

NO TAX RATE INCREASE
EXPECTED OVER THE CURRENT RATE



NOVEMBER 2023 ELECTION

SUPPORT FHPS BONDS & MILLAGES “101”

Everything you wanted to know but were afraid to ask

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Did you know that funding for school district buildings and facilities is controlled by local districts? This is why it’s so important to support the health and integrity of Forest Hills Public Schools and our community by saying YES to bond and millage proposals.

On November 7, 2023, residents within the Forest Hills Public Schools district will be asked to support a Bond and a Millage proposal. This helpful guide will help explain the “why” behind bonds and millages, how they work, and what these specific ballot proposals mean for Forest Hills voters. We combed through all of the district literature, videos and presentations and are breaking this down to a “101” level.

Believe it or not, school budgets are built on the premise that local districts are proposing regular bonds and millages to their residents. You’ll learn more about why this is the case in this guide.

You also need to know that voter turnout for these off-year elections is low, and we need every eligible, registered voter to show up for Forest Hills Public Schools this year and every year!

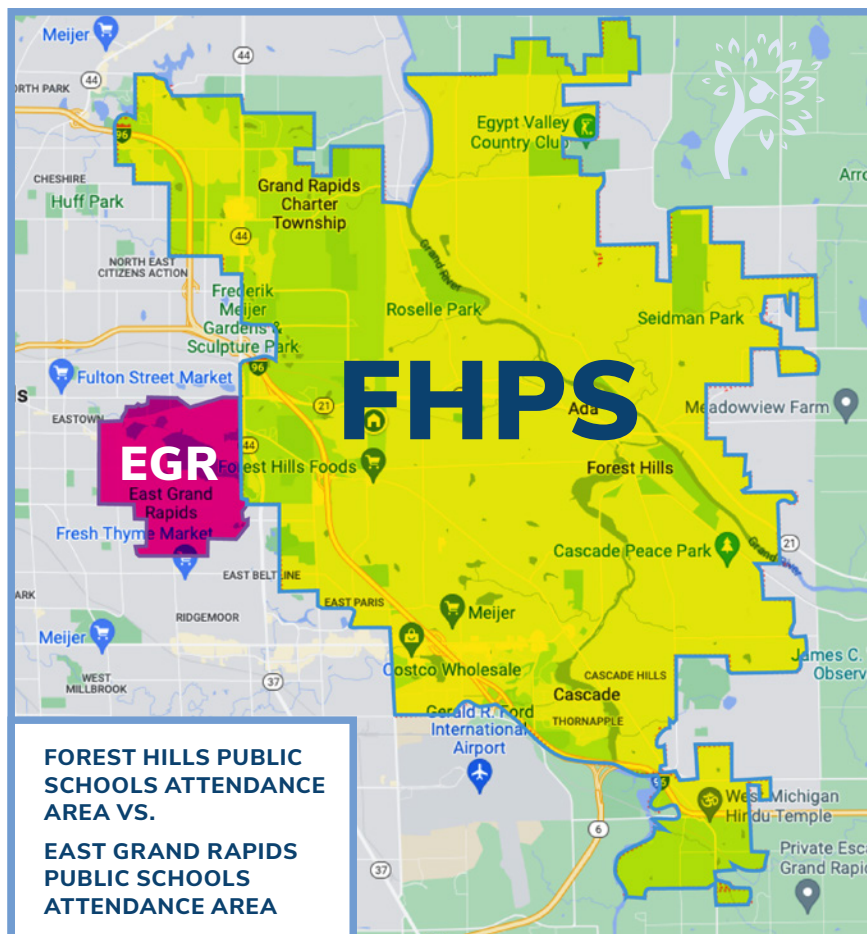
NEIGHBORS, BE AWARE

Bonds and millages have always passed in Forest Hills, but there is a local attack group, Forest Hills for Just Education, following the coordinated national strategy to disparage our public schools and is known for publishing intentional lies and disinformation to dupe voters. They even paid for a hit piece mailer over in Algoma to encourage local residents to leave the Kent District Library. Please turn to [Support FHPS](#) and [Forest Hills Public Schools](#) for the facts.

Do not trust any claims made or published by Forest Hills for Just Education. This is

the group that attempted two frivolous and politically motivated recall attempts against FHPS that would have cost the district \$100,000. They have harassed our school board and educators for over two years, tried to ban books and have verbally assaulted students at board meetings. This group is not rooting for the success of FHPS but concerned with hyper-partisan political attacks that jeopardize the integrity of our top-ranked school district. We were founded in 2021 to defend our district from these efforts and to advocate for the support, safety and success of all students.

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FOREST HILLS PUBLIC SCHOOLS IS A UNIQUELY LARGE DISTRICT TO FUND

Forest Hills Public Schools serves over 9,300 students and is one of the largest in Michigan geographically, encompassing 68 square miles, 18 school buildings, a fine arts center, an aquatic building, a senior center and many more buildings. The sheer size of our district means our buses travel more miles. We also have buildings that range in age from 19 years old to 69 years old. Just like with any home or facility, we need to continually address repairs to keep our buildings safe and functional to provide an optimal experience for students. Repairs are always the first preference, but in some cases, the needs point to renovations or new construction.

This is where bonds and millages come in. First, let's quickly review how school budgets are set.

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HOW DO SCHOOL BUDGETS WORK, ANYWAY?

To understand how schools are funded in Michigan, [please watch this 3-minute video.](#)

Funding outside of facilities is set by the state of Michigan through the School Aid Fund and their School Foundation Allowance, which yields a “per-pupil” allowance. (This is not to be confused with the Forest Hills Public Schools Foundation, a nonprofit organization run by district supporters to fund educator grants.)

The School Foundation Allowance is Forest Hills Public Schools’ largest source of revenue. In the video, you’ll see that the State of Michigan expects or assumes that every school district is levying 18 mills against non-principal residences, but Forest Hills Public Schools has only levied 17.5 mills. Increasing the mill by .5 will bring in an additional \$395,000 in revenue.

HERE’S HOW A SCHOOL BUDGET IS EXPECTED TO BE ALLOCATED:

- 65-70% of a school district’s budget is spent in the classroom for teachers, paraprofessionals, textbooks and online materials to support textbooks, and classroom supplies.
- 30-35% is dedicated to supporting classrooms with services from speech therapists, social workers, guidance/school counselors, psychologists, occupational therapists, nurses and media specialists. This also covers administrators, including principals, assistant principals, athletic directors, school secretaries.

THE REMAINDER GOES TO:

- The operating budget for maintaining school buildings
- Transportation services
- District administration services
- 85-90% of the budget is for personnel while only 10-15% is for non-personnel to cover utility costs for buildings, buses, fuel, and repair for buses, school and office supplies, textbooks, and business expenses like auditing and insurance.

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WHAT DOES FOREST HILLS PUBLIC SCHOOLS' BUDGET LOOK LIKE?

Forest Hills Public Schools publishes its financial and budget transparency data on its website ([visit here](#)). Not only is Forest Hills Public Schools audited, but it must also adhere to state laws for transparency and reporting and has earned the highest ratings for its reporting accuracy.

In looking over its budget, it's easy to see how much Forest Hills Public Schools allocates to non-personnel costs. For example, their 2023-2024 general fund budget adoption is [posted here](#) and shows:

- Operation & Maintenance \$11,648,715
- Pupil Transportation \$6,287,850

These line items address utility costs, buses, fuel, repair for buses and more. While it sounds like a lot, remember that we have 26 buildings across 68 square miles that vary in age. Consider this: in 2015, Forest Hills Public Schools assembled an expert [Task Force](#) to evaluate options for the administration building. Nearly 10 years ago, the estimate for renovations to that building alone were over \$5.9 Million! Imagine that in today's dollars.

Now you know why a district of our size needs all the support it can get to support over two dozen buildings.

Repairs would need to come out of the operating budget, because we cannot fund them with bonds. This is why we often find – as evidenced by the 2015 task force report, that renovations and repairs are a comparable cost. Through the 2015 analysis and other examples, the district has also learned that repairs do not solve all of the needs. The operating millage can help to fund repairs, but again, the numbers above show a very tight budget even with the millage.

Without bonds, more of these operational needs and repairs would need to take away from other line items in the general fund. Any reduction in revenue can immediately result in large gaps in the budget. State law mandates balanced budgets which means gaps must be closed with immediate actions, such as a reduction in staff, which can negatively affect student programs.

It's critical to understand that law prohibits Forest Hills Public Schools from moving funds between line items. This is why

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FHPS can't just “move things around” to cover repairs and avoid renovations. That's a fallacy. They also cannot use these funds to cover educator salaries or programs.

We need to protect the general fund to prioritize our students, classrooms and programs, textbooks, and business expenses like auditing and insurance.

WHAT EXACTLY ARE BONDS AND MILLAGES?

Each local district is responsible for generating funding for capital improvement through local school district millage proposals. There are two types:

- **Bond Millage Proposals:** A request to approve millage for a set number of years to allow the school district to sell bonds for a certain amount to provide immediate **funding to construct or renovate school buildings and facilities**. The bonds are paid like a mortgage, with the ongoing millage funding the payments. The district typically accesses the funds in phases.
- **Sinking Fund Millage Proposals:** A request to approve millage for a set number of years to allow the school district to **fund repairs and other building improvements**. The millage provides an annual, ongoing stream of revenue and the district does not take on the debt of selling bonds in the marketplace. Districts either save money from the ongoing millage for a future project or use the revenue stream to fund ongoing repairs to buildings.

WHY ISSUE BONDS AT ALL?

Up until this latest education budget, the State of Michigan's per-pupil School Foundation Allowance DID NOT include infrastructure. This year, our Governor and Legislature added money for the first time, but only \$250 million to cover every single school in Michigan.

As explained, all facilities and infrastructure are expected to be funded at the local level. Obviously, this is highly inequitable. We are lucky to live in a district that can afford to issue bonds for our infrastructure. Without the bonds, that money must come from the district operating budget and directly reduces the amount of money a district can spend on the day-to-day educating of their students.

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DOESN'T FOREST HILLS PUBLIC SCHOOLS STILL OWE ON PAST BONDS?

Yes! However, this is to be expected because of the way that school budgets are structured to rely on local districts to use bonds and millages to meet their building and facility needs. This article lists [all of the districts](#) around the state that requested bonds during the April 2023 election. This is a natural and routine process for school districts, libraries and other facilities and services.

This is also why it is unreasonable and unrealistic to expect that “schools learn to operate within the budget they have and not incur debt.” The State of Michigan expects them to do this and without it, we would have an unbalanced budget and need to consider unfortunate consequences for our staff, students and classrooms. Our students, property values and the strength of Forest Hills Public Schools depend on us!

Just like a mortgage, debts are paid and eventually retire, which is how and why Forest Hills Public Schools intentionally times its bond proposals to complement each other to maintain a consistent rate on your tax bills.

You can see [FHPS's debt repayment](#) schedule here. [Moody's issues Forest Hills Public Schools](#) an Aa2 rating. Aa2-rated bonds are considered safe investments and offer investors a reliable opportunity for stable income with a higher degree of safety compared to lower-rated bonds.

While FHPS is still paying off old debt, it has a lower interest rate. Some is set to retire. For example, a 2013 series will be retired in May 2024.

The tax rate isn't expected to increase even with adding in new debt from the 2023 bond because of a combination of old debt having lower interest rates, retiring some debt, and increased property values.

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WHY IS THERE AN OPERATING MILLAGE?

This was covered in the short videos on how school budgets are established. This millage is only on non-primary residences and businesses. You will see this listed on your tax bill as “FHPS Operating,” showing the mills levied and the amount you are charged. \$0 will be listed for your “homestead” property.

Second, the State of Michigan expects every district to levy 18 mills on non-homestead property. The State knows how much each district would collect if levying 18 mills and subtracts that amount from the “foundation funding” it sends to the district. This is true whether a district levies this millage or not. This is expected base funding. This is not an “additional” tax to fund schools. (The bonds are additional.)

EXPLAIN THE IMPACT ON MY PROPERTY TAX BILL

Each municipality structures their tax bills differently. For example, Cascade and Grand Rapids Township break their taxes into different line items while Ada groups theirs together. This also means the tax rate percentages appear differently across municipalities (e.g. 6% or 7%).

Each municipality or county tax is visible on your bill. Look up your property tax bill breakdown here.

- [Ada Township](#)
- [Cascade Township](#)
- [Grand Rapids Township](#)

On your property tax bill, you will likely see three lines that reference Forest Hills Public Schools:

- Forest Hills Debt = bond repayment
- Forest Hills Oper = operating (the non-homestead)
- Forest Hills Rec = recreation millage (used to support recreation programs-community enrichment, etc.)

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You should also know these definitions:

- Bond Tax is the ballot proposal item, for which there is expected to be no tax rate increase
- Bond Debt is the amount Forest Hills Public Schools is working to retire through their outlined debt schedule

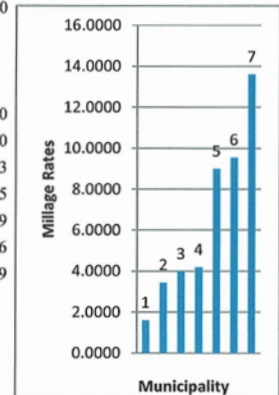
Because our schools rely on bonds, this is a steady line item on your property tax bill and the combination of lower interest, retiring debt and timing of the new bonds is intended to keep it that way.

The numbers will be different for every single taxpayer based on the value of your property and your municipality, which is why Forest Hills Public Schools cannot provide one specific number. Check your property tax bill to see what this looks like for your household.

COMPARISON OF LOCAL GOVERNMENT 2021 TAX LEVY

		Home Value	\$ 150,000	\$ 200,000	\$ 250,000	\$ 300,000	\$ 350,000	\$ 400,000	\$ 450,000	\$ 500,000
		Taxable Value	\$ 75,000	\$ 100,000	\$ 125,000	\$ 150,000	\$ 175,000	\$ 200,000	\$ 225,000	\$ 250,000
Millage Rate	% greater than GRT									
1.5995	1	GR Township	\$ 120	\$ 160	\$ 200	\$ 240	\$ 280	\$ 320	\$ 360	\$ 400
3.4381	2	115% Cascade Twp*	\$ 258	\$ 344	\$ 430	\$ 516	\$ 602	\$ 688	\$ 774	\$ 860
3.9730	3	148% Ada Township	\$ 298	\$ 397	\$ 497	\$ 596	\$ 695	\$ 795	\$ 894	\$ 993
4.1807	4	161% Plainfield Twp	\$ 314	\$ 418	\$ 523	\$ 627	\$ 732	\$ 836	\$ 941	\$ 1,045
8.9950	5	462% GR City*	\$ 675	\$ 900	\$ 1,124	\$ 1,349	\$ 1,574	\$ 1,799	\$ 2,024	\$ 2,249
9.5429	6	497% Kentwood City*	\$ 716	\$ 954	\$ 1,193	\$ 1,431	\$ 1,670	\$ 1,909	\$ 2,147	\$ 2,386
13.5963	7	750% EGR City	\$ 1,020	\$ 1,360	\$ 1,700	\$ 2,039	\$ 2,379	\$ 2,719	\$ 3,059	\$ 3,399

Above amounts are determined by multiplying millage rate times taxable value in thousands
*Additional 1% Administration Fee charged by municipality



GRT PROPERTY TAX ALLOCATION BY TAXING AUTHORITY

	Mils	% of Total		Mils	% of Total		Mils	% of Total
Forest Hills Sch Dst	7.0845	24.15%	Northview Sch Dst	8.1778	26.88%	EGR School Dist	11.5799	34.23%
State Education	6.0000	20.46%	State Education	6.0000	19.72%	State Education	6.0000	17.74%
Kent County	6.1521	20.97%	Kent County	6.1521	20.22%	Kent County	6.1521	18.19%
KISD	5.5157	18.81%	KISD	5.5157	18.13%	KISD	5.5157	16.30%
GRCC	1.7307	5.90%	GRCC	1.7307	5.69%	GRCC	1.7307	5.12%
Kent District Library	1.2484	4.26%	Kent District Library	1.2484	4.10%	Kent District Library	1.2484	3.69%
Grand Rapids Twp	1.5995	5.45%	Grand Rapids Twp	1.5995	5.26%	Grand Rapids Twp	1.5995	4.73%
	29.3309	100.00%		30.4242	100.00%		33.8263	100.00%

https://www.grandrapiddstwp.org/services/treasurer/property_tax.php

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WE’RE IN UNCERTAIN TIMES, HOW CAN I FEEL MORE AT EASE ABOUT THE POTENTIAL FOR A TAX INCREASE?

Forest Hills Public Schools says there is expected to be NO tax rate increase from the current rate. [Read about the bond proposal here.](#)

Consider this: In 2018, Forest Hills Public Schools asked voters for a bond proposal with NO expected increase to taxpayers, providing \$130 million to fund capital improvements phased in over eight years. The first phase was in April 2019 for \$38 Million. We have not had any tax increases. In fact, the debt mil reduced slightly between 2018 and now.

The new bond will span 21 years instead of 8 years like the last two bonds were. We will not issue all \$340M bonds all at once.

Also remember that the millage is for non-homestead properties. [Read about the millage proposal here.](#)

HISTORICAL TAX RATES FOR GRAND RAPIDS TOWNSHIP PRINCIPAL RESIDENCE EXEMPTION PROPERTIES 2005-2021

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Kent County	5.3140	5.3940	5.3940	5.3940	5.3940	5.3940	5.3940	5.3940	5.3940	5.6196	5.6196	6.0596	6.0518	6.2947	6.2584	6.2100	6.1521
Kent Intermediate School District	4.6453	4.6903	4.6903	4.6903	4.6903	4.6903	4.6903	4.6903	4.6903	4.6903	4.7903	4.7903	5.6694	5.6465	5.6113	5.5684	5.5157
Kent District Library	0.8800	0.8800	0.8800	0.8800	0.8800	0.8800	0.8800	0.8800	0.8800	0.8800	1.2800	1.2800	1.2774	1.2733	1.2661	1.2581	1.2484
Grand Rapids Township	1.5995	1.5995	1.5995	1.5995	1.5995	1.5995	1.5995	1.5995	1.5995	1.5995	1.5995	1.5995	1.5995	1.5995	1.5995	1.5995	1.5995
Grand Rapids Comm College	1.7865	1.7865	1.7865	1.7865	1.7865	1.7865	1.7865	1.7865	1.7865	1.7865	1.7865	1.7865	1.7788	1.7716	1.7606	1.7472	1.7307
State Education	6.0000	6.0000	6.0000	6.0000	6.0000	6.0000	6.0000	6.0000	6.0000	6.0000	6.0000	6.0000	6.0000	6.0000	6.0000	6.0000	6.0000
Sub Total All GRT Residents - excluding school millages	20.2253	20.3503	20.3503	20.3503	20.3503	20.3503	20.3503	20.3503	20.3503	20.9759	21.0759	21.5159	22.3769	22.5856	22.4959	22.3832	22.2464
East Grand Rapids School debt	9.7817	9.8206	9.7881	9.7881	8.4426	8.4244	8.4426	8.4426	8.4403	10.9374	10.4301	10.4414	10.4331	10.4237	10.4165	10.4085	10.3996
East Grand Rapids School rec					1.3455	1.3455	1.3455	1.3455	1.3395	1.3316	1.312	1.2894	1.2678	1.2428	1.2245	1.2035	1.1803
Total Millage for Residents in the East Grand Rapids School District	30.0070	30.1709	30.1384	30.1384	30.1384	30.1202	30.1384	30.1384	30.1301	33.2449	32.8180	33.2467	34.0778	34.2521	34.1369	33.9952	33.8263
Forest Hills Public School debt	7.6000	7.3000	7.3000	7.5000	7.0500	7.4000	7.7000	7.9000	7.9000	7.8000	7.7000	7.6000	7.6000	6.9000	6.6500	6.6500	6.1000
Forest Hills Public School rec					1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	0.9973	0.9945	0.9901	0.9845
Total Millage for Residents in the Forest Hills School District	27.8253	27.6503	27.6503	27.8503	28.4003	28.7503	29.0503	29.2503	29.2503	29.7759	29.7759	30.1159	30.9769	30.4829	30.1404	30.0233	29.3309
Northview School debt	8.9572	6.2056	6.2056	5.2256	4.4756	4.4756	4.4756	8.2056	8.2056	8.185	8.1652	7.5021	7.4946	7.4865	7.5064	7.4866	7.4709
Northview School rec				0.7500	0.7500	0.7500	0.7500	0.7500	0.7500	0.7500	0.7500	0.7428	0.7381	0.7330	0.7286	0.7165	0.7069
Total Millage for Residents in the Northview School District	29.1825	26.5559	26.5559	25.6759	25.6759	25.6759	25.6759	29.3059	29.3059	29.9109	29.9911	29.7608	30.6096	30.8051	30.7309	30.5863	30.4242

https://www.grandrapidswp.org/services/treasurer/property_tax.php

We have also seen Forest Hills Public Schools keep honest to their estimates during past projects, adjusting for inflation. They also build their project estimates with the anticipation of rising material costs and inflation. This is not the case with other districts, which have had to come back to voters to ask for additional funding to cover inflation, [like in Caledonia.](#)



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WHAT IS FOREST HILLS PUBLIC SCHOOLS PROPOSING WITH THIS BOND AND WHY \$340 MILLION?

Forest Hills Public Schools is trying to plan ahead for the next generation and has transparently outlined the specific projects they’re anticipating. [View them here!](#)

Rather than come back to voters so often, they are proposing a longer time frame. The 2018 bond was for \$130 Million over 8 years and the 2023 bond is for \$340 Million for 21 years with improvement projects through 2031.

The district has consistently studied the current and projected needs of school buildings and educational programs to determine a facility plan. They supplement this information with staff input, district leaders and the board of education.

The proposal spans 26 different buildings with varying needs.

PROPOSED PROJECTS:

Ada Elementary
\$11.5MM



Learning environments, mechanical, paving, playground

Ada Vista
\$4MM



Roofing, mechanical, paving, playground

Collins Elementary
\$1.0MM



Paving, playground

Knapp Forest
\$8.3MM



Learning environments, mechanical, playground

Meadow Brook
\$13.1MM



Learning environments, mechanical, paving, playground

Orchard View
\$1.9MM



Mechanical, paving, playground

Pine Ridge
\$4.8MM



Mechanical, paving, playground

Thornapple
\$1.8MM



Mechanical, paving, playground

©Photos and project info from [Forest Hills Public Schools, 2023-bond-and-operating-millage-powerpoint-slides.pdf](#)

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PROPOSED PROJECTS:

Central Woodlands 5/6
\$12.7MM



Learning environments, mechanical, playground

Northern Trails 5/6
\$13.1MM



Learning environments, mechanical, paving, playground

Goodwillie 5/6
\$3.5MM



Learning environments, mechanical, roofing, playground

Central Middle
\$0.4MM



Mechanical, paving

Northern Hills Middle
\$19.0MM



Learning environments, mechanical, roofing

Eastern Middle/High
\$16.5MM



Mechanical, paving, roofing, additional access drive

Central High
\$41.2MM



Learning environments, mechanical, roofing, paving

FHC Outdoor Athletics
\$10MM



Turf base/softball fields, expand tennis courts, light auxiliary turf field

FHE Outdoor Athletics
\$18.5MM



Relocate and turf base/softball fields, expand tennis courts, add auxiliary turf field

Northern High
\$23.7MM



Learning environments, roofing, mechanical, paving

FHN Outdoor Athletics
\$28.3MM



Turf base/softball fields, expand tennis courts, add auxiliary turf field, stadium improvements

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PROPOSED PROJECTS:

NEW Aquatic Center
\$51.6MM



For regulation swim/
dive/water polo meets/
tournaments and
community use

**Community & Aquatic
Center** \$8.1MM



Fill in current pool and
repurpose, update
remainder of facility

Fine Arts Center
\$11.4MM



Update portions of the
facility, mechanical,
roofing,

Food Service Facility
\$0.5MM



Generator, roofing

WHY IS A NEW AQUATIC CENTER INCLUDED IN THE PROPOSED PROJECTS?

The current pool is 30 years old and is nearing the end of its expected useful life. It is scheduled at all hours of the day to try to accommodate.

The proposed aquatic center would have two pools — a larger competition pool to provide the opportunity to host larger, post-season athletic events, and a smaller, warmer, zero-entry pool would better support our non-competitive aquatic programs. The new aquatic center would support athletics, community wellness, and student clubs. Located on the campus of the FHPS Fine Arts Center and the administration and transition center building, it would provide additional space for events, practices, and meets, and provide more space for large gatherings. Community members are also experiencing access issues with the pool, and this new pool is intended to be shared with the community to support programs such as swimming lessons, senior swimming, lap swim, and more.

WHAT WILL HAPPEN TO THE CURRENT COMMUNITY AND AQUATIC CENTER?

The current pool would be filled in and the area would be repurposed. Ideas are not finalized but include additional spaces for our community enrichment programming and meeting spaces. The building is also scheduled for updating to better accommodate the change in our community programming.

Transportation Center
\$16.5MM



Update facility, roofing,
mechanical

**Technology, Buses,
Furniture, Fixtures, &
Equipment** \$41.2MM



Life-cycle replacement
of infrastructure,
equipment, devices,
buses, etc.

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Here are just some of the things that parents across the community have shared about why they are **voting YES**:

“Three high schools and three middle schools have to share one pool, along with the community services and we simply do not have the space we need.”

“Swimming and water polo are the only sports that we know of that are not equipped to be able to host regional or state level meets because the current aquatic center is too small. For a program of our caliber, this is really frustrating because we are always the visiting team and far less funded districts are able to host these events.”

“Our swim and dive programs are suffering due to the poor facilities.”

“The facility is over 30 years old and beyond repair. The locker rooms are poorly designed.”

“Forest Hills Eastern was added to our district after the current aquatic center was built.”

“The current aquatic center is awful and many of our swimmers have experienced illnesses because of poor ventilation.”

“Our kids have to travel to Jenison to practice or go to the Y because we don’t have enough space for all of the teams, otherwise they are practicing at all hours of the night and very early in the morning and having to drive a ways to get there.”

“By designing a proper facility, we can generate revenue by hosting USA Swimming events, YMCA team swim meets, and larger high school competitions. The district can also save on travel expenses to other meets and practice pools and use the budget for other operational needs.”

November 7, 2023

VOTE **YES**



FHPS BOND



FHPS MILLAGE



KDL MILLAGE



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