



Ford Administration
1620 E. Elza, Hazel Park, MI 48030 | 248-658-5200 | F: 248-544-5223
www.hazelparkschools.org

Agenda

Special Board of Education Workshop

Ford Administration Building
1620 E Elza Avenue
Hazel Park, MI 48030
December 20, 2023
3:00 PM

LOCATION AND FORMAT: The meeting will be held at the Ford Administration Building, 1620 E Elza Hazel Park, Michigan. Members of the public wishing to speak during the public comment portion of the meeting may do so in-person.

CALL TO ORDER

ROLL CALL

APPROVAL OF THE AGENDA

PUBLIC COMMENT

NEW BUSINESS

A. Bond

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PUBLIC COMMENT

BOARD MEMBERS AND ADMINISTRATION COMMENTS

ADJOURNMENT

Any person with a disability who needs accommodation for participation in this meeting should contact the Superintendent's office at (248) 658-5220 at least five (5) days in advance of the meeting to request assistance.

All Official minutes of school board meetings are stored and available for inspection in the Ford Administration office at the above address.

This notice is given in compliance with Act No. 267 of the Public Acts Michigan, 1976



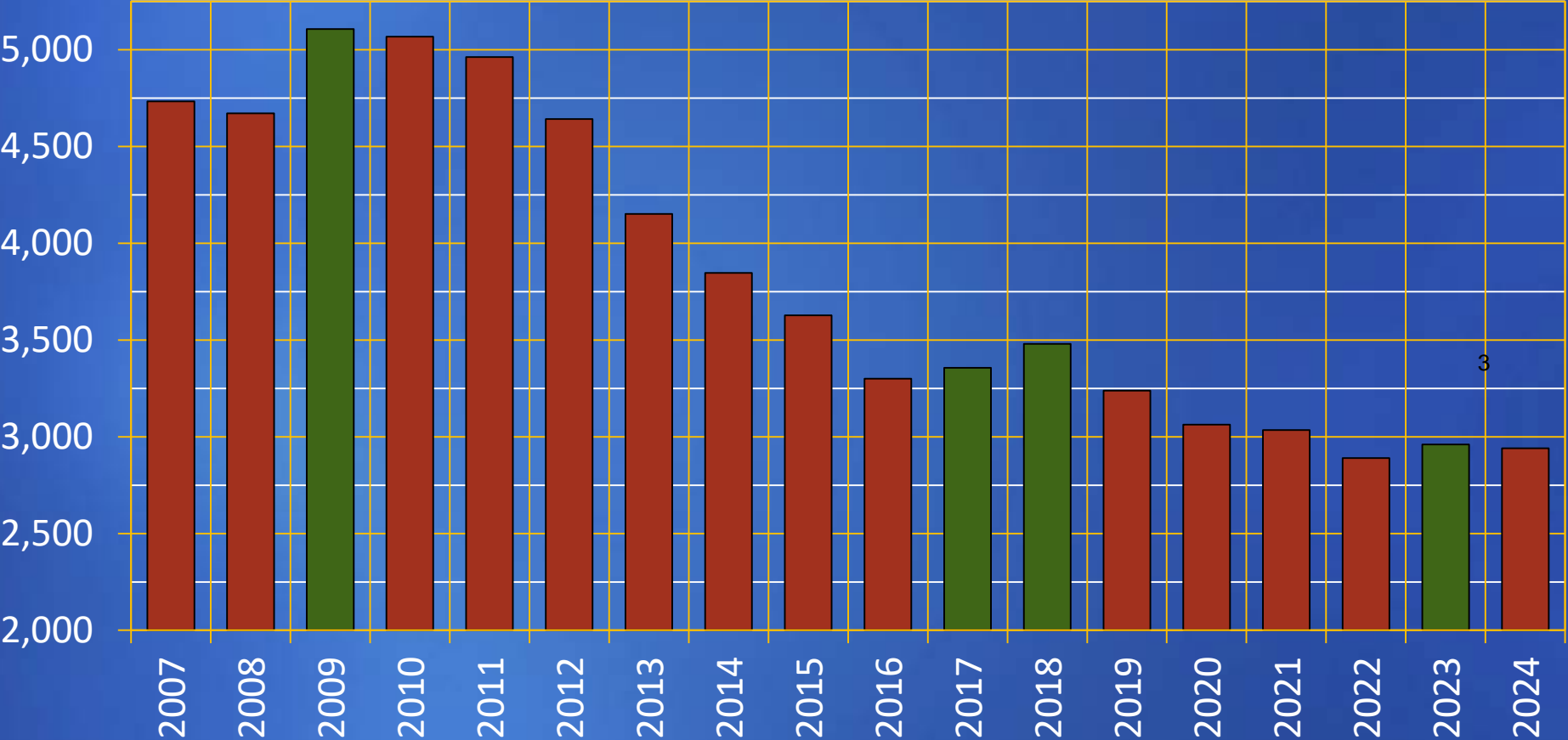
School District of the City of Hazel Park

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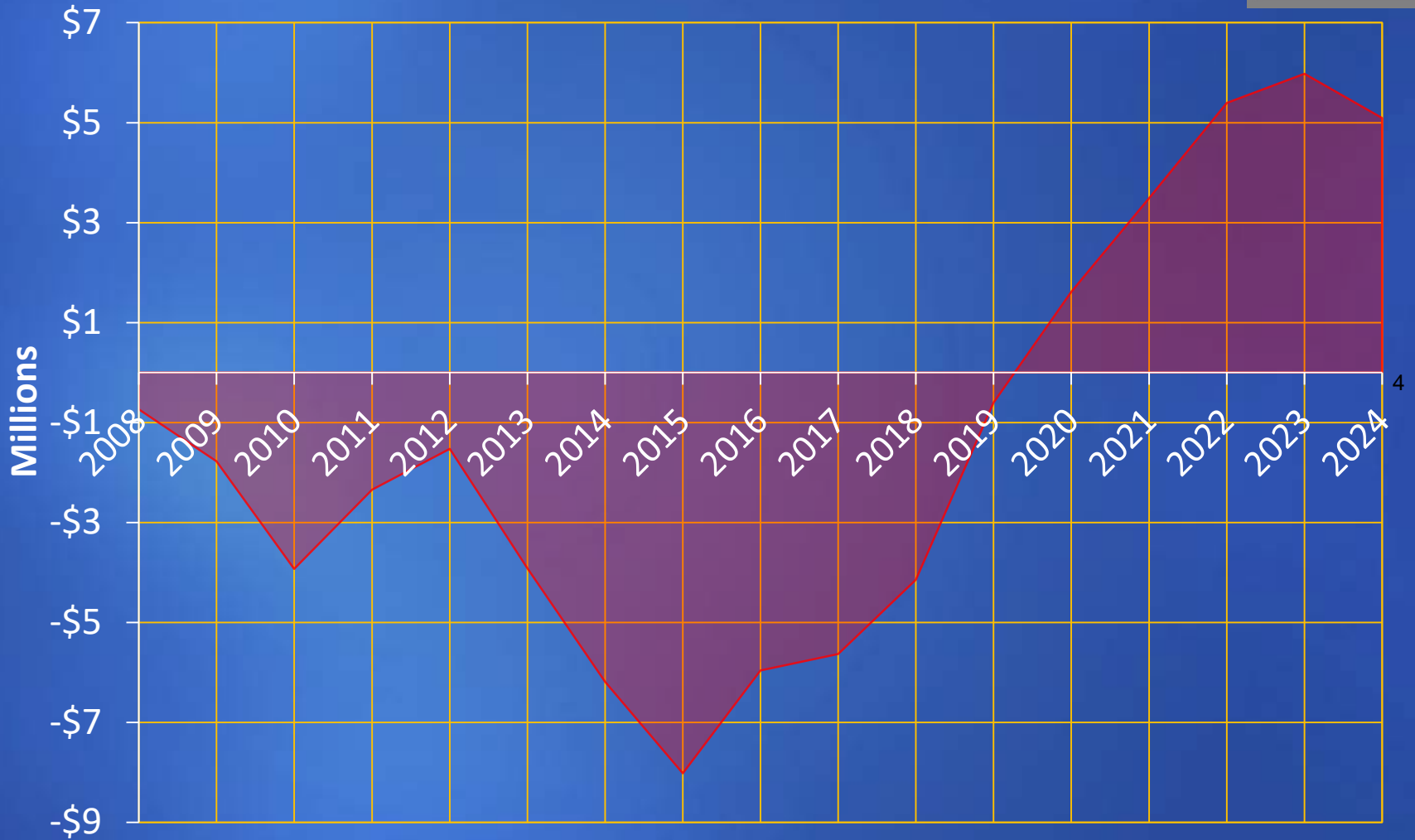
Bond Project Discussion
December 20, 2023

Jason Zirnis
Assistant Superintendent of Business of Operations

Enrollment Trend

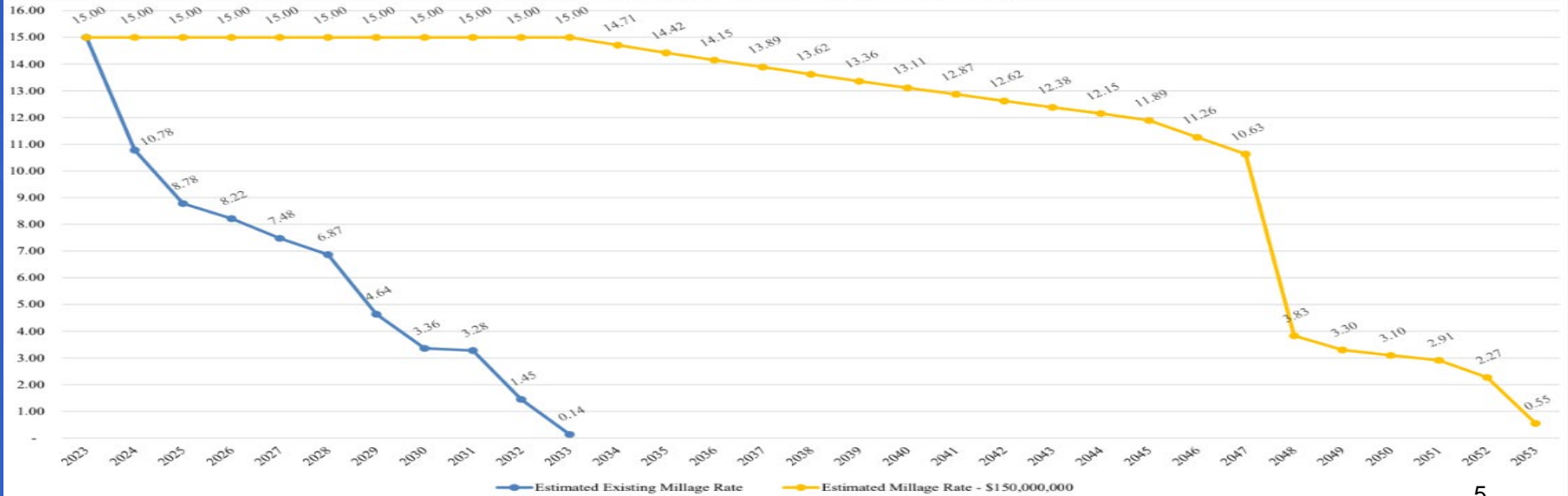


General Fund Deficit/Surplus

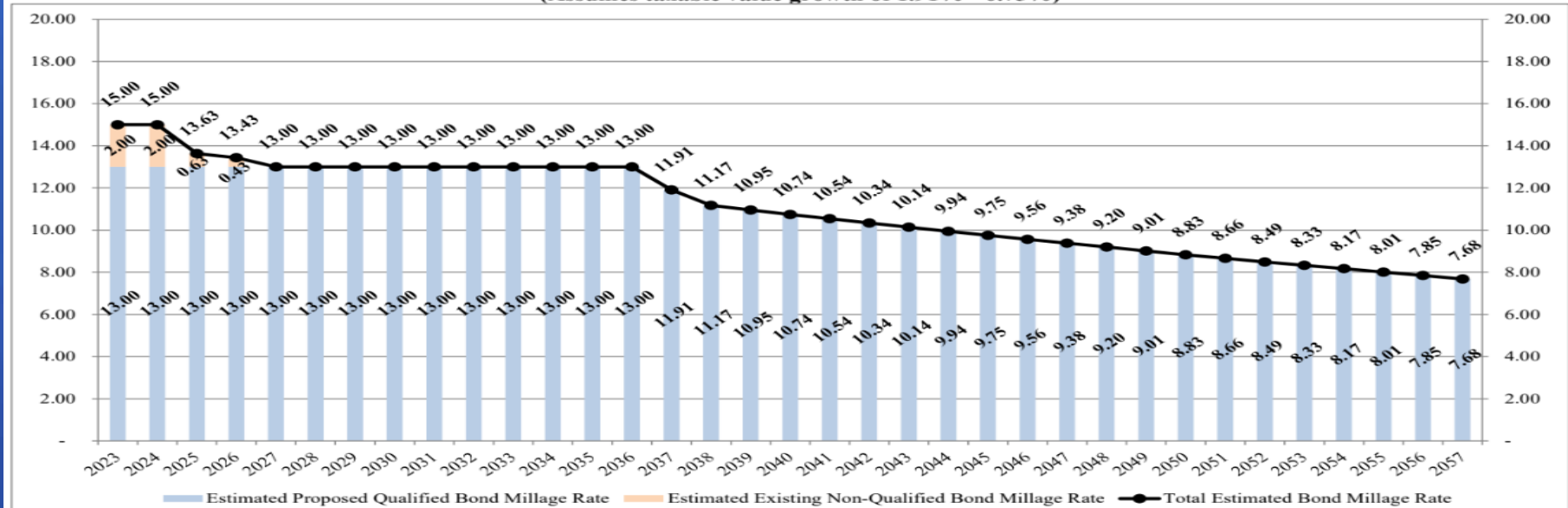


**SCHOOL DISTRICT OF THE CITY OF HAZEL PARK
OAKLAND COUNTY, STATE OF MICHIGAN**

COMPARISON OF ESTIMATED DEBT SERVICE MILLAGE RATES - CHART FORMAT
(Assumes taxable value growth of 1.93% - 5.75%)



ESTIMATED PROPOSED MILLAGE STUDY - CHART FORMAT
(Assumes taxable value growth of 1.91% - 6.75%)



15 Mills Option

13 Mills Option



Bond Payments					
Existing Bonds		Non-PPT Proposed Bonds			Total Annual Payments
PPT Payments	Non-PPT Payments	2024 Bonds	2026 Bonds	2028 Bonds	
		\$19,265,000	\$54,365,000	\$76,370,000	
\$6,263,981	\$0	\$0	\$0	\$0	\$6,263,981
6,445,676	-	2,386,308	-	-	8,831,984
5,590,794	-	3,721,525	-	-	9,312,319
5,585,365	-	606,395	3,682,946	-	9,874,706
5,413,989	-	606,395	4,428,370	-	10,448,754
5,437,814	-	606,395	2,329,268	2,816,276	11,189,753
3,379,734	-	1,606,395	2,329,268	3,535,845	10,851,242
2,493,148	-	1,595,895	2,329,268	4,633,443	11,051,754
2,481,091	-	1,583,483	2,329,268	4,869,893	11,263,735
1,120,002	-	1,569,108	3,729,268	5,055,623	11,474,001
111,713	-	1,552,720	4,338,168	5,681,453	11,684,054
-	-	1,534,270	4,275,918	5,865,928	11,676,116
-	-	1,513,708	4,221,030	5,937,815	11,672,553
-	-	1,490,983	4,188,080	5,995,315	11,674,378
-	-	1,466,045	4,151,005	6,058,270	11,675,320
-	-	1,438,845	4,109,705	6,120,748	11,669,298
-	-	1,404,333	4,064,080	6,201,973	11,670,386
-	-	917,685	4,014,030	6,745,310	11,677,025
-	-	169,788	3,969,455	7,540,123	11,679,366
-	-	159,800	3,899,800	7,617,613	11,677,213
-	-	154,950	3,835,875	7,685,625	11,676,450
-	-	150,000	3,767,125	7,758,075	11,675,200
-	-	145,000	3,693,450	7,808,150	11,646,600
-	-	140,000	3,614,750	7,485,150	11,239,900
-	-	135,000	3,532,250	7,155,350	10,822,600
-	-	130,000	3,447,250	393,750	3,971,000
-	-	125,000	3,359,750	-	3,484,750
-	-	120,000	3,219,750	-	3,339,750
-	-	115,000	3,079,750	-	3,194,750
-	-	110,000	2,434,750	-	2,544,750
-	-	105,000	525,000	-	630,000
\$44,323,307	\$0	\$27,360,026	\$96,898,627	\$122,961,728	\$291,543,688
Bond Principal		\$19,265,000	\$54,365,000	\$76,370,000	\$150,000,000
Interest		\$8,095,026	\$42,533,627	\$46,591,728	\$97,220,381
Interest Rates		3.05% - 5.00%	3.05% - 5.00%	3.05% - 5.00%	

Bond Payments							
Non-PPT Proposed Bonds						Total Annual Payments	
2024 Bonds	Millage	2026 Bonds	Millage	2028 Bonds	Millage		
\$25,720,000		\$71,095,000		\$53,185,000			
\$0	-	\$0	-	\$0	-	\$5,007,981	
3,225,885	5.65	-	-	-	-	8,335,961	
3,446,323	5.65	-	-	-	-	8,651,917	
1,037,770	1.47	2,858,748	4.18	-	-	9,201,083	
1,037,770	1.37	3,419,100	4.29	-	-	9,870,859	
1,037,770	1.13	3,419,100	3.73	2,025,956	0.86	11,920,640	
1,037,770	1.31	3,419,100	4.33	2,423,070	2.92	10,259,674	
1,037,770	1.35	3,644,100	4.74	2,813,070	3.69	9,988,088	
1,037,770	1.35	3,411,338	4.44	3,060,395	4.07	9,990,594	
1,037,770	1.35	3,411,338	4.44	4,423,620	5.82	9,992,730	
1,037,770	1.35	4,361,338	5.67	4,483,413	5.84	9,994,234	
1,037,770	1.35	4,455,713	5.80	4,501,555	5.85	9,995,038	
1,037,770	1.35	4,454,133	5.79	4,504,065	5.86	9,995,968	
1,037,770	1.35	4,449,893	5.79	4,506,128	5.86	9,993,791	
1,037,770	1.21	4,442,913	5.19	4,512,380	5.28	9,993,063	
2,072,770	2.31	5,318,113	5.93	2,602,248	2.91	9,993,131	
2,071,713	2.27	5,312,800	5.82	2,607,885	2.85	9,992,398	
2,072,573	2.23	5,316,665	5.71	2,606,345	2.80	9,995,583	
2,075,028	2.19	5,313,870	5.60	2,607,770	2.75	9,996,668	
2,073,740	2.15	5,309,215	5.49	2,611,883	2.70	9,994,838	
2,073,600	2.10	5,312,268	5.39	2,608,390	2.65	9,994,258	
2,049,250	2.04	5,332,105	5.31	2,612,440	2.60	9,993,795	
2,032,250	1.98	5,367,275	5.24	2,593,498	2.54	9,993,023	
2,012,750	1.93	5,381,250	5.16	2,602,423	2.49	9,996,423	
1,940,750	1.83	5,445,750	5.12	2,607,710	2.45	9,994,210	
1,868,750	1.73	5,514,250	5.09	2,614,250	2.41	9,997,250	
1,796,750	1.63	5,576,000	5.05	2,622,250	2.37	9,995,000	
1,724,750	1.53	5,640,750	5.02	2,632,000	2.34	9,997,500	
1,652,750	1.44	5,692,750	4.96	2,653,250	2.32	9,998,750	
1,580,750	1.35	5,772,000	4.94	2,645,250	2.27	9,998,000	
1,443,750	1.21	5,921,500	4.97	2,634,250	2.22	9,999,500	
-	-	7,337,000	6.04	2,655,250	2.19	9,992,250	
-	-	7,334,250	5.93	2,651,500	2.14	9,985,750	
-	-	-	-	9,899,000	7.85	9,899,000	
-	-	-	-	9,870,000	7.68	9,870,000	
\$49,667,372	57.16	\$147,944,625	155.16	\$104,191,244	106.58	\$342,868,948	
\$25,720,000		\$71,095,000		\$53,185,000		\$150,000,000	
\$23,947,372		\$76,849,625		\$51,006,244		\$151,803,241	

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How do we generate \$150 Million with both 15 Mills and 13 Mills?

15 Mills Option

- \$150,000,000 Bond Proceeds
- \$97,220,000 in interest payments over the life of financial instruments

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13 Mills

- \$150,000,000 Bond Proceeds
- \$150,803,000 in interest payments over the life of financial instruments
- Front loaded more bond revenue in Series 1 and 2 than in the aforementioned scenario



Why are we calling this a 30 year bond when our payment period for 13 Mills extends through 2057?

- The Bonds sold in 2028 will be for 30 years and with the last payment extending on those bonds through 2057.

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How often can you refinance the Bonds once they are sold?

- Bonds can be refinanced every 10 years.
- 30 year bonds can be refinanced essentially twice at the 10 and 20 year marks



What's the amount of the Sinking Fund and the difference between the Sinking Fund and the Bond?

- Sinking Funds –

- 3 Mills approved by voters
- Actual Levy is 2.6911 Mills due to Headlee Rollback
- Estimated funding for 2023 is \$1,316,000
- As property values rise the Mills levied are reduced.
- Capital improvement, Safety/security and Technology
- Expires in 2028

- Bond –

- Levy taxes to cover the repayment of the financial instruments as they mature
- Levy mills until debt is extinguished

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Will we pay more interest with the 13 Mills Bond option vs the 15 Mills Bond option?

As indicated in the earlier slide, more interest will be expended because we are generating less revenue to pay down principle throughout the repayment schedule

Why do we need a new Elementary School?



- Up to date learning facilities
- Upgrading an old building provides a savings overall but the facility was built for learning 80 years ago and is not aligned with current teaching methods

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Why can we not renovate Longfellow as a new Elementary?

- Size of the building limits the needed learning spaces
- Due to the lack of educational use the building would require to be brought up to current code
- Limited grounds and parking space compared to other options



What are the next steps in the process if Pre- Qualification Application approved?

- BoE approval of the Pre Q Application on 12/20/2023
- Submit Pre-Qualification Application by December 22, 2023 and allow Treasury 30 days to provide comment
- BoE approves Ballot Language and calls election on 1/22/24
- BoE submission of Ballot Language to County Clerk by 2/13/24

Future meeting dates for Bond Community Outreach?



- January 16, 2024

12:30 pm to 2 pm

5:30 pm to 7 PM

- January 23, 2024

12:30 pm to 2 pm

5:30 pm to 7 PM

Old vs New – Recent Projects



Old vs New – Recent Projects



Old vs New – Bathrooms



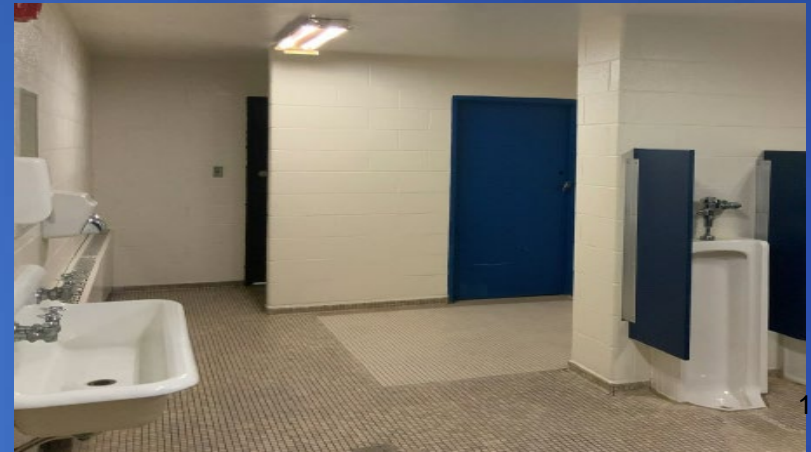
Current – Hoover



Current – Webster



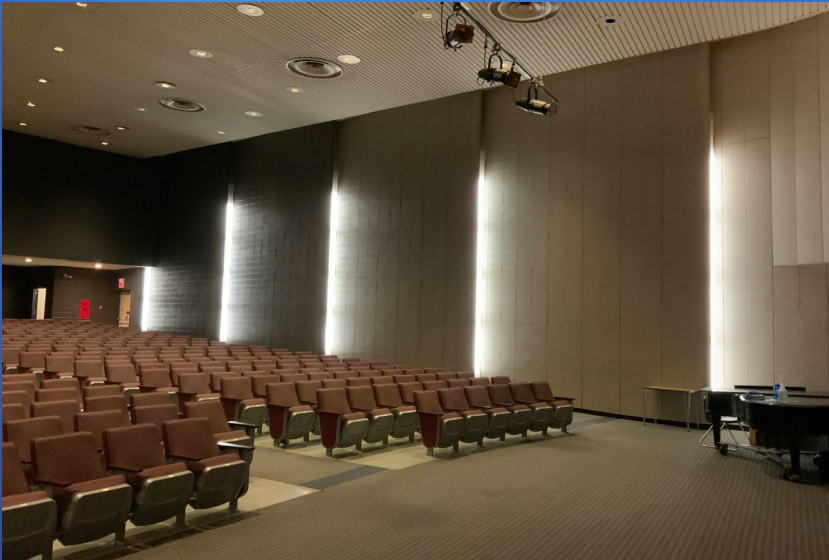
Current – Webb/Jardon



Current – High School



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Current – Ford Building



Current – Roosevelt



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Current – Camp Hazelwood





Thank You

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Questions & Discussion



Thank You

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Questions? & Discussion