

**EDEN VALLEY IMPROVEMENT DISTRICT**

The Board of Directors (the “Board”) of Eden Valley Improvement District (the “District”) has determined that it is necessary to construct, furnish and equip a community house/recreation center at an estimated cost of \$4,000,000 (the “Project”). In order to finance such Project, the District desires to issue general obligation bonds, the repayment of which will be through the levy and collection of *ad valorem* taxes on the taxable property within the District, and the District is holding a bond election in conjunction with the general election on Tuesday, November 4, 2008, to get authorization for the following:

“Shall the Board of Directors of Eden Valley Improvement District be authorized to issue general obligation bonds of the District in an aggregate principal amount not to exceed \$4,000,000, for the purpose of constructing, furnishing and equipping a facility within and for the District to be known as the Farson-Eden Community and Recreation Center; said bonds to bear interest at a rate or rates not exceeding 7.00% per annum, and to mature serially within twenty-five (25) years from their date?”

Approval of the bond question authorizes the Board to borrow a maximum of \$4,000,000 or any lesser amount necessary to finance the Project and to repay the Bonds in a time period of 25 or such lesser number of years as will be in the best interest of the District’s taxpayers.

For informational purposes only, the following information has been prepared on the assumption that the District borrows \$4,000,000 at the maximum rate for a period of 25 years, with semi-annual debt service payments of approximately \$170,000 (approximately \$340,000 yearly). Given the District’s current assessed valuation (as noted hereinafter at the \*), the District could annually levy three and one-half (3.5) mills and collect approximately \$365,000 (which would provide a small “cushion” for the payment of debt service).

**ESTIMATED TAX IMPACT TO PROPERTY OWNERS**

**MARKET VALUE RESIDENTIAL PROPERTY**

(Assessed value constitutes 9.50% of market value)

	*Estimated Annual <u>Tax Increase</u>
\$ 50,000	\$14.25
60,000	19.95
75,000	24.96
100,000	33.25
125,000	41.58
150,000	49.88
200,000	57.00

**VALUE OF AGRICULTURAL LANDS**

(Assessed value constitutes 9.50% of productivity, not market value)

	*Estimated Annual Tax Increase Per <u>100 Acres</u>
LRA-5 Irrigated Land Class IV (\$46.55/acre)	\$ 16.31
Irrigated Land Class V-VI (\$44.27/acre)	15.51
Range Land Class R-1 (\$15.77/acre)	5.53
Range Land Class R-2 (\$3.90/acre)	1.37
Range Land Class R-3 (\$2.38/acre)	.84
Range Land Class R-4 (\$1.52/acre)	.56
Range Land Class R-5 (\$0.95/acre)	.35
Range Land - Waste Lands (\$0.95/acre)	.35
AG LAND FARMSTEAD (\$342/acre)	119.70
AG LAND WITH INDUSTRY (\$126.50/acre)	44.28

\*Based upon the District’s Tax Year Assessed Valuation of \$104,282,354.