

**FOREST HILLS PUBLIC SCHOOLS
GRAND RAPIDS, MICHIGAN**

Board Finance Committee Meeting
Tuesday, October 11, 2022
8:30 AM
Administration Building

Agenda

- I. Public Comments
- II. Curriculum Update
- III. Discussion
 - III.A. Monthly Financial Statements
 - III.B. Bond Construction Update
- IV. Action
 - IV.A. Minutes for September 13, 2022
 - IV.B. Annual Audit
 - IV.C. Vehicle Purchase
 - IV.D. Furniture
 - IV.E. Property Tax Reimbursement
- V. Information
 - V.A. Administrative Update

Forest Hills Public Schools
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
For the periods ending September 30, 2022 and September 30, 2021

	Current Year Period			Prior Year Period			Comments
	Budget	Actual	Percentage	Budget	Actual	Percentage	
Revenues							
Local sources	\$ 25,008,689	\$ 11,517,841	46.1%	\$ 23,893,900	\$ 10,776,648	45.1%	
State sources	82,797,721	2,128,560	2.6%	75,330,970	4,023,228	5.3%	
Federal sources	4,167,521	-	0.0%	2,256,669	-	0.0%	
Incoming transfers and other transactions	9,704,000	3,144,495	32.4%	9,530,000	2,459,055	25.8%	
Total Revenues	\$ 121,677,931	\$ 16,790,896	13.8%	\$ 111,011,539	\$ 17,258,931	15.5%	
Expenditures							
Instruction							
Basic programs	\$ 67,715,478	\$ 8,071,656	11.9%	\$ 62,841,130	\$ 5,036,920	8.0%	
Added needs	8,247,668	925,310	11.2%	8,201,170	510,120	6.2%	
Support services							
Pupil	8,881,936	644,429	7.3%	8,565,303	425,962	5.0%	
Instructional staff	4,963,732	1,013,786	20.4%	4,466,095	861,719	19.3%	
General administration	689,077	173,354	25.2%	668,400	185,705	27.8%	
School administration	7,050,349	1,430,829	20.3%	6,594,830	1,063,678	16.1%	
Business services	1,785,159	591,958	33.2%	1,666,150	512,078	30.7%	
Operations and maintenance	10,894,615	2,764,556	25.4%	9,891,120	2,316,442	23.4%	
Pupil transportation	6,632,055	800,627	12.1%	5,270,629	471,479	8.9%	
Central services	3,651,798	1,197,197	32.8%	3,303,273	954,746	28.9%	
Other support services	3,226,030	349,289	10.8%	3,031,800	227,933	7.5%	
Community services	1,689,385	356,225	21.1%	1,650,466	251,814	15.3%	
Outgoing Transfers & Other Transactions	11	54,524	495669.8%	11	-	0.0%	Goodwillie Chicken Coop
Total Expenditures	\$ 125,427,293	\$ 18,373,739	14.6%	\$ 116,150,377	\$ 12,818,597	11.0%	
Excess/(Deficiency) of Revenues to Expenditures	(3,749,362)	(1,582,843)		(5,138,838)	4,440,334		
Fund Balance, Beginning of Year	17,980,277	17,980,277		19,026,740	19,026,740		
Fund Balance, End of Period	\$ 14,230,915	\$ 16,397,434		\$ 13,887,902	\$ 23,467,074		

Percent of year complete:

Fiscal **25%**
School **12%**

Year over Year Note: September 2022 included 3 pay dates while September 2021 had 2 pay dates

**FOREST HILLS PUBLIC SCHOOLS
GRAND RAPIDS, MICHIGAN**

Minutes of the Finance Committee of the Board of Education
Held on September 13, 2022

Present: Nicole Meloche-Gregory, Kristen Fauson, Christopher Michaud
Staff: Dan Behm, Julie Davis, Christine Annese, Scott Haid, Steve King

The meeting began at 8:34 a.m.

I. Public Comments

The Board Finance committee received one comment from a member of the public regarding the following topic:

- What is allowed on the Forest Hills campus regarding school board candidates.

II. Curriculum Update

Provided by Scott Haid, Assistant Superintendent for Instruction

- A. The book “Salt to the Sea” for English 9 at Eastern High is in review.
- B. Nationally, math proficiency during the pandemic, especially for lower performing students, has had a decline. However, Forest Hills math proficiency is trending up from 2020-2021 data, and students are learning based on our data.
- C. Instruction is partnering with the IXL platform for K-12. IXL is an assessment tool that ties in with other assessments already available in district. A soft rollout occurred this past summer and has exceeded our expectations thus far.

III. Discussion

- A. Monthly Financials for August 2022
Presented by Julie Davis, Assistant Superintendent of Finance and Operations.
- B. Bond Construction Update
Provided by Julie Davis, Assistant Superintendent of Finance and Operations
 - In November of 2018, a \$130 million bond was approved to invest in infrastructure. Roofing, snowmelt, mechanicals, paving, locker replacement, and the athletic stadium at Central High have been completed.
 - Classroom transformation and collaborative learning spaces have been renovated at Orchard View, Eastern Middle/High, Northern Project NEXT, and the Transition Center.

- Collins, Thornapple, and Central Middle are undergoing renovations and new furniture upgrades. Pine Ridge renovations are anticipated to start June of 2023, and Ada Vista's renovations are anticipated to start in Spring 2023.
- The new Administration and Transition Center building continues to move forward with an October 2022 start date.
- Technology upgrades have been completed, and are ongoing.

C. Solar Project Update
Presented by Steve King, Director of Operations

- The Solar Project is moving along. Centrica brought a team from around the country and spent two days looking at each building, and reviewing their roof conditions. We are anticipating notification in October for roof sections that need to be replaced in order to move forward. Once the final plan is in place, we will be able to focus on the educational component.

IV. Action

- A. Approval of August 9, 2022 minutes.
- B. TCI Social Studies Renewal
It is recommended that the Board approve the purchase of one-year student and teacher digital licenses for K-5 and 9-12 from Teachers's Curriculum Institute (TCI): Social Studies at a cost not to exceed \$78,345. This has been reviewed by the Board Finance Committee and is recommended for Board approval.
- C. Zoom Subscription Renewal
It is recommended that the Board approve a renewal subscription of Zoom Education and Webinar from Zoom Video Communications Inc. for an amount not to exceed \$26,743 for the 2022-2023 fiscal year. This has been reviewed by the Board Finance Committee and is recommended for Board approval.
- D. Snow Removal Services
It is recommended that the Board approve a three-year contract beginning with the 2022-2023 school year for snow removal services from Katerberg-Verhage Inc. at a cost not to exceed \$838,000. This has been reviewed by the Board Finance Committee and is recommended for Board approval.
- E. Collins Elementary and Orchard View Elementary Cafeteria Furniture
It is recommended that the Board approve the purchase of cafeteria furniture for Collins Elementary and Orchard View Elementary from Custer Workplace Interiors for an amount not to exceed \$138,000. This has been reviewed by the Board Finance Committee and is recommended for Board approval.

F. Vehicle Purchase

It is recommended that the Board approve the purchase of one new passenger van from Gorno Ford for an amount not to exceed \$56,292. This has been reviewed by the Board Finance Committee and is recommended for Board approval.

G. Property Tax Refund

It is recommended that the Board authorize reimbursement of \$2,232.38 to Grand Rapids Charter Township and \$56,043.73 to Kent County for refunded property taxes. This has been reviewed by the Board Finance Committee and is recommended for Board approval.

V. Information

A. Administrative Update

Provided by Dan Behm, Superintendent

- Superintendent Behm addressed the following topics:
- Superintendent Behm has visited all of the buildings several times, and is seeing and hearing from staff that this year feels different in a positive way, without the cloud of uncertainty. They have the energy to focus on students and are feeling supported by the Instruction Office.
- Enrollment Update: Forest Hills graduated roughly 805 students, with Kindergarten enrollment around 630. The differential is due to a number of factors such as birthrate and the housing market. However, several grade levels are growing. Student count is the first week of October.
- Safety & Security: Additional funding will be coming for school safety and security, with school buildings statewide being audited to improve safety. While we do not have specific spending rules at this time, the state is developing a program that puts all the rules and details into place.
- State Budget: Additional funds in the state budget have been allocated to increase the foundational allowance per student from \$8,700 per pupil to \$9,150 per pupil.
- Strategic Planning: Preparing for round two of strategic planning meetings with the two groups of committee members. The focus will be on what the district should look like in 3-5 years.

The meeting adjourned at 10:17 a.m.

**Forest Hills Public Schools
Board Finance Committee**

October 11, 2022

RECOMMENDATION:

The Board accept the annual financial statements for the year ended June 30, 2022, as audited by Maner Costerisan, PC.

BACKGROUND:

State law requires an annual audit of school district financial statements by an independent public accounting firm. The financial statements are prepared by, and the responsibility of, the school district. The public accounting firm audits these records and expresses an opinion on whether the financial statements comply with generally accepted accounting principles. This audit includes all financial activities of the district including a detailed review of federal grant funds received.

Attached is a summary of budget versus actual since the 2012-2013 fiscal year.

Submitted by: Julie Davis

**Forest Hills Public Schools
Budget Performance History**

Fiscal Year	Enroll	Budget	Actual	Variance	
				\$	%
2012-2013	10,088				
Revenues		100,214,208	99,990,602	(223,606)	(0.22%)
Expenditures		103,192,185	100,574,325	2,617,860	2.54%
Excess		(2,977,977)	(583,723)	2,394,254	
Fund Balance, 07.01		14,530,268	14,530,268		
Fund Balance, 06.30		11,552,291	13,946,545	Fund Balance % = 13.87%	
2013-2014	10,099				
Revenues		102,583,805	101,751,312	(832,493)	(0.81%)
Expenditures		104,861,679	102,812,201	2,049,478	1.95%
Excess		(2,277,874)	(1,060,889)	1,216,985	
Fund Balance, 07.01		13,946,546	13,946,545		
Fund Balance, 06.30		11,668,672	12,885,656	Fund Balance % = 12.53%	
2014-2015	10,071				
Revenues		104,105,559	103,955,614	(149,945)	(0.14%)
Expenditures		106,164,919	105,225,212	939,707	0.89%
Excess		(2,059,360)	(1,269,598)	789,762	
Fund Balance, 07.01		12,885,656	12,885,656		
Fund Balance, 06.30		10,826,296	11,616,058	Fund Balance % = 11.04%	
2015-2016	9,978				
Revenues		104,875,859	105,041,609	165,750	0.16%
Expenditures		105,865,415	104,087,417	1,777,998	1.68%
Excess		(989,556)	954,192	1,943,748	
Fund Balance, 07.01		11,616,058	11,616,058		
Fund Balance, 06.30		10,626,502	12,570,250	Fund Balance % = 12.08%	
2016-2017	9,890				
Revenues		105,161,305	104,873,911	(287,394)	(0.27%)
Expenditures		106,722,244	105,075,572	1,646,672	1.54%
Excess		(1,560,939)	(201,661)	1,359,278	
Fund Balance, 07.01		12,570,250	12,570,250		
Fund Balance, 06.30		11,009,311	12,368,589	Fund Balance % = 11.77%	
2017-2018	9,834				
Revenues		109,614,292	109,518,652	(95,640)	(0.09%)
Expenditures		108,477,141	105,805,553	2,671,588	2.46%
Excess		1,137,151	3,713,099	2,575,948	
Fund Balance, 07.01		12,368,589	12,368,589		
Fund Balance, 06.30		13,505,740	16,081,688	Fund Balance % = 15.20%	
2018-2019	9,764				
Revenues		110,606,093	110,961,291	355,198	0.32%
Expenditures		110,117,128	108,663,633	1,453,495	1.32%
Excess		488,965	2,297,658	1,808,693	
Fund Balance, 07.01		16,081,688	16,081,688		
Fund Balance, 06.30		16,570,653	18,379,346	Fund Balance % = 16.91%	
2019-2020	9,709				
Revenues		112,673,578	110,368,734	(2,304,844)	(2.05%)
Expenditures		111,605,031	109,033,960	2,571,071	2.30%
Excess		1,068,547	1,334,774	266,227	
Fund Balance, 07.01		18,379,346	18,379,346		
Fund Balance, 06.30		19,447,893	19,714,120	Fund Balance % = 18.08%	
2020-2021	9,625				
Revenues		116,585,350	117,529,390	944,040	0.81%
Expenditures		117,272,730	115,517,482	1,755,248	1.50%
Excess		(687,380)	2,011,908	2,699,288	
Fund Balance, 07.01		19,714,120	19,714,120		
Fund Balance, 06.30		19,026,740	21,726,028	Fund Balance % = 18.81%	
2021-2022	9,319				
Revenues		121,679,150	120,768,733	(910,417)	(0.75%)
Expenditures		125,424,901	123,843,038	1,581,863	1.26%
Excess		(3,745,751)	(3,074,305)	671,446	
Fund Balance, 07.01		21,726,028	21,726,028		
Fund Balance, 06.30		17,980,277	18,651,723	Fund Balance % = 15.06%	
Ten-Year Average Variance %					
Revenues					(0.30%)
Expenditures					1.74%

**Forest Hills Public Schools
Board Finance Committee**

October 11, 2022

RECOMMENDATION:

Purchase a replacement pickup truck from Berger Chevrolet for an amount not to exceed \$40,968.

FUNDING SOURCE: General Fund

BACKGROUND:

- A 2007 Chevrolet 2500 truck, used by the grounds staff, has over 130,000 miles. It also has additional wear and tear from plowing/hauling and rusted areas of the exterior body and floor of the cab. The costs of repair are becoming more frequent and expensive.
- Purchasing a new vehicle is reasonable compared to the cost of a used vehicle. It also provides a warranty period, knowing the history of the vehicle, and the best value for many years of service longevity given the unique specifications of such vehicles.
- Chevy trucks are also preferred because of their industry standard for durability and reliability for this type of vehicle.
- The district will utilize the MIDeal Purchasing Program to comply with bidding requirements.

Submitted by: Todd Sharp

**Forest Hills Public Schools
Board Finance Committee**

October 11, 2022

RECOMMENDATION:

Approve the purchase of office, media center/group room furniture for Collins, Orchard View, and Thornapple from Custer Workplace Interiors, Dew-El Corporation, Interphase Interiors, and VS America for an amount not to exceed \$223,000.

FUNDING SOURCE: 2019 & 2021 Capital Projects

BACKGROUND:

- At Thornapple, the media center is being renovated during the final construction phase. It will include a traditional space as well as a makerspace and collaboration area. TowerPinkster worked with the Thornapple to determine the appropriate furniture selections for the renovated areas.
- The main office area at Collins, Orchard View, and Thornapple will receive new seating for staff.
- The district is utilizing the following purchasing cooperatives to meet the bidding requirements: E&I, MiDeal, NCPA, Omnia, and PEPPM.

Submitted by: Julie Davis

**Forest Hills Public Schools
Board Finance Committee**

October 11, 2022

RECOMMENDATION:

Authorize reimbursement of \$83.61 to Grand Rapids Charter Township and \$152.73 to Kent County for refunded property taxes.

BACKGROUND:

The Michigan Tax Tribunal has reassessed certain property. Based on the reassessment, Kent County and Grand Rapids Township have refunded property taxes previously collected.

Submitted by: Julie Davis

**Forest Hills Public Schools
Property Tax Repayments**

Month	2022-2023		2021-2022		2020-2021		2019-2020		2018-2019		2017-2018		2016-2017	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
July	\$ 66,521	53.20%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%	\$ 132,559	44.32%	\$ -	0.00%
August	-	53.20%	586	0.39%	37,666	16.59%	478	0.23%	25,126	8.52%	737	44.57%	9,371	1.47%
September	58,276	99.81%	9,336	6.60%	-	16.59%	-	0.23%	11,902	12.56%	-	44.57%	-	1.47%
October	237	100.00%	-	6.60%	24,010	27.16%	-	0.23%	105,559	48.37%	-	44.57%	20,941	4.75%
November	-	100.00%	46	6.64%	102,892	72.48%	-	0.23%	-	48.37%	16,610	50.12%	70,342	15.78%
December	-	100.00%	523	6.98%	-	72.48%	-	0.23%	-	48.37%	-	50.12%	29,529	20.41%
January	-	100.00%	33,274	29.13%	3,085	73.84%	-	0.23%	80,247	75.59%	-	50.12%	61	20.42%
February	-	100.00%	26,140	46.53%	-	73.84%	30,556	14.69%	249	75.67%	135,370	95.38%	-	20.42%
March	-	100.00%	77,787	98.31%	59,402	100.00%	-	14.69%	-	75.67%	-	95.38%	-	20.42%
April	-	100.00%	-	98.31%	-	100.00%	-	14.69%	20,357	82.58%	3,146	96.43%	-	20.42%
May	-	100.00%	2,475	99.96%	-	100.00%	-	14.69%	315	82.68%	10,673	100.00%	11,351	22.20%
June	-	100.00%	58	100.00%	-	100.00%	180,256	100.00%	51,049	100.00%	-	100.00%	496,180	100.00%
	\$ 125,034		\$ 150,225		\$ 227,055		\$ 211,290		\$ 294,804		\$ 299,095		\$ 637,775	