

Dear South Lake Community Member,

In keeping with our community partnership, we want to provide important information regarding our school system. On November 5, 2019, an election will occur and voters will be asked if they are willing to support one mill for the school sinking fund.

In considering this request, here are several key facts:

1. **The state of Michigan allows communities to support their schools through what is known as a sinking fund.** This fund enables districts to improve and repair facilities, maintain safe and secure buildings and up to date technology. It is an important source of operating revenue for school systems across the state.
2. Property owners currently support the district through a total of 7 mills. **If approved, there will be no net change in current tax levels;** the sinking fund will provide 1 mill, while the previously passed bond funds will drop to 6 mills.

While Michigan Treasury guidelines allow districts to ask for up to 3 mills from a sinking fund per year for a period of ten years, South Lake Schools is asking that voters support a sinking fund of 1 mill (\$1 per \$1,000 of taxable valuation) per year for a period of 10 years. This maintains, but does not increase, the current level of tax funding for the district.

3. **The sinking fund will pay for general repairs to the district's facilities that may include security improvements and the acquisition or upgrading of technology.** These improvements may also specifically include interior renovations to South Lake Middle School, additional one-to-one devices for students, and the replacement of classroom heating/cooling equipment.

Similar to past elections, South Lake Schools is committed to providing information so that an informed decision can be made. On the back of this letter is a brief review of frequently asked questions.

At South Lake Schools, we remain committed to excellence and good stewardship in all that we do. As always, if you have questions, feel free to contact our central office at tvonhiltmayer@solake.org or 586-435-1600.

Sincerely,

J. VonHiltmayer

Theodore VonHiltmayer
Superintendent



Frequently Asked Questions (FAQ)

What is a sinking fund and how do Michigan school systems spend this money?

The state of Michigan allows communities to support their schools through what is known as a sinking fund. This fund enables districts to improve and repair facilities, maintain safe and secure buildings and up to date technology. It is an important source of operating revenue for school systems across the state.

When is the sinking fund election; and, what is being requested?

The election will be held Tuesday, November 5, 2019. The district will be asking that the community maintain, **but not increase**, the current level of taxes for property owners.

Property owners currently support the district through a total of 7 mills. This year, if approved, the sinking fund would provide 1 mill, while the previously passed bond funds would provide 6 mills. Thus, there would be no net change in the current levy of 7 mills.

What is the benefit to taxpayers?

The sinking fund benefits the taxpayer by providing the community with school facilities that are well-maintained and available for all ages. In addition to providing an education of excellence to the children of our community, South Lake School facilities are used on a weekly basis by all ages, such as when our senior adults use the pools for exercise and therapy.

How many mills is the sinking fund and how long would they be levied?

Michigan Treasury guidelines allow districts to ask for no more than 3 mills from a sinking fund per year for a term not to exceed 10 years. South Lake Schools is asking that voters support a sinking fund of 1 mill (\$1 per \$1,000 of taxable valuation) per year for a period of 10 years. This will maintain, but not increase, the current level of funding from property owners.

How will South Lake Schools use the funds?

South Lake Schools will make general repairs to the district's facilities that may include security improvements and the acquisition or upgrading of technology. These improvements may also specifically include interior renovations to South Lake Middle School, additional one-to-one devices for students, and the replacement of classroom heating/cooling equipment.