The language in the measure states, “If approved, the incremental tax rate increase from the projected 2019 rate is estimated to be $1.00 per $1,000.00 of assessed value. Actual rates may vary based upon interest rates incurred and changes in assessed value.”

The levy amount is only an estimate. There is no language in the measure to limit how high it could go.

In the situation of a short recession and property values drop, how will the district make up the deficit in bond payment revenue?

Under Oregon's property tax system, real market values can drop while taxable assessed values continue to grow. In rare cases, like in some areas of Oregon during the last great recession, the real market value drops far enough that it lowers the taxable assessed value of a district. The general obligation bond pledge is to levy sufficient taxes to pay the bond debt service. So in the case that the taxable assessed value drops enough that a $1/1000 levy is not enough to cover that year's debt service, the District could choose to levy a higher rate or

What is the total Assessed Value of all property in the district subject to this levy?

For the current tax year (2020-21), the taxable assessed value is $88,492,220 in Benton County and $2,105,567 in Lane County for a total of $90,597,787 of taxable assessed value.

Are there properties or uses of property within the district that are not subject to this levy?

Yes, properties owned by government, non-profit and religious organizations for instance.

Who did the estimates that resulted in the $2.1 million amount? Is there a spreadsheet available online?

D.A. Davidson & Co. prepared the estimate of the bond amount and tax levy. Spreadsheet is attached.

What is the bond rating of the district, who did it and when? Can that document be posted?

The district does not currently have a bond rating. For purposes of the levy rate estimates, an 'A' underlying rating with the 'AA+' rating from the Oregon School Bond Guaranty was assumed.

Has a bond agent for sale of the bonds been determined? If not, will there be an RFQ or RFP process?

The District has preliminarily engaged D.A. Davidson & Co. as underwriter but the engagement is non-binding. Bond professionals are exempt from state procurement laws but the District may conduct an RFP if it deems it is

The bond interest rate has been stated to be estimated at 2.4%. Is there a current timing of sale of the bonds, or how many series will be issued?

The assumption used in the estimates is that the bonds would be issued in one series in mid-March 2021. The interest rates are subject to current bond market and interest rate conditions at the time of the sale.

The maximum term of the bonds stated in the measure is 26 years. What is the estimated total cost of the bond – principal plus interest, assuming that all series are at the same interest rate?

D.A. Davidson.

When does the levy begin? Does it begin with the first tax bill after the first series of bonds are sold?

Assuming the bonds are sold prior to September of 2021, the first tax levy would occur in October/November of

Using your example of a mortgage. Let’s say the first bond sale is for $800,000, and adding 7% for admin and fees, making the total $856,000. Financing that amount at 2.4% for 26 years, the monthly payment would be $3,690.70 or $44,288.36 per year. The total cost of the loan would be $1,151,497.40.

So continuing with your example of a mortgage, if the total taxable Assessed Value for the school district (with over 500 households) is say $60,000,000. Based on a rate per $1,000 of assessed value, it seems the annual levy needed to generate the $44,288.36

annual payment would be $.7381393 per $1,000 of assessed value. Is that right?
Yes, that calculation is correct. In practice, districts also account for non-collected property taxes each year so the amount levied annually is 3-5% greater than the debt service due. In addition, the structure of the bond proposed has increasing debt service annually rather than mortgage-style equal annual payments. The debt service is inflated by the assumed growth in the District's property tax base (i.e. 3%) which estimates that the
Recognizing that assessed values rise or fall, the annual levy would change accordingly.
Thanks. Can you make PDFs of the source documents on total taxable assessed valuation of the school district, the 2.4% interest rate, the bond rating, and the financials that created the $2.1 amount?
The 'big' question is the total levy-able assessed value within the school district. I phrase it this way as we discussed we each have part of our property in tax deferral and is not subject to levies.
I'm attaching another 'mortgage example' using the full bond amount. You can see how important that the total assessed taxable value be considerably higher than the $60,000,000 I used in my first example. I'd like to see the

I'd like to post my questions on the Alsea FB page but want to wait and hear what your process is going to be going forward