

Castle Valley Special Service District

2019 Proposed Bond Election

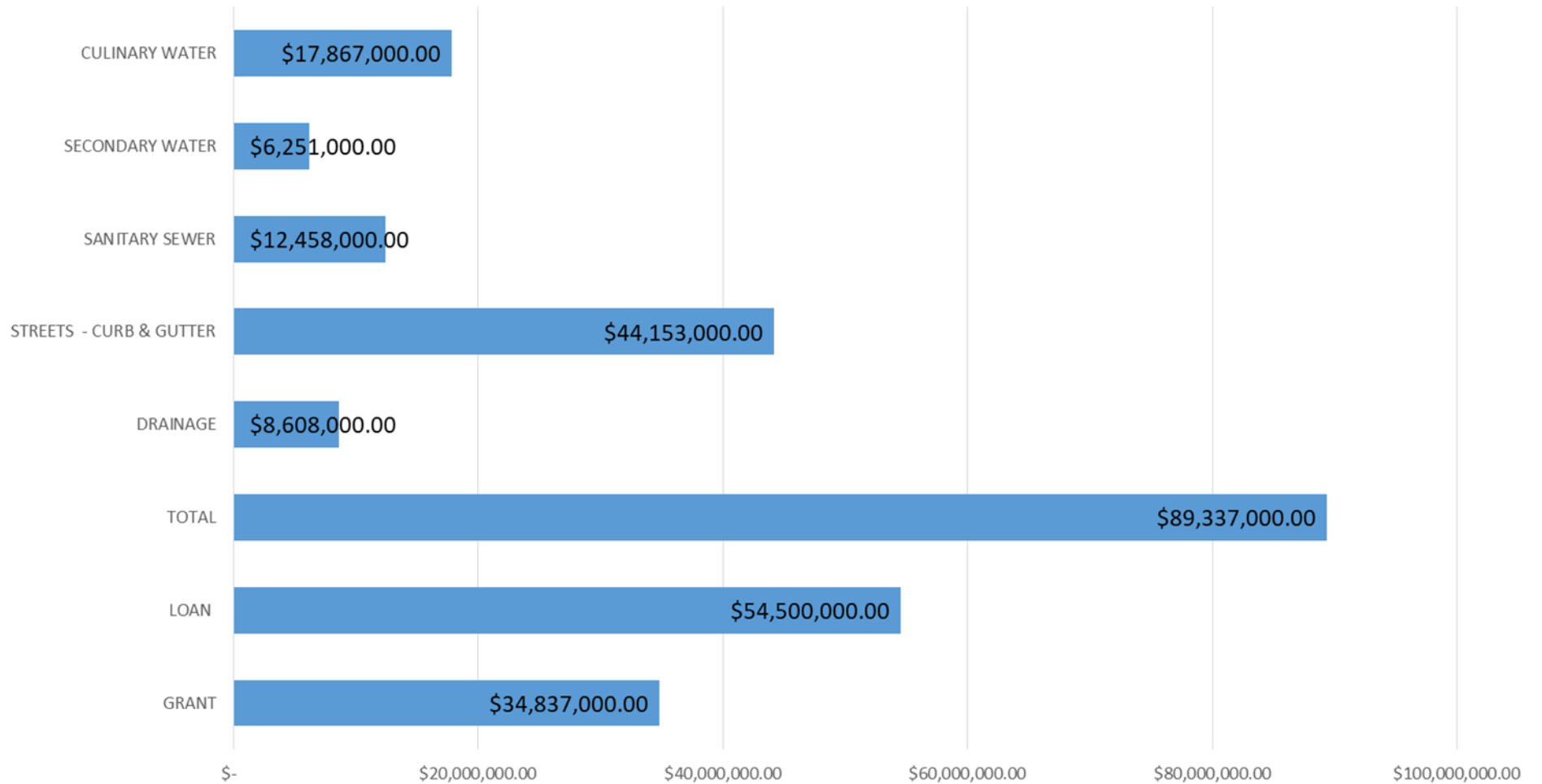
Castle Valley SSD 2019 Bond Election

- Election will be November 5, 2019
- Election will ask voters if the District should be authorized to issue and sell \$14 million of General Obligation Bonds

Bond History

- 1977 - \$5 million general obligation bond was approved by voters
- 1981 – Voters approve \$15 million general obligation bond issue; 80% approval
- 1994 – Voters approve \$10 million general obligation bond issue; 71% approval
- 2001 - Voters approve \$12 million general obligation bond issue; 77% approval
- 2009 – Voters approve \$12.5 million general obligation bond issue; 68% approval

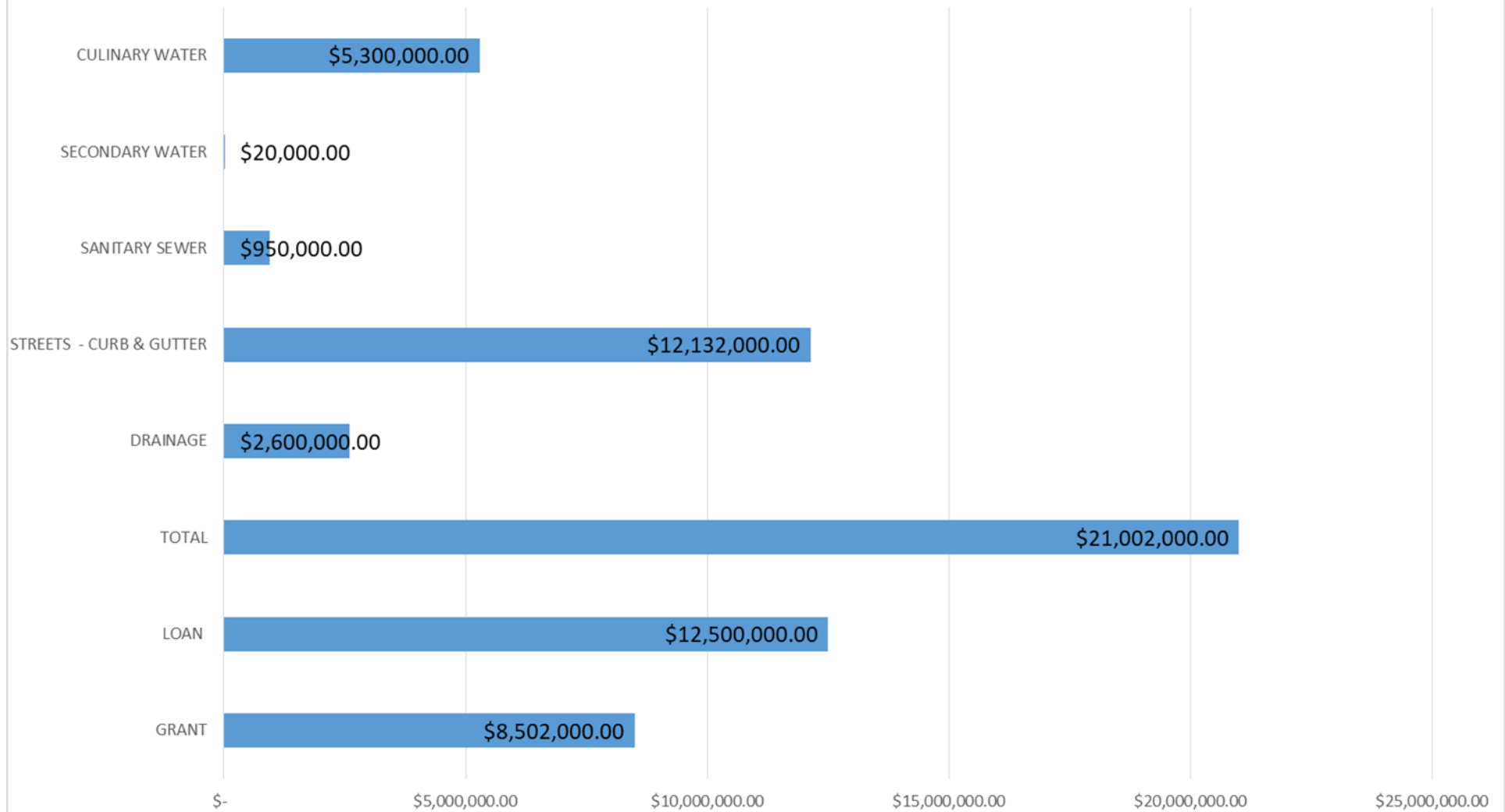
CVSSD CAPITAL PROJECTS 1977 - 2019



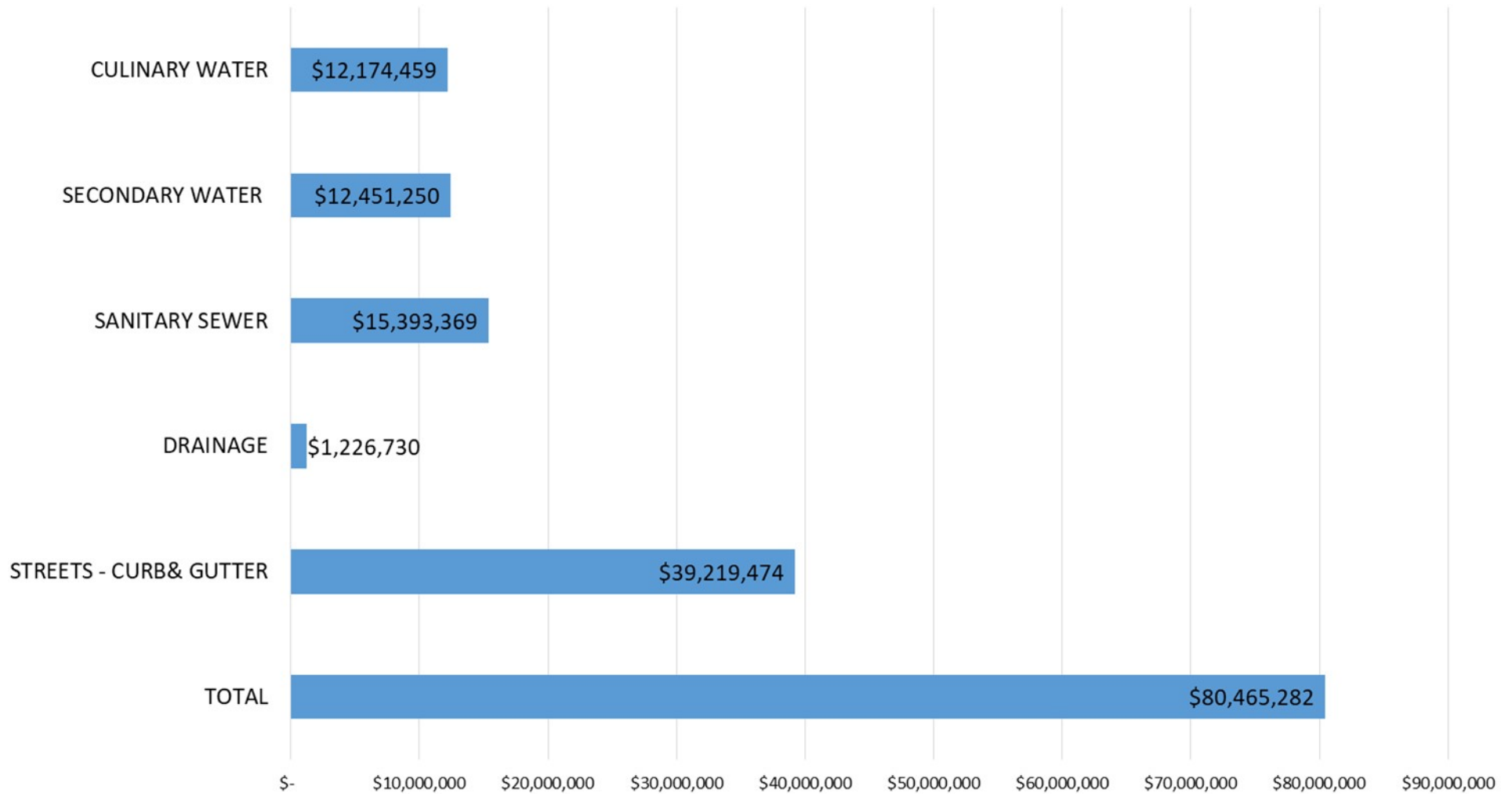
2009 bond election history

- \$12.5 million bond election was approved
- Operation & maintenance tax levy was raised to 0.001
- Bonds were sold in series approximately \$1.0-\$1.5 million each year
- Repayment for each bond is 6 years
- Ferron WTP Bond repayment is 15 years
- An additional \$8.502 million in grant money was acquired and spent on projects

CVSSD CAPITAL PROJECTS 2010 - 2019



CVSSD CAPITAL PROJECT FORECAST 2019 FACILITIES PLAN



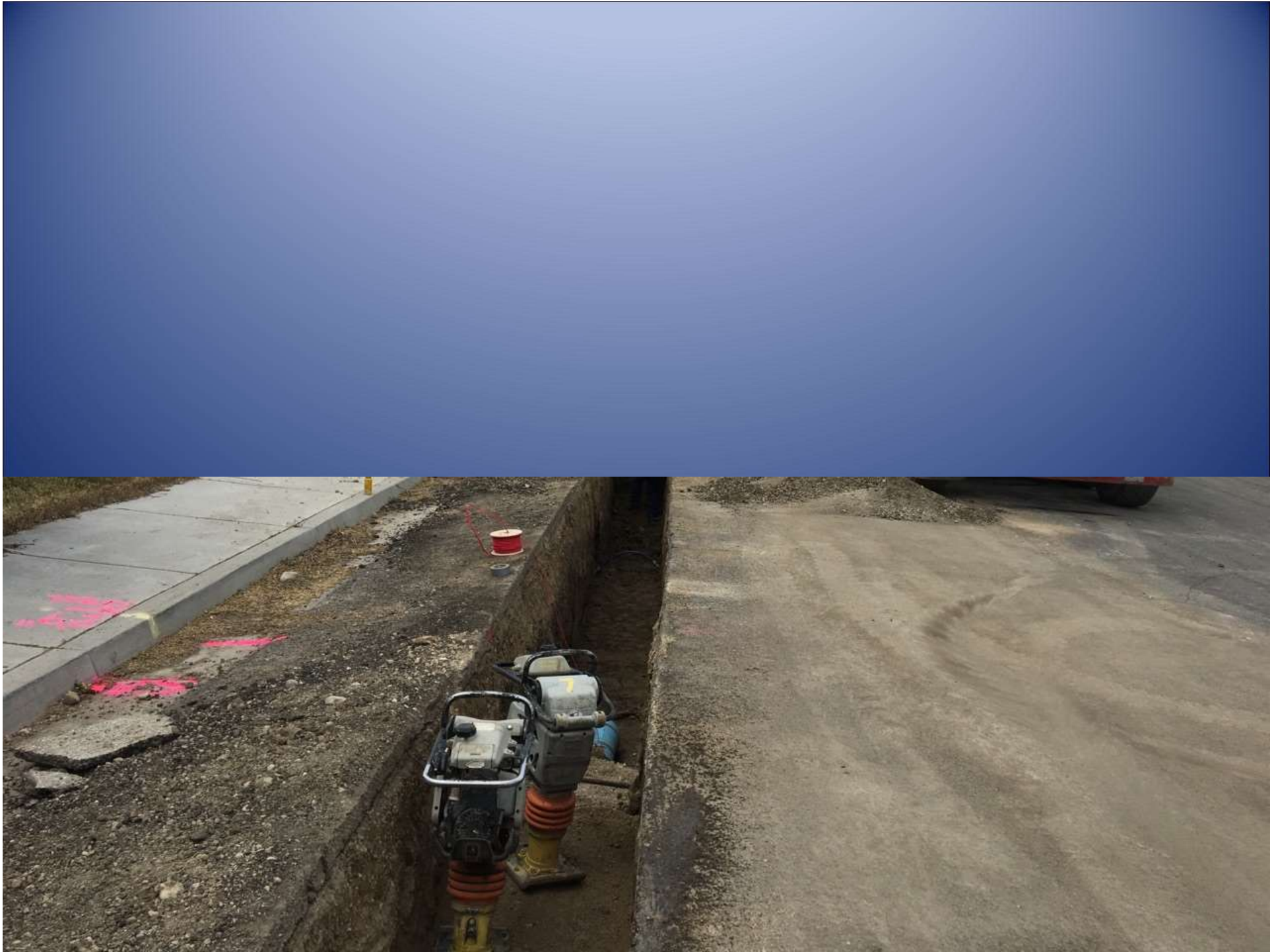












Ballot Language

PROPERTY TAX COST FOR THE BOND ISSUANCE

If the Bonds are issued as planned, an annual property tax to pay debt service on the bonds will be required over a period of 15 years in the estimated amount of \$50.23 per year on a residence with a value of \$120,000 and in the estimated amount of \$91.32 on a business property having the same value. (\$120,000 being the estimated average value of a residence in the District)

What does the ballot language mean?

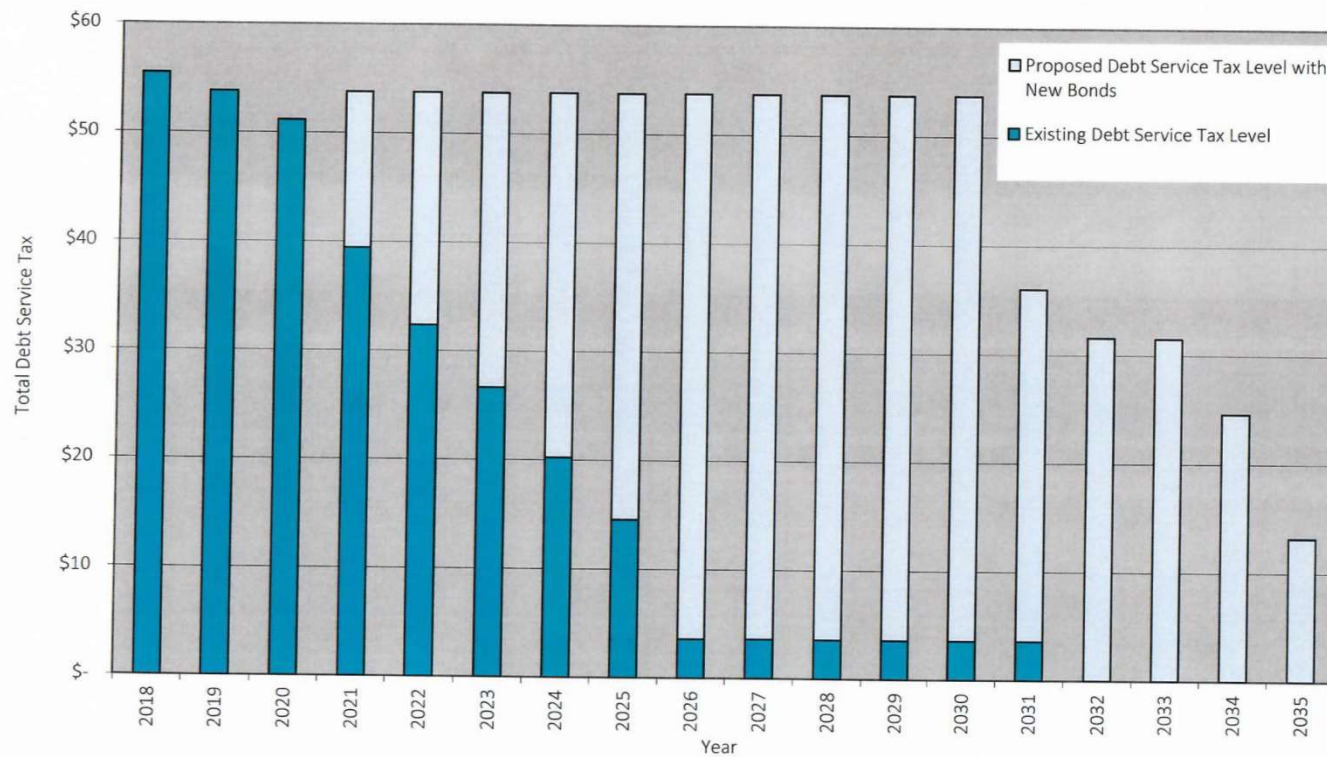
“HOWEVER, because prior general obligation bonds have been retired, no increase in taxes is expected as the tax impact on the prior bonds and the tax impact on the proposed bonds are estimated to be the same...”

The States Truth-in-Taxation laws require the inclusion of the property tax language mentioned. The increase mentioned in the language represents the debt service tax increase if the existing bonds were to be paid off entirely. It is not an increase of the existing debt service tax level but an extension of it.

Tax Impact

Castle Valley Special Service District, Utah

Tax Impact on a \$120,000 Home



ZIONS PUBLIC FINANCE, INC.

Industry Tax Base

- Our industry tax base currently pays approximately 80% of the total tax revenue of the District
- By utilizing this tax base the District can keep monthly rates low and continue the construction program that has been established

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