

PRELIMINARY ANALYSIS - FOR DISCUSSION ONLY

Buffalo-Hanover-Montrose School District #877

September 21, 2010

Analysis of Impact of Proposed Preliminary 2011 Tax Levy and Rates Using Final Levy Payable in 2010 as Base Year		
Levy Year Payable Year	2009 2010 Final Levy	2010 2011 Proposed Levy
Certified Levies Spread on RMV		
Voter Approved Referendum JOBZ Nonexempt		
Voter Approved Referendum JOBZ Exempt	\$ 3,064,534	\$ 2,867,137
Equity	\$ 739,933	\$ 708,106
Economic Dev. Abatement Adj. Transition Adjustments		
Total Certified Levy on RMV	\$ 3,804,467	\$ 3,575,242
Certified Levies Spread on NTC		
Operating Capital	\$ 699,456	\$ 605,345
Lease Levy	\$ 307,897	\$ 410,640
Alt Teacher Compensation		
Alternative Facilities		
Integration	\$ 185,942	\$ 185,548
Safe Schools	\$ 209,623	\$ 200,155
Deferred Maintenance	\$ 284,235	\$ 254,406
Career Technical	\$ 103,764	\$ 103,764
Abatement	\$ 626	\$ 239
Health and Safety (includes Alt. Facilities for Pay 2008)	\$ 168,000	\$ 265,594
Reemployment Ins	\$ 45,000	\$ 106,000
Lost Interest Earnings		
General Fund Adjustments	\$ (135,683)	\$ (126,301)
Basic Community Education	\$ 234,085.00	\$ 234,085
Early Childhood Family Education	\$ 127,750.39	\$ 114,310
School-Age Care	\$ 185,940.74	\$ 225,511
Home Visiting	\$ 5,524.80	\$ 5,317
Adults with Disabilities	\$ 10,890.00	\$ 10,890
Abatement	\$ 77.75	\$ 304
Voter Approved Debt Service-JOBZ Nonexempt	\$ 5,976,498	\$ 6,140,771
Debt Service-Other JOBZ Nonexempt	\$ 886,043	\$ 903,434
Reduction for Excess Fund Balance-JOBZ Nonexempt-Other	\$ (107,138)	\$ (49,462)
Debt Service-OPEB/Pension JOBZ Nonexempt	\$ 838,712	\$ 518,688
Debt Service - Alt. Facilities Bonds		
Debt Service- JOBZ exempt		
Debt Service Fund Adjustments	\$ 2,996	\$ 5,795
Reduction for Excess Fund Balance-JOBZ Nonexempt Voter Approve	\$ (722,662)	\$ (336,198)
Total Certified Levy on NTC	\$ 9,307,578	\$ 9,778,835
Total Certified Levy*	\$ 13,112,045	\$ 13,354,076.98
Total \$ Change from Prior Year		\$ 242,032
Total % Change from Prior Year		1.85%

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Buffalo-Hanover-Montrose School District #877		
Analysis of Impact of Proposed Preliminary 2011 Tax Levy and Rates		
Using Final Levy Payable in 2010 as Base Year		
Tax Rate Calculations Used for Truth in Taxation Notices	2010 Final Levy	2011 Proposed Levy
Certified Levy on RMV	\$ 3,804,467	\$ 3,575,242
Certified Levy on RMV JOBZ Non-Exempt	\$ -	\$ -
Certified Levy on RMV JOBZ Exempt	\$ 3,804,467	\$ 3,575,242
Fiscal Disparities Distribution-JOBZ Non-Exempt+	\$ -	\$ -
Fiscal Disparities Distribution-JOBZ Exempt+	\$ 43,272	\$ 43,272
Net Levy on RMV-JOBZ Non-Exempt	\$ -	\$ -
Net Levy on RMV-JOBZ Exempt	\$ 3,761,195	\$ 3,531,970
Referendum Market Value JOBZ Non-Exempt**	\$ 2,785,275,400	\$ 2,562,928,450
Referendum Market Value-JOBZ Exempt**	\$ 2,785,275,400	\$ 2,562,928,450
RMV Tax Rate-JOBZ Non-Exempt	0.00000%	0.00000%
RMV Tax Rate-JOBZ Exempt	0.13504%	0.13781%
Total RMV Tax Rate	0.13504%	0.13781%
Certified Levy on NTC	\$ 9,307,578	\$ 9,778,835
Certified Levy on NTC JOBZ Non-Exempt	\$ 6,874,449	\$ 7,183,028
Certified Levy on NTC-JOBZ Exempt	\$ 2,433,129	\$ 2,595,806
Fiscal Disparities Distribution-JOBZ Non-Exempt+	\$ 78,190	\$ 77,762
Fiscal Disparities Distribution-JOBZ Exempt+	\$ 27,674	\$ 28,102
Net Levy on NTC-JOBZ Non-Exempt	\$ 6,796,260	\$ 7,105,266
Net Levy on NTC-JOBZ Exempt	\$ 2,405,455	\$ 2,567,705
Tax Rate Determination Value -JOBZ NON-Exempt***	\$ 32,763,398	\$ 30,245,121
Tax Rate Determination Value -JOBZ Exempt***	\$ 32,763,398	\$ 30,245,121
NTC Tax Rate-JOBZ Non-Exempt	20.743%	23.492%
NTC Tax Rate-JOBZ Exempt	7.342%	8.490%
Total NTC Tax Rate	28.0853%	31.9819%

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**Analysis of Impact of Proposed Preliminary 2011 Tax Levy and Rates
Using Final Levy Payable in 2010 as Base Year**

Tax Impact on Various Classes of Property-School Portion Only	2010 Final Levy	2011 Proposed Levy
Residential Homestead Property		
\$200,000	\$ 832	\$ 915
\$230,000	\$ 957	\$ 1,053
\$250,000	\$ 1,040	\$ 1,144
\$300,000	\$ 1,248	\$ 1,373
\$350,000	\$ 1,456	\$ 1,602
\$400,000	\$ 1,664	\$ 1,831
Commercial/Industrial Property		
\$75,000	\$ 417	\$ 463
\$100,000	\$ 556	\$ 618
\$150,000	\$ 834	\$ 926
\$250,000	\$ 1,531	\$ 1,704
Agricultural Homestead Property		
\$400,000 Ag Homestead+	\$ 1,245	\$ 1,394
\$600,000 Ag Homestead+	\$ 1,319	\$ 1,478
\$800,000 Ag Homestead+	\$ 1,628	\$ 1,830
\$1,000,000 Ag Homestead+	\$ 1,937	\$ 2,182

**Referendum market values based on an estimated -7.98% average increase for Wright and Hennepin Counties for taxes payable in 2011

***Net Tax Capacity values are based on an estimated -7.69% average increase for Wright and Hennepin Counties for taxes payable in 2011

+A value of \$150,000 was assumed for the house, garage and one acres for Ag Homestead Property

++All values are stated before any Homestead Market Value or Ag Land Market Value credits