

**PRELIMINARY ESTIMATES - FOR DISCUSSION ONLY**

**Howard Lake-Waverly-Winsted School District No. 2687**

Analysis of Tax Impact for Potential Bond Issue  
November 8, 2022 Election

March 18, 2022

<b>Bond Issue Amount</b>	<b>\$25,000,000</b>	<b>\$30,000,000</b>	<b>\$35,000,000</b>	<b>\$45,000,000</b>	<b>\$55,000,000</b>
<b>Average Interest Rate</b>	<b>3.75%</b>	<b>3.75%</b>	<b>3.75%</b>	<b>3.75%</b>	<b>3.75%</b>
<b>Number of Years</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>	<b>20</b>

Type of Property	Estimated Market Value	Estimated Change in Annual Taxes from 2022 to 2023*				
		\$25,000,000	\$30,000,000	\$35,000,000	\$45,000,000	\$55,000,000
Residential Homestead	\$50,000	\$22	\$29	\$37	\$54	\$70
	75,000	33	43	56	80	105
	100,000	53	69	89	128	168
	125,000	74	96	123	177	232
	150,000	94	122	156	226	296
	186,000	123	160	205	296	388
	200,000	134	174	224	323	423
	250,000	175	227	291	421	551
	300,000	215	280	359	518	678
	400,000	296	385	494	713	934
500,000	371	482	619	894	1171	
Commercial/Industrial	\$50,000	\$56	\$72	\$93	\$134	\$176
	100,000	111	145	186	268	351
	250,000	316	410	526	760	995
	500,000	687	892	1,145	1,654	2,166
	1,000,000	1,430	1,857	2,383	3,441	4,507
Agricultural Homestead** (average value per acre of land & buildings)	\$3,000	-\$0.04	\$0.06	\$0.18	\$0.43	\$0.68
	4,000	-0.06	0.08	0.24	0.57	0.90
	5,000	-0.07	0.10	0.30	0.71	1.13
	6,000	-0.08	0.12	0.36	0.86	1.35
	7,000	-0.10	0.13	0.42	1.00	1.58
	8,000	-0.11	0.15	0.48	1.14	1.81
Agricultural Non-Homestead** (average value per acre of land & buildings)	\$3,000	-\$0.08	\$0.12	\$0.36	\$0.86	\$1.35
	4,000	-0.11	0.15	0.48	1.14	1.81
	5,000	-0.14	0.19	0.60	1.43	2.26
	6,000	-0.17	0.23	0.72	1.71	2.71
	7,000	-0.20	0.27	0.84	2.00	3.16
8,000	-0.22	0.31	0.96	2.28	3.61	

\* Estimated tax impact includes principal and interest payments on the new bonds. The amounts 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. Owners of homestead property may qualify for a refund, based on their income and total property taxes. This may change the net effect of the proposed bond issue for those property owners.

\*\* For all agricultural property, estimated tax impact for 2022 includes a 60% reduction and for 2023, a 70% reduction due to the School Building Bond Agricultural Credit. Under current law, the School Building Agricultural Credit will remain at that higher level. Average value per acre is the total estimated market value of all land & buildings divided by total acres. If the property includes a home, then the tax impact on the house, garage, and one acre of land will be calculated in addition to the taxes per acre, on the same basis as a residential homestead or non-homestead property. If the same property owner owns more than approximately \$1.9 million of agricultural homestead land and buildings, a portion of the property will be taxed at the higher non-homestead rate.