

KINGMAN UNIFIED SCHOOL DISTRICT NO. 20

BOND FACT SHEET & FREQUENTLY ASKED QUESTIONS

Purpose Statement

Kingman Unified School District's Governing Board has called for a Nov. 5 election to ask voters for authorization to issue and sell general obligation bonds in a principal amount not to exceed \$35 million by means of a phased bonding program conducted through multiple bond sales over the next four years. With voter approval, the bonds will be repaid through the levy of a secondary property tax within the district.

What is a bond?

Bonds, in this instance, are voter approve loans made to a school district and paid back with secondary property tax revenue. Generally, money acquired from bonds is used to make capital improvements throughout a school district, including but not limited to building and system renovations; furniture, equipment and technology expenditures; and new school bus purchases.

Why is Kingman Unified School District calling for a bond election?

The state began drastically reducing the capital allocation of school district across the state at the start of the 2010-2011 school year. Capital funds are used for construction, building renovation, vehicles, technology, etc. From the day the reductions began to the 2018-2019 school year, the state reduced the district's capital funds by a total of \$17 million. This forced the district run on smaller annual capital budgets, which reduced the district's ability to keep up with many things, including building repairs, HVAC issues, and fleet renewal.

What will the bond do for our students?

Kingman Unified School District's governing board has called for this election for the following reasons:

1. Provide additional classroom space by renovating and reopening Palo Christi as a permanent home for our preschool/day care and teacher training/development center, and then alter and reopen La Senita as a K-5 elementary school with capacity for 700 students. Projects would include the purchase of furniture, equipment and technology for the two schools as well.
2. Improve student safety and security by outfitting major school entryways and exits with digital, keyless entry systems, which allows for schools to better control access to all campuses.
3. Improve the learning environment for students and teachers by replacing and upgrading aging HVAC equipment and systems throughout the district.
4. Purchase new buses for student transportation.

How much is Kingman Unified School District asking for in the upcoming bond election?

The total bond request is \$35 million, less than half of the district's total bonding capacity. The district is mindful of the tax impact on the community. The district has not come to voters for financial assistance in 13 years despite the state's drastic funding cuts of the last decade.

The expected costs breakdown like this:

1. Palo Christi and La Senita renovations - \$18 million
2. HVAC equipment and system upgrades throughout district - \$14 million
3. Digital, keyless entry system - \$2 million
4. New buses for pupil transportation (10) - \$1 million

Can Kingman Unified School District provide more detail on the items it's requesting with this bond?

Palo Christi and La Senita renovations: The plan is to renovate Palo Christi into a permanent home for the district's daycare/preschool, and also dedicate a small amount of space to a teacher training center. Currently, the teacher training center and preschool/daycare is housed at La Senita. The plan would also include renovating La Senita into a K-5 elementary school with a capacity of 700 students, thereby alleviating some of the space concerns at the district's other elementary schools.

HVAC equipment and system upgrades throughout district: The plan is to replace aging HVAC equipment and upgrade HVAC systems throughout the district in order to increase efficiency and efficacy while garnering energy savings in the process that can be used to help maintain the integrity of district systems moving forward.

Digital, keyless entry system: The district plans to install a keyless entry system at all sites, and on all entryways, exits and doors of importance. This will increase school safety by giving campus administrators more real-time power to control who has access to their schools.

Ten new buses: The district has been working diligently to improve its fleet through lease purchasing agreements and new funding mechanisms. The plan, however, is to buy 10 new buses, which will supplement the efforts already being made to improve the fleet. The district's fleet is quite old and still has several buses without AC. The goal is to continue working toward a day where no buses within the fleet are older than 15 years. Securing 10 buses through this bond election would help the district get closer to that goal.

How much will the bond cost the average taxpayer?

The impact on the secondary tax rate needed to fully fund this request is \$56.41 a year on a \$100,000 home – roughly \$4.70 per month.

How do I know the money will be spent as indicated?

The Kingman Unified School District is committed to responsibly managing this money. Arizona law requires the district to clearly list what the bonds will be spent on in the voter information pamphlet. As a result, the district is required to comply or be in violation of Arizona state law. Additionally, school districts that have bonds approved by the voters must hold public

hearings annually to alert the public on the progress of how the bond proceeds are spent. In addition, an oversight committee will be formed to oversee project budgets and spending to ensure funds are dedicated to approved plans.

What will happen if the bond is not approved?

The district will have neither a viable option for Palo Christi nor a plan to deal with capacity issues. The plans for a keyless entry system would not move forward in the near future, and the HVAC issues would need to be dealt with over a longer period of time. Essentially, the district would need to reassess its plans and look for alternative ideas to address class space needs, HVAC issues, large safety initiatives and bus fleet replacement.