

# Superintendent's Report and Facilities Update

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Board of Education Meeting  
November 19, 2018

Central Business Office

6:00 PM



CANVASS OF VOTES CAST  
AT THE  
GENERAL ELECTION  
HELD ON

Tuesday, November 6, 2018, in Ludington Area School District, Mason County, Michigan (the "District"), and canvassed by the Board of County Canvassers of Mason County, Michigan.

STATEMENT OF VOTES

The statements of votes polled in the 11 voting precincts of the District, at the General Election held on Tuesday, November 6, 2018 and filed with the County Clerk, and this Board, having duly examined and considered the statements, the Canvass of Votes Cast for two members to the board of education for full terms of six (6) years showed the following:

Votes for Leona Ashley	<u>Four Thousand Three Hundred Eighty-Five (4,385)</u>
Votes for Scott Foster	<u>Four Thousand One Hundred Twenty-One (4,121)</u>
Votes for Brian J. Zatloukal	<u>Two Thousand Three Hundred Sixty-Eight (2,368)</u>

Leona Ashley and Scott Foster DECLARED ELECTED.

STATE OF MICHIGAN  
COUNTY OF MASON

We do hereby certify that the foregoing are correct statements of the votes cast in the District at the General Election held on Tuesday, November 6, 2018.

IN WITNESS WHEREOF, we have hereunto set our hands and caused to be affixed the seal of the Circuit Court for the County of Mason, this 7<sup>th</sup> day of November in the year 2018.



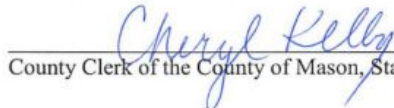




Board of County Canvassers

A true copy.

ATTEST:



County Clerk of the County of Mason, State of Michigan

Congratulations to **Leona Ashley** and **Scott Foster** for being declared elected to the Board seats vacated by Kelly Thomsen and Mary Jo Pung.

A special thank you to **Kelly** and **Mary Jo** for their service to LASD, the Board of Education, and all of the students and staff that we service!

New Board Member Orientation

- MASB Open Meetings Guide
- MASB First Year Survival Guide
- Access to Board Packet and all Board communication
- December meeting to review LASD protocol, policies, etc.

Staff Member Resignation

- Letter of resignation from Amber Kowatch, effective December 31, 2018.
- Position posting closes on November 21, 2018; Candidate for hire to be recommended in December.

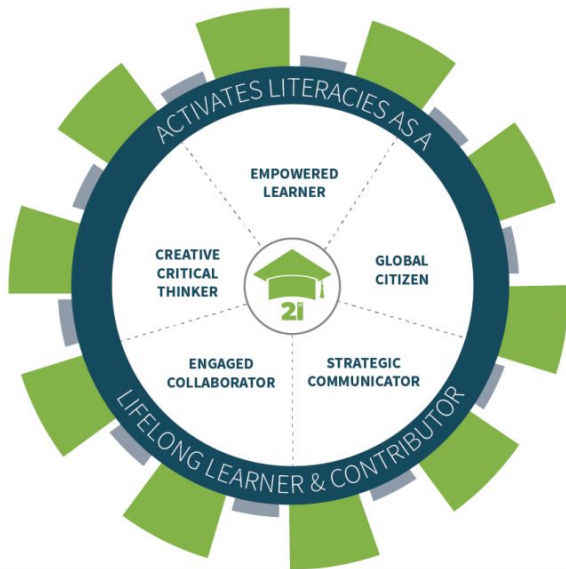


# Portrait of a Graduate: Ed Leader 21



EdLeader21 is a professional learning community of education leaders committed to building 21st century education systems for every student.

[edleader21.org](http://edleader21.org)



Ludington has been invited to become a member of the ED Leader 21 consortium in Michigan, a group of high performing schools that have developed a professional learning community where educators learn from one another in these districts and develop teaching and learning systems around 21st century teaching and learning practices.

# Board of Education Facilities Update

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## Review of Historical Building Updates and Renovations



# LUDINGTON AREA SCHOOLS

## Snapshot of Current Facilities



Ludington Area Schools Building Summary		
<b>Name of Building:</b> Lakeview Elementary		
Total Square Feet:	29,000	
Current Student Population:	212	
Number of Classrooms:	15	
Approximate Year of initial Construction:	1964	
Additions:		
Year	Square Feet	Description
1971	6,500	Library, Gym and Kitchen
1991	750	Office Area
<b>Name of Building:</b> Foster Elementary		
Total Square Feet:	45,000	
Current Student Population:	451	
Number of Classrooms:	16	
Number Used:	12	
Approximate Year of initial Construction:	1925	
Includes 2008 addition		
Additions:		
Year	Square Feet	Description
1969	10,500	Library, 5 classes
1991*	9,400	Renovation, extension
2008	4000	Renovation, extend 2 rooms.
* 1991 project 3 phases		

Ludington Area Schools Building Summary		
<b>Name of Building:</b> Franklin Elementary		
Total Building Square Feet:	26,500	
Current Student Population:	263	
Number of (Building) Classrooms:	15	
Approximate Year of initial Construction:	1957	
Additions:		
Year	Square Feet	Description
1963	8,712	5 Classes
1973	4,500	Library
<b>Name of Building:</b> South Hamlin		
Total Building Square Feet:	18,835	
Current Student Population:	Unknown	
Number of (Building) Classrooms:	9	
Approximate Year of initial Construction:	1953	
Additions:		
Year	Square Feet	Description
1956	3,380	4 classes
1973	8,690	Library, kitchen, gym, office

# LUDINGTON AREA SCHOOLS

## Snapshot of Current Facilities



Ludington Area Schools Building Summary		
<b>Name of Building:</b> Pere Marquette Elementary		
<b>Total Building Square Feet:</b>	14,346	
<b>Current Student Population:</b>	175	
<b>Number of (Building) Classrooms:</b>	7	
<b>Additional Portable Classes:</b>	2	
<b>Approximate Year of initial Construction:</b>	1965	
Additions:		
Year	Square Feet	Description
1997	560	Title 1, Health/speech room, Conference and Office space
	1,680	Portable, 2 classes
The portable is not part of square footage total above. It is not attached to the building.		
<b>Name of Building:</b> O.J.. DeJonge Jr. High		
<b>Total Square Feet:</b>	105,867	
<b>Current Student Population:</b>	537	
<b>Number of Classrooms:</b>	30	
<b>Approximate Year of initial Construction:</b>	1965	
Includes 1997 square footage		
Additions:		
Year	Square Feet	Description
1970	34,000	18 classes
1974	42,400	Auditorium, Gym/Cafeteria
1997	5,867	Renovate, and add 2 science rooms.

Ludington Area Schools Building Summary		
<b>Name of Building:</b> Ludington High School		
<b>Total Square Feet:</b>	95,280	
<b>Current Student Population:</b>	667	
<b>Number of Classrooms:</b>	41	
<b>Approximate Year of initial Construction:</b>	1953	
Additions:		
Year	Square Feet	Description
1957	31,800	17 Classes: shop, kitchen, and cafeteria
1969	3,730	3 Classes: S.E. complex
1974	9,250	4 classes: Auto, draft, graph
1990	2,000	Expand/Remodel Science
<b>Name of Building:</b> Administration Building		
<b>Total Square Feet:</b>	13,050	
<b>Current Student Population:</b>	Not applicable	
<b>Number of Classrooms:</b>	Not applicable	
<b>Approximate Year of initial Construction:</b>	1974	
Additions:		
Year	Square Feet	Description
1984	8,685	ERC and warehouse



# Overview of Facilities Improvements

- Pere Marquette: Built 1965; Upgrade 560 square feet in 1997; **3.9% upgraded in 1997** (21 years ago)
- Lakeview: Built 1964; Add 750 square feet (office) in 1991, and 6,500 square feet in 1971 (library, gym, kitchen). Total square footage = 29,000 square feet; **2.6% upgraded in 1991** (27 years ago) and **22.4% upgraded in 1971** (47 years ago).
- Franklin: Built 1957; Add 4,500 square feet (library) in 1973; **16.9% upgraded in 1973** (45 years ago), and 8,712 square feet (5 classrooms) upgraded in 1963; **32.9% upgraded in 1963** (56 years ago).
- Foster: Built in 1925; Renovate 4,000 square feet in 2008; **8.9% upgraded in 2008** (10 years ago), 9,400 square feet in 1991; **20.9% upgraded in 1991** (27 years ago), and 10,500 square feet upgraded in 1969; **23.3% upgraded in 1969** (49 years ago).
- O.J. DeJonge Middle School: Built in 1965; Upgrade 5,867 square feet in 1997; **5.5% upgraded in 1997** (21 years ago); Upgrade 42,400 square feet in 1974; **40.0% upgraded in 1974** (44 years ago); and upgrade 34,000 square feet in 1970; **32.1% upgraded in 1970**.
- Ludington High School: Built in 1953; Upgrade 2,000 square feet in 1990; **2.0% upgraded in 1990** (28 years ago); Upgrade 9,250 square feet in 1974; **9.7% upgraded in 1974** (44 years ago); upgrade 3,730 square feet in 1969; **3.9% upgraded in 1969** (49 years ago); upgrade 31,800 square feet in 1957; **upgrade 33.4% in 1957** (61 years ago).



# Facilities Improvement Timeline

- May 13, 1999: Board of Education purchases property from Herman A. Outcalt, as receiver for Mark C. Outcalt and Herman A. Outcalt in the amount of \$700,000.
- January 19, 2015: Board of Education adopts the LASD Strategic Plan after seeking community and stakeholder feedback; Strategic Plan outlines facilities as a strategic focus area, with the elements of the plan to be completed by 2020.
- November 7, 2017: Kickoff meeting is held to determine Transformation Think Tank priorities, driving questions, and the scope and sequence of committees around the priority areas of: Early Childhood Education and Literacy, Workforce Development and Career Readiness, College Access and Readiness, Science, Technology, Engineering, Arts, and Mathematics (STEAM) Education, Facilities and Space Planning.
- November 29, 2017: Meeting to explore research and collaboration stations about best practice.
- December 6, 2017: Schedule of all future meetings is publicly released, and driving question is developed: “What should it mean to earn a diploma in Ludington Area School District?”
- See attached schedule of meetings to outline remaining Transformation Think Tank meetings.
- April / May 2018: Think Tank Committee, Board, and Community updates on the Facilities Assessment.
- June 2018: Meetings with committee, Board, and community to discuss scenarios A through I.
- September, October, November 2018: Multiple community forum meetings, board meetings.





# Update on Community Survey Findings

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- Survey has been extended to close on November 26, 2018.
- Postcards received on November 16 and 17.
- 886 completed responses received thus far (Increase of .
- See attachment for question responses.

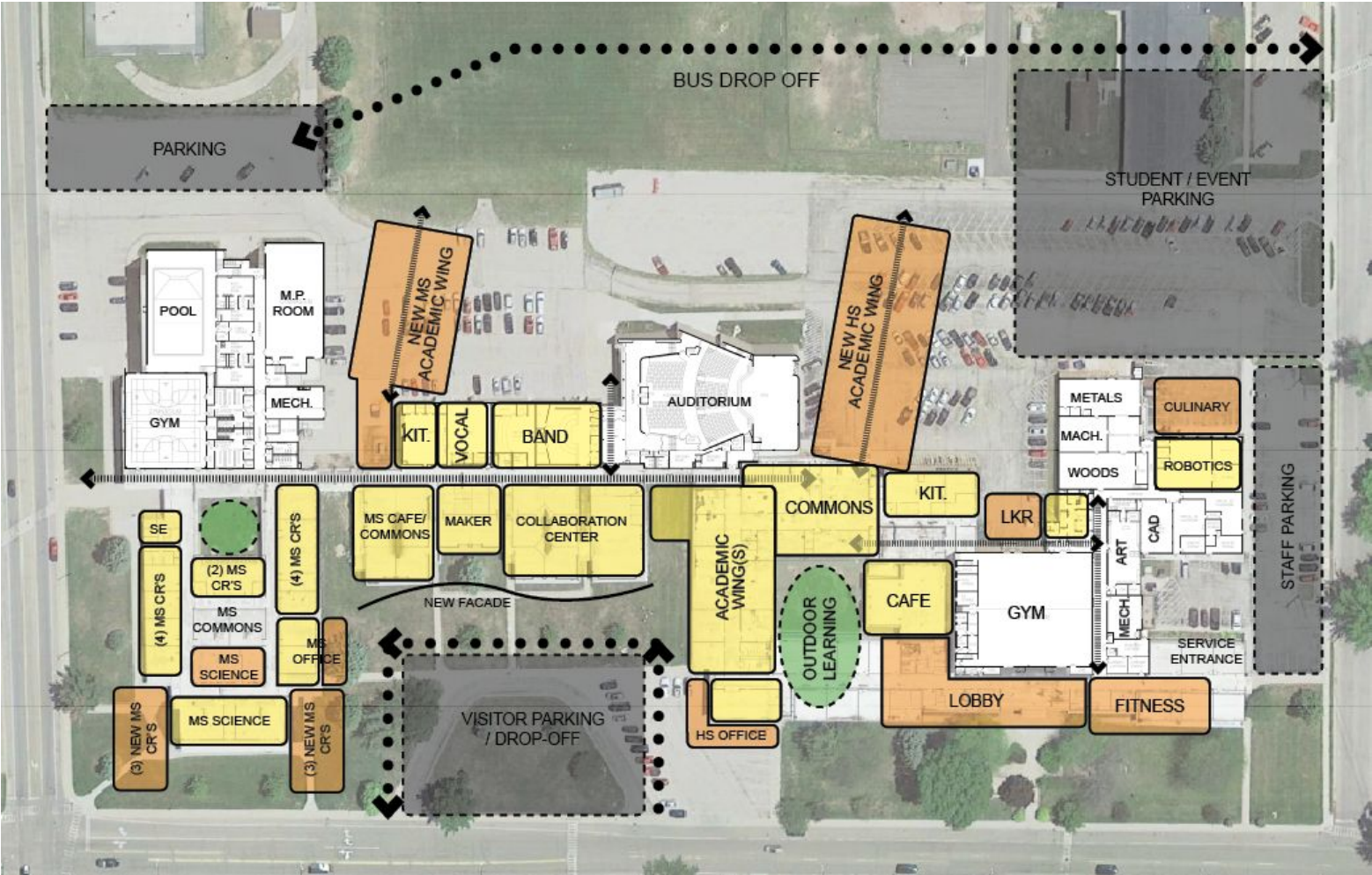


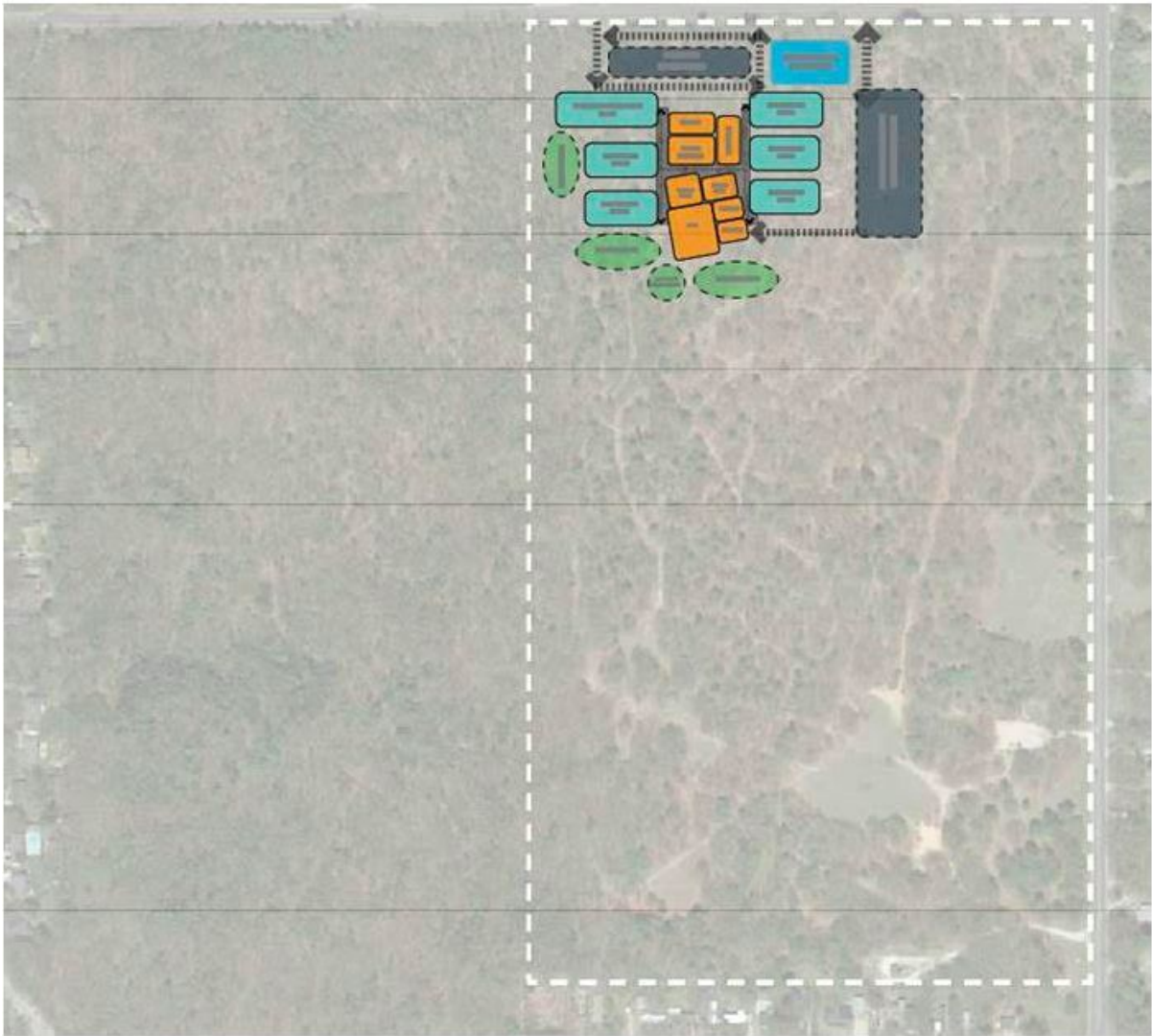


# Concept Scenario J

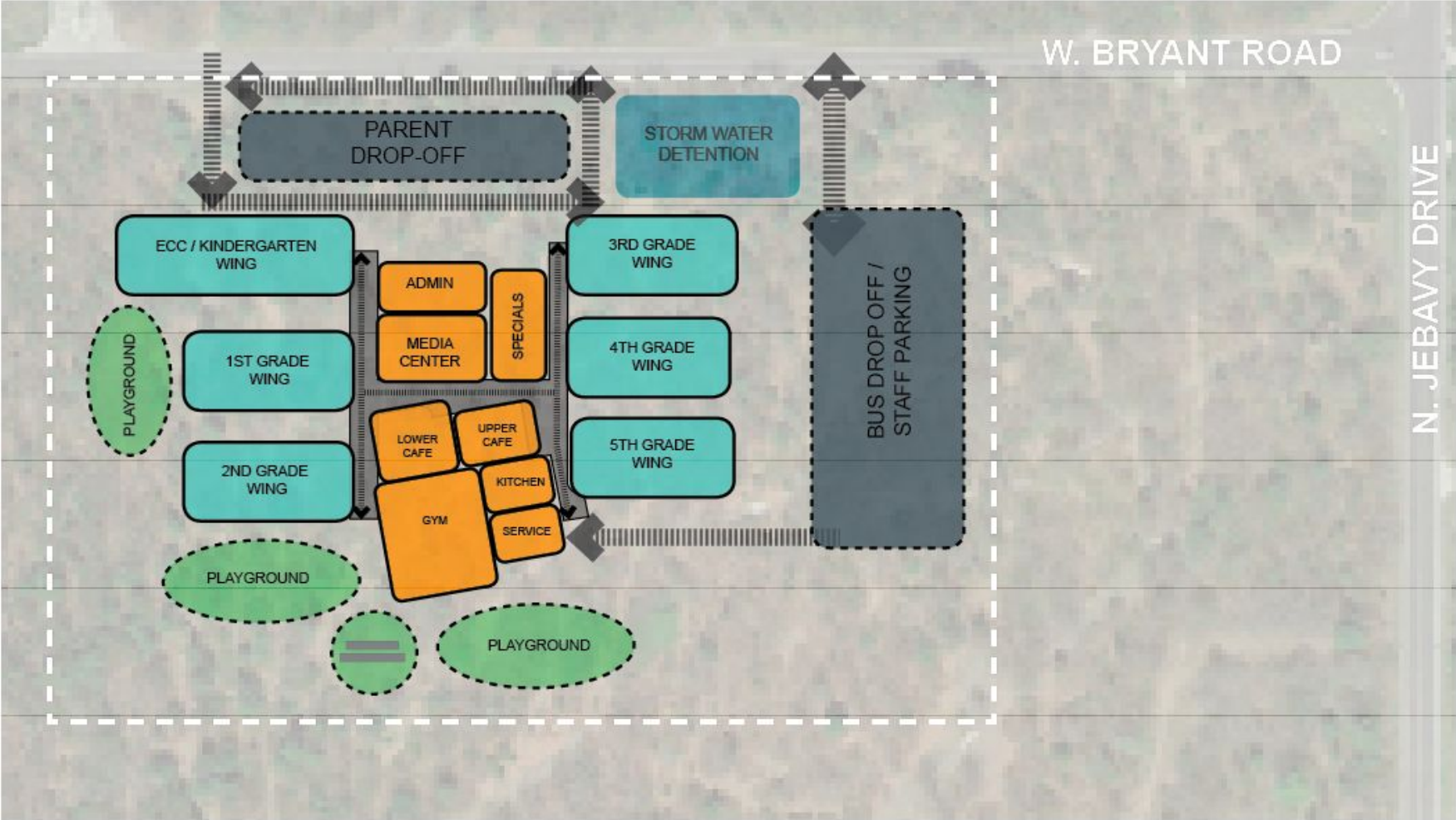
# LUDINGTON AREA SCHOOLS

## Middle School / High School Addition & Renovation (Concept Scenario J)











Scenario	Description	Cost	Millage Change	Annual Tax Bill Change*
J	<ul style="list-style-type: none"><li>New Pre K-5 building on NW corner of Outcalt property</li><li>MS/HS additions and renovations; Retain PAC &amp; pool</li><li>Improve transportation</li><li>Improve existing athletics</li><li>Improve safety through single secure points of entry in all buildings</li></ul>	\$100,111,000	+1.5	\$75

\*\$100,000 market value home / \$50,000 taxable value home

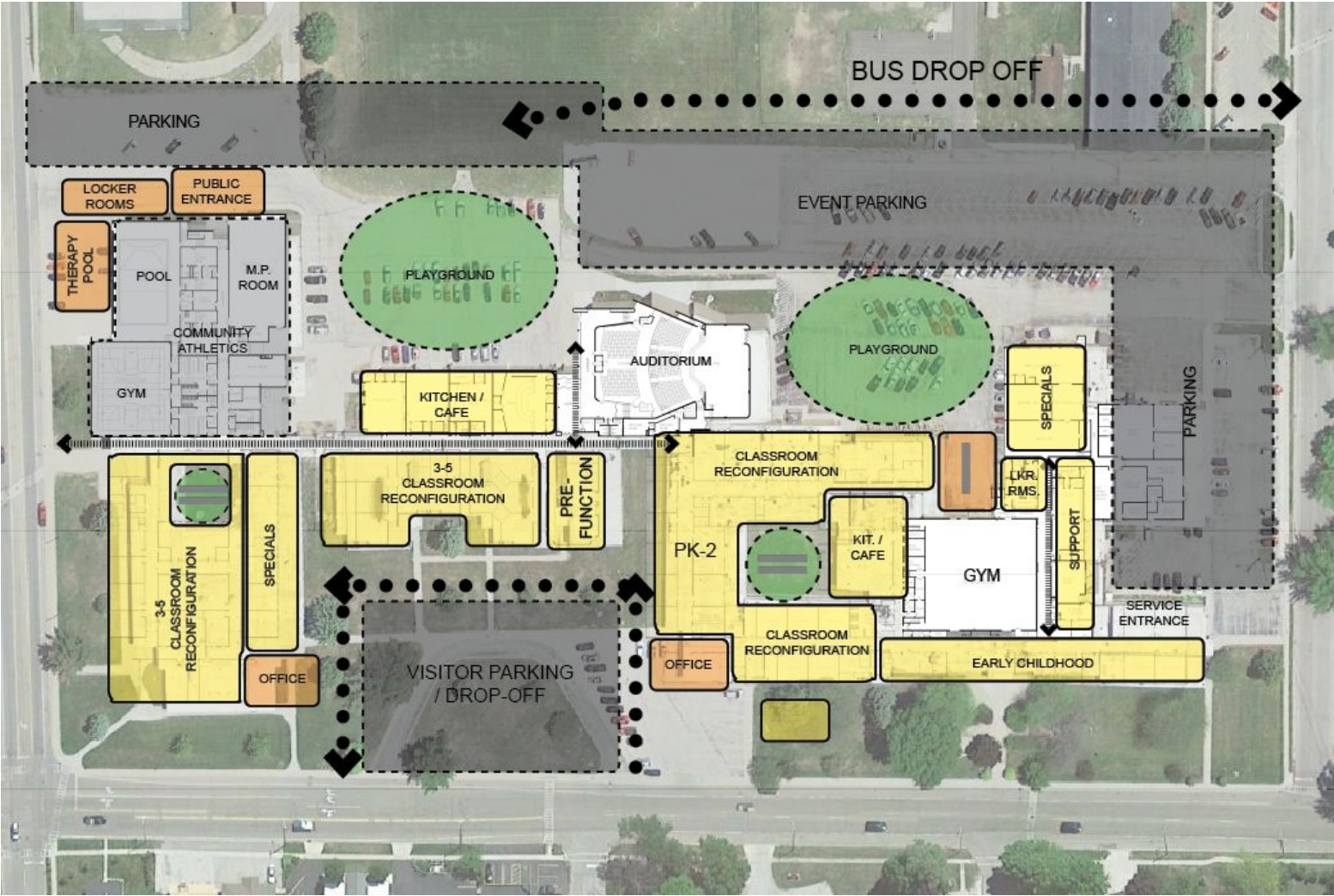


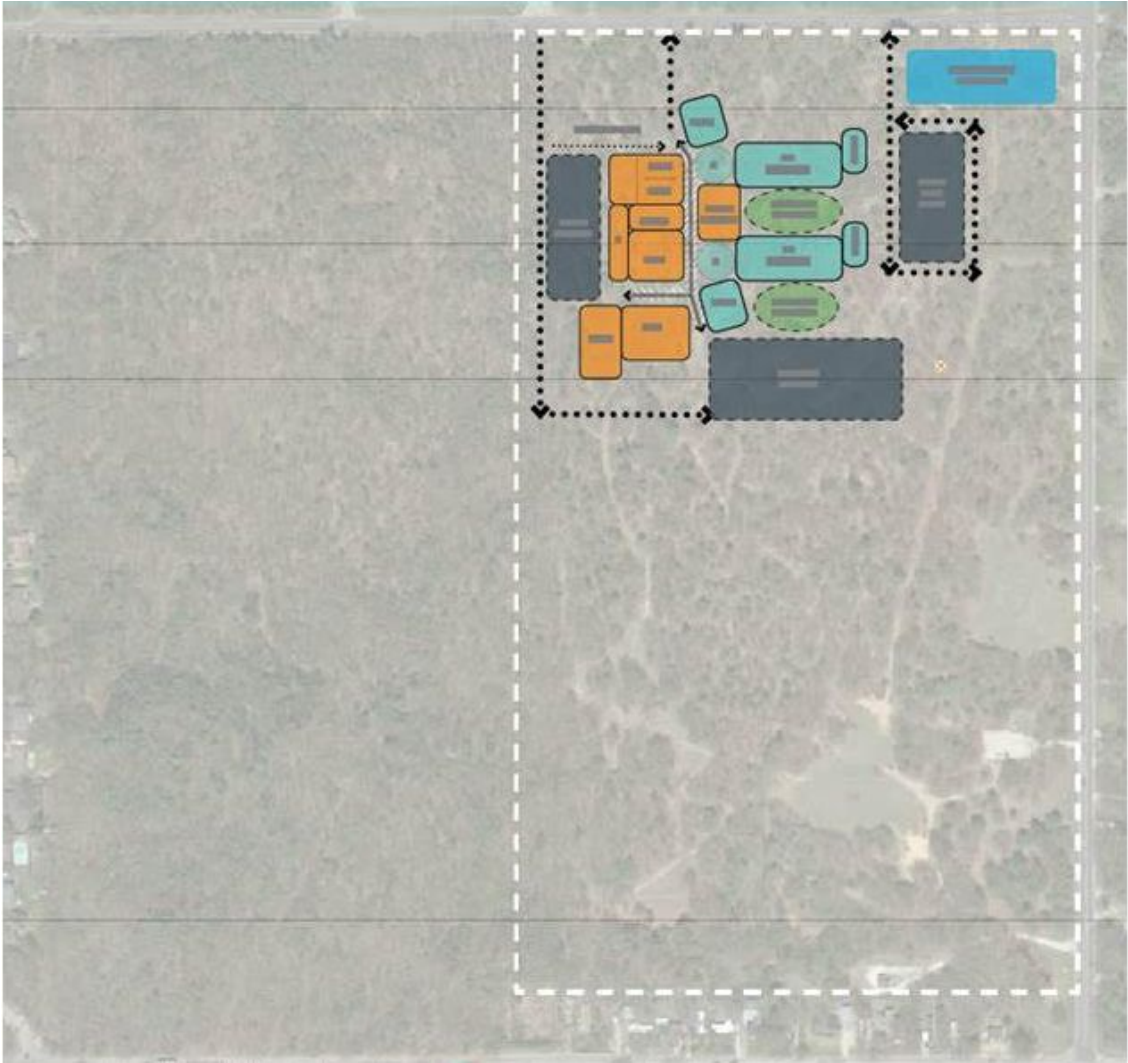


# Concept Scenario K

# LUDINGTON AREA SCHOOLS

## Elementary Complex Remodel Concept (Scenario K)

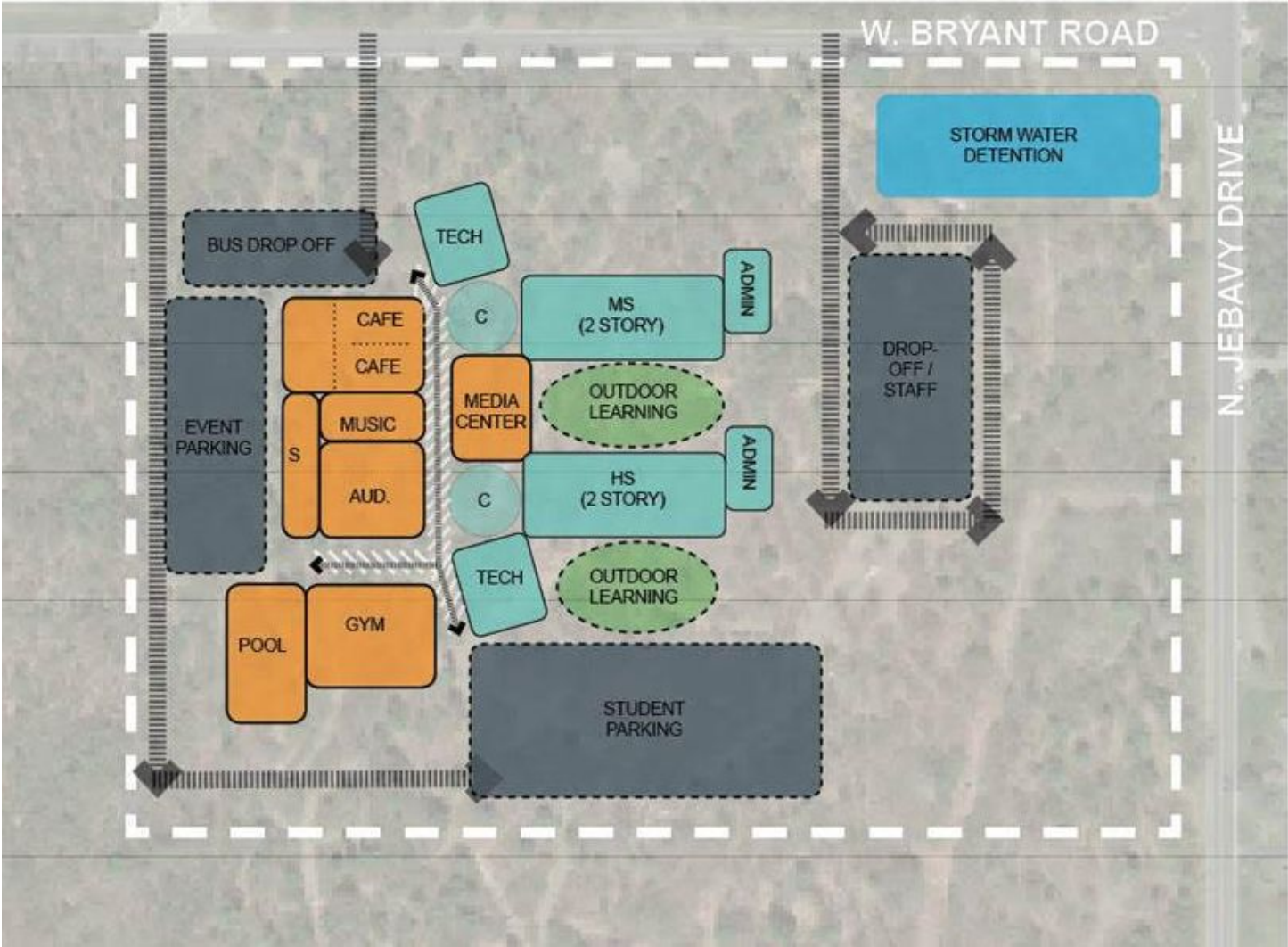






LUDINGTON AREA SCHOOLS

New Middle School / High School Complex Concept (Scenario K)



# LUDINGTON AREA SCHOOLS

## Financial Cost Summary of Concept Scenario K



Scenario	Description	Cost	Millage Change	Annual Tax Bill Change*
K	<ul style="list-style-type: none"><li>• Renovate Pre K-5 building in existing MS/HS building</li><li>• New MS/HS building on the NW corner of the Outcalt property</li><li>• New PAC &amp; pool</li><li>• Improve transportation</li><li>• Improve existing athletics</li><li>• Improve safety through single secure points of entry in all buildings</li></ul>	\$160,817,000	+3.36	<b>\$168</b>

\*\$100,000 market value home / \$50,000 taxable value home

# Financial Scenarios J and K

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What does each scenario cost  
taxpayers?





# COMPARISON OF CAPITAL IMPROVEMENT PLAN ALTERNATIVES

## I. Debt Service Millage Rate

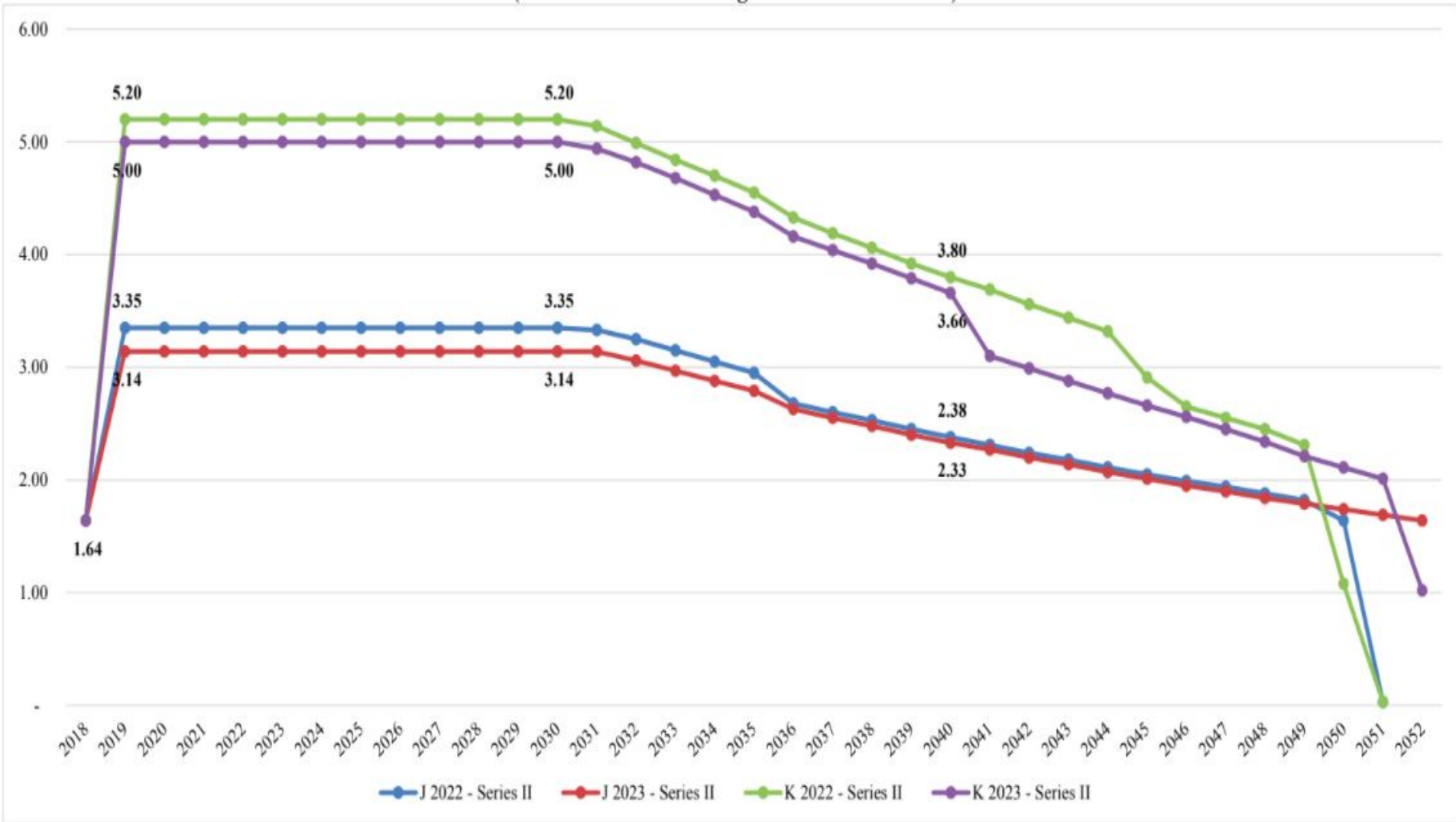
	Scenario J			Scenario K	
	Series II - 2022	Series II - 2023		Series II - 2022	Series II - 2023
Estimated 2019 debt millage rate	3.35	3.14		5.20	5.00
Present 2018 debt millage rate	(1.64)	(1.64)		(1.64)	(1.64)
Difference	1.71	1.50		3.56	3.36
Annual difference (\$100,000 market value/ \$50,000 taxable value home)	\$85.50	\$75.00		\$178.00	\$168.00
Monthly difference	\$7.13	\$6.25		\$14.83	\$14.00

## II. Proposal Summary

<u>2019 Bonds - Series I</u>					
Technology	\$2,721,863	\$2,721,863		\$2,721,863	\$2,721,863
Other construction	37,673,107	37,673,107		35,545,446	35,545,446
Construction sub-total	40,394,970	40,394,970		38,267,309	38,267,309
Underwriting allowance	405,000	405,000		383,700	383,700
Bond issuance/election costs	172,421	172,421		166,574	166,574
Less interest income [1]	(472,391)	(472,391)		(447,583)	(447,583)
Par amount of bonds	\$40,500,000	\$40,500,000		\$38,370,000	\$38,370,000
<u>2022 Bonds - Series II</u>					
Technology	\$3,602,435			\$3,602,435	
Other construction	56,686,277			119,867,316	
Construction sub-total	60,288,712			123,469,751	
Underwriting allowance	604,100			1,236,600	
Bond issuance costs	221,396			394,496	
Less interest income [1]	(704,208)			(1,440,847)	
Par amount of bonds	\$60,410,000			\$123,660,000	
<u>2023 Bonds - Series II</u>					
Technology		\$3,602,435			\$3,602,435
Other construction		56,686,277			119,867,316
Construction sub-total		60,288,712			123,469,751
Underwriting allowance		604,100			1,236,600
Bond issuance costs		221,396			394,496
Less interest income [1]		(704,208)			(1,440,847)
Par amount of bonds		\$60,410,000			\$123,660,000
<u>Total Proposal</u>					
Technology	\$6,324,298	\$6,324,298		\$6,324,298	\$6,324,298
Other construction	94,359,384	94,359,384		155,412,762	155,412,762
Construction sub-total	100,683,682	100,683,682		161,737,060	161,737,060
Underwriting allowance	1,009,100	1,009,100		1,620,300	1,620,300
Bond issuance/election costs	393,817	393,817		561,070	561,070
Less interest income [1]	(1,176,599)	(1,176,599)		(1,888,430)	(1,888,430)
Par amount of bonds	\$100,910,000	\$100,910,000		\$162,030,000	\$162,030,000

# ESTIMATED PROPOSED MILLAGE STUDY – 2 SERIES – CHART FORMAT

(Assumes taxable value growth of 3.00 – 4.00%)



**UMBAUGH**

It's all about experience

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# 2019 SCHOOL BUILDING AND SITE BONDS

## PROPOSED SCHEDULE OF EVENTS

Date	Description
01/03/19	Qualification meeting at Michigan Department of Treasury at 1:30 PM.
03/27/19	Official statement data request is provided to school district management. School district begins process of selecting bond investment strategy/company.
04/24/19	Data received from school district.
05/02/19	Draft Preliminary Official Statement ("POS") is provided to the working group.
05/07/19	Election. Polls will open at 7:00 AM and close at 8:00 PM.
05/09/19	Due diligence call to review Preliminary Official Statement ("POS") at 10 AM eastern time.
05/13/19	Special Board meeting. Board adopts authorizing resolution.
05/14/19	Request bond rating.
05/28/19	POS printed. Notice of sale printed in the Bond Buyer.
05/31/19	Receive bond rating.
06/05/19	School district provides construction account information for bond proceeds.
06/10/19	Bond sale. Bids received at 11 AM. Superintendent/CFO approves lowest bidder. Qualification application signed by Board Secretary.
06/11/19	Draft Final Official Statement ("FOS") is distributed to the working group. Thrun Law Firm files the final qualification application with Treasury.
06/17/19	FOS is printed.
06/24/19	Regular Board meeting. Board approves ratification resolution.
06/25/19	Receive final qualification from Treasury.
06/27/19	Bond closing.



# May 2018 Michigan School Election Results

- Thirty-Five (35) school bond elections were held on May 8, 2018. Twenty-Three (23) were approved by the voters (65.7%) totaling \$663,630,000. Twelve bond (12) elections failed (34.3%) totaling \$220,885,000.

<u>Par Amount</u>	<u>School District Bond Issues</u>	<u>School Bond Loan Fund Qualified</u>
\$15,750,000	Airport Community Schools	Yes
\$24,950,000	Big Rapids Public Schools	Yes
\$65,545,000	Cadillac Area Public Schools	Yes
\$8,860,000	Cass City Schools	No
\$9,400,000	Climax Scots Community Schools	Yes
\$2,170,000	Climax Scots Community Schools	Yes
\$19,100,000	Elkton Pigeon Bayport	No
\$15,300,000	Fowlerville Schools	Yes
\$64,965,000	Gull Lake Community Schools	Yes
\$6,900,000	Holton Public Schools	Yes
\$86,700,000	Jackson Public Schools	Yes
\$96,700,000	Kalamazoo Public Schools	No
\$24,600,000	Leland Public Schools	No
\$20,230,000	Meridian Public Schools	Yes
\$21,415,000	Montabella Community Schools	Yes
\$7,800,000	North Huron Schools	No
\$24,965,000	Portland Public School District	Yes
\$3,500,000	Roscommon Area Public Schools	Yes
\$59,455,000	Roseville Area Schools	Yes
\$5,500,000	Saranac Community Schools	Yes
\$57,125,000	Trenton Schools	Yes
\$8,700,000	Uby Schools	No
<u>\$14,000,000</u>	Vassar Schools	No
\$663,630,000		



# November 2018 Michigan School Election Results

- Twenty-four (24) school bond elections were held on November 6, 2018. Eighteen (18) were approved by the voters (75%) totaling \$1,243,945,000. Six bond elections failed (25%) totaling \$103,150,000.

<u>Par Amount</u>	<u>School District</u>	<u>School Bond Loan Fund Qualified</u>
\$35,340,000	Bedford Public Schools	Yes
\$19,730,000	Berrien Springs Public Schools	Yes
\$1,180,000	Burt Township School District	Yes
\$97,000,000	Chippewa Valley Schools	Yes
\$4,180,000	Forest Area Community Schools	Yes
\$130,000,000	Forest Hills School District	No
\$118,640,000	Grand Ledge Public Schools	Yes
\$29,485,000	Grand Ledge Public Schools	Yes
\$111,040,000	Grosse Pointe Public Schools	No
\$38,150,000	Holly Area Schools	Yes
\$19,200,000	Kellogsville Schools	No
\$160,000,000	Lake Orion Community Schools	Yes
\$93,225,000	Mona Shores Public Schools	Yes
\$12,925,000	Riverview Community School District	Yes
\$48,000,000	Swartz Creek Community Schools	Yes
\$165,000,000	Utica Community Schools	Yes
\$156,000,000	Wayne Westland Community School District	Yes
\$4,850,000	Whitmore Prescott Area Schools	Yes
<b>\$1,243,945,000</b>		



# What happens to current facilities?

- We will work with and partner with the City of Ludington to aggressively market and sell the District's existing facilities that it no longer needs, while ensuring that the future use of existing facilities meets the needs of Ludington Area Schools, the City of Ludington, and our constituents.





# Superintendent's Recommendation

- Improve safety and security of our buildings with a focus on long term and strategic planning that provide for much needed infrastructure improvements.
- Inspire students through flexible and collaborative learning and work spaces for students, staff, and the community that emphasize 21st century learning best practices.
- Develop innovative programming and partnerships that use our improved space design to parallel the needs of our community and train and prepare our next generations workforce.

Scenario	Description	Cost	Millage Change	Annual Tax Bill Change*
J	<ul style="list-style-type: none"><li>• New Pre K-5 building on NW corner of Outcalt property</li><li>• MS/HS additions and renovations; Retain PAC &amp; pool</li><li>• Improve transportation</li><li>• Improve existing athletics</li><li>• Improve safety through single secure points of entry in all buildings</li></ul>	\$100,111,000	+1.5	\$75

\*\$100,000 market value home / \$50,000 taxable value home