

## **Sinking Fund Millage**

### **Question: What is a Sinking Fund Millage?**

Answer: A sinking fund is the only means presently available to provide additional funds for the purpose of making repairs to our buildings and grounds. These funds have permissible and impermissible legally uses. Permissible uses include, but are not limited to, the following: roof repairs, parking lot repairs, costs associated with complying with Americans with Disabilities Act, remodeling heating and ventilation systems, repair/repaint old lockers, replacing covers for ceiling lights, replacement of doors, replacement of carpeting in classrooms, and purchase of property. Some impermissible uses include: salaries/benefits, bus purchase, routine preventive maintenance, installation of new lockers, and purchase of security system cameras and monitor.

### **Question: Why is the Sinking Fund Millage important to our schools?**

Answer: Over the past five years the district has averaged \$414,000 in capital development projects such as those listed above under permissible uses. In both the budget prepared for this year and the budget planned for next year the capital development funding has been reduced to \$50,000. Without this millage approval further cuts will become necessary to address the increased expenditures and decreased revenue.

### **Question: How much will this millage cost me as a taxpayer?**

Answer: The district is asking for 1 mill per year for the next 5 years. One mill is equal to 1/1000 of a dollar. For every \$1000 of taxable value it would cost the taxpayer \$1. If approved this millage will provide the district with \$178,000 per year.

### **Question: What is meant by taxable value?**

Answer: Homes have a market value (what it should sell for). The taxable value is 1/2 of the market value

### **Question: How can I find out the taxable value of my home?**

Answer: Check your tax bill and it will list the taxable value of your home

**Question: How much will the proposed sinking fund millage cost me?**

Answer: Below are some examples of the cost to you the taxpayer:

<b>Market Value</b>	<b>Taxable Value</b>	<b>Cost Per Year</b>
<b>\$100,000</b>	<b>\$50,000</b>	<b>\$50</b>
<b>\$150,000</b>	<b>\$75,000</b>	<b>\$75</b>
<b>\$175,000</b>	<b>\$87,500</b>	<b>\$87.50</b>
<b>\$200,000</b>	<b>\$100,000</b>	<b>\$100</b>
<b>\$250,000</b>	<b>\$125,000</b>	<b>\$125</b>

On June 9, 2003 voters in the Clinton Community School district will be asked to vote on three issues. Each of these issues will have an impact on the future of the district. These three issues are as follows:

1. Election of a school board member
2. Request for a Headlee Millage Override
3. Request for a Sinking Fund

Due to reduced support from the State of Michigan it has become necessary for Clinton Community Schools to make significant cuts in the budget which includes, among many other cuts, the need to lay off teachers and other staff members. In addition, repairs of roofs, parking lot and driveway repairs, and ongoing and preventive maintenance have been eliminated not only from this present year budget but also the proposed budget for next year. Eventually the district will need to fund these projects.

All three of these issues listed above have been discussed at one or more school board meetings and numerous questions have arisen regarding these issues.

In an effort to get the facts to the entire community this newsletter is provided for your review.

Educationally yours,

David P. Pray  
Superintendent