



## Sinking Fund Fast Facts

- As part of the Tuesday, May 8, 2012 election, voters in the Fennville School District will be asked to approve a 0.5-mill building and site sinking fund tax levy.
- The sinking fund, if approved, will create a fund for the next 10 years to provide for **maintenance, improvements and repairs of school facilities**.
- By law, the proposed Building and Site Sinking Fund **cannot** be used for salaries, supplies, or equipment.
- If approved, it is estimated that the millage will provide nearly \$170,000 in revenue in 2012-13.
- A sinking fund is used on a “**pay as you go basis**” and all monies collected are utilized to directly benefit the district. No bonds are sold and there are no interest expenses.
- Examples of potential long-term projects being considered (in addition to ongoing maintenance needs) include the renovation or replacement of high school carpet, lighting, locker, and mechanicals, and expansion of the Later Elementary (lower level) parking area.

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## Sinking Fund Election Information

*Please vote  
May 8, 2012!*



Additional information is  
available by calling (269) 561-7331

# Sinking Fund Information



## How Would a Sinking Fund Help Fennville Schools?

The generous support of the community through the 2004 bond issue generated the funds to renovate the middle school and construct the elementary school and Community Athletic Center. These are outstanding facilities that have brought much pride and have greatly improved our district. However, while the high school received some upgrades during the bond issue (and through energy savings projects since then), not all of the needs identified in 2004 were able to be met during the bond.

Beyond currently existing needs, a sinking fund would also be able to be used for unexpected facility needs as they occur rather than paying for these out of the General Fund. For example, shortly after the bond issue work was completed, the roof on the high school failed necessitating a major expenditure from the district's General Fund. If a sinking fund had been in existence at the time, its revenues could have been used to pay for some or all of the repairs.

A sinking fund would also permit longer-term planning and funding for major repairs and renovations, while providing an alternative funding source for facility repairs that are currently paid for from the General Fund. Relieving this burden on the General Fund would allow more dollars to be directed specifically to the educational program.

## Sinking Fund Costs

To find out how much a 0.5-mill sinking fund would cost, multiply your home's taxable value by .0005. A home valued at \$100,000 typically should have a taxable value of \$50,000. For that home, the 0.5 mill sinking fund would cost \$25 per year, or just over \$2 per month. The table below gives some examples:

Home Value	Taxable Value (Usually ½ of Actual Value)	0.5-Mill Multiplier	Proposed Sinking Fund Cost Per Year
\$75,000	\$37,500	.0005	\$18.75
\$100,000	\$50,000	.0005	\$25
\$150,000	\$75,000	.0005	\$37.50

In June 2004, voters approved a bond issue levy of 5.81 mills, an amount that was reduced by the Board of Education three months later to 5.46 mills. Nearly every year since then, the Board of Education has taken action to steadily reduce the amount levied, with the 2011 levy standing at 4.9 mills. **This 0.5-mill sinking fund request would still leave a homeowner's tax burden below what was originally authorized during the 2004 bond issue.** Yet, this amount would provide desperately needed relief for the General Fund, and enable the district to continue maintaining its facilities well in order to safeguard the investment made by the Fennville community.

## Local School Debt Service Millage History

The following are the debt service millage rates for the district since 2004:

June '04 Voter Approval	5.81 mills
Sept. '04 Levy	5.46
2005	5.46
2006	5.2
2007	5.1
2008	5.0
2009	4.9
2010	4.9
2011	4.9

## Voter Information

Voting will be held at your township hall or city precinct polling place. If you will be out of town on the day of the election, are physically unable to attend the polls, or are 60 years of age or older, **you may vote by absentee ballot.** Absentee ballot applications are available from your local township or city clerk and must be submitted by Saturday, May 5, 2012.

**For more information, please contact us:**

**Fennville Public Schools  
5 Memorial Drive  
Fennville, MI 49408**

**Phone: (269) 561-7331  
Website: [www.fennville.org](http://www.fennville.org)**