



Hamilton Community Schools

Bond Proposal Improvements / May 2, 2023

UNDERSTANDING THE BALLOT LANGUAGE

\$41.18 MILLION BOND

The District would sell bonds totaling \$41.18 million

Shall Hamilton Community Schools, Allegan County, Michigan, borrow the sum of not to exceed Forty-One Million One Hundred Eighty Thousand Dollars (\$41,180,000) and issue its general obligation unlimited tax bonds therefor, in one or more series, for the purpose of:

PROJECT FOCUS

- Safety and security
- Facility infrastructure
- Learning environments
- Visit the District website for a full list of Improvements

erecting, furnishing, and equipping additions to school buildings; remodeling, including security improvements to, furnishing and refurbishing, and equipping and re-equipping school buildings; acquiring and installing instructional technology and instructional technology equipment for school buildings; purchasing school buses; and developing and improving playgrounds, driveways, parking areas, and sites?

The following is for informational purposes only:

TAX IMPACT

Estimated 2.17 mills net increase in 2023 over the prior year's levy

The estimated millage that will be levied for the proposed bonds in 2023 is 2.60 mills (\$2.60 on each \$1,000 of taxable valuation) for a 2.17 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 thirty (30) years. The estimated simple average annual millage anticipated to be required to retire this bond debt is 1.67 mills (\$1.67 on each \$1,000 of taxable valuation).

The school district does not expect to borrow from the State to pay debt service on the bonds. The total amount of qualified bonds currently outstanding is \$27,460,000. The total amount of qualified loans currently outstanding is \$0. The estimated computed millage rate may change based on changes in certain circumstances.

(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.)



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In the ballot language, the first paragraph states a not to exceed figure of \$41,180,000 of general obligation unlimited tax bonds, what does this mean?

If this bond proposal is approved by voters, the maximum amount of bonds to be issued can be no greater than \$41,180,000.

Is there an estimated increase in the bond millage rate in this bond proposal? In the ballot language, it states a 2.17 mills net increase over the prior year's levy, what does this mean?

If the bond proposal is approved by voters, yes, there would be a tax rate increase. The debt millage rate in 2023 would be a net increase of 2.17 mills more than the prior year's (2022) debt millage rate. For a \$100,000 market value (\$50,000 taxable value) home, this would equate to an estimated increase of \$108.50 per year or \$9.04 per month.

In the ballot language, it states that the estimated millage that will be levied in 2023 to pay the proposed bonds in the first year is 2.60 mills, what does this mean?

This means that the allocated bond millage for this proposal expected to be levied in the first year (2023) would be 2.60 mills. (2.60 mills new bonds + 1.75 mills existing bonds = 4.35 total estimated millage rate in 2023).

In the ballot language it states that estimated simple average annual millage that will be required to retire each bond series is 1.67 mills annually, what does this mean?

This means that over the entire life of the bond proposal (2 bond series over a 30 year period) that the average annual bond millage rate for the proposed bonds would be estimated to be 1.67 mills.

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 30 years, what does this mean?

The school district would plan to issue the bonds in two separate series, in 2023 and 2025. Each bond series would have a length of 30 years or shorter.

Estimated Proposed Bond Millage Rates

