

Budget and Finance Committee Notes
Monday, November 19, 2007

Attending: Board Members Burke, Garrity, Strickland and Wetmore; Administrators Duncan, Mikos, and Petrizzo. Guest: Gary W. Goldfarb, VP, LDP Consulting Group, Inc., our benefits advisor.

Health Benefits “Opt-Out” Discussion: The state has negotiated two new health plans, PPO A and B, to replace the current Traditional and NJ Plus plans, respectively, effective 4/1/08. Horizon will continue as the state’s carrier. Many unknowns remain. Plan rates are unknown, but are expected before year end. The plans have historically operated on a calendar year, but might shift to a fiscal year.

The new plan designs are subject to change, but it appears PPO A will use a physician network smaller than the Traditional, but larger than the NJ Plus network, and cover 100% in-network and 80% out-of-network, with a \$10 copay. It seems PPO B will use the NJ Plus network, eliminate the referral requirement, and cover 100% in-network and 70% out-of-network, with a \$10 copay. Mr. Goldfarb guesses PPO A will cost less than Traditional, but PPO B will cost more than NJ Plus. Our staff is split 50-50 between the two.

2006-07 Audit results: Our auditors will present their findings formally at our 11/28 Board meeting. We have legally restricted funds of \$304,881.33 to use towards the state approved capital projects. There are no auditor recommendations, which means this is a clean audit and there was zero excess surplus.

Village School Wall Panel Repairs: The committee recommends using the \$305K legally restricted funds to repair the VS wall panels (state approved capital project). This capital project was identified as our highest priority, and has health and safety implications. The nature of the damage indicates possible water leakage, and the panels are a breakage risk.

Tuition Contracts: We have two tuition-paying special education students who are continuing from last year. This will be on the 11/28 agenda for BOE approval.

Budget 2008-09: Administrative budget requests are due 11/21. Budget defenses are scheduled from 11/28 – 12/5. Our administrators are growing increasingly comfortable with our system budget software. NJASBO (business administrators) will meet on 1/3/08 and try to read the budget tea leaves re what parameters the state will set.

Other:

Website: The cost to enhance our website to send alerts re website changes to those who register for them is \$1.4K per year. The committee recommends this enhancement.

Play receipts: At the most recent PSG meeting, Mr. Howard gave an accounting of the recent school play receipts. It netted \$7.42. He reported that musicals generally

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break even. Talent shows make money because they have no overhead (royalties, scenery, etc.).

Roggy Fundraising Committee: The committee was named by the Township Committee, with input from the Board of Education. Mary Pomarico is handling the brick pavers' sales and will also be selling the "Coming Home" DVD.

Next Meeting: Monday, December 17, 2007 at 4:15 PM.

Respectfully submitted,
Barbara Garrity