2017 Sinking Fund Millage Proposal

March – April, 2017
Sinking Fund Millage

- Levied in Ann Arbor since 2002
- Provides funding to support the repair and construction of school buildings – Sinking Fund cannot be used for teacher or administrator salaries
- Protects General Fund dollars
- Last renewed Fall 2013 for 5 years at 1 mill out of a possible 5 mills then allowed by law
- Currently, Michigan law allows to levy a maximum of 3 mills for up to 10 years
- One of few local ‘levers’ that can be used to protect district General Funds against flat or reduced state or federal funding
Request of AAPS Voters

Increase the AAPS Sinking Fund Millage to:

1) **Repair, improve and replace infrastructure**
   - 32 school buildings / 3,409,078 square feet
   - Average age of 60+ years

2) **Expand/construct facilities to serve increased enrollment due to housing growth demands**

3) **Continue progress in addressing the additional 2015 Bond Advisory Committee recommendations**
   - Classroom environment, elementary playgrounds, auditorium repairs, outdoor learning spaces

March - April, 2017
1) Repair, Improve & Replace Infrastructure

- Repair core systems and infrastructure
  - Plumbing, Parking Lots, ADA Accessibility

- Restore School Buildings
  - Lighting, Flooring, Ceilings, Minor Re-design

- Update aging systems
  - HVAC, Boilers, Roofing
Prepare for Unanticipated Events

Allen Flood Event, August, 2016

CHS Roof Damage
March, 2017 Windstorm
Based on current housing development projections, we anticipate student enrollment growth*:

<table>
<thead>
<tr>
<th>Region</th>
<th>ELEMENTARY</th>
<th>MIDDLE SCHOOL</th>
<th>HIGH SCHOOL</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Northeast Sector</td>
<td>296</td>
<td>148</td>
<td>197</td>
<td>642</td>
</tr>
<tr>
<td>(931 Housing Units)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Southeast Sector</td>
<td>111</td>
<td>55</td>
<td>74</td>
<td>240</td>
</tr>
<tr>
<td>(207 Housing Units)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>West Sector</td>
<td>44</td>
<td>22</td>
<td>29</td>
<td>95</td>
</tr>
<tr>
<td>(46 Housing Units)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
<td><strong>451</strong></td>
<td><strong>225</strong></td>
<td><strong>300</strong></td>
<td><strong>977</strong></td>
</tr>
</tbody>
</table>

*Data collected winter, 2017; provided by Mitchell & Mouat
2) Expansion for Housing Growth

Add modular Classrooms in 4 locations and monitor growth

March - April, 2017
3) Address 2015 Bond Advisory Committee Recommendations

- Classroom Environment
  - Lighting, ceilings, flooring
- Elementary Playground Structures
- Auditorium/Performance Facilities
  - Improving safety and updating systems
- Athletic/Outdoor Learning Areas
  - Restore Soccer Fields, Ball Diamonds, Tennis Courts
- Security Enhancements
May 2 Ballot Language

◆ Replace current Sinking Fund Millage
  ▪ May 2, 2017 Election
  ▪ Increase from 1 mill to 2.5 mills
  ▪ Extend to 10 years, beginning 2017

<table>
<thead>
<tr>
<th>Millage</th>
<th>A2 Median Home Value of $300K ($150K Taxable Value)</th>
<th>Homeowner Calculator per $100K of Home Value ($50K) Taxable Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current</td>
<td>1 mill</td>
<td>$150</td>
</tr>
<tr>
<td>Proposed</td>
<td>2.5 mills</td>
<td>$375</td>
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</table>
Estimated Sinking Fund Allocations

- Repairs: 70% (140M)
- Expansion/Construction: 14% (28M)
- Extend Recommendations from 2015 Bond Advisory: 16% (32M)

2.5 Mills over 10 years will generate $200M

March - April, 2017
Based on our recent experience with updates performed at Allen Elementary, we estimate investments to each elementary at approximately $2,000,000, to include building-wide repair, improvements, and replacements such as:

- Playgrounds/Outdoor Fields
- Classroom Environment
- Roofing
- Flooring
- Ceiling
- Auditoriums/Performance Facilities
- Painting*
- Lighting
- Windows
- HVAC (including air-conditioning)

*Paint may be paid for from Sinking Fund only in areas where remodeling occurs
Estimated average allocation plan dependent on building age & current condition:

<table>
<thead>
<tr>
<th>Level</th>
<th>Per Bldg Amount</th>
<th>Number of Bldgs</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>K-5</td>
<td>$2M</td>
<td>20</td>
<td>$40M</td>
</tr>
<tr>
<td>K-8</td>
<td>$4M</td>
<td>2</td>
<td>$8M</td>
</tr>
<tr>
<td>6-8</td>
<td>$7M</td>
<td>5</td>
<td>$35M</td>
</tr>
<tr>
<td>9-12 (small)</td>
<td>$9M</td>
<td>2</td>
<td>$18M</td>
</tr>
<tr>
<td>9-12 (large)</td>
<td>$13M</td>
<td>3</td>
<td>$39M</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td><strong>$140M</strong></td>
</tr>
</tbody>
</table>
Over the coming years, every school in the AAPS will be evaluated in these areas & every school will receive improvements:

- School site improvements
- Building exterior repairs/improvements
- Minor space re-design for increased functionality
- Building infrastructure repairs/replacement
- Upgrades to interior finishes
- Elementary playgrounds/Secondary Fields Restoration
- Auditorium/Multi-Purpose Sound & Safety Repairs & Upgrades

*Specific projects will be based on age & condition of school systems & building
See a2schools.org for:

1) Slide Presentation
2) Executive Summary & Rationale
3) A School View
4) 2015 Bond Update Brochure
5) Sinking Fund Cost Analysis & Sample Repair Scope
6) Frequently Asked Questions
7) Community Engagement Events Calendar
8) Video Tour
Please join Superintendent Jeanice Swift for an information meeting and Q & A session on the 2017 Sinking Fund Millage.

6:30 PM – Middle School Media Centers

Thursday, April 13
Scarlett Middle School
3300 Lorraine

Tuesday, April 18
Forsythe Middle School
1650 Newport Road

Thursday, April 20
Tappan Middle School
2251 E. Stadium Blvd.

Tuesday, April 25
Clague Middle School
2616 Nixon Rd.

Thursday, April 27
Slauson Middle School
1019 W. Washington
Vote on AAPS 2017 Sinking Fund

Vote on May 2, 2017!
Polls open 7AM to 8 PM