

November 7, 2017 Bond Proposal
BALLOT LANGUAGE INFORMATION

1. How will the proposal appear on the ballot?

NORTHVILLE PUBLIC SCHOOLS
BONDING PROPOSAL

Shall Northville Public Schools, Wayne, Oakland and Washtenaw Counties, Michigan, borrow the sum of not to exceed One Hundred Four Million Eight Hundred Fifty Thousand Dollars (\$104,850,000) and issue its general obligation unlimited tax bonds therefor, in one or more series, for the purpose of:

erecting, furnishing, and equipping additions to and remodeling, furnishing and refurbishing, and equipping and re-equipping school facilities; acquiring and installing instructional technology in school facilities; purchasing school buses; and erecting, furnishing, equipping, developing, and improving playgrounds, sites, and athletic fields and facilities?

The following is for informational purposes only:

The estimated millage that will be levied for the proposed bonds in 2018 is .30 mill (\$0.30 on each \$1,000 of taxable valuation) for a -0- 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-five (25) years. The estimated simple average annual millage anticipated to be required to retire this bond debt is 1.72 mills (\$1.72 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.)

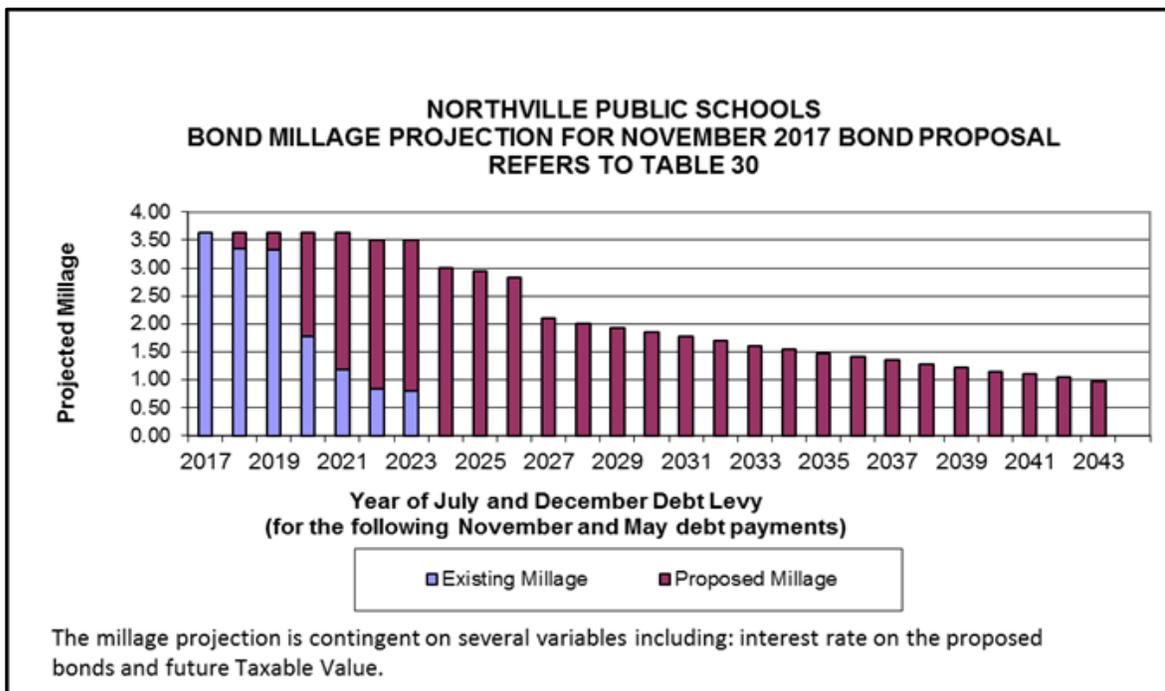
2. Can you please explain the ballot language, and what this really means to taxpayers?

- The District's current debt millage rate of 3.64 mills will taper off over the next few years – beginning with a 0.3 mill reduction next year – and our current debt will be fully paid by 2024.

- This new bond proposal is designed to keep the current 3.64 debt mills, and extend the number of years over which a debt millage will be levied.
 - This is why the ballot language indicates that “the estimated millage that will be levied for the proposed bonds in 2018 is 0.30 mills, for a -0- mill net increase over the prior year levy”. If the bond proposal is approved, the millage rate remains at 3.64 mills next year, instead of going down by 0.3 mills.
- If approved, debt millage rates are projected to remain at 3.64 mills for about four years (around 2022), at which time the rate would begin to decline each year through the 25 year life of the proposed new millage.
- Over the life of the new bond proposal, if approved by voters, the average millage rate is 1.72 mills.
 - As stated above, if approved, this bond proposal keeps the debt millage rate at 3.64 mills, and the millage would decline gradually beginning in 2022, eventually to 0.98 mills in 2043, at which time the new millage would be fully paid. The average millage rate between 2018 and 2043 is 1.72 mills.

3. What is the anticipated extension of the current millage rate?

The chart below shows the bond millage projection for the November 2017 ballot proposal. The blue bars represent the reduction and elimination of existing debt, while the red bars depict the replacement debt, if approved by voters. As shown in the chart below, the replacement debt begins to decline gradually in the 2022 Tax Year.



4. How much will this cost taxpayers?

The proposed bond is estimated to be a -0- mill increase from the current levy of 3.64 mills. As referenced in the ballot language, the proposed bond is also estimated to be a 0.30 mill increase from the currently projected 2018 debt levy, as without the bond proposal, the 2018 levy for the existing debt is projected to decrease by 0.30 mills. One mill costs \$1.00 for each \$1,000 of the taxable valuation of a home. The following table provides an example of the estimated cost of the bond proposal based on the median housing value^{a/}:

Median Housing Value ^{a/} :	\$	317,113		
Approximate Taxable Value:	\$	158,557		
		2018 Tax Year		Average
		Actual	Avoided	Over Proposed
		Millage ^{b/}	Reduction	Bond Maturity
Mills		3.64	0.30	1.72
<u>Tax Impact:</u>				
\$/Year	\$	577	\$	273
\$/Day	\$	1.58	\$	0.75
a/ Plante Moran Cresa, LLC 1/1/2017				
b/ For existing and proposed bonds				

Assuming a median housing value of \$317,113 (approximate taxable value of \$158,557) a taxpayer would save \$0.13 per day in 2018 if the bond did not pass. If the bond is approved by voters, the average impact over the bond term is \$273 per year, or \$0.75 per day.

5. Does all bond proposal revenue stay in the Northville Public Schools?

Yes. All revenue from the bond proposal will stay in the district. No revenue will go to Lansing or to any other school district.

6. If I have questions not covered here, where can I get additional information?

E-mail your questions to nps@northvilleschools.org or visit www.northvilleschools.org.