

Bond Millage Election Set for November Ballot

By Neil Hufnagel, Superintendent

After thoroughly exploring a wide range of options and developing a long term plan for our facilities, the Fowler Board of Education has authorized a ballot proposal to levy millage to support a \$4.7 million bond project. This bond issue, if passed, will provide the district with funds to complete substantial renovations and improvements to our existing site and facilities. It does not include a large addition to the high school, including a gym, that was considered as part of the facilities planning process.

The actual ballot language is as follows:

BONDING PROPOSAL

Shall Fowler Public School District, Clinton County, Michigan, borrow the sum of not to exceed Four Million Seven Hundred Ten Thousand Dollars (\$4,710,000) and issue its general obligation unlimited tax bonds therefor, for the purpose of:

partially remodeling, furnishing and refurnishing, equipping and re-equipping school facilities; erecting, furnishing and equipping an addition to the high school; resurfacing, developing and improving the running track; acquiring, installing and equipping educational technology for school facilities; and developing and improving sites?

The following is for informational purposes only:

The estimated millage that will be levied for the proposed bonds in 2013 is 2.60 mills (\$2.60 on each \$1,000 of taxable valuation). The maximum number of years the bonds 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 3.71 mills (\$3.71 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.)

We are in the process of preparing an informational brochure related to this proposal, and I will offer a lengthier question and answer format article in the October Eagle Flyer. We will also be posting information about the proposal on our website at www.fowlerschools.net. Those publications will detail the major components of the project and their estimated costs. I am also happy to meet with any community members or groups to provide information related to the election and proposed project.

The legal language provided above can be a bit confusing, especially in describing how it affects your tax rate. Through last year, Fowler property owners were paying 2.4 mills of debt reduction from the 1998 bond, and 1 mill for a sinking fund passed six years ago for a total of 3.4 mills for school facilities. Last year was the last collection for the sinking fund, and the bond debt from 1998 has been paid down so that we will only need to levy 1.6 mills for 2012 and 2013 to pay it off.

The proposed bond issue will wrap around the final year of the previous debt, so that in the 2013 tax collection taxpayers will pay the final 1.6 mill levy for the 1998 bond and 2.6 mills for the new bond

resulting in a total of 4.2 mills. Starting in 2014 and through the remaining 19 year term of the bond, taxpayers would pay 4.2 mills on the new debt. All millage rates are estimated and subject to change dependent on the SEV of the property in the district. It is projected that the millage rate will fall over the 20 year term resulting in the average of 3.71 mills mentioned in the ballot language explanation. The chart below illustrates this:

Year	1998 Bond Millage	2012 Bond Proposal Millage	Sinking Fund Millage	Total School Facility Millage
Last 5 years	2.4 mills		1.0 mills	3.4 mills
2012	1.6 mills			1.6 mills
2013	1.6 mills	2.6 mills		4.2 mills
2014 forward		4.2 mills		4.2 mills

The key construction components of this project would include substantial renovations to the high school including replacement of the current heating system, sealing and venting of the tunnel system to control moisture, electrical upgrades to support technology, new energy efficient windows, repair to the exterior brick, new lockers, and reconstruction and expansion to the office area and front entrance. Waldron building would receive new heating units in the elementary wing, venting of its tunnel system, new lockers, electrical upgrades for technology, and new gym bleachers. The expansion of the office at the high school would allow the business office to be relocated there, freeing up needed instructional space at Waldron. The project would also include reconstructed parking lots and drives at both buildings.

As I mentioned last month, the board plans to continue to develop Phase Two of the long term vision to eventually renovate and expand remaining components of the high school including the cafeteria, kitchen, locker rooms, and restrooms, as well as add a gymnasium. Passage of the proposed millage this November does not commit the district to any future plan. Any Phase Two that might be developed would have to be brought to voters for their approval or rejection. The current project is designed both financially and architecturally to allow for Phase Two to be implemented at an appropriate time should the economy and community sentiment support it.