

**PRE-ELECTION ESTIMATES**

**Sebeka Public School District No. 820**

**Analysis of Tax Impact for Potential Bond Issue**

**May 31, 2017**

<b>Election</b>	<b>August 8, 2017</b>
<b>Bond Issue Amount</b>	<b>\$12,515,000</b>
<b>Estimated Project Cost</b>	<b>\$12,401,513</b>
<b>Number of Years</b>	<b>20</b>
<b>Estimated Tax Capacity Rate Increase</b>	<b>31.91%</b>

<b>Type of Property</b>	<b>Estimated Market Value</b>	<b>Estimated Tax Impact Payable 2018*</b>
Residential Homestead	\$50,000	\$96
	60,000	115
	70,000	134
	80,000	159
	90,000	194
	100,000	229
	125,000	316
	150,000	403
	175,000	490
Commercial/ Industrial	200,000	577
	\$50,000	\$239
	100,000	479
	150,000	718
Agricultural Homestead** (average value per acre of land & buildings)	200,000	1,037
	\$1,000	\$0.96
	1,250	1.20
	1,500	1.44
Agricultural Non-Homestead** (average value per acre of land & buildings)	1,750	1.68
	2,000	1.91
	\$1,000	\$1.91
	1,250	2.39
Seasonal Recreational Residential	1,500	2.87
	1,750	3.35
	2,000	3.83
	\$50,000	\$160
	75,000	239
	100,000	319
	150,000	479
	200,000	638

\* Estimated tax impact includes principal and interest payments on the new bonds. The figures in the table are based on school district taxes for bonded debt levies only, and do not include tax levies for other purposes. Tax increases shown above are gross increases, not including the impact of the Homeowner's Homestead Credit Refund ("Circuit Breaker") program. Many owners of homestead property will qualify for a refund, based on their income and total property taxes. This will decrease the net effect of the proposed bond issue for many property owners.

\*\* Estimated tax impact includes 40% reduction due to the School Building Bond Agricultural Credit. Average value per acre is the total assessed value of all land & buildings divided by total acres. Homestead examples exclude the house, garage, and one acre, which has the same tax impact as a residential homestead. If you own more than \$1.94 million of agricultural homestead property, call Ehlers at 1-800-552-1171 or email MNSchools@ehlers-inc.com for an individualized estimate.