

Ludington Board of Education
Public Meeting Notice

Please Post

Mission: The Ludington Area School District, in partnership with parents and community, will educate and empower students to adapt and succeed in their future.

Finance Committee Meeting

Date: October 17, 2019

Time: 5:30 p.m.

Place: Ludington Area School District Administration Office
809 East Tinkham Avenue, Ludington, Michigan

- 1) CALL TO ORDER & ROLL CALL
 - ☐ Josh Snyder ☐ Steve Carlson ☐ Scott Foster
- 2) CITIZEN PARTICIPATION
- 3) AGENDA MODIFICATION
- 4) DISCUSSION ITEMS
 - a) Pupil Membership Count Day Enrollment Update
 - b) Update on Vacant Property Marketing
 - c) Award of Timber Sale Bid: Managed by Ecosystems Management, LLC
 - d) Award of Food Service Consultant Bid: JRA Food Service Consultants, LLC
 - e) Director of Academic Programs and Services
 - f) Oriole Foundation Fall Grant Awards
 - g) Financial Audit Updates
 - h) Updates from Other Committees
- 5) OTHER ITEMS OF BUSINESS & ANNOUNCEMENTS
- 6) ADJOURNMENT

This is a meeting of the Board of Education in public for the purpose of conducting the School District's business and is not to be considered a public community meeting. Official minutes of the Ludington Board of Education are available for public inspection during normal business hours at the Board of Education's Central Business Office, 809 E. Tinkham Avenue, Ludington, Michigan, 231-845-7303. The Ludington Area School District is an equal opportunity employer and provider. If you are an individual with a disability who is in need of special accommodations to attend or participate in a public meeting please contact Superintendent Jason J. Kennedy at 231-845-7303 at least 24 hours prior to the meeting or as soon as possible.

Memorandum - Office of the Superintendent

TO: Board of Education
FROM: Jason Kennedy, Superintendent
RE: Finance Committee Meeting ~ Agenda Notes

Opening Day Enrollment Update

We will discuss enrollment for the fall pupil membership count period, which is the first Wednesday in October. Enrollment on pupil membership count day is provided below. We will review guidance from the Michigan Department of Education on Student Count Day and School Funding Information for a general overview of how school funding works.

Ludington Area School District

Building	Grade	Number of Students	Total FTE
Franklin	K	96	96
	1	68	67.2
	2	91	91
Building Total		255	254.2
Lakeview	K	73	73
	1	66	66
	2	71	71
Building Total		210	210
Foster	3	165	165
	4	168	168
	5	149	149
Building Total		482	482
OJ	6	149	149
	7	206	205.2
	8	178	178
Building Total		533	532.2
LHS	9	183	183
	10	173	173
	11	177	177
	12	149	149
Building Total		682	682
District Total		2162	2160.4

Ludington Area Catholic Schools

The District will receive 6 FTE for providing non-core instructional support to students at Ludington Area Catholic Schools. All enrollment numbers are subject to final audit, which should be completed in November.

Grade	Number of Students	Total FTE
K	14	0
1	13	1.3
2	10	1
3	10	1
4	4	0.4
5	13	1.3
6	8	0.8
7	2	0.2
	74	6

Update on Vacant Property Marketing

The District has worked with Bob Budreau, Greenridge Realty, to inquire about recommendations that his firm would have regarding the marketing of the vacant properties that will exist after transitioning to a new building in the fall of 2021. Here are some notes on the preliminary advice that was received:

Pere Marquette ECC: Has a smaller footprint than the other schools; Site is in ½ block with 5 full City lots. Bob believes that the building would be excellent for a non-profit or service provider. As a standing building, Bob believes that \$100,000 might be a saleable number; however, we should seek an independent appraisal. If the plan was to remove the building and level the land for building sites, the general area of the City that these lots sit in would not return much more than \$100,000; Top end for a buildable lot would be under \$20,000 each.

Foster Elementary School: This has a much larger footprint than the other schools; A total of 15 buildable lots. Bob's advice is to see this property transition from a school to a multi-housing unit that could be age appropriate, or income driven. The general location of Foster is an area where there are a high percent of rental units currently, and Bob believes that a project like this would be embraced by the neighborhood. A developer of the land in this area might consider a \$10,000 per lot footprint costs. That would return \$150,000. As a stand alone building as is, the District might see the same \$150,000 from a rehab contractor.

Lakeview Elementary School: Bob believes that the building is not the value. As a stand alone property, Bob believes that receiving \$150,000 would be a good price for the building. Taking the building down and marketing the lots individually would be where the value is. There are 10 fully buildable lots. Bob's experience with properties in this area (Lewis St. to N. Lakeshore Dr.) is that buyers are desperately looking for these locations; Anything in that area has a bonus value to

other real estate in the City. It would be his recommendation that the building be removed, property leveled, and sold as individual lots. Bob estimates that within one year, all lots would be sold with an estimated value of \$60,000 each. Figuring marketing and brokerage costs of about 8% of the sales price can be expected from realtors; Net to the school might be in excess of \$500,000.

Bob's recommendation is to first consult with an independent appraiser so that these buildings can be valued in a transparent and accountable manner to the community.

Award of Timber Sale Bid: Managed by Ecosystems Management, LLC

Ecosystems Management, LLC prepared and circulated a timber sale notice, soliciting bids from prospective timber buyers in western lower Michigan. This notice has been on the District's website for the public as well. The District received bids for timber work through Ecosystems Management, LLC. We will review the bids and discuss a recommendation to award the timber sale contract to a timber buyer.

Award of Food Service Consultant Bid: JRA Food Service Consultants, LLC

GMB Architecture and Engineering prepared and circulated a request for food service consultant pricing. In addition to posting the request for pricing, the request for pricing was sent to three food service consultants: JRA Food Service Consultants, LLC, Bakergroup, and Merchandise Equipment and Supply. Merchandise Equipment and Supply declined submitting a proposal and recommended JRA Food Service Consultants, and the Bakergroup declined submitting a proposal. We will review the Food Service Design and Engineering proposal from JRA Food Service Consultants, LLC. It is my recommendation to award the service of designing and engineering the food service program for the new elementary school to JRA Food Service Consultants, LLC in the amount of \$14,700.

Director of Academic Programs and Services

We will discuss a plan and recommendation to address academic program support through the building design and construction project over the next several years.

Oriole Foundation Fall 2019 Grant Awards

The Oriole Foundation received grant requests totaling \$52,266.38 for the fall grant application window. The fund balance of the Foundation (\$1,098,455.64 as of October 9, 2019) allows for the Board to authorize grants totaling \$43,900 for the year, so this was a tough decision for the Foundation to determine what was to get funded. The District is also working to identify financial means to support grants that did not get awarded, where possible. Congratulations to the following grant proposals that have been funded by the Oriole Foundation:

Tricia Hale	Garden Project	\$1068.65
Melissa Carrier	Clubhouse Climber	\$728.99
Heidi Urka	Franklin Rocks!	\$400.00
Katie Eisinger	Calm Down Corners	\$1584.00
Franklin K Teachers	Sensory Bins	\$800.00
Emily Kanine	STEAM Station	\$785.65

Zach Korienek	Mystery Reader Books	\$350.00
Lakeview 1st Grade	Hands-on Cooking	\$450.00
Traci King	Oriole ConneXtion	\$500.00
Susan VanGills	Lending Library	\$232.37
Todd Schipper	Desk Atlas Maps	\$3561.60
Karen Shindeldecker	Underwater ROV	\$4600.00
Teresa Eriksen	STEAM Supplies	\$839.63
Deb Follrath	Aquatic Workout	\$425.00
Sarah Foster	Daily Financial Skills	\$50.00
J. Stowe/E. Venglar	Gone Boarding	\$1080.00
Kelley Chapman	Brain Trauma	\$1000.00

Financial Audit Updates

Auditors from Hungerford Nichols have been working with the district since the last week of August conducting the onsite portion of the annual year-end audit. Since that time, the audit report with all of the year-end financials has been prepared. I am pleased to report that there are no audit findings, and that we will be adding to the District's fund balance for the General Fund by \$5,155. There is still a final review in process, but we do not anticipate any changes from these final numbers.

Updates from Other Committees

We will review updates from each of the other committees in preparation for the Board meeting on October 21, 2019.