BOARD OF EDUCATION BUDGET WORKSHOP
MINUTES – May 13, 2013

A workshop meeting of the Board of Education of the Midland Public Schools, Midland, Michigan, was held at the Midland Public Schools Administration Center, 600 E. Carpenter Street, Midland, Michigan, on Monday, May 13, 2013, beginning at 4:00 p.m. in accordance with the requirements of the Revised School Code, MCL 380.1 et seq. effective July 1, 1996, and the policies established in How Midland Schools Work.

CALL TO ORDER: ROLL CALL

Board members present:  President Wasserman,
                        Secretary Kaminski,
                        Treasurer Brandstadt,
                        Member Gorton,
                        Member McFarland,
                        Member VanderKelen

Board member absent:   Vice President Baker

Central staff present: Superintendent Ellinger,
                       Assistant Superintendent Verlinde
                       Associate Superintendent Ellison,
                       Associate Superintendent Cline

Visitors present:      1 staff, citizens and guests

President Wasserman called the meeting to order at 4:00 p.m.

Mr. Ellinger greeted the Board and guests and stated the purpose of the budget workshop was to set parameters for the presentation of the 2013-14 General Fund budget.

BOARD DISCUSSION AND PRIORITIZATION FOR 2013-14 GENERAL FUND BUDGET

2.1 District Vision:
   • Commit ourselves to world class standards
   • Remain agile and flexible to adapt to challenges in the changing world
   • Continue to be strong and financially stable
   • Partner differently with families, businesses

Mrs. Cline completed a comparison analysis between Midland Public Schools’ and nine other Michigan school districts that MPS administration considers high-achieving peers. In addition, Mrs. Cline reviewed historical pupil counts, population trends and foundation allowances.

2.2 Budgeted Revenues
   2012-13: $76,969,732
   2013-14: Executive: $74,599,804; House: $74,470,975; Senate: $74,501,790

2.3 Budgeted Expenditures
   2012-13: $82,170,465
   2013-14: $82,010,033

2013-14 Salary Wage Changes:
   • No salary or wage scale changes
   • Step and merit increases
   • Elimination of furlough days for teachers
- 5.8 teaching FTE net of additions for
  - 2.0 at elementary
  - 1.5 elementary special education
  - 0.8 for special services (speech & school psychologist)
- -1.0 FTE for administration net of addition for special education administrator
- -1.0 FTE each for manager and administrative assistant due to closure of CMS

2.4 2013-14 Class Size Assumptions and Drivers were discussed.
- MPS projected blended count enrollment for budget planning is 7,927 down 168 students. This assumes the current blend of 80%/20%. Both the House and Senate propose changes to the blend that would reduce our blended count somewhat.
- Board members discussed the need to possibly decrease future course offerings given the need to balance the budget.

2.5 Benefit changes as follows:
- 0.47% increase in MPSERS retirement rate paid as a percent of payroll
- 7.0% estimated reduction of medical expenses
- 8.2% increase in vision insurance
- Dental not yet known

2.6 Changes for other areas
- Technology spending maintained due to loss of bond election; technology PD costs increased $50K
- Increased special education tuition offset by increased Act 18 revenue
- Utilities reduced to reflect conservation efforts and purchasing changes
- Bus purchases reduced to five (5)

2.7 Use of Fund Balance
- Anticipated Spendable Fund Balance 6/30/13: $10,669,866
- Anticipated Shortfall: $3.99 to $4.12 million
- Anticipated spendable fund balance 6/30/14: $6.5 to $6.6 million

2.6 Next Steps – the 2013-14 budget will be presented officially on:
- June 10, 2013 – Budget Hearing
- June 24, 2013 – Budget Adoption

Board members discussed future implications of budget workshop information presented.

3. **ADJOURNMENT**

Kaminski/McFarland moved to adjourn the meeting. Motion carried unanimously.

The meeting was adjourned at 6:37 p.m.

President ___________________________ Secretary ___________________________

Gerald Wasserman John Kaminski

Approved by the Board on:

C. Young 28-May-2013