November 7, 2017 Bond Proposal
Frequently Asked Questions

HISTORY AND FEATURES

1. What is on the November 7, 2017 ballot?

On November 7, 2017, voters in Royal Oak Schools will be asked to consider a bond proposal to improve our school facilities, improve site and traffic flow of students and staff, and provide up-to-date instructional technology and equipment to support the District’s goal that our students remain globally competitive. The 2017 Bond will focus on five key areas:

- Site
- Facility
- Technology
- Equipment
- Athletics

In 2016, our debt millage rate was 3.75 mills. This was reduced to 3.25 mills in June 2017. It is projected that if the voters approve the bond proposal the reduced millage rate of 3.25 mills would remain the same. The District has structured the bond issue to avoid any increase in the millage rate if voters approve the bond proposal. The bond proposal authorizes the issuance of $59.9 million of bonds in multiple series.

2. What are the major features of this bond proposal?

Site Upgrades

Improving and developing sites, including traffic flow, sidewalks, fencing, parking areas, play surfaces and play equipment.

Facility Upgrades

We are seeking to make improvements to the learning environments students experience daily. Improvements include additions to and remodeling of existing school buildings. Depending on each building, such improvements may include creating new academic spaces, multipurpose rooms, updated science classrooms, updated band, orchestra and art classrooms, modern computer labs, food service and cafeteria spaces. Building components such as HVAC, electrical panel boards and switchboards and other systems beyond their useful life will be improved or replaced.

Technology Upgrades

To prepare our students to interact and compete in a global environment, the district believes it is critical for them to have up-to-date instructional technology tools to facilitate learning. Technology equipment upgrades throughout our facilities will support modern teaching and learning and help our students learn skills that are expected by colleges and employers.

Instructional Equipment

Providing curriculum appropriate equipment in our classrooms will support our goal to create an engaging and active learning environment. The proposed bond program will allow us to replace outdated furniture and provide needed science, music, art, athletic and core classroom instructional equipment to meet the requirements of the ROS curriculum.
2. (continued)

**Athletic Upgrades**

Athletic facilities are often the first experience a resident has of ROHS; we want them to be welcoming and convey our commitment to excellence. Current ticket and concessions facilities lack capacity for large attendance events. For track, soccer, lacrosse, football, there are currently no team rooms or restrooms accessible to teams. Our current tennis courts are beyond their useful life and require complete reconstruction to continue our program at the high school; resurfacing them is no longer an option. As we replace the track and tennis courts, we want to do so in a way that improves both venues so that they are suitable for hosting regional events. The updating of our current athletic field and facilities will help us remain competitive in student recruitment and retention.

3. How do Royal Oak Schools’ taxes compare to surrounding Districts?

<table>
<thead>
<tr>
<th>District</th>
<th>Type of Tax</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Hold Harmless Millage</td>
<td></td>
</tr>
<tr>
<td>Southfield</td>
<td>16.99</td>
<td>19.99</td>
</tr>
<tr>
<td>Lamphere</td>
<td>14.50</td>
<td>18.49</td>
</tr>
<tr>
<td>Hazel Park</td>
<td>8.50</td>
<td>17.00</td>
</tr>
<tr>
<td>Birmingham</td>
<td>8.71</td>
<td>12.40</td>
</tr>
<tr>
<td>Farmington</td>
<td>5.63</td>
<td>12.15</td>
</tr>
<tr>
<td>Novi</td>
<td>2.91</td>
<td>12.01</td>
</tr>
<tr>
<td>Troy</td>
<td>2.96</td>
<td>10.33</td>
</tr>
<tr>
<td>South Lyon</td>
<td>7.85</td>
<td>9.52</td>
</tr>
<tr>
<td>Bloomfield Hills</td>
<td>2.00</td>
<td>9.49</td>
</tr>
<tr>
<td>Lake Orion</td>
<td>2.96</td>
<td>9.46</td>
</tr>
<tr>
<td>Oak Park</td>
<td>7.00</td>
<td>9.06</td>
</tr>
<tr>
<td>Clawson</td>
<td>1.30</td>
<td>8.30</td>
</tr>
<tr>
<td>Ferndale</td>
<td>7.76</td>
<td>7.76</td>
</tr>
<tr>
<td>Madison</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Berkley</td>
<td>0.71</td>
<td>7.71</td>
</tr>
<tr>
<td>Royal Oak 2016</td>
<td>2.55</td>
<td>7.29</td>
</tr>
<tr>
<td>Clarkston</td>
<td>1.30</td>
<td></td>
</tr>
<tr>
<td>Royal Oak 2017</td>
<td>2.47</td>
<td>6.70</td>
</tr>
<tr>
<td>Rochester</td>
<td>7.00</td>
<td>5.90</td>
</tr>
</tbody>
</table>

Locally Determined Taxes to Support Schools
4. What is the impact of the bond proposal to our current debt millage rate?

   In 2016, our debt millage rate was 3.75 mills. This was reduced to 3.25 mills in June 2017. It is projected that if the voters approve the bond proposal the reduced millage rate of 3.25 mills would remain the same. The District has structured the bond issue to avoid any increase in the millage rate if voters approve the bond proposal. As currently projected, the debt millage would begin to decline again in 2021. Under this projection, all of the Districts existing bonds and the bonds sold as a part of this proposal would be paid off by 2028 at which time the debt millage would go to zero assuming the voters have not authorized any additional bonds.

![Proposed Payoff Schedule and Projected Debt Millage Rates](image)

SPECIFIC FACILITY AND SITE UPGRADES

5. What are the specific features of this bond program?

   **Key Site improvements**
   Fencing, updated site signage, site walks/steps/ramps, updated play areas and equipment, storm water management, site circulation and parking lot updates

   **Key Building Renovations and Additions**
   - District-Wide
     - Roofing
     - Toilet room remodeling
     - Toilet room additions so that all classrooms that house programs for students in kindergarten and younger have in-classroom toilet rooms.
     - Classroom improvements
     - Furniture and equipment improvements
     - Mechanical and electrical updates
     - Instructional technology equipment updates
     - Elevator upgrades
   - Building new multiple-purpose space at Oakland and Upton to separate dining from the gymnasium, and create space for collaborative learning
5. (continued)

- Building an addition to ROHS cafeteria to allow for two lunch periods (rather than three, thus reducing disruptions to learning) and to provide central gathering space to be used as an extended learning area.
- Remodeling to provide GSRP (Great Start Readiness Program) capacity at Oakland Elementary.
- Two classroom addition at Upton Elementary School for music and GSRP needs.
- Renovating art, science, and music classrooms at the High School
- Relocating main office at Keller Elementary School
- Converting locker room to classroom space at Keller Elementary School
- Learning commons or computer room remodeling at Addams, Keller, Oak Ridge, Oakland, Utpon and the High School to encourage collaborative, active and flexible learning environment

Key Athletic Improvements

- Construction and relocation of new tennis courts
- Reconstruction of track to create an 8 lane track
- Athletic support buildings such as team rooms, toilet rooms, ticket booth and concessions building
- Improving drainage and storm water management in the fields.
- Providing path connections between the various athletic field

6. What is GSRP and where is it currently housed?

The Great Start Readiness Program (GSRP) is Michigan’s state-funded preschool program for four-year-old children. Currently, all GSRP programs in our district operate out of Addams Elementary School. Remodeling at Addams and Oakland and one of two classrooms being added at Upton would accommodate GSRP (Great Start Readiness Program) classrooms. This will allow GSRP classrooms to operate at Addams, Oakland, and Upton, making such classrooms more accessible and decreasing program density (and congestion) at Addams.

7. How will safety and security be enhanced in our schools?

As a school district, it is our goal to provide the safest environment possible for our students, staff and families. The proposed safety and security improvements would provide additional security features without sacrificing our goal to provide a welcoming environment to those who attend and visit our schools each day.

- Entrances at all elementary schools, middle school and high school direct the flow of visitors into the building through the existing secure main entrance vestibules, which require visitors to enter through the main office. However, at Keller Elementary School there is neither on street parking nor a parking lot in close proximity to the main office. As a result, visitors often try to enter the school through other doors, or walk the school site to enter the building through the main entrance off from Campbell Road. The bond program will relocate Keller’s main office and entrance to the west side of the building; the program will also expand the parking area on the southwest side of the building. The overall site plan provides more parking adjacent to the relocated office and provides direct access (without needing to cross parking areas) for students to outdoor play areas.

- Existing exterior site and building lighting will be replaced and upgraded at multiple sites.
8. **What is “collaborative space” and why is it important in schools today?**

Collaborative space within a school supports our plan to help students 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.

Many have found this to be beneficial in helping students learn effectively and efficiently versus more traditional independent learning alone. 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; and
- students have a more positive attitude about learning and about each other by working together.

In order to create collaborative space, we want to provide resources for information processing, collaboration, assistance, and management of the learning activities. These include technology, flexible furniture that allows for different configuration and lighting improvements.

9. **What are the features of the technology upgrades under the proposed bond?**

The proposed bond program will allow the District to equip and implement instructional technology upgrades and improvements throughout all District facilities. These improvements will help us provide our students with the most up-to-date teaching and learning experiences to prepare them for college and career readiness in an increasingly digital society.

- **Teaching and Learning Enhancements**
  - Update classroom audio and video equipment – convert analog to digital format
  - Provide student devices to support digital learning

- **Building/District Technology Upgrades**
  - Upgrade security systems
  - Update phone system

- **Technology Infrastructure**
  - Update wireless network and access control systems

10. **How was this plan developed?**

Over the last few years many projects have been completed through the Building and Site Sinking Fund (BSSF). For several years we have paid for capital improvements through the use of dedicated capital funds. As we worked through these efforts and planned for the future we concluded we needed a comprehensive facility study. As is true in our own homes, even when we regularly invest in maintenance and improvements, from time to time we find it desirable to step back and assess the investments we would need to make as stewards of public facilities to maintain their integrity and functionality as well as potential enhancements. In August 2015, the school system embarked on a process to identify the range of possible facility and site improvements for its buildings. Royal Oak Schools engaged several professional consultants to perform a physical evaluation and master planning assessment of each school facility. The evaluation team consisted of architectural, mechanical, electrical, technology, civil and roofing professionals.
10. (continued)

In addition to the facility analysis, the professional team worked with District and community representatives, principals and teachers to evaluate how suitable and effective our facilities are for the delivery of our adopted program and curriculum. The purpose was to provide objective information about the facilities, so that future budgetary expenses for improvements can be planned for and could be accomplished using consistent baseline information. The District’s curriculum/program requirements were overlaid on each building’s floor plan to determine the impact that these educational requirements may have on the existing building.

Together, the curriculum/program requirements and the facility assessment findings were itemized and prioritized. In this process, those improvements impacting student safety and student learning were the top priorities. What positive impact will this have for students? This was the recurring question asked as potential improvement projects were considered.

The Facilities Analysis identified over $90,000,000 of potential projects. These were prioritized to arrive at a facilities program with a total cost of $63,377,287. Existing capital reserves (from completed property sales), as well as BSSF revenues, will also be used in this program, thus lowering the amount to be funded through bonds.

11. Why should this bond program be presented to the voters at this time?

- It enables the District to upgrade facilities and technology to meet our current educational requirements at no projected increase to our current debt millage rate;
- 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, technology and equipment upgrades;
- Current interest rates are low, translating to a relatively low cost of borrowing money for both the District and taxpayers; and
- Preserving existing building infrastructure requires periodic upgrades. Deteriorating conditions do not go away; they only become more urgent with time. We want to be sure that the infrastructure of our schools supports the excellence to which we aspire for our students. As homes in our community are upgraded and new homes are built, the expectations of families for our schools change as well. We aim to meet these expectations.

12. How will the proposed bonds be implemented?

The bonds will be sold in two series so that the proposed bond program can be flexibly and effectively implemented without an increase in the current millage rate. The first series of bonds, of approximately $26.9 million will be sold in 2018. The second series of approximately $33 million will be sold in early 2020. By breaking the bonds into two series we are able to create project schedules that are more manageable with less disruption to students, staff and families.

13. What are the benefits of the bond proposal for residents who don’t have students in the District?

It is widely believed that strong schools build strong communities. Realtors and city officials regularly report that the number one reason people choose to live in Royal Oak is the strength of our school system. Preserving our facilities and continuing our efforts to provide an exemplary school district help maintain every resident’s property values. Additionally, the District’s school facilities and sites are regularly used by the community for recreational/athletic opportunities and events, meetings, performances, and senior citizen activities. Taking care of these facilities helps preserve and protect the community’s investment in our schools.
14. Given that the useful life of many digital devices is short, how is the cost of technology a bondable expense with an eleven-year payoff?

The proposed projects include a mix of improvements with both shorter and longer useful lives. Under both state and federal law, the average maturity of the bonds must be matched up with the average useful life of the improvements, taking into account when those improvements will be placed in service, which will happen over a period of several years. Because each series of bonds will be retired in 11 years or less, and most of the improvements will have a useful life of 15 years or more, the District will easily satisfy these limitations.

15. What is the plan to keep facility improvement disruptions to a minimum?

Work at our school facilities would be scheduled to minimize interference with day-to-day operations and protect pedestrian safety. As the program commences, the construction schedule would be reviewed and coordinated, on a regular basis, with the superintendent and key building leaders. While the summer construction season would be utilized for a majority of the work, if work is ongoing during school days, there would be clear separation between construction and ongoing operations through barricades and fencing. Safety is paramount and would be the key factor in determining the construction sequencing.

16. In what sequence will projects be completed?

Project phasing is determined by many factors, including the amount of time needed for detailed planning of different projects and the possibility of grouping projects with the goal of creating more attractive bid packages and better project pricing. Below is the current plan for project phasing:

<table>
<thead>
<tr>
<th>Year</th>
<th>ROHS Site</th>
<th>Keller</th>
<th>Oakridge</th>
<th>ROHS Phase 1</th>
<th>ROHS Phase 2</th>
<th>Oakland</th>
<th>Upton</th>
<th>Addams</th>
<th>ROMS</th>
<th>Northwood</th>
<th>MTC</th>
<th>Churchill</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
17. **What is the breakdown of total estimated costs for the bond program?**

<table>
<thead>
<tr>
<th></th>
<th><strong>Estimate of Costs</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Site</td>
<td>$7,975,459</td>
</tr>
<tr>
<td>Facility</td>
<td>$42,730,323</td>
</tr>
<tr>
<td>Athletics</td>
<td>$3,872,986</td>
</tr>
<tr>
<td>Technology</td>
<td>$3,333,115</td>
</tr>
<tr>
<td>Equipment</td>
<td>$5,465,404</td>
</tr>
<tr>
<td><strong>Total Program Costs</strong></td>
<td><strong>$63,377,287</strong></td>
</tr>
<tr>
<td>Bond Issuance Costs</td>
<td>$865,450</td>
</tr>
<tr>
<td>Use of BSSF and Property Sale Funds (minus)</td>
<td>($3,896,615)</td>
</tr>
<tr>
<td>Interest Earnings (minus)</td>
<td>($361,122)</td>
</tr>
<tr>
<td><strong>Amount of Proposed Issue</strong></td>
<td><strong>$59,985,000</strong></td>
</tr>
</tbody>
</table>

18. **Why doesn’t the District use the general fund to pay for all of this?**

Quite simply, the general fund cannot pay for these large capital investments unless the district makes reductions in other areas of the budget. Even during times of significant student growth and more robust per-student State funding, the District has relied on support from taxpayer-approved bond issues.

19. **Explain what bond money can cover and what it can’t.**

Bond proceeds **cannot** be used for the following items:
- Staff salaries and wages;
- General operating expenses, repairs and maintenance;
- Classroom supplies and textbooks;
- Transportation (busing) operational costs, and
- Administrative costs.

Bond proceeds **can** be used for the following items:
- Construction and remodeling of facilities;
- Purchase of technology equipment and infrastructure;
- Purchase of equipment and furniture; and
- Site improvements

20. **Will money from the bond proposal be used to pay employees’ salaries and benefits?**

NO. School districts are not allowed to use funds from a bond for operating expenses such as teacher, administrator or employee salaries, maintenance, or operating costs. Bond revenue must be kept separate from operating funds and must be audited by an independent auditing firm.

21. **What are the key dates leading up to the November 7 vote?**

- Final day to register to vote is Tuesday, October 10, 2017
- Final day to vote absentee is Saturday, November 4, 2017, except for emergencies
- Election Day is Tuesday, November 7, 2017.
22. **Where do I vote?**

You will vote for the bond election at the same location you always vote. The location is printed on your voter registration card provided by the Secretary of State. If you’re unsure of your precinct’s voting location, please go to the following link: https://webapps.sos.state.mi.us/MVIC/votersearch.aspx

23. **Where and when do I register to vote?**

To vote in the November 7, 2017 school election, you must be a U.S. citizen; at least 18 years of age by Election Day; a resident of Michigan and the Royal Oak Schools district and registered to vote. Please visit your local city clerk’s office to register or visit any Secretary of State office. You must be registered 30 days prior to an election to be eligible to vote. The official “last day to register” for the November 7, 2017 election is Tuesday October 10, 2017. Printable voter registration forms are available on the state website, www.michigan.gov/vote.

24. **What is the procedure for absentee voting?**

Applications for Absentee Ballots are available at the clerk’s office or on-line at www.michigan.gov/vote.

Voters who have requested to be on a permanent absentee list or who are over 60 years of age will automatically receive an application to request an absentee ballot. If you have not received your absentee ballot application, please contact your local City Clerk. Once you have voted, place your completed ballot in the envelope provided by your clerk’s office. Absentee ballots can be hand-delivered to your clerk’s office or mailed (First Class postage is required). Your completed ballot must be delivered by U.S. Mail to your clerk’s office by Election Day, Tuesday, November 7 or hand-delivered by 8 p.m. on November 6.

Note: After ballots are available, 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.
25. How will the bond proposal appear on the ballot?

**Bond Proposal**

Shall the Royal Oak Schools, County of Oakland, Michigan, borrow the principal sum of not to exceed Fifty-Nine Million Nine Hundred Eighty-Five Thousand Dollars ($59,985,000) and issue its general obligation unlimited tax bonds for the purpose of defraying the cost of:

- constructing additions to and remodeling existing School District buildings;
- improving and developing sites, including parking areas, playgrounds, and outdoor athletic fields and facilities in the School District;
- furnishing, re-furnishing, equipping and re-equipping School District buildings;
- acquiring and installing instructional technology equipment in School District buildings?

YES ☐

NO ☐

The debt millage levy required to retire all bonds of the School District currently outstanding and proposed by this ballot proposal is estimated to remain at or below the current 3.25 mill levy. The estimated millage to be levied in 2018 to service this issue of bonds is 1.00 mills ($1.00 per $1,000 of taxable value) and the estimated simple average annual millage rate required to retire the bonds of this issue is 2.32 mills ($2.32 per $1,000 of taxable value). The bonds may be issued in one or more series, payable in the case of each series in not to exceed 11 years from the date of issue of such series.

(Under State law, bond proceeds may not be used to pay teacher or administrator salaries, routine maintenance or repair costs or other School District operating expenses.)

26. If I have questions not covered in this material, where can I get additional information?

You are welcome to call or email:

Mary Beth Fitzpatrick
Superintendent of Schools
Email: fitzpatrickmb@royaloakschools.org
Phone number: 248-435-8400, ext. 1228

Visit the district website at: [http://www.royaloakschools.org/](http://www.royaloakschools.org/)