



Grand Haven Area Public Schools

November 2023 Bond Proposal Summary & Financial Frequently Asked Questions “FAQs”

08/14/2023



bakertilly

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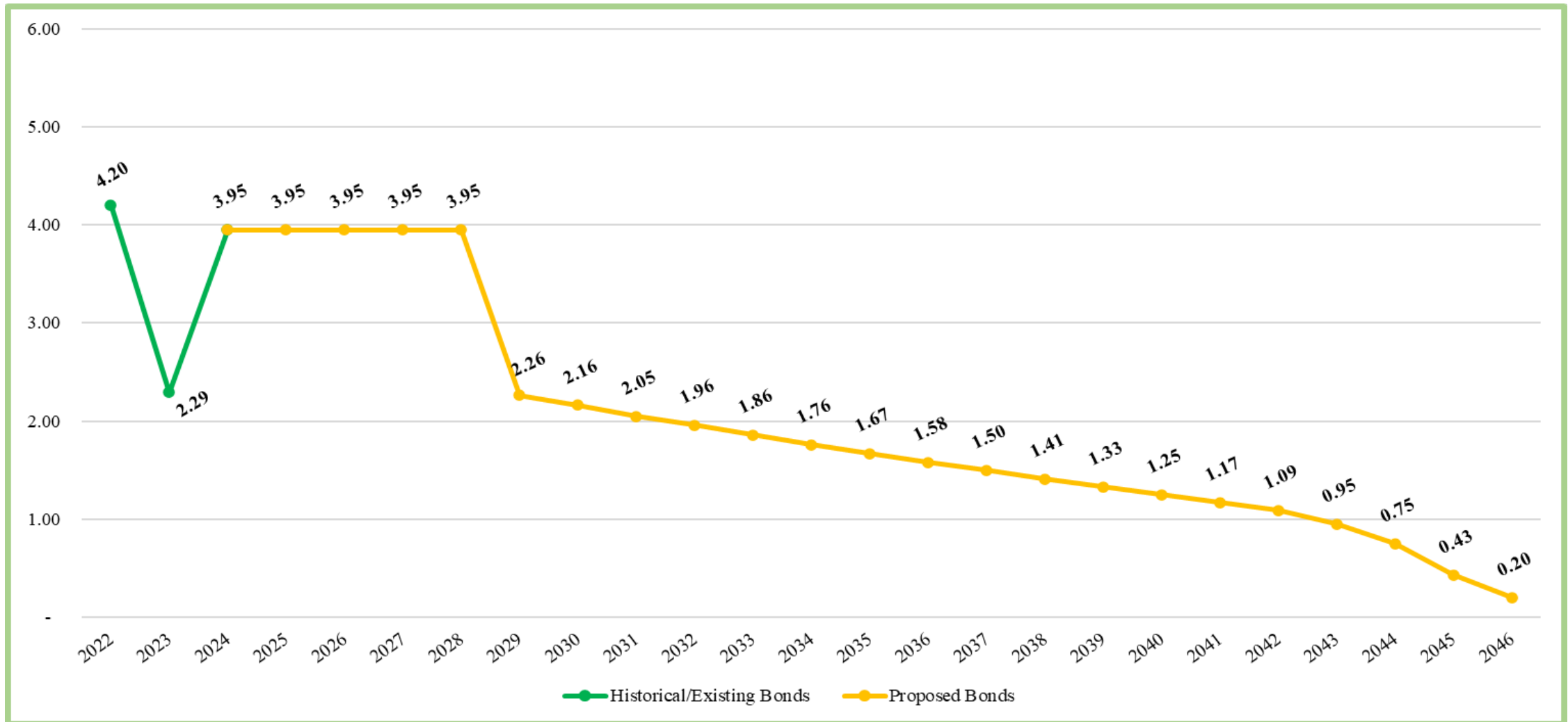
Summary Of Capital Improvement Plan – Proposal 1

<u>Bonds issue year</u>	<u>2024 Bonds</u>	<u>2025 Bonds</u>	<u>2026 Bonds</u>	<u>2027 Bonds</u>	<u>Total Proposal</u>
<u>Estimated uses of funds</u>					
Construction deposit [1]	\$12,000,000	\$35,227,961	\$35,227,961	\$35,227,963	\$117,683,885
Underwriter's discount allowance	121,150	354,000	354,000	354,000	1,183,150
Bond issuance/election costs	107,759	152,435	152,435	152,433	565,062
Less estimated interest income	(113,909)	(334,396)	(334,396)	(334,396)	(1,117,097)
Totals	<u>\$12,115,000</u>	<u>\$35,400,000</u>	<u>\$35,400,000</u>	<u>\$35,400,000</u>	<u>\$118,315,000</u>
[1] Technology equipment has a five year useful life allowance from the time installed. Buses have a six year useful life.					

<u>Bond millage rate difference</u>	<u>2024</u>	<u>2023</u>	<u>Difference</u>
Proposed bonds	2.71		2.71
Existing bonds	1.24	2.29	(1.05)
Total	<u>3.95</u>	<u>2.29</u>	<u>1.66</u>
Annual difference - \$100,000 market value/ \$50,000 taxable value property			<u>\$83.00</u>
Monthly difference			\$6.92

Estimated Proposed Bond Millage Rates – Proposal 1

(Assumes Taxable Value Growth of 2.50%)



Estimated Bond Principal Balance & Bond Millage Rate – Proposal 1

Estimated Bonds Principal Balance								Estimated Bonds Millage Rate		
As of June 30th	Existing Bonds Principal Balance	Proposed Bonds Principal Balance					Total Existing and Proposed Principal Balance	Existing Bonds Millage	Proposed Bonds Millage	Total Bonds Millage
		2024	2025	2026	2027	Total Proposed				
		Bonds	Bonds	Bonds	Bonds	Principal Balance				
2023	\$9,765,000	\$0	\$0	\$0	\$0	\$0	\$9,765,000	2.29	-	2.29
2024	3,680,000	12,115,000	-	-	-	12,115,000	15,795,000	1.24	2.71	3.95
2025	-	4,355,000	\$35,400,000	-	-	39,755,000	39,755,000	-	3.95	3.95
2026	-	4,120,000	\$25,140,000	35,400,000	-	64,660,000	64,660,000	-	3.95	3.95
2027	-	3,890,000	23,780,000	27,325,000	35,400,000	90,395,000	90,395,000	-	3.95	3.95
2028	-	3,635,000	22,420,000	25,845,000	29,650,000	81,550,000	81,550,000	-	3.95	3.95
2029	-	3,380,000	21,060,000	24,365,000	23,275,000	72,080,000	72,080,000	-	2.26	2.26
2030	-	3,150,000	19,700,000	22,885,000	21,935,000	67,670,000	67,670,000	-	2.16	2.16
2031	-	2,925,000	18,340,000	21,405,000	20,595,000	63,265,000	63,265,000	-	2.05	2.05
2032	-	2,700,000	16,980,000	19,925,000	19,255,000	58,860,000	58,860,000	-	1.96	1.96
2033	-	2,475,000	15,620,000	18,445,000	17,915,000	54,455,000	54,455,000	-	1.86	1.86
2034	-	2,250,000	14,260,000	16,965,000	16,575,000	50,050,000	50,050,000	-	1.76	1.76
2035	-	2,025,000	12,900,000	15,485,000	15,235,000	45,645,000	45,645,000	-	1.67	1.67
2036	-	1,800,000	11,540,000	14,005,000	13,895,000	41,240,000	41,240,000	-	1.58	1.58
2037	-	1,575,000	10,180,000	12,525,000	12,555,000	36,835,000	36,835,000	-	1.50	1.50
2038	-	1,350,000	8,820,000	11,045,000	11,215,000	32,430,000	32,430,000	-	1.41	1.41
2039	-	1,125,000	7,460,000	9,575,000	9,875,000	28,035,000	28,035,000	-	1.33	1.33
2040	-	900,000	6,100,000	8,105,000	8,535,000	23,640,000	23,640,000	-	1.25	1.25
2041	-	675,000	4,740,000	6,635,000	7,195,000	19,245,000	19,245,000	-	1.17	1.17
2042	-	450,000	3,380,000	5,165,000	5,855,000	14,850,000	14,850,000	-	1.09	1.09
2043	-	225,000	2,020,000	3,695,000	4,515,000	10,455,000	10,455,000	-	0.95	0.95
2044	-	-	1,000,000	2,225,000	3,175,000	6,400,000	6,400,000	-	0.75	0.75
2045	-	-	-	1,000,000	2,000,000	3,000,000	3,000,000	-	0.43	0.43
2046	-	-	-	-	1,000,000	1,000,000	1,000,000	-	0.20	0.20

Estimated Difference In Annual Tax Bill – Proposal 1

Market Value	Taxable Value	Millage Increase	Annual Increase	Monthly Increase
45,000	22,500	1.66	\$37.35	\$3.11
50,000	25,000	1.66	41.50	3.46
55,000	27,500	1.66	45.65	3.80
60,000	30,000	1.66	49.80	4.15
65,000	32,500	1.66	53.95	4.50
70,000	35,000	1.66	58.10	4.84
75,000	37,500	1.66	62.25	5.19
80,000	40,000	1.66	66.40	5.53
85,000	42,500	1.66	70.55	5.88
90,000	45,000	1.66	74.70	6.23
95,000	47,500	1.66	78.85	6.57
100,000	50,000	1.66	83.00	6.92
105,000	52,500	1.66	87.15	7.26
110,000	55,000	1.66	91.30	7.61
115,000	57,500	1.66	95.45	7.95
120,000	60,000	1.66	99.60	8.30
125,000	62,500	1.66	103.75	8.65
130,000	65,000	1.66	107.90	8.99
135,000	67,500	1.66	112.05	9.34
140,000	70,000	1.66	116.20	9.68
145,000	72,500	1.66	120.35	10.03
150,000	75,000	1.66	124.50	10.38
155,000	77,500	1.66	128.65	10.72
160,000	80,000	1.66	132.80	11.07
165,000	82,500	1.66	136.95	11.41
170,000	85,000	1.66	141.10	11.76
175,000	87,500	1.66	145.25	12.10
180,000	90,000	1.66	149.40	12.45
185,000	92,500	1.66	153.55	12.80
190,000	95,000	1.66	157.70	13.14
195,000	97,500	1.66	161.85	13.49

Market Value	Taxable Value	Millage Increase	Annual Increase	Monthly Increase
200,000	100,000	1.66	\$166.00	\$13.83
205,000	102,500	1.66	170.15	14.18
210,000	105,000	1.66	174.30	14.53
215,000	107,500	1.66	178.45	14.87
220,000	110,000	1.66	182.60	15.22
225,000	112,500	1.66	186.75	15.56
230,000	115,000	1.66	190.90	15.91
235,000	117,500	1.66	195.05	16.25
240,000	120,000	1.66	199.20	16.60
245,000	122,500	1.66	203.35	16.95
250,000	125,000	1.66	207.50	17.29
255,000	127,500	1.66	211.65	17.64
260,000	130,000	1.66	215.80	17.98
265,000	132,500	1.66	219.95	18.33
270,000	135,000	1.66	224.10	18.68
275,000	137,500	1.66	228.25	19.02
280,000	140,000	1.66	232.40	19.37
285,000	142,500	1.66	236.55	19.71
290,000	145,000	1.66	240.70	20.06
295,000	147,500	1.66	244.85	20.40
300,000	150,000	1.66	249.00	20.75
305,000	152,500	1.66	253.15	21.10
310,000	155,000	1.66	257.30	21.44
315,000	157,500	1.66	261.45	21.79
320,000	160,000	1.66	265.60	22.13
325,000	162,500	1.66	269.75	22.48
330,000	165,000	1.66	273.90	22.83
335,000	167,500	1.66	278.05	23.17
340,000	170,000	1.66	282.20	23.52
345,000	172,500	1.66	286.35	23.86
350,000	175,000	1.66	290.50	24.21

Ballot Language – Proposal 1

GRAND HAVEN AREA PUBLIC SCHOOLS BOND PROPOSAL

Shall Grand Haven Area Public Schools, Ottawa and Muskegon Counties, Michigan, borrow the sum of not to exceed One Hundred Eighteen Million Three Hundred Fifteen Thousand Dollars (\$118,315,000) and issue its general obligation unlimited tax bonds therefor, in one or more series, for the purpose of:

erecting, equipping and furnishing a new middle school building; remodeling, and equipping and re-equipping, school buildings, including school security improvements and secure entrances, and facilities; furnishing and refurnishing school buildings and facilities; purchasing school buses; and acquiring, installing, and equipping and re-equipping school buildings for instructional technology; preparing, developing, improving and equipping structures, athletic fields and sites?

The following is for informational purposes only:

The estimated millage that will be levied for the proposed bonds in 2024 is 2.71 mills (\$2.71 on each \$1,000 of taxable valuation) for a 1.66 mills net increase over the prior year's levy. The maximum number of years the bonds of any series may be outstanding, exclusive of any refunding, is twenty (20) years. The estimated simple average annual millage anticipated to be required to retire this bond debt is 1.92 mills (\$1.92 on each \$1,000 of taxable valuation).

Pursuant to State law, expenditure of bond proceeds must be audited and the proceeds cannot be used for repair or maintenance costs, teacher, administrator or employee salaries, or other operating expenses.

Ballot Language FAQs – Proposal 1

Question: In the ballot language, the first paragraph states a not to exceed figure of \$118,315,000 of general obligation unlimited tax bonds, what does this mean?

Answer: If this bond proposal is approved by voters, the maximum amount of bonds to be issued can be no greater than \$118,315,000.

Question: In the ballot language, it states that the estimated millage that will be levied in 2024 to pay the proposed bonds in the first year is 2.71 mills, what does this mean?

Answer: This means that the allocated bond millage for this proposal to be levied in the first year (2024) is 2.71 mills. (2.71 mills new bonds + 1.24 mills existing bonds = 3.95 total estimated 2024 millage rate)

Question: Is there an estimated increase in the bond millage rate in this bond proposal?

Answer: Yes, the bond millage rate is estimated to increase by 1.66 mills (3.95 – 2.29). For a \$100,000 market value/\$50,000 taxable value home, this equates to an estimated increase of \$83.00 per year or \$6.92 per month.

	2024	2023	Difference
Proposed bonds	2.71		2.71
Existing bonds	1.24	2.29	(1.05)
Total estimated bond millage rate	3.95	2.29	1.66

Ballot Language FAQs – Proposal 1

Question: In the ballot language it states that the maximum number of years any series of bonds may be outstanding, exclusive of refunding, is not more than 20 years, what does this mean?

Answer: The school district plans to issue the bonds in 4 separate series, in 2024, 2025, 2026 and 2027. Each bond series would have a length of 20 years or shorter.

Question: In the ballot language it states that estimated simple average annual millage that will be required to retire each bond series is 1.92 mills annually, what does this mean?

Answer: This means that over the entire life of the bond proposal (4 bond series) that the average annual bond millage rate is estimated to be 1.92 mills.

Other Financial FAQs – Proposal 1

Question: When would the millage for this proposal first be levied?

Answer: On the July 1, 2024 property tax bill.

Question: Is the school district going to immediately issue \$118,315,000 of bonds?

Answer: No. The bonds are proposed to be issued in 4 series (2024, 2025, 2026, 2027). This allows for years of bond repayments to occur before a new bond issue is completed.

Question: Are technology purchases going to be amortized over a 20-year period? Is there a technology replacement plan?

Answer: No, technology purchases will be amortized over a 5-year period beginning at the time of installation. Yes, each bond series has an allowance for future technology purchases and updates.

Other Financial FAQs – Proposal 1

Question: Are bus purchases going to be amortized over a 20-year period?

Answer: No, bus purchases will be amortized over a 6-year period beginning at the time the buses are put into service.

Question: Is the bond millage rate estimated to be the same for the entire life of the bond proposal?

Answer: No, the bond millage rate is estimated to remain at 3.95 mills through 2028, thereafter it is estimated to decline due to bond repayment and taxable value growth.

Question: What are the present 5 year and 20-year historical taxable value growth averages for the school district? What taxable value growth assumptions are being utilized to estimate the proposed bond millage rate?

Answer: The present 5-year historical taxable value growth rate for the school district is 4.42%. The present 20-year average taxable value growth rate is 3.10%. For years 2024 through 2028, a 2.50% taxable value growth assumption has been used. For years 2029 and beyond, a 2.50% taxable value growth assumption has been used.

Other Financial FAQs – Proposal 1

Question: Are there property tax exemptions to anyone of any kind?

Answer: If a business has been granted an Industrial Facilities Tax ("IFT") credit then only half of the taxable value is subject to the bond millage. The business would need to verify if some of the taxable value has been designated for the IFT credit.

One item a community member could research is the Michigan Homestead Property Tax Credit. The Michigan Homestead Property Tax Credit is a method through which some taxpayers can receive a credit for an amount of their property tax that exceeds a certain percentage of their household income. This program establishes categories under which homeowners or renters are eligible for a Homestead Property Tax Credit. We would recommend that community members consult their tax provider to determine if they are eligible for this tax credit.

Question: Are businesses and second homes (non-homestead) and primary homes (homestead) treated the same regarding bond millage?

Answer: Yes, businesses and second homes (non-homestead) and primary homes (homestead) are treated the same regarding bond millage.

Other Financial FAQs – Proposal 1

Question: Why are the bond issues being completed in a series as opposed to being completed immediately in one bond issue?

Answer: The bond issues are being completed in a series in order to implement a long-term capital plan as well as reduce total bond interest expense.

By issuing the bonds in series the school district receives capital funding over a multiple time period as opposed to one. This allows for the continual update and replacement of school district infrastructure. A multiple year technology replacement program is also included in the plan.

If the school district sold the entire bond proposal immediately it would immediately incur interest expense on \$118,315,000. By issuing the bonds in series over time the school district achieves a lower annual bond balance.

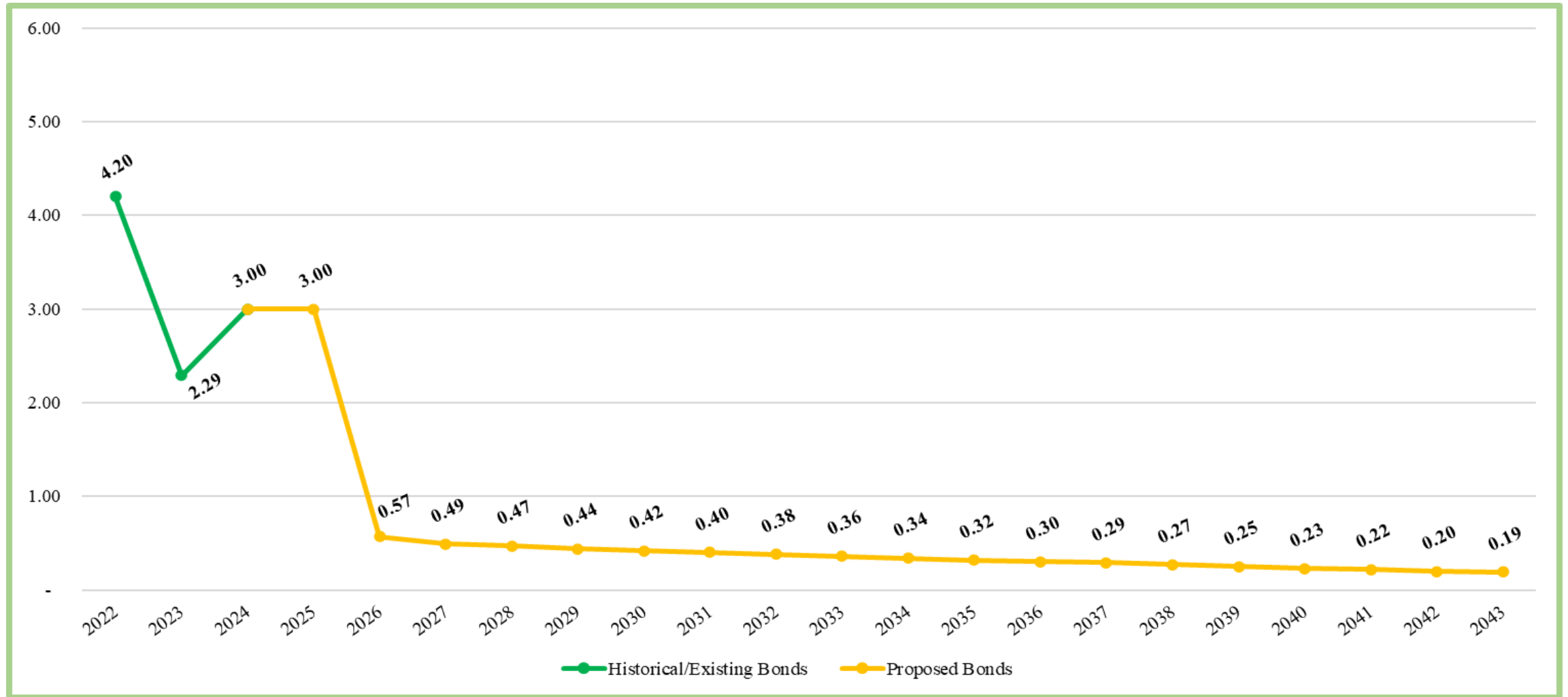
Summary Of Capital Improvement Plan – Proposal 2

<u>Bonds issue year</u>	Total Proposal
<u>Estimated uses of funds</u>	
Construction deposit [1]	\$28,490,897
Underwriter's discount allowance	286,600
Bond issuance/election costs	152,950
Less estimated interest income	(270,447)
Totals	<u>\$28,660,000</u>
[1] Technology equipment has a five year useful life allowance from the time installed. Buses have a six year useful life.	

<u>Bond millage rate difference</u>	2024	2023	Difference
Proposed bonds	1.76		1.76
Existing bonds	1.24	2.29	(1.05)
Total	<u>3.00</u>	<u>2.29</u>	<u>0.71</u>
Annual difference - \$100,000 market value/ \$50,000 taxable value property			<u>\$35.50</u>
Monthly difference			\$2.96

Estimated Proposed Bond Millage Rates – Proposal 2

(Assumes Taxable Value Growth of 2.50%)



Estimated Bond Principal Balance & Bond Millage Rate – Proposal 2

Estimated Bonds Principal Balance					Estimated Bonds Millage Rate		
As of June 30th	Existing Bonds Principal Balance	Proposed Bonds Principal Balance		Total Existing and Proposed Principal Balance	Existing Bonds Millage	Proposed Bonds Millage	Total Bonds Millage
		2024 Bonds	Total Proposed Principal Balance				
2023	\$9,765,000	\$0	\$0	\$9,765,000	2.29	-	2.29
2024	3,680,000	28,660,000	28,660,000	32,340,000	1.24	1.76	3.00
2025	-	24,345,000	24,345,000	24,345,000	-	3.00	3.00
2026	-	16,105,000	16,105,000	16,105,000	-	0.57	0.57
2027	-	15,015,000	15,015,000	15,015,000	-	0.49	0.49
2028	-	14,120,000	14,120,000	14,120,000	-	0.47	0.47
2029	-	13,225,000	13,225,000	13,225,000	-	0.44	0.44
2030	-	12,330,000	12,330,000	12,330,000	-	0.42	0.42
2031	-	11,435,000	11,435,000	11,435,000	-	0.40	0.40
2032	-	10,540,000	10,540,000	10,540,000	-	0.38	0.38
2033	-	9,645,000	9,645,000	9,645,000	-	0.36	0.36
2034	-	8,760,000	8,760,000	8,760,000	-	0.34	0.34
2035	-	7,875,000	7,875,000	7,875,000	-	0.32	0.32
2036	-	6,990,000	6,990,000	6,990,000	-	0.30	0.30
2037	-	6,105,000	6,105,000	6,105,000	-	0.29	0.29
2038	-	5,220,000	5,220,000	5,220,000	-	0.27	0.27
2039	-	4,350,000	4,350,000	4,350,000	-	0.25	0.25
2040	-	3,480,000	3,480,000	3,480,000	-	0.23	0.23
2041	-	2,610,000	2,610,000	2,610,000	-	0.22	0.22
2042	-	1,740,000	1,740,000	1,740,000	-	0.20	0.20
2043	-	870,000	870,000	870,000	-	0.19	0.19

Estimated Difference In Annual Tax Bill – Proposal 2

Market Value	Taxable Value	Millage Increase	Annual Increase	Monthly Increase
45,000	22,500	0.71	\$15.98	\$1.33
50,000	25,000	0.71	17.75	1.48
55,000	27,500	0.71	19.53	1.63
60,000	30,000	0.71	21.30	1.78
65,000	32,500	0.71	23.08	1.92
70,000	35,000	0.71	24.85	2.07
75,000	37,500	0.71	26.63	2.22
80,000	40,000	0.71	28.40	2.37
85,000	42,500	0.71	30.18	2.52
90,000	45,000	0.71	31.95	2.66
95,000	47,500	0.71	33.73	2.81
100,000	50,000	0.71	35.50	2.96
105,000	52,500	0.71	37.28	3.11
110,000	55,000	0.71	39.05	3.25
115,000	57,500	0.71	40.83	3.40
120,000	60,000	0.71	42.60	3.55
125,000	62,500	0.71	44.38	3.70
130,000	65,000	0.71	46.15	3.85
135,000	67,500	0.71	47.93	3.99
140,000	70,000	0.71	49.70	4.14
145,000	72,500	0.71	51.48	4.29
150,000	75,000	0.71	53.25	4.44
155,000	77,500	0.71	55.03	4.59
160,000	80,000	0.71	56.80	4.73
165,000	82,500	0.71	58.58	4.88
170,000	85,000	0.71	60.35	5.03
175,000	87,500	0.71	62.13	5.18
180,000	90,000	0.71	63.90	5.33
185,000	92,500	0.71	65.68	5.47
190,000	95,000	0.71	67.45	5.62
195,000	97,500	0.71	69.23	5.77

Market Value	Taxable Value	Millage Increase	Annual Increase	Monthly Increase
200,000	100,000	0.71	\$71.00	\$5.92
205,000	102,500	0.71	72.78	6.07
210,000	105,000	0.71	74.55	6.21
215,000	107,500	0.71	76.33	6.36
220,000	110,000	0.71	78.10	6.51
225,000	112,500	0.71	79.88	6.66
230,000	115,000	0.71	81.65	6.80
235,000	117,500	0.71	83.43	6.95
240,000	120,000	0.71	85.20	7.10
245,000	122,500	0.71	86.98	7.25
250,000	125,000	0.71	88.75	7.40
255,000	127,500	0.71	90.53	7.54
260,000	130,000	0.71	92.30	7.69
265,000	132,500	0.71	94.08	7.84
270,000	135,000	0.71	95.85	7.99
275,000	137,500	0.71	97.63	8.14
280,000	140,000	0.71	99.40	8.28
285,000	142,500	0.71	101.18	8.43
290,000	145,000	0.71	102.95	8.58
295,000	147,500	0.71	104.73	8.73
300,000	150,000	0.71	106.50	8.88
305,000	152,500	0.71	108.28	9.02
310,000	155,000	0.71	110.05	9.17
315,000	157,500	0.71	111.83	9.32
320,000	160,000	0.71	113.60	9.47
325,000	162,500	0.71	115.38	9.62
330,000	165,000	0.71	117.15	9.76
335,000	167,500	0.71	118.93	9.91
340,000	170,000	0.71	120.70	10.06
345,000	172,500	0.71	122.48	10.21
350,000	175,000	0.71	124.25	10.35

Ballot Language – Proposal 2

GRAND HAVEN AREA PUBLIC SCHOOLS BOND PROPOSAL

Shall Grand Haven Area Public Schools, Ottawa and Muskegon Counties, Michigan, borrow the sum of not to exceed Twenty-Eight Million Six Hundred Sixty Thousand Dollars (\$28,660,000) and issue its general obligation unlimited tax bonds therefor, in one or more series, for the purpose of:

erecting, remodeling, and equipping and re-equipping school buildings, additions to school buildings, and facilities; furnishing and refurnishing school buildings and facilities; and acquiring, installing, and equipping and re-equipping school buildings for instructional technology; preparing, developing, improving and equipping structures, athletic fields, play fields, playgrounds and sites?

The following is for informational purposes only:

The estimated millage that will be levied for the proposed bonds in 2024 is 1.76 mills (\$1.76 on each \$1,000 of taxable valuation) for a 0.71 mill net increase over the prior year's levy. The maximum number of years the bonds of any series may be outstanding, exclusive of any refunding, is twenty (20) years. The estimated simple average annual millage anticipated to be required to retire this bond debt is 0.55 mill (\$0.55 on each \$1,000 of taxable valuation).

(Pursuant to State law, expenditure of bond proceeds must be audited and the proceeds cannot be used for repair or maintenance costs, teacher, administrator or employee salaries, or other operating expenses.)

Ballot Language FAQs – Proposal 2

Question: In the ballot language, the first paragraph states a not to exceed figure of \$28,660,000 of general obligation unlimited tax bonds, what does this mean?

Answer: If this bond proposal is approved by voters, the maximum amount of bonds to be issued can be no greater than \$28,660,000.

Question: In the ballot language, it states that the estimated millage that will be levied in 2024 to pay the proposed bonds in the first year is 1.76 mills, what does this mean?

Answer: This means that the allocated bond millage for this proposal to be levied in the first year (2024) is 1.76 mills. (1.76 mills new bonds + 1.24 mills existing bonds = 3.00 total estimated 2024 millage rate)

Question: Is there an estimated increase in the bond millage rate in this bond proposal?

Answer: Yes, the bond millage rate is estimated to increase by 0.71 mills (3.00 – 2.29). For a \$100,000 market value/\$50,000 taxable value home, this equates to an estimated increase of \$35.50 per year or \$2.96 per month.

	2024	2023	Difference
Proposed bonds	1.76		1.76
Existing bonds	1.24	2.29	(1.05)
Total estimated bond millage rate	3.00	2.29	0.71

Ballot Language FAQs – Proposal 2

Question: In the ballot language it states that the maximum number of years any series of bonds may be outstanding, exclusive of refunding, is not more than 20 years, what does this mean?

Answer: The school district plans to issue the bonds in 1 separate series, in 2024. The bond series would have a length of 20 years or shorter.

Question: In the ballot language it states that estimated simple average annual millage that will be required to retire each bond series is 0.55 mills annually, what does this mean?

Answer: This means that over the entire life of the bond proposal (4 bond series) that the average annual bond millage rate is estimated to be 0.55 mills.

Other Financial FAQs – Proposal 2

Question: When would the millage for this proposal first be levied?

Answer: On the July 1, 2024 property tax bill.

Question: Is the school district going to immediately issue \$28,660,000 of bonds?

Answer: Yes. The bonds are proposed to be issued in 1 series in 2024.

Question: Are technology purchases going to be amortized over a 20-year period? Is there a technology replacement plan?

Answer: No, technology purchases will be amortized over a 5-year period beginning at the time of installation. Yes, each bond series has an allowance for future technology purchases and updates.

Other Financial FAQs – Proposal 2

Question: Is the bond millage rate estimated to be the same for the entire life of the bond proposal?

Answer: No, the bond millage rate is estimated to remain at 3.00 mills through 2025, thereafter it is estimated to decline due to bond repayment and taxable value growth.

Question: What are the present 5 year and 20-year historical taxable value growth averages for the school district? What taxable value growth assumptions are being utilized to estimate the proposed bond millage rate?

Answer: The present 5-year historical taxable value growth rate for the school district is 4.42%. The present 20-year average taxable value growth rate is 3.10%. For years 2024 through 2028, a 2.50% taxable value growth assumption has been used. For years 2029 and beyond, a 2.50% taxable value growth assumption has been used.

Other Financial FAQs – Proposal 2

Question: Are there property tax exemptions to anyone of any kind?

Answer: If a business has been granted an Industrial Facilities Tax ("IFT") credit then only half of the taxable value is subject to the bond millage. The business would need to verify if some of the taxable value has been designated for the IFT credit.

One item a community member could research is the Michigan Homestead Property Tax Credit. The Michigan Homestead Property Tax Credit is a method through which some taxpayers can receive a credit for an amount of their property tax that exceeds a certain percentage of their household income. This program establishes categories under which homeowners or renters are eligible for a Homestead Property Tax Credit. We would recommend that community members consult their tax provider to determine if they are eligible for this tax credit.

Question: Are businesses and second homes (non-homestead) and primary homes (homestead) treated the same regarding bond millage?

Answer: Yes, businesses and second homes (non-homestead) and primary homes (homestead) are treated the same regarding bond millage.

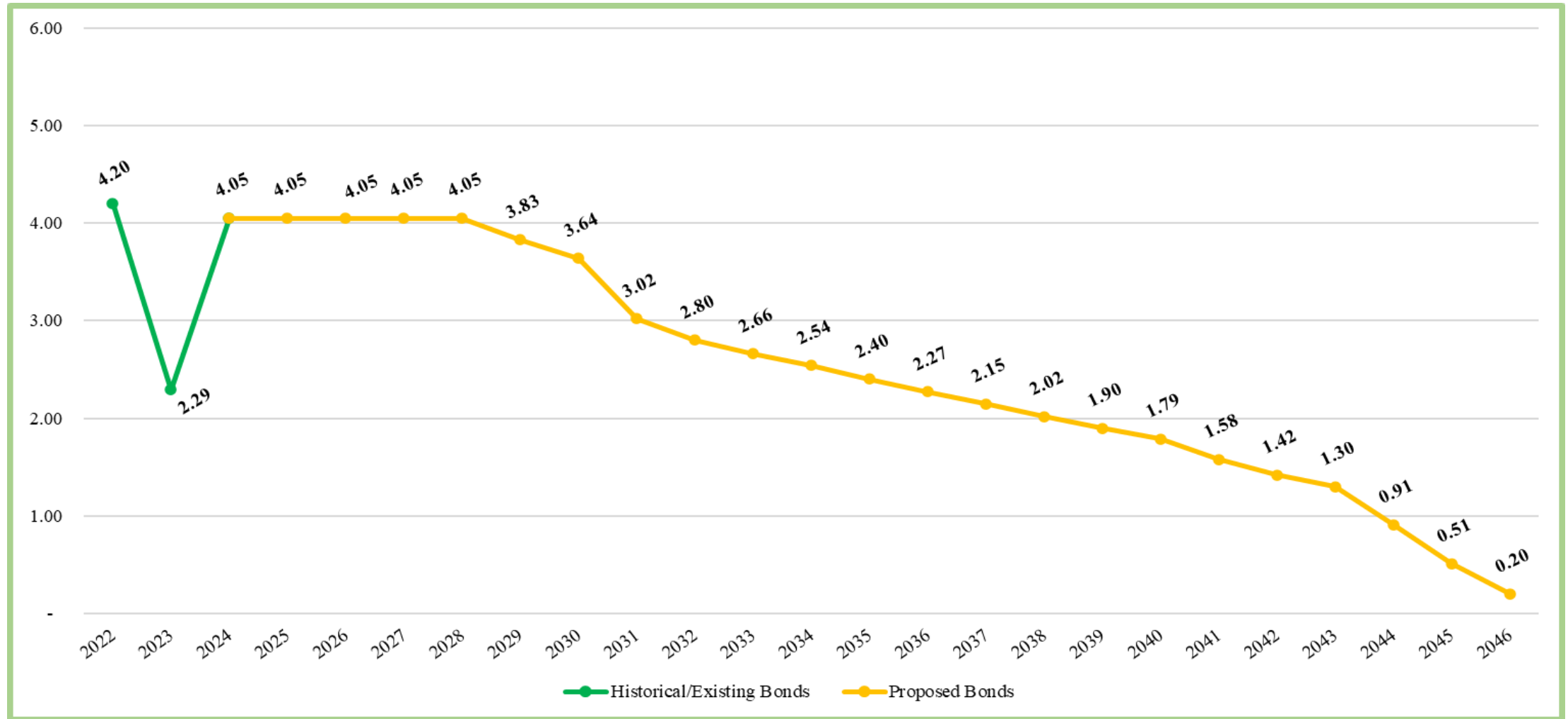
Summary Of Capital Improvement Plan – Proposal 1 & 2

<u>Bonds issue year</u>	<u>2024 Bonds</u>	<u>2025 Bonds</u>	<u>2026 Bonds</u>	<u>2027 Bonds</u>	<u>Total Proposal</u>
<u>Estimated uses of funds</u>					
Construction deposit [1]	\$40,490,897	\$35,227,961	\$35,227,961	\$35,227,963	\$146,174,782
Underwriter's discount allowance	406,900	354,000	354,000	354,000	1,468,900
Bond issuance/election costs	176,558	152,435	152,435	152,433	633,861
Less estimated interest income	<u>(384,355)</u>	<u>(334,396)</u>	<u>(334,396)</u>	<u>(334,396)</u>	<u>(1,387,543)</u>
Totals	<u>\$40,690,000</u>	<u>\$35,400,000</u>	<u>\$35,400,000</u>	<u>\$35,400,000</u>	<u>\$146,890,000</u>
[1] Technology equipment has a five year useful life allowance from the time installed. Buses have a six year useful life.					

<u>Bond millage rate difference</u>	<u>2024</u>	<u>2023</u>	<u>Difference</u>
Proposed bonds	2.81		2.81
Existing bonds	<u>1.24</u>	<u>2.29</u>	<u>(1.05)</u>
Total	<u>4.05</u>	<u>2.29</u>	<u>1.76</u>
Annual difference - \$100,000 market value/ \$50,000 taxable value property			<u>\$88.00</u>
Monthly difference			\$7.33

Estimated Proposed Bond Millage Rates – Proposal 1 & 2

(Assumes Taxable Value Growth of 2.50%)



Estimated Bond Principal Balance & Bond Millage Rate – Proposal 1 & 2

Estimated Bonds Principal Balance								Estimated Bonds Millage Rate		
As of June 30th	Existing Bonds Principal Balance	Proposed Bonds Principal Balance					Total Existing and Proposed Principal Balance	Existing Bonds Millage	Proposed Bonds Millage	Total Bonds Millage
		2024 Bonds	2025 Bonds	2026 Bonds	2027 Bonds	Total Proposed Principal Balance				
2023	\$9,765,000	\$0	\$0	\$0	\$0	\$0	\$9,765,000	2.29	-	2.29
2024	3,680,000	40,690,000	-	-	-	40,690,000	44,370,000	1.24	2.81	4.05
2025	-	33,670,000	\$35,400,000	-	-	69,070,000	69,070,000	-	4.05	4.05
2026	-	28,430,000	\$31,120,000	35,400,000	-	94,950,000	94,950,000	-	4.05	4.05
2027	-	26,730,000	26,065,000	33,525,000	35,400,000	121,720,000	121,720,000	-	4.05	4.05
2028	-	25,010,000	24,575,000	29,825,000	34,575,000	113,985,000	113,985,000	-	4.05	4.05
2029	-	23,360,000	23,095,000	26,610,000	32,595,000	105,660,000	105,660,000	-	3.83	3.83
2030	-	21,720,000	21,615,000	25,000,000	29,095,000	97,430,000	97,430,000	-	3.64	3.64
2031	-	20,080,000	20,135,000	23,390,000	25,595,000	89,200,000	89,200,000	-	3.02	3.02
2032	-	18,440,000	18,655,000	21,780,000	23,695,000	82,570,000	82,570,000	-	2.80	2.80
2033	-	16,800,000	17,175,000	20,170,000	22,055,000	76,200,000	76,200,000	-	2.66	2.66
2034	-	15,160,000	15,695,000	18,560,000	20,415,000	69,830,000	69,830,000	-	2.54	2.54
2035	-	13,460,000	14,215,000	16,950,000	18,775,000	63,400,000	63,400,000	-	2.40	2.40
2036	-	11,760,000	12,735,000	15,340,000	17,135,000	56,970,000	56,970,000	-	2.27	2.27
2037	-	10,060,000	11,255,000	13,730,000	15,495,000	50,540,000	50,540,000	-	2.15	2.15
2038	-	8,360,000	9,775,000	12,120,000	13,855,000	44,110,000	44,110,000	-	2.02	2.02
2039	-	6,660,000	8,295,000	10,510,000	12,215,000	37,680,000	37,680,000	-	1.90	1.90
2040	-	4,960,000	6,815,000	8,900,000	10,575,000	31,250,000	31,250,000	-	1.79	1.79
2041	-	3,260,000	5,335,000	7,290,000	8,935,000	24,820,000	24,820,000	-	1.58	1.58
2042	-	2,000,000	3,855,000	5,690,000	7,295,000	18,840,000	18,840,000	-	1.42	1.42
2043	-	1,000,000	2,375,000	4,090,000	5,655,000	13,120,000	13,120,000	-	1.30	1.30
2044	-	-	1,000,000	2,490,000	4,015,000	7,505,000	7,505,000	-	0.91	0.91
2045	-	-	-	1,000,000	2,385,000	3,385,000	3,385,000	-	0.51	0.51
2046	-	-	-	-	1,000,000	1,000,000	1,000,000	-	0.20	0.20

Estimated Difference In Annual Tax Bill – Proposal 1 & 2

Market Value	Taxable Value	Millage Increase	Annual Increase	Monthly Increase
45,000	22,500	1.76	\$39.60	\$3.30
50,000	25,000	1.76	44.00	3.67
55,000	27,500	1.76	48.40	4.03
60,000	30,000	1.76	52.80	4.40
65,000	32,500	1.76	57.20	4.77
70,000	35,000	1.76	61.60	5.13
75,000	37,500	1.76	66.00	5.50
80,000	40,000	1.76	70.40	5.87
85,000	42,500	1.76	74.80	6.23
90,000	45,000	1.76	79.20	6.60
95,000	47,500	1.76	83.60	6.97
100,000	50,000	1.76	88.00	7.33
105,000	52,500	1.76	92.40	7.70
110,000	55,000	1.76	96.80	8.07
115,000	57,500	1.76	101.20	8.43
120,000	60,000	1.76	105.60	8.80
125,000	62,500	1.76	110.00	9.17
130,000	65,000	1.76	114.40	9.53
135,000	67,500	1.76	118.80	9.90
140,000	70,000	1.76	123.20	10.27
145,000	72,500	1.76	127.60	10.63
150,000	75,000	1.76	132.00	11.00
155,000	77,500	1.76	136.40	11.37
160,000	80,000	1.76	140.80	11.73
165,000	82,500	1.76	145.20	12.10
170,000	85,000	1.76	149.60	12.47
175,000	87,500	1.76	154.00	12.83
180,000	90,000	1.76	158.40	13.20
185,000	92,500	1.76	162.80	13.57
190,000	95,000	1.76	167.20	13.93
195,000	97,500	1.76	171.60	14.30

Market Value	Taxable Value	Millage Increase	Annual Increase	Monthly Increase
200,000	100,000	1.76	\$176.00	\$14.67
205,000	102,500	1.76	180.40	15.03
210,000	105,000	1.76	184.80	15.40
215,000	107,500	1.76	189.20	15.77
220,000	110,000	1.76	193.60	16.13
225,000	112,500	1.76	198.00	16.50
230,000	115,000	1.76	202.40	16.87
235,000	117,500	1.76	206.80	17.23
240,000	120,000	1.76	211.20	17.60
245,000	122,500	1.76	215.60	17.97
250,000	125,000	1.76	220.00	18.33
255,000	127,500	1.76	224.40	18.70
260,000	130,000	1.76	228.80	19.07
265,000	132,500	1.76	233.20	19.43
270,000	135,000	1.76	237.60	19.80
275,000	137,500	1.76	242.00	20.17
280,000	140,000	1.76	246.40	20.53
285,000	142,500	1.76	250.80	20.90
290,000	145,000	1.76	255.20	21.27
295,000	147,500	1.76	259.60	21.63
300,000	150,000	1.76	264.00	22.00
305,000	152,500	1.76	268.40	22.37
310,000	155,000	1.76	272.80	22.73
315,000	157,500	1.76	277.20	23.10
320,000	160,000	1.76	281.60	23.47
325,000	162,500	1.76	286.00	23.83
330,000	165,000	1.76	290.40	24.20
335,000	167,500	1.76	294.80	24.57
340,000	170,000	1.76	299.20	24.93
345,000	172,500	1.76	303.60	25.30
350,000	175,000	1.76	308.00	25.67