

**Chippewa Valley Schools
19120 Cass Avenue
Clinton Township, MI 48038**

Finance Sub-Committee Meeting Minutes

Date: **June 18, 2012** Meeting started at: **5:56 p.m.**

Present: **Euel Kinsey, George Sobah, Julie Fitzgerald**

Absent: **None**

Also Present: **Ron Roberts, Scott Sederlund, Maryanne Levine, Larry Schulte
Donna Hanson, Jennifer Chambers – Plante Moran**

Brief description of agenda items and discussion

1. 2012/13 Proposed Budget

Administration reviewed the 2012/13 projected budget with the Committee. Expenditures are projected to exceed revenues by \$3,020,039. The 2012/13 budget incorporates all the proposed changes in the 2012/13 School Aid Act which has been approved by the legislature and is awaiting the governor's signature. The projected revenues include a \$120/pupil foundation allowance increase from \$6,846 to \$6,966, \$52/pupil for the best practice categorical, \$98/pupil for the MPSERS retirement expense offset, and \$40/pupil in the student achievement categorical. Projected expenditures were updated to include the impact of the labor contracts agreed to in June 2011, the impact of the illustrative rates and premiums for benefits, the impact of additional staffing for all day kindergarten implementation, and the retirement rate increasing from 24.46% to 27.37%.

2. Senate Bill 1040 Status (Retirement Reform)

On Thursday, June 14th, the House approved the MPSERS reform legislation SB 1040 with the H-3 substitute. The Senate adjourned until July 18th without voting on it. Some senators are still pushing for the defined contribution program (DC) instead of the H-3 substitute which offers a new hire the choice between the Hybrid plan and the DC plan. Administration will provide more information as it becomes available.

3. Other

Plante Moran representatives discussed the upcoming 2011/12 financial statement audit and the auditors and district responsibilities.

Meeting Adjourned at **6:26 p.m.**

Respectfully Submitted,
Scott Sederlund