

Rochester Board of Education
Finance Committee
January 17, 2013

Attendance: Commissioner Powell (Chair); Commissioners Cruz and White. Parent Representative: Giancarlo Giannini. District Staff: Bill Ansbrow, Chief Financial Officer; Vern Connors, Budget Director; Gary Smith, Purchasing Officer; Ed Lopez-Soto, Chief Counsel. Board Staff: Debra Flanagan.

Commissioner Powell convened the meeting at 5:33PM.

I. Question & Answer Session

Bill Ansbrow reported that the Governor's State of the State address was promising in terms of the level of NYS Aid for education. He noted that the NYS Aid will not help in closing the projected budget deficit, but will assist the District in reallocating funds toward important initiatives such as extended day programs.

Mr. Ansbrow announced that additional NYS Building Aid may be available through the Safe NY Act to improve school security. He stated that the NYS Education Department is in the process of determining funding allocations and their allowable uses.

Mr. Ansbrow also reported that the City Council Finance Committee recently approved the District's bond request for 2012-13 capital improvement projects. He noted that City Council is concerned about the timing of the Board's decision on closing a number of school buildings.

Parent Representative Giancarlo Giannini recalled requesting information as to the fiscal impact of the Facilities Modernization Program (FMP) on the District's budget each year, and asked when this information will be ready. Mr. Ansbrow replied that an additional three weeks is needed to obtain information about the amount of the local share (i.e. the District's portion of the cost) over time. He explained that capitalization costs comprise a large component of the local share, and these costs become more difficult to estimate as projected farther into the future. Mr. Ansbrow stated that guidance from the NYS Education Department has been sought regarding the basis to use to calculate these cost estimates. He reported that Phase II of the FMP is expected to be much larger than Phase I, with the local share amounting to a total of \$30-32M. Mr. Ansbrow explained that approximately \$20M of the \$30-32M local share for Phase II is due to capitalization costs, but the exact amount will depend on timing and the District's amount of debt service because these factors affect the compounded interest rate. He also noted that these cost estimates do not include construction of any new school buildings.

Commissioner Powell pointed out that Phase II for the FMP would depend on enactment of the same type of legislation as for Phase 1. She asserted that failure of the State to fully fund the Contract for Excellence has affected the District's ability to retain funds for the classroom and provide the local share for FMP.

II. Presentation of Schematic Designs for Phase IB FMP Projects

A. Monroe High School

The architects stated that the majority of work needed to renovate Monroe High School involves upgrades to the infrastructure and to the building envelope. The scope of the project is so large that lower priorities will have to be addressed in Phase II of the FMP.

Highlights of the Phase I renovation project include:

- Changing from steam to hot water heating, which will facilitate maintenance and reduce operating costs
- Upgrades to the electrical system
- A new fire alarm system
- Replacing a section of the first floor masonry that contains cracks that are irreparable
- Repairing retaining walls between Monroe High School and School No. 15, which are leaning “precariously”
- Removing the coal room, which will be replaced with air conditioning. The air conditioning room will be built on a lower grade to reduce strain on retaining walls.
- New mechanical rooms and new equipment
- New freight elevator
- Replacing plumbing and improving drainage in the courtyard to prevent backups
- Enlarging the lobby to improve security
- Freezer/cooler improvements to comply with Department of Health requirements
- New gym
- School-based Health Clinic, accessible to Monroe High School and School No. 15- funded through a grant

Phase II would involve converting the existing Boy’s Gym to a kitchen, and converting the existing Girl’s Gym to a K-6 gym for School No. 15.

Commissioner Powell inquired whether the Phase I conversion from steam to hot water heating can be performed using existing pipes and radiators. The architect replied that while the boilers are new, the pipes and radiators will have to be replaced. He noted that this can be done in a phased way, so that the building will not be without heat.

Commissioner Powell pointed out that the Phase II cafeteria appears to be smaller than the existing cafeteria. The architects reported that the new cafeteria would be designed as an open plan, which allows more efficient use of space than the existing cafeteria.

Mr. Giannini asked about the process for monitoring the project to ensure that the work is performed according to specifications. The architect replied that the commissioning agent will perform functional tests to ensure that the work is compliant with engineering specifications. He added that the RCSD Facilities Operations and Design Group are

involved in the entire process, from design to commissioning and turning the facility over to the District.

Commissioner Cruz inquired whether any additional enhancements are planned for School No. 15, besides upgrades to the heating system. The architect responded that School No. 15 will also have air conditioning installed and structural changes will improve traffic circulation around the building.

Architect Tom Roger stated that Phase II would be initiated immediately following Phase I renovations at Monroe High School, so the staff and students would remain at the Marshall campus for two years. The renovations planned for School No. 15 would occur in the second year, and those staff and students would move to the building formerly housing School No. 10.

B. Franklin Auditorium

The architects stated that the existing auditorium on the Franklin campus is underutilized because of renovations needed.

Highlights of planned renovations:

- Replace narrow seats with seating to accommodate today's sizes
- Provide space and accommodations for seating handicapped individuals
- Renovate audio system

Wider seats and space for seating handicapped individuals will reduce the seating capacity from 2300 to 1800.

Commissioner White asked about plans for auctioning the old seats in the auditorium, noting their historic value and citing this as an opportunity to defray some of the renovation costs. Mr. Roger replied that he will look into this.

Action Item: Tom Roger will look into the possibility of auctioning the old seats in the Franklin Auditorium to defray some of the renovation costs.

Commissioner Cruz inquired whether any discussions have been held about developing a business plan for utilizing the auditorium to generate revenue through community use. Mr. Ansbrow noted that all of the auditorium renovation is eligible for NYS Building Aid.

Commissioner Cruz asked about cost estimates for use of the auditorium as a public theater, suggesting the possibility of locating a sponsor to offset some of the costs.

Commissioner Powell questioned whether the renovation would yield a professional-caliber theater. The architect responded that the upgrades were planned to allow the auditorium to be used as a public theater for concerts, and lectures, while still remaining simple enough for students to use. He noted that the renovations will provide the

capability for a professional touring company to patch in their lighting and sound systems.

III. Review and Approve Minutes of December 11, 2012 Finance Committee Meeting

Motion by Commissioner Cruz to approve the minutes of the December 11, 2012 Finance Committee meeting. **Adopted 3-0, with concurrence of parent representative.**

IV. Review and Approve December 2012 Financial Report

Motion by Commissioner White to approve the December 2012 Financial Report. **Adopted 3-0, with concurrence of parent representative.**

V. Review and Approve 2013-14 Budget Calendar

Mr. Giannini recalled that a series of public meetings are to be held to gather input about the budget, and noted that these meetings are not on the calendar. Vern Connors responded that the Superintendent is working with the Communications Department to notify parents and community members about these meetings, which are planned for February 4, 12, and 26. Mr. Giannini offered to publicize this information to parent groups.

Commissioner Powell noted that these public meetings will be held prior to the Superintendent's official release of the proposed 2013-14 RCSD budget. She stated that the Board will conduct an informal "Board – Community Conversation" on April 2nd, after the budget has been released.

Action Item: Debra Flanagan will add the April 2nd Board – Community Conversation on the 2013-14 RCSD Budget to the list of Key Dates.

VI. Review of Resolutions in preparation for January 24, 2013 Board Business Meeting

A. FACILITIES

Final Payments:

- 1. Testa Construction, Inc. – final payment for general construction work for renovations at School No. 36 – Resolution No. 2012-13: 420**
- 2. Kuitems Construction, Inc. – final payment for general construction work for renovations at School No. 16 and 44 – Resolution No. 2012-13: 421**

Motion by Commissioner White to address all above Final Payment resolutions as a group. **Adopted 3-0, with concurrence of parent representative.**

Motion by Commissioner White to approve all above Final Payment resolutions. **Adopted 3-0, with concurrence of parent representative.**

Contracts:

3. **Steve General Contractor, Inc.; Nairy Mechanical, LLC; Lloyd Mechanical; Eastcoast Electric, LLC – contracts for renovations to School No. 30 – Resolution No. 2012-13: 422**

Motion by Commissioner White to approve above Contract resolution. **Adopted 3-0, with concurrence of parent representative.**

Other:

4. **Submission of Final Building Project Report (FBPR) and of Request for Revision of Financial Information Form (FP-FI) to NYS Education Department – Resolution No. 2012-13: 423**

Motion by Commissioner Cruz to approve above resolution for submission of the FBPR and FP-FI Reports to the NYS Education Department. **Adopted 3-0, with concurrence of parent representative.**

FMP:

5. **Approval of design and construction standards for modernization of Monroe High School – Resolution No.2012-13: 424**
6. **Approval of design and construction standards for modernization of the Franklin Educational Campus – Auditorium – Resolution No. 2012-13: 425**

Motion by Commissioner White to address above FMP resolutions as a group. **Adopted 3-0, with concurrence of parent representative.**

Motion by Commissioner White to approve above FMP resolutions. **Adopted 3-0, with concurrence of parent representative.**

B. INFORMATION MANAGEMENT & TECHNOLOGY

1. **Infosnap, Inc. – software, licensing, installation, training, equipment, maintenance, support services, query, reporting and decision support tools for an online student registration system – Resolution No. 2012-13: 426**
2. **NCS Pearson, Inc. – contract to develop integration between Infosnap, Inc. and the District’s Chancery Student Management System - Resolution No. 2012-13: 427**

Motion by Commissioner Cruz to address all above Information Management & Technology resolutions as a group. **Adopted 3-0, with concurrence of parent representative.**

Motion by Commissioner Cruz to approve all above Information Management & Technology resolutions. **Adopted 3-0, with concurrence of parent representative.**

VII. Additional Business

A. Charts/Data regarding Local Maintenance of Effort (MOE)

Mr. Ansbrow presented several charts reflecting historic trends in the local MOE payment to RCSD and comparison with the other Big Four school districts in the State:

- MOE Amount Per Student: 2010-11
- Gross Amount of MOE from 1990-91 through 2011-12
- 2012-13 NYS Budget Per Capita Amount of Aid to Municipalities (AIM)

Commissioner Powell pointed out that the chart comparing MOE payments between the Big Four school districts in New York is misleading because the Buffalo City School District receives a percentage of sales tax revenue directly from the county, rather than having this revenue included in the payment from the City – as is done in Rochester. She also noted that the Yonkers school district is an outlier because although there is tremendous wealth in the area, the school district has high poverty levels.

Mr. Ansbrow stated that he generated this information to point out that both the City of Rochester and the Rochester City School District are underfunded compared to the other large municipalities in New York.

B. RCSD Staffing and Enrollment Trends

Mr. Ansbrow presented a chart reflecting staffing (FTE) levels from 1999-2013, and a chart indicating student enrollment during this same period.

Highlights:

- Student enrollment has declined by more than 7500 (20%) from 1998-99 to 2012-13. Almost half of this decline has occurred in the last 6 years.
- Overall staff levels have declined 7% during this same time period, but this has not been evenly distributed:
 - Teachers: 1% increase since 1998-99 (from 3285.4 to 3308.8FTE)
 - Paraprofessionals/Teaching Assistants: 19% decrease since 1998-99 (from 691.6 to 582.2FTE)

- Civil Service: 24% decrease since 1998-99 (from 1702.9 to 1372.6FTE)
- Certificated Administrators (i.e. any professionally licensed staff serving in an administrative capacity): 17% increase since 1998-99 (from 270.5 to 323.0FTE)

Commissioner Powell pointed out the significant increase in administrators, and inquired about the extent to which this is due to various federal and state initiatives. Mr. Connors replied that the Administrator category specifically refers to staff with a professional license (e.g. teachers and principals) who are working in an administrative capacity. He noted that general administrative staff and management (including SEG) are included in the Civil Service category, which has decreased significantly over the years. He stated that federal and state initiatives have contributed to increases in certificated staff serving as administrators to provide coaching, professional development, and curriculum development.

Commissioner Powell voiced concern about the increasing number of teachers not working in the classroom with students, and serving in an administrative capacity.

Mr. Connors stated that the scheduled public budget meetings must not only communicate the fiscal impact of different initiatives, but also the impact on the classroom. He acknowledged that resources must be reallocated within the District. As an example, Mr. Connors pointed to the fact that current K-3 class sizes are larger than those for grades 4-6, and the situation should be reversed to maximize opportunities for student achievement.

Commissioner Powell suggested posting a budget overview on the District website, so that information will be accessible before the public meetings.

Motion by Commissioner White to adjourn. **Adopted 3-0, with concurrence of parent representative.**

Meeting adjourned at 6:49PM.