

**BELOW IS THE BALLOT LANGUAGE THAT WILL APPEAR ON  
THE OFFICIAL BALLOT AS REQUIRED BY UTAH STATE LAW**

November 6, 2018

**NEBO SCHOOL DISTRICT BOND**

Shall the Board of Education (the "Board") of Nebo School District, Utah (the "District"), be authorized to issue General Obligation Bonds in an amount not to exceed Two Hundred Ninety-Eight Million Dollars (\$298,000,000) (the "Bonds") for the purpose of paying all or a portion of the costs to construct or purchase buildings, or purchase school sites, or furnish schools or improve existing school property; said Bonds to be due and payable in not to exceed twenty-one (21) years from the date of issuance of the Bonds?

**PROPERTY TAX COST OF BONDS:**

If the Bonds are issued as planned (and without regard to the existing taxes currently paid for existing bonds that will reduce over time), a property tax sufficient to pay debt service on the Bonds will be required over a period of twenty-one (21) years in the estimated average amount of \$311 per year on a \$273,100 residence and in the estimated amount of \$565 per year on a business property having the same value.

The District has other outstanding bonds for which a tax decrease would occur upon the retirement of such outstanding bonds, which may not occur if the proposed Bonds are issued. However, the combination of the retirement of the outstanding bonds and the issuance of the proposed Bonds, as planned, is expected to result in no (0.0) property tax rate increase on residences and businesses within the District from current levels.

The foregoing information is only an estimate and is not a limit on the amount of taxes that the Board may be required to levy in order to pay debt service on the Bonds. The Board is obligated to levy taxes to the extent provided by law in order to pay the Bonds. The amounts are based on various assumptions and estimates, including estimated debt service on the Bonds and taxable values of property in the District.

**[YES] FOR THE ISSUANCE OF BONDS**

**[NO] AGAINST THE ISSUANCE OF BONDS**

**BELOW IS A BRIEF DESCRIPTION OF WHAT  
THE OFFICIAL BALLOT LANGUAGE MEANS**

Nebo District is rapidly paying off existing bonds that were issued in the past. If new bonds are not issued, the taxes needed to payoff existing bonds could gradually decrease over time. However, for the same tax rate effort that taxpayers are currently paying, the district could pay off the old and the new bonds and provide for the needs and growth of the district.

Therefore, the board anticipates **NO TAX RATE INCREASE.**

Non-Profit Organization  
CAR RT SORT  
ECR WSS  
U.S. Postage  
PAID  
Spanish Fork, UT  
Permit No. 100

Nebo School District  
350 S Main Street  
Spanish Fork, UT 84660



Current Postal Patron

**NOVEMBER 6, 2018**

# Nebo School District Bond

## VOTER INFORMATION PAMPHLET

 **This election will use mail-in ballots.**

*Election Service Center hours on Nov 6, 7:00 am - 8:00 pm*



**vote.utah.gov**  
**utahcounty.gov/Dept/ClerkAud/Elections**  
**nebo.edu/bond2018**

*\* Early Voting and Election Day Service Centers as well as Ballot drop off locations will be posted on these websites (including changes if any). Or call 801-851-8128 for information regarding any of these locations.*

**See official Ballot Language on inside panel**

On August 8, 2018, the Nebo School District Board of Education voted to place a \$298 million bond on the November 6 ballot. The board's decision followed recommendations and input from the public through community meetings, district and community councils and PTAs, faculty and employee meetings, and multiple surveys.

Nebo School District has grown by 6,000 students over the last 10 years and enrollment growth is anticipated to continue into the future.

Through meetings and surveys, Nebo School District received community and parent priorities, which include:

- Rebuilding the three older high schools - Payson, Spanish Fork, and Springville High Schools which will be approximately 60 years old and are in constant need of costly repair.
- Building three new middle schools to create a straight alignment pattern, where all students from one middle school attend the same junior high, and later attend the same high school.
- Additional student growth will be accommodated by moving approximately 2,500 sixth-grade students and 2,600 seventh-grade students to the new middle schools.

**Nebo**  
SCHOOL DISTRICT

**Focused**  
on STUDENT GROWTH  
NEBO SCHOOL DISTRICT

## WHAT IS A BOND?

Bond funds are for construction of new buildings, renovation of existing facilities, and purchase of property. General obligation bonds carry the lowest possible interest rates and are the least costly form of financing available. Authorization from the voting public is required before the district may issue general obligation bonds. Utah law states that bond funds cannot be used for salaries.

## WHY DO WE NEED THIS BOND?

- To Build Three New Middle Schools
- To Create a Straight Alignment Pattern
- To Rebuild Three Older High Schools



## WHAT IS THE IMPACT TO TAXPAYERS?

The Nebo School Board structured the proposed bond with no tax rate increase. This is possible because outstanding bonds are being consistently paid off to leave capacity for new bond commitments, which will be issued gradually over time. Also, commercial and residential growth throughout the district and increased assessed valuation allow this bond to be financed with no tax rate increase.

*Note: If the district did not seek a bond, property taxes could gradually decrease over time. However, the district would be unable to meet the needs of our growing student population.*

## How can there be no tax-rate increase?

- 1 Accelerated growth in assessed value due to new residences and businesses
- 2 Aggressive pay-off of previous bonds over 15 years
- 3 Structuring new bonds in layers keeps debt ratio low and reduces the impact on taxpayers
- 4 Impact of low borrowing rates due to AAA rating, which is comparable to a personal credit score of 850 (FICO)



## WHAT ARE THE BOND PROJECTS?

### PHASE 1 Priority Projected to begin in 2019



Build three NEW middle schools

**Valley View Middle School**  
in Salem Hills High area

Construction begins  
2019

**Maple Grove Middle School**  
in Maple Mountain High area

Construction begins  
2020

**Spring Canyon Middle School**  
in Springville High area

Construction begins  
2020

### PHASE 2 Priority Projected to begin in 2022



Rebuild Springville High, Spanish Fork High, & Payson High

**REBUILD First High School**

Construction begins  
2022

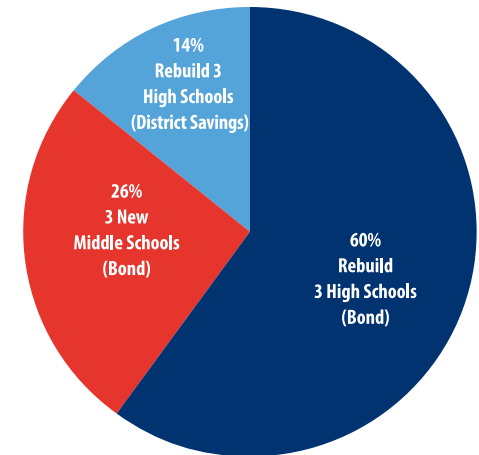
**REBUILD Second High School**

Construction begins  
2023

**REBUILD Third High School**

Construction begins  
2024

## HOW WILL THE SCHOOLS BE FINANCED?



## FINANCIAL EXPLANATION

\$90 M 3 New Middle Schools from Bond

\$208 M Rebuild 3 High Schools from Bond

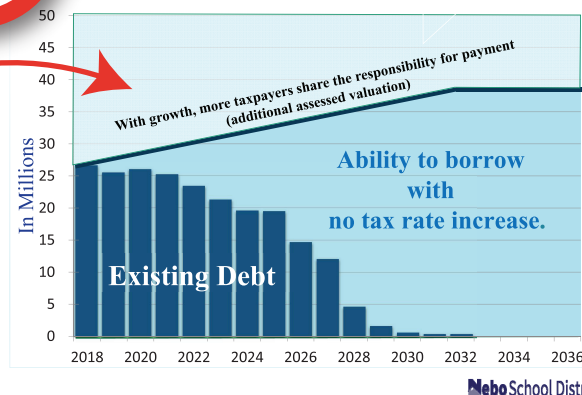
\$47 M Rebuild 3 High Schools Nebo District Savings

Total \$345 M



Bond money cannot be used for salaries

## How Nebo District can bond without a tax rate increase...



## VOTER INFORMATION

**Mail-in Registration Deadline**  
(for those not already registered)  
<https://vote.utah.gov>

**Oct. 9, 2018**

**Ballots mailed to voters**  
approximately **Oct. 16, 2018**

Mail-in Ballots must be postmarked by  
**Nov. 5, 2018**

Email additional questions to:  
[nsdbond@nebo.edu](mailto:nsdbond@nebo.edu)

**Nebo**  
SCHOOL DISTRICT