

General Obligation (GO) Bonds at \$40M?

Q. What is the impact of issuing new debt under the current Secondary Property Tax flat rate policy of 0.8000 of Net Assessed Valuation?

- The current average Class 3.1: Primary Residential Property for Tax Year 2026 is \$394,611.
- Commercial properties vary greatly; therefore, we are using \$1M for our example.
- The current Flat Rate policy for Secondary Property Tax is set at 0.8000.
- Issuing additional debt up to \$98M, we can maintain the same rate or 0.8000.
- The impact annually to average Class 3.1 residential customers that has a 4% increase in assessed valuations is \$12.63. The impact annually to a commercial \$1M property has that has a 4% increase in assessed valuations is \$51.20.

Q. What is the estimated amount of Secondary Property Tax Levy for a \$40M GO Bond measure for Public Safety?

- While maintaining our flat rate policy, we estimate that approximately 0.2028 of the 0.8000 flat rate policy will be used to pay off the principal and interest for the \$40M GO Bond.
- The annual levy increases by the increased assessed valuations not to exceed 5% per state law. We project assessed valuation increases between 1.5 and 4.5% over the next 20 years.
- The table below is an estimate of the portion of Secondary Property Tax levy for the new \$40M bond issuance:

Secondary Property Tax	Residential at \$100,000 today	Residential at \$394,611 today	Commercial at \$1M today
Average Rate Calculated	0.2028	0.2028	0.2028
Year 1 Levy	\$ 19.10	\$ 66.78	\$ 286.52
Year 20 Levy	\$ 41.53	\$ 145.19	\$ 622.95
20 Year Ave Levy	\$ 25.78	\$ 90.14	\$ 386.73
20 Year Levy	\$ 515.64	\$ 1,802.75	\$ 7,734.65

