



How the 2018 Bond Works And Why Taxes Will Not Increase

There are **two bond questions** on the ballot that affect Santa Fe Community College (SFCC). Should both questions be approved, this would enable the College to restructure its finances in a way that raises the operating mil while decreasing the capital mil. (A mil is calculated as \$1 per 1,000 of assessed value). This change allows SFCC to better structure its finances without an increase to the current tax rate.

- The **first question** would allow SFCC to raise the operating mil from 3 to 3.35, prior to yield control. Yield control is a legal mechanism to keep tax rates stable. When adjusted for yield control, the 3.35 operating mil for residential property is projected to reduce to 3.04.
- The **second question** asks voters to approve \$17 million in general obligation funds. If voters pass the \$17 million bond funding, SFCC's current capital mil levy of 1.0 will be reduced to .65 mil.

SFCC Tax Rate for Residents Will **NOT** Increase

CURRENT COST		COST IF BOND IS APPROVED	
Operational Mil	2.690	Operational Mil	3.040
+		+	
Debt Service Mil	1.000	Debt Service Mil	0.650
=		=	
TOTAL Mil	3.690	TOTAL Mil	3.690

Mil-\$1 per \$1,000 of assessed taxable value.
Actual tax rates are estimated based on several factors including growth rate, inflation and total assessed valuation.

The net effect of an approval on both ballot questions is a **.35 increase** in the operating mil and a **.35 decrease** in the capital mil. **This results in no changes to the total tax rate.**