The meeting opened at 08:30 a.m. with Bob Dwan from MSBO giving introductions and talked about overview of the upcoming day.

**Michael Boensch, Chairperson:**
Gave a welcome. Carol Laux from Carrollton Public Schools was approved with a motion and support to serve as officer elect for the MSBO School Finance committee.

**David Martell, MSBO Executive Director:**
Gave a MSBO update talking about activities MSBO is involved with.

**Jerry Johnson, Calhoun ISD (Legislative Update):**
School Aid Budget-House version has items similar to revenue estimating conference. When budgets go to the Governor, will she veto all or just some of the line items? Will budget have School Finance Research Committee Objectives? Will new revenue with a weighted foundation for schools be in the budget? Many questions to be answered yet?

Road Funding Solutions-
1. Eliminate sales tax for gasoline and replace with a 15 cent tax for roads.
2. Extend MPSERS payment timeline 5 or 10 more years.
3. 10 billion MPSERS pension obligation bond.

Option 1 will cut School Aid by 600 million annually. Option 2 decreases short-term/current payments but costs billions more long-term. Option 3 could reduce annual MPSERS cost by 980 million. This will have issues if rate of return does not meet expectations.

Republican Options for Roads
2. 1.45 billion. All of option 1 and new revenue.
3. 1.55 billion and 2.25 billion later. All of options 1 and 2 along with ballot proposal items of a 1% sales tax increase, no School Aid Fund for higher education, and reductions of registrations fees.

Recent polling found majority oppose all of the options.

Tax Legislation- Bills were discussed in the following areas.
1. Online sales tax collection
2. Income tax
3. School supply tax holiday
4. Local mileages
5. Local stabilization Authority Act
Many policy legislation items were discussed.

Kathryn Summers, Senate Fiscal Agency:
Talked about activity in Lansing over the past week.

Conference Budget detail from September 11, 2019
$120/$240 per pupil increase
Added funding to many items to look at weighted funding such as Special Education, CTE, etc.
Little changes to district MPSERS cost
1% increase to Special Education Reimbursements
At Risk increases, but will adjust with identification of At Risk students
Increases to GSRP
Increases to CTE funding
Triple ISD literacy coaches
Increases to ELL funding
Funding for additional school safety
Funding for rural/isolated districts
Expanding 10 cent meal funding for food service
$15 million for summer reading program

What is the next step? Governor could veto some line items. May request changes.

MPSERS Changes? Bonding? Lengthen amortization of MPSERS?

Brian Quinn, MILAF/PFM:
Overview of MILAF history. Talked about comprehensive solutions. MILAF investments classes were discussed.

Cybersecurity threats come in the form of ransomware. It has happened to school districts and needs to be taken seriously.

MILAF follows industry best practices. Online account features were reviewed. For security, MILAF offers Multi Factor Authorization, call back authorization, and password changes.

Bob Dwan, MSBO:
Chris May from MDE was to present but had a family obligation.

Reviewed change notices for school accounting. They involved Food Service bad debt and GASB 84.

For FID, revenue suffix codes that are not correct will give a warning in 18-19 and an error for 19-20.
Make sure to report OPEB liability in FID

Updates to State Aid data quality checks

ESSA building level expenditures report. Should review before submitting final FID file.

FID has moved to MI Login from MEIS.

Reviewed calculation mythology for school level expenditures.

For the district level report, make sure Superintendent, board of education, leadership know about this report

Kent Cartwright, Petoskey:
Discussed indirect/direct costs related to Food Service/General Fund. Talked about a recent program review he went through.

Eric Formberg, Plante Moran:
GASB update.
Discussed GASB 87 (Leases) and GASB 88 (Debt Disclosures).
Revenue/Expense recognition could change.
Possible changes to financial statement presentations.
GASB 84. Be sure to evaluate all the activity.
Many questions were fielded by the audience related to GASB 84.

Bob Dwan, MSBO:
Discussed online system for entering in ideas for the annual conference.

Scott Little, MSBO:
Facilities conference in October. Gave an update.
Bus purchasing program opens October 1st.
Leadership institute update.

Meeting adjourned at 12:35 p.m.

Submitted by:

Michael Klosowski (Secretary)
Chief Financial Officer for Elkton-Pigeon-Bay Port Laker Schools