Notice of Finance Committee Meeting November 25, 2019 6:15 P.M.

Germantown School District Administration Building

N104 W13840 Donges Bay Rd. Germantown, WI 53022

AGENDA

- I. Meeting Called to Order
- II. Roll Call
- III. Agenda Revisions and Approval
- **IV.** Approve Minutes
 - A. October 28, 2019 Meeting Date
- V. Consent Review & Discuss A. November Vouchers
- VI. Unfinished Business Discussion with Appropriate Action A. Cash-in-lieu Provisions associated with Health Insurance Options

VII. New Business – Discussion with Appropriate Action A. Monthly Purchase Requests Exceeding \$15,000 & Purchasing/Project Bid Results

VIII. Reports

- A. Voucher(s): Follow Up
- B. Monthly Financial Reports
- C. General Financial Updates & Other Reports

IX. Adjourn

Note: School Board members who are not members of the Finance Committee may be present at this Finance Committee meeting.

TO: Finance Committee

FROM: Ric Ericksen, Director of Business & Auxiliary Services

AGENDA ITEM: IV.A. – Approve Minutes: October 28, 2019 Meeting Date

ATTACHEMENTS: See next page(s).

RECOMMENDATION: Approved as presented.

GERMANTOWN SCHOOL DISTRICT Minutes of the Finance Committee Meeting October 28, 2019

- 1. The meeting of the Finance Committee was called to order by Michael Loth at 6:25 p.m. in the Amy Belle Cafetorium.
- 2. Finance Committee Members Present: Michael Loth, Tom Barney and Ray Borden. Board Vice President Sarah Larson, Director of Business Ric Ericksen and Superintendent of Schools Jeff Holmes were also present.
- 3. Motion by Barney, second by Borden to approve the agenda. Motion carried.
- 4. Motion by Borden, second by Barney to approve the September 30, 2019 Finance Committee minutes. Motion carried.
- 5. Motion by Borden, second by Barney to approve October 2019 vouchers. Motion carried.
- 6. Motion by Barney, second by Borden to forward to the Board with a positive recommendation to approve the 2019-2020 final budget and tax levy as presented in the executive summary and adjust the appropriate accounts on the report identified as the Adoption Format which was presented at the annual meeting for final submission to the Department of Public Instruction as required and certify the tax levies as appropriate to each of the municipalities within the Germantown School District. Motion carried.
- 7. The Finance Committee reviewed the American Deposit Management activity statement.
- 8. Motion by Barney, second by Borden to adjourn. Motion carried.
- 9. The Finance Committee adjourned at 6:57 p.m.

Jayne Borst Recording Secretary

TO: Finance Committee

FROM: Ric Ericksen, Director of Business & Auxiliary Services

AGENDA ITEM: V.A. - Consent of Vouchers: Review & Discuss

Vouchers List(s) & Board Governance

Review monthly bills and voucher payments.

Only the FC needs to consent and approve monthly vouchers. Based on policy, it does not go to the full Board of Education.

The report has been posted at the district's web site Finance Committee link.

ATTACHEMENT(S): None

RECOMMENDATION: Consent to Payment of Claims as presented & reviewed.

TO:	Board of Education	TOPIC: Cash-in-lieu Provisions associated with Health Insurance Options	
FROM:	Ric Ericksen	BOARD N	IEETING: November 25, 2019
DATE:	November 20, 2019	AGENDA ITEM:	

FC Date: November 25, 2019 FC Agenda Item(s): VI. A.

Finance Committee Chairman Mike Loth and Insurance Committee Chairman Tom Barney requested that this topic be reviewed by this committee given its potential budget implications.

Recent Board Action

At the October 23, 2017 Board of Education meeting the following motion was approved:

Recommendation from Insurance Committee to standardize the cash-in-lieu amount among all employee groups at \$4,500 effective January 1, 2018. Motion by Spies, second by Barney to amend the recommendation and change the effective date to January 1, 2019. Vote on original recommendation to standardize the cash-in-lieu amount among all four employee categories at \$4,500 amended to be effective January 1, 2019 was carried.

Financial Analysis

Currently 117 employees opt-in for the cash-in-lieu of health insurance offering. The annualized cost is \$526,500 plus FICA (7.65%) \$40,277 for a total of **\$566,777**.

Premise for below calculations: All 117 participants would take insurance if cash-in-lieu not offered.

The range of cost should all 117 participants take insurance would be:	
All enroll in H.S.A. Single Plan	\$ 882,976
A blend based on the same percentage of current enrollment	\$2,083,366
All enroll in Family Default PPO Plan	\$2,316,853

For a net savings of \$316,199; \$1,516,589; \$1,750,076; respectively.

Adverse Selection

Consideration of experience rating and impact on premium if 117 subscribers and their family members re-enroll.

Section 125 Rules

The **cash in lieu** of benefits option must be offered through a **Section 125 Cafeteria Plan**, to not disqualify all other employees who elect health coverage through the **cafeteria plan**. If the IRS discovers an employer **is** not operating their **Section 125 plan** compliantly, all employees participating **will** be disqualified.

Attachments None

<u>Recommendation</u> At the will of the Board.

TO: Board of Education

FROM: Ric Ericksen

DATE:

TOPIC:Purchases Over \$15,000BOARD MEETING:AGENDA ITEM:

FC Date: FC Agenda Item(s): VII. A.

> -- The intent is to review due diligence with respect to seeking competitive bids/quotes when possible. Vetting for the purpose of the purchases may have occurred at other committees. --

NONE

TO: Finance Committee

FROM: Ric Ericksen, Director of Business & Auxiliary Services

AGENDA ITEM: VIII. Reports

A. Voucher(s): Follow Up

None

B. Monthly Financial Reports

- 1. <u>General Report(s)</u>
 - o All Financial Reports are/will be posted to the FC web link.

2. American Deposit Management (ADM)

• Activity statement is attached.

C. General Reports

o BakerTilly Municipal Advisors

Officials will be present this evening to share general information with the Finance Committee.

See attached Service Offering Discussion report.

AGENDA ITEM: IX. Adjourn

^{the} American Deposit Management C?

Germantown School District Account Summary CGERSD03 – 2016 Referendum *11/20/2019*

Deposit Activity

Total Credits - \$ 0.00

Withdrawal Activity

11/08/2019Withdrawal in the amount of \$1,786.9811/20/2019Withdrawal in the amount of \$62.30

Total Debits - \$ 1,849.28

Investment Activity

Bond proceeds are currently spread across **0** financial institutions. Referendum account balance is \$0.00.

Miscellaneous: As a reminder, ADM only utilizes state approved investments for investing the District's funds. Investments that exceed \$250K per institution are backed with state and GFOA approved collateral which is held and tracked by ADM. All other investments listed on your statement are backed with FDIC insurance.

WWW AMERICANDEPOSITS COM

W220 N3451 Springdale Road • Pewaukee, Wisconsin 53072 • (800) 407-5150

American Deposit Management C^o

November 20, 2019

Account Activity: November 01, 2019 - November 20, 2019

Germantown School District N104 W13840 Donges Bay Road Germantown, WI 53022 Contact Us

For personal assistance, call: 414-961-6600

• Visit us online: www.americandeposits.com

• Questions on products & services: info@americandeposits.com

Mail correspondence to: W220 N3451 Springdale Road Pewaukee, WI 53072

CGERSD03 - 2016 Referendum

Transaction Type	Settlement Date	Amount	Balance
Beginning Balance	11/01/2019		\$ 1,849.28
Withdrawal	11/08/2019	-\$ 1,786.98	\$ 62.30
Withdrawal	11/20/2019	-\$ 62.30	\$ 0.00
Ending Balance	11/20/2019		\$ 0.00



Service Offering Discussion



Specialized solutions

Baker Tilly provides timely, independent, meaningful and actionable financial guidance for school districts. We help school leaders resolve the financial issues they face as they work to improve the quality of life in their communities by providing comprehensive solutions.

We will highlight services that may be of interest to Germantown School District.

For our discussion, we will talk through services that may be of interest to the School District. A summary of those services is below:

- Financial management
- Capital planning
- Referendum services
- Organizational management
- Executive recruitment

Baker Tilly has provided/currently provides the following services to Germantown School District:

- Audit services
- Continuing Disclosure
- Arbitrage calculations
- Debt management

Contact our team

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