

The Drexel R-IV School District is proposing a \$1,950,000 bond issue on the April 2<sup>nd</sup>, 2024 General Election Ballot. This bond issue is a no tax rate increase to the debt service levy. If approved, the bond issue will provide funds to implement controls, recondition, and replace ductwork within the District's heating, ventilation, and air conditioning (HVAC) systems; to install security access controls; to install new interior and exterior doors and locks; to add exterior lighting; to complete roof repairs, to resurface parking lots and playground; to the extent funds are available, complete other repairs and improvements to the existing facilities of the District.

## **Drexel R-IV School District PROPOSITION BOBCATS**

### **Frequently Asked Questions:**

**Q: Is this a simple majority issue?**

A: No, a bond issue requires a 4/7 majority, or 57.14%.

**Q: When will the projects be completed?**

A: The projects will be completed during the summer of 2024, with projects beginning as soon as school is out in May and completed by the time school resumes in August.

**Q: Is this a tax increase bond issue?**

A: No, voter approval of the \$1.95 million bond issue will not increase the District's current debt service tax rate levy.

**Q: When will the general obligation bonds be paid off?**

A: The current general obligation bonds are set to be paid off in 2038, if this bond issue is approved it will extend the debt service levy to 2044.

**Q: How is the tax levy calculated on my property?**

A: Taxes are calculated on the assessed value, not the market value. You can look at your property tax receipt to determine the assessed value.

**Q: How much is the general obligation bond issue for?**

A: \$1,950,000

**Q: What will the bond money be used for?**

A: If approved, the bond issue will provide funds to implement controls, recondition, and replace ductwork within the District's heating, ventilation, and air conditioning (HVAC) systems; to install security access controls; to install new interior and exterior doors and locks; to add exterior lighting; to complete roof repairs, to resurface parking lots and playground; to the extent funds are available, complete other repairs and improvements to the existing facilities of the District.

**Q: Has the district used general obligation bond funds in the past?**

A: Yes, the district has approved bond issues in 1996 for \$1.1 million, in 2004 for \$1.3 million in 2014 for \$2.0 million and in 2019 for \$1.35 million. In 2004 the issue passed with 84.79% in 2014 with 81.68% and in 2019 with 78.67%.

**Q: Can general obligation bonds be paid off early?**

A: Yes, the bonds contain an optional redemption (call) feature to prepay bonds with no penalty and provides an opportunity to take advantage of lower interest rates in the future. Since 1996 the district has used these features to save \$1,224,529 in future interest payments – which is a savings to the district's taxpayers.

**Q: Will local investors have an opportunity to purchase the general obligation bonds?**

A: Yes, the bonds will be available to local investors prior to being offered to others. If you are interested in purchasing some of the bonds, let the District offices know and they will insure you are contacted after the election. Bonds are available for purchase in \$5,000 increments.

**Q: What type of rating will the general obligation bonds have?**

A: The District can expect to receive an AA+ rating by Standard & Poor's Corporation on the general obligation bonds. Missouri school Districts issuing general obligation bonds for construction purposes are eligible in most cases to participate in the State of Missouri Direct Deposit Program. This program provides each issuer with an AA+ rating.

If you have any questions or for more information, please contact:

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