

LOWNDES COUNTY BOARD OF COMMISSIONERS
COMMISSION AGENDA ITEM

SUBJECT: Special Assessment Rate for 2023

DATE OF MEETING: January 24, 2023

Work Session/Regular Session

BUDGET IMPACT:

FUNDING SOURCE:

- Annual
- Capital
- N/A
- SPLOST
- TSPLOST

COUNTY ACTION REQUESTED ON: Special Assessment Rate for 2023

HISTORY, FACTS AND ISSUES: The Lowndes County Board of Commissioners is required to set the interest rate for Special Assessments at the beginning of each calendar year. This rate is for all paving and utility assessments that are not paid off within the initial 90-day phase. Unpaid assessments revert to installment agreements which are to be paid over a period of up to ten years. The rate is based on the current prime rate plus two (2) percent. The prime rate is the interest rate charged by banks when they lend money to other banks, or to their "prime" customers. Most American banks and credit unions use this index as the foundation for their loan products. The current prime rate is 7.5%; therefore, the rate for special assessments should be set at 9.5% for 2023. The rate for 2022 was set at 5.25%.

OPTIONS: 1. Approval of the Special Assessment Rate at 9.5% for 2023
2. Board's Pleasure

RECOMMENDED ACTION: Approve

DEPARTMENT: Finance

DEPARTMENT HEAD: Stephanie Black

ADMINISTRATIVE COMMENTS AND RECOMMENDATIONS: