



North Central Area Schools Bond Frequently Asked Questions

General Questions

1. Why is a bond proposal being considered?

North Central Area Schools buildings are over 50 years old; [facilities assessments](#) done on the buildings, starting back in 2021, have identified more than \$26 million in infrastructure needs. The District attempted to pass a sinking fund in 2024 to address some of these infrastructure needs, but that was unsuccessful. With the help of a \$15.4 million Section 12d Consolidation Grant, the District has the opportunity to address the infrastructure needs and consolidate from 2 buildings into one modern, efficient campus.

2. What would the bond do?

The additional \$10.3 million, with the \$15.4 million Section 12D grant (\$25.7 million) would consolidate operations from two buildings to one to create a state-of-the-art learning environment. This single district school building would create modern classrooms, upgrade security systems, integrate cutting-edge technology, and secure the long-term stability of the District.

3. What is the additional \$10.3 million bond above the \$15.4 million Section 12D grant for?

Infrastructure issues at North Central Jr/Sr High School, such as plumbing, foundation, electrical, and roofing issues would be eliminated from the scope of the project without the approval of the additional funding. These needs would not go away, and would need to be addressed in the very near future.

4. What happens if the tax payers do not support the \$10.3 million bond on November 4, 2025?

If the bond proposal is not approved by voters, North Central Area Schools will still proceed with the consolidation of operations to the Powers campus using the \$15.4 million state Section 12d Internal Consolidation Grant already awarded. However, without the additional bond funding, the project's overall scope and facility improvements would be reduced to fit within the grant's budget.

5. What will happen to North Central Area Elementary in Hermansville?

The District is already working with the township to repurpose the building, as NCA does not intend or want the building to go to waste.

6. Was there ever a thought of keeping the school in Hermansville, rather than move to Powers?



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Yes, extensive options were explored on both sites, but because of the acreage available in Powers (26 acres) compared to the small site available in Hermansville (4 acres), a school and supporting elements for all students wouldn't fit in Hermansville.

7. Would revenue be generated from the sale or use of the old building?

It is possible that if the district sold the building it could generate additional revenue. However, the district is hoping to find a way to work with the township to utilize the building for the good of the community.

8. Will there be cost savings operationally by consolidating?

Yes, by taking one school building offline, the district will save money annually on operational costs such as: heat, electricity, busing, etc.

9. What is a positive outcome of consolidation?

The potential for increased enrollment is a possibility with a new/improved building. Additionally, the district is able to accommodate for this potential growth in the planning of the consolidated building.

10. What are the benefits for retirees and the community?

A bond proposal would allow the district to maximize the useful life of the facilities, creating a state-of-the-art building for current and future Jets. Great communities have great schools, and by supporting the schools, everyone in the community benefits. Passing the bond would also help ensure that there would be educated and skilled graduates to contribute to the future of the community.

11. How old are the two buildings?

The original building in Powers (North Central Area Jr/Sr HS) was built in 1948. The building in Hermansville (North Central Area Elementary) was built in 1970.

12. Are the buildings in such rough shape because they were not maintained well?

Even with proper maintenance, all buildings will require certain infrastructure improvements, such as new heating systems and roofs. These large-scale projects cannot be supported by the district's current annual budget.

Section 12D Grant Questions



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13. Can you explain the criteria NCA had to meet in order to receive the Section 12D Grant funding of \$15.4 million?

In order to qualify for the State of Michigan Section 12D grant, a district in the state of Michigan needed to have failed multiple bond attempts, have declining enrollment trends, and be willing to consolidate operations (taking one building offline; ie. Going from 3 buildings to 2, or 2 buildings to 1).

For more information, please visit:

<https://www.michigan.gov/mde/services/financial-management/grants/section-12d-2>

14. How long do you have to use the \$15.4 million Section 12D grant?

North Central Area Schools must use the \$15.4 million received by 2028; additionally, the grant money must be used to consolidate the school buildings from two into a singular location.

15. Why do you need the \$10.3 million millage on top of the \$15.4 million grant award?

The \$15.4 million state Section 12d Internal Consolidation Grant provides funding to support the merger of NCA's two campuses into one location. However, the grant alone does not cover the full cost of constructing new facilities or addressing all identified infrastructure needs. The proposed \$10.3 million bond would provide the additional local funding necessary to complete the full scope of the planned project at the Powers site.

16. Does the Section 12D grant money get spent first, or the bond money?

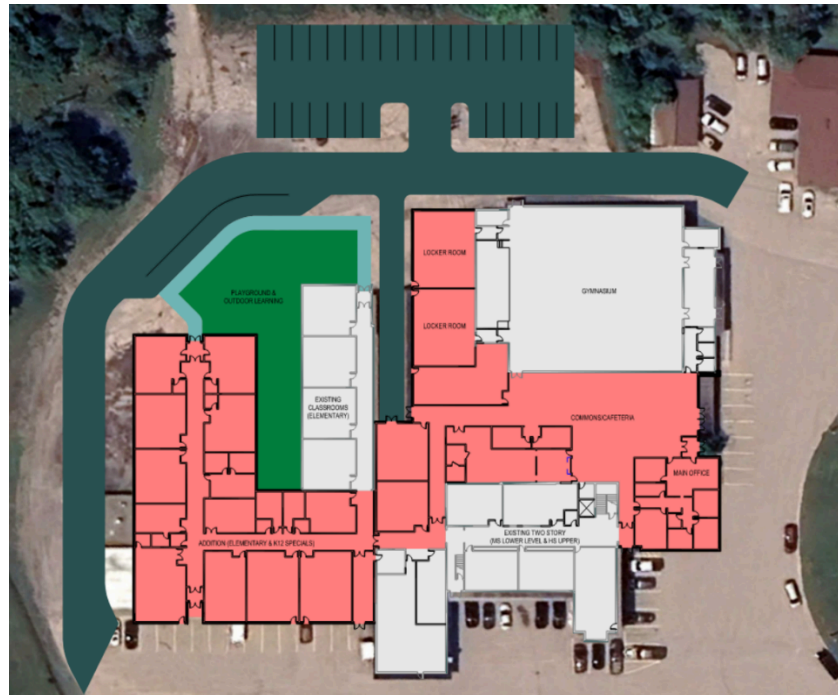
The grant money needs to be spent by the end of 2028, so the project will utilize the grant money first, and then the money from the bond.

Project Scope Questions

17. What spaces will be repurposed at the existing North Central Junior/Senior High School?

One of the requirements of the [Section 12D grant](#) was that districts need to utilize existing space from their current buildings. After conversations with our team, the current gymnasium, original two-story building, and our current junior high school wing will be utilized in the new building.

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18. Will one gymnasium space be adequate for students with the consolidation over to one building?

The District is confident that there will be adequate gym space for all students, with scheduling considerations and the potential use of both cafeteria space and community spaces. Numerous districts our size have one gymnasium for their entire district.

19. Is there a wrestling room or a new elevator included in the proposed bond plan?

While we are replacing our outdated elevator to comply with ADA (Americans with Disabilities Act) standards with this proposed bond project, a wrestling room is on our “wish list.” The wrestling room could potentially be included as an additional space if the bond is supported and bids come in favorably.

20. How many students will the consolidated, renovated North Central School fit?

The District currently has 310 students, and with the proposed bond plan, we are building for a capacity of 350-375 students.

21. Is all of the new construction on the ground level? Is the addition single-story or two story?



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Yes, all new construction will be a single story building. The existing two-story portion of the existing North Central Junior/Senior High School will remain, and be lightly renovated to blend with the updated, additional portions of the school.

22. How can community members utilize the updated/renovated/added spaces?

Our community will be able to utilize common spaces, such as the cafeteria or gymnasium, in our new building, similarly to what has been done in the past.

23. Is a new playground included in the proposed bond project scope?

Yes, a new playground is anticipated and planned for the updated facility

Bond Funding & Millage Impact Questions

24. What is the total project cost, including the Section 12D grant?

\$25,700,000 is the total project cost; \$15,400,000 of that project cost (NEARLY 60%!) will be paid by the Section 12D consolidation grant. The remaining \$10,300,000 would potentially be funded through the proposed bond question on November 4, 2025.

25. What is the tax impact of the bond proposal?

There would be a projected increase in the debt levy of \$2.20 mills over the current debt levy.



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NORTH CENTRAL AREA SCHOOLS COUNTY OF MENOMINEE, STATE OF MICHIGAN SCHOOL BUILDING AND SITE BONDS (GENERAL OBLIGATION - UNLIMITED TAX)

SUMMARY OF THE ESTIMATED MILLAGE IMPACT BASED ON A \$9.9 MILLION PROJECT AMOUNT WITH A NOVEMBER 2025 VOTE, BONDS ISSUED IN 2 SERIES, 18 MONTHS APART AND MAXIMUM BOND TERM OF 22 YEARS

Scenario Table No.	Bond Amount	Estimated Capitalized Interest	Estimated Bond Proceeds for Project	Bond Term	Estimated Total Interest Cost	Estimated Interest Rate	Ballot Info		Maximum Total Mills All Debt	Increase (Decrease) in Debt Levy*
							First Year Millage*	Average Millage		
22 Year Bond Term										
Pre-Election2										
Series 2026	\$2,065,000	\$68,145	\$1,947,247	15 yrs., 3 mo.	\$799,975	4.40%				
Series 2027	8,235,000	215,294	7,952,753	21 yrs., 9 mo.	5,998,669	4.70%				
Total	\$10,300,000	\$283,439	\$9,900,000		\$6,798,644	4.64%	2.80	3.56	3.92	2.20

*The estimated mills in the first year for the new bonds is 0.60 higher than the millage change over the 2025 debt levy since the debt levy for the existing debt is projected to decrease by 0.60 mill with the 2026 debt levy.

ASSUMPTIONS:

- a debt levy of 1.72 mills for 2024 and 2025.
- November 2025 vote, first series dated February 2026 and second series dated August 2027.
- an annual change in Taxable Value of 4.50% for the next 5 years and 3.0% thereafter.

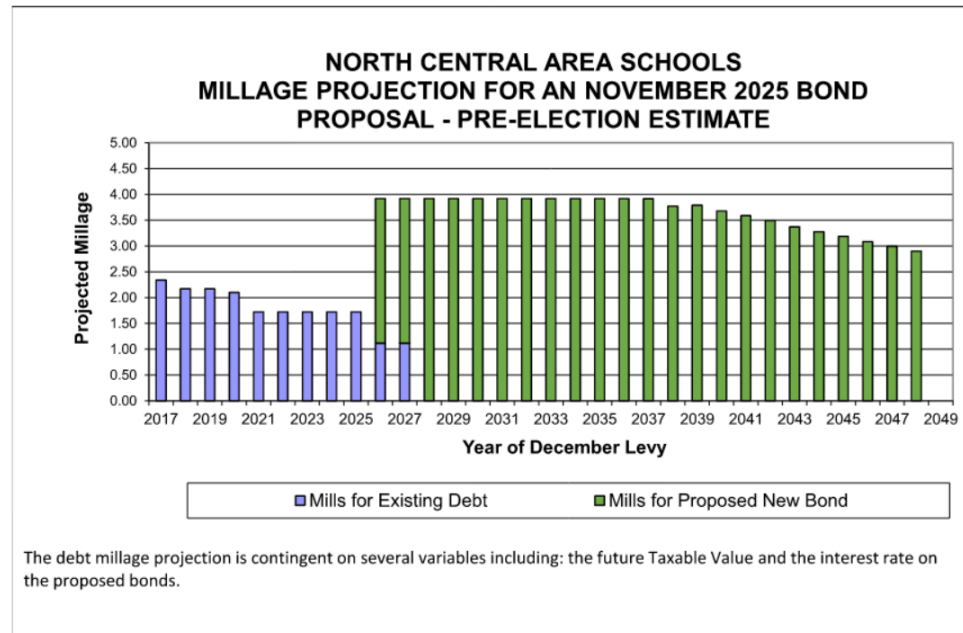
NOTATION:

- The interest rates shown above are estimates. The actual interest rates will be determined at the time of sale. Changes in interest rates may impact the millage required. Changes in interest rates may impact the millage required. The final millage will be based on actual interest rates and bond payments, and actual taxable values.

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26. Will all \$25.7 million be used for buildings, or for staff salaries?

None of the \$25 million will be used for staff salaries, and all of the funding (Section 12D grant and proposed bond millage) will go directly towards the completion of this project, as stated in the proposed [bond language](#).

27. Are there tax exemptions available?

Yes, there is a Homestead Tax Exemption that taxpayers of North Central Area Schools should explore. The form is the MI-1040CR Tax Exemption Form, and you can find additional information about it here:

<https://www.michigan.gov/taxes/-/media/Project/Websites/taxes/Forms/IIT/TY2024/MI-1040CR.pdf>

<https://www.michigan.gov/taxes/-/media/Project/Websites/taxes/Forms/IIT/TY2024/MI-1040CR-Instructions.pdf?rev=82cc0535eb2b4cb2a9bb35e99e803e1d&hash=984BF2B14BF1A8252329AD64393ADC39>

28. As a taxpayer, if I die, are the remaining community members carrying an additional tax burden if the bond is successful?

No, taxes are paid by whoever purchases your property.

29. Does the existing millage remain with this new addition?



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Yes, the current millage of \$1.72 from the 2014 bond remains through 2028; when that debt millage is paid off/falls off, the new millage would fill in that debt and add \$2.20 mills.

For more information on the millage, please visit:

<https://ncajets.org/ncabond25/millage-impact/>.

Construction Questions

30. When would construction begin?

Construction is anticipated to begin in Spring of 2027 and be completed for school to begin in the Fall of 2028, utilizing the Section 12D grant monies before the end of 2028.

31. What happens to students during construction?

Students would all temporarily relocate to the current North Central Area Schools Elementary school in Hermansville; throughout the phased construction at the current North Central Jr/Sr High School in Powers, students and staff will be safe. [Miron Construction](#), the general contractor on the project, has NEVER had an incident involving a student, staff member, or parent on any school project.

32. What kind of cost guarantees on the project do we have?

The project scope will be developed and executed to fit within current market conditions. Inflation and contingencies for potential unknowns will be factored into the final budgets.

33. Is contingency built into the budget, in case of surprises in the building?

Yes, a contingency will be built into the project budget to address unknown or unforeseen conditions. If the contingency is not needed, the remaining funds will be returned to the District.

Election Questions

34. Are there any area schools or municipalities proposing impacts on the ballot for November 2025?

No, the North Central Area Schools bond proposal is expected to be the only question on the ballot.



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35. What percentage of the taxpayers in the district are senior citizens?

According to the [Census Reporter](#), approximately 25% of the population within the North Central Area Schools district is 65 years old or older.

36. If the bond doesn't pass, can the District try again?

Yes, North Central Area Schools can go back to the taxpayers and ask for bond/millage support in the future. However, if the community does not support a bond proposal and consolidate from 2 buildings to 1 before 2028, the \$15,400,000 of Section 12D Grant funding will go back to the State of Michigan, and the millage impact will be significantly more. Also, inflation will continue, adding cost to the proposed project as it gets pushed out years into the future.

For More Information

37. Is there more information on the bond proposal available?

YES! Please visit the District's November 2025 Bond website:

<https://ncajets.org/ncabond25/>. Here, you will find information like:

- Preliminary Site Plans
- Recorded Presentation(s)
- Millage Impact Charts
- Ballot Question Information
- Facility Assessment
- Voting Information
- Tax Calculator

38. Is it possible to advertise board meetings and information sessions in LUFTs newsletter?

Yes, all future meetings will be put into the LUFTs ahead of time.