

MSBO School Finance Committee

Meeting February 16, 2018

Called to order by president, Jill Mulders at 9:30 a.m.

Welcome and Introductions – There were 10 in attendance on site and 12 online participants.

Governor's Budget Update – Bethany Wicksall, House Fiscal Agency

Topics that were discussed included:

- Foundation Allowance Increases - \$120 to \$240 per pupil using the 2x formula. Minimum foundation would increase to \$7,871 and maximum would increase to \$8,409.
- Shared Time Instruction for Nonpublic Pupils – Revises the criteria used to receive this funding.
- CTE Per Pupil Incentive Payment – Provides \$25 per pupil in grades 9-12 attending CTE programs and an additional \$25 per pupil for students enrolled in “critical skills” programs. This would be paid directly to the local districts.
- At-Risk Program – maintains the current funding mechanism but makes changes to the program requirements.
- MPSERS Payments – Eliminates the one-time deposit (Sec 147a(2)) to accelerate the payoff of the 2010 early retirement incentive and increases Sec 147c(1), 147a(2) and 147e funding.

See the attached presentation that Bethany shared with the group for a complete recap of the Governor's budget proposal.

Legislative Update – Bob Kefgen, MASSP

Topics included:

- The Governor's Budget Proposal – Discussed the foundation increases, the shared time cap and the cyber school cap.
- Merit Curriculum – Discussed potential changes to World Language credit requirements due to a shortage of World Language instructors. Districts may have to get creative with schedules or shift to online learning to meet existing requirements.
- Career Pathways Alliance
- Marshall Plan – Possible \$100 million of funding available for technology related programs.
- Accountability System – Looking at replacing the current dashboard system.
- Election Update – Provided different scenarios based on the political climate during each of the three phases of the election cycle; prior to conventions, prior to general election and the lame duck session.
- MPSERS UAAL Computation – Discussed the memo sent from School Business Leadership groups to the legislature concerning the change in the way the UAAL percentages will be calculated from a percent of payroll to a percent of current operating expenditures.

MSBO Update – Bob Dwan, MSBO

Topics included:

- MSBO Annual Conference Update – Early bird pricing available until February 28. Scholarships are also available.

- Business Manager Survey – Public Sector Consultants are conducting a survey of all Business Managers (or highest ranking financial person) of each district. The purpose of the survey is to provide information on the savings these people have provided to the district. Bob stressed the importance of the survey and encouraged all who received it to complete it.
- Governor's Budget - Bob shared that they will continue monitoring the budget process and will provide information as it becomes available.

Round Table Discussions / Announcements

- Dave Martell provided input on the annual conference and encouraged early registration and class selections.
- The group discussed the ORS 3% refund and shared the ways that their districts are paying out and taxing the refunds.

Meeting adjourned at 11:35 a.m.

Next meeting will be Friday March 16, 2018 at the MSBO Offices in Lansing.