

EXPLANATION OF PROPOSED GARFIELD COUNTY SCHOOL DISTRICT TAX INCREASE

In 2016, the Garfield County School District paid off all existing Voted General Obligation Bonds. At that time, the District had approximately \$1 million in a fund balance which only could be used to pay principal and interest on the paid off Bonds. Since the bonds were paid in full, this amount had to go back to taxpayers.

Beginning with the 2016 tax year, the Board of Education reduced other School District Tax Rates to reduce taxes levied by the District by \$500,000 per year which paid back taxpayers the \$1 million during the 2016 and 2017 tax years. This payback has now been completed.

- For the 2018 tax year, the Board of Education is proposing to increase the Voted Local Tax Levy to the amount already approved by voters in 2013.
- This increase will raise total tax rates to a level similar to what was in effect before taxes were reduced in 2016.
- As promised during the election held in 2013, the increased taxes will be used to rebuild the Bryce Valley Elementary, Panguitch Elementary and Escalante Elementary Schools as well as fund other school construction and remodeling projects.

As a result, taxes levied by the Board of Education are proposed to increase by the amounts noted in the Notice of Proposed Tax Increase.