

**ANN ARBOR PUBLIC SCHOOLS
2019 BOND CAMPAIGN**

The Vision:

To transform the student learning experience with environmentally sustainable schools designed to support the education, health, safety and wellbeing of current and future generations of students.

ANN ARBOR PUBLIC SCHOOLS 2019 BOND CAMPAIGN



TEACHING & LEARNING

Continued Tradition of Academic Excellence



HEALTH & WELLBEING

Focused on Development of the Whole Child



STUDENT LEARNING EXPERIENCE



SUSTAINABLE & ENVIRONMENTALLY RESPONSIBLE INFRASTRUCTURES

Built for our Climate Change Future



SYSTEMS & SERVICES

Efficient and Effective
Support Services



SAFETY

Safe & Secure Schools as
Centers of Communities



Our children deserve it.
Our community expects it.
Our future demands it.



THE VISION

- Transform the Student learning experience
- Enhance Learning Environment
- Ann Arbor Community Schools
- Prepare for Future
- Ensure Sustainability / Environmental Responsibility
- Whole Child – Health, Safety & Wellbeing
- Prepare for Growth & Expansion – development within the AAPS attendance area
- Focus on Student (teacher, staff, & community) Experience

**Our children deserve it
Our community expects it
Our future demands it**

1. Teaching and Learning – *Continued Tradition of Academic Excellence*

Ensure quality learning environments in every classroom

Updated environments to include: natural light, air quality, sound

Performing Arts, including musical instruments and updated performance areas in every school

2. Health and Wellbeing – *Focused on Development of the Whole Child*

Ensure safe drinking water through updating to ensure lead mitigation

Fully functioning kitchens in every school

Playgrounds and Athletic Facilities

3. Safety – *Safe and Secure Schools as Centers of Communities*

Secure school entrances

4. Sustainable and Environmentally Responsible Infrastructures – *Built for our Climate Change Future*

5. Systems and Services – *Efficient and Effective Support Services*

Continue Technology & Transportation Replacement and Renewal

PHASED WORK

- Pass Sinking Fund Increase, May 2016 to address infrastructure repairs & begin initial progress
- Commission External Review & Physical Needs Assessment of all AAPS properties – Delivered December, 2018
- Complete work on 2015 Bond – musical instruments, playgrounds, busses, auditorium upgrades, etc.
- AAPS Spring Community Tour, Share Sinking Fund Update and Preview 2019 Bond
- Prepare for comprehensive Bond, 2019

NEXT STEPS

- AAPS Spring Community Tour to update on Sinking Fund Update & Preview 2019 Bond
 - *What have we accomplished with the community investment from the Sinking Fund?*
- Summer Refinement of the Overall Package, including print materials, video, testimonials, FAQ, etc.
- Fall Campaign to Inform Community / Make the Ask

OBJECTIVES

- Refine plan for Sinking Fund / 2019 Bond Information Campaign
April/May/June, 2019
- Develop compelling reason – the Why - for this bond – what makes it different from previous bonds?
- Build an overall **vision** for 2019 Bond
- Identify what we want to accomplish with bond (put “buckets” in goal language)
- Identify “**lessons learned**” from bond campaigns and their executions the last five years
- Initiate “**opportunity analysis**” on bond
 - Likely causes of passage
 - Promoting and capitalizing actions

COMPELLING NEED: The “Why”**Clarity of Purpose in a Vision for Transformation of Facilities**

- Importance of clarity around what every school will get (“general”)
- Ensure there is something for every school community
 - People’s voices must be heard/valued
- Importance of External Assessment picture of overall facilities needs
- Need to emphasize “community” aspect – schools are a community resource
- Will lead Forward with this 2019 Bond
- We will lead: Our identity is that we are the best!
- **Theme:** *We are Ann Arbor* – has to resonate!
- Make shift to next generation of AAPS schools
- Safety is critical!
- Moving from “the fix” (Sinking Funds) to making school environments world class
- Emotionally healthy, safe environments for future generations
- Current school buildings built to last 30-40 years, not 60+ years as many of ours
- We have world-class teaching and learning, teachers, programming and curricula – yet not first-class facilities
- Need space!
- Creating environmentally-friendly spaces
- Talk about education of the future; building environments for future
- School facilities are a community resource, and extend beyond school day
- Fixing infrastructure is not, of itself, a convincing selling point
 - People are aware things need fixing
- Generations before us made significant sacrifices for AAPS to have current facilities
 - Every generation owes it forward to the next
 - This generation, we’ve not done so much (recession, etc.)

Responsibility Theme

- Ask is based on historical review of AAPS facilities
 - Include stories, such as the Bach story
- Our responsibility as fiscal, community stewards to ‘pay it forward’ to the next generation
- Operating as good stewards of our school buildings is a community responsibility
- Before / After Photos of the Work Already Completed
- Show Successes
- Will Build on Prior Successes (Northside, Allen, Skyline)

A New Day Theme

- Recognize tension – and achieve balance - between “sprinkle it around” strategy and a true comprehensive modernization approach
- **Challenge:** help constituents envision a future

- Pictures are so important:

Ensuring Support

- Essential to have Board support – everyone in, no one out
- Engage district parent groups & community leaders
- Partnerships
- Important to consider impact on each stakeholder group
- Required engagement of school leaders – ensure they are well-trained, that they have clarity and materials
- Students can be great advocates
- Importance of community engagement
 - Those at ground level (school parents), athletic parents need to be advocates
- Need advocacy of key business leaders
- Real estate professionals
- Seniors and People without children in our district – how to reach them
- Need answers to negative questions:
 - Why sinking fund is being used appropriately, *but it's not enough*
- Success Strategy w/ outliers (10%) is to avoid a “No” campaign
- Need to talk about community use: inside & outside
 - **Did you know...**
- Investing in schools and properties
- How to connect this to mental health
- Important to map out which district systems are involved in planning & implementation
 - An Implementation '**playbook**'
- After passing, must regularly update Board and community on our progress

2019 Bond Campaign Vision and Buckets

Vision: To transform the student learning experience with environmentally sustainable schools designed to meet the educational demands, health, safety and wellbeing needs of current and future generations.

1. Teaching and Learning- *Continued Tradition of Academic Excellence*

- Support flexible and engaging learning environments that promote collaboration, hands-on, inquiry-based learning, whole and small group instruction, and appropriate accommodations for all students
- Expand opportunities for applied learning such as CTE, coding, and robotics
- Learning spaces designed to enable instruction and program integrity for students with special needs
- Infrastructure to support blended and online virtual learning
- Create learning spaces that enable co-teaching between core classroom teachers and support staff for a vibrant and effective Multi-tiered system of support.
- Infrastructure to support diverse educational models including online virtual learning, adult learning, community college, and other partnerships
- Provide additional space in schools, particularly elementary schools that are at or near capacity, to maintain class sizes for an effective teaching and learning environment

2. Health and Wellbeing - *Focused on Development of the Whole Child*

- Create optimized learning environments based on best-practice and research to utilize natural and artificial light, ensure fresh air free from pollutants, maintain classroom temperature, and acoustics for maximum cognitive function and productivity.
- Expand and renovate elementary and middle school kitchens to allow healthy “scratch” cooking and more variety
- Improve dining environments (multi-purpose rooms and cafeterias) with better lighting, enhanced equipment for line flow, and other improvements
- Support construction and maintenance of school gardens, greenhouses, and hoop houses
- Ensure adequate space for emergency food programs
- Ensure adequate clinic and office space for nurses, social workers, and counselors
- Repair/replace elementary “black top” spaces and basketball hoops
- Repair and modernize indoor and outdoor athletic facilities, renovating and expanding where needed

- 3. Safety - Safe and Secure Schools as Centers of Communities**
 - Create secure school entrances that provide for access control and secure entry
 - Update and modernize the security camera system, including adding cameras as needed
 - Install monitoring devices on all exterior doors
 - Continue bus fleet replacement schedule to ensure bus fleet safety.

- 4. Sustainable and Environmentally Responsible Infrastructures - Built for our Climate Change Future**
 - Carbon Neutral / Net Zero Energy
 - Climate Change Adaptation and Resilience
 - Solar Power and Geothermal heating and cooling
 - Promote Bio-Diversity and healthy sites
 - Optimized classroom environments for thermal comfort, visual acuity, healthy air, and acoustics
 - Upgrade bus fleet with more fuel-efficient vehicles as new technology advancements make practical

- 5. Systems and Services- Efficient and Effective Support Services**
 - Continue regularly scheduled laptop replacement program
 - Provide additional technology as dictated by curriculum
 - Continue bus fleet replacement schedule to keep down repair costs

Items to consider adding in some way-

- **Equity**
- **More use by the community-**
- **Athletics/Arts-**

**PUBLIC SCHOOLS OF THE CITY OF ANN ARBOR
COUNTY OF WASHTENAW, STATE OF MICHIGAN
SCHOOL BUILDING AND SITE BONDS**

SUMMARY OF PROPOSED BONDING

Scenario Table No.	Bond Amount	Maximum Total Mills all Debt	Increase (Decrease) in Debt Levy
\$533M No Increase To Existing Millage For A Total Millage Of 2.45 Mills			
Series 2020	\$ 16,000,000		
Series 2022	\$ 61,500,000		
Series 2025	\$ 140,500,000		
Series 2029	\$ 315,000,000		
Total	\$ 533,000,000	2.45	0.00
\$805M Increase Of 1.00 Mills For A Total Millage Of 3.45 Mills			
Series 2020	\$ 72,000,000		
Series 2022	\$ 120,000,000		
Series 2025	\$ 240,000,000		
Series 2029	\$ 373,000,000		
Total	\$ 805,000,000	3.45	1.00
\$1.0B Increase Of 1.77 Mills For A Total Millage Of 4.22 Mills			
Series 2020	\$ 130,000,000		
Series 2022	\$ 145,000,000		
Series 2025	\$ 250,000,000		
Series 2029	\$ 475,000,000		
Total	\$ 1,000,000,000	4.22	1.77

ASSUMPTIONS: November 2019 Election
An annual change in Taxable Value of 4.50% for 2019, 2.50% thereafter

NOTATION: - If the bonds were sold in the current market, the interest rate would be less than shown above.
However, due to the fact that the bond sales are in the future, we recommend using higher interest rates when computing the millage impact.
Otherwise, if the interest rates rise, the District could be forced to levy a millage higher than the millage given in the pre-election information.

**PUBLIC SCHOOLS OF THE CITY OF ANN ARBOR
COUNTY OF WASHTENAW, STATE OF MICHIGAN
SCHOOL BUILDING AND SITE BONDS**

SUMMARY OF PROPOSED BONDING

<i>Scenario Table No.</i>	<i>Bond Amount</i>	<i>Bond Term</i>	<i>Estimated Total Interest Cost</i>	<i>Assumed Interest Rate</i>	<i>First Year Millage</i>	<i>Average Millage</i>	<i>Maximum Total Mills all Debt</i>	<i>Increase (Decrease) in Debt Levy</i>
\$533M No Increase To Existing Millage For A Total Millage Of 2.45 Mills								
Series 2020	\$ 16,000,000	19.3 yrs.	\$ 5,227,380	3.60%				
Series 2022	\$ 61,500,000	20.0 yrs.	\$ 28,145,000	4.00%				
Series 2025	\$ 140,500,000	20.0 yrs.	\$ 79,013,025	4.25%				
Series 2029	\$ 315,000,000	21.0 yrs.	\$ 233,317,800	4.50%				
Total	\$ 533,000,000		\$ 345,703,205		0.30	1.94	2.45	0.00
\$805M Increase Of 1.00 Mills For A Total Millage Of 3.45 Mills								
Series 2020	\$ 72,000,000	19.3 yrs.	\$ 23,347,800	3.60%				
Series 2022	\$ 120,000,000	20.0 yrs.	\$ 56,362,000	4.00%				
Series 2025	\$ 240,000,000	20.0 yrs.	\$ 149,430,000	4.25%				
Series 2029	\$ 373,000,000	22.0 yrs.	\$ 305,690,625	4.50%				
Total	\$ 805,000,000		\$ 534,830,425		1.27	2.90	3.45	1.00
\$1.0B Increase Of 1.77 Mills For A Total Millage Of 4.22 Mills								
Series 2020	\$ 130,000,000	19.3 yrs.	\$ 43,957,260	3.60%				
Series 2022	\$ 145,000,000	20.0 yrs.	\$ 67,310,800	4.00%				
Series 2025	\$ 250,000,000	20.0 yrs.	\$ 147,198,963	4.25%				
Series 2029	\$ 475,000,000	22.0 yrs.	\$ 373,044,375	4.50%				
Total	\$ 1,000,000,000		\$ 631,511,398		2.04	3.58	4.22	1.77

ASSUMPTIONS: November 2019 Election
An annual change in Taxable Value of 4.50% for 2019, 2.50% thereafter

NOTATION: - If the bonds were sold in the current market, the interest rate would be less than shown above.
However, due to the fact that the bond sales are in the future, we recommend using higher interest rates when computing the millage impact.
Otherwise, if the interest rates rise, the District could be forced to levy a millage higher than the millage given in the pre-election information.

Option 1 Bond of \$533M with Sinking Fund and Sinking Fund Renewals

Tax Year	Fiscal Year	Taxable Value	Growth Rate	Mills Levied	Estimated Annual Revenue Sinking Fund	November 2019 Election Estimated Collection Bond Fund	Mills Levied	Available Funds Per Year Sinking and Bond Funds					
1 years	2019	2020	\$	9,277,895,377	4.50%	2.46	\$	22,823,623	\$	16,000,000	2.45	\$	38,823,623
2 years	2020	2021	\$	9,509,842,761	2.50%	2.42	\$	23,013,819			2.45	\$	23,013,819
3 years	2021	2022	\$	9,747,588,830	2.50%	2.42	\$	23,589,165			2.45	\$	23,589,165
4 years	2022	2023	\$	9,991,278,551	2.50%	2.42	\$	24,178,894	\$	61,500,000	2.45	\$	85,678,894
5 years	2023	2024	\$	10,241,060,515	2.50%	2.42	\$	24,783,366			2.45	\$	24,783,366
6 years	2024	2025	\$	10,497,087,028	2.50%	2.42	\$	25,402,951			2.45	\$	25,402,951
7 years	2025	2026	\$	10,759,514,204	2.50%	2.42	\$	26,038,024	\$	140,500,000	2.45	\$	166,538,024
8 years	2026	2027	\$	11,028,502,059	2.50%	2.42	\$	26,688,975			2.45	\$	26,688,975
9 Years	2027	2028	\$	11,304,214,610	2.50%	2.42	\$	27,356,199			2.45	\$	27,356,199
10 Years	2028	2029	\$	11,586,819,975	2.50%	2.50	\$	28,967,050			2.45	\$	28,967,050
11 Years	2029	2030	\$	11,876,490,475	2.50%	2.50	\$	29,691,226	\$	315,000,000	2.45	\$	344,691,226
12 Years	2030	2031	\$	12,173,402,737	2.50%	2.50	\$	30,433,507			2.45	\$	30,433,507
13 Years	2031	2032	\$	12,477,737,805	2.50%	2.50	\$	31,194,345			2.45	\$	31,194,345
14 Years	2032	2033	\$	12,789,681,250	2.50%	2.50	\$	31,974,203			2.45	\$	31,974,203
15 Years	2033	2034	\$	13,109,423,281	2.50%	2.50	\$	32,773,558			2.45	\$	32,773,558
16 Years	2034	2035	\$	13,437,158,863	2.50%	2.50	\$	33,592,897			2.45	\$	33,592,897
17 Years	2035	2036	\$	13,773,087,835	2.50%	2.50	\$	34,432,720			2.45	\$	34,432,720
18 Years	2036	2037	\$	14,117,415,031	2.50%	2.50	\$	35,293,538			2.45	\$	35,293,538
19 Years	2037	2038	\$	14,470,350,407	2.50%	2.50	\$	36,175,876			2.45	\$	36,175,876
20 Years	2038	2039	\$	14,832,109,167	2.50%	2.50	\$	37,080,273			2.45	\$	37,080,273
TOTAL ESTIMATED COLLECTIONS						\$	585,484,209	\$	533,000,000	\$	1,118,484,209		

Option 2 Bond of \$805M with Sinking Fund and Sinking Fund Renewals

Tax Year	Fiscal Year	Taxable Value	Growth Rate	Mills Levied	Estimated Annual Revenue Sinking Fund	November 2019 Election Estimated Collection Bond	Mills Levied	Available Funds Per Year Sinking and Bond Funds					
1 years	2019	2020	\$	9,277,895,377	4.50%	2.46	\$	22,823,623	\$	72,000,000	3.45	\$	94,823,623
2 years	2020	2021	\$	9,509,842,761	2.50%	2.42	\$	23,013,819			3.45	\$	23,013,819
3 years	2021	2022	\$	9,747,588,830	2.50%	2.42	\$	23,589,165			3.45	\$	23,589,165
4 years	2022	2023	\$	9,991,278,551	2.50%	2.42	\$	24,178,894	\$	120,000,000	3.45	\$	144,178,894
5 years	2023	2024	\$	10,241,060,515	2.50%	2.42	\$	24,783,366			3.45	\$	24,783,366
6 years	2024	2025	\$	10,497,087,028	2.50%	2.42	\$	25,402,951			3.45	\$	25,402,951
7 years	2025	2026	\$	10,759,514,204	2.50%	2.42	\$	26,038,024	\$	240,000,000	3.45	\$	266,038,024
8 years	2026	2027	\$	11,028,502,059	2.50%	2.42	\$	26,688,975			3.45	\$	26,688,975
9 Years	2027	2028	\$	11,304,214,610	2.50%	2.42	\$	27,356,199			3.45	\$	27,356,199
10 Years	2028	2029	\$	11,586,819,975	2.50%	2.50	\$	28,967,050			3.45	\$	28,967,050
11 Years	2029	2030	\$	11,876,490,475	2.50%	2.50	\$	29,691,226	\$	373,000,000	3.45	\$	402,691,226
12 Years	2030	2031	\$	12,173,402,737	2.50%	2.50	\$	30,433,507			3.45	\$	30,433,507
13 Years	2031	2032	\$	12,477,737,805	2.50%	2.50	\$	31,194,345			3.45	\$	31,194,345
14 Years	2032	2033	\$	12,789,681,250	2.50%	2.50	\$	31,974,203			3.45	\$	31,974,203
15 Years	2033	2034	\$	13,109,423,281	2.50%	2.50	\$	32,773,558			3.45	\$	32,773,558
16 Years	2034	2035	\$	13,437,158,863	2.50%	2.50	\$	33,592,897			3.45	\$	33,592,897
17 Years	2035	2036	\$	13,773,087,835	2.50%	2.50	\$	34,432,720			3.45	\$	34,432,720
18 Years	2036	2037	\$	14,117,415,031	2.50%	2.50	\$	35,293,538			3.45	\$	35,293,538
19 Years	2037	2038	\$	14,470,350,407	2.50%	2.50	\$	36,175,876			3.45	\$	36,175,876
20 Years	2038	2039	\$	14,832,109,167	2.50%	2.50	\$	37,080,273			3.45	\$	37,080,273
TOTAL ESTIMATED COLLECTIONS							\$	585,484,209	\$	805,000,000		\$	1,390,484,209

Option 3 Bond of \$1B with Sinking Fund and Sinking Fund Renewals

Tax Year	Fiscal Year	Taxable Value	Growth Rate	Mills Levied	Estimated Annual Revenue Sinking Fund	November 2019 Election Estimated Collection Bond Fund	Mills Levied	Available Funds Per Year Sinking and Bond Funds					
1 years	2019	2020	\$	9,277,895,377	4.50%	2.46	\$	22,823,623	\$	130,000,000	4.22	\$	152,823,623
2 years	2020	2021	\$	9,509,842,761	2.50%	2.42	\$	23,013,819			4.22	\$	23,013,819
3 years	2021	2022	\$	9,747,588,830	2.50%	2.42	\$	23,589,165			4.22	\$	23,589,165
4 years	2022	2023	\$	9,991,278,551	2.50%	2.42	\$	24,178,894	\$	145,000,000	4.22	\$	169,178,894
5 years	2023	2024	\$	10,241,060,515	2.50%	2.42	\$	24,783,366			4.22	\$	24,783,366
6 years	2024	2025	\$	10,497,087,028	2.50%	2.42	\$	25,402,951			4.22	\$	25,402,951
7 years	2025	2026	\$	10,759,514,204	2.50%	2.42	\$	26,038,024	\$	250,000,000	4.22	\$	276,038,024
8 years	2026	2027	\$	11,028,502,059	2.50%	2.42	\$	26,688,975			4.22	\$	26,688,975
9 Years	2027	2028	\$	11,304,214,610	2.50%	2.42	\$	27,356,199			4.22	\$	27,356,199
10 Years	2028	2029	\$	11,586,819,975	2.50%	2.50	\$	28,967,050			4.22	\$	28,967,050
11 Years	2029	2030	\$	11,876,490,475	2.50%	2.50	\$	29,691,226	\$	475,000,000	4.22	\$	504,691,226
12 Years	2030	2031	\$	12,173,402,737	2.50%	2.50	\$	30,433,507			4.22	\$	30,433,507
13 Years	2031	2032	\$	12,477,737,805	2.50%	2.50	\$	31,194,345			4.22	\$	31,194,345
14 Years	2032	2033	\$	12,789,681,250	2.50%	2.50	\$	31,974,203			4.22	\$	31,974,203
15 Years	2033	2034	\$	13,109,423,281	2.50%	2.50	\$	32,773,558			4.22	\$	32,773,558
16 Years	2034	2035	\$	13,437,158,863	2.50%	2.50	\$	33,592,897			4.22	\$	33,592,897
17 Years	2035	2036	\$	13,773,087,835	2.50%	2.50	\$	34,432,720			4.22	\$	34,432,720
18 Years	2036	2037	\$	14,117,415,031	2.50%	2.50	\$	35,293,538			4.22	\$	35,293,538
19 Years	2037	2038	\$	14,470,350,407	2.50%	2.50	\$	36,175,876			4.22	\$	36,175,876
20 Years	2038	2039	\$	14,832,109,167	2.50%	2.50	\$	37,080,273			4.22	\$	37,080,273
TOTAL ESTIMATED COLLECTIONS						\$	585,484,209	\$	1,000,000,000	\$	1,585,484,209		