GPPSS Sinking Fund Millage

Sinking Fund Projects – Past, Present & Future

Objectives

- Educate the Community on the Upcoming Sinking Fund Proposal
- Share Past Sinking Fund Projects
- Explain the Future Needs of the District
- Clarify the Financial Impact on the Community

Why

Public schools play a critical role in the social, economic, and cultural vitality of a community, making them an integral part of its fabric. As such, it is important for school leaders to inform the community about ways to sustain and enhance these valuable assets.

In Michigan, the responsibility for addressing capital needs often falls to local taxpayers through school district millages.

Tradition Costs Money–Maintaining traditions and operating stately facilities can be quite costly. The upkeep of these prestigious sites often involves significant financial investment due to the need for regular maintenance, updates to comply with modern standards, and the inherent inefficiencies compared to newer, more advanced facilities. Additionally, the commitment to preserving traditional practices may also entail expenses that more contemporary methods might mitigate. However, these facilities and traditions are what set Grosse Pointe apart, highlighting its unique charm and historical significance.

Grosse Pointe is one of those rare places that draws generation upon generation back to raise their own children in a community where schools have continued traditions while keeping up with the times.

Definitions

- **Mill:** A tax unit equal to $1 per $1,000 in taxable value
- **Property Cash Value:** The established value of a property
- **State Equalized Value:** 50% of a property's true cash value (aka taxable value)

Permissible Uses of the Sinking Fund Revenue

- **Facility Improvements:** Ensures GPPSS can maintain and improve its physical infrastructure
- **Enhanced Security:** Allows for significant investments in school safety and security measures
- **Technological Upgrades:** Provides funding for essential technology enhancements to support modern education

2022 Ten Year Capital Plan

- **Transportation:** Provides funding for transportation vehicles; for the acquisition of parts, supplies, and equipment used for the maintenance of student transportation vehicles; for the acquisition of trucks and vans

Current 5-Year Sinking Fund FY 2019 – FY 2024

- The current sinking fund was passed by voters in November 2019
  - 5 years
  - 1.0 Mill
  - This generates approx. $3.5 million per year for a total of $17.5 million
  - The last levy will be in December 2024
- GPPSS's 2022 Capital Assessment Report showed more than $252 million in needed improvements to the district

Implementation Strategy

- Strategic investigation and planning
- Leverage volume
- Monitor market conditions and industry trends
- Bid packaging/timing strategy
- Annual re-evaluation of district needs and updates to plans

Sinking Fund Projects FY 2020/2021

- Roofing – District-Wide
- Parcells Auditorium
- GP South HS Tunnel Repairs
- Defer & Monteith A/C Unit Replacement
- Other Minor Projects

Sinking Fund Projects FY 2021/2022

- Masonry Restoration – Monteith, Defer, Richard, Pierce
- Roofing – Brownell, Maire, Misc. District-Wide
- GP North Track
- GP South Drainage
- White/Tack Boards – Defer, Ferry, Monteith, GP South
- Other Minor Projects

Sinking Fund Projects FY 2022/2023

- Roofing – District-Wide
- Ball Fields – GP North & GP South
- Fence Replacement – GP North, Parcells
- Locker Replacement – Kerby, Mason
- Signage – Classroom Windows, Exiting
- Other Minor Projects

Sinking Fund Projects FY 2023/2024

- Window Replacement – Richard
- A/C Unit Replacement – Pierce
- Locker Replacement – GP North
- Masonry Restoration – GP North, GP South
- Fence Replacement – District-Wide

Sinking Fund Projects FY 2024/2025

- Playgrounds – Monteith, Ferry, Barnes, Defer
- Parking Lots, Sidewalks, Storm Water – GP North, GP South, Defer, Mason

Current Sinking Fund Status

$3.5M*

Sinking Fund Balance
(as of 6-14-24)

Includes recent bid work (playgrounds & parking lots)

** This number is still being reconfirmed*

$3.5M

Last sinking fund levy
(December 2024 – February 2025)

Future Sinking Fund

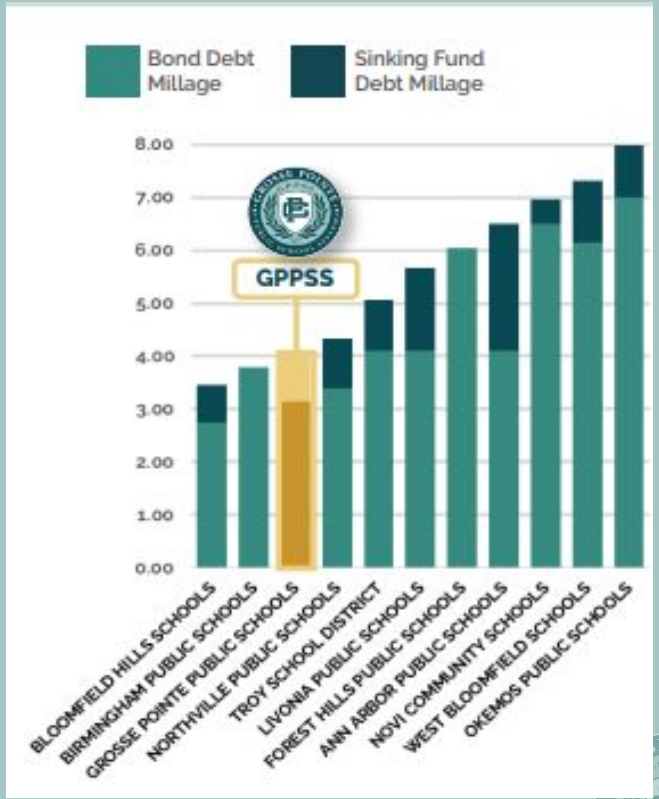
If voters approve the November 5, 2024, 10-Year Sinking Fund Ballot Proposal for 3.0 mills…

~$11.1 M / year*

December 2025 – February 2026 First Levy
December 2034 – February 2035 Last Levy

*Does not include potential taxable value growth

Compared to Peer Districts



Proposed Ballot Language

Shall the Grosse Pointe Public School System, County of Wayne, State of Michigan, be authorized to levy 3 mills ($3.00 on each $1,000 of taxable valuation) to create a building and site sinking fund to be used for the construction or repair of school buildings, the improvement and development of sites, school security improvements, the acquisition or upgrading of technology, the acquisition of student transportation vehicles, trucks and vans and parts, supplies and equipment used for the maintenance of these vehicles and for any other purposes permitted by law by increasing the limitation on the amount of taxes which may be imposed on taxable property in the School District for a period of ten (10) years, being the years 2025 to 2034, inclusive? This millage if approved and levied would provide estimated revenues to the School District of approximately $11,167,785 in the first year that it is levied.

YES ☐
NO ☐

Proposed Millage Levied

Home Market Value	Taxable Value	Current (1 Mill)	Proposed (3 Mills)
$150,000	$75,000	$75	$225
$300,000	$150,000	$150	$450
$500,000	$250,000	$250	$750
$1,000,000	$500,000	$500	$1,500
$2,000,000	$1,000,000	$1,000	$3,000

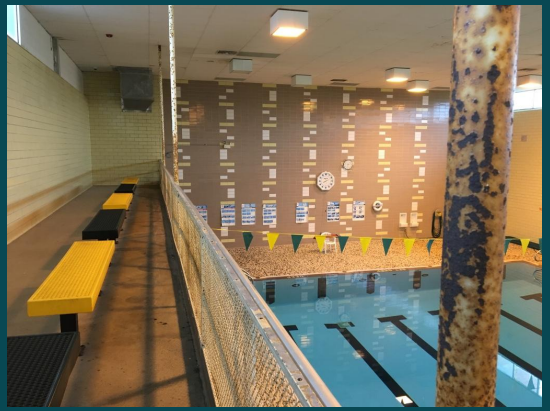
Future Sinking Fund Projects*

$12,800,000	Roofing
$8,200,000	Masonry Restoration
$12,000,000	Entrances, Doors, Windows
$2,300,000	Fire Alarm
$6,000,000	Chillers/Rooftop Mech. Units
$1,000,000	Elevator
$12,500,000	Site Work
$3,200,000	Architectural
$5,000,000	Transportation
$1,400,000	Infrastructure
$19,000,000	Instructional Technology
$10,900,000	Non-Instructional Technology (Safety & Security)
$6,700,000	Tech Soft Costs (Contingency, Design, Escalation)
$10,000,000	Unforeseen Emergencies ($1M/year)
$111,000,000	Total

Note:
The final sinking fund work scope and dollar amounts will adjust based on bid strategy, cost escalation, and developing critical needs. The total amount does not reflect potential taxable value growth.

*The above numbers are estimates and subject to re-evaluation on an annual basis

Projects Not Included



- Major Middle School Pool Renovations (minor changes included in the sinking fund: ceiling repairs and lighting upgrades)
- Classroom Furniture
- District-Wide Air Conditioning

Sinking Fund vs. Bond: Understanding The Difference

Sinking Fund:

- **Purpose**: Pays for specific capital projects (e.g., repairs, construction, technology upgrades).
- **Funding Source**: Funded through local property tax millages, generally at a lower rate.
- **Usage**: Restricted to pay-as-you-go projects, without the need to borrow or incur debt.
- **Approval**: Requires voter approval but no interest costs, as funds are collected and used over time.

Bond:

- **Purpose**: Used for larger, long-term capital improvements (e.g., building new schools, extensive renovations).
- **Funding Source**: Involves borrowing money by issuing bonds that are repaid with interest over a period.
- **Usage**: Can cover broader projects, including equipment and furnishings.
- **Approval**: Also requires voter approval and involves debt repayment with interest through property taxes.

Key Difference: A sinking fund is a "pay-as-you-go" method without incurring debt, while a bond involves borrowing money and repaying it over time with interest.

Supplemental Information

Project Definitions

Site Work

- Site Work Includes:
  - Asphalt paving, concrete approaches, curbs and gutters, concrete sidewalks, and entrances
  - Observable drainage issues
  - It did not include other site amenities such as athletic fields, outbuildings, site lighting, etc.
- District-wide evaluations performed by Spalding DeDecker
- Existing drawings and documentation were reviewed
- Thirteen different school sites were evaluated to determine their condition and anticipate future repair costs and replacement dates.
- This included visual examinations, geotechnical borings, and preliminary assessment maps

Project Definitions

Roofing Work

- Roofing Work Includes:
  - Flat roofs, pitched roofs, flashings, curbs, penetrations, drains, etc.
  - Slate roofs were observed to have useful lives beyond 10 years, except for minor maintenance
- District-wide evaluations performed by Spalding DeDecker
- Existing drawings and documentation were reviewed
- Thirteen different school buildings were evaluated to determine their condition and anticipate future repair costs and replacement dates.
- This included visual examinations, test cuts, and roof cores

Project Definitions

Architectural, Masonry Restoration, Entrances, Doors, Windows, Fire Alarm, Chillers/Rooftop Mech. Units, Elevator

- Architectural could include:
  - Partitions, flooring, ceilings, painting, other finishes, millwork, casework/countertops, lockers, whiteboards, other fixtures/equipment, etc.
- District-wide evaluations performed by Plante Moran Realpoint and District maintenance and Operations Staff
- Most of these items are self-explanatory, with Architectural being the one that needs more explanation.

Project Definitions

Transportation, Technology & Unforeseen Emergencies

- Technology could include:
  - Staff computer refresh, student instructional technology, Chromebooks, Smartboards, infrastructure, cabling, security, surveillance, access control, network electronics, etc.
- Transportation could include:
  - Student transportation vehicles, trucks and vans and parts, supplies and equipment used for the maintenance of these vehicles
- District-wide evaluations performed by District Technology Staff and Plante Moran
- Also an annual allowance for Unforeseen Emergencies

Preliminary Draft Budget

Work scope	Barnes	Defer ES	Ferry ES	Kerby ES	Maire ES	Mason ES	Montieth ES	Richard ES
Roofing	$186,000	$0	$264,000	$3,000,000	$1,002,000	$489,600	$804,000	$702,000
Masonry Restoration	$0	$120,000	$120,000	$120,000	$120,000	$120,000	$120,000	$120,000
Entrances/Doors/Windows	$139,800	$1,560,000	$0	$1,131,600	$780,000	$528,000	$1,890,000	$1,020,000
Fire Alarm	$102,000	$102,000	$102,000	$102,000	$102,000	$102,000	$102,000	$102,000
Chillers/Rooftop Mech. Units	$0	$0	$0	$0	$342,000	$0	$0	$30,000
Elevator	$30,000	$30,000	$30,000	$0	$30,000	$30,000	$30,000	$631,350
Sitework	$678,600	$30,000	$758,340	$372,300	$378,600	$30,000	$844,500	$0
Architectural	$0	$0	$54,000	$0	$0	$0	$0	$0
Infrastructure	$264,000	$0	$0	$0	$0	$0	$0	$0
Transportation (District-wide)	$0	$0	$0	$0	$0	$0	$0	$0
Technology	$1,092,185	$1,461,246	$1,594,731	$1,242,013	$1,262,822	$1,246,909	$1,638,247	$1,301,870
Unforeseen Emergencies								
Subtotals	$2,492,585	$3,303,246	$2,923,071	$5,967,913	$4,017,422	$2,546,509	$5,428,747	$3,907,220

Preliminary Draft Budget

Work scope	Trombley ES	Brownell MS	Parcells MS	Pierce MS	GP North HS	GP South HS	District Wide	Totals
Roofing	$300,000	$816,000	$1,416,000	$780,000	$1,710,000	$1,272,000	$0	$12,741,600
Masonry Restoration	$120,000	$120,000	$180,000	$180,000	$240,000	$480,000	$6,000,000	$8,160,000
Entrances/Doors/Windows	$1,020,000	$180,000	$1,800,000	$1,314,000	$699,000	$0	$0	$12,062,400
Fire Alarm	$0	$210,000	$210,000	$210,000	$450,000	$450,000	$0	$2,346,000
Chillers/Rooftop Mech.	$0	$0	$300,000	$0	$2,562,000	$2,785,200	$0	$6,019,200
Elevator	$30,000	$0	$30,000	$0	$90,000	$60,000	$0	$1,021,350
Sitework	$0	$909,267	$1,091,448	$398,280	$4,659,360	$2,364,480	$0	$12,515,175
Architectural	$0	$2,022,000	$0	$0	$420,000	$732,000	$0	$3,228,000
Infrastructure	$0	$1,146,000	$0	$0	$0	$0	$0	$1,410,000
Transport. (District-wide)	$0	$0	$0	$0	$0	$0	$5,000,000	$5,000,000
Technology	$0	$3,105,797	$6,515,778	$2,656,743	$5,967,512	$6,539,219	$993,832	$36,618,904
Unforeseen Emergencies							$10,000,000	$10,000,000
Subtotals	$1,470,000	$8,509,064	$11,543,226	$5,539,023	$16,797,872	$14,682,899	$21,993,832	$111,122,629

Preliminary Draft Budget: Technology & Security

Tech/Security Work scope	Barnes	Defer ES	Ferry ES	Kerby ES	Maire ES	Mason ES	Monteith ES	Richard ES	Trombley ES	Brownell MS	Parcells MS	Pierce MS	GP North HS	GP South HS	District-Wide	Totals
Infrastructure (10-yr useful life) • Cabling	$23,850	$31,150	$31,650	$25,800	$24,500	$25,900	$32,650	$14,850	$0	$48,750	$382,550	$45,900	$156,450	$183,750	$4,550	$1,032,300
Instructional Tech. (5-yr useful life) • Student Chromebook refresh, servers, teacher & lab devices, A/V, STEM, curriculum specific	$469,300	$778,400	$819,900	$628,450	$648,100	$653,050	$823,400	$665,800	$0	$1,674,500	$3,713,800	$1,564,850	$3,235,500	$3,323,000	$0	$18,998,050
Non-Instructional Tech (10-yr useful life) • Safety & security, telecommunica-tion s, PA/clocks	$177,350	$174,800	$222,000	$165,150	$175,100	$158,900	$215,950	$191,250	$0	$343,650	$383,000	$245,750	$711,150	$979,050	$121,350	$4,264,450
Non-Instructional Tech (5-yr useful life) • Safety & security, staff devices, conference rooms, board room, copiers	$221,750	$209,400	$229,250	$195,250	$183,950	$180,800	$266,350	$191,650	$0	$470,350	$843,650	$313,900	$772,000	$856,350	$686,000	$5,620,650
Soft Costs (Cont., Design, Esc.)	$199,935	$267,496	$291,931	$227,363	$231,172	$228,259	$299,897	$238,320	$0	$568,547	$1,192,778	$486,343	$1,092,412	$1,197,069	$181,932	$6,703,454
Totals	$1,092,185	$1,461,246	$1,594,731	$1,242,013	$1,262,822	$1,246,909	$1,638,247	$1,301,870	$0	$3,105,797	$6,515,778	$2,656,743	$5,967,512	$6,539,219	$993,832	$36,618,904

Vote November 5

Thank You!

What is Technology in Schools?

Technology Is...

MUCH more than just laptops. It's a system that enhances every aspect of education:

- Infrastructure: Networks, High-Speed Internet
- Classroom Tools: Interactive Panels, Mobile Devices, LMS
- Safety & Security: Security Systems, Communication Tools
- Efficiency: A/V Systems, Modern Phones
- Support: Device Refreshes, Tech Support

School Technology Powers Teaching, Learning, and Operations

When I first came to GPPSS in 2017, we had the following Technology:

- Aging Desktops in Classrooms
- 20 Year Old Phones
- “Legacy” Smart Boards (Purchased in 2008)
- 10-14 Year Old Copy Machines
- Weak Wifi with Limited Bandwidth
- *Some* Security Cameras in Secondary Buildings

Results for Outdated Technology

- “Band-Aid” Fixes (Literal and Metaphorical)
- Dark Classrooms and Squinted Eyes
- Constant Tech Repairs
- Additional Staff Required
- Relying on Hope as a Strategy
- Less Secure

Creating a vision for Modern Day Technology

- Mobility
  - Desktops ⟹ Laptops
  - Labs ⟹ Chromebook Carts
- Accessibility
  - Schoology (LMS)
  - Google Cloud Storage
- Creativity
  - Daily Device Use
  - Interactive Flat Panels
- Collaboration
  - Learning Beyond the Classroom Walls
- Safety and Security

Updates Since 2020...

- Laptops for Staff
- Chromebooks for testing and classroom digital content
- New Interactive Panels
- Robust Wired and Wireless Network
- Fiber Ring Going Around the Pointes
- Door Access Controls and Security Cameras
- PAs and Clocks
- Large Area A/V
- Phones

Impact of Technology Upgrades

- Effective: Enhance Learning and Teaching
- Efficient: Streamlines Daily Operations
- Secure: Protects Students and Staff
- Engaging: Enriches the Educational Experience

They support the educational mission of the district by integrating technology into daily activities, improving both teaching and administrative functions.

We Can’t Go Back to 2017

- **Ongoing Work:** Technology Needs Constant Updating
- **Time-Sensitive:** The Moment We Install, the Countdown Begins

As a premier district, we must ensure our students and staff have the technology and security they need today.

Assumptions

- The Technology Plan is to update and replace
- With the help of Plante Moran Technology, we created a 10 year budget in 2022; however, some adjustments have been made due to removal of projects as well as price increases (E.g. Wireless Access Points)
- What is NOT Included:
  - 1:1 Devices for Students
  - Any new future technologies

Costs over the next ten years includes...

- Infrastructure (Ten Year Useful Life) - $797,300
- Instructional Technology (Five Year Useful Life) - $18,098,050
- Operational Technology (Five Year Useful Life) - $6,509,100
- Operational Technology (Ten Year Useful Life) - $4,264,450
- Indirect Costs - $6,648,207

Total - $36,317,107

Infrastructure (10 Year Useful Life)

- Cabling - $567,300
  - IFP AV Cabling
  - Wireless AP Cabling
  - Construction and Renovation
- Fiber Updates - $100,000
  - Athletic Fields
- Potential Data Center Move - $130,000

Total: $797,300

Essential wiring that connects devices to the network, costs related to building modifications to support technology installs, relocating and updating the central hubs that store and manage data securely

Instructional Technology (Five Year Useful Life)

- Servers - $875,000
- Teacher Devices (Two Refreshes): $2,781,200
- Student Devices (Two Refreshes): $4,076,750
- Lab Devices (Two Refreshes): $3,795,550
- Classroom A/V: $3,717,950
- Large Area A/V: $1,951,600
- STEM: $360,000
- Curriculum: $540,000

Total: $18,098,050

Data Management and Applications, Laptops, Chromebooks, Interactive Displays, Projectors, Sound Systems, Tools and Resources Dedicated to STEM and other Curriculum Needs

Operational Technology (5 Year Useful Life)

- Network - $2,659,700
  - Network Electronics
  - Aggregation Switch
  - Edge Switch
- Firewalls (Two Refreshes) - $280,000
- Uninterruptible Power Supply - Two Cycles - $466,400
- Wireless Access Points - $1,169,500
- Brownell MPR: $80,000
- Conference Room IFPs - $123,000
- Staff (Non-Instructional) Device Refresh (Two Cycles) - $694,500
- Copier Refresh (Two Cycles) - $1,036,000

Total - $6,509,100

Routers, Switches, Systems that Protect the Network and Monitor Safety, Backup Power Systems, Reliable Communication

Operational Technology (10 Year Useful Life)

- Phone System - $632,100
- Video Surveillance - $2,202,000
- Door Access Control - $775,000
- PAs/Clocks - $655,350

Total - $4,264,450

Routers, Switches, Systems that Protect the Network and Monitor Safety, Backup Power Systems, Reliable Communication

Indirect Costs

- Contingency - $2,966,890
- Design Fees - $2,284,505
- Cost Escalation - $1,396,812

Total: $6,648,207

Additional Funds set aside for unknowns, professional service fees, adjustments for potential price increases over time

Key Takeaways

- **Transformational Impact:** Technology Advances Benefit Everyone
- **Value in Upkeep:** Investments Matter Only If Maintained
- **Focus On Functionality:** It's About Keeping Tech Effective, Not Just Adding New Gadgets
- **Essential, Not Optional:** These Expenses Ensure We Maintain Our High Standards
- **Proactive Approach:** We're Planning Ahead, Not Just Reacting To Issues

For More Information

www.gpschools.org/millage

Thank you!