Frequently Asked Questions (FAQs) May 2nd, 2023

1. BOND PROPOSAL – MAY 2ND, 2023

What is the district asking for as part of this Bond Proposal?

• The Bond Proposal request funds to raise \$16.20 Million for projects at ALL SCHOOLS with an estimated no-mill increase from the current rate. Most of the focus will be on elementary school.

How much will the Bond Proposal cost?

• It is estimated that this proposal will result in a No-mill increase over the current rate. You currently pay 7.30 mills for debt, that will stay the same. It will extend longer.

Explain how the Bond Proposal was determined?

During the summer months of 2022, architects from TMP Architecture and estimators from Fredericks Construction assessed the facilities of the district. The district provided a list of projects that were deferred from the 2018 bond project, and TMP and Fredericks also identified components and systems of the existing buildings that would need to be replaced or improved over the next five years along with an estimate of the cost to make the improvements. TMP, Fredericks, and the district's facility committee were tasked with developing a recommendation to the Board of Education that would address those needs. The committee began by developing the following guiding principles that would help them prioritize the list.

Guiding Principles

- 1. Protects longevity and efficiency of the facilities/ improves the life cycle of the facilities/ protects the General Fund from big economic hits
- **2.** Directly impacts student learning including technology
- 3. Improves student/staff safety & security in an efficient manner
- **4.** Creates a competitive edge with adjacent districts, potential programs others don't offer, curb appeal, refresh

Using these principles, the committee reviewed the facilities assessment and costs and honed the list to develop a recommendation. This was presented to and accepted by the Board of Education on December 19, 2022. This was then developed into an Application for the Preliminary Qualification of Bonds that was reviewed and approved by the Michigan Department of Treasury. The Board of Education approved a resolution to place the bond proposal on the ballot on January 16, 2023.

2. FUNDING / TAXES

How much will it cost me?

• **Estimated a No-mill increase over the current rate**. We currently levy 7.30 mills for debt, that will stay the same. It will extend longer.

What interest rate does the district estimate it will need to pay if the Bond passes?

• 4.75% for 29 years and 7 months.

If approved, when do we start paying on the Bonds?

 Bonds are expected to be issued by August 2023 and will be reflected in the new millage rate in the winter 2023 debt levy.

What can the Bond funds be used for? What can the Bond funds not be used for?

 Allowed expenses include major remodeling, new construction, technology, busses, and furniture. Bond funds cannot_be used for building repairs/maintenance, instructional materials, and teacher or administrative salaries.

Will the Bond dollars be spent on staff salaries or expenses?

No. Money can only be spent on what is identified in the Bond application. By law, Bond dollars
cannot fund employee salaries or District operational costs. Bond funds can only be used for the
identified scope approved by the taxpayers. The state requires bond funding expenditures to be
audited to ensure compliance with spending requirements.

Will the Community have an opportunity to give input into what will be built?

Yes, the community will be invited to provide input on the approved bond projects during the
design phase. The bond scope that will be completed must align with the ballot language and
bond projects identified in the proposal and Treasury Application and must be completed before
other ideas can be considered with any residual bond funding.

3. WHY A BOND ELECTION?

Why is the District pursuing a Bond now?

• The items included in the Facilities Study have all been identified as needs but aren't affordable with the district's operating budget.

With improvements, are we considering energy efficiency and long-term maintenance?

 YES, building roofing, electrical systems and mechanical systems will be designed to high energy efficiency standards.

Why do we need to make so many major improvements?

The life expectancy of most building systems ranges from 40 to 50 years. It's much easier and
more cost effective to perform major improvements at one time rather than spread them out
into several separate, smaller projects.

Why is the new elementary addition needed?

We have currently outgrown the available space at the elementary for several reasons: this
project will increase the security at the main entrance; Michigan's emphasis on early education
has created the need for additional Pre-K space; Increasing the before/after and daycare facilities
should allow us to keep more of our students that are going to other districts; The multi-purpose
facility will improve the flexibility of the current lunch room and allow the students more space
during bad weather days.

Will the community be able to utilize the new elementary multi-purpose room?

• Community usage of CSCS facilities has always been welcomed by the district. Things will not change with the new addition.

When adding the new square footage, how will you continue to maintain cost and energy efficiency within the district?

Whenever additional square footage is added there will need to be funds budgeted for general
maintenance of the area. The new addition will have a high efficiency design to minimize the
additional required utility costs. Remodeling items in the bond will generate operation cost
savings (LED light fixtures and high efficiency mechanical systems) which would offset some of
the additional costs.

What is being done in the buildings to improve security for our students?

- Even though we can currently buzz guests into the elementary, once they are through the doors, they have to cross the hallway to get to the office, giving them opportunity to enter the classroom hallways instead. This project will route guests directly into the new office area.
- There will be a new sidewalk added to the main driveway at the Jr/Sr High School.

As part of the bond program, will you be tearing down (demolishing) any existing facilities in the district?

• No! Existing facilities will be remodeled which may require some minor interior demolition, but no sections of existing buildings are planned to be demolished with this bond.

4. CONSTRUCTION

Would local workers have an opportunity to assist with the projects should the Bonds pass?

- Local contractors *are* encouraged to bid on our projects.
- The district will select the successful, qualified, low bidder.

If the Bond passes on May 2nd, when will construction begin?

Remodeling of the existing buildings would occur over the summer of 2024.

This FAQ was paid for by Climax-Scotts Community Schools, 372 S. Main Street, Climax, MI 49034

Elementary Improvement Highlights

- 6000-SF New Addition to house Daycare and additional Classrooms
- Parking Lot expansion to serve new Daycare and Pre-K Addition
- 5500-SF New Addition to serve as a Multipurpose room
- Create a Secured Entrance and Welcome Center
- Re-model of Media Center & Music/Art Room
- Remodel/Refresh Shared Use Bathrooms
- Building-Wide mechanical upgrades to heat and cool the building and provide MERV 13
 Filtration with Bi-Polar Ionization
- Automated Building Management system for HVAC equipment control
- Building-Wide Electrical Service Upgrades
- Corridor Flooring Replacements
- Exterior Building Improvements
- Playground Fencing, Equipment and Activities Additions
- New un-heated, on-site storage building

Jr/Sr High School Campus and Athletics Highlights

- New Sidewalk and Exterior Lighting along Entrance Drive
- Flooring Replacements: Corridors, Cafeteria, Science
- Green House renovations
- Window and EFIS replacements
- New mechanical equipment to serve the original gymnasium (Heat/Cool)
- Electrical Service Upgrade
- Renovate existing spaces at the High School to create a Robotics Lab
- Renovate spaces at the intermediate building to create a Wrestling Facility
- Renovations to the Baseball and Softball Facilities: New Fencing and Backstops, Batting Cages and Bullpens, Scoreboard, Dug-Out improvements, Bleacher, and PA System replacements
- Bleacher improvements at the Football Field
- Turf improvements to the Football Practice Field
- District-Wide Technology, Transportation, Band & Gym Equipment additions

Fund Allocations	Cost of Improvements	Election Issuance Cost	Total Cost
Elementary School Campus Facility	\$10,101,275	\$128,104	\$10,229,379
High School Campus Facility & Athletics	\$6,047,616	\$76,696	\$6,124,312
Total Estimated Cost of Projects (Less) Estimated Interest Earnings Amount of Proposed Bond Issue		d Cost of Projects	\$16,353,691
		(- \$153,691)	
		\$16,200,000	