



Bond Proposal Ballot Language

Tuesday • March 10, 2020

Understanding Farmington Public Schools' Bond Proposal Ballot Language

Maximum borrowing amount is \$98 million

Shall the Farmington Public School District, County of Oakland, Michigan, borrow the principal sum of not to exceed Ninety-Eight Million Dollars (\$98,000,000) and issue its general obligation unlimited tax bonds for the purpose of defraying the cost of making the following improvements:

School districts borrow for capital projects by issuing bonds

Bond proceeds may only be used for these purposes

- remodeling School District buildings for safety and security improvements;
- constructing additions to, equipping, furnishing, reequipping, refurbishing and remodeling School District buildings, including classroom, auditorium, roofing and climate control improvements;
- improving and developing sites, including outdoor athletic facilities, playgrounds and structures in the School District;
- acquiring school buses; and
- acquiring and installing technology infrastructure and equipment?

Major components include safety and security, infrastructure and equipment, new technology, outdoor site improvements and buses

YES

NO

Total projected debt millage rate is .10 mills BELOW 2019 levy

The debt millage required to retire all bonds of the School District currently outstanding and proposed pursuant to this Bond Proposal, if approved, is estimated to be at or below 3.20 mills, which is .10 mill less than the 2019 levy. The estimated millage to be levied in 2020 to service this issue of bonds is .90 mill (\$.90 per \$1,000 of taxable value) and the estimated simple average annual millage rate required to retire the bonds of this issue is 1.12 mill (\$1.12 per \$1,000 of taxable value). The bonds may be issued in multiple series, payable in the case of each series in not to exceed 20 years from the date of issue of such series.

Projected rate just for these bonds as the debt millage rate for other FPS bonds declines.

The District plans two series of bonds; first series in 2020, second series in 2023. Each series will be paid off within 20 years.

(Under state law, bond proceeds may not be used to pay teacher or administrator salaries, routine maintenance costs or other School District operating expenses.)

Bond proceeds may only be spent on capital costs, not on operating expenses. Use of proceeds must be audited.