



Facility Assessment, Educational Assessment, and Pre-Bond/Planning Steering Team

Board of Education Update 03/16/2025

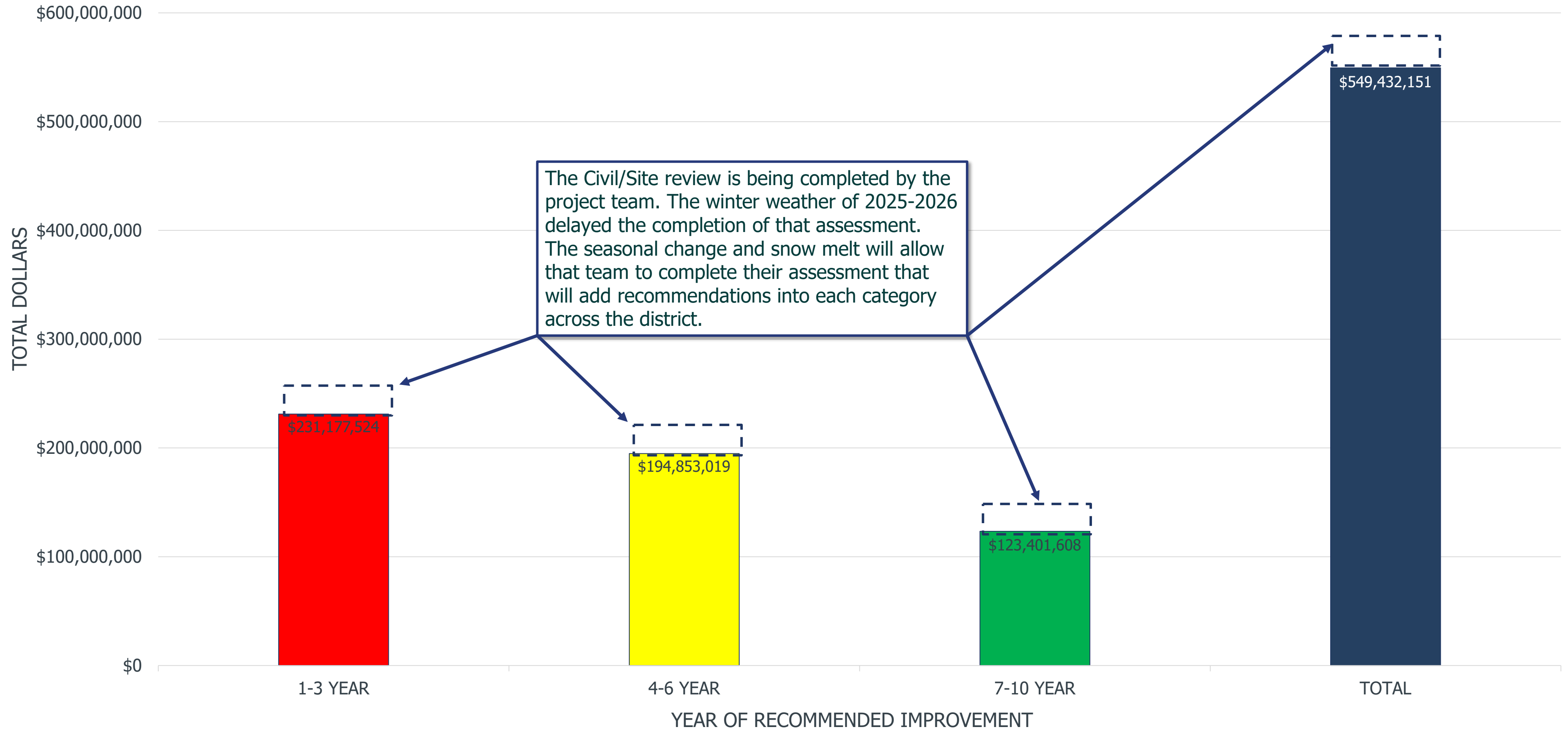


A group of approximately 15 children are posed in a classroom. They are wearing various costumes and paper hats, some with "HAPPY BIRTHDAY" or "ADAMS" written on them. The background features a calendar, a "100th day school" banner, and educational posters including a math problem: "Math. I can add and subtract two numbers." and a schedule: "12:09 Storytime/Poetry", "12:30 Writing Workshop", "1:00 Math".

Facility Assessment Review

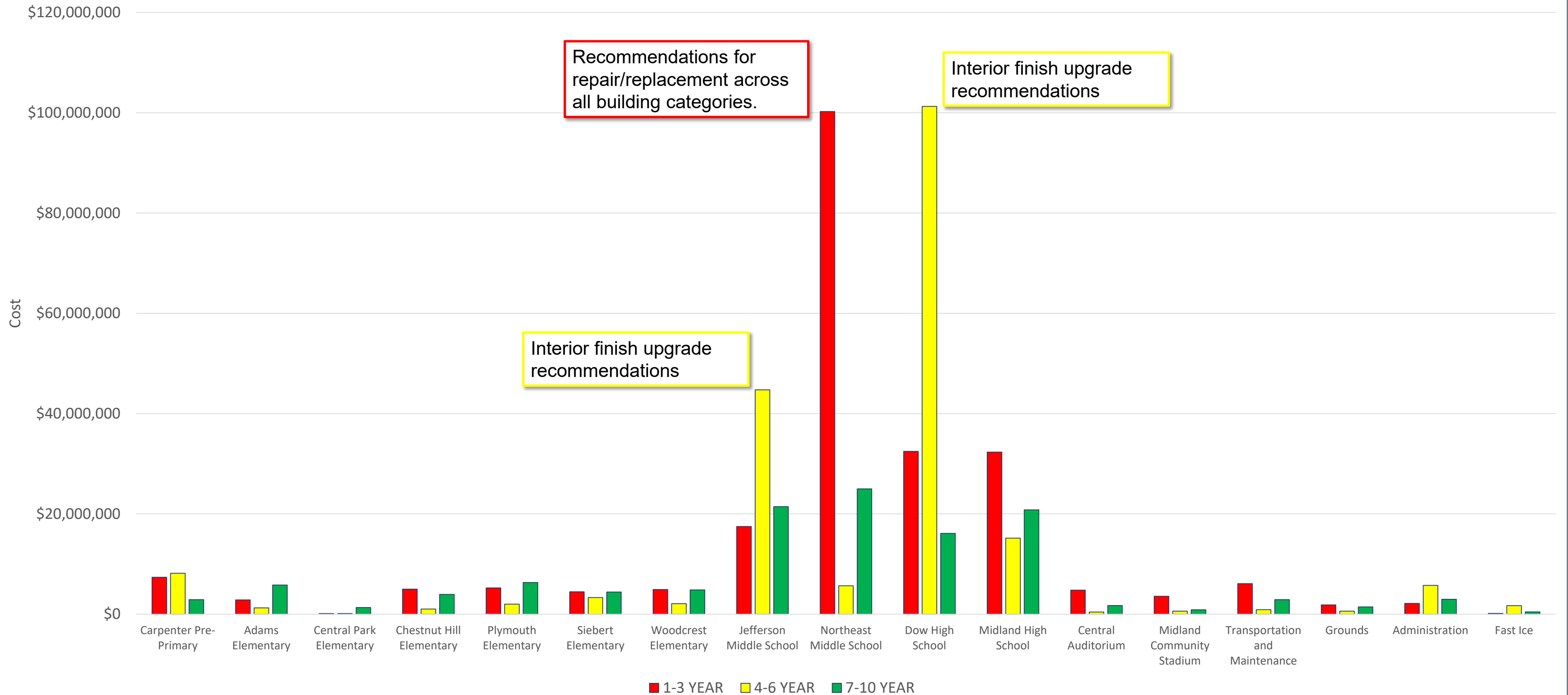
Overall District Facility Assessment

TOTAL FACILITY ASSESSMENT NEED IN NEXT 10 YEARS

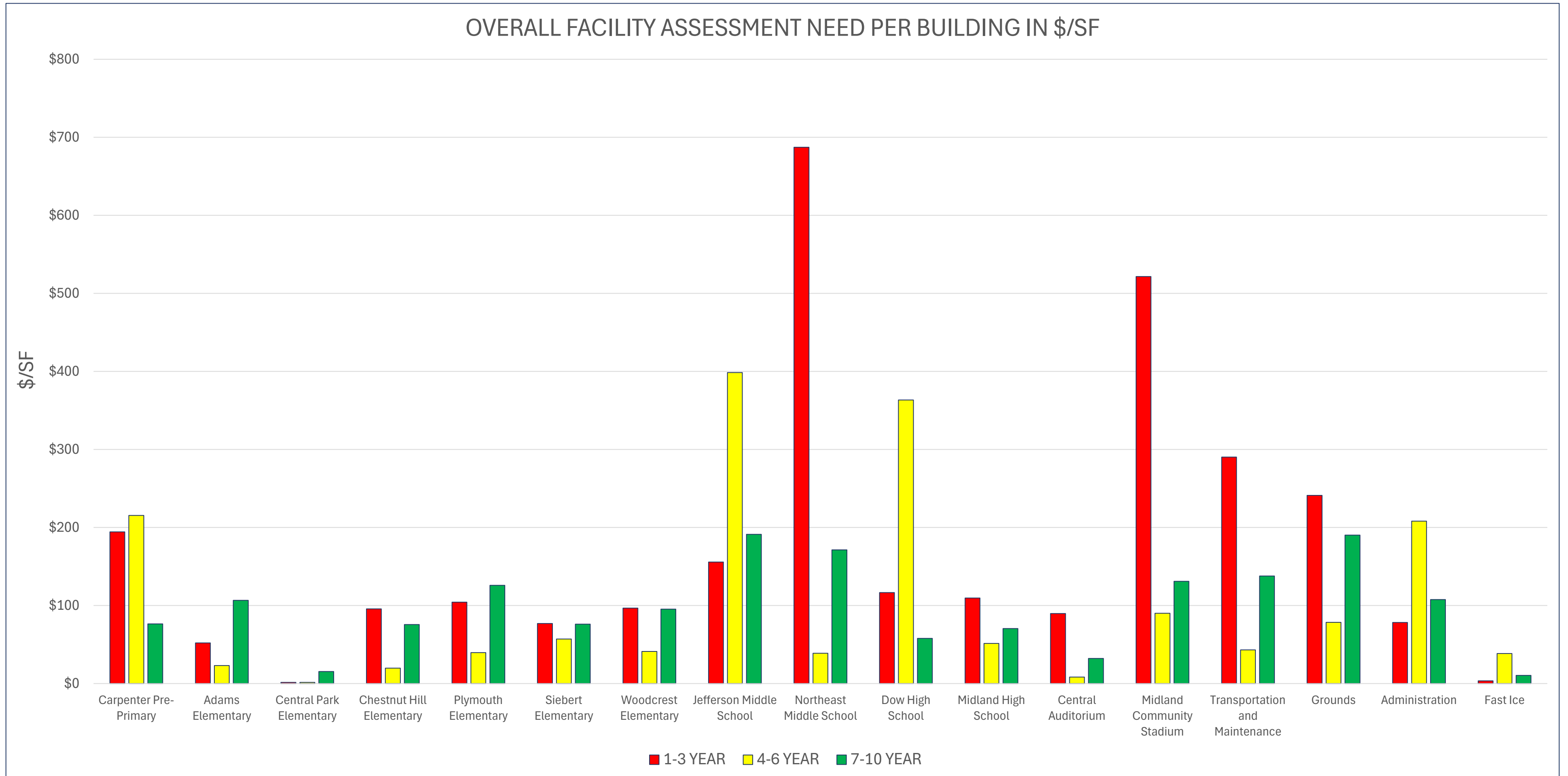


Overall District Facility Assessment

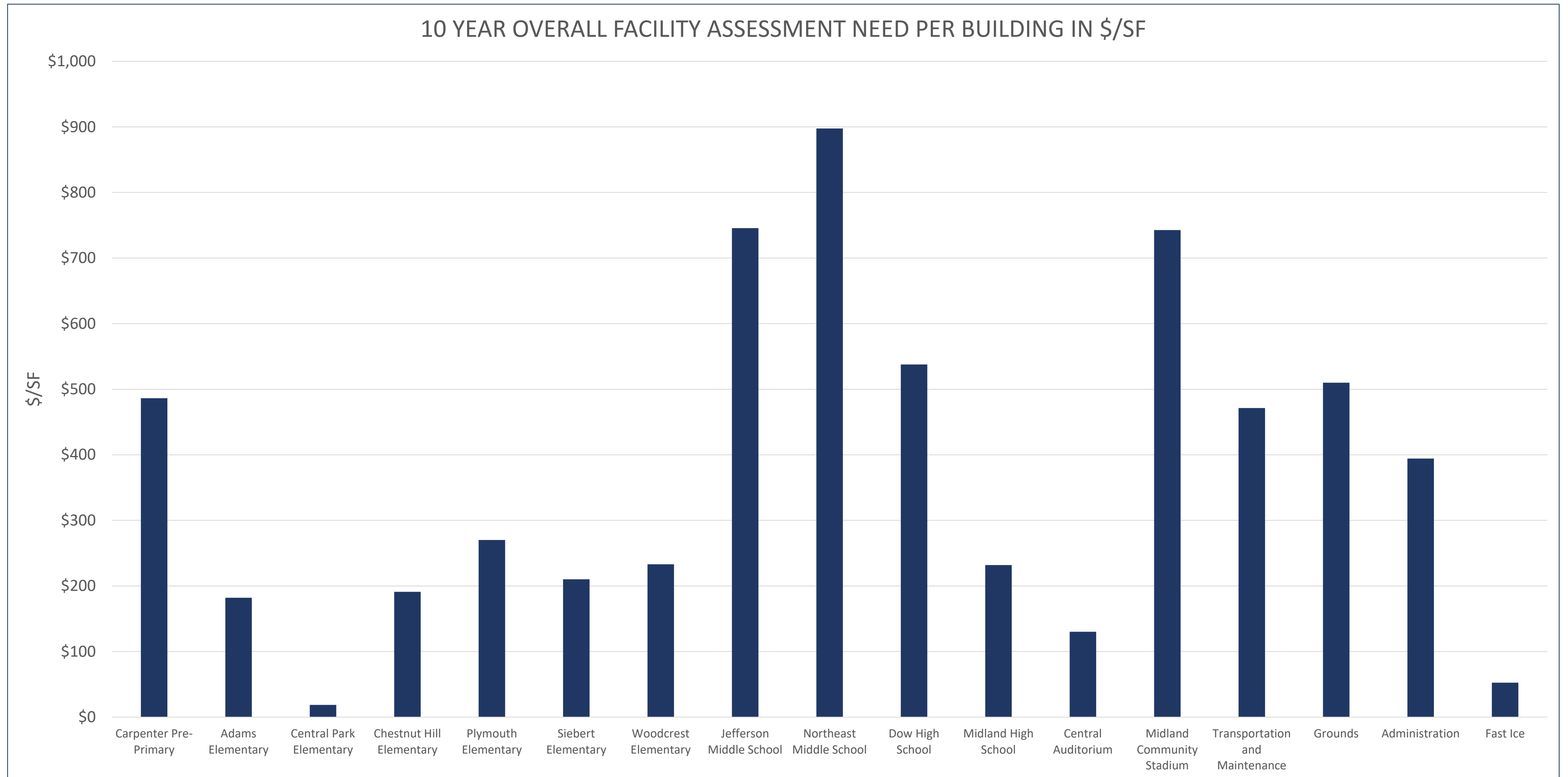
OVERALL FACILITY ASSESSMENT NEED PER BUILDING



Overall District Facility Assessment

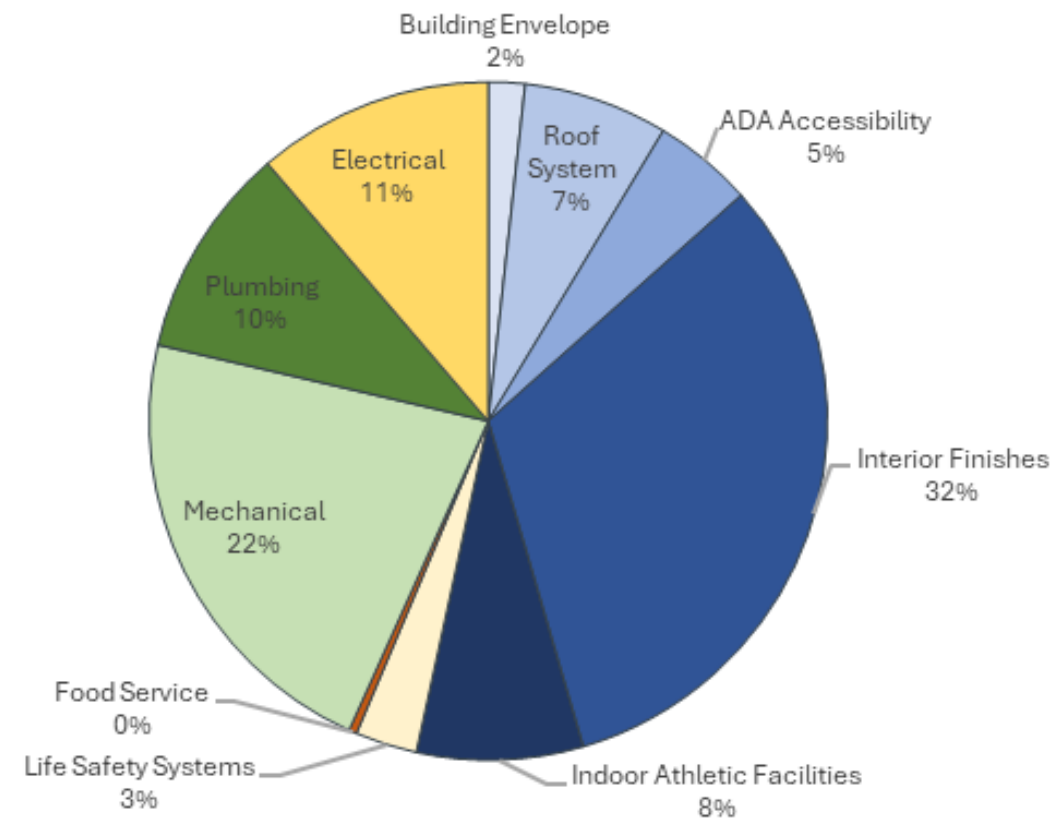


Overall District Facility Assessment

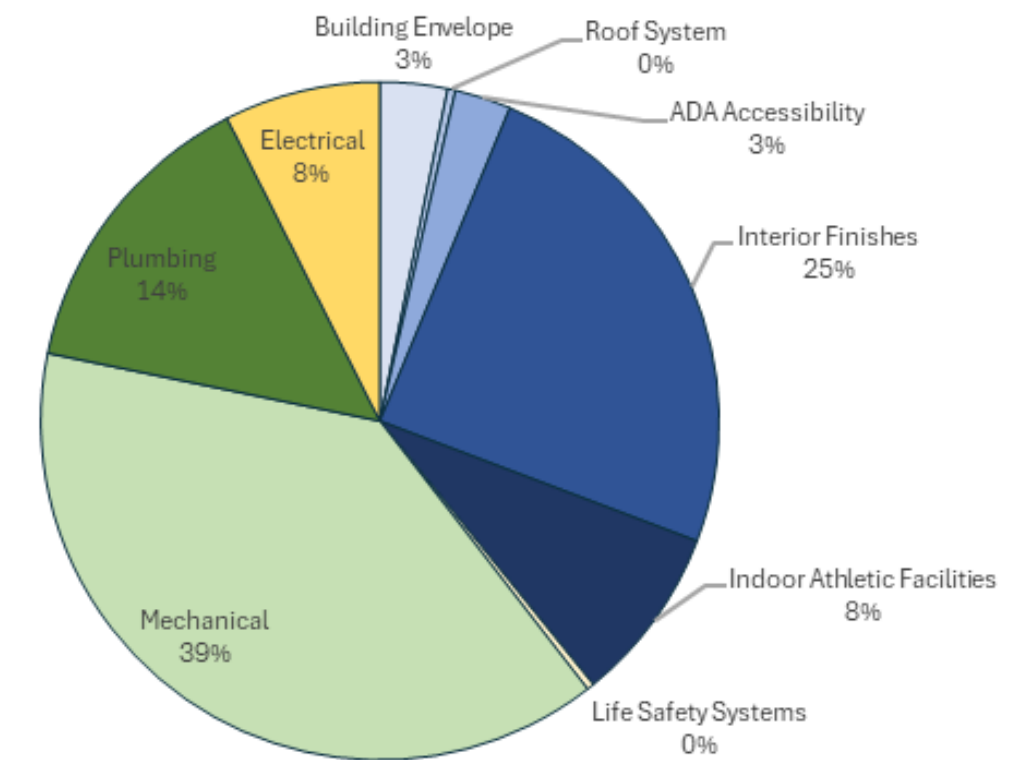


Overall District Facility Assessment

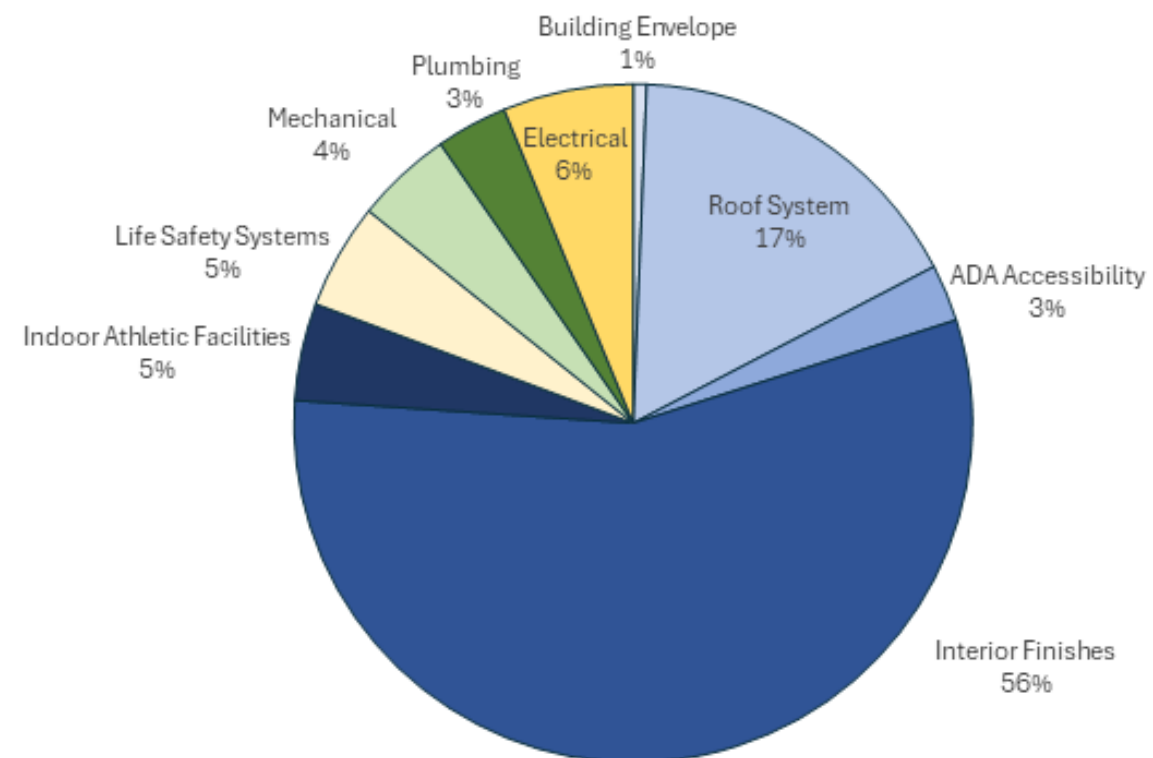
TOTAL NEED BY ASSESSMENT CATEGORY



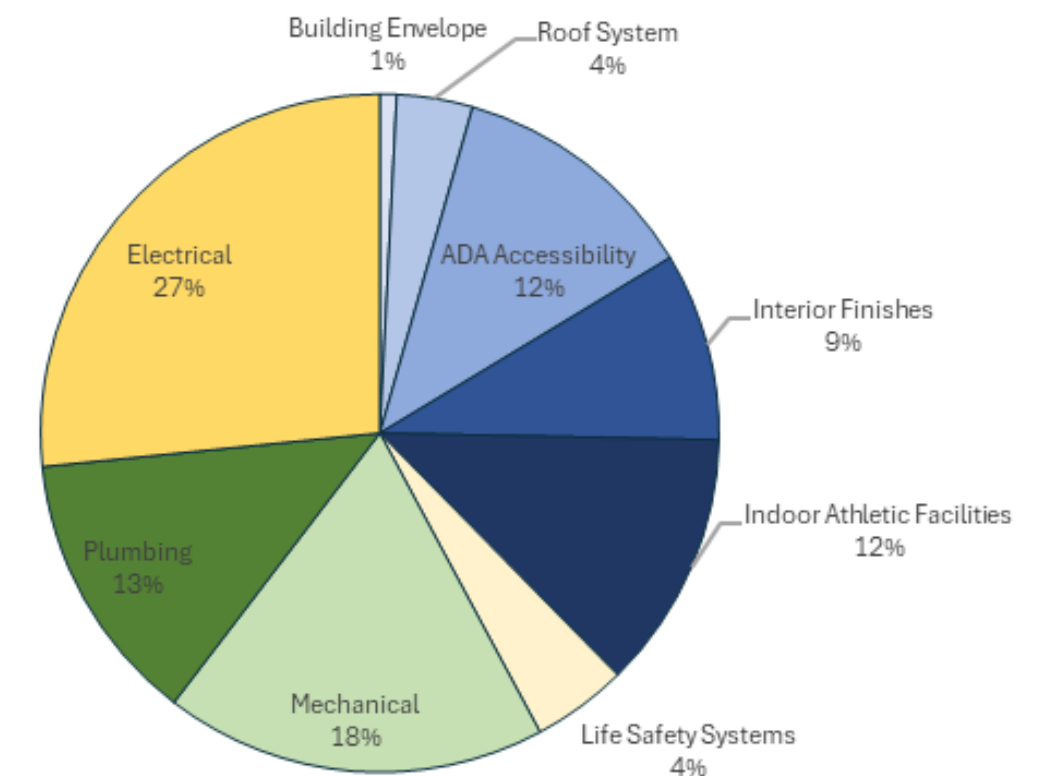
1-3 YEAR TOTAL NEED BY ASSESSMENT CATEGORY



4-6 YEAR TOTAL NEED BY ASSESSMENT CATEGORY

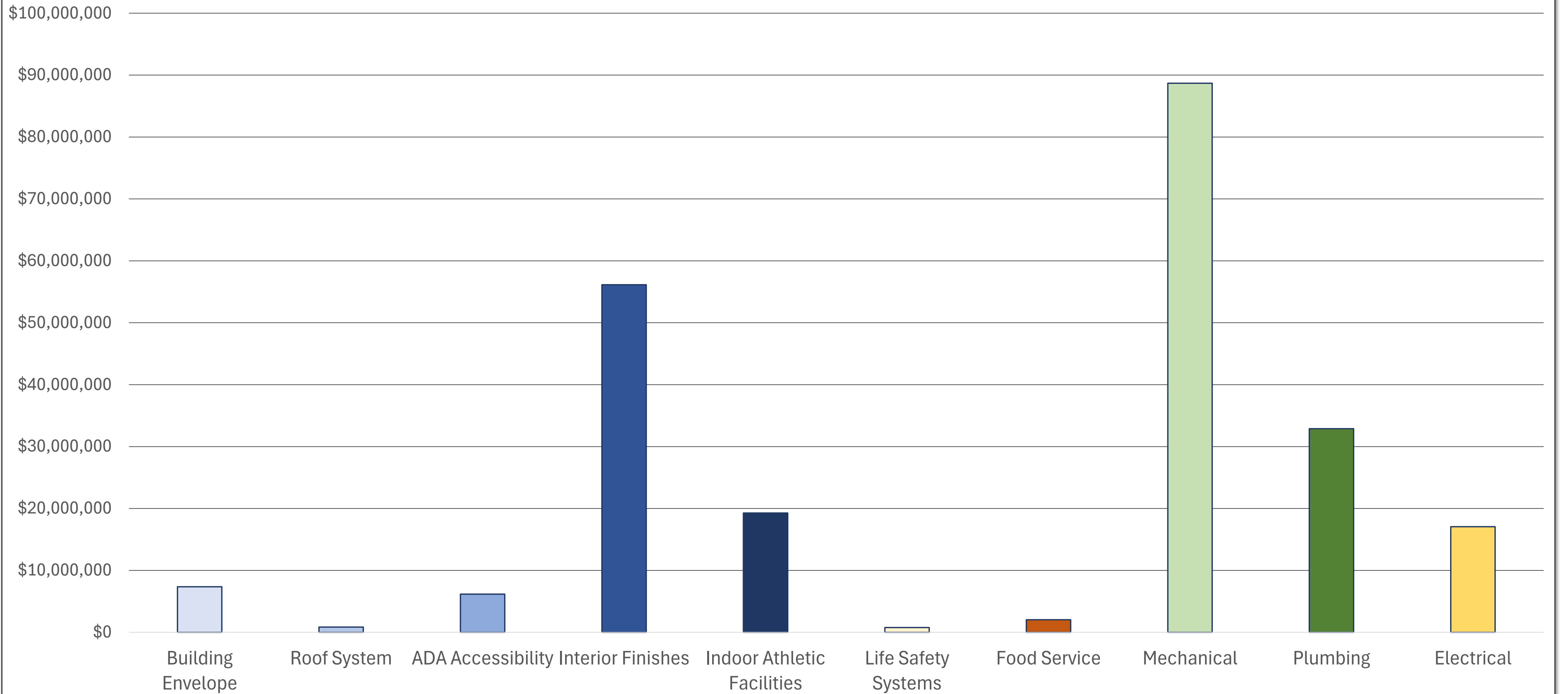


7-10 YEAR TOTAL NEED BY ASSESSMENT CATEGORY

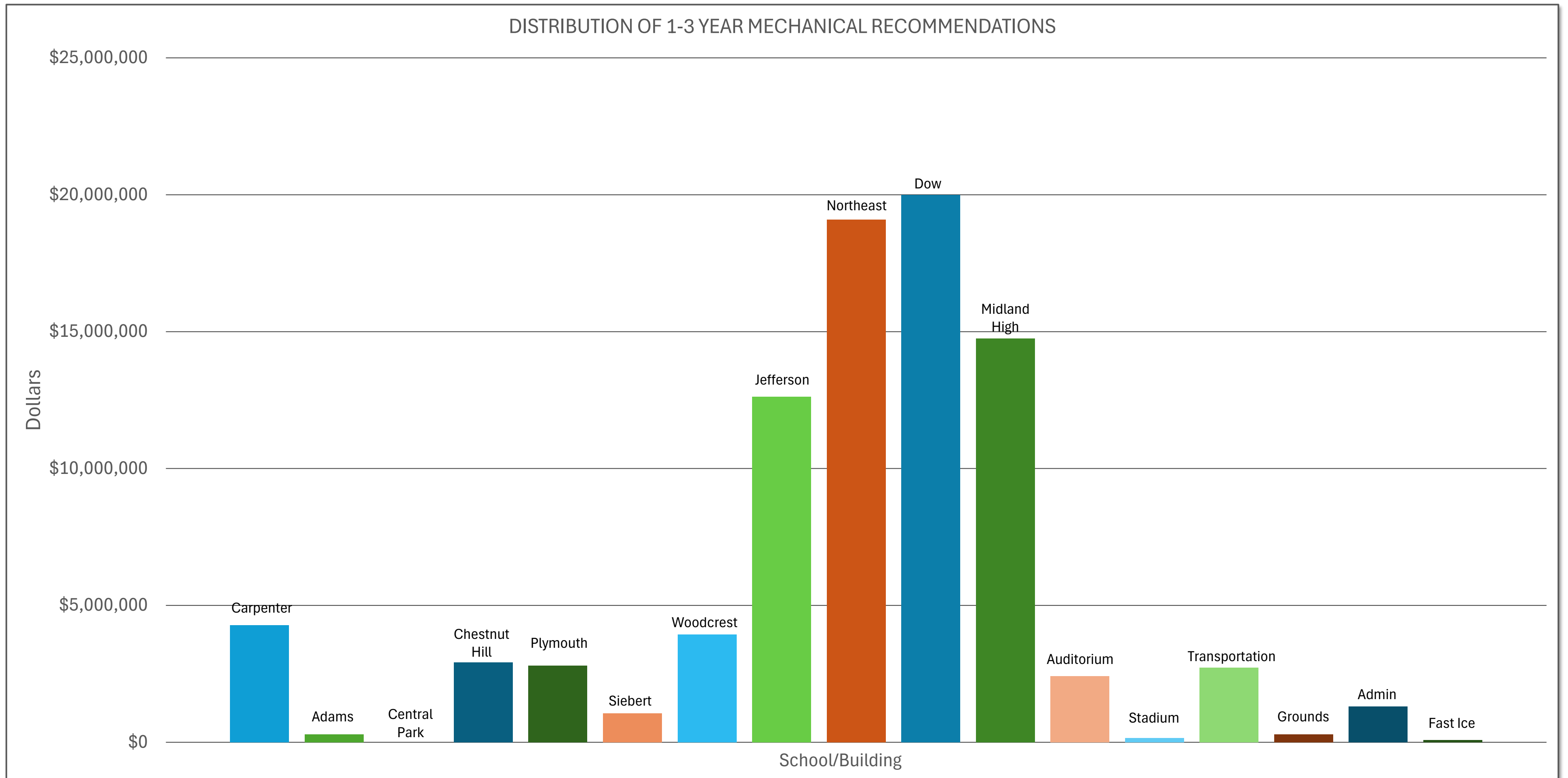


Overall District Facility Assessment

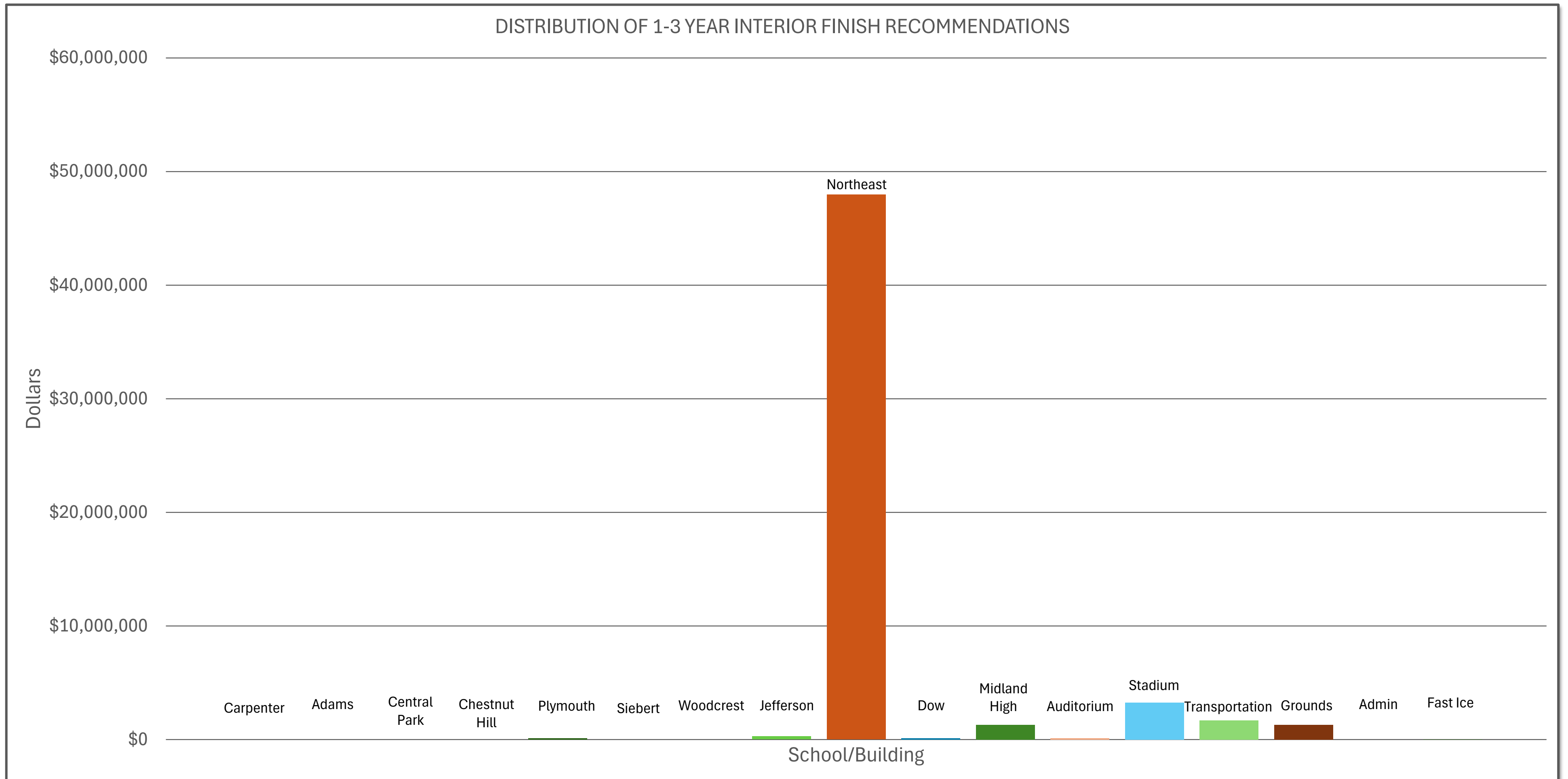
1-3 YEAR NEED BY ASSESSMENT CATEGORY



Overall District Facility Assessment



Overall District Facility Assessment



Key Take Aways

Facilities assessment findings to support long-term capital planning



“Every school district needs the facilities staff MPS has; I wish more were like them.”

Midland Public Schools’ facilities are *well maintained*. Most identified needs reflect *normal lifecycle replacement of building systems* rather than deferred maintenance.

The assessment identifies approximately *\$549M* in potential capital renewal needs *across 17 facilities over a 10-year planning horizon*. These are *planning-level estimates* used to help prioritize future investments.

Northeast Middle School reflects the *largest near-term capital investment*, driven primarily by building systems and infrastructure approaching the end of their lifecycle.

The largest recommended investments involve *mechanical systems and core building infrastructure*, particularly in middle and high school facilities where systems are reaching the end of their expected service life.

Civil and site evaluations (including exterior infrastructure, athletics areas, and playgrounds) are *currently being finalized* and will be incorporated into the overall facility planning process.

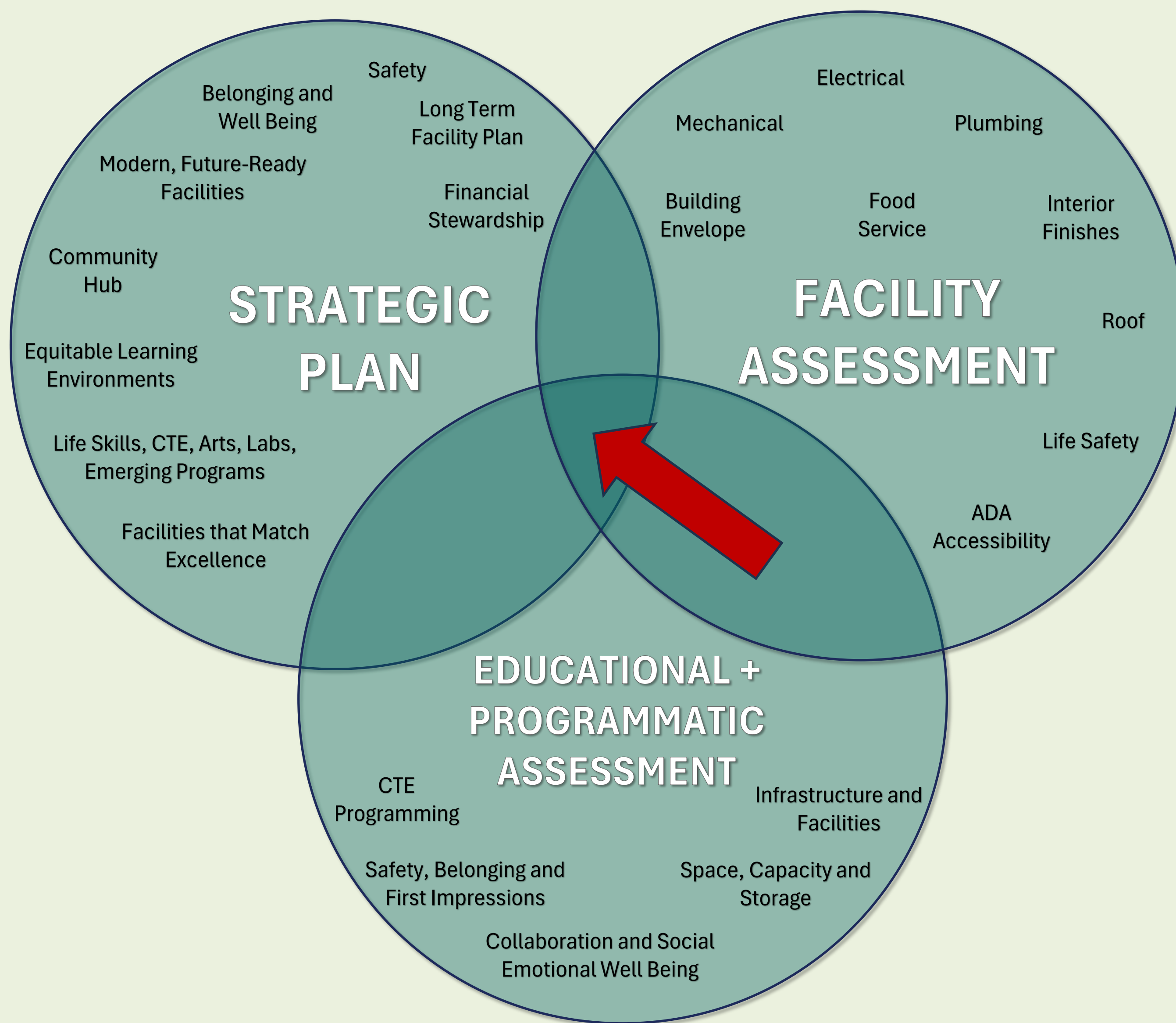
The review evaluates *building infrastructure only* and does not include furniture, instructional technology, or potential programmatic changes needed.



Q&A

A group of approximately 15 children of various ages are posed in a classroom. Many are wearing colorful, hand-decorated paper hats. Some children are holding signs, including one that says "HAPPY DE." and another that says "dies home". The background features educational posters, including a calendar, a "100th day school" banner, and a math poster with the text "Math I can add and subtract two numbers." and a grid of numbers. The children are dressed in a variety of casual clothing, including t-shirts, sweaters, and dresses. The overall atmosphere is festive and educational.

“Blueprint for Tomorrow” Committee



“Blueprint for Tomorrow Committee”

OUR PURPOSE:

To serve as a representative, community-based advisory body that guides the development of the District’s facility plan and the future of Midland Public Schools, assisting the Board of Education in its final decision-making so that those decisions lead to meaningful, future-ready learning experiences for every student.

Outcome

A unified, board-supported facilities roadmap that connects vision to buildings, priorities to funding, and strategy to action.

Aligns Facilities to Strategy

Ensure all facility decisions directly support the District's Strategic Plan, Educational Assessment findings, and Facilities Assessment recommendations.

Define Clear Project Priorities

Establish short-, mid-, and long-term facility priorities based on educational impact, operational need, safety, and fiscal responsibility.

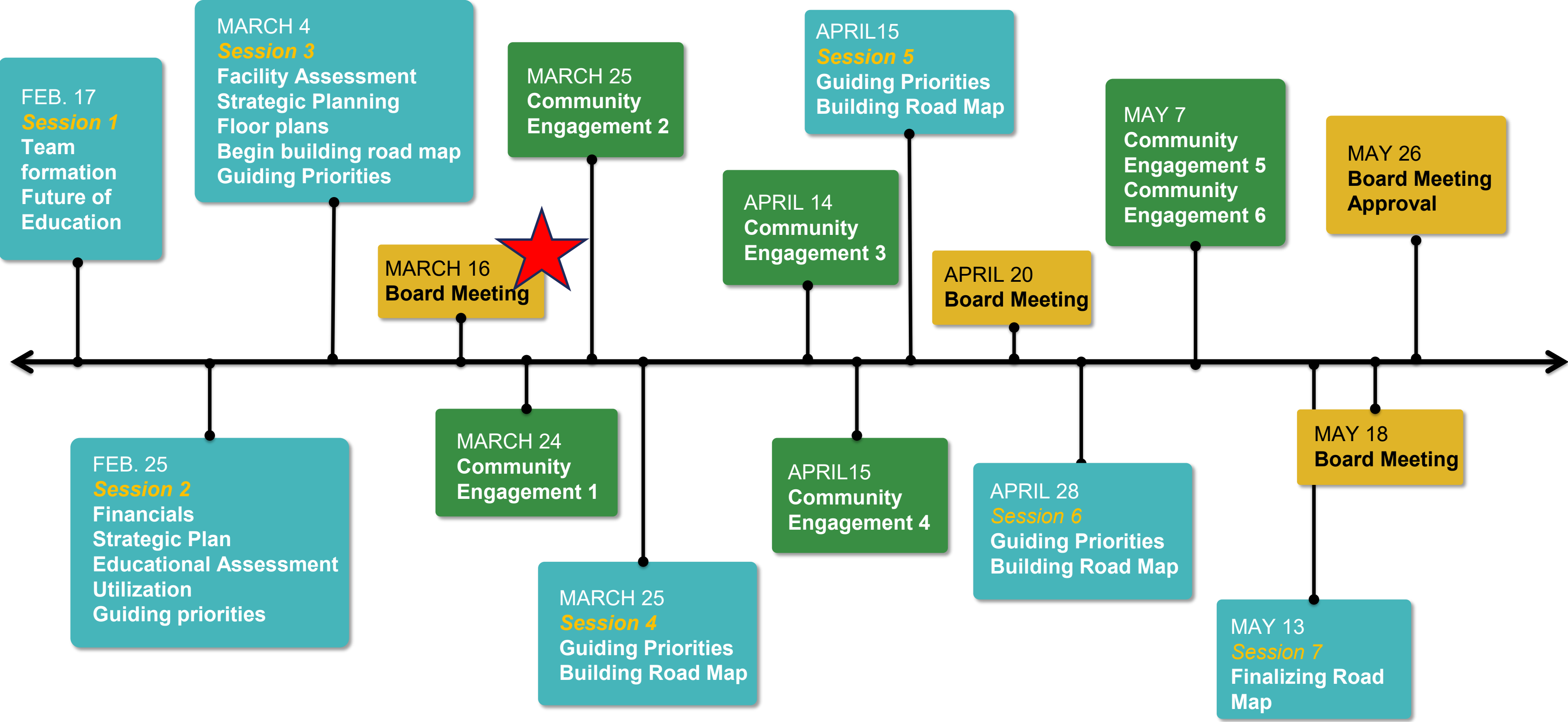
Create a Funding Framework

Clearly define when and why to utilize:

1. General Fund (operational, routine, instructional-support needs)
2. Sinking Fund (capital improvements, maintenance, infrastructure preservation)
3. Bond Funding (major renovations, additions, new construction, transformational upgrades)

Establish Next Steps

Planning Timeline:



Benchmarking/Background:

The Learner and their Communities

19th Century Learner (change was slow)

- Information scarce
- Learning = Listening Copying, Memorizing
- Skills learned in schools lasted a lifetime
- Industrial revolution

Schools were simple institutions, trusted place for knowledge and literacy

20th Century Learner (change in waves)

- Information more available
- Textbooks, libraries, media
- Teaches still gatekeepers of knowledge
- Careers were stable and linear

Schools increased workplace connectivity, community services, after-school programs

21st Century Learner (change is exponential, constant)

- Information is instant, unlimited & global
- Phones accelerating access
- Filtering, evaluating, applying
- Change jobs multiple times
- Work in careers not yet invented
- Need to relearn skills repeatedly

Schools have become community-wide service centers, expected to provide resources for everyone













to: dade
I Mis you so Much
Wih I see you: I wil be
hab all I love: you!!!!!!
Luvoe!! Birdie!!!!!!

I'm angry at you
and im not talking
to you today and
tomorrow.
P.S all day.
P.S.S I still love
you.







Foundation Allowance

$$\begin{array}{c} \text{Enrollment} \\ \times \\ \text{Foundation Allowance} \\ = \\ \text{Core Revenue} \end{array}$$

- Proposal A (1994) created per-pupil system
- Majority of funding is state-driven
- Local 18-mill non-homestead levy required for full funding

The state **will not** make up revenues that are not collected via a non-homestead millage.

School Finance Review

Funds are Legally Separate



Operating Fund



Bond Fund



Sinking Fund

School Finance Review

What Happens Without Capital Funding

Deferred Maintenance

Aging Infrastructure

Increased Emergency Repairs

Higher Long-Term Costs

Impact on Learning Environment

School Finance Review

Key Takeaways

Michigan schools are funded primarily per pupil

Operating revenue funds people and programs

Bonds, sinking funds, and operating funds are all separate

Mandated financial accountability and transparency

Large capital improvements require dedicated funding mechanisms

School Bond/Sinking Fund Review

Sinking Fund / Bond Permitted Use Comparison

Use of Proceeds	Sinking Fund	Bond
Operating Expenses	No	No
Buses ¹	Yes	Yes
Repairs	Yes	No
Other Equipment and Furnishings ²	No	Yes
Maintenance	No	No
Renovations	Yes	Yes
New Construction	Yes	Yes
Site Improvements	Yes, except playground equipment	Yes
Security Equipment ³	Yes	Yes
Technology for Instructional Use ³	Yes	Yes
Technology for Non-Instructional Use	No	Yes
Infrastructure	Yes, most types	Yes

¹Permitted for sinking funds voted since Nov. 2023 that include buses in the millage's stated purpose
²"Other Equipment" excludes security equipment and instructional technology
³Permitted for sinking funds voted since 2017 that include security or instructional technology in the millage's stated purpose

School Bond/Sinking Fund Review

Sinking Funds

What is a sinking fund?

- Voter approval required
- Maximum of 3 mills
- 10 year maximum
- Projects typically financed on a “pay as you go” basis
- May issue limited tax bonds and use sinking fund to pay for larger projects which are eligible to be funded from sinking fund levies.
- **Subject to Headlee rollback**

Sinking Fund Uses

- Purchase of real estate for school building sites
- Construction, remodeling or repair of school buildings
- Technology equipment (for sinking funds approved after 2016 legislation)
- School safety improvements
- **For Sinking Funds approved in November 2023 or after, the funds can be used to purchase buses**

MIDLAND PUBLIC SCHOOLS - SINKING FUND REVENUE SCHEDULE

2025 Taxable Value (inc. IFT less vets exempt.) \$3,044,104,505
 Assumed Annual Growth in Valuation 2.00% in 2026 - 2030, and 2.52%

Levy/ Valuation Year	Estimated Sinking Fund Revenue			
	1.00 Mill		2.00 Mill	
	Gross	NPV	Gross	NPV
2025				
2026	\$3,104,987	\$3,028,794	\$6,209,973	\$6,057,587
2027	3,167,086	3,013,560	6,334,173	6,027,119
2028	3,230,428	2,998,402	6,460,856	5,996,804
2029	3,295,037	2,983,321	6,590,073	5,966,642
2030	3,360,937	2,968,316	6,721,875	5,936,632
5 Yr. Total:	\$16,158,475	\$14,992,392	\$32,316,950	\$29,984,784
2031	\$3,407,314	\$2,935,430	\$6,814,628	\$5,870,861
2032	3,454,331	2,902,909	6,908,661	5,805,819
2033	3,501,996	2,870,748	7,003,992	5,741,497
2034	3,550,319	2,838,944	7,100,638	5,677,888
2035	3,599,309	2,807,492	7,198,618	5,614,984
10 Yr. Total:	\$33,671,744	\$29,347,916	\$67,343,488	\$58,695,832

* Net Present Value calculation is at 2.50%



School Bond/Sinking Fund Review

Updated Summary of Hypothetical Bonding Scenarios

- Below is a summary of the estimated bond amounts assuming a November 2026 bond election for 3.50 (+1.00), 4.50 (+2.00), and 5.50 (+3.00) mill debt levy using an annual change in taxable value of 2.00% for 2026 – 2030 and 1.38% thereafter.

Scenario Table No.	Bond Amount	Bond Term	Estimated Total Interest Cost	Estimated Interest Rate	Principal Amortized within 1st 6 Years	Est. Ballot Info		Maximum Total Mills All Debt	Increase (Decrease) in Debt Levy
						First Year Millage*	Average Millage		
Table_1b									
Series 2027	\$32,750,000	20 yrs., 0 mo.	\$18,907,250	5.00%	\$9,585,000				
Series 2029	32,750,000	20 yrs., 0 mo.	24,347,750	5.00%	2,125,000				
Series 2031	32,750,000	20 yrs., 0 mo.	25,736,250	5.00%	1,950,000				
Total	<u>\$98,250,000</u>		<u>\$68,991,250</u>		<u>\$13,660,000</u>	1.50	1.82	3.50	1.00
Table_2a									
Series 2027	\$55,000,000	25 yrs., 0 mo.	\$41,680,013	5.25%	\$13,660,000				
Series 2029	55,000,000	25 yrs., 0 mo.	49,418,775	5.25%	4,525,000				
Series 2031	55,000,000	25 yrs., 0 mo.	53,937,450	5.25%	2,365,000				
Total	<u>\$165,000,000</u>		<u>\$145,036,238</u>		<u>\$20,550,000</u>	2.50	2.73	4.50	2.00
Table_3a									
Series 2027	\$79,000,000	25 yrs., 0 mo.	\$61,511,888	5.25%	\$18,350,000				
Series 2029	79,000,000	25 yrs., 0 mo.	72,317,175	5.25%	5,500,000				
Series 2031	79,000,000	25 yrs., 0 mo.	79,179,713	5.25%	3,060,000				
Total	<u>\$237,000,000</u>		<u>\$213,008,775</u>		<u>\$26,910,000</u>	3.49	3.95	5.50	3.00

Coming Together:

Q&A

What would you like to identify as short-, mid-, and long-term goals

What would you like to see the committee study/review?

What do you value? What are you looking to see as the outcome?