

MSBO School Finance Committee Minutes

Online Zoom Meeting

November 15, 2024

The meeting opened at 9:30am. Mark Mesbergen, Chairperson, welcoming 99 attendees online.

Officer Elect Nominations – Mark Mesbergen, Chairperson

- Devin Kling was nominated by Mark Mesbergen to become the Officer Elect. A motion was made by Anna Wamack to accept the nomination and support by Mary Beth Rogers. The motion carries.

Legislative Update – David Randels, Oakland Schools

- The next few weeks are going to be unpredictable and nobody is quite sure how lame duck is going to go
- Labor unions and Democrats will likely attempt to repeal or modify PA 152 in House Bill 6058
 - Set a floor of 80% employer contribution
 - 7% increase to hard cap for employer's share
 - If signed, this would likely be enacted as law in April
 - If this fails, the backup plan is a full repeal of PA 152
- There are threats to reduce School Aid Revenue streams through pressure to increase School Aid transfers to support General Fund expenditures
- Expected efforts to intensify last-minute current-year school aid budget amendment
 - Potential changes to 3% ORS reimbursement

Health Insurance Update – Chris Glass, Gallagher

- Looking over the last 5 years in Michigan, hard cap increases have not kept up with health insurance carrier increases
 - Cumulatively, hard cap has only increased 12.6% over the last five years while health insurance increases have raised 24.7% – 38.3%
- PA 152 – HB 6058
 - Referred to House Labor Committee
 - Democrats are pushing to complete their legislative agenda before split control takes effect after January 1
 - Flips PA 152 from a law that puts a ceiling on spending for health benefits to a bill that creates a floor for health care spending
 - Logistical considerations
 - Likely not effective until spring 2025
 - Impacts will vary based on current CBA language
 - Districts will potentially need a special enrollment period to allow employees to make new health insurance elections

- Prescription trends
 - GLP-1 costs were high, and several insurance carriers are dropping coverage like BCBS
 - MESSA released a 5-tier Rx card that many groups/members took advantage of this year to offset premium increases

MSBO Update – Jason Helsen, MSBO Associate Executive Director

- Up North meeting presentations are available online under the School Finance Committee page
- Legislative update
 - House is flipping to Republican control
 - Pay close attention to HB 6058
 - Start looking at what impacts to PA 152 would have on your district in the following situations
 - Full repeal
 - 7% increase
 - 80% floor
- If you have a Food Service Management Company, there are requirements for Business Managers to have food service training
- Make sure to read the MDE weekly updates as there is good information being released
- MSBO is working on a grants webinar; save the date for a series on Tuesdays being held on January 7, February 11, and March 18 from 1-3pm
- Leadership Institute applications are open until December 13, 2024 for a 2025 calendar cohort
- Annual Conference planning is in full swing
- Financial Strategies Conference is coming up January 21-22, 2025
- Final ESSER III amendment window is open until November 20 only for amended amounts and function/object code changes; nothing new or added to the budget will be allowed
- Deadline for MSBO awards and scholarships is January 31, 2025

Roundtable discussion was offered

- Nothing was brought up.

Next meeting will be Friday, December 20, 2024, remote.

Mark Mesbergen, Chairperson, giving thanks to all.

Meeting adjourned at 10:41 a.m.

Submitted by:

Anna Wamack (Secretary)

Associate Superintendent of Facilities, Finance, and Operations, Midland Public Schools