



**FINANCE COMMITTEE MEETING MINUTES
THURSDAY, JANUARY 23, 2018**

PRESENT	CAPT Robert Buehn, USN (ret)	Florida Commissioner	Chair
	Dr. Paul Aguilar	New Mexico Commissioner	
	COL(R) Chris Cmiel	West Virginia Commissioner	
	Pam Deering	Oklahoma Commissioner	Vice Chair
	Alan Kerr	South Dakota Commissioner	
	Greg Lynch	Washington Commissioner	
	Craig Neuenswander	Kansas Commissioner Designee	
	BG(R) Hal Stearns	Montana Commissioner	
	Davis Whitfield	National Federation of High School Associations	Ex-Officio
	Cherise Imai	Executive Director	Secretary
	Richard Pryor	Communications Associate/Director	
EXCUSED	Dr. Debra Jackson	New York Commissioner	
	RADM Clarke Orzalli, USN (ret)	Massachusetts Commissioner	
	Kyle Fairbairn	Military Impacted Schools Association	Ex-Officio
ABSENT	Brian Halstead	Nebraska Commissioner	

ITEM 1 – CALL TO ORDER

1. The meeting was called to order at 11:00 AM EST by CAPT Robert Buehn, USN (ret), Florida Commissioner and Finance Committee Chair. Eight voting members and one staff member was present.

ITEM 2 – AGENDA AND MINUTES

2. Greg Lynch (WA) motioned to approve the agenda, which was seconded by Hal Stearns (MT). The agenda was approved unanimously. Paul Aguilar (NM) motioned to approve the minutes of the September 21, 2017, seconded by Craig Neuenswander (KS) meeting which were approved.

ITEM 3 – REPORTS

3. **Dues FY18** – Cherise Imai reported that 49 states (98%) have paid their state dues, with 2 states outstanding, Alabama and Illinois. The national office is following up with both states on their payments, and we expect the dues to be paid within the next couple of months.

4. **First Quarter Report and Balance Sheets, FY18** – Chair Buehn reviewed the financial report as of November 30, 2017 and stated that based on previous years' expenditures, we are on target for the second quarter. Imai reviewed the line items and projected that due to the staff vacancy, she expected we would close the fiscal year under-budget.

5. **Arflack Kentucky Employee Retirement System (KERS) Invoice** – Imai reported that an invoice of \$1,506.12 was received from KERS. Based on a recent audit, they determined that they did only billed MIC3 for two of the three months for former Executive Director Norm Arflack's sick time when he retired. Imai reported that this was an unexpected line items in the budget, and she wanted to inform the committee. Lynch asked if this was a one-time expenditure, and Imai concurred.

6. **Investment of the Reserve** – Imai reported that our Vanguard investments continue to do well, and it has earned \$3,142.63 in interest income to date.

7. **Projected Dues and Budget, FY19** – Imai reported that post-Annual Business Meeting (ABM), CAPT Amy Adams of the National Oceanic Atmospheric Administration (NOAA) forwarded numbers for their uniformed personnel dependents = +386 children (residing in 19 states), based on a report provided by the Department of Defense, Manpower and Data Center. Chair Buehn agreed to include these numbers in the revised FY19 Dues report presented to the committee. The new projected dues revenue is \$582,246. The dues invoices would be distributed to states in the spring per our normal operational timeline. The final approved FY19 budget, approved by the Commission at the ABM, was included in the handouts for review.

ITEM 4 – OTHER BUSINESS

8. **Dues Formula** – The committee discussed looking at the dues increase because in the past 3 years, we have had an annual 2-3% decrease in revenue due to the reduction of military dependents. Members highlighted that the dues revenue is not keeping up with inflation, while we have increased the numbers of Commission members and services. It was noted that we are not trying to grow the fund balance, and they questioned what a reasonable increase would be. All agreed that there must be a plan for the revenue. Imai reviewed the timeline and process should the committee propose a change to the Rules. Lynch motioned that the committee gather analytics (such as CPI) and formula possibilities to review and consider. The motion was seconded by Pam Deering (OK). The motion passed unanimously. **(OPEN ITEM)**

ITEM 5 – ADJOURNMENT

With no further business to conduct, Chair Buehn adjourned the meeting at 11:35 AM EST.

Respectfully submitted by,



Cherise Imai
Secretary/Executive Director