

To the Taxpayers This is a \$450 Million Bond.

The nights are getting colder, everything is pumpkin spiced and the kids are all back at school...that can only mean one thing. Fall is finally here in Michigan. Fall is my favorite time of year but in Rockford I have noticed that 2 of the past 7 falls have had a focus on RPS bond requests.

Bonds are loans given to our schools with our homes in the RPS school district as collateral, think of them like a second mortgage on your home.

After we approved the 2019 RPS Bond for 174 million dollars we started paying back the loan, and this is the part I never understood; As Taxpayers, we are responsible for the principle AND INTEREST. The Bond that we approved for 2019 gave the schools \$174 million but we pay the bond company \$153 million in interest (~5%). So, over the course of paying back the 2019 Bond it will cost taxpayers \$327 million. Almost half of what we pay is going to debt, not our kids, not our future. The 2025 bond will generate \$230 million for the schools but will cost us \$450 million.

Just like mortgages, the timeline on RPS bonds is 30 years. My daughter is in 8th grade. The 2019 Bond will be with her through college, through 5 years of work while living in Rockford before she has my grandkids and they will be in 7th grade before that debt is paid. If we approve the 2025 bond my Grandkids will be out of high school before its paid. It feels wrong to ask my daughters to pay for their own elementary education.

Bonds do not financially support teachers or students. "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." That language is on the 2025 bond and was on the 2019 bond. It says in short, this money can only be used for new building construction, buying new equipment.

Lastly, while enrollment in RPS has fallen ~6% since 2019, RPS total revenue is up about 40% from \$95m in 2019 to \$138m in 2024. I see the value in public education, I donate my time and money directly to my local school...I struggle to see the financial pinch here. We have less kids and significantly more money.

There is another option. Say no to this Bond asking our kids to pay for their own K-12 education. Instead, let's ask RPS to use their Sinking Fund Millage; If fully utilized (3 mils) they can generate \$9m per year without tax payers paying interest on the loan. The Sinking Fund would represent a 50% savings to the taxpayers. It might take a bit more time but it also allows growth to happen more naturally. The last time we gave RPS a Bond they built an Elementary school we didn't need and then closed Parkside Elementary, a crushing blow for downtown families and a \$55m mistake for taxpayers.

Check out Transparency for RPS Taxpayers on Facebook, it is very informative for how bonds work.

Robbie Augustine
Rockford, MI