

WEST BLOOMFIELD SCHOOL DISTRICT

MAY 2, 2017 ELECTION

Demystifying WBSD School Bond Ballot Language

The official May 2nd ballot is reproduced below. Some of the legally-required language can often be confusing. In the highlighted areas, we have provided some clarification.

WEST BLOOMFIELD SCHOOL DISTRICT
COUNTY OF OAKLAND
STATE OF MICHIGAN

SCHOOL IMPROVEMENT BOND PROPOSITION

Shall the West Bloomfield School District, County of Oakland, State of Michigan, borrow the sum of not to exceed One Hundred Twenty Million (\$120,000,000) Dollars and issue its general obligation unlimited tax bonds therefore, in one or more series, for the purpose of paying for the cost of the following projects:

- Erecting, equipping and furnishing a **new Middle School** building;
- Erecting, equipping and furnishing additions to or demolition to or for school buildings and other facilities, including playgrounds;
- **Remodeling**, equipping, re-equipping, furnishing, re-furnishing school buildings, athletic fields and other facilities to enhance **safety and security** and for other purposes;
- Purchasing School **Buses**;
- Acquiring and installing technology equipment and **technology** infrastructure in school buildings and other facilities; and
- Preparing, developing and improving sites for school buildings, playgrounds, athletic fields and other facilities?

YES
 NO

The maximum number of years any series of bonds may be outstanding, exclusive of refunding, is not more than twenty (20) years; the estimated millage that will be levied to pay the proposed bonds in the first year is **1.14** mills (which is equal to \$1.14 per \$1,000 of taxable value); and the estimated simple average annual millage that will be required to retire each series of bonds is 3.68 mills annually (\$3.68 per \$1,000 of taxable value). The estimated mills for all of the School District's debt was **7.50** mills in 2016; however, if this millage is approved, due to **refunding** of prior indebtedness and the need to levy less millage to service the School District's indebtedness, the estimated **levy will decrease by 0.5 mills**, for a total levy of **7.00** mills.

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

Public school districts typically issue bonds to finance long-term capital needs.

All schools will receive new technology equipment and networking, plus some level of remodeling to enhance teaching and learning.

The average useful life of a school bus is 12 years. One-half of our fleet is 12 years old, the other half is 10 years old.

WBSD residents' current property tax millage rate of 7.5 will go down this summer by 0.5 mill to 7.0. if the bond proposal is approved. 1.14 mills are associated with this new bond and are a component of, not an addition to, the total 7.0 mills.

The total millage rate is projected to remain at 7.0 for three years and then decline every year for the life of the bonds.

A state of the art middle school will be built behind Orchard Lake Middle School.

The school will be sized to accommodate projected resident enrollment. When completed, Abbott and OLMS students will move into the new school and the existing OLMS building will be demolished.

New athletic and recreational facilities will be developed on the cleared land.

Enhanced security systems and entry vestibules will be added to all schools.

Our millage rate goes down because we've paid off old debt and current interest rates are lower than in the past.

Bond funds are carefully managed and restricted in their use.



May 2nd provides a unique window of opportunity for the school district to raise capital while *reducing the millage rate.*