



## **Finance Committee Minutes**

May 16, 2019

**Board Chair**— Mr. Mark Cowell

**Administrative Liaison**—Mr. Andrew Lechman

**Committee Members** – Mr. Cowell (Board Chair), Mr. Capriotti (Board), Mr. Marcus (Board), Rich Hepp, John O’Hara, Ellen Stiefel, James Trammel

**Attendance**—Please see the accompanying committee attendance sheet.

Mr. Cowell called the meeting to order at 6:00 pm.

Upon a motion made by Mr. Marcus and seconded by Mr. Trammel the minutes of the April 16, 2019 meeting were approved by the committee.

### **Old Business**

- None

### **New Business**

- PFM Financial/Market Update – PFM is the District’s financial advisor and was integral in the financing process for the campus revitalization project. Mr. Bamber provided the committee with an update on the current district debt service arrangements along with a market update on current interest rates and borrowing conditions. There is no immediate need for borrowing but it was an important review as a potential option available for funding needs for capital projects.
- Copier RFP Recommendation – The current agreement for leases of district copiers and print management services is ending on July 31, 2019. An RFP was completed for a new 5 year agreement for the same leasing arrangement and services that are currently in place. The number of leased copiers is being reduced from 34 to 29. Four proposals were received and of those four, three were reduced costs from the current agreement. The recommendation is to move forward with Ricoh, the incumbent vendor, which is not only familiar with our operations but is also the lowest cost option by \$7,000 - \$10,000 per year. The next step will be to move forward with contract discussions to bring back to the committee and for board approval.

- 2018-2019 Budget
  - Mr. Lechman provided an overview of the current status of the 2018-2019 budget as compared to the same period in the prior year. Revenues and expenses continue to trend normally. To date 90% of budgeted revenues have been received as compared to 88% in the prior year. 71% of budgeted expenditures have been accounted for as compared to 70% in the prior year.
  - District Treasurer's Report and Investments – The committee received an update on the Treasurer's Report and district cash balances and investments as of April 30, 2019.
  - Budget transfers were reviewed and it was confirmed that they have no impact to the overall 18-19 budget.
- 2019-2020 Budget Review
  - General Fund Proposed Final Budget – Dr. Lentz and Mr. Lechman provided the committee with a presentation on the proposed final budget for 2019-2020. The budget is structurally balanced with a tax increase at the Act 1 index of 2.3% which maintains all programs and services for student's districtwide. The presentation reviewed with the committee will be provided to the full Board on May 23, 2019.
  - Capital Reserve Budget for 2019-2020 – The District has been funding the capital reserve fund over the last year. The purpose of this fund is to accomplish facility projects as identified in the facility condition assessment. At present this fund has \$2.9M available for projects. It is also estimated that an additional \$2M will be transferred to this fund at the close of the 18-19 fiscal year. This is the first year that a budget is being presented and the budget reflects immediate capital projects that need to be completed. The budget reflects use of \$1.78M to complete 11 projects. The District will continue to build out a longer range 5 year plan.
  - Food Service Budget and Meal Prices for 2019-2020 – The Food Service Department operates like a business and must be self-supporting meaning revenues earned from operations and state and federal subsidies must cover all operating expenditures. The general fund can support any annual operating deficits at the end of the year. The budget has a projected deficit of \$5,726 and the recommendation is to increase breakfast prices by .10 and hold lunch prices at no increase. Opportunities for increased revenues are the primary focus for the department with a focus on the breakfast program.
- Caron Treatment Centers – This agreement is for the district Student Assistance Program (SAP) which has been in place with another provider. Caron is a new

provider and they come recommended from other districts in Bucks County that use their services. The primary goal of SAP is to provide additional support to students in helping to assist and identify issues related to alcohol, tobacco, other drugs and mental health issues which pose a barrier to a student's success. The primary goal of this program is to help students overcome these barriers so that they can achieve, advance and remain in school. Caron will more consistently provide teacher and parent training. This agreement will also increase the support to one full day per week from a less than ½ day to provide more resources to our students. This is a 1 year agreement at a cost of \$12,360.

- Transportation Services Agreement with First Student – This agreement is the final step in the RFP process that was completed for District Transportation Services. The committee reviewed a draft Agreement that is being finalized with the District Solicitor. It is primarily legal terms that are being finalized. All business terms meet the specifications of the proposals that were submitted and reviewed with the committee.
- Element Environmental Solutions for AHERA Services – In accordance with the Asbestos Hazard Emergency Response Act (AHERA), school districts are required to complete re-inspections of all Asbestos Containing Building Materials every three years by an accredited building inspector. The regulations also require surveillance inspections every 6 months. This agreement will maintain our compliance with AHERA and the term is May 2019 through May 2021.
- Informational Items
  - BCIU MOA – Transition Program – This is the third year this program has run on our campus. The program is focused on students at transition age and they will receive services here in a District classroom facilitated by the BCIU. Instead of this just being an expense for utilizing a BCIU program, the district director of special education will continue to have supervision over this program that provides services to students from multiple districts. This agreement will generate \$17,000 in revenue from the BCIU for providing supervisory responsibilities over the program and from other districts paying fair share for the program running in our facilities.
  - Appoint School Board Treasurer for 2019-2020 – The recommendation is to re-appoint the current board treasurer to another 1 year term starting July 1, 2019 to June 30, 2020. The board treasurer responsibilities include reviewing bank statements, general ledger reports, payments and preparing the monthly Treasurer's Report for the board approval.
  - 2019-2020 Special Education Pool Counsel Legal Services Agreement - The contract provides consortium based legal services for special education for the 19-20 year. These services are utilized by districts across Bucks County.

This includes face to face services, electronic resources and sharing of case law with all participating members at a cost of \$6,000.

- 2019-2020 Technology Pool Counsel Legal Services Agreement – This agreement provides consortium based legal services for technology for the 19-20 year at a cost of \$808. These services include face to face services along with electronic resources are utilized by districts across Bucks County.
- A motion was made by Mr. Marcus and seconded by Mr. Hepp and approved to move the following items to the board agenda for approval:
  - Budget Transfers
  - 2019-2020 Budget Items
    - Proposed General Fund Final Budget with a 2.3% tax increase
    - Capital Reserve Fund Budget
    - Food Service Fund Budget and Meal Prices
  - SAP Agreement – Caron Treatment Centers
  - First Student Contract – Pending final review and approval of district solicitor
  - Element Environmental Solutions – AHERA Services Contract
  - MOA with BCIU – Transitions Program for 2019-2020
  - Board Treasurer Appointment for 2019-2020
  - 19-20 SSKW – Special Education Pool Counsel
  - 19-20 BCIU Technology Pool Counsel Legal Services Agreement

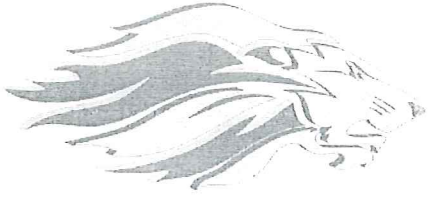
#### **Public Comment**

- Public comments were made throughout the meeting and are captured in the meeting minutes as appropriate.
- The following comments were made about non-agenda items:
  - Mr. Hansel commented on the capital reserve fund budget and the threshold of expense allowable for use of these funds.

Mr. Cowell adjourned the meeting at 7:20pm.

Respectfully submitted,

Andrew Lechman  
*Chief Operations Officer*



NEW HOPE-SOLEBURY SCHOOL DISTRICT  
*Engaging, Enriching, and Empowering All Students  
through a World-Class Education*

Finance Committee Meeting Sign-In and Attendance  
May 16, 2019

Name (Please Print)	Committee (C) or Public (P)
Jim Trammell	<input checked="" type="radio"/> C <input type="radio"/> P
STAN MARCUS	<input checked="" type="radio"/> C <input type="radio"/> P
ED DUFFY	<input type="radio"/> C <input checked="" type="radio"/> P
Ellen Stiefel	<input checked="" type="radio"/> C <input type="radio"/> P
Chris Bunkle	<input type="radio"/> C <input checked="" type="radio"/> P
Charles W. Long	<input checked="" type="radio"/> C <input type="radio"/> P
David Teasdale	<input type="radio"/> C <input type="radio"/> P Admin
Jeirdre Alderfer	<input type="radio"/> C <input type="radio"/> P Board Member
Mark Cowell	<input checked="" type="radio"/> C <input type="radio"/> P
Andy Lehman	<input type="radio"/> C <input type="radio"/> P Admin
Nick A. Haskle	<input type="radio"/> C <input checked="" type="radio"/> P
Chris [Signature] Admin	<input type="radio"/> C <input type="radio"/> P
Richt Hoff	<input checked="" type="radio"/> C <input type="radio"/> P
	<input type="radio"/> C <input type="radio"/> P
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Please note: This sign-in sheet will be included in the meeting minutes and posted to the District's website.