

ATTACHMENT IX-D

ATTACHMENT IX-D:	Wind Farm Projections
Suggested Motion:	Move to accept the proposed wind farm projections
Recommended Action:	Accept as presented.

On November 17, 2011, Mrs. Zwart submitted four scenarios reconciling the different wind farm tax revenue projections to the Board Business Committee. The Committee discussed the four projections and decided to use Scenario 3 using 200 MS and GSA loss based on a formula. It is recommended that the Board accept the attached updated projections for use in other financial projections.

Revenue Analysis of a 200MW Wind Project located in North Boone School District

200

Year	Real Property Cost Basis (per MW)	Trending Factor %	Trended Real Property Cost	Depreciation %	Depreciation Allowance	Fair Cash Value	Statue Minimum (30% of trended value)	Assessed Value	Assessed Value x 200 MW	Tax Rate	Tax per MW	Project Size (MW)	Projected Tax Revenue	GSA	GSA loss (estimated)	Additional Net Revenue	Property Tax Bond Reduction for Existing Tax Payers	Net Revenue
2007	\$360,000	1	\$360,000	0	\$0	\$360,000	\$108,000	\$119,988	\$0	0.0536	\$6,431	0	\$0	\$5,084,042	\$832,688.15	\$1,250,914	\$335,932	\$1,586,845
2008	\$360,000	1.028482143	\$370,254	0	\$0	\$370,254	\$111,076	\$123,406	\$0	0.0536	\$6,615	0	\$0	\$4,251,354	\$832,688.15	\$394,145	\$370,342	\$764,487
2009	\$360,000	1.06797123	\$384,470	0	\$0	\$384,470	\$115,341	\$128,144	\$0	0.0536	\$6,869	0	\$0	\$4,267,383	\$816,658.90	\$383,931	\$349,719	\$733,650
2010	\$360,000	1.064171627	\$383,102	0	\$0	\$383,102	\$114,931	\$127,688	\$0	0.0536	\$6,844	0	\$0	\$4,284,852	\$799,189.79	\$372,994	\$385,352	\$758,346
2011	\$360,000	1.081626984	\$389,386	0	\$0	\$389,386	\$116,816	\$129,782	\$0	0.0536	\$6,956	0	\$0	\$4,303,761	\$780,280.82	\$361,334	\$416,472	\$777,806
2012	\$360,000	1.106626984	\$398,386	0	\$0	\$398,386	\$119,516	\$132,782	\$0	0.0536	\$7,113	0	\$0	\$4,324,110	\$759,932.00	\$348,951	\$427,320	\$776,271
2013	\$360,000	1.131626984	\$407,386	0	\$0	\$407,386	\$122,216	\$135,782	\$0	0.0558	\$7,579	0	\$0	\$1,536,203	\$759,932.00	\$348,951	\$427,320	\$776,271
2014	\$360,000	1.156626984	\$416,386	0	\$0	\$416,386	\$124,916	\$138,781	\$27,756,272	0.0572	\$7,934	200	\$1,586,845	\$4,345,899	\$738,143.32	\$335,844	\$438,246	\$774,090
2015	\$360,000	1.181626984	\$425,386	0.04	\$17,015	\$408,370	\$127,616	\$136,110	\$27,221,963	0.0587	\$7,986	200	\$1,597,175	\$4,369,127	\$714,914.79	\$322,014	\$447,655	\$769,670
2016	\$360,000	1.206626984	\$434,386	0.08	\$34,751	\$399,635	\$130,316	\$133,198	\$26,639,660	0.0582	\$7,752	200	\$1,550,309	\$4,393,796	\$690,246.40	\$307,461	\$455,238	\$762,699
2017	\$360,000	1.231626984	\$443,386	0.12	\$53,206	\$390,179	\$133,016	\$130,047	\$26,009,361	0.0599	\$7,788	200	\$1,557,536	\$4,419,904	\$664,138.45	\$292,185	\$568,541	\$860,727
2018	\$360,000	1.256626984	\$452,386	0.16	\$72,382	\$380,004	\$135,716	\$126,655	\$25,331,067	0.0615	\$7,790	200	\$1,558,087	\$4,447,440	\$636,590.05	\$276,186	\$574,245	\$850,431
2019	\$360,000	1.281626984	\$461,386	0.2	\$92,277	\$369,109	\$138,416	\$123,024	\$24,604,777	0.0624	\$7,681	200	\$1,536,203	\$4,476,440	\$607,602.09	\$259,463	\$587,970	\$847,433
2020	\$360,000	1.306626984	\$470,386	0.24	\$112,893	\$357,493	\$141,116	\$119,152	\$23,830,493	0.0635	\$7,561	200	\$1,512,234	\$4,506,868	\$577,174.28	\$242,018	\$279,744	\$823,849
2021	\$360,000	1.331626984	\$479,386	0.28	\$134,228	\$345,158	\$143,816	\$115,041	\$23,008,213	0.0645	\$7,423	200	\$1,484,584	\$4,538,735	\$545,306.61	\$223,849	\$204,957	\$204,957
2022	\$360,000	1.356626984	\$488,386	0.32	\$156,283	\$332,102	\$146,516	\$110,690	\$22,137,668	0.0656	\$7,265	200	\$1,452,945	\$4,572,043	\$511,999.08	\$185,342	\$0	\$0
2023	\$360,000	1.381626984	\$497,386	0.36	\$179,059	\$318,327	\$149,216	\$106,098	\$21,219,668	0.0719	\$7,624	200	\$1,524,865	\$4,606,068	\$477,251.70	\$165,003	\$0	\$0
2024	\$360,000	1.406626984	\$506,386	0.4	\$202,554	\$303,831	\$151,916	\$101,267	\$20,253,403	0.0734	\$7,435	200	\$1,487,021	\$4,642,978	\$441,064.46	\$143,941	\$0	\$0
2025	\$360,000	1.431626984	\$515,386	0.44	\$226,770	\$288,616	\$154,616	\$96,196	\$19,239,143	0.0756	\$7,275	200	\$1,455,035	\$4,680,605	\$403,437.37	\$143,941	\$0	\$0
2026	\$360,000	1.456626984	\$524,386	0.48	\$251,705	\$272,681	\$157,316	\$90,884	\$18,176,887	0.0471	\$4,285	200	\$856,918	\$4,719,672	\$364,370.42	\$156,909	\$0	\$0
2027	\$360,000	1.481626984	\$533,386	0.52	\$277,361	\$256,025	\$160,016	\$85,333	\$17,066,636	0.0451	\$3,846	200	\$769,155	\$4,737,045	\$346,996.73	\$182,394	\$0	\$0
2028	\$360,000	1.506626984	\$542,386	0.56	\$303,736	\$238,650	\$162,716	\$79,542	\$15,908,390	0.0451	\$3,585	200	\$716,956	\$4,772,043	\$352,396.19	\$185,106	\$0	\$0
2029	\$360,000	1.531626984	\$551,386	0.6	\$358,647	\$220,554	\$165,416	\$73,511	\$14,702,149	0.0451	\$3,313	200	\$662,593	\$4,806,790	\$357,795.65	\$187,818	\$0	\$0
2030	\$360,000	1.556626984	\$560,386	0.64	\$358,647	\$201,739	\$168,116	\$67,240	\$13,447,912	0.0451	\$3,030	200	\$606,068	\$4,842,978	\$363,195.11	\$190,531	\$0	\$0
2031	\$360,000	1.581626984	\$569,386	0.68	\$387,182	\$182,203	\$170,816	\$60,728	\$12,145,681	0.0451	\$2,737	200	\$547,379	\$4,880,605	\$379,932.00	\$198,669	\$0	\$0
2032	\$360,000	1.606626984	\$578,386	0.72	\$416,438	\$161,948	\$173,516	\$57,893	\$11,566,558	0.0451	\$2,606	200	\$521,279	\$4,919,672	\$364,370.42	\$156,909	\$0	\$0
2033	\$360,000	1.631626984	\$587,386	0.76	\$446,413	\$140,973	\$176,216	\$58,733	\$11,746,540	0.0451	\$2,647	200	\$529,390	\$4,957,043	\$346,996.73	\$182,394	\$0	\$0
2034	\$360,000	1.656626984	\$596,386	0.8	\$477,109	\$119,277	\$178,916	\$59,633	\$11,926,522	0.0451	\$2,688	200	\$537,502	\$4,999,672	\$352,396.19	\$185,106	\$0	\$0
2035	\$360,000	1.681626984	\$605,386	0.84	\$508,524	\$96,862	\$181,616	\$60,533	\$12,106,504	0.0451	\$2,728	200	\$545,613	\$5,037,043	\$357,795.65	\$187,818	\$0	\$0
2036	\$360,001	1.706626984	\$614,387	0.88	\$540,661	\$73,726	\$184,316	\$61,433	\$12,286,520	0.0451	\$2,769	200	\$553,726	\$4,720,847	\$363,195.11	\$190,531	\$0	\$0
2037	\$360,002	1.731626984	\$623,389	0.92	\$573,518	\$49,871	\$187,017	\$62,333	\$12,466,537	0.0451	\$2,809	200	\$561,839	\$4,715,446	\$368,595.59	\$193,244	\$0	\$0
2038	\$360,003	1.756626984	\$632,391	0.96	\$607,095	\$25,296	\$189,717	\$63,233	\$12,646,555	0.0451	\$2,850	200	\$569,952	\$4,710,046	\$373,996.10	\$195,956	\$0	\$0
2039	\$360,004	1.781626984	\$641,393	1	\$641,393	\$0	\$192,418	\$64,133	\$12,826,574	0.0451	\$2,890	200	\$578,065	\$4,704,645	\$379,396.05	\$198,669	\$0	\$0
													\$26,859,275			\$7,561,158	\$5,394,757	\$12,955,915

Assumptions and Notes:

- CPI-U (US city average for all items) is actual through 2011 and I estimated to be 2.5% annually through 2035. This is based on the average CPI over the last 10 years.
- At 2031, the depreciation exceeds 30% and from that point forward revenue to the district increases by CPI-U.
- State law covering wind energy devices sunsets in 2016 tax assessment year. Table assumes law is renewed with current language.
- The current tax rate is 5.36%. The tax rates for every fund except the bonds were held constant. The bond rate will increase due to the bond repayment schedule and estimated EAV. The EAV is estimated to stay flat (excluding a wind project) until year 2018 and then increase 2% a year thereafter.
- Assumes project will come on-line in 2014 and depreciation would begin in 2015.
- No growth in GSA or changes in enrollment.
- North Boone's GSA payments are based on the foundation method. Based on this method, it is assumed that 3% of the EAV will be reduced from the GSA payments.
- In the year after the wind towers are decommissioned, there will be no tax revenue generated but the GSA will be reduced. Thus having a negative financial impact on the District.