

2023 BOND PROPOSAL

FREQUENTLY ASKED QUESTIONS (FAQ)

On Tuesday, August 8, 2023, Clawson Public Schools will ask voters to consider a bond proposal to generate dollars for current and upcoming district facilities' needs. The following is a list of Frequently Asked Questions (FAQs) regarding the proposal. For more information, please view the Board of Education Bond Proposal Presentation and the March 23, 2023 Bond Community Forum Q&A. Both videos can be accessed on the district website: www.clawsonschools.org. You may also contact Billy Shellenbarger, Superintendent at 248-655-4448 or Billy.Shellenbarger@clawsonschools.org

1. Why are we considering a bond issue now?

There are specific challenges and opportunities that have led the Clawson Public Schools Board of Education to ask voters to consider a bond issue including:

- Unprecedented inflation due to the COVID-19 Pandemic and other market conditions led to cost increases that were beyond typical economic projections. These cost escalations resulted in a budget shortfall which requires the 2021 Bond to be completed with a strategically reduced scope. This reduced scope eliminates some planned renovations including such items as new flooring, façade repairs, a middle school gym refresh and new paint at the high school.

With these challenges also come opportunities to ensure that Clawson Public Schools continues to be a vital district preparing learners to succeed today and every day:

- We have an opportunity to ask voters to consider a bond in 2023 with no change to the tax rate which will enable the district to complete the renovations along with additional district-wide improvements.
- Zero mill increase: Ability to generate \$25.5 Million for facilities investments with no change to the tax rate.

2. What is the proposed millage increase and how much would it generate for the projects?

The proposal that will appear on the August 8, 2023 ballot for voter consideration is a 0 mill increase for a bond issue that would generate \$25,500,000.

3. How would this impact my taxes?

If the proposal is approved by voters, the \$25.5 Million bond proposal will not change your current tax rate.

4. Who developed this proposal?

The district-wide improvements plan was developed by a 27-member steering committee, commissioned by the Board of Education and comprised of a cross-section of the community, including parents, school teachers, administrators, staff, city leaders and school board members. The Clawson Public Schools Board of Education reviewed and voted unanimously to move forward with the recommendation on May 1, 2023.

5. How would the money be used for the bond?

The funds from this bond would be used to provide district-wide improvements as indicated below.

Key Investments At-a-Glance

Safety & Security

- Complete the replacement of exterior and interior doors with security upgrades district-wide
- Expand/remodel High School entrance
- Replace all exterior windows

Enhanced Learning:

- Replace High School classroom casework, flooring and ceiling tiles and paint within all areas of High School
- New outdoor education space
- Remodel media centers district-wide
- Kenwood (future Early Childhood Center) interior renovations/expand classrooms and bathrooms

Physical Education & Instruction

- Middle School team room addition
- High School locker room renovations

Infrastructure & Energy

- Middle School and High School bathroom upgrades
- Façade repairs district-wide
- Standardize PA/Clock systems district-wide
- Complete replacement of LED lighting district-wide
- Plumbing improvements at elementary gym
- Maintenance garage addition to High School

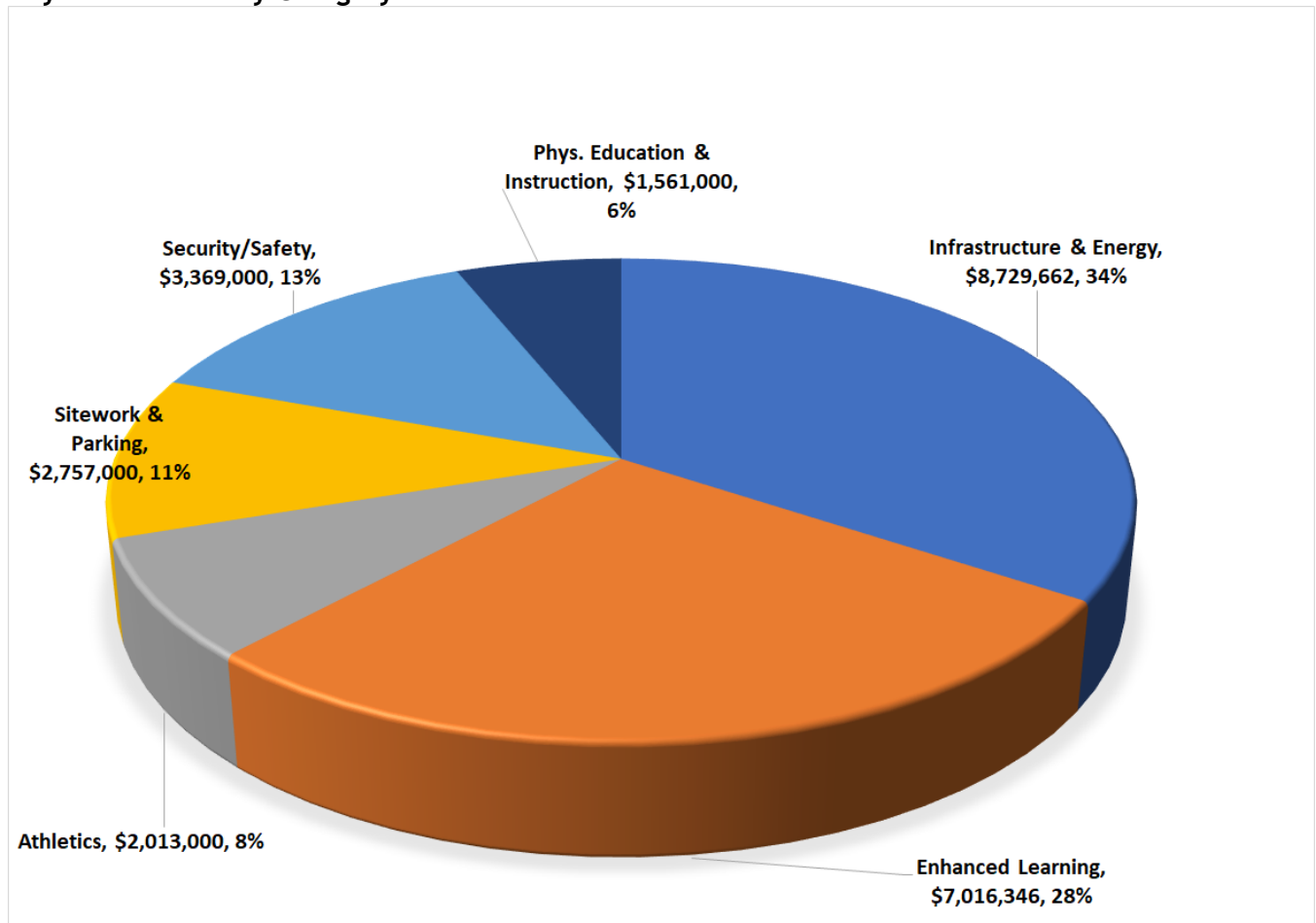
Sitework & Parking

- Schalm/Baker demolition (in preparation of potential sale of property)
- New campus exterior/marquee sign
- Kenwood parking lot improvements
- Main campus perimeter fencing

Athletics

- Middle School gym expansion
- High School/Middle School cafeteria stage repurpose to multi-purpose room

Key Investments by Category



6. What will happen with the District-Owned Schalm Elementary School and Baker Building?

The intent is to demolish these in preparation of the possible sale of the property for future development.

7. What is the timeframe for the bond construction work?

If voters approve the bond on August 8, 2023, the transition to these projects will be seamless as construction is already underway from the 2021 Bond once the scope items from that bond are completed.

8. Would money from the bond proposal be used to pay district salaries and benefits?

No, school districts are not allowed to use funds from a bond for operating expenses such as teacher, administrator or staff salaries, routine maintenance, or operating costs. Bond revenue must be kept separate from operating funds and bond revenue expenditures must be audited by an independent auditing firm.

9. If I rent a house, can I vote?

Yes, if you rent a house you can still vote. You must be a registered voter in the precinct where you are living and you must live within the Clawson Public Schools district boundaries.

10. How do I register to vote?

Visit Michigan.gov/vote to register online.

The deadline set by the Secretary of State to register by mail or online is July 24, 2023. You may also register in-person at your local clerk's office—located at 425 N. Main, Clawson, MI—through the day of the election, with the required documentation.

11. How is an absentee voter ballot obtained?

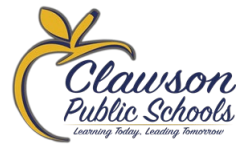
To request an absentee ballot, you can visit your local clerk or follow this link: [Michigan Online Absent Voter Ballot Application \(state.mi.us\)](https://Michigan.gov/absentee)

12. Where and when will the vote occur?

Tuesday, August 8, 2023 is election day, but absentee voting can occur leading up to and on that date. All registered voters may cast an absentee voter ballot by mail. Voters may also cast a ballot at the polling location established by their municipality. If you have questions or do not know where you vote, please contact your city clerk's office. Polls will be open from 7:00 am to 8:00 pm on Tuesday, August 8, 2023.

13. What are the key dates leading up to the Tuesday, August 8, 2023 election day?

- Registering to vote:
 - The last day for voters to register by mail or online is July 24, 2023



- Voters may register in-person through August 8, 2021 (election day) with the required documentation at the city clerk’s office
- Absentee Voting:
 - Absentee voter ballots are available beginning June 29, 2023

14. What is the ballot language?

**CLAWSON PUBLIC SCHOOLS
COUNTY OF OAKLAND STATE OF
MICHIGAN**

SCHOOL BUILDING AND SITE BOND PROPOSAL

Shall the Clawson Public Schools, County of Oakland, State of Michigan, borrow the sum of not to exceed Twenty-Five Million, Five Hundred Thousand (\$25,500,000) and issue its general obligation unlimited tax bonds therefor, in one or more series, for the purpose of paying for the cost of the following projects:

- Preparing, developing and improving sites, including sites for school buildings and additions thereto;
- Preparing, developing and improving sites of the Baker and Schalm buildings, including demolition of buildings, foundations, parking lot paving and concrete walkways as well as removal of site utilities;
- Constructing, remodeling, equipping and re-equipping the current Central Campus facility and erecting additions thereto;
- Remodeling, equipping and re-equipping the Early Childhood Center.

YES _____

NO _____

The maximum number of years any series of bonds may be outstanding, exclusive of refunding, is not more than thirty (30) years; the estimated millage that will be levied to pay the proposed bonds in the first year, 2024, is 0 mills (which is equal to \$0.00 per \$1,000 of taxable value) for a 0 mill net increase over the prior year’s levy; and the estimated simple average annual millage that will be required to retire each series of bonds is 2.56 mills annually (\$2.56 per \$1,000 of taxable value).

The school district expects to borrow from the State School Bond Qualification and Loan Program to pay debt service on these bonds. The estimated total principal amount of that borrowing is \$2,100,825 and

the estimated total interest to be paid thereon is \$2,310,457. The estimated duration of the millage levy associated with that borrowing is 15 years and the estimated computed millage rate for such levy is 9.02 mills (\$9.02 per \$1,000 of taxable value). The estimated computed millage rate may change based on changes in certain circumstances.

The total amount of qualified bonds currently outstanding is \$59,255,000. The total amount of qualified loans currently outstanding is approximately \$913,650.

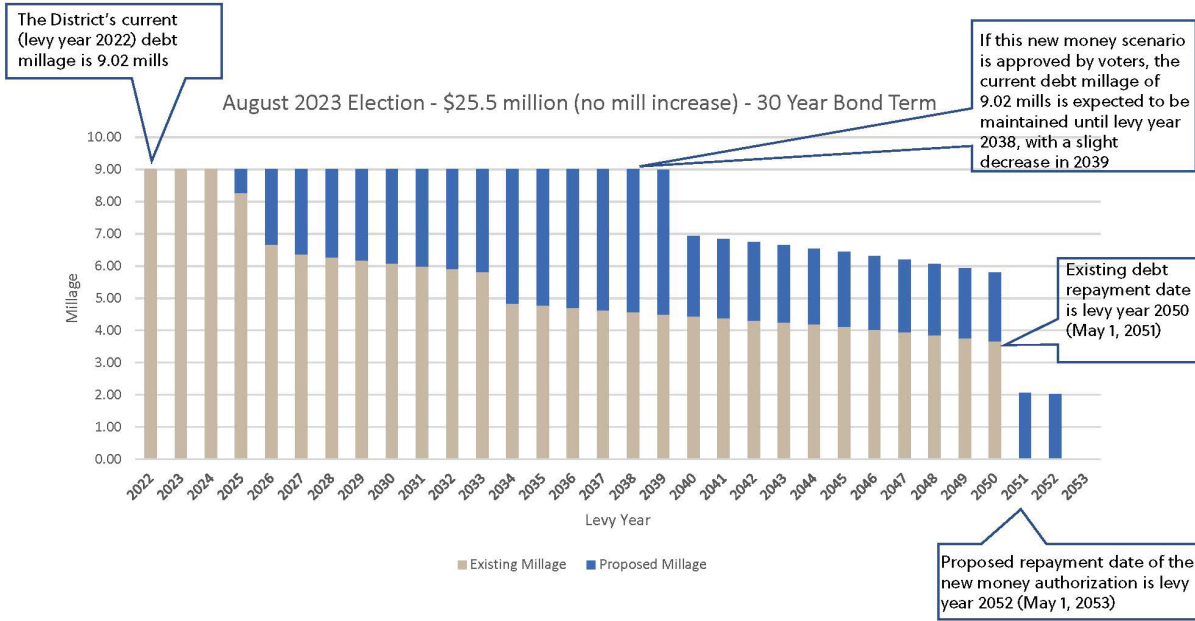
(Pursuant to State law, expenditure of bond proceeds must be audited, and the proceeds cannot be used for teacher, administrator or employee salaries, repair or maintenance costs or other operating expenses.)

15. If the bond were voted down, does that mean my tax rate would decrease?

Yes, but not immediately. Clawson Public Schools is part of the School Loan Revolving Fund (SLRF). The SLRF is a self-sustaining fund that makes loans to school districts to assist with making debt service payments on state qualified bonds issued under the School Bond Qualification and Loan Program. Loan repayment is deferred until the required debt millage yields enough to pay the district's debt service obligations. That means our residents' current taxes would still go towards service obligations on other Bonds still being paid off. Once those obligations are met, it is possible the tax rate would decrease. The timing and amount of that decrease is not possible to determine at this point in time and is based on each resident's unique situation.

Please see the chart on the next page, that shows our current debt projections:

Clawson Public Schools – Debt Millage Projection



* Table 4a dated November 30, 2022. Estimated millage based on future taxable value growth of 5.06% for 5 years, and 1.51% thereafter and an estimated interest rate of 5.00% on the proposed new money bonds.

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16. Where can I get more information?

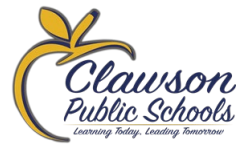
- Please visit the Clawson Public Schools website at: www.clawsonschools.org

Contacts

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