

Building and Site Sinking Fund

Davison Community Schools



Davison Community Schools

Where Kids Come First and Futures Begin

Connections ♦ Curriculum ♦ Opportunities

2025 Presentation

What is a Building and Site Sinking Fund?

In general, a Building Site Sinking Fund is a designated savings account or financial reserve that a school district or other public entity sets aside specifically for construction, renovation, repair or improvement of school facilities.

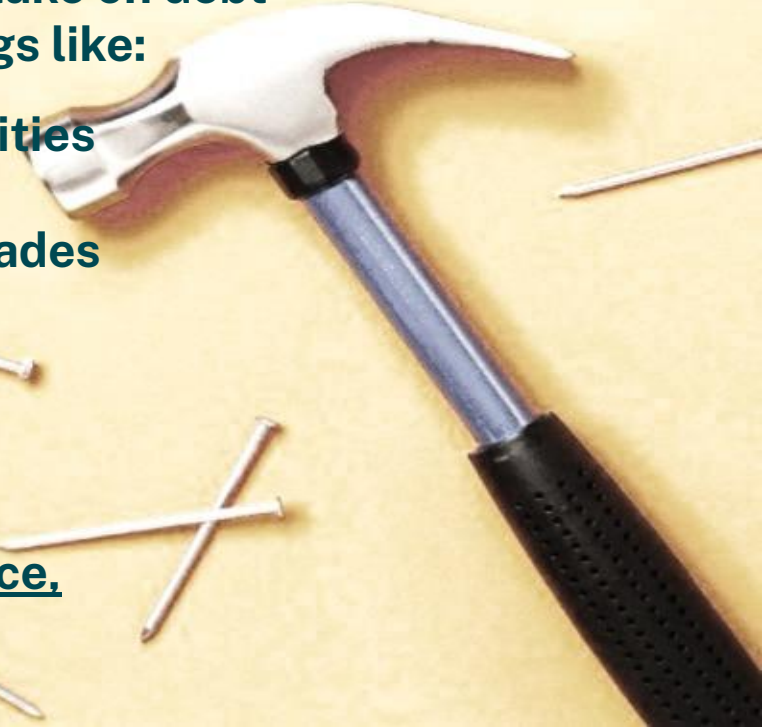


What is a Building and Site Sinking Fund?

For Michigan school districts, a sinking fund is a millage-approved property tax levy that provides funding for capital projects without requiring the district to take on debt through bonds. These funds can be used for things like:

- Renovations and remodeling of existing facilities
- Roof repairs or replacements
- HVAC system, plumbing, and electrical upgrades
- Security enhancements
- Parking lot repaving
- Technology infrastructure improvements

Sinking funds CANNOT be used for operational expenses such as salaries & benefits, maintenance, debt payments or general school supplies.



DCS's Building and Site Sinking Fund

Since 1996, voters in Davison Community Schools have regularly approved a Building and Site Sinking Fund to sustain and improve the facilities of the school district. The Building and Site Sinking Fund generates about \$1.4 million each year to address facility improvements and other authorized projects.



New Building and Site Sinking Fund Ballot Proposal

May 6, 2025



1.3575
mills

On May 6, voters will consider a new sinking fund that maintains the existing 2024 millage rate of 1.3575 mills for the next 10 years (2026-through 2035).

New
Language

If approved, the District would be able to utilize site sinking fund monies for **buses, security improvements and acquisition/upgrades for technology** in addition to repairing facilities.

Continuation
of 2024 tax
rate of existing
sinking fund

Michigan Election Law requires the ballot language set forth before taxpayers be considered as a new sinking fund because now would be able to use dollars for buses, security and technology.

Sinking
funds
since
1996

The District has used sinking fund monies for nearly 30 years to repair and improve district facilities.

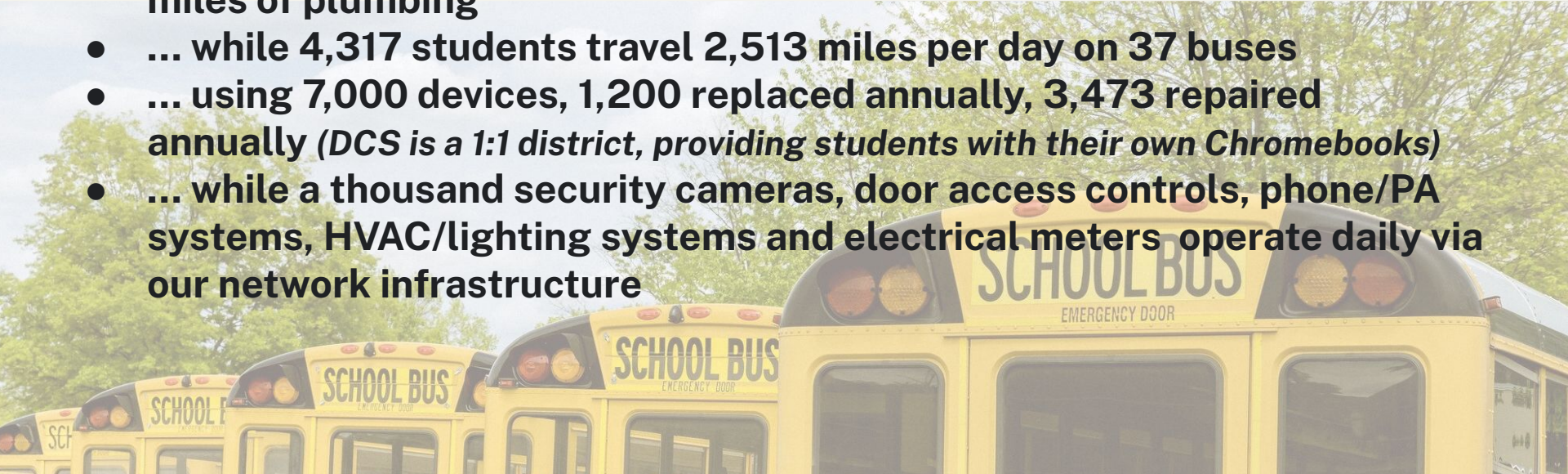
1 mill = \$1
per every
\$1,000 in
taxable
value

Security improvements remain a priority and since DCS went 1:1 in technology during COVID, students continue to receive district-issued Chromebooks, getting new devices in 1st grade and again in 7th grade.

Why is this being requested?

Davison Community Schools Students Learn and Grow ...

- ... in 12 facility locations over a 70+-square-mile area
- ... over 764,671 square feet of building space (SSF = \$2/sqft total/year)
- ... on 275 acres of land surrounding the buildings
- ... with 98 HVAC units; 59 VRFs; 25 Mini Splits & 24 Boilers among miles of plumbing
- ... while 4,317 students travel 2,513 miles per day on 37 buses
- ... using 7,000 devices, 1,200 replaced annually, 3,473 repaired annually (*DCS is a 1:1 district, providing students with their own Chromebooks*)
- ... while a thousand security cameras, door access controls, phone/PA systems, HVAC/lighting systems and electrical meters operate daily via our network infrastructure



What are some of the projects the prior Building and Site Sinking Fund has paid for?

- Classroom additions at Davison Middle School, Hahn Intermediate, Davison High School and Thomson Elementary
- Renovations at most every school building including new windows and exterior doors, classroom ceiling and flooring, student restrooms, replacement of roofs and boilers
- Addition of heating and cooling systems, upgrades to technology and network infrastructure
- Water filtration systems for Gates and Siple, which remain on wells;
- Alger Drive reconstruction
- Repairs to parking lots and the addition of a separate parking areas and bus loops at various buildings
- Repairs and upgrades to athletic facilities
- Addition of the GSRP preschool wing at Central Elementary
- 10 new tennis courts
- Upgrades to the soccer fields
- Addition of the marching band practice field.

Over the next ten years the new Building and Site Sinking Fund will sustain and improve projected need areas:

- **Asphalt and Concrete** \$2.5 million
 - **Exterior Site Improvements** \$2.8 million
 - **Electrical & Lighting** \$472 thousand
 - **Building Exterior** \$655 thousand
 - **HVAC/Mechanical** \$3.8 million
 - **Carpeting/Flooring/Interior Stairs** \$1.1 million
 - **Interior Remodeling** \$4.7 million
 - **Security Improvements** \$1.3 million
- TOTALING: \$17.5 million needs over ten years**

What other projects would the district complete with the new Building and Site Sinking Fund?

The district recently updated its 10-year Facility Plan. Some short term (less than 5 years) projects include:

- **Secure Vestibules at DMS, Hahn, Central and GSRP**
- **DHS and DMS Interior Renovations**
- **Playground upgrades at elementary buildings**
- **Girls' Athletic Locker Room at DHS**
- **DHS and DMS Bathroom Renovations**
- **DHS Exterior Insulation Finishing System (EIFS) Repair and Paint (the cladding system that insulates and waterproofs exterior walls)**
- **DHS and DMS Stairwell Renovations**
- **Rodney Collins Locker Room Renovation**
- **HVAC/Mechanical work at all buildings**
- **Replacement of roofs at Gates Elementary and Cardinal Station**

Short term projects (continued)

- **Continued abatement of asbestos at Davison High School**
- **Security improvements at multiple buildings (fobbing and keying of doors, fencing, secure vestibules, security film, signage)**
- **Continued lighting upgrades**
- **Flooring replacement throughout the District**
- **Fencing repair and replacement**
- **Repave tracks around elementary playgrounds**
- **Site Directional Signage**
- **New switchboard/electrical panel at Gates Elementary**
- **Plumbing infrastructure replacement at Gates and DMS**
- **DMS Locker Room Restoration**
- **DHS Gym Floor Replacement**
- **Repaving of Alger Drive**

What DHS could look like ...







Long term (5-10 years) projects addressed in the 10-Year Facilities Plan

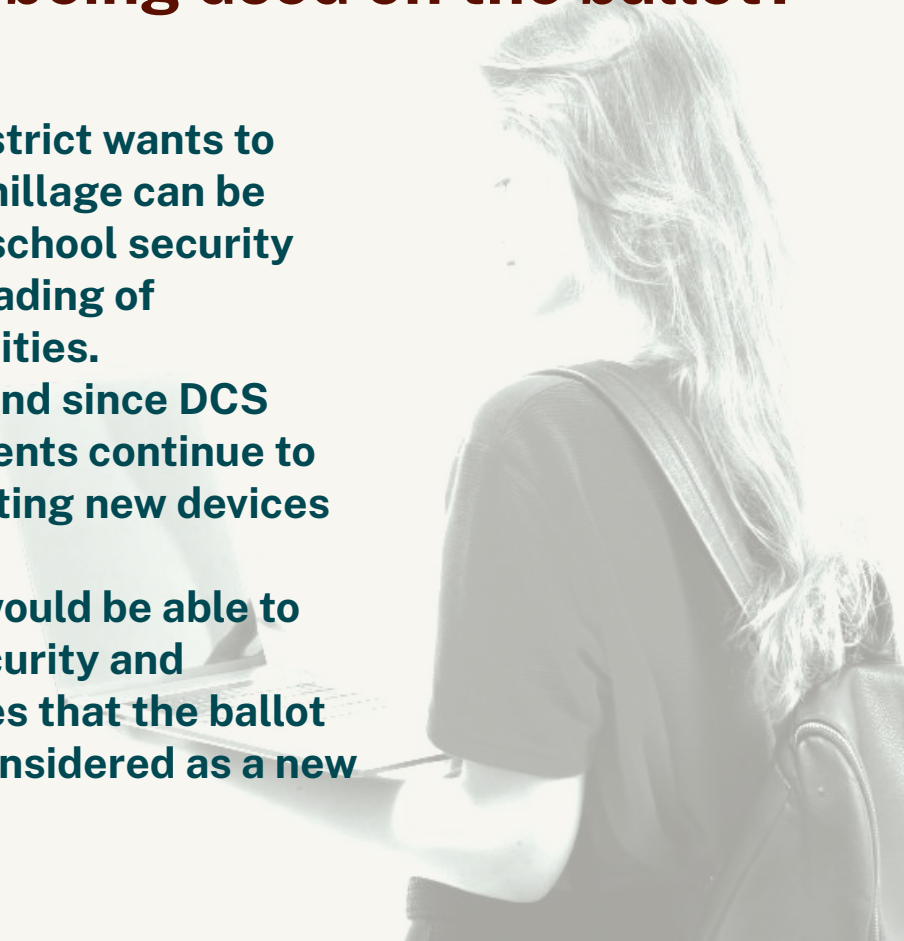
- **Central Elementary parking lot**
- **GSRP Roof**
- **Gates Roof**
- **Central Elementary Gym Floor**
- **New switchboard/electrical panels at Hahn, Hill, Central, Siple and Thomson**
- **Elementary restroom, hallway and classroom restoration**
- **Continued HVAC/Mechanical work at all buildings**
- **Continued flooring replacement throughout the district**
- **Continued playground upgrades at elementary buildings**

Ballot Language

“Shall the limitation on the amount of taxes which may be assessed against all property in Davison Community Schools, Genesee and Lapeer Counties, Michigan, be increased by and the board of education be authorized to levy not to exceed 1.3575 mills (\$1.3575 on each \$1,000 of taxable valuation) for a period of 10 years, 2026 to 2035, inclusive, to create a sinking fund for the purchase of real estate for sites for, and the construction or repair of, school buildings; for school security improvements; for the acquisition or upgrading of technology; for the acquisition of student transportation vehicles; for the acquisition of parts, supplies, and equipment used for the maintenance of student transportation vehicles; for the acquisition of eligible trucks and vans used to carry parts, equipment, and personnel for or in the maintenance of school buildings; for the acquisition of parts, supplies, and equipment used to maintain such trucks and vans; and all other purposes authorized by law; the estimate of the revenue the school district will collect if the millage is approved and levied in 2026 is approximately \$1,554,667?”

Why isn't the word "renewal" being used on the ballot?

- Due to recent changes in state law, the District wants to expand the purposes that a sinking fund millage can be used for including to purchase buses, for school security improvements and the acquisition or upgrading of technology in addition to maintaining facilities.
- Security improvements remain a priority and since DCS went 1:1 in technology during COVID, students continue to receive a district-issued Chromebook, getting new devices in first grade and again in seventh grade.
- With the "new" sinking fund, the district would be able to use site sinking fund money for buses, security and technology, Michigan Election Law requires that the ballot language set forth before taxpayers be considered as a new proposal.



I know the new sinking fund millage is continuation of the 2024 sinking fund millage tax rate, but remind me as to how much a typical taxpayer pays for the Building and Site Sinking Fund.

- In 2024, and in the proposed Sinking Fund ballot question, the Building and Site Sinking Fund is 1.3575 mills.**
- About \$135 a year for someone who owns a house valued at \$100,000 or \$203 for someone with a house having a taxable value of \$150,000.**

How long is the Building and Site Sinking Fund ballot question for?

- **10 years**
- **NOTE: The 2027 winter taxes will be the last of the 1.5 mills of debt millage levied from the 2013 bond project.**

What should I do if I have any questions?

There are several resources on our website that you can view by clicking on the “News” section of our home page at www.davisonschools.org. We also love to hear from our stakeholders! Feel free to send your questions or comments to 2025sinkingfund@davisonschools.org or call (810) 591-0801.