

Understanding the Bond Proposal Language

NOVI COMMUNITY SCHOOL DISTRICT BONDING PROPOSAL

Shall Novi Community School District, Oakland County, Michigan, borrow the sum of not to exceed One Hundred Eighty-Five Million Dollars (\$185,000,000) and issue its general obligation unlimited tax bonds therefor, in one or more series for the purpose of:

erecting additions to, remodeling, installing security measures for, equipping and re-equipping and furnishing and refurbishing school buildings, facilities and a natatorium; erecting, furnishing and equipping a new activity center and school support buildings; acquiring and installing instructional technology and instructional technology equipment for school buildings; purchasing school buses; and developing and improving playgrounds, play fields, athletic fields and facilities, parking areas and sites?

The following is for informational purposes only:

The estimated millage that will be levied for the proposed bonds in 2020 is 1.41 mills (\$1.41 on each \$1,000 of taxable valuation) for a net 0.25 mill decrease from the prior year's levy. The maximum number of years the bonds may be outstanding for any single series, 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 3.00 mills (\$3.00 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.)

The District would sell bonds totaling \$185 million.

- To improve and expand facilities and program spaces to address equity and support a culture of academic excellence and success for all students
- To create safe and secure entrances & welcome centers at all school buildings
- To create spaces that offer new opportunities for students and the Novi community
- To upgrade technology devices and infrastructure to respond to the district's vision of 21st century teaching and learning
- To improve and address identified infrastructure issues at all facilities

With successful passage of the Bond proposal, voters will see a millage rate decrease of .25 mills.

Understanding the Sinking Fund Renewal Language

NOVI COMMUNITY SCHOOL DISTRICT SINKING FUND MILLAGE RENEWAL PROPOSAL

This proposal will allow the school district to continue to levy the building and site sinking fund millage that expires with the 2020 tax levy.

Shall the currently authorized millage rate of 0.4731 mill (\$0.4731 on each \$1,000 of taxable valuation) which may be assessed against all property in Novi Community School District, Oakland County, Michigan, be renewed for a period of 10 years, 2021 to 2030, inclusive, to continue to provide for a sinking fund for the repair of school buildings and all other purposes authorized by law; the estimate of the revenue the school district will collect if the millage is approved and levied in 2021 is approximately \$1,183,565 (this is a renewal of millage that will expire with the 2020 tax levy)?

The current sinking fund millage rate of .4731 has been in place since 2001. The proceeds from this millage will continue to be used to fund smaller building improvements. No debt or interest payments are incurred with a sinking fund.

The District would renew the existing Sinking Fund millage rate of .4731.

With successful passage of the Sinking Fund proposal, voters will not see an increase in the millage rate they are currently paying.