FREQUENTLY ASKED QUESTIONS March 10, 2020 SCHOOL BOND PROPOSAL

Q: What is on the March 10, 2020 ballot?

Voters are asked to consider a \$38 million bond for a wide range of projects, including educational facilities, new learning opportunities, 21st century technology, safety/security enhancements, and upgrades to our infrastructure and equipment.

Q: How was this plan developed?

In July 2018, Mason Consolidated Schools hired Plante Moran CRESA to conduct a facilities study. The study looked not only at the infrastructure and integrity of the buildings, but also the wastewater treatment plant, parking lots, and outside athletic areas. In May 2019, Plate Moran CRESA presented the facilities study findings to the Board of Education with options to address the capital requirements. It was identified that Mason Consolidated Schools facilities are over 55 years old and have systems that are approaching end of life and failing. In order to fix these systems, while at the same time addressing security (physical and social emotional), a bond would need to be considered, since neither General Fund dollars nor Sinking Fund dollars would be able to cover the costs identified.

The Board of Education had two choices: to renovate current buildings or to construct new academic wings to a portion of the existing high school. They had to think about how to create an environment that addresses the physical, academic, and emotional needs of students. Improvements to safety with secured entrances were taken into consideration, as well as the need to provide students the spaces for academic and emotional development with 21st century learning. The Board of Education considered not just today's students, but the students for the next fifty years.

Q: What are the features of the March 10 Bond proposal?

First, the District would construct three new academic wings around portions of the current high school: a Pre-Kindergarten-4th grade wing, a 5th-8th grade wing, and a 9th-12th grade wing, bringing the entire PreK-12 system under one roof. A new kitchen/cafeteria, gymnasium, and new hallways would also be constructed. The District would be able to reduce its facility footprint from 200,000 square feet to approximately 160,000 square feet of building space, saving annual operational dollars.

Second, parts of the existing high school would be renovated. This includes the CTE classroom, band/music room, planetarium, pool, and gymnasium. The renovations to these areas would include heat, electric, new ceilings, and other infrastructure needs.

Third, the District plans to utilize the pool, current gymnasium, and the new walking track and gym for use by the public as a community center. These facilities would be open for the community to enjoy in the evenings and weekends when they aren't being used by the school.

Q: What is the difference between a bond proposal and a sinking fund millage?

A bond is a lump-sum dollar amount that a school district borrows through the sale of bonds to fund large capital facility improvement projects. The district pays the bond money back over a period of years with interest--similar to a home mortgage--with funds generated by a debt millage. This provides the district with the ability to fund major capital projects and program improvements without an impact to the general fund. A sinking fund millage is a limited property tax, considered to be a pay-as-you-go method for addressing smaller building upgrades and improvements. No debt or interest payments are incurred with a sinking fund. A district can levy a sinking fund millage for a limited number of years, as provided in the ballot proposal.

We are grateful the MCS community previously supported a 6-year sinking fund, and since its approval, the District has followed the project list that was created prior to the passage of the Sinking Fund. As projects were completed, it became evident that the needs of the District were going to be greater than what the Sinking Fund could support. At that point, all major projects were stopped, and funding has been reserved. A detailed list of every item, completed and on hold, can be found on our website. The completed projects totaled \$1.3 million, and \$1.5 million has been reserved, which will be applied to the building project.

Q: Why doesn't the district use general fund dollars to pay for these projects?

The general fund budget cannot afford to pay for these large capital investments AND maintain day-to-day operations. With aging facilities now requiring extensive renovations, allocating general fund dollars to these projects would mean additional strain and less resources for in-classroom learning.

Q: What is "active learning space" and why is it important in schools today?

Collaborative or active learning space within a school allows students to learn effectively in groups, encouraging each other to ask questions, explain and justify their opinions, articulate their reasoning, and elaborate and reflect upon their knowledge. The teacher acts as a facilitator, helping students with their research and guiding them through the learning process.

We have found this to be beneficial in helping students learn effectively and efficiently versus more traditional independent learning alone. Some positive results from collaborative learning activities have been documented in research and include:

- students are able to learn more material by engaging with one another and making sure everyone understands
- students retain more information from thoughtful discussion
- students have a more positive attitude about learning and about each other by working together

To create active learning space, we need to provide the resources for information processing, collaboration, assistance, and management of the learning activities. These include technology, flexible furniture that allows for different configurations, appropriate lighting, acoustical control and finishes.

Q: Why aren't building plans complete and what is the anticipated timing for projects in this program?

The detailed design of a building program is costly and will not be completed for practical/financial reasons unless the bond proposal is approved by the community. Design details for major projects in this program will take the team months of work with input from staff, community members, and other professionals. The District's intent is to move as quickly and intentionally as possible, anticipating an immediate start with addressing safety & security initiatives. Programming and concept development for major projects would also begin shortly after successful passage.

Q: Why is it important to attract and retain students in the school district?

Public schools in Michigan receive operating funds on a per-pupil basis. While MCS enrollment has gradually decreased year over year, attracting and retaining students is critical. The quality of our programs and facilities plays a role in both of these areas. If approved by the voters, the bond program would upgrade facilities to support updated teaching methods, improve operational efficiencies in our facilities, and provide progressive learning environment. Parents have choices regarding where their children will receive an education. It is the intent of the District and Board of Education to maintain its reputation for providing quality programs and facilities in order to attract and retain students.

Q: How are neighboring districts addressing the aging condition of their school buildings?

Neighboring districts have experienced the same issue of continually aging buildings. Bond programs have been approved and implemented all around us, including Bedford Public Schools with \$35.3 million in 2018, Airport Schools with \$16.1 million in 2018, Dundee Schools with \$8.9 million in 2017, Whiteford with \$15.4 million in 2019, Summerfield with \$1.8 million in 2019 and Monroe Schools to vote on \$60 million in March 2020. In today's competitive environment, districts seek every advantage.

Q: How much would the bond proposal cost the average taxpayer?

If the bond proposal is successful, the current millage rate of 2.0 mills (Sinking Fund) would increase by 4.26 mills, meaning the overall capital improvement tax rate would be 6.26 mills.

Q: Can I deduct these property taxes on my income tax return?

Property taxes may be deductible as itemized deductions on your federal income tax return if you itemize. You may also be eligible for the Michigan Homestead Property Tax Credit on your Michigan income tax return. Please consult with your tax preparer.

Q: What exactly is the Michigan Homestead Property Tax Credit?

The Michigan homestead property tax credit is a method through which some taxpayers can receive a tax credit for an amount of their property tax that exceeds a certain percentage of their household income. This program establishes categories under which homeowners or renters are eligible for a homestead property tax credit. Please consult with your tax preparer to determine if you are eligible for this important and valuable tax credit.

Q: Economically, is this a good time for a bond proposal?

It was identified in the facilities study that Mason Consolidated Schools facilities are over 55 years old and have systems that are approaching end of life and failing. These items will not disappear; they will only worsen with age. In addition, construction costs recently have been rising after hitting very low points a few years ago. Delaying these improvements may result in higher construction costs in the future. Current interest rates on school bonds are near historic lows. If approved by the voters, the District would have to pay a smaller amount of interest to bond holders for the bonds than it would at another time should rates hold, thus maximizing taxpayer benefit. The value and vitality of a community often rests on the quality and marketability of its schools. A bond program can provide opportunities for local contractors and businesses to participate in the economic benefits of a construction program, thus providing economic stimulus to a community. It allows the district to preserve general fund dollars for instruction and classroom needs by providing a dedicated funding source to address identified and prioritized site, facility, athletic, and equipment upgrades.

Q: Can money from the bond program be used to pay for salaries and benefits?

No, that is against state law. Bond dollars cannot be used for operational expenses such as employee salaries, upgrades, maintenance, or energy costs. Bond program funds must be accounted for separately from general operating funds. Bond funds are also subject to audit.

Q: What are the key dates leading up to the March 10 election?

Voter registration procedures have changed.

February 24, 2020 – Last day to register in any manner other than in person with the local clerk for the March 10 election.

February 25 – March 10 at 8pm – In-person registration with local clerk with proof of residency.

March 6 up to 5pm – Deadline for electors to obtain an absent voter ballot via First Class mail.

March 9 up to 4pm – Deadline for electors to obtain an absent voter ballot in person in clerk's office.

March 10, 2020 – Election Day registrants may obtain and vote an absent voter ballot in person in clerk's office or vote in person in the proper precinct.

Q: Where do I register to vote?

To vote in the March 10, 2020 election, you must be a U.S. citizen, at least 18 years of age by Election Day, a resident of Michigan and of Mason Consolidated School District.

Please visit your local township or city clerk to register to vote or visit any Secretary of State office. You may register to vote online or by mail up until Monday, February 24, 2020. From February 25—March 10, registration will be open in-person ONLY at the local clerk's office. Voter registration forms and absentee ballots are available online at www.michigan.gov/sos.

Q: If I cannot make it to the polls on March 10 what are my options for absentee voting?

Due to the passage of the statewide ballot proposal in November 2018, all eligible and registered voters in Michigan may now request an absent voter ballot without providing a reason.

Applications for Absentee Ballots are available:

- · On-line at www.michigan.gov/vote (Click on Absentee Voting on the left side of the page)
- · In Superintendents Office at the High School
- · At your City Clerk's office

Note: Once election ballots are available in the clerk's office, you can walk into your clerk's office, receive an absentee application, fill it out, and immediately be given your ballot to cast your vote.

Q: Where do I vote?

Precinct:	Location:	Handicap Accessible:	Phone/Fax:
Bedford Township			
14	St. Lukes Church 1690 W Sterns Rd.	Yes	734-224-7323
Erie Township			
1	Morin Pt. Fire Station	Yes	734-848-4530
	6333 Summit St.		734-848-2548
2	Erie Twp. Hall 2065 Erie Rd.	Yes	734-848-4530
			734-848-2548
City of Luna Pier			
1	Fire Hall	No	734-848-6495
	4268 Luna Pier Rd.		ext. 205
LaSalle Township			
1 & 2	Township Hall	Yes	734-241-4344
	4109 LaPlaisance Rd.		734-241-6460

Q: How will the bond proposal appear on the ballot?

MASON CONSOLIDATED SCHOOLS BONDING PROPOSAL

Shall Mason Consolidated Schools, Monroe County, Michigan, borrow the sum of not to exceed Thirty-Eight Million Dollars (\$38,000,000) and issue its general obligation unlimited tax bonds therefor, in one or more series, for the purpose of:

erecting additions to, remodeling, including security improvements, furnishing and refurnishing, and equipping and re-equipping a school building; acquiring and installing instructional technology and instructional technology equipment for a school building; erecting and remodeling school support buildings; and equipping, developing and improving playgrounds, athletic fields and facilities, driveways, parking areas and sites?

The following is for informational purposes only:

The estimated millage that will be levied for the proposed bonds in 2020 is 6.26 mills (\$6.26 on each \$1,000 of taxable valuation). The maximum number of years the bonds of any series may be outstanding, exclusive of any refunding, is thirty (30) years. The estimated simple average annual millage anticipated to be required to retire this bond debt is 5.80 mills (\$5.80 on each \$1,000 of taxable valuation).

The school district does not expect to borrow from the State to pay debt service on the bonds. The total amount of qualified bonds currently outstanding is \$0.00. The total amount of qualified loans currently outstanding is \$0.00. The estimated computed millage rate may change based on changes in certain circumstances.

(Pursuant to State law, expenditure of bond proceeds must be audited and the proceeds cannot be used for repair or maintenance costs, teacher, administrator or employee salaries, or other operating expenses.)

Q: Who may I contact if I have additional questions?

Please feel free to contact: Andrew Shaw Superintendent shaw@eriemason.k12.mi.us 734-848-9304