

**COMPARISON OF USES OF SINKING FUND  
MILLAGE AND OTHER FINANCING ALTERNATIVES**

Uses	Sinking Fund  MCL §380.1212	Voted or Non-Voted Bonds  MCL §380.1351a	Non-Voted Bonds Paid from Sinking Fund  MCL §380.1351a	Energy Bonds  MCL §380.1274a	Installment Purchase Agreements (“IPA”) and Finance Leases under Act 99  MCL §123.721
New Construction	Yes	Yes	Yes	No	Limited
Remodeling	Yes	Yes	Yes	Limited	Limited
Technology Infrastructure	Yes	Yes	Yes	Limited	Limited
Site Improvements	Yes	Yes	Yes	No	Limited
Equipment	No	Yes	No	No	Yes
Technology Equipment <sup>†</sup>	Yes*	Yes	Yes*	Installed Energy Controls	Yes
Security Equipment <sup>§</sup>	Yes*	Yes	Yes*	No	Yes
Buses	No	Yes	No	No	Yes
Repairs (curative rather than preventative measures)	Yes	No	No	No	No
Limits on levy, bond issue size, or period of expenditure	<p><u>For proposals voted before March 2017,</u> Number of Mills: Up to 5 mills for up to 20 yrs. Pay as you go.</p> <p><u>For proposals voted after March 2017,</u> Number of Mills: Up to 3 mills for up to 10 yrs. Pay as you go.</p> <p>Proceeds received annually. Spend as needed, no time limit.</p>	<p>Voted Bond issue size: 15% of SEV or if SBLF Qualified, no debt limit unless unable to repay SBLF loans, if any, on series within 6 years after maturity.</p> <p>Non-voted bond issue size: Total bonded debt of District may not exceed 5% of SEV.</p> <p>Proceeds of each series received up front. Must expect to spend at least 85% of proceeds of each series within 3 years.</p>	<p>Bond issue size determined by: (1) amount of annual debt service which can be funded from annual proceeds of sinking fund mills levied, also (2) Non-voted bond issue size: Total bonded debt of District may not exceed 5% of SEV.</p>	<p>Energy Conservation Improvements and Hazardous Materials removal only. Windows, roofs, doors, boilers, unit ventilators, controls, lighting. <u>No debt limit</u> on bonds issued.</p>	<p>Purchase of real or personal property. Term cannot exceed 15 years and amount cannot exceed 1-¼%.</p>

\* Only effective for sinking fund proposal approved by the voters after March 2017.

† Limited to instructional technology for student use other than off-the-shelf application software. Does not include upgrades or administrative or teachers’ computers.

§ Limited to capital improvements or purchases that deter unauthorized entry or otherwise promote security.