

Bond Referendum Process – Frequently Asked Questions

1. What is a Bond Referendum?

A bond referendum is a voting process that gives voters the power to decide if a District should be authorized to raise funds through the sale of bonds, for specific purposes. A general obligation bond (GO Bond) is long-term borrowing in which a District pledges its full faith and credit (taxing power) to repay the debt over a specified term.

2. Why issue bonds?

There are three primary ways to finance the construction of major capital projects - use current revenues, capital reserve funds (setting aside money over time), and the issuance of debt (bonds or installment financing). Bond financing is often used for major capital projects that are above and beyond the scope of the annual operating budget and are for facilities/ infrastructure that will be used for many years in the future. The use of bonds makes capital projects more affordable and puts less stress on the District's budget. By using bonds to finance these projects, we can pay for them in installments over time rather than needing all the money at the outset, yield better interest rates depending on an agency's credit ratings and receive funding from the State of New Jersey.

3. What Projects will this Bond Referendum Include?

- Pavement replacement
- Playground area improvements
- Playground equipment replacement
- Athletic Field improvements
- Window replacement
- Door replacement
- Roof replacement
- Interior floor replacement
- Toilet room renovations
- New acoustical ceilings
- Multi-purpose room upgrades
- Electrical upgrade

4. I am a resident of Mine Hill Township but I have no children in the schools; why should I vote "yes" on this Referendum?

The Canfield Avenue School is the Centerpiece of the Mine Hill community. In addition to serving as Mine Hill's only school building, community groups, recreational sports, and outside organizations use the premises on a regular basis. In addition, having well-maintained academically successful schools in a community can positively impact property values. Also, passing the referendum will result in further savings, as the district will receive between 30% and 40% back from the state on approved projects. If the bond doesn't pass, the district will still need to maintain the building, but the projects will take longer and cost more.

5. If the referendum is approved, what happens next?

If the voters reject a bond issue, the projects cannot be funded using GO Bonds, and the district will not receive the 30% to 40% savings. In addition, maintenance projects may be delayed, potentially costing more money to taxpayers as construction costs continue to rise. If the voters approve a bond issue, the District can move forward with borrowing funds to finance projects listed above and save money on all state approved projects.

6. What happens if voters don't approve the bonds?

If bonds do not pass, some projects may be postponed or eliminated. If the projects are critical, then the District could decide to fund them through alternative means to meet the need at greater cost to the taxpayers.

7. How long will this bond be in effect?

The Bond will be in effect for 20 years.

8. How is the debt on bonds repaid?

The repayment of bonds is spread out over a number of years, so costs are shared by current and future taxpayers. This provides for more equitable funding by all taxpayers who will benefit from the bond projects. When this bond is issued, taxes will NOT be increased for property owners to pay the debt.

9. When does the Board of Education expect projects to begin?

Projects are planned to be awarded in March 2022 and the projects will begin May 2022.

10. What happens to my property taxes if the referendum is approved?

Neutral, NO tax impact to the taxpayers of Mine Hill.

11. Is the State of New Jersey providing additional funding?

The district will be reimbursed between 30%-40% on State Approved Projects.

12. Who can I Contact with Questions?

Lee Nittel (Superintendent), Carolina Rodriguez (Business Administrator) or School Board members.

13. Where and when is the vote taking place?

Special School District Election will be held from 7 am to 8 pm on Tuesday, September 28, 2021 at the Mine Hill Municipal Building.

14. Why are these facility improvements needed?

Some of the projects are needed due to compliance issues and or need for replacement. As the building ages, it is important to maintain the facility regularly, to keep costs down and maintain a safe environment for staff and students.

15. How will these improvements impact learning? Students' performance relies on a variety of factors, such as aptitude, motivation and morale, environment, attendance and alertness. According to several research studies, the condition of learning facilities can affect student performance in several of these areas. Lack of airflow, uncomfortable temperatures in the classroom, and deteriorating conditions in the building all contribute to a lack of motivation and concentration for most students and adults. Keeping our facilities up to date and operating in a safe manner directly impacts our students' ability to learn and do their best!

16. Will the proposals in this referendum benefit the Mine Hill community? If passed, this will save Mine Hill Taxpayers approximately \$900,000. It will also guarantee that the district's only school building is updated and maintained for many years to come!