

Athens Area Schools
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Additional Bus Bond Proposal FAQ's

Following are some additional questions and answers about the November 4, 2014, bus bond proposal.

 There is a rumor the bond includes paying for items other than new buses... things that have nothing to do with transportation, like the Middle School. Can you please confirm what all is included in this bond?

 Absolutely. **The ballot language only permits the purchase and equipping of buses.** Following is the proof copy. We couldn't spend it on anything else, even if we wanted to!

ATHENS AREA SCHOOLS BONDING PROPOSAL Shall Athens Area Schools, Calhoun, Branch, Kalamazoo and St. Joseph Counties, Michigan, borrow the sum of not to exceed Six Hundred Twenty-Five Thousand Dollars (\$625,000) and issue its general obligation unlimited tax bonds therefor, for the purpose of purchasing and equipping school buses? The following is for informational purposes only: The estimated millage that will be levied for the first series of the proposed bonds is .14 mill (\$0.14 on each \$1,000 of taxable valuation). The maximum number of years the bonds may be outstanding for all series, exclusive of any refunding, is seven (7) years. The estimated simple average annual millage anticipated to be required to retire this bond debt is .70 mill (\$0.70 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.) YES NO

 I see the examples for a taxable value of \$50,000 or \$100,000, but is there a formula for calculating the tax on any property?

 Yes: The accurate calculation would be .00014 x Taxable Value for December 2015, then .00081 x Taxable Value for December 2016, 17, 18, 19, 20 (5 years). No tax levy this December (2014). However, the average is .7 mills, so the easiest calculation is .0007 x Taxable Value for 6 years.

 Why does the ballot language talk about 7 years, if we're only paying taxes for 6?

 The ballot language says 7 years because the bonds aren't paid off till 2021, but we only levy the tax for the bond in six Decembers. It's a legal requirement that the ballot language reference the entire life of the bonds themselves, not just the years that taxes will be levied.

 What are "unlimited tax bonds"?

 Unlimited tax bonds mean that the dollar value of the debt is what voters are technically authorizing, not a set millage rate. So if taxable value of property in the district goes up, rates may go down, or vice versa. That's why we are reducing the 2014 debt levy by 0.14 mill, for example (taxable values have increased so we don't need to levy the full 4.5 mills on the current building and improvement bond issue to make payments).

 Will the board try for another 4.5 mills in 2016, when the current building and improvement bond expires? That would mean a net increase.

 The board of education has committed to levying no more than 4.5 mills for all debt through the life of the bus bond, including any proposed renewal of building and improvement bond. So we would look to add 3.69 mills or less in 2016.