

School Bond Vote Set for May 3, 2016

Dear Editor:

At the February 1st Board of Education meeting approval was given to place a bond proposal on the May 3, 2016 ballot. On that date voters will decide if the Elk Rapids Schools can extend the district's debt levy for another 4 years. The proposed rate of 1.26 mills reflects an 11% reduction from the 1.42 mills levied in 2015.

By extending the debt levy at a lower rate, voters would be approving \$4.3 Million of improvements to technology use, classroom settings, facility conditions/safety, energy efficiency and the bus fleet. The repayment for this project will follow the same model as set by the 2008 and 2012 Bond Projects. That is, the debt issued will be fully repaid over just 4 years and *reduce* the current levy in effect.

Even with the millage rate reduction the public should understand how 1.26 mills compares to debt levies by other schools. For 2015, our adjacent neighboring districts, TCAPS and Kalkaska Public Schools had debt levies of 3.10 mills and 3.17 mills, respectively. For 2014 (latest data available) the statewide average debt levy among all 551 public schools was 4.99 mills.

For ERS, the combination of historically low interest rates, a short repayment period and a favorable credit rating makes the continuance of a low levy rate possible for the upcoming bond request.

Although the focus of this letter has been on the financing side, of equal importance are project details and purpose. For this information visit our website at www.erschools.com/2016bond. Additionally, forthcoming guest columns, Board of Education meeting presentations/discussions and informational mailings will be used to further inform voters.

As May 3rd approaches the District's goal is to ensure that voters and other stakeholders feel confident in their understanding of this bond request. If there are questions feel free to contact the Central Office at 264-8692.

Tax Year	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016*
Debt Mills Levied	2.36	2.39	2.39	2.35	1.72	1.70	1.63	1.48	1.48	1.42	1.26

*2016 millage is based on passage of the May 3rd bond proposal

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Elk Rapids Schools