

Paradise Lake Special Assessment Alternatives

Criteria: 22 commercial 318 riparian 126 backlot

Total annual needs is \$633,820/5 years = \$127,000

Alternatives:

1. With no township contribution: 1 unit = \$300

Generates \$127,500

2. 10% (\$12,700/ year) township contribution: 1 unit =

\$272 Generates \$115,000 + 12,700 = \$127,700

3. 20% (\$25,400/year) township contribution: 1 unit = \$240

Generates \$102,000 + 25,400 = \$127,400

4. 30% (\$38,100/year) township contribution: 1 unit = \$210

Generates \$89,250 + 38,100 = \$127,370

Potential problem identification:

1. Shortfall of approximately \$32,555 (\$159,555 –

127,000) in first year budget which could be made up by front loading township payment or would necessitate the need to borrow. 30% township contribution would eliminate this as a concern.

- 2. Any appealed assessments can reduce the total assessment and thus reduce the total generated funds. Contingency provides some cushion or rounding assessments up \$5 to \$10 would help.**
- 3. With property owners within 1,000 feet of the lake paying approximately 605 of the township taxes, even alternative 4 would only cost the rest of the township approximately \$15,240 ($0.40 \times \$38,100$).**