

Buffalo-Hanover-Montrose Schools #877
Proposed 2014 Payable 2015 Levy Analysis Executive Summary
As of September 22, 2014

2014 Payable 2015 Estimated Proposed Levy Total Amount	\$	12,206,702
2012 Payable 2013 Final Levy Total Amount	\$	12,272,459
Net Change	\$	(65,757)
% Change		-0.54%

	Final Proposed 2014	Estimated Proposed 2015	Net Change
Rerendum Market Value Tax Rate	0.13634%	0.12472%	-0.01162%
Net Tax Capacity Tax Rate	33.8798%	31.1207%	-2.7591%

Key Assumptions That Affect The Levy:

1. The levy total is going down largely due to some negative prior year adjustments, some adjustments down for a few expenses made based levies, and a programmed increase in health and safety expenditures.
2. Adjusted Net Tax Capacity is down by a -5.5% from the previous year.
3. Preliminary referendum market value is estimated to be up 7.93% from the previous year.
4. Preliminary net tax capacity value is estimated to be up 8.55% from the previous year.
5. Normally, the ANTC value going down would have resulted in a major shift in equalization causing a higher local share for equalized revenue categories. However, legislative changes made in the 2014 session for equalizing factors have mostly neutralized the levy increase that would have otherwise occurred.
6. The increase in property values along with the lower levy total for the district causes the tax rate of the district to be lower than the previous year for both Net Tax Capacity based levies and Referendum Market Value based levies.
7. Overall, taxes will go down for properties that have similar values in 2015 as they did in 2014. However, most property values, on average, will have gone up approximately 8%. On average, residential and commercial/industrial properties should see an increase in school taxes if their valuation change was above the average 8% increase. If the valuation change was less than approximately 8%, the tax amount should be less than the prior year.
8. The numbers do not reflect the proposed bond referendum. The tax impact and levy totals would be above and beyond the levy total numbers presented if the bond issue election is passed.
9. **All numbers are estimated at this time and could be subject to change based on final totals.**
10. The recommendation is to approve the "Maximum" levy for the preliminary proposed tax levy.