

BOYERTOWN AREA SCHOOL DISTRICT
FINANCE COMMITTEE
MAY 7, 2013
MINUTES

Mrs. Hartford called the Finance Committee meeting to order at 6:38 p.m. in the Education Center board room.

Members in attendance: Mrs. Hartford, Dr. Christman (6:45), Mr. Crossley, Mr. Elsier, Mr. Nichols, Mrs. Semmens, Mrs. Usavage

Administration: Mr. Scoboria, Mr. Szablowski

Public: 4

Everyone participated in the Pledge of Allegiance to the Flag and a moment of silence

There was no public comment.

The meeting minutes of the April 16, 2013 Finance Committee meeting were approved.

Banyan Consulting Representatives Megan Erway and Sandi Keller gave the committee an update on the status of the District's healthcare benefits. Banyan reviewed the medical and prescription plans and the marketing of the Third Party Administrative (TPA) services also referred to as Administrative Services Only (ASO). The contract with Capital Blue Cross expires on June 30, 2013. There was discussion about the plan design and performance and the need to increase premiums by 4% with the resulting gross premium the same as last year reflecting a 0% increase in the medical insurance budgeted expense. This is attributed to the increased contributions by all classes of employees and the projected shift from family coverage to single or two-party coverage. High dollar claims were reviewed with only 3 claims exceeding the \$150,000 specific loss deductible. Dental and vision were also discussed as included in the marketing of the BASD benefit package. The wellness initiative was also discussed. The details of the marketing activity were presented and the recommendation to remain with Capital Blue Cross but take advantage of lower group administrative pricing through a membership with the Lehigh Valley Business coalition on Health Care (LVBCHC). The membership fee of \$1,580 based on the District's number of covered employees, entitles the District to a lower administrative cost and access to various healthcare information and networking opportunities. Including Delta Dental's reduced ASO charges and the status quo of the vision insurance, BASD is projecting a fixed cost reduction in excess of \$100,000 per year and \$330,000 over the next three years. Banyan Consulting was thanked for their efforts in assisting the school district.

Mr. Scott Major, BASD IT Director, presented the 2013-2014 Technology Update to the committee and requested that the proposed initiatives be funded through the annual Internal Lease. The Internal Lease was developed to fund technology upgrades, both equipment and software, with useful life of four years or more that the District would own. The Technology

Fund proposes to borrow a specific amount of money to fund the technology initiatives from one of the District's other funds (normally the Gilbertsville Fund) and to pay back the loan with interest over a four year period in lieu of borrowing or leasing from a for-profit leasing company. This year's proposed amount is \$350,000 at an annual interest rate of \$350,000. The committee members agreed to recommend the action to the Board for approval at the May 14, 2013 Board meeting. A copy of the presentation is included with these minutes.

Mr. Szablowski reviewed the monthly Budget Comparison document comparing April 2012 budget results to April 2013. Mr. Szablowski summarized that the budget is going as planned and is very comparable to last year's results.

Mr. Szablowski informed the committee that the District received the results of the Alternate and Clean Energy (ACE) Grant today. The District's proposal was considered with five other projects, all submitted by EI Associates. The five other projects were approved and awarded the grant but the decision to award the funding to BASD was tabled citing "Local Controversy" about the building project. The DCED, who awards the grant, stated that they will consider the award of the grant again at their July meeting. Boyertown Area School District has applied for a grant amount of \$2,000,000.

There was no public comment.

Announcements

May 14, 2013	5:30 pm	Policy Committee	Education Center
May 14, 2013	7:00 pm	Board Meeting	Education Center
May 21, 2013	5:30 pm	Facilities Committee	Education Center
May 21, 2013	6:30 pm	Finance Committee	Education Center
June 4, 2013	7:00 pm	Board Meeting	BASH New Aud.

Final Budget Adoption

Mr. Nichols motioned for adjournment. Mrs. Hartford adjourned the meeting at 8:28 pm.