

Algonac Community Schools
2016 U.T.G.O. Bonds or Sinking Fund
Analysis of Additional Millage Impact on Homestead Properties

| | Additional Debt Millage | Home Cash Value | Taxable Value | Additional Millage | | | | After Tax Cost at 10% | | | |
|---------------------------------|-------------------------|-----------------|---------------|--------------------|---------|--------|--------|-----------------------|---------|--------|--------|
| | | | | Annually | Monthly | Weekly | Daily | Annually | Monthly | Weekly | Daily |
| 1 mill for Sinking Fund or Bond | 1.00 | \$400,000 | \$200,000 | \$200.00 | \$16.67 | \$3.85 | \$0.55 | \$180.00 | \$15.00 | \$3.46 | \$0.49 |
| | 1.00 | 300,000 | 150,000 | 150.00 | 12.50 | 2.88 | 0.41 | 135.00 | 11.25 | 2.60 | 0.37 |
| | 1.00 | 250,000 | 125,000 | 125.00 | 10.42 | 2.40 | 0.34 | 112.50 | 9.38 | 2.16 | 0.31 |
| | 1.00 | 200,000 | 100,000 | 100.00 | 8.33 | 1.92 | 0.27 | 90.00 | 7.50 | 1.73 | 0.25 |
| | 1.00 | 150,000 | 75,000 | 75.00 | 6.25 | 1.44 | 0.21 | 67.50 | 5.63 | 1.30 | 0.18 |
| | 1.00 | 100,000 | 50,000 | 50.00 | 4.17 | 0.96 | 0.14 | 45.00 | 3.75 | 0.87 | 0.12 |
| | 1.00 | 60,000 | 30,000 | 30.00 | 2.50 | 0.58 | 0.08 | 27.00 | 2.25 | 0.52 | 0.07 |

| | Additional Debt Millage | Home Cash Value | Taxable Value | After Tax Cost at 15% | | | | After Tax Cost at 25% | | | |
|---------------------------------|-------------------------|-----------------|---------------|-----------------------|---------|--------|--------|-----------------------|---------|--------|--------|
| | | | | Annually | Monthly | Weekly | Daily | Annually | Monthly | Weekly | Daily |
| 1 mill for Sinking Fund or Bond | 1.00 | \$400,000 | \$200,000 | \$170.00 | \$14.17 | \$3.27 | \$0.47 | \$150.00 | \$12.50 | \$2.88 | \$0.41 |
| | 1.00 | 300,000 | 150,000 | 127.50 | 10.63 | 2.45 | 0.35 | 112.50 | 9.38 | 2.16 | 0.31 |
| | 1.00 | 250,000 | 125,000 | 106.25 | 8.85 | 2.04 | 0.29 | 93.75 | 7.81 | 1.80 | 0.26 |
| | 1.00 | 200,000 | 100,000 | 85.00 | 7.08 | 1.63 | 0.23 | 75.00 | 6.25 | 1.44 | 0.21 |
| | 1.00 | 150,000 | 75,000 | 63.75 | 5.31 | 1.23 | 0.17 | 56.25 | 4.69 | 1.08 | 0.15 |
| | 1.00 | 100,000 | 50,000 | 42.50 | 3.54 | 0.82 | 0.12 | 37.50 | 3.13 | 0.72 | 0.10 |
| | 1.00 | 60,000 | 30,000 | 25.50 | 2.13 | 0.49 | 0.07 | 22.50 | 1.88 | 0.43 | 0.06 |

| | Additional Debt Millage | Home Cash Value | Taxable Value | After Tax Cost at 28% | | | | After Tax Cost at 33% | | | |
|---------------------------------|-------------------------|-----------------|---------------|-----------------------|---------|--------|--------|-----------------------|---------|--------|--------|
| | | | | Annually | Monthly | Weekly | Daily | Annually | Monthly | Weekly | Daily |
| 1 mill for Sinking Fund or Bond | 1.00 | \$400,000 | \$200,000 | \$144.00 | \$12.00 | \$2.77 | \$0.39 | \$134.00 | \$11.17 | \$2.58 | \$0.37 |
| | 1.00 | 300,000 | 150,000 | 108.00 | 9.00 | 2.08 | 0.30 | 100.50 | 8.38 | 1.93 | 0.28 |
| | 1.00 | 250,000 | 125,000 | 90.00 | 7.50 | 1.73 | 0.25 | 83.75 | 6.98 | 1.61 | 0.23 |
| | 1.00 | 200,000 | 100,000 | 72.00 | 6.00 | 1.38 | 0.20 | 67.00 | 5.58 | 1.29 | 0.18 |
| | 1.00 | 150,000 | 75,000 | 54.00 | 4.50 | 1.04 | 0.15 | 50.25 | 4.19 | 0.97 | 0.14 |
| | 1.00 | 100,000 | 50,000 | 36.00 | 3.00 | 0.69 | 0.10 | 33.50 | 2.79 | 0.64 | 0.09 |
| | 1.00 | 60,000 | 30,000 | 21.60 | 1.80 | 0.42 | 0.06 | 20.10 | 1.68 | 0.39 | 0.06 |

| | Additional Debt Millage | Home Cash Value | Taxable Value | After Tax Cost at 35.0% | | | | After Tax Cost at 39.6% | | | |
|--|-------------------------|-----------------|---------------|-------------------------|---------|--------|--------|-------------------------|---------|--------|--------|
| | | | | Annually | Monthly | Weekly | Daily | Annually | Monthly | Weekly | Daily |
| 1 mill for Sinking Fund or Bond and a 12 Year Amortization | 1.00 | \$400,000 | \$200,000 | \$130.00 | \$10.83 | \$2.50 | \$0.36 | \$120.80 | \$10.07 | \$2.32 | \$0.33 |
| | 1.00 | 300,000 | 150,000 | 97.50 | 8.13 | 1.88 | 0.27 | 90.60 | 7.55 | 1.74 | 0.25 |
| | 1.00 | 250,000 | 125,000 | 81.25 | 6.77 | 1.56 | 0.22 | 75.50 | 6.29 | 1.45 | 0.21 |
| | 1.00 | 200,000 | 100,000 | 65.00 | 5.42 | 1.25 | 0.18 | 60.40 | 5.03 | 1.16 | 0.17 |
| | 1.00 | 150,000 | 75,000 | 48.75 | 4.06 | 0.94 | 0.13 | 45.30 | 3.78 | 0.87 | 0.12 |
| | 1.00 | 100,000 | 50,000 | 32.50 | 2.71 | 0.63 | 0.09 | 30.20 | 2.52 | 0.58 | 0.08 |
| | 1.00 | 60,000 | 30,000 | 19.50 | 1.63 | 0.38 | 0.05 | 18.12 | 1.51 | 0.35 | 0.05 |

Prepared by Hutchinson Shockey Erley Co
Public Finance Department
100 Maple Park Boulevard, Suite 142
St. Clair Shores, MI 48021
(586) 782-7058

After Tax Based upon 2016 Rates for Married Filing Jointly

**Algonac Community Schools
Summary of Funds Generated
for Capital Improvements 2015 Actual Taxable Value**



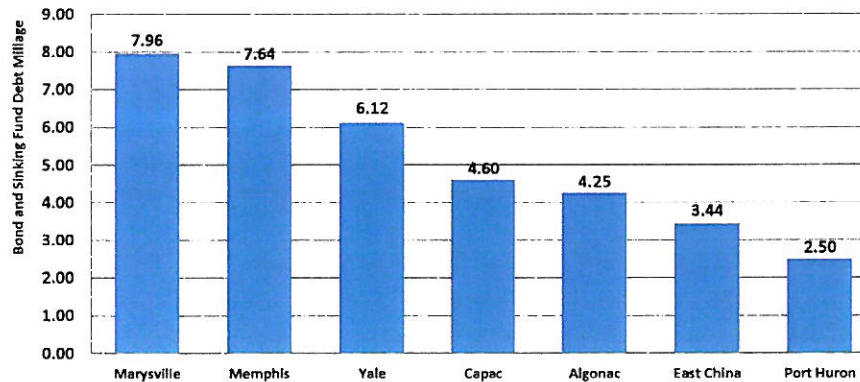
| Sinking Fund Vs Bonds | | | | | | |
|------------------------------------|--|---------------------------------------|------------------------------|--------------------------------|---------------------------|----------------------------|
| 5, 10, 15 and 20 Year Sinking Fund | | | | Bond Issue 15, 20 and 25 Years | | |
| Mills Levied | Annual Amount of Cash Available Issued | Total Amount of Cash Available Issued | Term of Sinking Fund (Years) | Mills Levied | Bond Issue Cash Available | Term of Bond Issue (Years) |
| 1.00 | \$587,129 | \$11,742,576 | 20 | 1.00 | \$8,565,000 | 30 |
| 1.00 | \$587,129 | \$8,806,932 | 15 | 1.00 | \$8,300,000 | 25 |
| 1.00 | \$587,129 | \$5,871,288 | 10 | 1.00 | \$7,680,000 | 20 |
| 1.00 | \$587,129 | \$2,935,644 | 5 | 1.00 | \$6,785,000 | 15 |

Assumptions

- 1) 2015 Taxable Value of \$185,636,645 and 0% growth in taxable value
- 2) Assumes an interest rate on the Bonds of 6% for 20 years, 5.5% for 15 and 5% for 10 years.

587128786

Comparison of Current Millage Rates



Prepared by
Hutchinson Shockey Erley & Co
Public Finance Department
586 782-7058