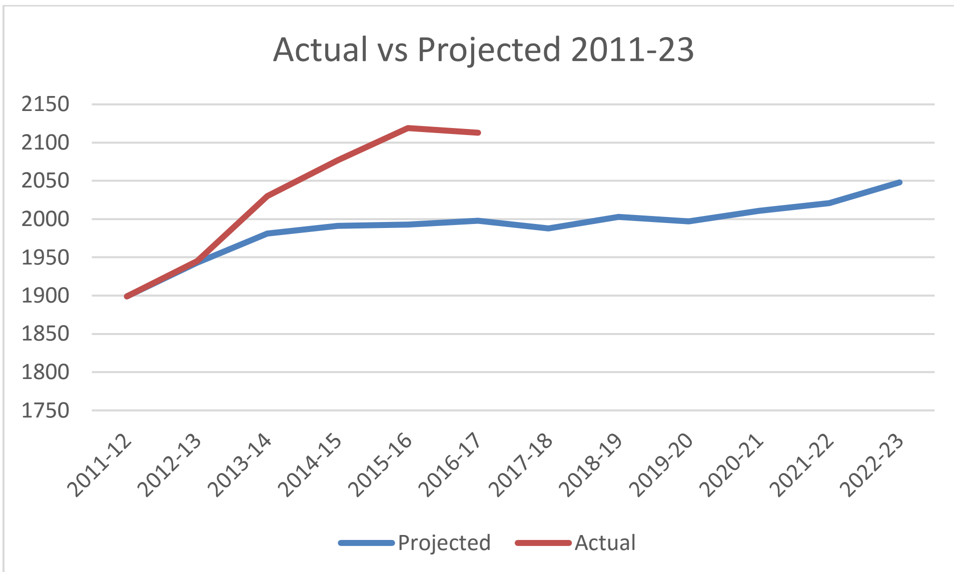
Bond Election

Frequently Asked Questions

1. Why do we need to run a Bond Election?

In March 2013, a Population and Enrollment Forecast for 2013-2022 was prepared by McKibben Demographic Research. The forecast for the 2016-17 school was a total K-12 enrollment of 1998 students. The actual enrollment in October was 2113, which is more than the predicted enrollment of 2048 students in the year 2022-23. We have already surpassed the ten-year prediction maximum.



	11-12	12-13	13-14	14-15	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23
Projected	1899	1943	1981	1991	1993	1998	1988	2003	1997	2011	2021	2048
Actual	1899	1945	2030	2077	2119	2113						

Laurel's enrollment is expected to grow into the foreseeable future. From 2007 to 2016, our student population has increased by 219 students with the elementary experiencing the largest increase with 181 students in grades K-8. The high school has increased by 38 students.

Our community is growing with additional housing projects and subdivisions being developed. Our buildings are already over capacity as all three elementary schools have modular buildings on site to address the overcrowding. Laurel Middle School was built for 600 students and at the start of the 17-18 school year, 702 students were enrolled. Laurel High School is at capacity with some teachers sharing classroom space and traveling to different rooms to teach a classes.

2. A new middle school was built in 2007, why didn't we add onto the elementary schools at that time?

When the district addressed the building deterioration and overcrowding of the "old middle school" and the overcrowding issue in the elementary schools, the district was limited to 50% of its taxable value per state law at the time. This only provided the district with ~ $10.2 million to address all of the facility and educational needs. In 2015, the legislature amended that law allowing schools to bond up to 100% of their taxable value. (See MCA 20-9-406 (b))

For the current school year, Laurel experienced approximately a $2.7 million increase in its taxable value bringing it up to about $48, 207,165 in the elementary. The high school's taxable value is currently $ 47,448,309. As the taxable value increases, the number of mills levied on an individual decreases. In other words, as we continue to grow and expand our tax base, the individual taxpayer's liability will be reduced as more individuals and businesses pay taxes.

3. How many bonds are outstanding and when do they expire?

Bond Project	Maturity Date	Balance
Laurel High School Roof	July 2021	$420,000
Laurel Middle School	July 2025	$5,340,000
Laurel High School Remodel (Depot and Office Addition)	July 2025	$1,790,000
Laurel School District Stadium	Dec 2028	$2,690,000

Payments on the bond are paid semi-annually.

4. What is this going to cost me?

The estimated total tax impact for the bond is provided below. Remember, the taxable value is NOT the market value of your home. It is typically less than the market value and can be located on the tax notice you receive from Yellowstone County.

For both levies, the cost is $125.32 per year ($10.44/month) on a home with a taxable value of $100,000. The breakdown by district is shown below.

Estimated Total Tax Impact	Est. Mills	on a $100,000 home per year
Elementary General Obligation Bonds $37,639,000	66.18	$ 89.34
High School General Obligation Bonds $14,924,000	26.66	$ 35.98
Total K-12 GO Bonds on November 7, 2017	92.83	$ 125.32

5. What is the difference between a Bond and a Mill Levy?

A bond is typically used when a district needs to secure large sums of money to complete building projects (i.e. new roof on a building, new boiler or building a school). A bond would be similar to a mortgage on a home. A mill levy is typically used to pay the ongoing and daily expenses of the district (i.e. salaries, utilities, supplies, equipment, etc.). This would be similar to your monthly home expenses.

Both a bond and a voted mill levy require voter approval. A bond is for a specified amount of time not to exceed 20 years. A mill levy becomes permanent or "in perpetuity". This would be similar to getting a raise in your paycheck in that it becomes part of your ongoing monthly income.