

# **FERGUS COUNTY HS DISTRICT**

## **ESTIMATED MILL LEVY IMPACT ANALYSIS**

### **General Obligation Bonds - 20 Year Term**

#### **Estimated Mill Levy Computation:**

|                                                                 |                            |
|-----------------------------------------------------------------|----------------------------|
| <b>Par Amount of the Bonds:</b>                                 | <b><u>\$10,500,000</u></b> |
| <b>Total Estimated Interest Over Life of Bonds (1):</b>         | <b>\$6,691,625</b>         |
| <b>Estimated Annual Bond Payment/Tax Levy on Tax Rolls (1):</b> | <b>\$858,125</b>           |
| <b>Divided By: District's 2026/27 Mill Value (2):</b>           | <b><u>\$21,211.255</u></b> |
| <b>Equals: Estimated Number of Mills Required:</b>              | <b>40.46</b>               |

#### **Estimated Tax Increase for "Homestead Qualified" RESIDENTIAL PROPERTIES (5):**

| <b>2026/27 Tax Year<br/>"MARKET VALUE" of<br/><u>Residential Property (3)(4)</u></b> | <b>2026/27 Tax Year<br/>"TAXABLE VALUE" of<br/><u>Residential Property (5)</u></b> | <b>Estimated<br/>ANNUAL<br/><u>Tax (5)</u></b> | <b>Estimated<br/>MONTHLY<br/><u>Tax (5)</u></b> | <b>Estimated<br/>DAILY<br/><u>Tax (5)</u></b> |
|--------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|------------------------------------------------|-------------------------------------------------|-----------------------------------------------|
| <b>\$100,000</b>                                                                     | <b>\$760</b>                                                                       | <b>\$30.75</b>                                 | <b>\$2.56</b>                                   | <b>\$0.08</b>                                 |
| <b>\$200,000</b>                                                                     | <b>\$1,520</b>                                                                     | <b>\$61.49</b>                                 | <b>\$5.12</b>                                   | <b>\$0.17</b>                                 |
| <b>\$300,000</b>                                                                     | <b>\$2,280</b>                                                                     | <b>\$92.24</b>                                 | <b>\$7.69</b>                                   | <b>\$0.25</b>                                 |
| <b>\$400,000</b>                                                                     | <b>\$3,071</b>                                                                     | <b>\$124.23</b>                                | <b>\$10.35</b>                                  | <b>\$0.34</b>                                 |

All property owners (including farming and ranching operations, commercial businesses, home owners etc.) should use the following formula to calculate the estimated tax impact of the Bond issue.

#### **Estimated Tax Impact Formula**

**Taxable Value X 0.04046 (which is Mills/1,000) = Estimated Annual Tax Impact of the Bonds**

#### **How to Find Your Taxable Value**

Find a Property's 'Taxable Value' for 2026/27 at the following website:

<https://svc.mt.gov/dor/oriondataportal/Public/PropertyMTGov/PropertySearch.aspx>

- (1) Based on an estimated true interest cost (TIC) rate of 4.19% over 20-years.
- (2) Tax rate changes adopted at the 2025 Legislative Session have changed the formulas for certain properties, with the residential specific changes described below.
- (3) A residential property's 'Market Value' for tax purposes is based on the DOR's 2025 reappraisal that is effective for 2025/26 and 2026/27 and will be different than the valuation of such property for resale purposes.
- (4) Tax impact estimates are based on property tax changes adopted by the 2025 Legislature and factor in the DOR's 2025 reappraisal effective for 2025/26 and 2026/27. Tax impact information varies every year depending on a number of factors including (i) the District's Mill Value, (ii) method of calculating 'Taxable Value', (iii) State Aid for debt service (if any), and (iv) the actual debt service payment due in a such year. To best calculate the estimated tax impact of the Bond issue, property owners can look up their exact 'Taxable Value' as shown on their most recent Property Tax Statement/Bill or by utilizing the website and applying the formula (both highlighted in grey above).
- (5) **2026/27 HOMESTEAD QUALIFIED TAX RATES:** Commencing in 2026/27 (as shown in the calculation of the taxable values shown above), properties that qualify as 'Homesteads' or 'Long Term Rentals' ("Homestead Qualified") will utilize the tax rate schedule below, which is based on the DOR's Median Residential Market Value (MRV) breakpoints. The MRV was calculated by the DOR to equal \$378,000 for fiscal year 2026/27.

- (i) 0.76% on the first \$378,000 (MRV);
- (ii) 0.90% on the portion between \$378,001 and \$756,000 (2X MRV);
- (iii) 1.10% on the portion between \$756,001 and \$1,511,999 (4X MRV);
- (iv) 1.90% on any portion over \$1,512,000 (4X MRV or higher).

Residential property not 'Homestead Qualified' will utilize the following tax rates: (i) 1.35% tax rate for residential property with qualified agricultural land and (ii) 1.90% tax rate for all other residential property (out of State property owners, second homes, and short-term rentals).