



Hale Area Schools Sinking Fund

November 5, 2024

Paid for by Hale Area Schools, 310 N. Washington Ave., Hale, MI 48749



Recent Debt Millage History

- The last Hale Area Schools Debt Millage ended in 2022. This millage retired a bond proposal that began in 1996 and supported the construction of our current school building.
- Following voter approval and the issuance of bonds in 1996, 4 mills were levied to repay the bond. When the bond ended, the debt millage ended, and the taxpayers had a decrease in millage assessment.
- The way that bond operated, voters were assessed 4 mills, from which the millage rate decreased progressively each year until its expiration.



Current Sinking Fund Proposal

- The current proposal will be a different type of millage assessment - a sinking fund.
- The previous “bond” or “debt” millage was levied for 27 years.
- Voters approved a larger project, and the issuance of the bonds allowed money to be borrowed up front and paid back over the time.
- A sinking fund operates differently. A sinking fund operates on a “pay-as-you go basis” where the money is collected through the levy of taxes first, and projects are completed as revenue is received.



Sinking Fund Allowable Uses

Sinking Funds revenues can be used for project described in the ballot and approved by voters. The proposed Sinking Fund is for the following purposes:

“the construction or repair of, school buildings; for school security improvements; for the acquisition or upgrading of technology; for the acquisition of student transportation vehicles; for the acquisition of parts, supplies, and equipment used for the maintenance of student transportation vehicles; for the acquisition of eligible trucks and vans used to carry parts, equipment, and personnel for or in the maintenance of school buildings; for the acquisition of parts, supplies, and equipment used to maintain such trucks and vans; and all other purposes authorized by law.”



This Proposal

- Authorize to levy not more than 2.0 mills (\$2 on each \$1000 of taxable valuation)
- Levied each year for five years - 2025 to 2029
- Again, it the revenue can only be used for the purposes identified in the Proposal



For Example . . .

Taxable Value of Property = \$100,000

2 mills on this value = \$200 per year



Estimated Projects and Costs By Year 2025-2026

Estimated Revenues

- Year 1 - \$799,597
- Year 2 - \$835,578
- Year 3 - \$860,646
- Year 4 = \$886,465
- Year 5 - \$913,059

5 Year Total - \$4,295,345



Year 1 Projects and Costs

Replace wood door	\$1,800.00
Replace tall gym doors	\$15,600.00
Replace cafeteria wood doors	\$12,600.00
Replace exterior hollow metal doors and frames	\$4,800.00
Add mullions and key locks	\$6,400.00
Storage building	\$75,000.00
Resurface track	\$190,000.00
Replace engineered playground structure	\$300,000.00
Bus garage - replace main door and frames	\$7,200.00
Wifi to athletic areas	\$6,000.00
Construction Manager Fees/Arch and Engineering Fees	\$168,000.00
Total Year 1 Estimated Costs	\$787,400.00
Total Remaining of Year 1	\$12,197.00



Year 2 Projects and Costs

Repair and renovate fascia and soffit around building	\$384,000.00
Replace away football bleachers with fixed, permanent structure	\$24,000.00
Replace bleachers at track with fixed, permanent structure	\$70,000.00
Technology Allowance	\$50,000.00
Replace flooring in 7 classrooms	\$39,200.00
Construction Manager Fees/Arch and Engineering Fees	\$168,000.00
Total Year 2 Estimated Costs	\$735,200.00
Total Remaining of Year 2	\$100,378.00
Total Remaining from Year 1 and Year 2	\$112,575.00



Year 3 Projects and Costs

Replace classroom carpet	\$192,000.00
New bus	\$125,000.00
Repair Interior masonry work	\$3,840.00
Construction Manager Fees/Arch and Engineering Fees	\$168,000.00
Technology Allowance	\$50,000.00
Total Year 3 Estimated Costs	\$538,840.00
Total Remaining of Year 3	\$321,806.00
Total Remaining from Year 1-3	\$434,381.00



Year 4 Projects and Costs

Replace Air Handler Units	\$766,000.00
Add air conditioning in library, music/band rooms/update office	\$75,000.00
Construction Manager Fees/Arch and Engineering Fees	\$168,000.00
Technology Allowance	\$50,000.00
Total Year 4 Estimated Costs	\$1,059,000.00
Total Remaining Year 4	-\$172,535.00
Total Remaining from Year 1-4	\$261,846.00

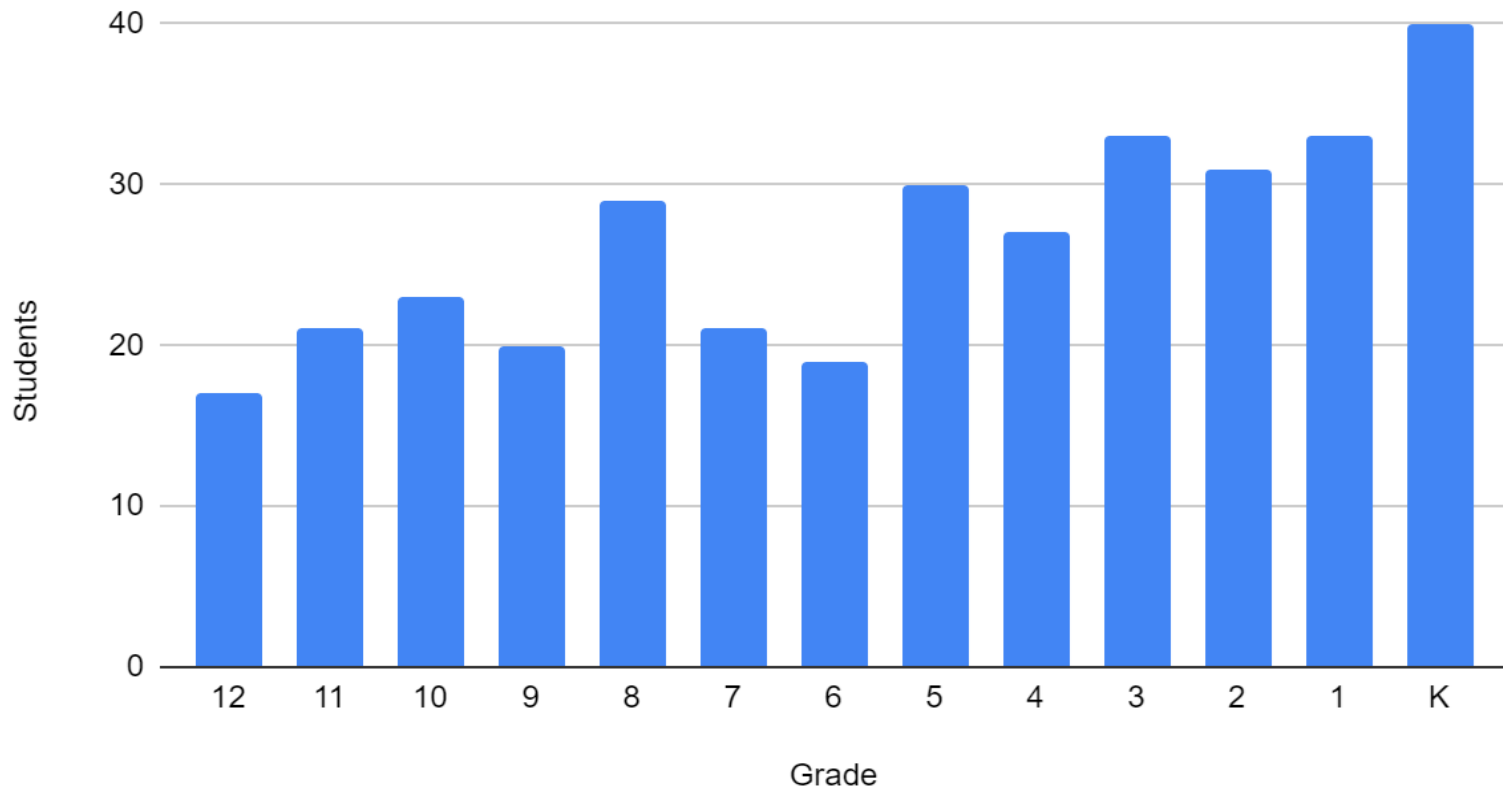


Year 5 Projects and Costs

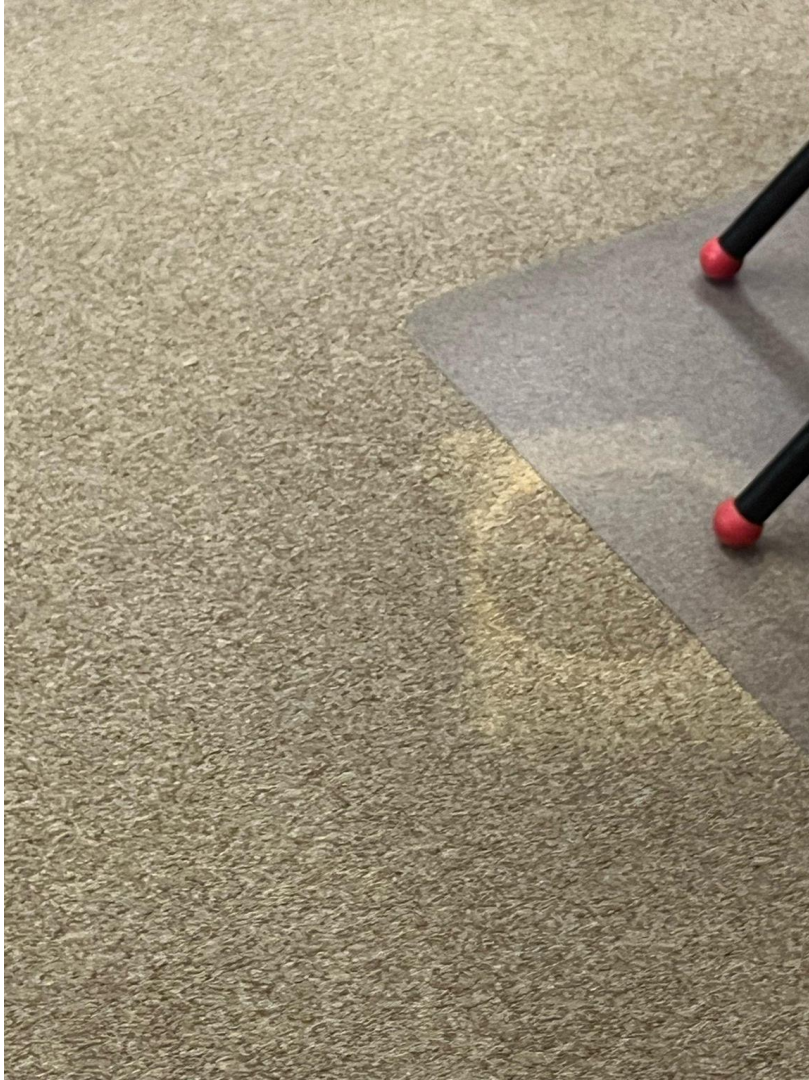
Replace parking lots, curbs, drives	\$843,408.00
Technology Allowance	\$50,000.00
Construction Manager Fees/Arch and Engineering Fees	\$168,000.00
Total Year 5 Estimated Costs	\$1,061,408.00
Total Remaining Year 5	-\$174,943.00
Total Remaining Year 1-5	\$86,903.00



Students vs. Grade











Emma D
Evelina Martinez
They
Parfait
Sunday night
Present
Libby H. a. blog
Liberty Hanley
Liberty R

TODAY!
STARTED.
- 2-23-24
- 5th grades

**LEARN
HANDS-ONLY CTA**

.ORG/SCHOOLS

+ Respects others and themselves.

+ Gives their BEST EFFORT EVERYDAY.

+ Makes up activity and school work when absent















QUESTIONS?

Please feel free to contact me with any questions -

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