Key Questions about Proposed Debt

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| **NON-VOTER APPROVED DEBT** | **VOTER APPROVED DEBT** |
| 1. Why is the District borrowing? 2. What will the District’s annual obligation be, including debt service payments and administrative costs? 3. What is the risk that the annual obligation will vary from year to year and by how much?      1. What are the planned repayment sources? 2. What is the likelihood the planned repayment sources will be sufficient? 3. What is the cost of funds and is this reasonable? | 1. Why is the District wanting to issue bonds (meaning taxpayers are borrowing)? 2. What will the District’s annual obligation be, including debt service payments and administrative costs? 3. What is the risk that the annual obligation will vary from year to year and by how much? 4. What are the projected tax rates? 5. What is the likelihood the projected taxes will be sufficient to repay the bonds? 6. What is the cost of funds and is this reasonable? |

