January 30, 2012 FFO Minutes

Members Present: R. Ohle (chair), G. Wasserman, J.Kaminski, C. Ellinger, G. Verlinde, C. Laux

Also in attendance: C. Sabourin

Mrs. Laux reviewed the November and December financial reports.

Mrs. Laux reviewed the 2011/12 budget adjustments which will be on the February 13th agenda. The highlights of the discussion included:

- Revenue is up an assumed ONE TIME TOTAL of $2.6 million versus budgeted expectations last June. There were 4 major contributors to these one time increases:
  - $822,033 due to one-time incentive grant of $100 per pupil for meeting four of the five best financial practices as determined by MDE.
  - $408,841 due to enrollment exceeding budget expectations by approximately 50 students, the majority of which are at the high school level.
  - $253,250 from a grant to cover the cost for ICT facilitators that was received AFTER the June budget process.
  - $1,076,000 for tax appeal refund of sinking fund monies. This refund is due to subtleties in the state funding rules for hold-harmless districts. Midland Public received $1,076,000 as a result of the MCV tax appeal for tax years 2008 and 2009. The taxpayers also received a reduction in their winter 2011 tax bill as a result of this tax appeal relating to tax years 2010 and 2011.
  - At the time of the FFO meeting it is assumed all these items are ONE TIME occurrences and the vast majority will likely NOT be repeated next year (this may change pending the Governor’s Budget announcements on February 9, 2012).

- Changes on the expense side of the budget relate to the elimination of teacher steps and related costs since a teacher’s contract has not yet been settled. Should a contract be settled yet this fiscal year, the budget would be increased to allow for the payment of steps remaining for the balance of the budget year. There was savings from changes made in insurance carriers after the beginning of the fiscal year. Also, administration advised the purchase of nine (9) buses out of this year’s budget since the district received additional one-time revenues. There were no bus purchases in the beginning budget for 2011-12 pending an ESA examination of the merits of coordinated countywide transportation services for interested local districts. Enhancement Millage dollars will be used for this purchase as promised to the voters during the County Enhancement election.

Mr. Sabourin highlighted the 2012-2015 Technology Plan, reviewing the history and accomplishments of the technology department and goals for the future.

Mr. Ellinger led a discussion on the district’s long-term financial needs. Items discussed included the potential renewal of the sinking fund millage, potential of a technology bond millage and the consideration of a new tech high school concept.

The next regular meeting will be on Tuesday, February 28 at 5:00.