

Finance Committee Minutes
February 6, 2018
Main Office Large Conference Room
4:30 pm

Present: Mr. Stanley Marcus, Mrs. Tracy Suits, Mrs. Karen Smith, Mr. Robert Vining, and Mrs. Kathryn Strouse

An agenda was distributed to members prior to the meeting.

2018/2019 General Fund Budget – Alternative Funding Options: The Business Manager explained the budget funding allocation using the trailing three years average daily membership (ADM) and year end reconciliation process. The Superintendents recommended that the funding formula be reviewed and suggested that using trend might yield funding closer to actual by doing so. The Business Manager shared projections showing historic funding, another scenario using the October 1 enrollment from PIMS along with two most recent years for averaging, and lastly, a scenario using trend along with October 1 enrollment. The Business Manager answered committee member questions. The Business Manager will present a draft of General Fund budget at the March Finance Committee meeting using the Oct 1 averaging and October 1 trend so the committee to consider then make a recommendation for 2018/2019 member contribution.

HealthCare Insurance Discussion: The Business Manager presented the committee with Pros and Cons of joining the Delaware Valley Health Trust (DVHT) and staying in the BMCS Consortium. The reasons cited for joining DVHT are to have claims processed in a large funded pool immediately upon joining. The future increases are predicated on how the pool performs and longevity credit. In BMCS, the only claims pooled are above stop loss attachment point. The claims below the stop loss are MBIT's. BMCS will have pooling in full after three years. Entering DVHT, we would receive a 5.25% discount on renewing rates effective July 1, 2018. DVHT has a wellness plan that incentivizes members to make consumer oriented healthcare decisions. They have established their own clinic staffed with doctors. The committee asked questions about Centennial's experience with DVHT and increases after second year. Centennial has had good experiences and strongly recommends MBIT join DVHT.

COSTARS Results - Snow Plow Truck: The Business Manager reviewed a summary of the quotes received from three different dealerships. The vehicle specified was a 2018 GMC Sierra 2500 HD 4WD Regular Cab pick-up truck. The MSRP of vehicle was \$40,220 and lowest cost was \$28,134. Additional equipment specified was an 8 foot steel snow plow and a tailgate salt spreader. Dealers quoted BOSS and Western equipment. The Business Manager is working with two of the dealers to have them quote identical equipment. Once equipment and cost are aligned, the next step is to finance the purchase using a \$1 buyout five year lease. The committee supported using Costars. Next step will be to bring cost to Executive Council for final approval.

E-rate – PEPPM Mini-bid for Switches: The specifications were sent to every PEPPM vendor selling switches. A total of 17 vendors were invited to bid and two vendors responded. One vendor quoted the switches specified (HP Aruba) and the other quoted an equivalent made by Hauwei. The low bidder is being contacted for questions about technical support, response availability and time, if there is a local presence and for references. The committee asked

questions about specifications and was surprised that so few responses were received. Size of order may have influenced process. The final recommendation will be made at the March Finance committee meeting. The committee expressed their support.

Updates: The Business Manager shared the year-to-date January 2018 and January 2017 reports for Li'l Bucks Preschool and Adult Education. The Business Manager accrued the subsidies for social security and retirement reducing the Li'l Bucks deficit. The expectation is that Li'l Bucks will break-even by the end of the current year but will show a deficit for purchase of playground equipment. Adult Education showed a very healthy bottom line although classes for the spring semester are just starting. Adult Education is expected to have modest profit by end of year.

The meeting adjourned at 5:15 PM.