

# Richey Sport Facilities

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# Approximate Costs of Gym Project:

- Option 1: 3600 sq foot addition on the east side of the gym would include 2 locker rooms, weight room, and small office. Cost approx. \$1,000,000 plus the cost of stabilizing the sinking building and administrative cost will bring the project to \$1,500,000.
- Option 2: practice gym with minimal locker rooms and space ~ \$4,500,000
- Option 3: 2 mobile locker rooms at a cost of \$400 - 450,000.
- Approximate cost of tearing down the old gym is \$75,000 - \$100,000.
- District debt limit is \$6,600,000.

Questions: email [newgymproject@richey.k12.mt.us](mailto:newgymproject@richey.k12.mt.us)

# How do you calculate a district's debt limit?

## RICHEY ELEMENTARY AND HIGH SCHOOL DISTRICTS

### ESTIMATED DEBT LIMITATION CALCULATION

<b>DEBT LIMITATION CALCULATION:</b>		
<i>Each District's debt limitation is the <b>greater</b> of Option 1 or Option 2 as highlighted below.</i>		
<b>OPTION 1 – STATEWIDE AVERAGE FORMULA</b>		
	ELEMENTARY	HIGH SCHOOL
2024/25 State Average Taxable Valuation Per ANB	\$57,780	\$134,880
X School District's ANB for the 2024/25 Budget	49	28
Total	\$2,831,220	\$3,776,640
X Debt Limit Rate of 100%	1.00	1.00
Maximum Debt Capacity	\$2,831,220	\$3,776,640
Less: Outstanding General Obligation Bonds <sup>1</sup>	\$0	\$0
Current Debt Capacity Calculations – Option 1	<u>\$2,831,220</u>	<u>\$3,776,640</u>
<b>OPTION 2 – DISTRICT TAXABLE VALUATION FORMULA</b>		
	ELEMENTARY	HIGH SCHOOL
2023/24 District Taxable Valuation	\$2,507,382	\$2,821,560
X Debt Limit Rate of 100%	1.00	1.00
Maximum Debt Capacity	\$2,507,382	\$2,821,560
Less: Outstanding General Obligation Bonds <sup>1</sup>	\$0	\$0
Current Debt Capacity Calculations – Option 2	<u>\$2,507,382</u>	<u>\$2,821,560</u>

<sup>1</sup> Any additional outstanding general obligation debt (loans/leases) would also be netted from the final debt limitation figures.

## TAXABLE VALUE Trends in RICHEY ELEMENTARY DISTRICT (2008-2023)

	CLASS 1	CLASS 2	CLASS 3	CLASS 4	CLASS 4	CLASS 5	CLASS 7	CLASS 8	CLASS 9	CLASS 10	CLASS 12	CLASS 13	CLASS 14	CLASS 15	CLASS 16	CLASS 17			
Description	Net proceeds of mines	Gross proceeds of metal mines	Agricultural land	Residential land	Commercial land	Pollution control, electric and telephone cooperatives, new and expanding industry, etc.	Non-centrally assessed utilities	Business equipment	Pipelines and non-electric generating property of electric utilities	Forest land	Airlines and railroads	Telecommunication utilities and electric generating property of electric utilities	Renewable energy production and transmission property	Carbon dioxide and liquid pipeline property	High Voltage Direct-Current Converter Stations	Data Centers	TOTAL (including tax impact districts)		
Tax Rates	Tax Rate: 100% of annual net proceeds less expenses	Tax Rate: 3.00% of annual gross proceeds	Tax Rate: 2.16% of production capacity	Tax Rate: 1.35% (Except any portion in excess of \$1.5 million has a tax rate of 1.89%)	Tax Rate: 1.88% (except golf courses have a tax rate of 0.945%)	Tax Rate: 3%	Tax Rate: 0%	Tax Rate: 12% <small>Tax Rate: 0% until \$300,000 in excess; 1.50% for the first \$6 million (and 3.00% in excess of \$3 million) and starting with first year 2024/25 the first \$1,000,000 will be exempt</small>	Tax Rate: 0.37% of forest productivity value	Tax Rate: Varies	Tax Rate: 6%	Tax Rate: 3%	Tax Rate: 3%	Tax Rate: 2.25%	Tax Rate: 0.96%			Percent Growth in Taxable Value from Prior Year Value	
2023 Percent of Total:	0.00%	0.00%	41.01%	18.28%	2.00%	5.51%	0.00%	9.36%	23.29%	0.00%	0.00%	0.55%	0.00%	0.00%	0.00%	0.00%	100.00%		
2023	0	0	1,028,180	498,486	50,220	138,276	0	234,608	993,906	0	0	13,695	0	0	0	0	2,507,382	-4.41%	
2022	0	0	1,043,266	364,244	45,442	139,133	0	201,497	815,526	0	0	13,933	0	0	0	0	2,623,041	0.11%	
2021	0	0	1,043,305	353,209	48,797	129,935	0	260,308	768,741	0	0	14,937	0	0	0	0	2,620,233	-9.94%	
2020	0	0	1,071,916	336,281	41,835	119,779	0	308,080	1,011,930	0	0	19,592	0	0	0	0	2,909,417	0.11%	
2019	0	0	1,072,893	338,535	41,839	112,268	0	269,106	1,050,591	0	113	21,038	0	0	0	0	2,906,380	-0.57%	
2018	0	0	1,083,916	343,069	39,662	93,050	0	414,339	937,052	0	131	11,900	0	0	0	0	2,923,149	-15.55%	
2017	0	0	1,084,166	331,127	39,757	84,050	0	297,642	1,816,246	0	119	8,389	0	0	0	0	3,461,436	-3.68%	
2016	0	0	1,003,090	306,348	40,380	85,503	0	337,000	1,752,385	0	107	8,334	0	0	0	0	3,593,747	19.63%	
2015	0	0	1,000,822	368,201	40,406	81,780	0	370,771	1,128,503	0	72	8,619	0	0	0	0	2,998,161	-8.76%	
2014	0	0	1,047,838	235,592	31,905	82,986	0	341,458	1,435,213	0	0	7,622	0	0	0	0	3,182,629	4.17%	
2013	0	0	1,068,267	218,549	32,401	78,856	0	469,991	1,188,314	0	0	8,887	0	0	0	0	3,056,215	17.27%	
2012	0	0	1,096,093	208,176	33,292	69,520	0	385,633	801,624	0	0	11,614	0	0	0	0	2,505,402	12.39%	
2011	0	0	1,122,382	206,829	34,224	64,218	0	418,582	464,997	0	0	7,030	0	0	0	0	2,318,292	4.20%	
2010	0	0	1,152,818	207,000	34,690	61,201	0	381,423	389,874	0	0	6,723	0	0	0	0	2,224,729	5.97%	
2009	0	0	1,187,511	264,258	39,059	61,932	0	347,485	251,449	0	0	7,693	0	0	0	0	2,099,387	20.00%	
2008	0	0	893,820	196,319	36,191	60,117	0	339,434	214,204	0	0	7,418	0	0	0	0	1,749,494		

Note: The State of Montana Department of Revenue went from a 6-year revaluation period to a 2-year revaluation period in 2015. For the above table, revaluation years were 2009, 2015, 2017, 2019, 2021 and 2023.

TAXABLE VALUE Trends in RICHEY HS DISTRICT (2008-2023)																		
	CLASS 1	CLASS 2	CLASS 3	CLASS 4	CLASS 4	CLASS 5	CLASS 7	CLASS 8	CLASS 9	CLASS 10	CLASS 12	CLASS 13	CLASS 14	CLASS 15	CLASS 16	CLASS 17		
Description	Net proceeds of mines	Gross proceeds of metal mines	Agricultural land	Residential land	Commercial land	Pollution control, electric and telephone cooperatives, new and expanding industry, etc.	Non-centrally assessed utilities	Business equipment	Pipelines and non-electric generating property of electric utilities	Forest land	Airlines and railroads	Telecommunication utilities and electric generating property of electric utilities	Renewable energy production and transmission property	Carbon dioxide and liquid pipeline property	High Voltage Direct-Current Converter Stations	Data Centers	TOTAL (including tax impact districts)	
Tax Rates	Tax Rate: 100% of annual net proceeds less expenses	Tax Rate: 1.00% of annual gross proceeds	Tax Rate: 2.16% of productive capacity	Tax Rate: 1.55% (Excludes any portion in excess of \$1.6 million less a tax rate of 1.05%)	Tax Rate: 1.05% (except golf courses have a tax rate of 0.95%)	Tax Rate: 3%	Tax Rate: 0%	Tax Rate: The first \$300,000 is exempt, 1.50% for the first \$8 million (and 3.00% in excess of \$3 million) and starting with tax year 2024/25 the first \$1,000,000 will be exempt	Tax Rate: 12%	Tax Rate: 0.37% of forest productivity value	Tax Rate: Varies	Tax Rate: 0%	Tax Rate: 3%	Tax Rate: 3%	Tax Rate: 2.25%	Tax Rate: 0.00%	Percent Growth in Taxable Value from Prior Year Value	
2023 Percent of Total	0.06%	0.00%	47.42%	19.34%	1.89%	6.10%	0.00%	5.10%	19.56%	0.90%	0.00%	0.59%	0.00%	0.00%	0.00%	0.00%	100.00%	
2023	0	0	1,337,916	545,761	53,290	172,189	0	143,990	551,892	0	0	16,552	0	0	0	0	2,621,560	-3.24%
2022	0	0	1,364,012	440,481	47,895	173,264	0	98,050	774,720	0	0	16,839	0	0	0	0	2,916,161	0.02%
2021	0	0	1,384,012	429,312	49,240	157,265	0	171,970	725,942	0	0	17,784	0	0	0	0	2,915,534	-8.89%
2020	0	0	1,493,678	494,028	46,695	146,663	0	211,106	965,612	0	0	22,134	0	0	0	0	3,200,121	-0.79%
2019	0	0	1,493,847	494,245	47,644	135,813	0	215,375	994,686	0	0	24,160	0	0	0	0	3,225,686	4.65%
2018	0	0	1,419,115	426,163	45,898	115,803	0	229,033	831,146	0	0	15,299	0	0	0	0	3,032,452	-1.98%
2017	0	0	1,419,120	416,055	45,150	104,270	0	248,053	858,792	0	0	12,599	0	0	0	0	3,144,713	2.42%
2016	0	0	1,303,847	439,427	43,636	107,286	0	264,096	869,113	0	0	13,988	0	0	0	0	3,070,275	0.84%
2015	0	0	1,299,767	439,001	43,664	100,020	0	296,052	852,061	0	0	13,993	0	0	0	0	3,041,558	0.18%
2014	0	0	1,397,065	281,937	35,369	103,395	0	250,093	950,220	0	0	13,009	0	0	0	0	3,039,098	-5.48%
2013	0	0	1,424,540	259,191	35,805	100,456	0	432,607	942,769	0	0	19,688	0	0	0	0	3,215,126	4.14%
2012	0	0	1,302,885	246,678	36,922	61,038	0	393,949	842,249	0	0	21,624	0	0	0	0	3,087,245	6.67%
2011	0	0	1,498,008	247,748	37,798	75,787	0	482,669	509,834	0	0	15,114	0	0	0	0	2,840,939	5.90%
2010	0	0	1,539,403	249,097	38,318	71,149	0	352,905	419,826	0	0	14,968	0	0	0	0	2,682,766	5.38%
2009	0	0	1,589,822	246,088	42,743	72,125	0	298,901	278,575	0	0	16,026	0	0	0	0	2,546,281	16.26%
2008	0	0	1,265,647	243,243	39,779	71,194	0	373,965	239,639	0	0	16,689	0	0	0	0	2,190,138	

Note: The State of Montana Department of Revenue went from a 6-year revaluation period to a 2-year revaluation period in 2015. For the above table, revaluation years were 2009, 2015, 2017, 2019, 2021 and 2023.

## Richey Schools

### SAMPLE MILL LEVY IMPACT ANALYSIS

#### General Obligation Bonds - 20 Year Terms

Estimated Mill Levy Computation:	\$1,500,000 PROJECT		
	ELEMENTARY	HS	TOTAL
Par Amount of the Bond:	<u>\$600,000</u>	<u>\$900,000</u>	<u>\$1,500,000</u>
Total Estimated Interest Over Life of Bond (1):	\$370,538	\$560,263	\$930,801
Estimated Annual Bond Payment on Tax Rolls (1):	\$48,527	\$73,013	\$121,540
Divided By: District's 2023/24 Mill Value:	<u>\$2,507,382</u>	<u>\$2,821,560</u>	
EQUALS: Estimated Number of Annual Mills Required:	19.35	25.88	45.23

#### Estimated Tax Increase for Individual RESIDENTIAL TAXPAYERS:

2023/24 Tax Year "MARKET VALUE" of Residential Property (2)	2023/24 Tax Year "TAXABLE VALUE" of Residential Property (2)	Estimated ANNUAL Tax (3)	Estimated MONTHLY Tax (3)	Estimated ANNUAL Tax (3)	Estimated MONTHLY Tax (3)	Estimated ANNUAL Tax (3)	Estimated MONTHLY Tax (3)
\$100,000	\$1,350	\$26.13	\$2.18	\$34.93	\$2.91	\$61.06	\$5.09
\$200,000	\$2,700	\$52.25	\$4.35	\$69.87	\$5.82	\$122.12	\$10.18
\$300,000	\$4,050	\$78.38	\$6.53	\$104.80	\$8.73	\$183.18	\$15.27

**NOTE:** 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. Look up the Property's "Taxable Value" from Personal Tax Statement or the following State website (<http://svc.mt.gov/dor/property/pre>) and use the following formula: "Taxable Value" X Mills/1,000 = Estimated Annual Tax Impact of the Bonds

- (1) Based on an estimated true interest cost (TIC) rate of 4.95% over 20-years.
- (2) Based upon Class 4 residential property. The "Market Valuation" for tax purposes will be different than the valuation of most residential real property for resale purposes. To better calculate the estimated tax impact of the bond issue, property owners should look up their exact taxable value as shown on their personal tax statement and use the formula shown above in grey.
- (3) Tax Impacts are based on property tax legislation adopted at the 2015 Legislative Session and the 2023 Department of Revenue reappraisal effective for the 2023/24 and 2024/25 tax years. Tax impact information varies every year depending on such factors as District Mill Value, method of calculating taxable valuation and actual debt service.

Approximate Costs Based on Tax Valuations – Locker Rooms Only

## Richey Schools

### SAMPLE MILL LEVY IMPACT ANALYSIS

#### General Obligation Bonds - 20 Year Terms

#### \$5,500,000 PROJECT

Estimated Mill Levy Computation:	ELEMENTARY	HS	TOTAL
Par Amount of the Bond:	\$2,200,000	\$3,300,000	\$5,500,000
Total Estimated Interest Over Life of Bond (1):	\$1,364,163	\$2,049,300	\$3,413,463
Estimated Annual Bond Payment on Tax Rolls (1):	\$178,208	\$267,465	\$445,673
Divided By: District's 2023/24 Mill Value:	\$2,507,382	\$2,821,560	
EQUALS: Estimated Number of Annual Mills Required:	71.07	94.79	165.87

#### Estimated Tax Increase for Individual RESIDENTIAL TAXPAYERS:

2023/24 Tax Year "MARKET VALUE" of Residential Property (2)	2023/24 Tax Year "TAXABLE VALUE" of Residential Property (2)	Estimated ANNUAL Tax (3)	Estimated MONTHLY Tax (3)	Estimated ANNUAL Tax (3)	Estimated MONTHLY Tax (3)	Estimated ANNUAL Tax (3)	Estimated MONTHLY Tax (3)
\$100,000	\$1,350	\$95.95	\$8.00	\$127.97	\$10.66	\$223.92	\$18.66
\$200,000	\$2,700	\$191.90	\$15.99	\$255.94	\$21.33	\$447.84	\$37.32
\$300,000	\$4,050	\$287.85	\$23.99	\$383.91	\$31.99	\$671.76	\$55.98

**NOTE:** 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. Look up the Property's "Taxable Value" from Personal Tax Statement or the following State website (<http://sve.mt.gov/dar/property/prc>) and use the following formula: **"Taxable Value" X Mills/1,000 = Estimated Annual Tax Impact of the Bonds**

- Based on an estimated true interest cost (TIC) rate of 4.45% over 20-years.
- Based upon Class 4 residential property. The "Market Valuation" for tax purposes will be different than the valuation of most residential real property for resale purposes. To better calculate the estimated tax impact of the bond issue, property owners should look up their exact taxable value as shown on their personal tax statement and use the formula shown above in grey.
- Tax Impacts are based on property tax legislation adopted at the 2015 Legislative Session and the 2023 Department of Revenue reappraisal effective for the 2023/24 and 2024/25 tax years. Tax impact information varies every year depending on such factors as District Mill Value, method of calculating taxable valuation and actual debt service.

# Current Needs:

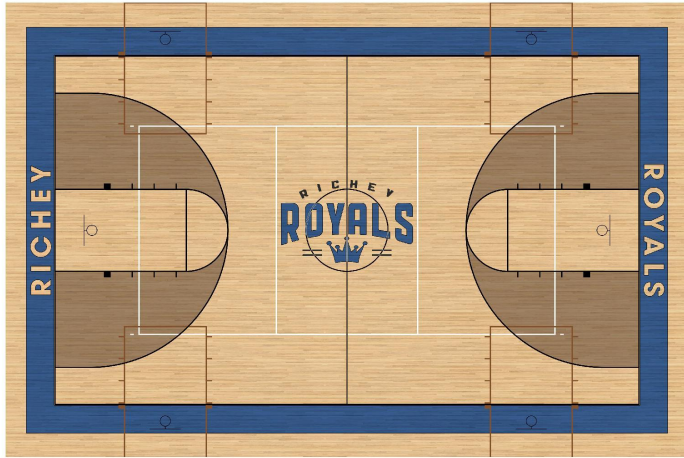
- Football Field Lights
- Total sanding and repaint/stain of gym floor
- Second set of locker rooms
- Parking
- 2nd gymnasium (practice or full gym)



# Football Field:

- Light Poles were installed in 1965
- New lights were installed in 2009
- Installation of new lights, poles and cross bars would cost approximately \$60,000
- Grant submitted for the cost of the new lights, poles, and cross bars. We'll hear in January if we got it.
- This project was placed lower on the priority list recently due to cost.

# New Gym Floor:



FULLCOURT: 84' X 50' BASELINES: 48' SIDELINES: 48'

- Gym was completed in 1970.
- Floor was last sanded and painted in 2008.
- Gym floor expected to last 60 - 80 years.
- Gym floor is sealed every summer.
- Total sanding should occur every 8 - 10 years per one company and 15 - 20 according to another.
- Current estimate to sand and repaint/stain the floor was approximately \$50,000
- The board approved moving forward on this project at the October meeting. Floor will be redone next summer, 2024.

# Old Gym:

- Construction was completed in 1929.
- Floor in the gym is settling and the current floor has significant separation of the wood.

# Parking:

- Looking at different options or lots around the school.

# Oil and Gas Revenue:

	HS	Elem	Total
23-24	\$104,424.65	\$46,302.19	\$150,726.84
22-23	\$175,126.42	\$121,413.61	\$296,540.03
21-22	\$150,741.20	\$104,602.18	\$255,343.38
20-21	\$65,313.18	\$52,320.33	\$117,633.51
19-20	\$97,646.41	\$62,724.20	\$160,370.61
18-19	\$126,600.40	\$79,289.76	\$205,890.16
17-18	\$108,005.22	\$68,320.40	\$176,325.62
16-17	\$105,633.43	\$71,460.84	\$177,094.27

# End of Year Balances of Oil and Gas Funds:

	22-23	22-21	20-21	19-20	18-19
129 Elem	\$36,710	\$3,286	\$11,353	\$11,511	\$73,822
229 H.S.	\$37,901	\$22,318	\$65,512	\$95,988	\$72,904
182 Interlocal	\$64,612	\$185,983	\$212,711	\$232,465	\$170,215

# What do we spend oil and gas revenue on?

- Staffing
- Staff bonuses
- Staff health insurance
- Housing renovations (roofs, siding, windows, bathrooms, electrical)
- Boilers (also used COVID funds)
- Technology needs

# How do we fund big projects?

- Levies/Bonds
- Grants (private, federal, state)
- Intercap loans

# Additional Information:

- Last bond that was passed in Richey was to build the shop/Ag classroom. It was paid off in 1994.
- All projects since then have been paid through other means, mostly oil and gas revenue.
  - Apartments and houses
  - Elementary
  - Boilers
  - A/C in apartments
  - New windows and roofs
    - \$35000 levy was approved by the voters in 2013 to replace the high school roof, but levy was never collected. Roof was paid completely through oil and gas revenue
  - Flooring
  - Renovations to apartments and houses
  - Lights - started the switch over to LED in different areas of the school
  - Garage on main street to house school vehicles
  - New playground equipment