

Todd County Public Hearing

May 23, 2017 - 7 p.m.

Eagle Valley Dissolution

Our Kids



According to Minnesota Statute 123A.46 requirements to submit documents for the public record

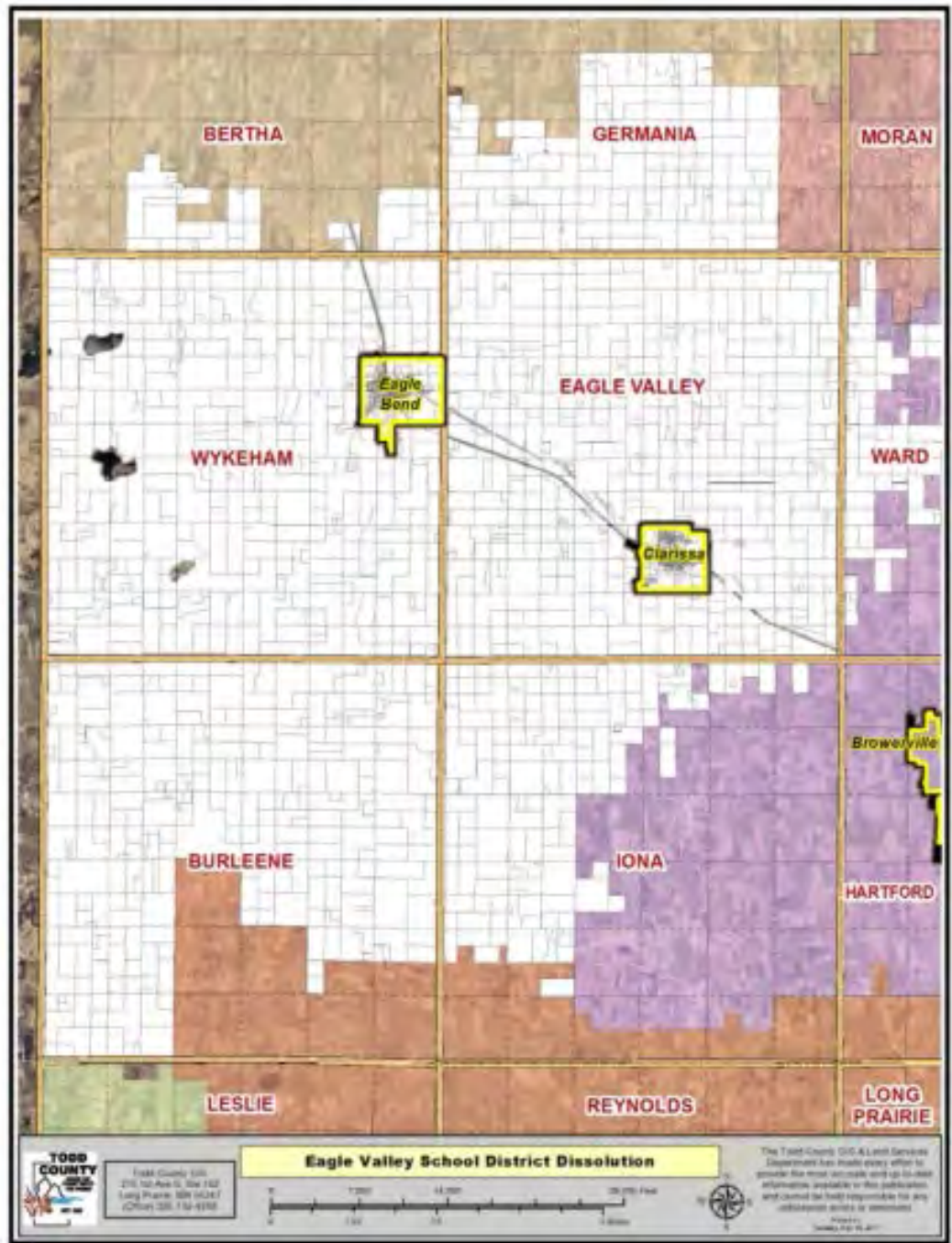
- Affidavits of Service for the Hearing
 - Ten days notice of the hearing in the district proposed for dissolution
 - One week notice in the County
 - Ten days mailed notice to the clerk of the district proposed for dissolution and to each adjoining districts clerk
- Eagle Valley Dissolution Resolution
- Resolutions from each adjoining district with information provided in 123A.46 Subd. 8 (1) thru (4)
- County resolution accepting the Eagle Valley Dissolution Resolution
- County resolution setting May 23, 2017 as the date for the hearing

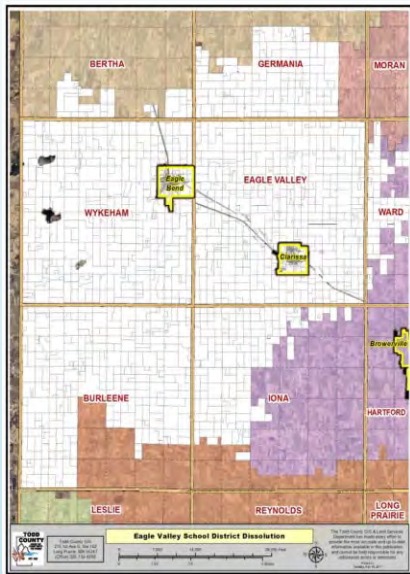
Documents Submitted for the Public Record

We are here tonight because Eagle Valley Public Schools ISD#2759 has been forced to involuntarily dissolve. We never want to see a school district close its doors, especially one of our neighbors. There are several key components that need to take place when dissolution occurs and one of those is a public hearing which we are holding tonight. The commissioners have gathered lots of information and talked with lawyers, financial advisors, and superintendents in an attempt to gather as much information as possible before they make a decision. It will be difficult for the commissioners to come to a decision that will make everyone happy, but rest assured the students are their top priority. I have a few informational slides I would like to share with you and then the we will open the hearing.

Eagle Valley Dissolution Background

Map showing Browerville getting all of Eagle Valley





Eagle Valley Dissolution Tax Impact Analysis

Option 1: All Current Eagle Valley Parcels Assigned to Browerville School District

Assumes Debt Taxes Paid Based on Parcel Location Prior to Reorganization (Does not include reorganization operating debt)

| | Market Value | Impact on Parcels Currently in Browerville | Impact on Parcels Currently in Eagle Valley |
|-----------------------|--------------|---|--|
| Home | \$100,000 | -\$108 | \$43 |
| Business | \$100,000 | -\$118 | \$76 |
| Homestead Farm * | \$420,000 | -\$129 | \$111 |
| Non-Homestead Farm ** | \$320,000 | -\$43 | \$136 |

* Average value per acre is approximately \$2,000. Market value assumes a 160 acre farm and a \$100,000 HGA.

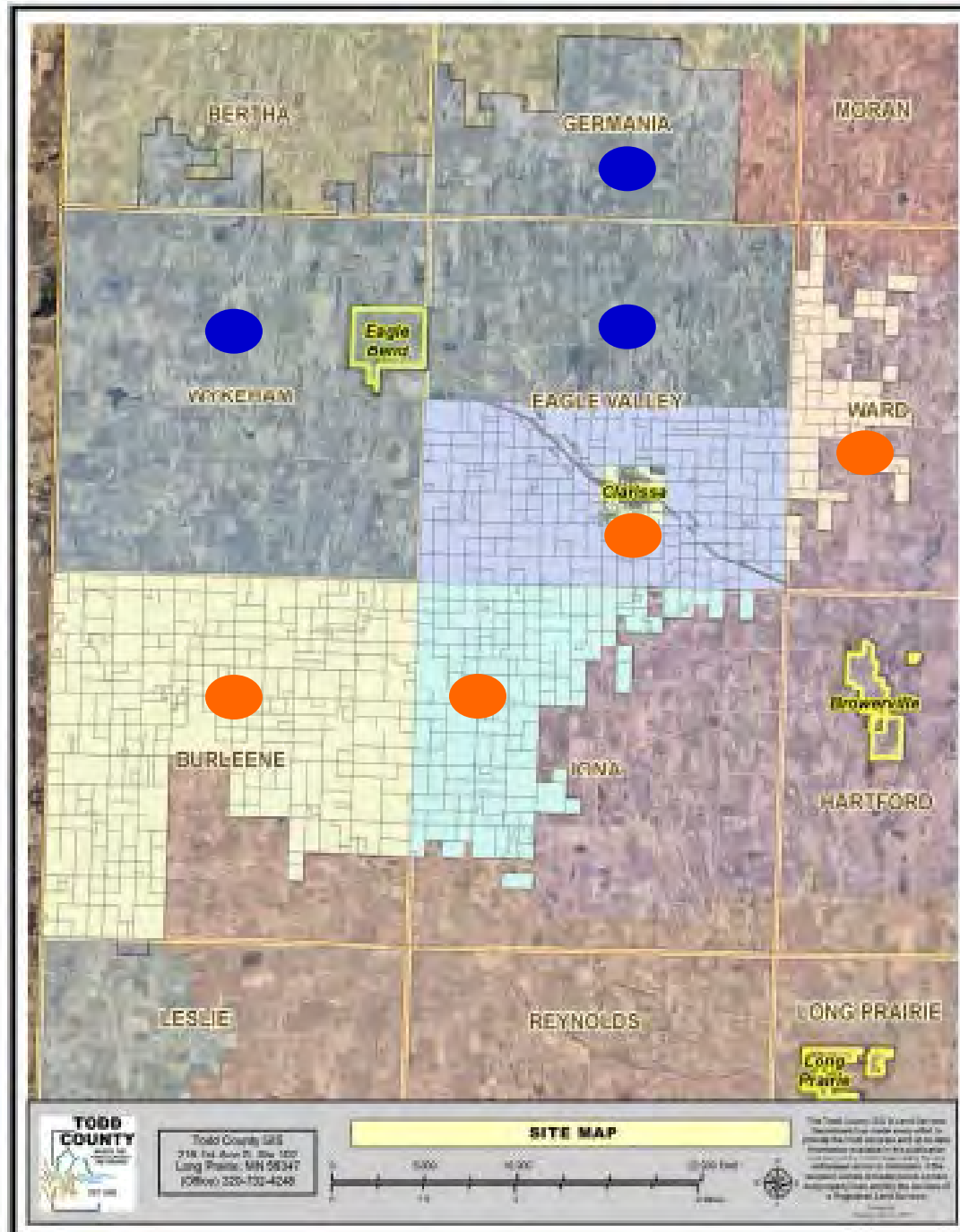
** Average value per acre is approximately \$2,000. Market value assumes a 160 acre non-homestead farm.



Map showing Browerville and Bertha-Hewitt splitting of Eagle Valley



Bertha-Hewitt would receive all of Wykeham, the north part of Eagle Valley, and the south part of Germania



Browerville would receive the south part of Eagle Valley and part of Burleene, Ward, and Iona



Eagle Valley Dissolution

Tax Impact Analysis

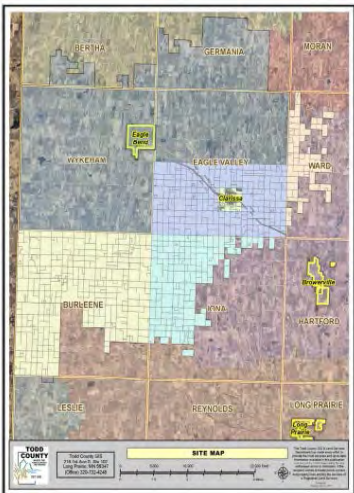
Option 2: Current Eagle Valley Parcels in the Southern Portion of the District Assigned to Browerville School District, Parcels in the Northern Portion Assigned to Bertha-Hewitt School District

*Assumes Debt Taxes Paid Based on Parcel Location Prior to Reorganization
(Does not include reorganization operating debt)*

| | | <i>Parcels in Bertha-Hewitt After Reorganization</i> | | <i>Parcels in Browerville After Reorganization</i> | |
|-----------------------|--------------|--|-----------------------------------|--|-----------------------------------|
| | Market Value | Parcels Currently in Bertha-Hewitt | Parcels Currently in Eagle Valley | Parcels Currently in Browerville | Parcels Currently in Eagle Valley |
| Home | \$100,000 | -\$103 | \$172 | -\$57 | \$93 |
| Business | \$100,000 | -\$121 | \$225 | -\$63 | \$132 |
| Homestead Farm * | \$420,000 | -\$139 | \$281 | -\$69 | \$171 |
| Non-Homestead Farm ** | \$320,000 | -\$74 | \$218 | -\$22 | \$155 |

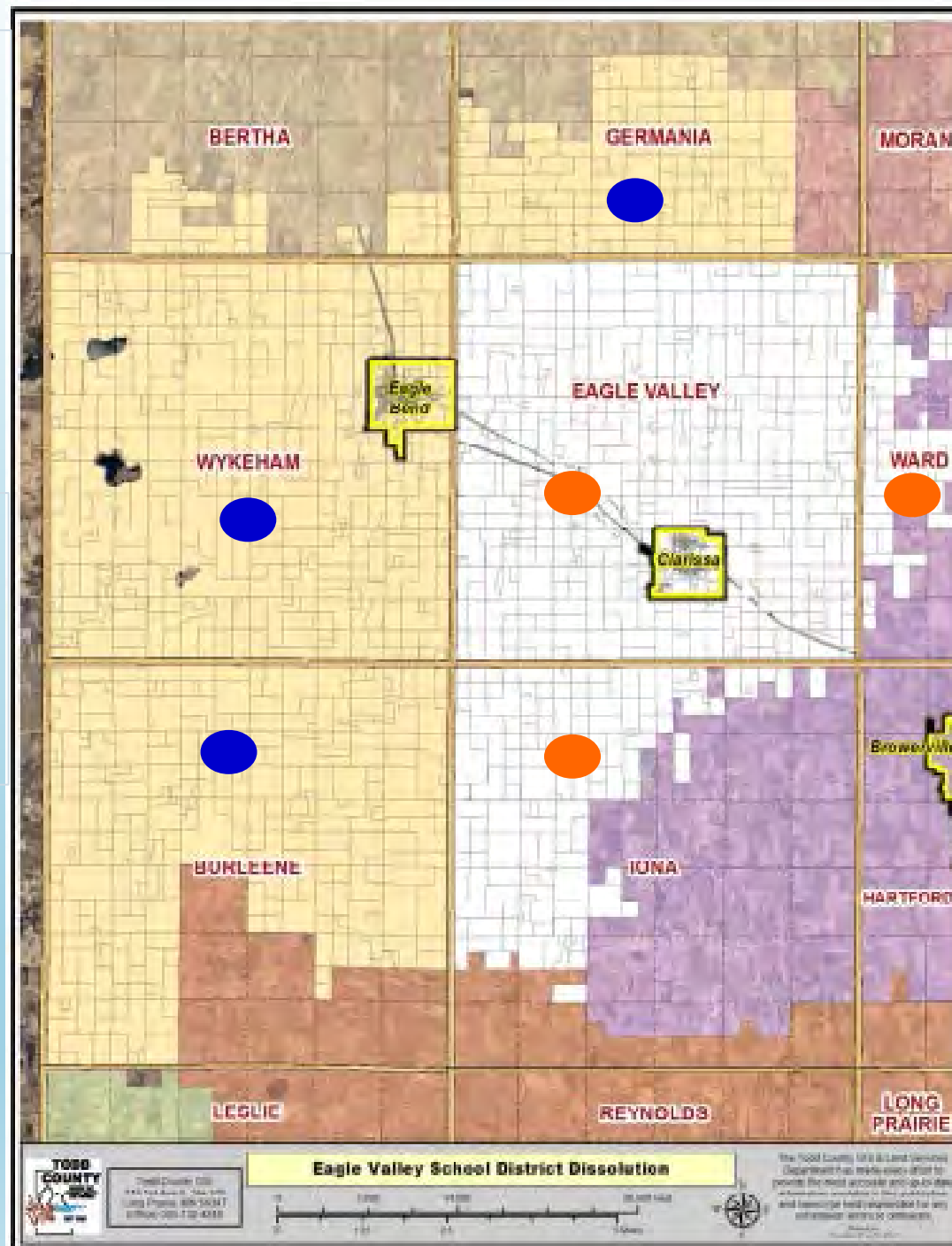
* Average value per acre is approximately \$2,000. Market value assumes a 160 acre farm and a \$100,000 HGA.

** Average value per acre is approximately \$2,000. Market value assumes a 160 acre non-homestead farm.



Map showing Browerville and Bertha-Hewitt splitting of Eagle Valley

Bertha-Hewitt would receive all of Wykeham, and portions of Burleene and Germania



Browerville would receive all of Eagle Valley and parts of Ward and Iona



Eagle Valley Dissolution Tax Impact Analysis

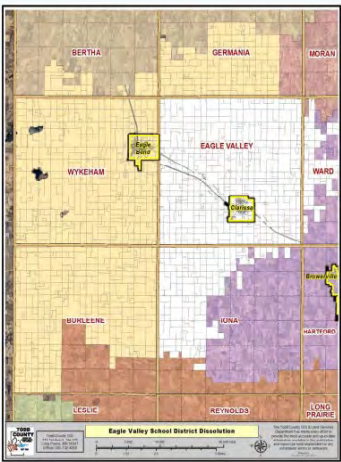
Option 3: Current Eagle Valley Parcels in the Eastern Portion of the District Assigned to Browerville School District, Parcels in the Western Portion Assigned to Bertha-Hewitt School District

*Assumes Debt Taxes Paid Based on Parcel Location Prior to Reorganization
(Does not include reorganization operating debt)*

| | Market Value | <i>Parcels in Bertha-Hewitt After Reorganization</i> | | <i>Parcels in Browerville After Reorganization</i> | |
|-----------------------|--------------|--|-----------------------------------|--|-----------------------------------|
| | | Parcels Currently in Bertha-Hewitt | Parcels Currently in Eagle Valley | Parcels Currently in Browerville | Parcels Currently in Eagle Valley |
| Home | \$100,000 | -\$109 | \$165 | -\$52 | \$99 |
| Business | \$100,000 | -\$129 | \$217 | -\$57 | \$138 |
| Homestead Farm * | \$420,000 | -\$149 | \$271 | -\$62 | \$178 |
| Non-Homestead Farm ** | \$320,000 | \$80 | \$211 | -\$21 | \$158 |

* Average value per acre is approximately \$2,000. Market value assumes a 160 acre farm and a \$100,000 HGA.

** Average value per acre is approximately \$2,000. Market value assumes a 160 acre non-homestead farm.



Analysis of Tax Impact for Operating Debt of Eagle Valley School District.

| | |
|--|--------------------|
| Total Tax Levy for Operating Debt | \$2,000,000 |
| Annual Tax Levy for Operating Debt | \$400,000 |
| Number of Years | 5 |
| Estimated NTC Tax Capacity Rate Payable in 2017 | 24.11% |

| Type of Property | Estimated Market Value | |
|---|-------------------------------|--------|
| Residential Homestead | \$50,000 | \$72 |
| | 60,000 | 87 |
| | 70,000 | 101 |
| | 80,000 | 120 |
| | 90,000 | 147 |
| | 100,000 | 173 |
| | 200,000 | 436 |
| Commercial/Industrial | 300,000 | 699 |
| | \$50,000 | \$181 |
| | 100,000 | 362 |
| | 250,000 | 1025 |
| Agricultural Homestead ** | 500,000 | 2,230 |
| | 1,000,000 | 4,642 |
| | \$300,000 | \$414 |
| | 500,000 | 655 |
| | 750,000 | 957 |
| Agricultural Non-Homestead (dollars per acre) | 1,000,000 | 1,258 |
| | 1,900,000 | 2,343 |
| | \$1,000 | \$2.41 |
| | 2,000 | 4.82 |
| | 3,000 | 7.23 |

