely grow as both property values and the number of homeowners aged 62 and older will likely increase over time based on the consistent annual population increase in Boone County.

While \$7,900 annually does not sound like a large amount, it would fund any of the following:

- 90 hours of Physical, Occupational or Speech Therapy
- 78 hours of Vocational Transition Services
- 78 hours of Behavior Intervention Specialist services
- Crisis Housing Assistance for a minimum of 15 persons
- 20 sessions of Therapeutic Horseback Riding
- An array of assistive technologies and home modifications that may decrease the need for government-funded supports

SB 190, in enacted in Boone County, would lessen the effects of SB 40 which allowed for the creation of Boone County Family Resources and was approved by the voters of Boone County decades ago. Missouri already has a Property Tax Credit program which provides low-income seniors a tax credit based on their paid property tax. SB 190 will not save, but will shift more of the costs of disability services from homeowners over age 62, including those with high incomes and assets, back to persons with developmental disabilities and their families. For all of these reasons, I believe SB 190 would be detrimental to citizens of Boone County, MO.

If you would like more information on anything I have written above, or would like to discuss further, please contact me at any time. I want to thank you very much for your time, consideration of this matter and for your dedicated service to Boone County and its citizens.

Sincerely,
Laura Cravens, Executive Director
Boone County Family Resources
573.874.1995 x302
lcravens@bcfr.org



SOUTHERN BOONE COUNTY FIRE PROTECTION DISTRICT
P.O. BOX 199 ASHLAND, MISSOURI 65010

Boone County Commissioner
Attn: Mr. Kip Kendrick
801 E. Walnut St
#333
Columbia, MO 65201

Commissioner Kendrick,

We received your request letter for comment on Senate Bill 190 pertaining to the homeowner property tax freeze for residents 62 years old and older. The Southern Boone Fire Board discussed your request at our last meeting. Our mission is to provide emergency services. Our people and equipment are in use for that purpose only. We do not have the expertise or the information to provide an analysis as to what senate bill 190 means to our constituents or the district. The question is too big and too vague.

We feel the law would have a meaningful impact ,if it is implemented, to our ability to provide emergency services in an era of increasing costs. But we have no way to quantify the impact.

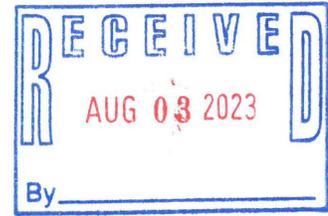
Respectfully submitted,

A handwritten signature in black ink, appearing to read "Terry Hilgedick".

Terry Hilgedick
Southern Boone County Fire Protection District
Board President



101 West Broadway | PO BOX 135
Ashland, MO 65010
www.ashlandmo.us | 573-657-2091



To: Kip Kendrick, Presiding Commissioner
Re: Fiscal Analysis Regarding the Implementation of SB 190
31 July, 2023

Mr. Kendrick,

This letter is intended to provide the Boone County Commission with information regarding the fiscal impacts SB 190 may have on the City of Ashland when imposed by the County.

Senate Bill 190 seeks to offer a property tax credit to senior citizens by way of freezing property taxes on primary residences for senior citizens. According to the 2020 Census, the City of Ashland contains approximately 903 people that can be classified as senior citizens. For the purpose of this analysis, we will assume this equates to 452 households. The City of Ashland contains approximately 1,850 households. For the purpose of this analysis, 24% of our households are senior citizen households that would be eligible for the proposed property tax credit.

For the taxing year 2023, the City of Ashland will realize a 5.192% increase in valuation. Bringing our total residential assessed valuation to \$65,114,508 and our personal property valuation to \$21,121,513.

Using these values, and assuming 24% of our residential valuation and personal property valuation would not be subject to a 5.192% increase, the City would lose approximately \$1,942.82 of anticipated tax revenue. This is approximately 1% of our annual property tax revenue projected for tax year 2023. Any loss is substantial when coupled with cost of livings increases that have averaged out to 3.5% per year over the last ten years.

While this amount may seem insignificant over a singular year, forecasting a ten year planning window shows much more significant loss. Simply assuming a 3% increase in valuation over ten years with a frozen base for 24% of our valuation, the City would see approximately a \$75,000 loss in total revenue. By year ten, the loss in revenue from a frozen senior citizen tax base would equate to a 6.5% loss in annual tax revenue. This doesn't account for current population aging into the senior citizen category and further increasing the amount of frozen base valuation.

In summary, Senate Bill 190 will have a substantial impact on the City of Ashland. This impact will primarily affect our public safety spending which currently accounts for 80% of our general revenue expenditures. Ashland lacks a diverse property tax base and lacks large sales tax generating entities. Any loss to property tax revenues severely hamstrings our ability to grow forward.

Please direct any questions you may have to me at kmichel@ashlandmo.us or 573-657-2091.

Respectfully,

Kyle Michel, MPA
City Administrator
City of Ashland, MO