

**Rochester Board of Education
Finance Committee
October 15, 2015**

Attendance: Commissioner Cruz (Chair); Commissioners Evans (via skype), Powell, and Campos.

District Staff: Bill Ansbrow, Chief Financial Officer; Everton Sewell, Budget Director; and John Burke, Acting Purchasing Officer.

Parent Representative: Giancarlo Giannini.

Commissioner Cruz convened the meeting at 5:32PM.

I. Questions & Answers

Commissioner Cruz requested an update of significant changes in NYS funding and any other factors affecting the District's fiscal status at this time. Bill Ansbrow reported that the District's lobbyist has been engaged with the staff of the Speaker of the NYS Assembly as the State budget is being prepared for 2016-17. He added that a resolution has been submitted late to request an extension of the lobbying firm's contract, which is due to expire in December 2015. Mr. Ansbrow reported that a Request for Information was issued, and the current lobbying firm presented the lowest cost proposal. He noted that the District has experienced success with this firm.

II. Review and Discuss Minutes of September 22, 2015 Finance Committee Meeting

Motion by Commissioner Evans to approve the minutes of the September 22, 2015 Finance Committee meeting. Seconded by Commissioner Powell. **Adopted 3-0, with concurrence of Parent Representative.**

III. Review and Discuss September 2015 Financial Report

Commissioner Cruz pointed out that he has reviewed the September 2015 Financial Report with staff from the Finance Department prior to this evening's meeting.

Everton Sewell reported that the September 2015 Financial Report does not contain any major or unexpected changes.

Motion by Commissioner Powell to approve the September 2015 Financial Report. Seconded by Commissioner Evans. **Adopted 3-0, with concurrence of Parent Representative.**

IV. Review and Discuss the 2014-15 Student Activity Fund Report

Motion by Commissioner Powell to approve the 2014-15 Student Activity Fund Report. Seconded by Commissioner Evans. **Adopted 3-0, with concurrence of Parent Representative.**

V. Review and Discuss the Quarterly Change Order Report for July through September 2015

Motion by Commissioner Powell to approve the Quarterly Change Order Report for July through September 2015. Seconded by Commissioner Evans. **Adopted 3-0, with concurrence of Parent Representative.**

VI. Review Resolutions in Preparation for October 22, 2015 Board Business Meeting

A. PROCUREMENT & SUPPLY

- 1. D&W Diesel, Inc.; Decarolis Heavy Duty Parts; Fleet Pride; IEH Auto Parts, LLC (dba "Auto Plus"); Hoselton Chevrolet, Inc.; MB Auto Electric Distributors, Inc.; Matthews Buses, Inc.; New York Bus Sales, LLC; NuWay Auto Parts; Penn Detroit Diesel Allison, LLC (dba "Penn Commercial Vehicle Solutions"); Regional International Corp. – contract for purchase of auto, truck and bus parts for District vehicles – Resolution No. 2015-16: 297**
- 2. Authorization to engage in joint bidding with Monroe 2-Orleans BOCES for purchase of milk supplies in the 2015-16 school year – Resolution No. 2015-16: 298**
- 3. Authorization to engage in joint bidding with Monroe 2-Orleans BOCES for purchase of bread supplies in the 2015-16 school year – Resolution No. 2015-16: 299**

Motion by Commissioner Powell to address the above Procurement resolutions as a group. Seconded by Commissioner Evans. **Adopted 3-0, with concurrence of Parent Representative.**

Commissioner Powell inquired about the resolution for the District to engage in cooperative bidding through BOCES to purchase milk supplies. She asked whether this is part of the School Lunch program or for another purpose. John Burke replied that the District has had to search for available contracts since Food Services have been brought back in-house. He explained that the contracts through the NYS Office of General Services and through BOCES were reviewed, and the BOCES contract offered a significantly better price. Mr. Burke noted that there is also a resolution to authorize the District to engage in cooperative bidding with BOCES for bread supplies. He stated that these two resolutions authorizing participation in cooperative bidding will be followed up with resolutions requesting the District's inclusion in the BOCES contracts for purchasing these supplies through the end of June 2016.

Commissioner Powell commented that she is pleased that Food Services has been brought back in-house. She stated that she had been concerned with outsourcing these services years ago because divesting RCSD of the skills and talents of these staff members would result in higher costs in the long term.

Mr. Ansbrow observed that BOCES has been an excellent partner with the District, providing training to Food Service staff and ensuring that students have accessibility to water to promote healthier habits under the wellness initiative launched by Commissioner Campos.

Motion by Commissioner Powell to approve all above Procurement resolutions. Seconded by Commissioner Evans. **Adopted 3-0, with concurrence of Parent Representative.**

B. FACILITIES

Final Payments:

1. Pipitone Enterprises, LLC – final payment for HVAC work in renovating Wilson Foundation Academy – Resolution No. 2015-16: 300

Motion by Commissioner Powell to approve above Facilities resolution. Seconded by Commissioner Evans. **Adopted 3-0, with concurrence of Parent Representative.**

C. LATE SUBMISSION

1. Excelsior Advocates, LLC – contract to represent the District’s interests before the NYS legislature and executive branch from January 1, 2016 through June 30, 2016 – Resolution No. 2015-16: TBD

Mr. Ansbrow pointed out that this resolution is to extend the contract with the District’s lobbying firm at the current price through June 30, 2016. He added that the contract has an opt out clause enabling the District to terminate the agreement with a 30-day notice.

Commissioner Powell recalled that the scope of the original contract was limited to assisting the District with legislation to authorize the Facilities Modernization Project (FMP). Mr. Ansbrow replied that the original scope included the FMP legislation and promoting additional revenue for the District. He noted that while the FMP legislation has been enacted, the District continues to need support through the 2016-17 budget process and to assist with legislation regarding NYS Transportation Aid.

Motion by Commissioner Evans to approve above resolution to extend the District’s contract with Excelsior Advocates, LLC through June 30, 2016. **Adopted 2-1, with Commissioner Powell dissenting and Parent Representative concurring.**

VII. ADDITIONAL BUSINESS

Commissioner Powell reported that the unions of RCSD employees have raised an issue regarding the District’s health insurance premiums, which also leads to questions about the Rate Stabilization Fund:

- Is the Rate Stabilization Fund restricted, so that these funds can only be used to stabilize RCSD health insurance premiums?
- What is the current balance of the RCSD Rate Stabilization Fund?
- What is the requirement under the Memorandum of Agreement (MOA) with the District’s collective bargaining units regarding the Rate Stabilization Fund?

Commissioner Powell stated that her understanding is that the MOA was for 5% of expected annual expenditures for health care would be placed in the Rate Stabilization Fund. She pointed out that if health insurance premiums are raised to a point where more than this amount is contained in the Rate Stabilization Fund, this would signify violation of the MOA.

Action Item: Mr. Ansbrow will report to the members of the Finance Committee about restrictions on the use of the RCSD Rate Stabilization Fund, the current balance of this fund, and requirements under the Memorandum of Agreement (MOA) with the District's collective bargaining units.

Motion by Commissioner Evans to adjourn. **Adopted 3-0, with concurrence of Parent Representative.**

Meeting adjourned at 5:42PM.

Next Finance Committee Meeting: Thursday, November 12th, following the Board Governance and Policy Committee meetings.