Lansing USD469

PRESERVING THE PAST. BUILDING THE FUTURE.

USD 469 Facility Planning & Bond Election Overview

SUPERINTENDENT MARTY KOBZA

PLEASE VOTE ● MARCH 3

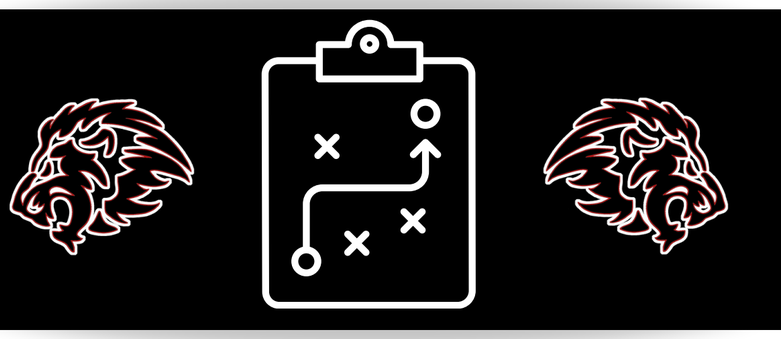
PURPOSE OF TODAY'S UPDATE

- Review facility planning work completed to date
- Revisit community feedback and priorities
- Provide a clear financial overview of the proposed bond
- Discuss options, risks, and next steps

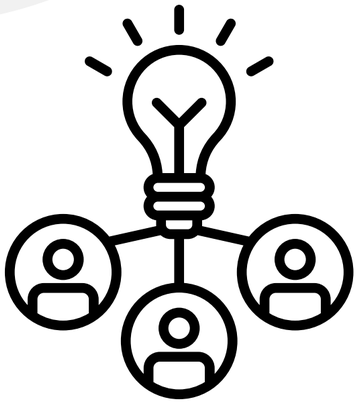
The goal of this presentation is to ensure the public clearly understand the why, the what, and the financial impact of the proposed bond, as well as how this plan positions the district for long-term stability.

THE PLANNING PROCESS

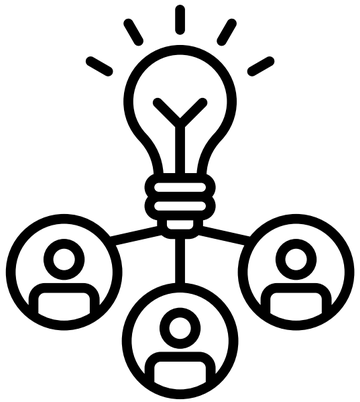
- Facility assessments with Incite Design Studio
- Financial modeling with Raymond James Public Finance
- Staff input and operational review
- Randomized community phone survey (December 2024)



LISTENING TO OUR COMMUNITY



- Strong support for maintaining existing facilities
- Emphasis on safety and security
- Support for Career & Technical Education (CTE) expansion
- Desire for responsible financial planning and tax awareness



The survey helped us understand both priorities and limits. Residents were clear that they value strong schools but also want careful attention paid to tax impact.

WHY MAINTENANCE IS THE CORE FOCUS

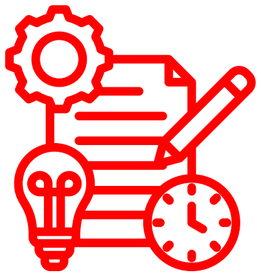
- Aging roofs, HVAC systems, parking lots, and electrical systems
- Deferred maintenance increases long-term risk and cost
- Annual budgets alone cannot address these needs at scale

This bond is primarily about preserving what the community has already invested in. Many of these systems are at or near the end of their useful life.

LONG-TERM MAINTENANCE PLANNING

Planning is just as important as the projects themselves.

- Preventative maintenance systems now in place
- Planned replacement cycles for HVAC, roofing, parking lots, and technology
- Improved tracking to reduce emergency repairs



FINANCIAL RESPONSIBILITY IS CENTRAL

- Multiple funding scenarios reviewed
- Focus on aligning with survey tax tolerance
- State aid, valuation growth, and interest rates considered



A LOOK AT THE NUMBERS

- Two ballot questions
- If both questions are approved:
  - Estimated increase: 0.746 mills
  - Total Bond & Interest mill levy: ~15.700 mills
- $400,000 home:
  - ~$34.32 per year
  - ~$2.86 per month



COST SAVINGS FROM MODERNIZATION

- LED lighting → reduced energy costs
- Modern HVAC → fewer emergency repairs, improved efficiency
- Updated roofing → longer life cycles, fewer leaks
- Reduced insurance risk → potential long-term insurance premium savings



While the bond addresses capital needs, it also reduces ongoing operational strain by replacing inefficient and failing systems.

SUPPORTING CAREER READINESS



- Updated and expanded CTE spaces
- Alignment with workforce and career pathways
- Community-supported priority



CTE was one of the strongest areas of support in the survey. These investments directly connect students to postsecondary and workforce opportunities.

SUPPORTING OUR EARLIEST LEARNERS

- Updated, safer learning environments
- Designed for early childhood needs
- Focus on readiness and long-term student success



High-quality early learning environments support students early and help reduce future instructional and behavioral challenges.

BALLOT STRUCTURE

Two Questions, Clear Structure

QUESTION 1

Core facility needs, safety, CTE, early childhood

QUESTION 2

Extra-curricular facility improvements

QUESTION 2 IS CONTINGENT ON QUESTION 1

IF THE BOND DOES NOT PASS

What happens without a bond?

- Urgent safety and maintenance needs addressed through existing budgets
- Major projects spread over many years
- Delays in replacing aging roofs, HVAC, and infrastructure
- Limited ability to expand CTE and early childhood spaces
- Higher future project costs due to construction and material inflation
- Operational costs

CONSTRUCTION COST TRENDS

Why timing matters

- 2023: ~4.9% construction cost increase
- 2024: ~4.7% year-over-year increase
- 2025 forecast: 5–7% growth
- Drivers:
  - Tariffs on materials
  - Skilled labor shortages
  - Supply chain disruptions
  - Rising interest rates



As construction and material costs rise, projects completed later typically cost more than those completed sooner.

ALTERNATIVE FINANCING OPTION: 10-YEAR TERM (ROOF + LED)

ESCO-style financing (estimated 5.00% interest)

Project Amount (Roof + Districtwide LED Lighting: $8,300,000

Estimated Annual Payment:	$1,074,888.00	≈ $89,574/month
Estimated Annual LED Savings:	$125,531.00	≈ $10,461/month
Estimated Annual Net Cost (Payment - Savings):	**$949,357.00**	≈ $79,113/month

Total of Payments (10 years):	**$10,748,883.00**
Estimated Total Interest:	**$2,448,883.00**

A shorter-term option with a higher annual payment, partially offset by energy savings.

ALTERNATIVE FINANCING OPTION: 20-YEAR TERM (ROOF + LED)

ESCO-style financing (estimated 5.25% interest)

Project Amount (Roof + Districtwide LED Lighting: $8,300,000

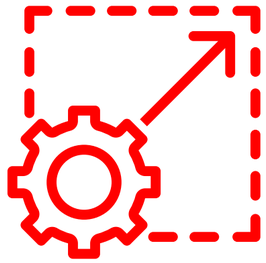
Estimated Annual Payment:	$680,204.00	≈ $56,684/month
Estimated Annual LED Savings:	$125,531.00	≈ $10,461/month
Estimated Annual Net Cost (Payment - Savings):	**$554,673.00**	≈ $46,223/month

Total of Payments (20 years):	**$13,604,081.00**
Estimated Total Interest:	**$5,304,081.00**

Lower annual cost, but higher total interest over a longer repayment period.

HOW THIS FITS THE BIGGER PICTURE

- Alternate financing = partial solution
- Bond proposal = comprehensive approach
- Both options evaluated as part of responsible planning



All options were evaluated with a focus on long-term stewardship, fiscal responsibility, and community priorities.

TRANSPARENCY & COMMUNICATION

Stewardship, Transparency, and Next Steps

- Bond information webpage
- FAQs and financial breakdowns
- Public meetings and updates

Request an Informational Presentation

District staff are available to provide factual, informational presentations regarding the proposed bond. Presentations are not advocacy-based and do not encourage a specific vote.

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