

PRELIMINARY INFORMATION - FOR DISCUSSION ONLY

Howard Lake-Waverly-Winsted No. 2687

Analysis of Possible Structure for Capital and Debt Levies

August 31, 2023

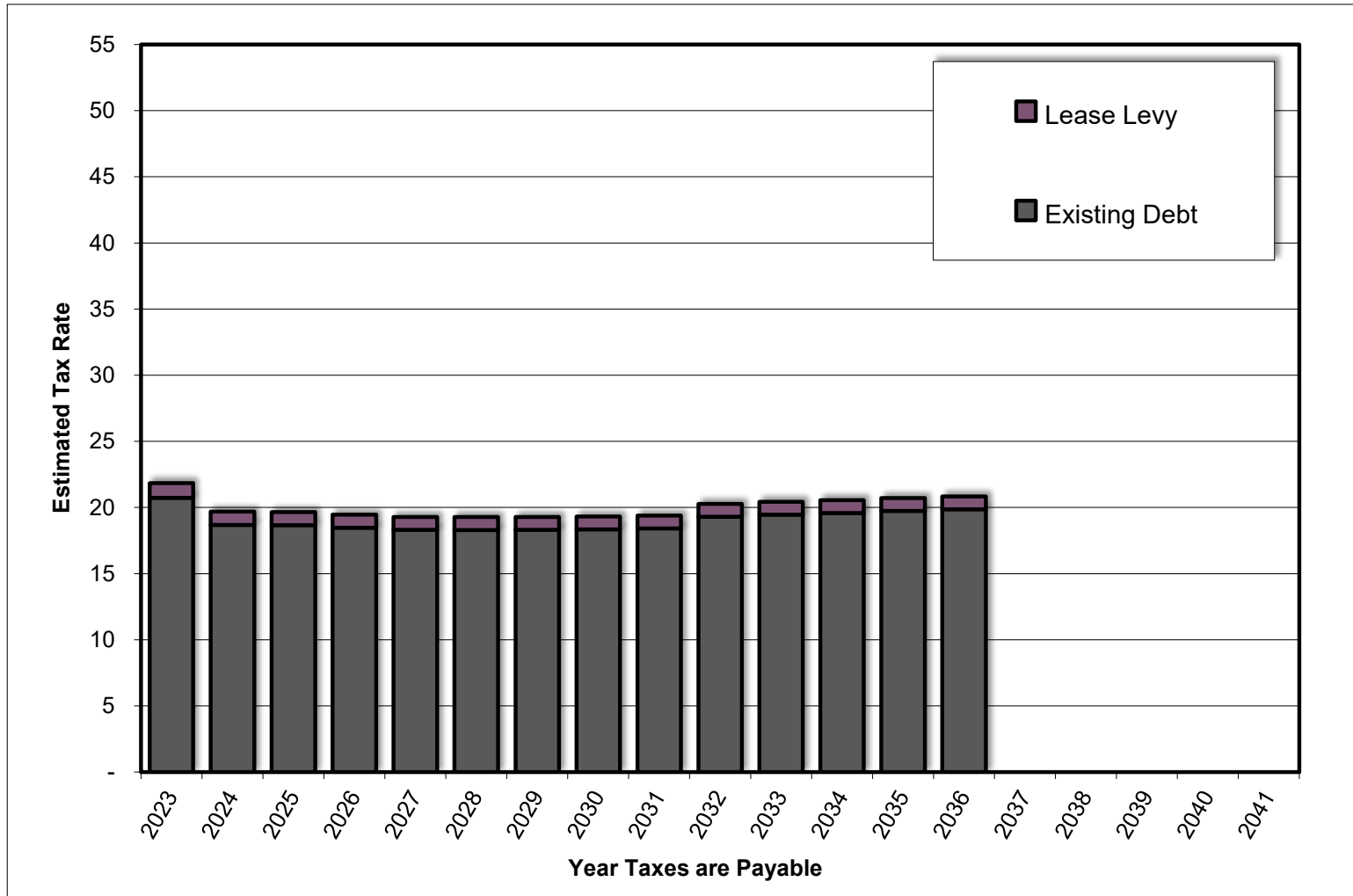
Levy Payable Year	Fiscal Year	Tax Capacity Value ¹		Existing Commitments				Lease Levy	Existing Tax Rate	Combined Totals			
		(\$000s)	% Chg	Building Bonds ²	Est. Debt Excess ³	Net Levy	Tax Rate			Initial Debt Levy	State Aid	Net Levy	Tax Rate
2022	2023	11,777	6.1%	3,102,674	(158,960)	2,943,714	25.00	158,023	26.34	3,101,737	-	3,101,737	26.34
2023	2024	14,350	21.8%	3,104,984	(129,068)	2,975,916	20.74	158,023	21.84	3,133,939	-	3,133,939	21.84
2024	2025	15,785	10.0%	3,100,100	(150,313)	2,949,787	18.69	158,023	19.69	3,107,809	-	3,107,809	19.69
2025	2026	15,943	1.0%	3,100,835	(124,004)	2,976,831	18.67	158,023	19.66	3,134,854	-	3,134,854	19.66
2026	2027	16,102	1.0%	3,099,470	(124,033)	2,975,437	18.48	158,023	19.46	3,133,459	-	3,133,459	19.46
2027	2028	16,263	1.0%	3,101,360	(123,979)	2,977,381	18.31	158,023	19.28	3,135,404	-	3,135,404	19.28
2028	2029	16,263	0.0%	3,100,940	(124,054)	2,976,886	18.30	158,023	19.28	3,134,908	-	3,134,908	19.28
2029	2030	16,263	0.0%	3,103,565	(124,038)	2,979,527	18.32	158,023	19.29	3,137,550	-	3,137,550	19.29
2030	2031	16,263	0.0%	3,108,973	(124,143)	2,984,830	18.35	158,023	19.32	3,142,853	-	3,142,853	19.32
2031	2032	16,263	0.0%	3,120,044	(124,359)	2,995,685	18.42	158,023	19.39	3,153,707	-	3,153,707	19.39
2032	2033	16,263	0.0%	3,264,550	(124,802)	3,139,748	19.31	158,023	20.28	3,297,771	-	3,297,771	20.28
2033	2034	16,263	0.0%	3,294,790	(130,582)	3,164,208	19.46	158,023	20.43	3,322,230	-	3,322,230	20.43
2034	2035	16,263	0.0%	3,316,777	(131,792)	3,184,985	19.58	158,023	20.56	3,343,008	-	3,343,008	20.56
2035	2036	16,263	0.0%	3,342,935	(132,671)	3,210,264	19.74	158,023	20.71	3,368,286	-	3,368,286	20.71
2036	2037	16,263	0.0%	3,365,972	(133,717)	3,232,254	19.87	158,023	20.85	3,390,277	-	3,390,277	20.85
2037	2038	16,263	0.0%	-	-	-	-	-	-	-	-	-	-
2038	2039	16,263	0.0%	-	-	-	-	-	-	-	-	-	-
2039	2040	16,263	0.0%	-	-	-	-	-	-	-	-	-	-
2040	2041	16,263	0.0%	-	-	-	-	-	-	-	-	-	-
2041	2042	16,263	0.0%	-	-	-	-	-	-	-	-	-	-
Totals				47,627,968	(1,960,514)	45,667,453		2,370,339		48,037,792	-	48,037,792	

- 1 Tax capacity value for taxes payable in 2022 and 2023 are the actual values. 2024 is an estimate from the Minnesota Department of Revenue. Estimates for future years are
- 2 Initial debt service levies (prior to subtracting debt equalization aid) are set at 105 percent of the principal and interest payments during the next fiscal year.
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Existing Commitments and Proposed New Debt

Date Prepared: August 31, 2023



School Building Bond Agricultural Credit

Provides agricultural property owners a credit for taxes attributable to school district debt service

Applies to new & existing debt

Applies to all agricultural property (except house, garage & one acre)

- Class 2a: Agricultural Land (Homestead & Non-Homestead)
- Class 2b: Rural Vacant Land
- Class 2c: Managed Forest Land

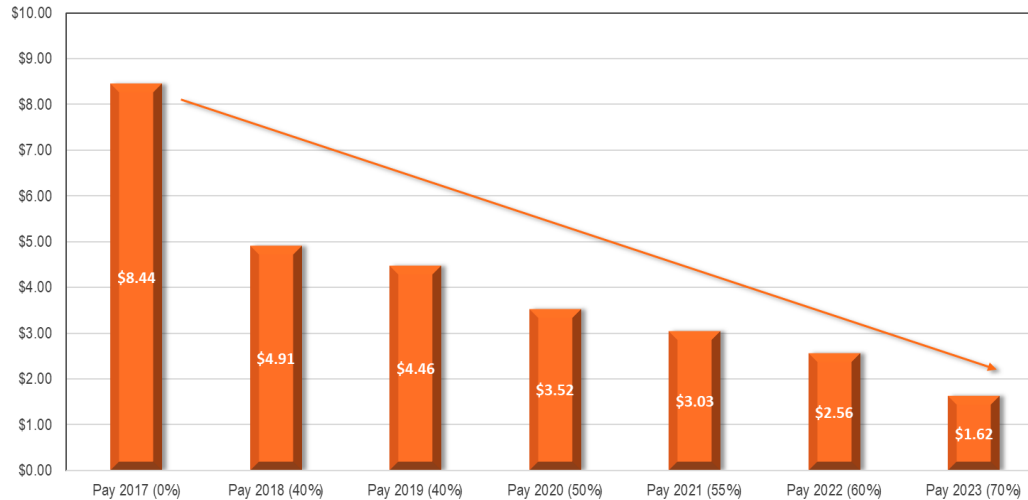
Credit is fully phased in: 70% in Pay 2023 & later

Ongoing credit, automatically deducted from property taxes owed
(property owners don't need to complete a form to request credit)

Credit paid by State, does not shift levy to other property types

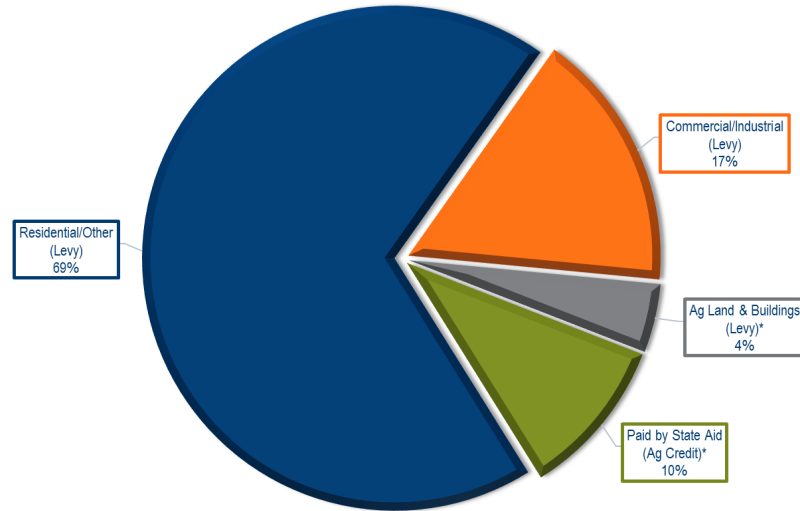
Ag2School Credit Debt Service Levies

Howard Lake - Waverly - Winsted , ISD 2687
School Building Bonds Agricultural Credit Phase-In
Annual Debt Taxes, per \$5,000 Homestead Acre



* Estimates assume no changes in property values or in state law. "Ag Land & Buildings" excludes taxes on the house, garage, and one acre of land.

Source of Payment on District Debt Service Levies



*Chart shows estimated sources of payments for debt service on existing and future debt service levies. Estimates assume no changes in property values, state equalizing factors, or in state law. "Ag Land & Buildings" excludes taxes on the house, garage, and one acre of land, which are included with "Residential/Other."

Independent School District No. 2687 (Howard Lake-Waverly-Winsted), Minnesota

Outstanding Debt (As of 07/01/2023)

Debt Service Levies Fund 07 (Qualify for School Building Bond Ag Credit)		
Bond Series	Issue Name	Purpose
2014A	General Obligation School Building Bonds	The Bonds were issued by the District pursuant to Minnesota Statutes, Chapter 475, and a special election held November 5, 2013, at which voters approved a building program by a vote of 846 - 826. Proceeds of the Bonds were used to provide funds for the acquisition and betterment of school facilities, including the construction and equipping of a new middle school facility and complete or partial demolition, repair, renovation, upgrading, equipping and construction of additions and improvements to the existing middle school site and facilities.
2014B	General Obligation School Building Refunding Bonds	<p>The Bonds were issued by the District, pursuant to Minnesota Statutes, Chapter 475, and Section 475.67, for the purpose of effecting an advance crossover refunding of the 2017 through 2032 maturities of the District's \$27,790,000 General Obligation School Building Bonds, Series 2006A (the "Series 2006A Bonds"), dated April 25, 2006</p> <p>2006A Bonds were issued pursuant to Minnesota Statutes, Chapter 475, and a special election held February 21, 2006, at which voters approved the issuance of \$27,790,000 in school building bonds.</p> <p>Question No. 1 was approved by a vote of 1,601 to 1,375, and authorized the issuance of \$27,330,000 to provide funds for the acquisition and betterment of school sites and facilities, including the acquisition of land for and the construction and equipping of a new high school facility; the construction and equipping of a new bus garage; the construction of new athletic fields and facilities; and the repair, remodeling, renovation, upgrading, equipping and construction of additions and improvements to various existing school sites and facilities.</p> <p>Question No. 2 was approved by a vote of 1,542 to 1,423, and authorized the issuance of \$460,000 to provide funds for the acquisition and betterment of school sites and facilities, including the construction of additional parking at the new high school facility; the construction and equipping of a separate storage building on the new high school site; and the acquisition and installation of improved technology and technology systems in various school facilities.</p>
2017A	General Obligation Facilities Maintenance Bonds	The Bonds were issued pursuant to Minnesota Statutes, Chapter 475 and Section 123B.595 (long-term facilities maintenance revenue) by the District to provide funds for facility and sites maintenance projects include in the ten-year facility plan of the District and approved buy the Commissioner of Education.
2021A	General Obligation Capital Notes	The Notes financed the costs of a lighting project at the auditorium in the High School, including lighting systems and supporting infrastructure to refresh their current auditorium from high voltage dimming and incandescent/halogen lighting fixtures to LED direct control fixtures.

General Fund Levies Fund 01 (Ineligible for School Building Bond Ag Credit)		
Leases	Lease Name	Purpose
2015	Lease Purchase	The lease-purchase financing will be used to finance renovations and an addition at the building that currently houses the Howard Lake-Waverly-Winsted Middle School, so that the building can be used by the Meeker and Wright Special Education Cooperative (MAWSECO), an agency of seven member school districts (including Howard Lake-Waverly-Winsted, Annandale, Dassel-Cokato, Delano, Litchfield, Maple Lake and Rockford) that have joined together to provide services in the area of special education.
2020	Lease Purchase	Financed a gymnasium building addition at Winsted Elementary School.
2021	Taxable Lease -Purchase	Financed land purchase located in the District for future building needs.

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August 31, 2023

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		(\$000s)	% Chg	Building Bonds ²	Est. Debt Excess ³	Est. Refunding Savings ⁴	Net Levy	Tax Rate			Initial Debt Levy	State Aid	Net Levy	Tax Rate
2022	2023	11,777	6.1%	3,102,674	(158,960)	-	2,943,714	25.00	158,023	26.34	3,101,737	-	3,101,737	26.34
2023	2024	14,350	21.8%	3,104,984	(129,068)	-	2,975,916	20.74	158,023	21.84	3,133,939	-	3,133,939	21.84
2024	2025	15,785	10.0%	3,100,100	(150,313)	(57,656)	2,892,131	18.32	158,023	19.32	3,050,154	-	3,050,154	19.32
2025	2026	15,943	1.0%	3,100,835	(124,004)	(54,175)	2,922,656	18.33	158,023	19.32	3,080,679	-	3,080,679	19.32
2026	2027	16,102	1.0%	3,099,470	(124,033)	(18,160)	2,957,277	18.37	158,023	19.35	3,115,299	-	3,115,299	19.35
2027	2028	16,263	1.0%	3,101,360	(123,979)	10,663	2,988,044	18.37	158,023	19.34	3,146,067	-	3,146,067	19.34
2028	2029	16,263	0.0%	3,100,940	(124,054)	11,398	2,988,283	18.37	158,023	19.35	3,146,306	-	3,146,306	19.35
2029	2030	16,263	0.0%	3,103,565	(124,038)	6,463	2,985,990	18.36	158,023	19.33	3,144,013	-	3,144,013	19.33
2030	2031	16,263	0.0%	3,108,973	(124,143)	1,265	2,986,095	18.36	158,023	19.33	3,144,118	-	3,144,118	19.33
2031	2032	16,263	0.0%	3,120,044	(124,359)	(9,445)	2,986,240	18.36	158,023	19.33	3,144,262	-	3,144,262	19.33
2032	2033	16,263	0.0%	3,264,550	(124,802)	(151,457)	2,988,291	18.37	158,023	19.35	3,146,313	-	3,146,313	19.35
2033	2034	16,263	0.0%	3,294,790	(130,582)	(175,922)	2,988,286	18.37	158,023	19.35	3,146,308	-	3,146,308	19.35
2034	2035	16,263	0.0%	3,316,777	(131,792)	(198,697)	2,986,288	18.36	158,023	19.33	3,144,311	-	3,144,311	19.33
2035	2036	16,263	0.0%	3,342,935	(132,671)	(225,485)	2,984,779	18.35	158,023	19.32	3,142,801	-	3,142,801	19.32
2036	2037	16,263	0.0%	3,365,972	(133,717)	(248,312)	2,983,943	18.35	158,023	19.32	3,141,965	-	3,141,965	19.32
2037	2038	16,263	0.0%	-	-	-	-	-	-	-	-	-	-	-
2038	2039	16,263	0.0%	-	-	-	-	-	-	-	-	-	-	-
2039	2040	16,263	0.0%	-	-	-	-	-	-	-	-	-	-	-
2040	2041	16,263	0.0%	-	-	-	-	-	-	-	-	-	-	-
2041	2042	16,263	0.0%	-	-	-	-	-	-	-	-	-	-	-
Totals				47,627,968	(1,960,514)	(1,109,519)	44,557,934		2,370,339		46,928,273	-	46,928,273	

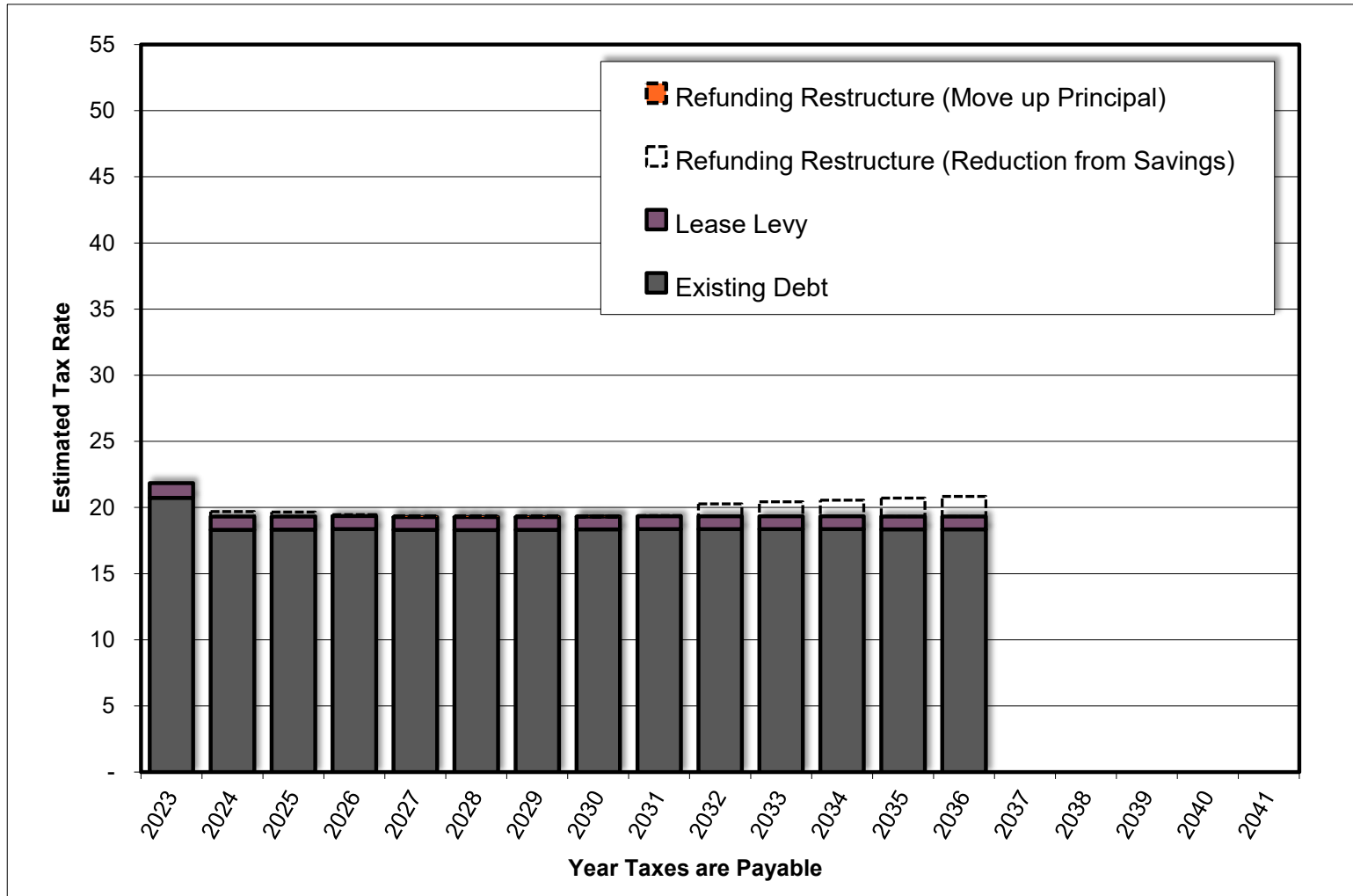
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2022	2023	11,777	6.1%	3,102,674	(158,960)	-	2,943,714	25.00	158,023	26.34	3,101,737	-	3,101,737	26.34
2023	2024	14,350	21.8%	3,104,984	(129,068)	-	2,975,916	20.74	158,023	21.84	3,133,939	-	3,133,939	21.84
2024	2025	15,785	10.0%	3,100,100	(150,313)	147,821	3,097,608	19.62	158,023	20.62	3,255,631	-	3,255,631	20.62
2025	2026	15,943	1.0%	3,100,835	(124,004)	156,035	3,132,866	19.65	158,023	20.64	3,290,889	-	3,290,889	20.64
2026	2027	16,102	1.0%	3,099,470	(124,033)	186,538	3,161,974	19.64	158,023	20.62	3,319,997	-	3,319,997	20.62
2027	2028	16,263	1.0%	3,101,360	(123,979)	220,085	3,197,467	19.66	158,023	20.63	3,355,489	-	3,355,489	20.63
2028	2029	16,263	0.0%	3,100,940	(124,054)	(105,992)	2,870,893	17.65	158,023	18.62	3,028,916	-	3,028,916	18.62
2029	2030	16,263	0.0%	3,103,565	(124,038)	(106,990)	2,872,538	17.66	158,023	18.63	3,030,560	-	3,030,560	18.63
2030	2031	16,263	0.0%	3,108,973	(124,143)	(113,500)	2,871,330	17.66	158,023	18.63	3,029,353	-	3,029,353	18.63
2031	2032	16,263	0.0%	3,120,044	(124,359)	(125,260)	2,870,425	17.65	158,023	18.62	3,028,447	-	3,028,447	18.62
2032	2033	16,263	0.0%	3,264,550	(124,802)	(268,060)	2,871,688	17.66	158,023	18.63	3,029,711	-	3,029,711	18.63
2033	2034	16,263	0.0%	3,294,790	(130,582)	(293,050)	2,871,158	17.65	158,023	18.63	3,029,181	-	3,029,181	18.63
2034	2035	16,263	0.0%	3,316,777	(131,792)	(310,837)	2,874,148	17.67	158,023	18.64	3,032,171	-	3,032,171	18.64
2035	2036	16,263	0.0%	3,342,935	(132,671)	(338,885)	2,871,379	17.66	158,023	18.63	3,029,401	-	3,029,401	18.63
2036	2037	16,263	0.0%	3,365,972	(133,717)	(357,512)	2,874,743	17.68	158,023	18.65	3,032,765	-	3,032,765	18.65
2037	2038	16,263	0.0%	-	-	-	-	-	-	-	-	-	-	-
2038	2039	16,263	0.0%	-	-	-	-	-	-	-	-	-	-	-
2039	2040	16,263	0.0%	-	-	-	-	-	-	-	-	-	-	-
2040	2041	16,263	0.0%	-	-	-	-	-	-	-	-	-	-	-
2041	2042	16,263	0.0%	-	-	-	-	-	-	-	-	-	-	-
Totals				47,627,968	(1,960,514)	(1,309,605)	44,357,848		2,370,339		46,728,187	-	46,728,187	

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