



**Non-Homestead Operating
Millage Renewal
&
School Bond Proposal
Background Information**

May 7, 2024

Background Information

When is the election?

Election Day is Tuesday, May 7, 2024. Polls will be open from 7 a.m. until 8 p.m. Absentee Ballots will be available after March 28. To obtain an absentee ballot application, call your local clerk.

What is on the ballot?

Two proposals are on the ballot.

The first proposal is a six-year, non-homestead millage renewal that will support the school district's operating budget. All Michigan school districts must levy 18 mills on non-homestead property to receive their full share of state aid (foundation allowance).

The second proposal is a \$39.6 million bond proposal to update school facilities, enhance and expand safety and security measures, increase operating efficiencies, and provide learning spaces to enhance the educational program for all Pre K-12 students.

Non-Homestead Millage Renewal

What is a non-homestead millage?

A non-homestead millage supports the school district's general operating budget. The operating budget covers everything necessary to provide educational programs and services in Caro Community Schools. **The non-homestead renewal millage is NOT levied on primary residences (the home in which a homeowner lives); it only applies to businesses, second homes, vacant land, and rental property.** All school districts in Michigan must levy 18 mills on non-homestead property to receive their full foundation allowance.



Businesses



Second homes



Rental property



Non-Homestead Millage Renewal - continued

How much revenue will the non-homestead renewal millage generate?

The non-homestead millage generates approximately \$1,886,824.00 annually to the school district's operating budget. This revenue makes up approximately nine percent (9%) of the school district's operating budget.

What will happen if voters don't approve the non-homestead operating millage renewal?

All Michigan school districts are required to levy 18 mills on non-homestead property to receive their full share of State Aid (foundation allowance). If the non-homestead millage is not renewed, Caro Community Schools will have a budget shortfall of over \$1.8 million annually.

What is the exact language of the non-homestead operating millage renewal proposal?

Here is the exact ballot wording for the non-homestead millage renewal proposal:

CARO COMMUNITY SCHOOLS OPERATING MILLAGE RENEWAL PROPOSAL

This proposal will allow the school district to continue to levy the statutory rate of not to exceed 18 mills on all property, except principal residence and other property exempted by law, required for the school district to receive its revenue per pupil foundation allowance and renews millage that will expire with the 2024 tax levy.

Shall the currently authorized millage rate limitation of 17.9928 mills (\$17.9928 on each \$1,000 of taxable valuation) on the amount of taxes which may be assessed against all property, except principal residence and other property exempted by law, in Caro Community Schools, Tuscola County, Michigan, be renewed for a period of 6 years, 2025 to 2030, inclusive, to provide funds for operating purposes; the estimate of the revenue the school district will collect if the millage is approved and levied in 2025 is approximately \$1,886,824 (this is a renewal of millage that will expire with the 2024 tax levy)?





Bond Proposal

What is a bond?

A bond is a state-approved funding process for an identified list of projects. When voters approve a bond proposal, the school district sells bonds in the authorized amount and uses the bond sale proceeds to pay for the bond proposal projects. Bonds are typically paid back in 20-30 years.

In many ways, the bonding process is like a homeowner refinancing their home and making payments over a period of years. The Caro Community Schools bond proposal length is 28 years.

What projects will be completed through the bond proposal?

The bond proposal is designed to enhance safety and security, improve school facilities, increase operating efficiencies, and support the academic program for all Caro Community Schools Pre-K through 12th-grade students.

- **At the elementary level,** McComb Elementary School will be expanded and updated to serve all Pre-kindergarten-5th grade students. Fifteen additional classrooms, including designated special education classrooms, will be added. Other improvements will include...
 - enhancing safety and security by constructing a new secure entry for kindergarten - 5th-grade students; a designated entrance for preschool students (the current main entry);
 - updating the learning environment by providing all Pre-K - fifth-grade students with an up-to-date learning environment designed to meet their educational needs; providing more collaborative spaces and planning opportunities for staff; providing more opportunities to support specialized programs, including music, art, and STEM (Science, Technology, Engineering, and Math); adding a designated cafeteria and kitchen to serve all students by remodeling the current kitchen and gym areas; and, adding a new gym for all students to use;
 - updating the infrastructure to improve operating efficiencies and reduce school district operating costs; and improving student comfort by adding air conditioning throughout the building.





Bond Proposal continued

- **At the middle school level, major improvements will include...**
 - enhancing safety and security by constructing an outdoor canopy to improve visibility to the main entrance, updating security cameras and PA systems, installing two-way communication systems between classrooms and the main office, and replacing windows, shades, and interior corridor fire doors.
 - updating the learning environment in the oldest area of the building (the sixth-grade wing) that wasn't renovated with the 2005 bond. Updates will include replacing select interior doors, frames, hardware, ceiling tiles, floors, furniture, and classroom cabinets.
 - updating the infrastructure to improve operating efficiencies; renovating restrooms and installing a single-use restroom; and improving student comfort by adding air conditioning throughout the building. (Note: air conditioning will be installed at the middle school this summer through revenue the school district received from ESSER funds.)
- **At the high school level, major improvements include...**
 - enhancing safety and security by improving visibility to the main entrance; updating security cameras and PA systems; installing two-way communication systems between classrooms and the main office; and replacing windows, shades, and interior corridor fire doors.
 - updating the learning environment by replacing select ceiling tile, flooring, and classroom cabinets; replacing music room flooring and instrument storage; replacing lockers; adding an outdoor seating area for students outside of the cafeteria; renovating the locker rooms and all restrooms; and expanding the guidance office.
 - updating the infrastructure to improve operating efficiency and student comfort. (Note: air conditioning will be installed at the high school this summer through revenue the school district received from ESSER funds.)
- **At athletic fields and facilities, major improvements include...**
 - constructing a soccer field and new tennis courts; improving drainage on the baseball field; installing drain tiles to the softball field; constructing a paved accessible parking lot at the baseball and softball fields; and renovating the current bus garage into a weight room/fitness space.
- **At the bus garage, major improvements include...**
 - constructing a new bus garage off-site to expand parking and improve vehicle traffic during drop-off and pick-up times.
 - purchasing one school bus.



What will appear on the May 7th ballot regarding the bond proposal?

Here is the exact ballot wording:

CARO COMMUNITY SCHOOLS BOND PROPOSAL

Shall Caro Community Schools, Tuscola County, Michigan, borrow the sum of not to exceed Thirty-Nine Million Six Hundred Thousand Dollars (\$39,600,000) and issue its general obligation unlimited tax bonds therefor for the purpose of:

- remodeling, furnishing and refurbishing, and equipping and re-equipping school buildings and facilities, including for school security;
- erecting, furnishing, and equipping a new bus garage and additions to school buildings;
- acquiring and installing instructional technology;
- equipping, preparing, developing, and improving athletic fields and facilities, playgrounds, and sites; and
- purchasing school buses?

The following is for informational purposes only:

The estimated millage that will be levied for the proposed bonds in 2024, under current law, is 3.10 mills (\$3.10 on each \$1,000 of taxable valuation) for a 1.40 mill net increase over the prior year's levy. The maximum number of years the bonds may be outstanding, exclusive of any refunding, is twenty-eight (28) years. The estimated simple average annual millage anticipated to be required to retire this bond debt is 4.80 mills (\$4.80 on each \$1,000 of taxable valuation).

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 \$8,548,759 and the estimated total interest to be paid thereon is \$10,255,998. The estimated duration of the millage levy associated with that borrowing is 28 years and the estimated computed millage rate for such levy is 7.00 mills. The estimated computed millage rate may change based on changes in certain circumstances.

The total amount of qualified bonds currently outstanding is \$10,765,000. The total amount of qualified loans currently outstanding is \$0.

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

Can any of the bond proposal funds be used for employee salaries or operating expenses?

No. Bond proposal funds cannot be used for employee salaries. They also cannot be used for repair or maintenance costs or other operating expenses. Bond proposal funds must be used only for purposes specified in the ballot language and, as required by Michigan law, they must be independently audited.

What can bond proposal revenue be used for?

Bonds can be used for:

- Constructing additions to existing school buildings
- Remodeling existing school buildings
- Energy conservation improvements
- Site development and improvements
- Athletic and physical education facility development and improvements
- Playground development and improvements
- School bus purchases
- Purchasing loose furnishings and equipment (including administrative technology)
- Direct bond program costs, such as professional fees, election fees, issuance costs, qualification fees, insurance fees, and final audit costs
- Technology purchases are limited to hardware and communication devices that transmit, receive, or compute information for pupil instructional purposes only. The initial purchase of an operating system and customized application software is allowed if purchased with the initial hardware.

Bonds cannot be used for:

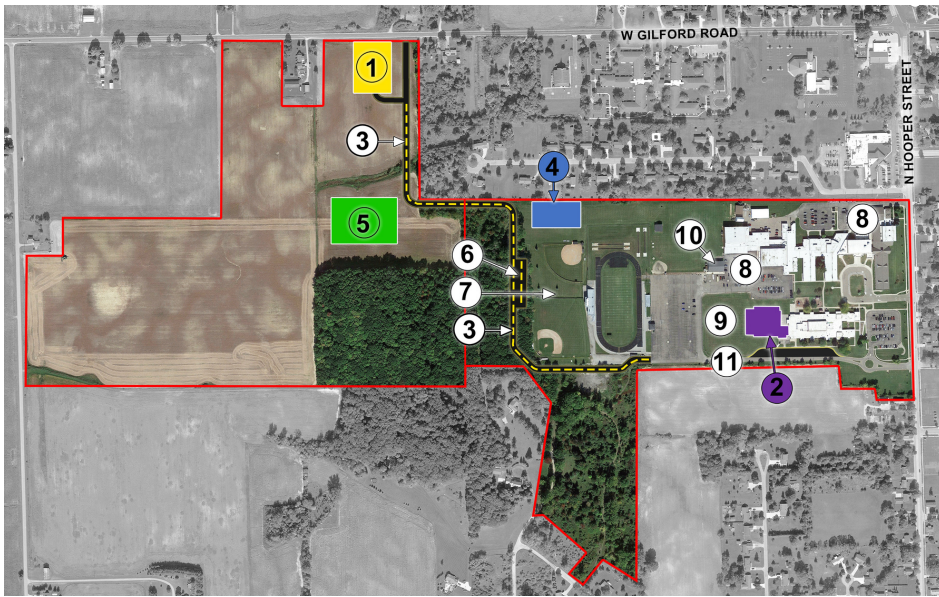
- Salaries, service contracts, lease payments, installment contracts, and supplies
- Repairs, maintenance, or maintenance agreements
- Purchasing automobiles, trucks, or vans
- Portable classrooms purchased for temporary use
- Uniforms
- Textbooks
- Upgrades to an existing computer operating system or application software
- Computer training, computer consulting, or computer maintenance contracts





What will the single-campus site plan look like?

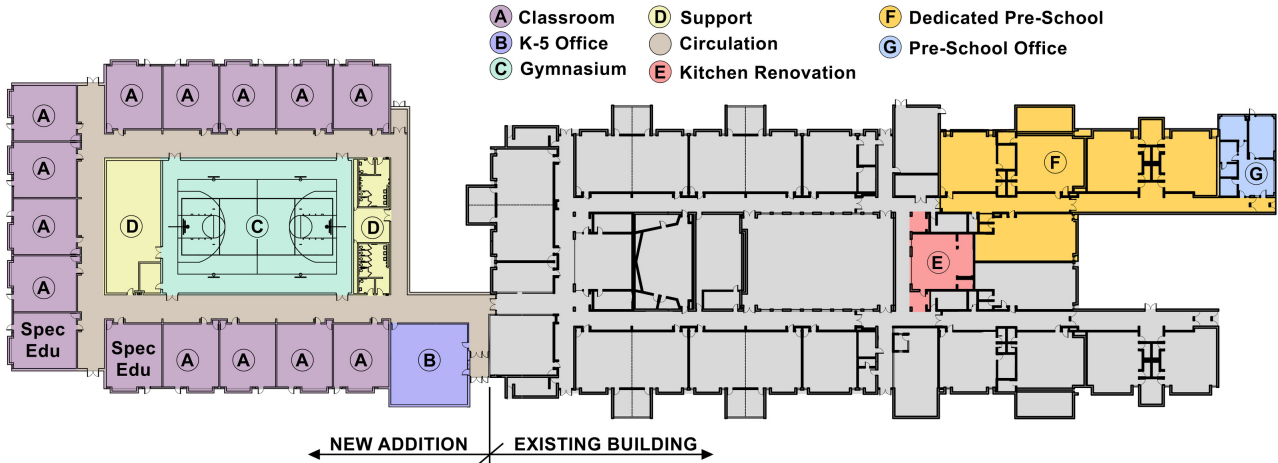
Below is the site plan showing all building locations.



- 1** BUS GARAGE AND BUS PARKING (GILFORD RD ACCESS)
 - REMOVES BUS TRAFFIC & PARKING FROM BUILDING PARKING LOTS
 - CIRCULATION IMPROVEMENTS
- 2** ELEMENTARY ADDITION
 - BRINGS PK-5 TOGETHER ON CAMPUS
- 3** ACCESS ROAD TO GILFORD
 - BETTER UTILIZATION OF PROPERTY OWNED BY THE DISTRICT
- 4** PICKLE BALL / TENNIS COURTS
- 5** SOCCER FIELD
- 6** SUPPLEMENTAL ATHLETIC PARKING
- 7** BASEBALL & SOFTBALL FIELD DRAINAGE IMPROVEMENTS
- 8** SCHOOL ENTRY ENHANCEMENTS
- 9** PLAYGROUND IMPROVEMENTS
- 10** CONVERT FORMER BUS GARAGE TO ATHLETIC TRAINING SPACE
- 11** TRAFFIC CONTROL CIRCLE

Where will the new addition to McComb Elementary School be located?

Below is a preliminary floor plan for the expanded McComb Elementary School.



What requirements have been put in place to make sure bond proposal revenue will be properly spent?

Every project in the bond proposal has been reviewed and approved by the Michigan Department of Treasury. All renovations and upgrades must comply with the Americans with Disabilities Act (ADA), National Fire Protection Association Life Safety Code (NFPA), and State of Michigan building codes. Bond proposal funds must be used only for purposes specified in the ballot language, and as required by Michigan law, they must be independently audited annually.





How were the bond proposal projects identified?

School administrators annually review short- and long-term facility needs. Following this internal review, school administrators met with architects and construction management specialists to complete an in-depth analysis of facility needs. After completing the facility reviews and analysis, an initial project list was developed.

To obtain staff, community, and parent feedback about the proposed projects, a series of focus panels were conducted. At the conclusion of the focus panels, additional feedback was obtained through an online survey that was open to all staff and community members. Based on feedback from the focus panels and the survey, the final project list was developed, the overall project cost was reduced to \$39.6 million, and the length of the bond proposal was reduced from 30 years to 28 years. Reducing the length of the bond proposal will benefit the community by reducing overall interest costs.

What will the bond proposal cost the average homeowner?

The bond proposal will require a 1.40 mill increase. For a Caro Community Schools homeowner with a \$200,000 market value home (\$100,000 taxable value), the bond proposal will cost about 38 cents per day or less than \$140 per year. Some homeowners may pay more, but many homeowners will pay less.

School district residents can calculate their daily cost by multiplying the TAXABLE VALUE of their home (as listed on their tax bill) by 0.00140 and dividing the result by 365.



What safety and security updates are included in the bond proposal?

The expansion of McComb Elementary School will include two secure entry points for students. The current main entrance (on the east side of the building) will serve as the entry for all preschool students. A new secure entry on the south side of the building will be constructed for all K-5 students.



Other safety and security improvements include replacing select windows and interior and exterior doors; updating lighting; upgrading security camera systems; replacing fire alarm systems; replacing building PA systems to provide two-way communication between classrooms and the main office; updating student drop-off/pick-up areas; adding an additional entrance to the campus; and, improving playgrounds.

What learning environment improvements are included in the bond proposal?

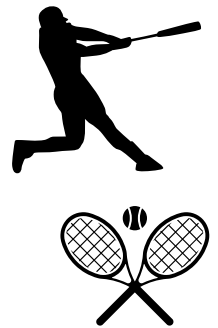
At all buildings, interior improvements are designed to enhance the learning environment. All Pre-K - 5th grade students will be located at the McComb Elementary School site. Locating all Pre-K - 5th-grade students on one site brings more learning opportunities for students and collaboration opportunities for teachers.



Additional learning environment improvements include adding air conditioning; renovating and adding restrooms; updating classroom finishes by replacing select ceiling tiles, casework, furniture, and flooring; renovating and enlarging the high school guidance office; creating an outdoor eating area at the high school; and, replacing the high school music room flooring and storage.

What athletic improvements are included in the bond proposal?

Following recommendations from the facility analysis and feedback from the focus panels and community/staff survey, athletic updates include constructing a new soccer field, adding new tennis/pickleball courts; improving drainage on the baseball field; installing drain tile to the softball field; constructing a paved, accessible parking lot at the baseball and softball fields; and, renovating the current bus garage into a weight room/fitness space.



What infrastructure improvements are included in the bond proposal?

Updates to mechanical/electrical/plumbing systems will include replacing pneumatic controls with digital controls; replacing boilers; updating interior lighting; adding sump pumps; adding a generator; updating restroom fixtures and exhaust fans, replacing classroom and gym air handling units at McComb; replacing roofs, updating mechanical systems to improve air quality; adding air conditioning at McComb; and updating kitchens.

What exterior/site improvements are included in the bond proposal?

Site upgrades include repaving parking lots; adding a dumpster pad and enclosure at the elementary school; replacing and adding sidewalk areas; replacing parking lots, driveways, and the bus loop; expanding the high school parking lot to include a new entrance, access drive, and bus loop; constructing a new access road to the site; and adding a new concrete plaza for outdoor seating outside of the high school cafeteria.



A YES vote typically means that a voter supports a ballot proposal. Is that the case in this election?

Yes. Voters who support the Caro Community Schools non-homestead millage renewal and the bond proposal should vote YES; voters who oppose the proposals should vote NO.

What will happen if voters do not approve the bond proposal?

The bond projects cannot be completed as proposed.

What will happen if voters do not approve the non-homestead renewal?

The school district will not receive its full foundation allowance (State Aid from the State of Michigan).

Who can vote in this election?

Residents of Caro Community Schools who will be 18 years of age or older on Election Day and are registered to vote can vote in this election.

Where can I get information about voting (such as how to register, where to vote, and absentee voting)?

Go to the Michigan Voter Information website (www.michigan.gov/vote) or call your local clerk's office.

Do I need to update my voter registration?

You need to update your voter registration if you have changed your name or address since the last time you voted. You can do this at any Secretary of State Office or your local clerk's office.

Can I vote by absentee ballot?

Yes. Registered voters do not need a reason to vote by absentee ballot. You can request an absentee ballot application from your clerk's office or by going online to www.michigan.gov/vote and clicking on Vote at home in the left column.

**Absentee ballots will be available to voters
March 28 and can be cast through Election Day.**



Where can I get more information about the ballot proposals?

Visit www.carok12.org and click on *Election Information*.

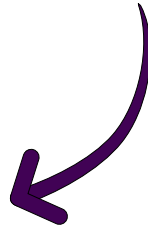
Contact George Rierison, Superintendent

Phone: 989/673-3160

Email: grierson@carok12.org

Can community members give feedback about the ballot proposals?

Yes. Members of the community are invited to participate in a brief survey about the ballot proposals. Scan the QR code or visit www.research.net/r/CCSballotproposals.



What projects will be completed at each facility?

A summary of the bond projects to be completed at each school site starts on the next page.

McComb Elementary School

Project list

NEW CONSTRUCTION

- An upper elementary addition (15 classrooms, gymnasium, offices, and storage areas)

SAFETY AND SECURITY

- Replace the PA system (add a new master console, provide two-way communication between classrooms and the main office, add speakers, and integrate with the clock system)
- Relocate the playground and replace the playground equipment
- Replace perimeter fencing
- Replace playground fencing
- Construct a new roundabout for improved drop-off and pick-up
- Upgrade the security camera system
- Replace classroom windows and window shades

LEARNING ENVIRONMENT

- Renovate restrooms
- Replace select ceiling tiles and casework
- Expand the kitchen to support Pre-K - 5th students
- Improve acoustics in the multi-purpose room/cafeteria
- Add air conditioning
- Replace instructional technology
- Replace select classroom furniture

INFRASTRUCTURE IMPROVEMENTS

- Replace classroom plumbing
- Replace roof
- Update mechanical systems to improve air quality
- Update restroom fixtures and exhaust fans
- Replace classroom and gym air handling units
- Replace the pneumatic control system
- Replace the basement sump pump
- Replace the kitchen cooler condenser

SITE UPGRADES

- Replace parking lot paving
- Add a dumpster pad and enclosure



Schall Elementary School

Project list

No improvements or updates are planned for Schall Elementary School.

Schall Elementary School will continue to serve 3rd - 5th grade students until the expansion of McComb Elementary School is completed. Schall is scheduled to close by the end of the 2026/27 school year.

Following the closure of Schall, the facility will be put up for sale in compliance with local zoning ordinances. The proceeds from the sale will go back to the school district's general operating budget.



Caro Middle School

Project list

SAFETY AND SECURITY

- Replace interior corridor fire doors
- Replace select interior doors, frames, and hardware
- Replace select classroom windows and shades
- Replace the PA system (add a new master console, provide two-way communication between classrooms and the main office, add speakers, and integrate with the clock system)
- Replace fire alarm system
- Upgrade the security camera system
- Construct exterior canopy and install signage to identify the main entrance

LEARNING ENVIRONMENT

- Renovate locker rooms (fixtures, finishes, partitions, and lockers)
- Renovate restrooms (fixtures, finishes, and partitions)
- Replace select acoustical ceiling tile and grid
- Replace select classroom flooring
- Replace select classroom casework
- Replace basketball backstops, motors, and safety straps
- Construct new single-use restrooms
- Replace instructional technology
- Replace select classroom furniture

INFRASTRUCTURE IMPROVEMENTS

- Replace pneumatic controls with digital controls
- Replace boilers
- Replace interior lighting with LED

SITE IMPROVEMENTS

- Repave parking lots



Caro High School

Project list

SAFETY AND SECURITY

- Replace select interior doors, frames, and hardware
- Replace select exterior doors, frames, and hardware
- Install new handrails at corridor ramps
- Replace the PA system (add a new master console, provide two-way communication between classrooms and the main office, add speakers, and integrate with the clock system)
- Replace the fire alarm system
- Upgrade the security camera system
- Add emergency power for the pool room sump pump
- Replace select classroom windows and window shades
- Install signage to identify the main entrance

LEARNING ENVIRONMENT

- Renovate and expand the guidance office
- Add exterior door from the cafeteria to the new outdoor eating area
- Renovate locker rooms (fixtures, finishes, partitions, and lockers)
- Renovate restrooms (fixtures, finishes, and partitions)
- Replace select acoustical ceiling tiles and grid, classroom flooring, and casework
- Replace music room flooring
- Replace instrument storage
- Replace lockers
- Replace instructional technology
- Replace select furniture

INFRASTRUCTURE IMPROVEMENTS

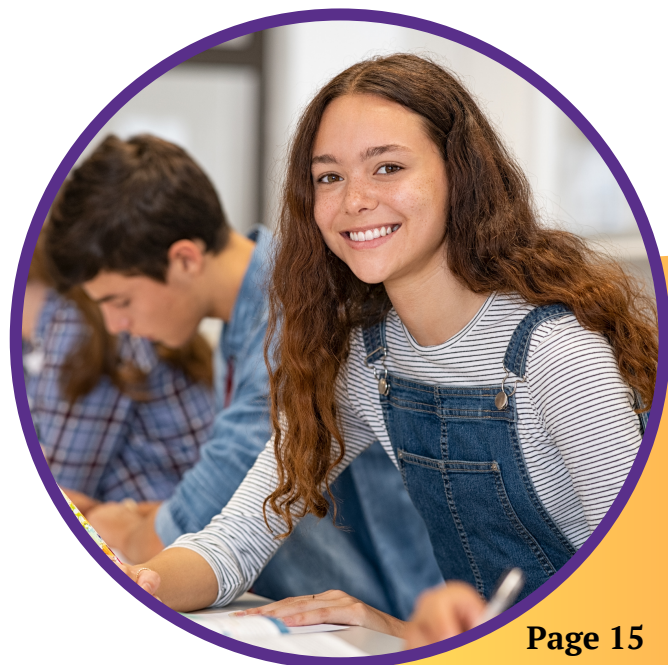
- Replace piping to improve drainage
- Install trap seals in floor drains
- Replace pneumatic controls with digital controls
- Install a new sump pump in the basement
- Replace boiler
- Replace pool equipment disconnects
- Update interior lighting to LED
- Replace wall-mounted lighting to LED
- Connect roof downspouts to storm system

SITE IMPROVEMENTS

- Replace select areas of sidewalks
- Install a new sidewalk to connect to the building entrance
- Replace parking lot and driveway, and bus loop paving
- Expand the high school parking lot to include a new entrance, access drive, and bus loop
- Construct a new access road to the site
- Construct a new concrete plaza for outdoor seating outside of the cafeteria

ATHLETIC FACILITY UPDATES

- Construct a soccer field with drain tile
- Construct new tennis courts
- Improve drainage on the baseball field
- Install drain tile to softball field
- Construct a paved accessible parking lot at baseball and softball fields
- Renovate the current bus garage into a weight room/fitness space



Bus Garage

Project list

NEW CONSTRUCTION

- Construct a new 6,800 Sq. Ft. bus garage
- Construct a raised fuel island with a concrete pad and curb for the bus garage
- Salvage and relocate existing equipment to the new bus garage

BUSES

- Purchase one school bus

