

Rootstown Schools Debt (Credit) Limits



- Voted Bonds – Unlimited General Obligation – Property Tax Backed
 - Basic limit is 9% of Assessed Valuation, or
 - Special Needs with State approval, or
 - Unlimited, if in the State Facility Program
 - But LFI's must be 50% of less Master plan Project Cost
- In numbers, this means:
 - 9% x \$193,589,280 or **\$17,423,035**
 - **\$20,459,278** if District qualifies for Special Needs
 - **\$?** - Amount based on project cost and LFI's
- Unvoted Bonds – Limited Tax General Obligation – Property Tax
 - .10% of Assessed Valuation or **\$193,589.00**

Rootstown Schools Debt (Credit) Limits



- Voted Income Tax Backed Bonds – Limited Tax General Obligation
 - Amount limited to Masterplan Costs only (no LFI), and
 - Must be repaid over 23 years or less, and
 - Annual payments cannot exceed the District’s 10-mill debt limit
 - Currently the 10-mill debt limit available for the District is \$1,463,736 per year
- In numbers, at the most this means:
 - \$1,463,736 per year
 - 23 year term
 - 4.25% interest rate
 - Finances **\$21,218,019**

Rootstown Schools Debt (Credit) Limits



- Certificates of Participation (COPs) – Lease Purchase Financing
 - Amount limited to ability to make payments, and
 - Must be repaid over 30 years or less, and
 - Must be for essential assets
- In numbers, this means:
 - Per \$100,000 per year in income
 - Income can come from operation levy, permanent improvement levy, or income tax
 - May also come for JEDD revenue, operating savings, and the sale of land
 - 30 year term
 - 5.25% interest rate
 - **Finances \$1,500,000**

Rootstown Schools Debt (Credit) Limits



- Permanent Improvement Levy Notes
 - Term cannot exceed 10 years
 - May only borrow up to $\frac{1}{2}$ of P.I. collections over the next ten year period
- In numbers, this means:
 - Per 1.00 Mill levy = \$193,589.00 per year
 - Times 10 years = \$1,935,890
 - Divided by 2 = **\$967,945**