

Bond 2020 & Sinking Fund Overview

- What went wrong in the May 6 election?
- Addressing misinformation and defending integrity

Sinking Fund & Bond Fund



PRESENTED BY

Jacob Sopczynski, CPA

Principal

June 2, 2025 | Davison Community Schools

Sinking Funds

- Purpose: Funds school safety improvements, technology improvements, and the repair and construction of school buildings.
- System: Operates on a "pay as you go" basis, avoiding borrowing money or paying interest.
- Calculation: Millage is based on the taxable value of a home, typically about half of the assessed value.
- Levy Limits: Up to 3 mills for up to 10 years with voter approval.
- Restrictions: Cannot be used for regular maintenance, teaching supplies, textbooks, or salaries.
- Fund Management:
 - Must be kept separate from other district accounts.
 - Requires annual testing as part of audit to ensure proper use according to ballot language.
- Benefits: Allows districts to preserve state funds for instruction, programs, and salaries.

Sinking Funds

Voter Authorization: PRE-2017	Voter Authorization: POST-2016 AND PRE-AUGUST 6, 2023	Voter Authorization: POST-AUGUST 6, 2023
Up to 5 mills for up to 20 years	Up to 3 mills for up to 10 years	Up to 3 mills for up to 10 years
Purchase of real estate for sites for, and the construction or repair ¹ of, school buildings	Purchase of real estate for sites for, and the construction or repair ¹ of, school buildings	Purchase of real estate for sites for, and the construction or repair ¹ of, school buildings
NO EQUIPMENT OR FURNISHINGS	NO EQUIPMENT OR FURNISHINGS OTHER THAN:	NO EQUIPMENT OR FURNISHINGS OTHER THAN:
	- School Security Improvements ³	- School Security Improvements ³
	- Technology ⁴	- Technology ⁴
		 Student Transportation Vehicles⁵ and parts, supplies and equipment to maintain these vehicles
		 Trucks, vans⁶ and parts, supplies and equipment to maintain these vehicles
NO MAINTENANCE ²	NO MAINTENANCE ²	NO MAINTENANCE ²
ANNUAL AUDIT ⁷	ANNUAL AUDIT ⁷	ANNUAL AUDIT ⁷

Source: millercanfield.com

Sinking Fund – Allocable Costs

- Construction and repair of school buildings
- Purchase of real estate for school sites
- School security improvements
 - Cameras & entryway enhancements
- Technology upgrades
 - Computers & networking equipment
- Transportation
 - Buses
- Maintenance equipment
 - Trucks & vans

Sinking Fund – How It's Tested

- Reviewing financial statements
 - Examining balance sheets & revenue/expenditures
- Assessing compliance
 - Verification that expenditures align with allowable uses under Michigan law
 - Such as construction, security improvements, and technology upgrades
- Examining documentation
 - Invoices, contracts, and other pertinent records for confirmation of appropriate spending
- Internal controls
 - Evaluation of Davison Community Schools' controls to prevent mismanagement or unauthorized spending
- Audit report submission
 - Findings of any kind are submitted to the Michigan Department of Treasury for review

Sinking Fund – Audit Finding Results

- Budget adjustments
- Stricter oversight
 - Increased involvement from state regulators and more detailed reporting
- Funding restrictions

YEO & YEO

- Limitations on how funding can be used or potential reductions
- Corrective action plans
 - Implementation of new controls or policies to address deficiencies

Bond Funds

- Purpose: Michigan school bonds are used for large capital expenditures, such as constructing new school buildings or major renovations.
- Funding Mechanism: School bonds involve borrowing money through the issuance of bonds, which must be repaid with interest over time.
- Approval Process: Issuing school bonds requires voter approval through a bond election.
- State Support: The Michigan School Bond Qualification and Loan Program provides state credit enhancement and loan mechanisms for school district bond issues, potentially lowering interest rates.
- Usage Restrictions: Bond proceeds can only be used for capital expenditures and cannot be used for maintenance, repair costs, or operating expenses.

Bond Fund – Allocable Costs

- Capital improvements
 - Construction, renovation, and expansion of school buildings
- Technology upgrades
 - New computers, smartboards, and other educational technology
- Safety enhancements
 - Security systems, fire alarms, and emergency preparedness measures
- Furniture & equipment
 - Desks, chairs, lab equipment, etc.
- Transportation infrastructure
 - Improvements to parking lots and driveways
- Energy efficiency projects
 - Solar panels and HVAC upgrades

Bond Fund – How It's Tested

- Review policies and procedures
 - Assess whether the Schools' policies and procedures are adequate to safeguard funds
- Risk assessment
 - Identification of areas where audit efforts should be expanded or reduced based on internal assessment of risk
- Expenditure testing
 - Verification that funds are spent on approved projects and not misused
- Investment confirmation
 - If invested, confirmation of existence and valuation through external sources
- Financial statement analysis
 - Ensure all income and changes in investment values are recorded properly

Bond Fund – Expenditure Testing

- Understanding the scope
 - Approved budgets, bond fund agreements, relevant laws and regulations
- Sampling transactions (Random sampling vs. Risk-based sampling)
 - Random sampling focuses on unbiased selection
 - Risk-based sampling focuses on high-value or unusual transactions
- Review documentation
 - Invoices and receipts to verify expense legitimacy
 - Contracts and purchase orders to ensure compliance with procurement policies
 - Approval records to confirm authorization of expenditures
- Compliance testing
 - Funds were used for capital improvements rather than operational costs
 - Expenses comply with state and federal regulations
 - Payments were made to approved vendors and contractors

Bond Fund – Expenditure Testing (Continued)

Tracing funds

- Matching payments to corresponding invoices
- Confirming funds were not diverted for unauthorized purposes
- Scanning for duplicate or fraudulent transactions

Irregularity identification

- Interviews with financial personnel
- Additional documentation requests
- Potential violations and corrective action plans

Reporting findings

- Summary of tested expenditures
- Issues or non-compliance identification
- Recommendations for improvements

Audit Results and Reporting

- Results of bond audits are submitted to Treasury and MDE annually while a bond is actively spending.
- Audits are performed annually until substantially all bond proceeds have been spent.
- Upon completion a final bond audit is necessary.
- Sinking fund testing related to compliance is reported in the Annual Audit of the District.

Audit Results and Reporting

Issuance	2020-Series I	2022-Series II	Sinking Fund (2015)
2020			Completed
2021	Submitted		Completed
2022	Submitted		Completed
2023	Submitted	Submitted	Completed
2024	Submitted	Submitted	Completed
Status	Final Treasury Certification completed October 14, 2024	Spend down	N/A

Questions?

Jacob Sopczynski, CPA Principal

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Bond vs. Sinking Fund

Similar to a loan: the district borrows a large sum up front and repays it with interest over time.



Allows a school district to collect a small millage yearly to pay for infrastructure needs on a pay-as-you-go basis, without incurring debt. These funds can be used for repairs, renovations, and other capital improvements, depending on allowable uses under state law. Provides a more flexible and fiscally conservative option for ongoing upkeep and smaller-scale projects.

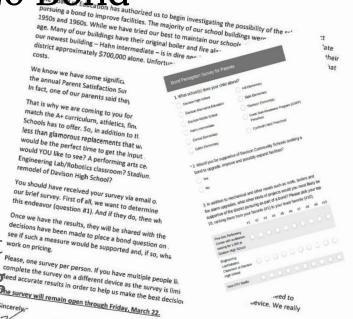


Part I: Let's start with the 2020 Bond

- Former Supt. Kevin Brown directed by Board to research feasibility of pursuing bond because buildings look 'tired and worn' and District lacked areas of support for performing art students
- Letter sent to parents (March 8, 2019) to let work on pricing.

 Please, one survey per person. If you have multiple people in them know District would be investigating led accurate results in order to help us make the best decision possibility of a bond

 Sincerely.
- Multiple Community Forums held to gather stakeholder input (September 17, 2019)



And the survey says ...

- Survey emailed to parents and community members (March 8, 2019)
- 88.76 percent of 836 parents responding said they would be supportive of the District seeking a bond
- 89.2 percent of 568 community members responding said they would be supportive of the District seeking a bond
- In all surveys (parents, community members, staff and students), respondents were asked to rank what projects were most important to them:
- Of all the surveys 4 areas consistently ranked as top priorities
 - o Renovations/upgrades to Davison High School
 - Security Safety
 - Technology
 - Performing Arts Center



Communicating with intention

- Community Forums held (August 20, September 3 and September 17, 2019)
- Letter sent to parents (*September 13, 2019*) regarding results of survey and input and invitation to last community forum.
- Letter to families sharing the Application for Preliminary Qualification to Michigan Department of State Treasury (November 5, 2019)
- Brochures, FAQs and Project Boards shared with parents, displayed at parent teacher conferences and district events, community service group and chamber meetings, PTOs and area senior citizen facilities and center.
- Numerous informational articles in media, Cardinal Caller and district newsletters

Bond Approva

- Voters approved \$71.39 million bond on March 10, 2020
 - 4,908 yes votes
 - o 4,550 no votes
- Two days later, on March 12, 2020, Governor Whitmer announced the initial closure of all K-12 school buildings due to the increasing number of presumptive COVID-19 cases.
- April 2, 2020: Governor Whitmer signed Executive Order 2020–35, which formally extended the suspension of in-person instruction for the remainder of the academic year, according to the State of Michigan.

Asbestos abatement and ceiling/lighting replacements	Completed 2020	\$413,500
Roof replacement over gym	Completed 2020	\$511,116 (included with costs of roof replacements at DAE and Siple Elementary)
New domestic boilers/water heaters	Completed 2020	\$136,646.83 (included with costs for upgrades at DMS)
Cardinal Stadium Restroom Addition	Completed 2021	\$523,373.43

$Bond\ Basics\ -\ {\tt Projects\ completed/in\ process\ by\ building}$

Asbestos abatement and ceiling/lighting replacements Phase II	Completed 2021	\$1,158,745
Gymnasium Bleacher replacement	Completed 2021	\$337,371
New Heating boilers, chiller and misc. heating equipment	Completed 2022	\$1,417,647.47 (included with costs of mechanical upgrades at DMS, Hahn and DAE)
Relocation of storm, sanitary and water for new PAC	Completed 2022	\$2,118,848.08

Site improvements (new parking lots, parent & bus loops)	Completed 2022	\$3,225,041.38 (included with DMS/Hahn/Siple/Tho mson)
LED lighting upgrades	Completed 2022	685,763.71 (Districtwide)
Abatement/restoration and main office remodel	Completed 2023	\$1,251,235
DTV Studio Sets	Completed 2024	Cost included in PAC
Abatement and ceiling/lighting replacements	Completed 2024	\$1,493,095

Additional parking lot (north(and new parent loop	Completed 2024	\$4,717,107.02
Performing Arts Center	Completed 2025	\$33,832,837.80
Renovations - New community room, weight room and wrestling room	Ongoing	\$4,074,903.58
Abatement, restoration and girls' locker room addition	Scheduled for summer	\$1,405,258



Davison Alternative Education

Roof replacement	Completed 2020	\$511,116 (included with costs of roof replacements at DHS gym and Siple Elementary)
New Heating boilers, chiller and misc. heating equipment	Completed 2022	\$1,417,647.47 (included with costs of mechanical upgrades at DMS, Hahn and DHS)
Secure Vestibule Entry	Completed 2024	\$896,420.81 Included with costs of secure

Davison Middle School

Mechanical Upgrades	Completed 2020	\$136,646.83 (included with boilers and water heater replacements at DHS)
New Heating boilers, chiller and misc. heating equipment	Completed 2022	\$1,417,647.47 (included with costs of mechanical upgrades at DAE, Hahn and DHS)
Site improvements (new parking lots, parent & bus loops)	Completed 2022	\$3,225,041.38 (included with DMS/Hahn/Siple/Tho mson)
LED lighting	Completed 2022	685,763.71

Hahn Intermediate School

New Heating boilers, chiller and misc. heating equipment	Completed 2022	\$1,417,647.47 (included with costs of mechanical upgrades at DMS, DAE and DHS)
Site improvements (new parking lots, parent & bus loops)	Completed 2022	\$3,225,041.38 (included with DMS/Hahn/Siple/Tho mson)
LED lighting upgrades	Completed 2022	685,763.71 (Districtwide)
Mechanical and electrical upgrades	Completed 2023	\$198,176.88

Gates Elementary School

LED lighting upgrades	Completed 2022	685,763.71 (Districtwide)
Secure Entry Vestibule	Completed 2023	\$1,142,240.77 (includes cost of secure entry vestibule at Siple)

Thomson Elementary School

Classroom addition	Completed 2021	\$774,635.62
Site improvements (new parking lots, parent & bus loops)	Completed 2022	\$3,225,041.38 (included with DMS/Hahn//Thomso n)
LED lighting upgrades	Completed 2022	685,763.71 (Districtwide)
Secure Entry Vestibule	Completed 2024	\$896,420.81 (includes cost of secure entry vestibules at Hill and DAE)

Siple Elementary School

Roof replacement	Completed 2020	\$511,116 (included with costs of roof replacements at DAE and DHS gym)
Site improvements (new parking lots, parent & bus loops)	Completed 2022	\$3,225,041.38 (included with DMS/Hahn//Thomso n)
LED lighting upgrades	Completed 2022	685,763.71 (Districtwide)
Secure Entry Vestibule	Completed 2023	\$1,142,240.77 (includes cost of secure entry vestibule

Cardinal Station

Relocation of Bus Lot to Cardinal Station Completed 2021

\$1,269,606.99



Summary of 113 Bond Vendors & Expenses

145,430.32 0.20% 44

D.F. FLOOR COVERING DATA IMAGE LLC

VENDOR	TOTAL INVOICED	<u>%</u>	RANK	_			
A-1 GLASS COMPANY LLC	54,021.00	0.08%	64	DCC CONSTRUCTION INC.	4,858,718.33	6.81%	2
A-1 MOBILE STORAGE LEASING LLC	21,428.68	0.03%	79	DEW-EL CORPORATION	29,700.00	0.04%	72
ACOUSTIC CEILING & PARTITION CO INC	99,476.02	0.14%	54	DIAMOND EXCAVATING LLC	3,225,041.38		8
ADVANCED CONTRACTING & ELECTRICAL SERVICES	754,276.21	1.06%	25	DICKERSON MECHANICAL	2,736,150.16		9
ADVANCED LIGHTING & SOUND INC	2,608,258.98	3.66%	12				38
ARCH ENVIRONMENTAL GROUP	195,679.94	0.27%	39	E&L CONSTRUCTION GROUP INC	205,737.65		107.15
ARCHITECTURAL GLAZING SYSTEMS INC	1,239,451.02	1.74%	21	ELKHORN CONSTRUCTION CO INC	1,477,781.47		18
ASI HOLDING COMPANY LLC	1,344,537.34	1.89%	20	ENERGY ELECTRIC SERVICES LLC		0.00%	111
ASPHALT SPECIALTIES INC	175,587.35	0.25%	41	ENGELMAN CORPORATION	14,500.00	0.02%	84
ASSETGENIE, INC	17,456.25	0.02%	81	ESCON GROUP INC	24,267.00	0.03%	78
ASTROTURF CORPORATION	527,499.00	0.74%	28	FESSLER & BOWMAN INC	4,152,090.92	5.82%	5
BEYNON SPORTS SURFACES INC	223,940.00	0.31%	37	FIBER LINK, INC	32,412.00	0.05%	69
BIRCHMEIER, RAYMON	1,180.00	0.00%	109	FOOR, ROD	351,043.76	0.49%	32
BSN SPORTS LLC	3,472.99	0.00%	101	FRONTIER COMMUNICATIONS	4,877.16	0.01%	97
CDW-G	83,328.00	0.12%	57	GOYETTE MECHANICAL	28,584.09	0.04%	75
CERTIFIED ABATEMENT SERVICES INC	2,011,282.73	2.82%	13	GROSS, JOSEPH TROY	133,095.71	0.19%	46
CHAPIN, JASON	7,400.00	0.01%	93	HOCK PAINTING INC	85,274.14	0.12%	56
CHARTER COMMUNICATIONS OPERATING LLC	4,650.00	0.01%	99	HOOPS INC.	4,598.00	0.01%	100
COMMERCIAL CONTROL SYSTEMS INC	19,457.86	0.03%	80	IMAGEMASTER LLC	5,000.00		96
CONCRETE PLACEMENT LLC	2,647,366.88	3.71%	11		2,000.00		
CONSUMERS ENERGY	8,181.00	0.01%	89				
CREATIVE WINDOWS	56,820.00	0.08%	62				
CRONIN ENTERPRISES	28,717.00	0.04%	74				

Summary of 113 Bond Vendors & Expenses (cont.)

INACOMP TSG	161,750.88	0.23%	42	MICHIGAN OVERHEAD DOOR	1,560.00	0.00%	106
INTERIOR ENVIRONMENTS	46,186.91	0.06%	66	MJ MECHANICAL GROUP	1,651,021.05	2.32%	15
INTERKAL LLC	325,396.00	0.46%	34	MLIVE MEDIA GROUP	5,358.91	0.01%	95
IRWIN SEATING COMPANY	227,874.74	0.32%	35	MODUGO LLC DBA RENT-A-CONTAINER NETWORK	2,926.00	0.00%	102
J PEREZ CONSTRUCTION INC	1,836,641.87	2.58%	14	MOHAWK FIRE PROTECTION LLC	345,497.76	0.48%	33
JACK & THE BEANSTALK INC	50,602.53	0.07%	65	MOODY'S INVESTORS SERVICES INC	55,500.00		63
JACKSON ASSOCIATES INC	130,264.20	0.18%	47	MUSIC FILING SOLUTIONS	29,470.00		73
JANSON INDUSTRIES	604,889.82	0.85%	27	MUSIC GO ROUND	8,300.00		88
JOHNSON CONTROLS FIRE PROTECTION	8,917.00	0.01%	86	NBS COMMERCIAL INTERIORS	60,885.93		61
KAWAI PIANO GALLERY OF MICHIGAN	1,391.00		107	NILES CONSTRUCTION SERVICES	467,013.09		29
KENNEDY EXCAVATING, INC.	1,409,872.49		19	PEARL GLASS & METALS LLC	10,574.81		85
KINGSCOTT ASSOCIATES, INC	3,669,675.45		7	PFM FINANCIAL ADVISORS LLC	102,325.38		52
L.J. ROLLS REFRIGERATION CO	1,557,199.30		16	PIERCE POWER ELECTRIC LLC PRO COMM INC	854,331.14		24 76
LAKESHORE LEARNING	8,015.70			R&E DEVELOPMENT GROUP LLC	27,033.61 4,344,765.04		3
LAPEER COUNTY INTERMEDIATE SCHOOL DISTRICT	32,143.52			R.E. LEGGETTE COMPANY	32,154.00		70
LEIDAL & HART MASON CONTRACTORS INC	4,151,297.02			RAULAND SOUNDCOM	358,018.30		31
LEIX, MELANIE M	2,475.00		103		336,016.30	0.5076	31
M.A. RICHEY MANUFACTURING			77				
	25,150.00		600				
MASB-SEG PROPERTY CASUALTY POOL INC	4,728.00		98				
MASONRY SOLUTIONS MIDWEST II LLC	99,508.79		53				
MAXIM HOMES INC	175,676.00		40				
MCMATH MASONRY INC	93,280.00	0.13%	55				
MDC INTERIOR SOLUTIONS, LLC	8,395.62	0.01%	87				
MEI TOTAL ELEVATOR SOLUTIONS	1,280.00	0.00%	108				
MEN OF STEEL INC	152,198.60	0.21%	43				
METCALF ELECTRIC INC	5,555,428.06	7.79%	1				

Summary of 113 Bond Vendors & Expenses (cont.)

RAYHAVEN GROUP	81,020.00	0.11%	58
REESE CONTRACTING INC	224,364.60	0.31%	36
RESURRECTION CARPENTRY	121,787.54	0.17%	50
RMD HOLDINGS LTD	141,840.00	0.20%	45
ROHMANN IRON WORKS INC	4,332,666.27	6.08%	4
ROOT & TMR INC	15,605.34	0.02%	83
S AND H MANUFACTURING COMPANY	1,855.15	0.00%	105
SCHINDLER ELEVATOR CORP	129,552.00	0.18%	48
SCI FLOOR COVERING INC	113.22	0.00%	112
SIMONE CONSTRUCTION SERVICES	2,679,070.57	3.76%	10
SONITROL GREAT LAKES-MICHIGAN	7,973.03	0.01%	92
SOUNDCOM	33,488.70	0.05%	68
STATE OF MICHIGAN	2,000.00	0.00%	104
SUPERIOR SERVICES RSH INC	1,532,019.80	2.15%	17
TAYLOR BROTHERS DOOR LOCK LLC	17,360.00	0.02%	82
THRUN LAW FIRM PC	107,992.65	0.15%	51
TVSETDESIGNS.COM LLC	5,370.00	0.01%	94
U-LINE	8,143.08	0.01%	90
UMB BANK N.A.	1,150.00	0.00%	110
VECTOR TECH GROUP LLC	43,598.70	0.06%	67
WALKER ELECTRIC INC	685,763.71	0.96%	26
WEINSTEIN ELECTRIC COMPANY	1,175,556.93	1.65%	22
WENGER CORPORATION	123,570.70	0.17%	49
WM. E. WALTER, INC	62,429.00	0.09%	60
WOLVERINE CCTV	363,817.71	0.51%	30
WOLVERINE FIRE PROTECTION CO	79,112.46	0.11%	59

Part II: 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

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

Addressing Misinformation

- Required to use word "increase" in ballot language
 - 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. (Thrun Law Firm and MASB Legal Counsel)
- Lack of awareness
- Social Media/Misinformation Campaign

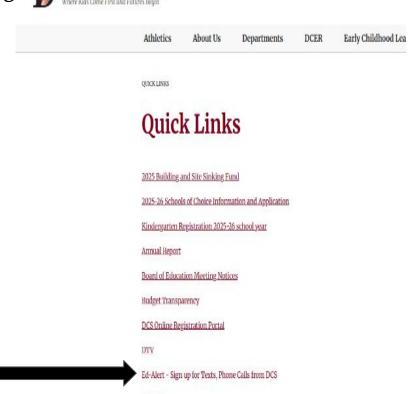


"I didn't know there was an election."

Published in Board Briefs following February meeting.

Covered by several news outlets

- Davison Index (Feb. 13, Mar. 27, Apr. 24)
- MLive (Feb. 24)
- WNEM TV 5 (Apr. 9).
- Informational materials, including three videos produced by DTV placed on website and shared on social media
- Sign up at Ed-Alert!



e-Funds

Davison Community Schools

Building and Site Sinking Fund Basics

- A building and sinking fund has been in place since 1996
- Generates approximately 1.4 million each year for facility improvements
- Request to continue levying 1.3575 mills was defeated by voters on May 6, 2025

Votes	Absentee	Election Day	
Yes	1390	1046	
No	1809	959	
Total	3199	2005	

Recent projects paid for with sinking fund dollars

- Classroom additions/renovations 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
- Automotive Floor Restoration
- Addition of the marching band practice field

10-year projected projects

•	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 over ten years

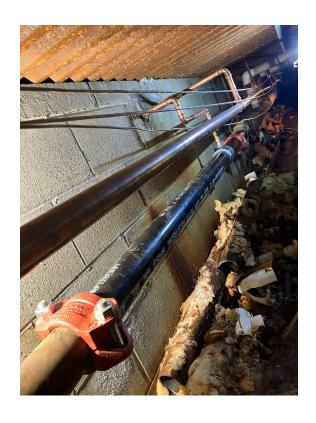
Immediate projects (less than 5 years)

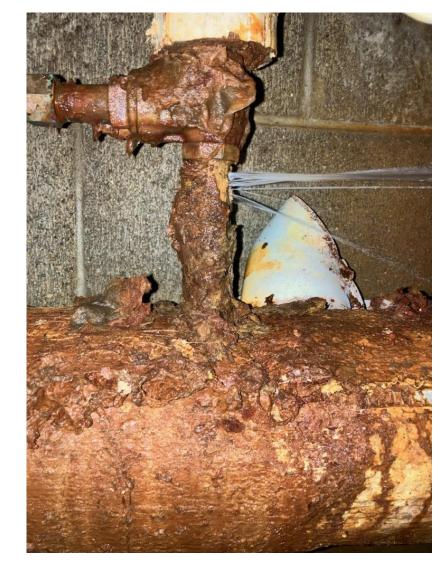
- Secure Vestibules at DMS, Hahn, Central and GSRP
- DHS and DMS Interior Renovations
- Playground upgrades at elementary buildings
- Girls' Athletic Locker Room at DHS
- DHS and DMS Bathroom Renovations
- DHS Exterior Insulation Finishing System (EIFS) Repair and Paint (the cladding system that insulates 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

Immediate projects (less than 5 years)

- 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

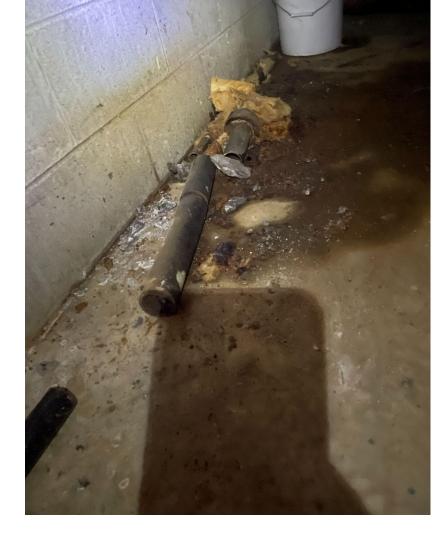
Part of the boiler feed line that has failed at Gates. This marks the third repair in less than a year.

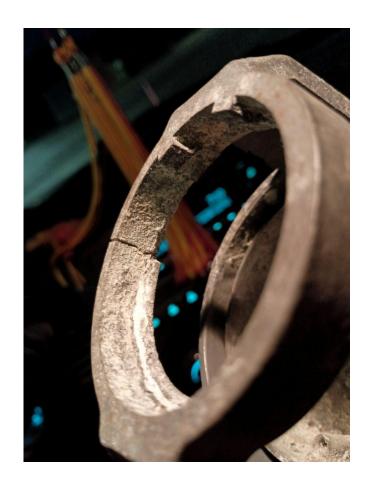




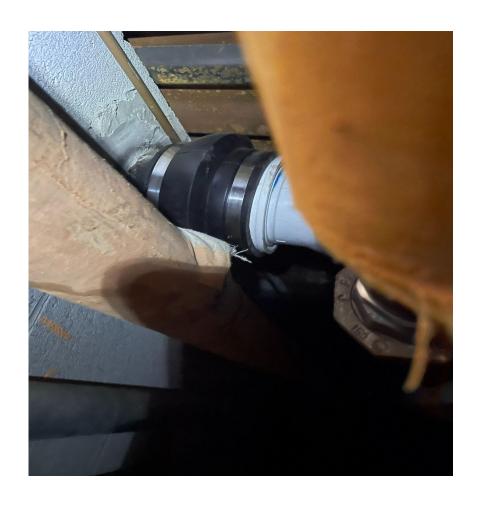
Sewer line break on Middle School feed line (right). Steam pipe break at DMS.







Left, broken actuator on a classroom at Hill Elementary. Below, finished repairs to a kitchen sewer line at Siple Elementary.



Summary of Sinking Fund Expenses (since 7-1-2020)

VENDOR	TOTAL INVOICED	%	RANK
ARCH ENVIRONMENTAL GROUP	77,885.22	2.29%	9
BCE CONCRETE COATINGS	67,005.38	1.97%	10
CERTIFIED ABATEMENT SERVICES INC	1,143,300.80	33.61%	1
CITY OF DAVISON	9.13	0.00%	26
DAVISON TOWNSHIP	20,641.01	0.61%	17
DCC CONSTRUCTION INC.	236,353.19	6.95%	5
DIAMOND EXCAVATING LLC	10,978.60	0.32%	21
DMP SIGN CO	4,046.28	0.12%	23
ECKER MECHANICAL CONTRACTORS, INC	21,625.00	0.64%	16
FIBER LINK, INC	63,617.75	1.87%	11
GENESEE COUNTY DRAIN COMM	14,950.00	0.44%	20
GOYETTE MECHANICAL	238,023.00	7.00%	4
GROSS, JOSEPH TROY	355,714.02	10.46%	3
J.G. MORRIS JR INC	221,180.54	6.50%	6
KENNEDY EXCAVATING, INC.	40,035.00	1.18%	13
LYONS, TERRY	3,250.00	0.10%	24
MCINTYRE SOFTWATER	147,022.20	4.32%	7
METCALF ELECTRIC INC	22,955.00	0.67%	15
QUALITY FLOORS	18,201.46	0.54%	19
REID'S CONSTRUCTION LLC	56,777.50	1.67%	12
SHERWIN WILLIAMS CO	817.10	0.02%	25
SMITH & SMITH CARPET	27,274.80	0.80%	14
SONITROL GREAT LAKES-MICHIGAN	20,133.12	0.59%	18
TAYLOR BROTHERS DOOR LOCK LLC	9,300.99	0.27%	22
TCF BANK	499,475.87	14.68%	2
TVSETDESIGNS.COM LLC	80,888.00	2.38%	8

Open Bid Process

Regardless of what funds are used:

- Purchases over bid threshold \$30,512.00 go to competitive bid and require board approval
 - Advertised for two weeks in local paper & state site
 - Sealed Bid Opening with bids read allowed
 - Post bid interviews
 - Go to Board of Education for approval
- Purchases over \$15,000 and below bid threshold must have three (3) quotes

History of Millage Levy rates for Sinking Fund

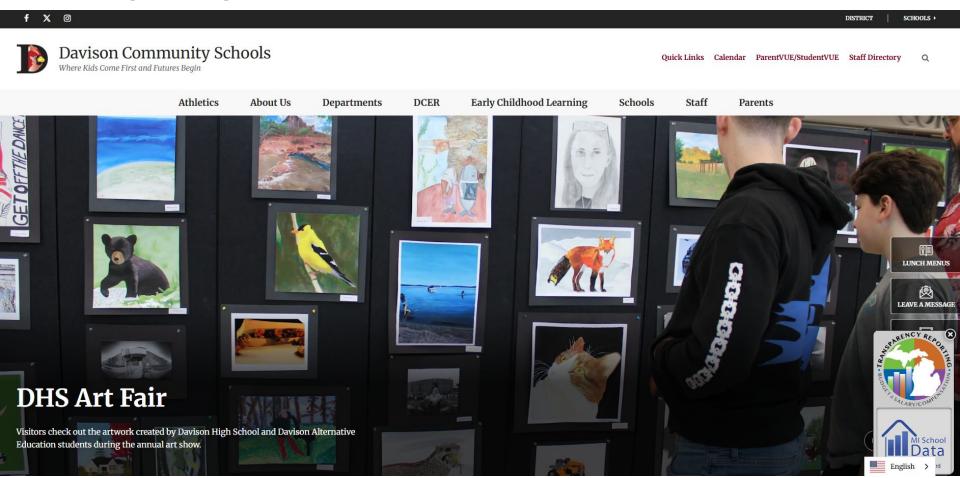
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2016 - 1.3933
2017 - 1.3865
2018 - 1.3840
2019 - 1.3840
2020 - 1.3768
2021 - 1.3673
2022 - 1.3585
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2023 - 1.3585

2024 - 1.3575

2025 - 1.3497 *Reduced by 2025 MRF (0.9943) due to house values out pacing inflation.

Navigating the Website:



Looking ahead

Recommendation to Board of Education to place RENEWAL ballot on Tuesday, November 4, 2025, ballot.

Use the "renewal" language, removing the proposed Technology, Transportation, and Safety.

Work to better inform absentee voters in the months leading up to the election.