



Lake
Orion
Community
Schools

Executive Administration Plan for LOCS Restructuring

Presentation to Board of Education
September 28, 2016

EDUCATING OUR STUDENTS FOR THE CHALLENGES OF TOMORROW





Vision: Educating our students for
the challenges of tomorrow

Mission: To provide an exemplary
education for all learners



Why did we start this to begin with?



To maintain and enhance the excellent educational programs for all students
in light of

- **reduced funding for public schools**
- **declining enrollment due to aging-out of district population**

Method



July-November 2015 Long Range Planning Committee

Provide recommendations that reflect the Board's vision and mission in light of enrollment trends and funding reductions while preserving and enhancing the educational programs

March-September 2016 - Plante Moran CRESSA Facility Utilization and Real Estate Study/Report

Internal Analysis/Assessment - Collection of data and information, assessment and analysis of district combined with the enrollment and facility capacity findings from PMC study

Plan/Recommendations

Prepared by LOCS Executive Administrators

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- Assistant Superintendent of Teaching & Learning **Heidi Mercer**
- Assistant Superintendent of Human Resources **Rick Arnett**
- Assistant Superintendent of Business & Finance **John Fitzgerald**

Recommendation #1

Reduce one elementary facility



Recommendation #1

Reduce one elementary facility

Based on current enrollment and building capacity, remove one elementary from district operations and maintain capacity to educate all K-5 elementary students in a comfortable and safe environment



More 

Recommendation #1

Reduce one elementary facility

Current Elementary Enrollment

3275 students

Current Elementary Capacity

4082 students

Capacity with one less elementary school (average estimated capacity loss=550 students)

Results in capacity for 3532 students or space to accommodate 257 additional students above currently enrolled

As an example, assuming an average class size of 26 students, this would leave 9 open classrooms

Why not eliminate two elementary facilities?

This would put the current elementary facilities at maximum capacity with very little additional space and would result in displacement of rooms that are used for current specialization such as art and music



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Why not eliminate two elementary facilities?

Current Elementary Enrollment

3275 students

Current Elementary Capacity

4082 students

Capacity with two less elementary schools (average estimated capacity loss=1100 students)

Results in capacity for 2982 students or need for space for 293 students currently enrolled
As an example, assuming an average class size of 26 students, this would result in a shortage of 11 classrooms

Why not close two elementary facilities and move 5th grade students to the current middle school facilities?

Restructuring the elementary configuration from K-5 to K-4 and moving grade 5 students to the three middle schools is not recommended at this time despite having adequate space at the middle schools to accommodate additional students



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Why not close two elementary facilities and move 5th grade students to the current middle school facilities?

1. There is a difference in the academic program for 5th grade students compared to the current middle school structure with teaming. In other words, the academic program for 5th grade students does not lend itself to the same instructional delivery that currently exists at the middle level
2. Additional resources would be needed to accommodate the 5th graders (e.g. playgrounds)



Why not also close one middle school?

Although there is available classroom space at the middle school level, closing one middle school is not recommended

1. The location of the three middle schools is spread out among the current school landscape of the district to accommodate the population of current and future middle school students
2. This is too aggressive and potentially short-sighted at this time. Keeping the three middle schools gives the district flexibility to consider using the space available for other district functions or programming and/or future reconfiguration of student population, if necessary (grades 5-6 or grades 7-8)



Recommendation #2

Identification of elementary facility to close



Recommendation #2

Identification of elementary facility to close

We recommend the closure and sale of the entire Webber Elementary School complex (38 acres) for the 2017-18 school year which includes the Moose Tree Nature Preserve currently on this property

(This is contingent on conducting a title search to ensure there are no legal issues which would prevent the district from selling any or all of the property)



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Recommendation #2

Identification of elementary facility to close

1. Based on its location, the Webber complex has the most potential value regarding sale of land for new housing developments (dependent on zoning approval), which could also result in the potential for additional enrollment
 - One time revenue estimate at \$4.0 million (@\$105k per acre)
 - Moose Tree annual operating cost avoidance of \$50,000
 - Webber Elementary est. annual operating cost avoidance of \$500,000
 - Anticipated housing development yielding 40 students
 - Foundation Allowance at \$8,123 per student - \$325,000 annually



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Recommendation #2

Identification of elementary school to close

2. Webber school is within an area that is already concentrated with other elementary schools that have the capacity to accommodate additional students
3. The Webber facility has the highest critical needs for repairs/renovations
 - Critical cost needs estimated: Next 3 years is estimated at \$1.6 million and \$1.1 million in years 4-6



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Recommendation #2

Identification of elementary school to close

4. Moose Tree Facility

- The existing **Moose Tree** facility and program continue to operate in a deficit. The average operating loss inclusive of utilities is \$50,000 annually
- Multiple attempts at developing partnerships with other school districts, the Township and the County have not been successful
- Use of the facility for community and corporate events have been limited
- The aging condition of the facility and its technology needs require capital investment



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Recommendation #2

Identification of alternate elementary school to close

In the event something materializes to prevent the sale of the Webber complex, we recommend the closure and sale of the Pine Tree facility and property (Estimated 15 acres)

- One time revenue estimate at \$1.6 million (@105k per acre)
- Pine Tree Elementary est. annual operating cost avoidance of \$500,000
- Anticipated housing development yielding 20 students
- Foundation Allowance at \$8,123 per student
\$162,500 annually



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Recommendation #2

Identification of alternate elementary school to close

1. As with Webber, based on its location, the Pine Tree complex has the potential for new housing development
2. It is within an area that is already concentrated with elementary schools
3. Facility has high critical needs
4. Critical cost needs estimated: Next 3 years is estimated at \$816,000 and \$1.3 million in years 4-6



Recommendation #3

**Retain and move the balanced
calendar school to a different
facility**



Recommendation #3

Retain a balanced calendar school and move it to the Orion Oaks facility

- Allows for the expansion of a balanced calendar program which is the program that is trending, and will continue to trend, statewide and nationally
- This is a central location
- OO is already an “all-transportation” building
- OO has the capacity to accommodate additional programming within the facility such as early childhood programs



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We are not recommending the continuation of a separate multi-age school or school of the arts

- All elementary schools in the district and all teachers can, and do, meet the needs of every child on a regular basis regardless of their ability level
- With the expansion of the arts/music programs and more rigorous state standards in these areas, all elementary schools include instruction in these areas as well as is demonstrated through student performances and activities at each school.



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Strictly from a cost perspective...

1. Focus school strategy inherently contains certain additional operating costs that the neighborhood schools do not
2. The primary cost differentials between these two models are staffing and transportation related
3. Stadium Elementary incurs additional personnel costs related to the Dance and Drama focus



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Strictly from a cost perspective...

4. The current focus school model requires the use of an additional transportation tier
5. Discontinuation is estimated to reduce the need for 6 to 8 less buses, drivers and associated operating costs.
 - The district's average variable cost per bus (route) is \$38,300. (Transportation related "fixed" costs were reduced by \$300,000 in the Phase 1 restructuring)
 - Expected additional variable cost annual reduction range is:
\$229,800 to \$306,400



Recommendation #4

Redistrict student population



Recommendation #4

Redistrict student population

Redraw school boundaries and reassign all students at the elementary and middle level to 5 elementary schools and 3 middle schools based on area of residence

1. Eliminates the uneven balance of enrollment in all LO schools (This has resulted from a number of factors including new housing developments, focus school choice, and intra-district open enrollment)
2. Redistricting will allow for more efficient transportation routes



Recommendation #5

Real Estate/Asset Sale



Recommendation #5

Real Estate/Asset Sale

We recommend the immediate sale, through an RFP process, of the Clarkston/Adams Road property (20 acres)

Recommendation #5

Real Estate/Asset Sale

1. This is the easiest property to sell due to it being vacant land that is not currently used
2. The need for an additional elementary facility no longer exists
3. One time revenue estimate at \$2.1 million (@\$105k per acre)
4. Anticipated housing development yielding 20 students
5. Foundation Allowance at \$8,123 per student - \$162,500 annually



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Recommendation #5

Real Estate/Asset Sale

We recommend exploring the relocation of the Administrative offices to other existing facilities based on available space once students are redistricted and renovation costs are considered

If feasible, we recommend selling/leasing the Administration building and property (Value TBD)



Recommendation #6

Schools of Choice (non-resident students)



Recommendation #6

Schools of Choice (non-resident students)

Continue to offer SOC to non-resident K-8 students in schools/classrooms where space is available not to exceed 10% of district population

1. SOC has provided the opportunity to stabilize and enhance district enrollment
2. The decision can continue to be made annually and can be limited and calculated by grade and building



Recommendation #7

Intra-district Open Enrollment (resident students)



Recommendation #7

Intra-district Open Enrollment (resident students)

1. Until such time as we have completed the previous recommendations, we recommend temporarily discontinuing this practice.
2. We have to determine how much space will be available in the facilities under the new landscape of the district

Elementary Programming Enhancements



Elementary Programming Enhancements

As has been previously reported to the Board and to our stakeholders at Community Forums, we continue to consider further enhancements to our elementary programs. This includes, but is not limited to:

1. science/technology/engineering/arts/mathematics programs (STEAM)
2. world language
3. cultures of thinking
4. health and wellness
5. character education
6. gifted and talented
7. looping
8. leadership (Leader in Me)



Elementary Programming Enhancements

Because these enhancements require professional development of staff as well as added costs, we recommend that specific additions to programs be identified and approved by the Board during the 2017-18 school year and implemented the following year.



In closing, during the 2017-18 school year, the first priority will be to effectively and smoothly transition our students and staff to the newly created landscape of the district. Additionally, schools will focus on establishing the climate and culture at each school that will now have a redistributed population of students and staff.

