

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: January 10, 2018

Time: 7:00 a.m.

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

- 1) CALL TO ORDER & ROLL CALL
 Kelly Thomsen Steve Carlson Bret Autrey
- 2) CITIZEN PARTICIPATION
- 3) AGENDA MODIFICATION
- 4) DISCUSSION ITEMS
 - a) Budget Amendment Process - Presentation by Bruce
 - b) PA 75 and 3% Healthcare Contributions
 - c) Section 152 Health Insurance Caps and MESSA Plan Years
 - d) Houghton Mifflin Math Materials Request
 - e) Awarding of Snow Plow Competitive Bids
 - f) Section 99h: Competitive FIRST Robotics Grant Awards
 - g) School Finance Research Collaborative Resolution of Support
 - h) Update on Mason County Promise Zone Authority
- 5) OTHER ITEMS OF BUSINESS AND 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

Budget Amendment Process

Bruce will discuss the budget amendment process, along with an updated financial position of the District.

PA 75 and 3% Healthcare Contributions

The Supreme Court has ruled that PA 75 of 2010, which was in effect from July 2010 until September 2012 and mandated that members contribute 3% of their compensation to the Retiree Healthcare Fund, is unconstitutional and that member contributions shall be refunded to members. This represents more than \$607,000 worth of refunds for the employees of Ludington Area Schools. ORS is working to implement the Supreme Court's decision and return contributions to the school districts where the contributions were withheld. We expect that this money will be returned to the District on January 22, 2018, and the list of employees and what needs to be returned to them will be distributed to Districts by January 10, 2018. We have been working hard to figure out all of the IRS and ORS implications for returning this money, and are optimistic that we will be able to return the money earned by current employees during that time frame to them on the pay immediately following the return of the money to the District. We are hoping that this will be on February 2, 2018. We are issuing post cards by this Friday to all past employees that were employed by the District during that time asking that addresses and contact information be updated so that we can issue paper checks to all of the past employees that worked for us during this time. We are hopeful to have all checks issued to past employees by mid-February. Bruce will be attending a conference next week in Lansing on this topic, and we will be consulting with our finance attorneys at Thrun Law to ensure that we are properly following the rules for returning this money to employees.

Section 152 Health Insurance Caps and MESSA Plan Years

As of July, 2017, MESSA decided to change their plan year from a fiscal year, running from July through June, to a calendar year, beginning January 1, 2018. In order to help facilitate this, we were given insurance rates which are in effect for 18 months, spanning from July 1, 2017 through December 31, 2018. As part of our contract negotiations, we agreed to language stating that our health insurance cap amounts "will be adjusted to

reflect the State-decreed cap amounts for 2018, to the extent allowed by law.” In order to facilitate this, we are instituting a ‘short year’ spanning from July 2017 through December 2017, and subsequently our next plan measurement year will be calendar year 2018. The cost of this adjustment is already in the budget; and arguably, the cost will be recouped by enjoying stable health insurance rates for 18 months rather than 12 months.

Snow Plow Competitive Bid Process

The bids for snow plowing and lawn maintenance have been thoroughly reviewed by a committee that included Dan Mesyar, Brian Dotson, Mary Marble, Eric Bratschi, Scott Rowe, Mark Boon, Randy Fountain, Bruce Doggett, and myself. Multiple scenarios were discussed; however, the ultimate recommendation from the committee was to award the bid to Larsen’s for the total bid, including: lawn mowing, field lining, and snow plowing. It is my recommendation that we award the bid to Larsen’s, with the understanding that the committee will review the performance of the bid award company at the end of each year.

Houghton Mifflin Mathematics Materials and Technology Resources

The District Mathematics Curriculum Council made a recommendation to purchase mathematics materials from Houghton Mifflin to support the implementation of the Math Expressions Program that is used in the District. The request is a deferred payment plan that saves the District 40% over the next three years with an initial down payment of \$24,342.29. This is the portion of the \$97,389.16 purchase that can be attributed to the technology bond, as has been done in the past with the purchase of these materials. It is my recommendation that the Board authorize the purchase of the materials spread over the next three years, with the initial down payment being supported with proceeds from the technology bond fund.

Section 99h: Competitive FIRST Robotics Grant Awards

The list of schools that were awarded Section 99h competitive FIRST Robotics grants has been posted and we are pleased to report that Ludington High School has received a \$9,000 grant, which is the highest grant award issued under this year’s grant program. A special thanks goes out to Karen Shindeldecker (Head Robotics Coach) and Carrie Moeggenberg (Assistant Robotics Coach) for all of their work on this program. I am really excited about the potential that exists with this program for students. The link to the grant awards is listed below:

<http://www.techplan.org/downloads/pdfs/exhibit a - public.pdf>

School Finance Research Collaborative Resolution of Support

The School Equity Caucus has suggested that the Board of Education be provided an opportunity to review and adopt a resolution supporting the School Finance Research Collaborative. We will discuss whether the Board should adopt the resolution of support.

Mason County Promise Zone Authority

The County Board of Commissioners will meet on January 9, 2018 at 9:00 AM to review and hopefully adopt the final resolution needed to complete our application to Treasury. A brief update on the remaining process will be provided to all committees this week.