

OWOSSO PUBLIC SCHOOLS
Board of Education Minutes
Budget Hearing Minutes
June 28, 2023
Report 22-171

Present: Easlick, Krauss, Henne, Mowen, Ochodnicky, Quick, Webster
Absent:

President Mowen called the Board of Education Meeting to order at 5:30 p.m. The meeting was held at the Washington Campus Gymnasium, 645 Alger Street, Owosso MI 48867.

Public Participation

President Mowen stated that the Board of Education is a public body and recognizes the value of public comment on education issues. Time has been included in the meeting's agenda for public participation. Members of the audience were reminded they should announce their name and group affiliation when applicable and to limit their participation time to three minutes or less. Comments should be directed to the Board and be relevant to the business of the Board of Education. This is not an opportunity for dialogue with the Board of Education. The rules of common courtesy should also be observed.

No public participants addressed the Board.

For Information

- Chief Financial Officer Julie Omer explained to the Board the purpose of this budget hearing is to meet the requirements of the Michigan Department of Education and the Board of Education by holding a public hearing prior to adoption of the 2023-24 budget. This hearing must be held before the adoption of the budget and shall include the topic of the proposed property tax millage rate. Specifically, the Board will discuss the Headlee Amendment and the Uniform Budgeting and Accounting Act. CFO Omer reminded the Board the purpose of the Headlee amendment is to protect Michigan taxpayers against excessive state and local taxation. Headlee requires voter approval of any new or increased local tax, and contains a special limit on property tax increases caused by property tax assessment growth. This year, the *Headlee* amendment will not result in rollback since the millage reduction factor (MRF) calculation resulted in a factor of 1.0. The approved operating millage will be the same as last year of 18.1020. However, since the District may not, by law, levy a millage in excess of 18.0000 mills, the District may still only levy the full 18 operating mills on eligible property. The Sinking Fund assessment will also not be subject to Headlee rollback with a MRF calculation of 1. The millage rate of 2.0000 mills, approved by the voters in August of 2018, was reduced in previous years due to the Headlee rollback. For the 2023 taxation year, the sinking fund millage will

remain the same as in 2022 at **1.9588**. CFO Omer explained the district is not allowed to collect more in taxes than 5% or the rate of inflation, whichever is less, without a public hearing. The millage rates that are imposed by the school district must be adjusted accordingly. CFO Omer reminded the Board the community passed a bond in November of 2017 for which the sixth assessment will take place in December of 2023. The calculated millage to service the date has been calculated at 4.70 mills (a decrease of .03 mills from the previous year. CFO Omer summarized her report by stating the following millage rates will be considered approved and assessed on eligible property for the Winter tax assessment in support of the 2023-2024 proposed expenditures:

- Operating millage (renewed in May 2013) – 6.000 mills for commercial personal property, 18.0000 for all others
- Sinking Fund millage – 1.9588 mills approved by the voters in August of 2018
- Debt millage – 4.7000 mills approved by voters in November of 2017

Board Comments

No Board comments were heard at this time.

Adjournment

Moved by Webster, supported by Krauss, to adjourn at 5:33 p.m. Motion carried unanimously.

Minutes recorded by Brooke Barber.

Respectfully submitted,


Ty Krauss, Secretary