

Finance Committee Minutes
September 5, 2017
Main Office Large Conference Room
4:30 pm

Present: Mr. Charles Kleinschmidt, Mr. Robert Vining, and Mrs. Kathryn Strouse

An agenda was distributed to members prior to the meeting.

2018-19 Budget Preparation: The Business Manager shared the process for preparing the General Fund Budget. It involves gathering information from stakeholders – teachers, school counselors, special education teachers, work-base education coordinators, administrators, operations and facilities about their needs in order to provide a meaningful career and technical education to our students. Our teacher salaries are based on the median of member district teacher contracts. He reviewed the status of those contracts – only Centennial is in contract for 2018-19. The Central Bucks and Council Rock contracts end June 30, 2018. New Hope-Solebury is currently in status quo. Our Act 93 agreement ends June 30, 2018 and a conversation regarding increases for support staff occurred. The three-year averaging formula for sharing costs among member districts was distributed. The Lease Rental formula based on Market Value as determined by STEB was discussed. The Act 1 index for 2018/2019 has been set at 2.4%. The first presentation of the 2018/2019 budget will be at the November meeting.

BMCS Update: Labor and Management Trustees of the BMCS agree that a lower cost medical plan is necessary. The Benefits Committee has designed a fourth plan and it will be presented to the BMCS Trustees at their September meeting. A vote to create the new plan will take place during the October Trustee meeting. The Business Manager shared the plan design with the committee members. The plan introduces deductibles and changes co-pay for numerous lines to bring the value of the plan actuarially to 85%. Discussion about the plan design and need for this option occurred. Discussion about funding, stop loss insurance and pooling occurred. MBIT will look to alternative consortiums for quotation of equivalent coverage and lower cost in response to concerns expressed by the school board members last March once the plan design has been agreed upon by BMCS.

Authority Trustee: The Authority's Trustee Uninvest has informed us that they are exiting the bond service business. They indicated in a letter that they would be turning the business over to US Bank. The Business Manager has contacted TD Bank and they provided a quote. He will contact US Bank for their cost. Uninvest presently charges the Authority \$3,500 for the two outstanding issues.

Budget Transfer: There are two budget transfers for fiscal year ended June 30, 2017. One is due to PDE mandated changes to Chart of Accounts concerning Tuition Reimbursement. The second one is for the approved transfer from General Fund to Capital Reserve Fund.

Updates: The Business Manager shared the monthly and final year-to-date results for Li'l Bucks Preschool and Adult Education. There was an accrual for cost of supplies made to Adult Ed changing revenue in excess of expense to \$4,090.

The meeting adjourned at 5:15 PM.