HOUGHTON-PORTAGE TOWNSHIP SCHOOLS



1603 Gundlach Rd. | Houghton, Michigan 49931 (906) 482-0450 | FAX (906) 487-5218 www.hpts.us ANDERS HILL – Superintendent

Houghton-Portage Township Schools Community,

We want to make sure that we address concerns in our district. As we move forward together, we're committed to sharing important information that will benefit both our school and community after voters approved the bond proposal in November, during a presidential election when the largest number of voters had a chance to weigh in and resolve this issue.

- Houghton-Portage Township School District continues to succeed and support our students and community. Just last month, US News & World Report ranked Houghton Elementary and Houghton Middle School as the top schools in the UP and both within the top 3% in the state. This has been the case for the past several years. Houghton High School was ranked by the same publication in the top 500 schools in the nation in science and math. This puts Houghton High School in the top 2% of all high schools in the UP last year. Our elementary school was ranked a National Blue Ribbon School last year and only the second in the UP ever. Our work supports a very important industry in our area, education and innovation. The honors above are due to student achievement and yet do not tell the story of our successful band, choir, robotics, extra curriculars, career and tech classes, AP classes, JROTC, elementary afterschool/ summer child care, free summer meals for all children 0 -18 in our community and athletics that make our district special. We have incredible dedicated teachers and educators.
- Looking solely at district debt levels fails to tell the complete story when comparing Houghton-Portage Township Schools to other districts. Among the 12districts we were compared to, we are one of only two schools that experienced growth over the past decade - our enrollment increased by 7% while nine districts lost an average of -15.5% of their students, and two districts maintained stable enrollment. The need for infrastructure investment in the UP is not unique to Houghton: five of these 12 districts attempted to pass bonds in the last 24 months, including Kingsford's \$34.5 million proposal and two other requests larger than Houghton's. However, voters rejected all five of these proposals. The needs of all these schools has not gone away, they will likely be going back to voters and asking them to support their mission, and we wish them luck. We are thankful that Houghton and Portage Township voters invested in our district.

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- In 2024, about 15% of Michigan school districts brought bond proposals to voters with an average request of \$43.7 million dollars. We are thankful that voters approved our \$23 million dollar bond proposal.
- Our school district has and continues to be financially responsible. We carry a fund balance above the state recommendation, consistently invest back into maintaining facilities and look for efficiencies. We just had our audit presented by a third party and it was "clean and without findings". In 2024 Moody's Financial, which is how our credit/ financial health is rated, upgraded the school district from an A3 to an A2 due to, "improved reserve ratios and lower leverage." Simply, less debt relative to assets and revenue.
- Our school participates in School of Choice like almost every district in Michigan. In Michigan 25% of all students use this program. Students and families want to be in our district and our size allows offering more programs and doing more for kids. I also believe that this supports our community. The City of Houghton markets itself as the "Fastest growing city in the UP" and Portage Township has grown above UP and state averages. Realtors have told me that the City of Houghton has the highest property values in the area. We believe the success of our schools has a part in this. School of Choice is expected to be expanded with leadership changes in Lansing and Washington. We capped some grades for School of Choice last year and will continue to monitor and maintain appropriate class sizes for students and educators.

Bridge MI - In Michigan, 1 in 4 participate in School of Choice

- This bond that was passed by voters in November is about far more than space. It will improve security in our buildings and update science labs, career and tech education labs, technology and infrastructure in all our buildings.
- We began the idea of this bond two years ago and had several community forums and surveys before we even came to a plan, which was really formed by our parents and educators. We then provided information to make sure voters were informed. All information was created by bond attorneys and financial experts and was approved by the Michigan Department of Treasury. Our board intentionally made the decision to bring the vote at a presidential election so that the greatest number of voters could weigh in on this important choice. All the information is still on our website. All of our language and materials are consistent with school bonds across the state of Michigan and what was used in 2017 in the district bond proposal.

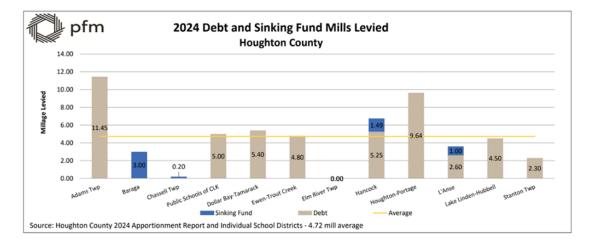


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https://www.hpts.us/district-bond.php

- Enrollment projections from the spring of 2023 and spring 2024 show continued slow and steady growth in the district.
- Even if this bond had not passed our current debt millage rate would not change until 2029. The passage of the bond in November extends the current rate 2 years before it starts dropping and does not raise tax rates. We are not the highest debt rate in Houghton County and other schools will likely seek bonds for approval from voters even this year in our county. Michigan is one of the very few states that does not fund infrastructure and relies on bond proposals brought to local school district voters. We have participated in the School Loan Revolving Fund (SLRF) through the state of Michigan since 1990 and the construction of the new high school. About 25% of all school districts in Michigan that have bonds use this fund. The SLRF program allows that debt burden to spread out over years of repayment for those who likely benefit from it. For example, without the SLRF program the District would have needed to levy 10.84 mills this year but the taxpayers are paying 9.64 mills.



Thank you for your support. We will work to continue to improve our students' futures. I am humbled, but committed, by the responsibility of leading this district forward. Please reach out if you have questions.

Anders Hill

Superintendent

Amanda Massaway

School Board President