

PRELIMINARY INFORMATION - FOR DISCUSSION ONLY

Winona Area Public School District No. 861

December 9, 2022

Option A - Estimated Sources and Uses of Funds
 General Obligation School Building Bonds
 April 11, 2023 Election

	Question 1	Question 2	Total
Bond Amount	\$72,500,000	\$21,740,000	\$94,240,000
Project Costs	\$69,400,000	\$20,830,000	\$90,230,000
Dated Date	7/1/2023	7/1/2023	7/1/2023
Sources of Funds			
Par Amount	\$72,500,000	\$21,740,000	\$94,240,000
Estimated Investment Earnings ¹	373,891	112,222	486,113
Total Sources	\$72,873,891	\$21,852,222	\$94,726,113
Uses of Funds			
Underwriter's Discount ²	\$906,250	\$271,750	\$1,178,000
Capitalized Interest ³	2,326,042	697,492	3,023,533
Legal and Fiscal Costs ⁴	241,599	52,981	294,580
Net Available for Project Costs	69,400,000	20,830,000	90,230,000
Total Uses	\$72,873,891	\$21,852,222	\$94,726,113
Initial Deposit to Construction Fund	\$69,026,109	\$20,717,778	\$89,743,887

- 1 Estimated investment earnings are based on an average interest rate of 0.50% and a 26 month construction period.
- 2 The underwriter's discount is an estimate of the compensation taken by the underwriter who provides the lowest true interest cost as part of the competitive bidding process and purchases the bonds. Ehlers provides independent municipal advisory services as part of the bond sale process and is not an underwriting firm.
- 3 The district would not be able to make a tax levy to fund payments on the new bonds due during fiscal year 2024, so those payments would have to be made from bond proceeds.
- 4 Includes fees for municipal advisor, bond counsel, rating agency, paying agent and county certificates.

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Winona Area Public School District No. 861

Option A - Analysis of Tax Impact for Potential Bond Issue

December 9, 2022

April 11, 2023 Election

Bond Issue Amount Project Amount Average Interest Rate Number of Levy Years Dated Date	Question 1	Question 2	Total
	\$72,500,000	\$21,740,000	\$94,240,000
	\$69,400,000	\$20,830,000	\$90,230,000
	5.50%	5.50%	5.50%
	20	20	20
	7/1/2023	7/1/2023	7/1/2023

Type of Property	Estimated Market Value	Estimated Impact on Taxes Payable in 2024*		
Residential Homestead	\$100,000	\$70	\$28	\$98
	125,000	97	38	135
	150,000	123	49	172
	175,000	150	60	210
	200,000	177	70	247
	225,000	203	81	284
	250,000	230	91	321
	275,000	256	102	358
	300,000	283	112	395
	400,000	390	155	545
	500,000	489	194	683
Commercial/ Industrial	\$50,000	\$73	\$29	\$102
	100,000	147	58	205
	250,000	415	165	580
	500,000	904	359	1,263
	1,000,000	1,881	747	2,628
Agricultural Homestead** (average value per acre of land & buildings)	\$4,000	\$0.59	\$0.23	\$0.82
	5,000	0.73	0.29	1.02
	6,000	0.88	0.35	1.23
	7,000	1.03	0.41	1.44
	8,000	1.17	0.47	1.64
Agricultural Non-Homestead** (average value per acre of land & buildings)	\$4,000	\$1.17	\$0.47	\$1.64
	5,000	1.47	0.58	2.05
	6,000	1.76	0.70	2.46
	7,000	2.05	0.81	2.86
	8,000	2.34	0.93	3.27

* 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 decrease the net effect of the proposed bond issue for those property owners.

** For all agricultural property, estimated tax impact for Taxes Payable in 2023 includes a 70% reduction due to the School Building Bond Agricultural Credit. 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 \$1.9 million of agricultural homestead land and buildings, a portion of the property will be taxed at the higher non-homestead rate.

