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Frequently Asked Questions

BOND INFORMATION

Q: What is on the May 6, 2025, ballot?

A: Mount Clemens Community Schools' (MCCS) Board of Education has put a ballot proposal on the May 6, 2025, ballot. The Board of Education is asking voters to consider a \$91.8 million bond proposal to improve facilities while preserving the rich history and legacy of MCCS. The proposed bond will maintain a **1-MILL TAX RATE DECREASE**.

Q: Why is the district proposing a bond on the May 6, 2025, ballot?

A: As laid out in the strategic plan for MCCS, we are committed to enhancing and optimizing our facilities. Specifically, our facilities committee will address both long-term and short-term infrastructure needs, including the consideration of a bond or bond extension. Our vision also emphasizes improving safety and security, updating buildings, modernizing classrooms, and implementing environmental upgrades, all while maximizing financial resources in a transparent manner.

Q: What can the proceeds generated by the bond program be used for? And what can they not be used for?

A: Bond proceeds CAN be used for construction and remodeling of facilities, purchase of technology equipment and infrastructure, purchase of equipment and furniture, and site improvements.

Bond proceeds CANNOT be used for staff salaries and wages, general operating expenses, repairs and maintenance, classroom supplies and textbooks, and administrative costs.

Q: If the bond proposal is approved, what possible programs will be offered to students because of the new spaces available?

A: If approved, additional class offerings conducive to the new space could include the following:

- Digital and Media Literacy
- Al and Machine Learning
- Coding and Computational Thinking
- Entrepreneurship and Innovation



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- Virtual Reality (VR) and Augmented Reality (AR)
- Design Thinking and Creative Problem-Solving
- Interdisciplinary STEAM (Science, Technology, Engineering, Arts, Mathematics)
- Cybersecurity
- Social Justice and Civic Engagement
- Robotics and Automation
- Personal Finance and Financial Literacy
- Mental Health and Wellbeing

To learn more about what each course would cover, please visit the full list on the district's website.

Q: What are the bond program highlights?

A: Projects identified in the ballot proposal are allocated across the following major focus areas:

- 1. Historic Preservation & Modernization
 - Preserve our 100+ year historic building that is the "Gateway to Community"
 - Building improvements and upgrades across the district
 - Integrate modern learning spaces into classrooms
 - Improve athletic facilities
- 2. Safer Spaces
 - Separate middle and high school entrances and learning environments
 - Security vestibules at building entrances
 - Safer learning environments, including lighting, accessibility, fencing, security cameras, and more
- 3. Comprehensive Career & Technical Education
 - Modernize career tech facilities to expand program offerings and support students for the workforce and beyond



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Q: How would the bond enhance cost savings over time?

A: If passed, we would in return reduce costs for maintaining operations in our buildings:

- Existing Building Area is: 341,000 sq. ft.
- Demolition Area: 142,000 sq. ft.
- New Addition Area: + 60,500 sq. ft.
- New Building Area 259,500 sq. ft. (81,500 sq. ft. smaller)

The proposed bond would fund projects that provide the opportunity to increase energy efficiency.

New Building Area Energy Efficiency:

- Lighting 30%-40% reduction in operating costs
- HVAC 15% reduction in operating costs
- Boilers 25%-30% reduction in operating costs (includes upgraded envelope/ insulation)

Renovated Building Area Energy Efficiency:

- Lighting 30%-40% reduction in operating costs
- HVAC 5% reduction in operating costs
- Boilers 5% reduction in operating costs

When considered together, the reduction in energy use plus the higher-performing building envelope could reduce operating costs for the district. The district expects the new building to be **25% less costly** to operate. The upgraded portions of the building are expected to be **15% less costly** to operate.

Q: If the bond proposal is approved by voters, what would be the duration of the bond?

A: The bond repayment would happen over the next 20 years. The design and construction of the bond projects would be completed in an estimated five years.

Q: If passed, what would the project timeline look like?

A: The proposed 2025 Bond Program schedule can be found on our district bond page here: <u>2025</u> <u>Bond Mount Clemens - District - Mount Clemens Community Schools</u>. All dates are approximate and subject to change.



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Q: How would our students and community benefit from this ballot proposal?

A: If approved, the bond would benefit both students, and community members in the following ways:

- **Improved Facilities:** Funds from the bond can be used to renovate and upgrade school buildings, helping provide a safe and modern learning environment for students.
- **Enhanced Technology:** The bond can provide for the purchase of new technology and equipment, helping students stay current with educational advancements.
- **Better Educational Outcomes:** Improved facilities and resources can lead to better educational outcomes, preparing students for future success and contributing to the community's overall well-being.
- **Increased Property Values:** Well-maintained and high-performing schools can boost local property values, benefiting homeowners in the community.
- **Economic Growth:** Construction and renovation projects funded by the bond can create jobs and stimulate the local economy.
- **Community Pride:** Investing in schools can foster a sense of pride and unity within the community, as residents see tangible improvements and feel more connected to their local schools.
- Sustainability: Opportunity to increase our energy efficiency in our buildings.

Q: How will current programs, curriculum, and staffing be impacted by the bond?

A: In Michigan, bond programs can significantly impact school districts' programs and curricula, but only indirectly. Though there are specific guidelines on how bond proceeds can be used.

Bond funds are primarily used for capital expenditures, such as building new facilities, renovating existing ones, and purchasing equipment. While these improvements can indirectly enhance educational programs and curricula by providing better learning environments and updated technology, bond proceeds cannot be used directly for curriculum development or instructional materials.

The primary benefit of bond programs is the enhancement of physical infrastructure, which can lead to a better overall educational experience for students and staff.

Bond proceeds cannot be used to pay for employee salaries or other operating expenses. However, the improved facilities and resources funded by bonds can create a more attractive working environment, potentially aiding in staff recruitment and retention.



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Q: What happens if this bond does not pass?

A: If it doesn't pass, the necessary improvements would either be postponed due to lack of funding or the district would need to reallocate dollars away from educational programs, etc., to pay for it. Without the planned upgrades, the older, less efficient buildings will continue to cost the district more in upkeep and maintenance over time.

Q: How will the district maintain transparency through this process?

A: The website will be regularly updated with schedule updates or changes, project photos, financial dashboards, etc., throughout this program timeline. Further, all bond funds are subject to audit by the District's independent auditor and all audits are publicly available.

Q: How are Michigan public schools funded?

A: The state of Michigan provides funding to school districts on a per-pupil basis, based on the cost to educate the average pupil per year. The state of Michigan DOES NOT provide funding to address facilities, which are funded exclusively through local property taxes. There are two ways that school districts can raise money for facility improvements: levying sinking funds and selling bonds.

Q: Can the state of Michigan take over our school district?

A: We understand that some community members have concerns about the future of our district. However, closing the district and allowing a state takeover would not be in the best interest of our students, families, or taxpayers. Here's why:

- **Stronger Enrollment & Financial Stability:** Our district has experienced increased enrollment, demonstrating that families are choosing our schools. Additionally, we are financially responsible and in a stable position to pursue a bond that will directly benefit students, staff, and the broader community.
- Local Control Matters: A state takeover would remove decision-making power from our local community. Instead of allowing outsiders to dictate our district's future, we believe our residents, educators, and leaders should shape our district's path forward.



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- Investing in Our Schools, Not Abandoning Them: Our district is not failing; it's growing. The proposed bond is a proactive step to improve facilities, enhance curriculum programs, and provide students with improved education. Investing in our schools ensures long-term success and avoids costly state-mandated solutions that may not align with our community's needs.
- A Takeover Won't Solve the Issues: Historically, state takeovers have not always led to better outcomes. They often come with budget cuts, program reductions, and decisions that may not reflect the priorities of our students and families. Instead of relinquishing control, we should invest in improvements that strengthen our district for generations to come.

We believe in our students, our educators, and our community. This bond is about securing a bright future for our schools, and we encourage everyone to stay engaged, informed, and involved in shaping that future together.

FINANCIAL INFORMATION

Q: How much money would the 1-mill tax rate decrease bond proposal generate?

A: The 1-mill tax rate decrease bond proposal would generate \$91.8 million.

Q: Why did the district go out for a \$91.8 million bond program and not a smaller dollar amount?

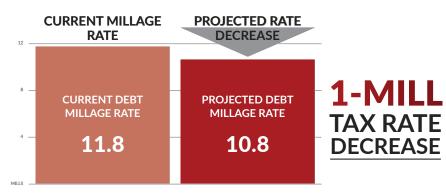
A: Our district is committed to being responsible stewards of taxpayer dollars while ensuring our schools have the resources needed to support student success. While we could have pursued a larger bond, we made a conscious decision to request only what is necessary to align with our strategic plan and address the most pressing facility and program needs. This bond reflects a careful balance of investing in critical improvements without placing an unnecessary financial burden on our community. By prioritizing efficiency and long-term sustainability, we are taking a fiscally responsible approach to securing the future of our schools while respecting the trust and investment of our taxpayers.



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Q: How will the millage rate change if the bond is approved?

A: The bond millage rate is expected to decrease from 11.8 mills to 10.8 mills. If voters approve the bond, it will maintain that decreased millage for a number of years.



Q: How will this millage impact my taxes?

A: Review the chart below for an estimate of the tax impact based on the approximate market value of your property.

Approx. market value of your property	Taxable value of your property	Projected 1.0 mill tax decrease	Approx. monthly cost savings		
\$100,000	\$50,000	(\$50)	(\$4.16)		
\$200,000	\$100,000	(\$100)	(\$8.33)		
\$300,000	\$150,000	(\$150)	(\$12.50)		

Q: Will taxes change for senior members in the community?

A: Property tax costs may be lower for senior citizens or households with incomes below a certain level that qualify for the Homestead Property Tax Credit. For more information, please visit <u>www.legislature.</u> mi.gov/publications/ServicesforSeniors.html.



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Q: What is the financial comparison if the bond passes versus doesn't pass?

See the chart below.



555 Briarwood Circle Suite 333 Ann Arbor, MI 48108

\$91,820,000 MOUNT CLEMENS COMMUNITY SCHOOL DISTRICT COUNTY OF MACOMB, STATE OF MICHIGAN PROPOSED BONDING (GENERAL OBLIGATION - UNLIMITED TAX)

Comparison of With and Without Proposed Bonds

		Estimated T	otal Debt Service P	ayments	1	Estimated Millage*				
Tax	Fiscal	Without	With			Without	With			
Year	Year End	Proposed Bonds	Proposed Bonds	Increase		Proposed Bonds	Proposed Bonds	Increase		
2024	2025	4,786,846	\$4,786,846	\$0		11.80	11.80	0.00		
2025	2026	4,811,596	5,659,948	848,352		10.80	10.80	0.00		
2026	2027	4,835,628	5,850,268	1,014,640		10.80	10.80	0.00		
2027	2028	4,858,661	7,588,635	2,729,974		10.27	10.80	0.53		
2028	2029	4,885,772	7,903,972	3,018,200		6.13	10.80	4.67		
2029	2030	4,906,686	9,130,356	4,223,670		5.94	10.80	4.86		
2030	2031	2,739,000	8,343,880	5,604,880		3.19	10.80	7.61		
2031	2032	0	8,689,480	8,689,480		0.00	10.80	10.80		
2032	2033	0	8,690,260	8,690,260		0.00	10.80	10.80		
2033	2034	0	8,691,800	8,691,800		0.00	10.80	10.80		
2034	2035	0	8,693,660	8,693,660		0.00	10.80	10.80		
2035	2036	0	8,690,400	8,690,400		0.00	10.80	10.80		
2036	2037	0	8,691,800	8,691,800		0.00	10.03	10.03		
2037	2038	0	8,692,200	8,692,200		0.00	9.33	9.33		
2038	2039	0	8,691,160	8,691,160		0.00	9.20	9.20		
2039	2040	0	8,693,240	8,693,240		0.00	9.07	9.07		
2040	2041	0	8,692,780	8,692,780		0.00	8.93	8.93		
2041	2042	0	8,689,340	8,689,340		0.00	8.79	8.79		
2042	2043	0	8,692,480	8,692,480		0.00	8.67	8.67		
2043	2044	0	8,686,320	8,686,320		0.00	8.53	8.53		
2044	2045	0	8,675,640	8,675,640		0.00	8.39	8.39		
2045	2046	0	0	0		0.00	0.00	0.00		
		\$31,824,188	\$170,924,464	\$139,100,276						

* Using statutory Taxable Value projection and School Bond Loan Fund loan interest rate of 5.00%

Note: The debt millage projection is contingent on several variables including: the future Taxable Value, the interest rate on the proposed bonds and future bond refinancings.



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Q: What is the taxpayer impact of the 2025 debt levy?

See chart below.



515 Brianwood Circle Suite 303 Ann Artor, MI 48108 734.054.6700 734.054.6710 %

MOUNT CLEMENS COMMUNITY SCHOOL DISTRICT COUNTY OF MACOMB, STATE OF MICHIGAN SCHOOL BUILDING AND SITE BONDS

SUMMARY OF THE INITIAL IMPACT OF CHANGE IN DEBT LEVY FOR 2025 ON PROPERTY TAXPAYERS

			Estimated Initial Change in Taxes*									
	Bond	Estimated (Decrease) in	\$50,000 Taxable	\$60,000 Taxable	\$70,000 Taxable	\$80,000 Taxable	\$90,000 Taxable	\$100,000 Taxable	\$110,000 Taxable	\$120,000 Taxable	\$130,000 Taxable	\$140,000 Taxable
	Amount	Debt Levy	Value	Value	Value	Value	Value	Value	Value	Value	Value	Value
2025 Debt Levy	\$91,820,000	(1.00)	-\$50.00	-\$60.00	-\$70.00	-\$80.00	-\$90.00	-\$100.00	-\$110.00	-\$120.00	-\$130.00	-\$140.00

* Based upon Taxable Value defined as the lesser of: A) assessed value [1/2 of true cash value]; or B) the prior year's Taxable Value, less losses times the rate of inflation plus additions. For example, a person with a 'Taxable Value' of \$90,000 (which would be a market value of at least \$180,000 or more) would have an estimated change in taxes of approximately (\$90.00).

NOTE: The above estimate is for the initial change in debt levy that is expected to occur either with or without the proposed bonding.

The debt levy and taxes would increase in later years with the proposed bonds as reflected in the ballot's reference to the estimated average millage of 7.93 mills. The debt levy is projected to increase in later years with the proposed bonds but the total debt levy is not projected to be higher than the 2025 debt levy of 10.80 mills, which is a decrease of 1.00 mill from the 2024 debt levy.



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VOTING INFORMATION

Q: How will the ballot language read on the May 6, 2025, ballot?

A: Below is a breakdown of the ballot language. This information can also be found on our 2025 Bond Program page on the district website: <u>2025 Bond Mount Clemens - District - Mount Clemens</u> Community Schools.



2025 BOND PROGRAM UNDERSTANDING THE BOND BALLOT PROPOSAL

Shall Mount Clemens Community School District, Macomb County, Michigan, borrow the sum of not to exceed Ninety One Million Eight Hundred and Twenty Thousand Dollars (\$91,820,000) and issue its unlimited tax general obligation bonds therefore, for the purpose of defraying all or part of the cost of:

Erecting, remodeling, equipping and reequipping school buildings, including structures and athletic fields, or parts of or additions to those facilities, including renovations to restore and revitalize the historical high school building and to create separate high school and junior high school learning environments with secure entrance vestibules; furnishing or refurnishing new or remodeled school buildings; preparing, developing, and improving sites, or parts of sites, for school buildings, including structures, athletic fields, and parking lots; and acquiring, installing, and equipping or reequipping school buildings?

YES NO

The following is for informational purposes only:

The estimated millage that will be levied for the proposed bonds in the year 2025, under current law, is 1.30 mills (\$1.30 per \$1,000 of taxable valuation) for a 1.00 mill net decrease over the previous year's levy. The bonds may be issued in series, with twenty (20) years as the maximum number of years that any series of the bonds may be outstanding, exclusive of any refunding. The estimated simple average annual millage anticipated to be required to retire this bond debt is 7.93 mills (\$7.93 per \$1.000 of taxable valuation).

The school district currently has \$24,060,000 of qualified bonds outstanding and \$7,392,048 of qualified loans outstanding under the State School Bond Qualification and Loan Program. The school district does not expect to borrow from the program to pay debt service on these bonds. The estimated computed millage rate may change based on changes in certain circumstances.

(Pursuant to State law, expenditures 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.)

The district is proposing to borrow up to \$91,820,000 by issuing general obligation bonds These funds will be used to cover all or part of certain costs.

THE PROPOSAL INCLUDES:

- Erecting, remodeling, and equipping school buildings and athletic fields.
- Renovating the historical high school building.
- Creating separate high school and junior high
- school environments with secure entrances
- Furnishing new or remodeled buildings.
- Improving sites, including athletic fields and parking lots.
- Upgrading technology in school buildings.
- 2025 Millage Rate: 1.30 mills (\$1.30 per \$1,000 of taxable valuation), a decrease of 1.00 mill from the previous year.
- Bond Issuance: Bonds may be issued in series, with a maximum term of 20 years per series.
- Average Annual Millage: Estimated at 7.93 mills (\$7.93 per \$1,000 of taxable valuation) to retire the bond debt.
- Current Debt: The district has \$24,060,000 in qualified bonds and \$7,392,048 in qualified loans.
- No Additional Borrowing: The district does not plan to borrow from the State School Bond Qualification and Loan Program for these bonds.
- Audit Requirement: Bond proceeds must be audited and cannot be used for repairs, maintenance, salaries, or operating expenses.

LEARN MORE

www.mtcps.org/district/2025-bond-mount-clemens/





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Q: Who is eligible to register to vote?

A: To vote in the May 6, 2025, election, you must be:

- A U.S citizen
- At least 18 years of age by election day
- A resident of Michigan and Mount Clemens for at least 30 days (when you vote)
- Registered to vote
- Not currently serving a sentence in jail or prison

Q: How do I register to vote?

A: Visit https://mvic.sos.state.mi.us/ to register to vote online , or in-person at the City Clerk's office.

Q: How can I obtain an absentee voter ballot?

A: Registered voters need to complete and submit an application to receive their absentee voter ballot. To vote by mail, fill out and sign the application, then return it to your local clerk. For help finding your local clerk's address, visit www.michigan.gov/sos.

Absentee voter ballots are available for the May 6, 2025, election day starting March 27.

Q: Where do I vote?

A: To find where your voting precinct is located visit <u>www.michigan.gov/vote</u> or contact the Clerk's Office.

Q: When is election day?

A: Election day is Tuesday, May 6, 2025.

