



2017 Bond Election Information Sheet

Answers to Common Questions about Sedona Fire District's General Bond Election

What is a Bond?

A Bond is a financial tool that government agencies use to raise funds for long-term capital assets. All Bond initiatives must be approved by a simple majority of the votes of registered voters within the District.

Why Use a Bond Instead of Other Funding Options?

Bonds provide funding at a low interest rate. Bonds also allow debt issuance at the time they are needed. The District will have the ability to determine an appropriate schedule for funding of projects and assure timing and priorities are still relevant over the next 10 years.

Why is Sedona Fire District Holding a Bond Election?

The Governing Board convened a Citizens' Advisory Committee comprised of community residents, business members, and staff. The Committee met many times to review the long-term capital needs and fiscal options for the District. Based upon recommendations of the committee and the advice from staff, the Governing Board agreed to place a General Obligation Bond question on the November 2017 ballot.

How Much is Sedona Fire District Asking for in the Bond Election?

The total Bond package request is for \$17.9M. The plan is to sell the Bonds at 3 separate intervals— \$8M in 2018, \$6M in 2021, and \$3.9M in 2023.

How Much Will the Bond Cost the Average Homeowner?

Assuming the entire Bond capacity is utilized (\$17.9M) at intervals projected, the tax impact would be \$0.18 cents per \$100 of net limited assessed property valuation. The median home value within Sedona Fire District is \$362,105. The estimated tax impact on the median home is \$6.63 per month or \$79.55 per year.

For What Will the Bond Pay ?

The Bond is intended to cover the following projects—tear down and replace 45+ year-old Station 4 in Uptown; build new Station 5 in Oak Creek Canyon in better response location at Slide Rock State Park in partnership with State of Arizona; provide infrastructure repairs to Station 3 in VOC; renovate Station 1 in West Sedona including adding a new maintenance facility; replace 5 aging fire engines and critical emergency radio communication infrastructure over the next 10 years.

How Will the Bond Affect Emergency Services?

The long-term health and functionality of our facilities will be addressed by the replacement and repairs identified. The Bond funding will provide for maintenance of emergency telecommunication services throughout the district by the slated projects. Funding will also allow us to streamline station design for improved emergency responses to our entire district and purchase new fire engines with the most-updated safety and technology.

Has Sedona Fire District Ever Requested a Bond Before?

No. SFD has never asked for a General Obligation Bond before.

See Back Page For More Information

What is Sedona Fire District's Total Bonding Capacity?

By law, the Sedona Fire District has the bonding capacity of \$32.3M. The request for \$17.9M is 55% of what we are legally authorized to request. Bonding capacity is determined by taking 6% of net assessed valuation within the District's boundary.

Why Is Sedona Fire District Planning 3 Separate Bond Issuances?

Funding the projects identified in the Bond will take time to complete. Spacing out the expenditures will create a reasonable timeframe for successful completion. It will also spread out the repayment schedule, which will lower the financial impact to taxpayers.

If Approved, Does the Entire Bond Capacity of \$17.9M Have to be Utilized?

No. If the projects come in under budget or priorities change, SFD or the Governing Board is not obligated to issue or spend all the Bonds.

Are These Projects Only Being Funded If the Bond Passes?

Sedona Fire District has identified these projects as high-priority to be completed over the next 10 years. A decision has been made to make funding via Bond the preferred method of funding. If the Bond is unsuccessful, SFD must fund these projects via tax levy or change operational priorities accordingly.

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**Safe
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Why Fund These Projects with a Bond Versus Tax Levy (Mil Rate)?

Funding these projects via Bond will allow the Mil Rate to be more stable and available to be utilized in case of another market correction negatively affecting our Net Assessed Value.

If projects are completed solely via Mil Rate, estimates show projected Mil Rate to be greater than what the Mil Rate and proposed Bond Rate combined would be.

How Do You Know the Bond Funding Will Be Spent as Indicated?

Arizona law requires the District to identify the types of eligible projects that can be funded in the Bond ballot language. The District is required to comply with Arizona State Law and allocate funds accordingly. The Governing Board will ultimately determine and approve all spending of Bond money by action at a public meeting. Sedona Fire District will also be represented by legal counsel to assure Bonds are sold, funded, and dispersed legally.

Where Do I Go to Vote?

No polling places will be open. Yavapai County Board of Supervisors determined the County Elections Department would only assist with this election if it was mail-in.

When Must My Ballot Be Cast?

All the instructions related to deadlines and how to vote will be included in the ballot you will receive in the mail. November 7, 2017 is the date of the election.

How Do I Have a SFD Representative Speak to Me or My Organization?

Sedona Fire District representatives are happy to speak to you, a group, or your HOA about questions or concerns you may have. Please call 928.282.6800 to schedule a time and date.