

Frequently Asked Questions

1. | **What is the district asking for as part of this bond proposal?**

Centreville Public Schools is requesting approval for a master plan that includes sale of bonds to address:

- Roofing
- Secure entrances
- Boiler replacement
- Interior & exterior door replacement
- New paving at parking lots
- Ceiling and lighting replacement
- Flooring replacement
- New windows
- Transportation / maintenance building work
- Replace track, locker rooms & bleachers
- Replace school busses

2. | **How much will the bond proposal cost?**

- The proposal will cost 2.95 mills and will generate \$12.8 million over 8 years.

3. | **How much will it cost me?**

- This proposal will cost \$12.33/month for a \$100,000* home with a taxable value of \$50,000.
- Go to www.mytaxcalc.com/centreville for more details on your specific situation.

4. | **What interest rate can the district expect to pay if the bond passes?**

- The proposal projects a 4.42% interest rate with a 15 year term.

5. | **How does the districts bond indebtedness compare with neighboring districts?**

- Centreville currently ranks in the lower third of neighboring districts for bond indebtedness at 4.0 mills. This millage has declined as debt has been retired from the previous 1999 millage. Centreville carried 7 mills at that time.

6. | **How is the master plan administered?**

- The proposed project is broken up into three phases with three series of bond sales as follows:
 - Phase 1 [2014] - \$4 million
 - Phase 2 [2017] - \$3.5 million
 - Phase 3 [2021] - \$5.3 million

Each phase carries a specific set of projects that will be completed at that time as identified in the needs assessment conducted by the district's architectural consultant. In short, this bond proposal asks the district for

approval to remodel, refurbish, replace, and equip assets as they reach their useful life, with a single bond request, and without large upfront capital costs.

7. | Would a sinking fund be better than a bond?

- In this case a sinking fund would not meet the current needs of the district both due to fund timing and allowable purchases.
- Sinking funds provide a limited annual stream of revenue for smaller construction projects, collected on an annual basis from taxpayers.
- Sinking funds spread construction out over years, with many disruptions & less cost-efficient construction delivery.

8. | Would local workers have an opportunity to assist with the projects should the bonds pass?

- Local contractors are encouraged to bid on our projects.
- Many will be the successful, qualified, low bidder.
- A bond helps keep tax dollars in our community and strengthens our local workforce – ie: on-site workers buy gas, eat and shop in our area.

9. | Why try to pass this bond now?

- Many building, transportation, and technology systems – plumbing, heating, roofing, and busses etc. – have reached or exceed both their life expectancy and useful life. The district offers this master planned approach to stay on top of these needs as they develop.
- On-going repair of these systems has become significant with funds being diverted out of the General Fund, dollars, typically allocated for student education. This process, over the long term, can begin to affect the level of education that Centreville Public Schools students receive.

10. | With improvements, are we considering energy efficiency and long-term maintenance?

- Such improvements will not only keep our buildings functioning, but mechanical, plumbing, and electrical systems will be designed to current energy efficiency standards. The replacement of windows and lighting will improve the energy standards of our facilities.

11. | Why haven't the buildings been maintained throughout the years?

- Centerville has funded ongoing cleaning & basic maintenance of the major “systems”, but at some point it becomes prudent to replace things like roofs, boilers, and busses rather than continue to spend money attempting to repair.
- Bonds are the typical funding mechanism in Michigan schools to address major capital and facility needs. These costs are not intended to be addressed through state provided general education funds.

12. | Is it necessary to put \$4 million into the district right now?

- Our facility assessment identified over \$16 million in projected needs dealing with infrastructure, buildings, technology, bussing, and grounds. The board of education scaled this scope back to the current \$12.8 million program and has developed the phased implementation plan to replace only what's needed, when it's needed.

13. | What can the bond funds be used for?

- In general, allowed expenses include major remodeling, new construction, technology, furniture and purchasing busses. Centreville Public Schools has submitted and received approval for the specific buildings and scope of work at each facility from the State of Michigan. The funds are marked for this specific use.

14. | What can the bond funds NOT be used for?

- Bond funds cannot be used for facility and bus maintenance, instructional materials, teacher or administrative salaries.

15. | What about Technology upgrades?

- Centreville is proposing district wide technological upgrades that will be incorporated in each school. These upgrades include:
 - New infrastructure
 - Individual student devices
 - Classroom hardware
 - Projection units
 - Speakers