

Rochester Board of Education
Finance Committee
November 8, 2012

Attendance: Commissioner Powell (Chair); Commissioner Cruz. Commissioner White absent. Parent Representative: Giancarlo Giannini. District Staff: Anita Murphy, Deputy Superintendent for Administration; Bill Ansbro, Chief Financial Officer; Vern Connors, Budget Director; Jerome Underwood, Senior Director of Operations; Gary Smith, Purchasing Officer. Board Staff: Debra Flanagan.

Commissioner Powell convened the meeting at 5:34PM.

I. Question & Answer Session

Bill Ansbro reported that pension costs for the Teachers' Retirement system are expected to increase 37% (\$11M) in FY2013-14, bringing the projected RCSD budget deficit to \$44M in the next fiscal year.

Mr. Ansbro pointed out that the recent hurricane (Sandy) will affect resource allocation in the State and the NYS budget for FY2013-14, but the precise impact is not yet known.

Anita Murphy spoke of the need to lobby in a unified way to encourage the Governor to honor his commitment to increased NYS Aid for education.

Commissioner Powell discussed the Democratic majority in the NYS Senate, which would be more likely to support funding for education.

II. Review and Approve October Financial Report

Parent Representative Giancarlo Giannini expressed concern that 100% of the \$6.5M budgeted for Cash Capital has already been expended at this point in the fiscal year. Mr. Ansbro explained that these funds are transferred into the Capital Fund and expended throughout the remainder of the year. He noted that this is a standard accounting practice.

Motion by Commissioner Cruz to approve the October Financial Report. **Adopted 2-0, with concurrence of parent representative.**

III. Update on Facilities Master Plan

Jerome Underwood reported that the draft Facilities Master Plan has been presented to the Superintendent, and will be shared with the public over the next 90 days to gather input. He stressed the importance of gathering input from the City because school buildings are also community assets. Mr. Underwood explained that modifications may be made to the Plan after considering the public input received. He stated that the final plan will be presented to the Board for approval, and then submitted to the NYS Education Department.

IV. Goals for the Finance Committee for 2012-13

Commissioner Powell provided background information about developing a metric for the Finance Committee goal of reducing operational costs. She stated that the discussion in last month's meeting was whether to leave this metric undetermined or to specify a targeted dollar figure or percentage by which these costs would be reduced. Commissioner Powell explained that the primary concern is to realize efficiencies by maintaining the current level of services at a lower cost.

Mr. Ansbrow cautioned that this metric be carefully considered to avoid becoming locked into a plan that would undermine the District's mission.

Ms. Murphy suggested beginning by identifying the program desired for students and then exploring the remaining areas that could be cut. She suggested this strategic approach to ensure quality programs for students.

Commissioner Powell recommended returning to the original goals proposed for the Finance Committee, expressing concern about translating service quality and efficient service delivery into the metrics.

Mr. Ansbrow emphasized his commitment to ensuring that efficiencies are identified in the budget.

Mr. Giannini proposed that the metric consist of documenting efficiencies and service improvements in the budget.

Motion by Commissioner Cruz to adopt proposed goals as written for the Finance Committee for FY2012-13, with the metric of ensuring that service improvements are identified and included in the budget. **Adopted 2-0, with concurrence of parent representative.**

V. Review and Approve Resolutions in Preparation for November 15, 2012 Board Business Meeting

A. PROCUREMENT & SUPPLY

- 1. Emerald Promotions & Graphics, Inc.; MG Business Forms, Inc. (dba "Proforma If Print Services"); The New Premier Sports Center – contract extension for purchase of school uniforms for various elementary and secondary schools – Resolution No. 2012-13: 309**

Gary Smith explained that he would like to withdraw the above resolution for purchase of school uniforms in light of a new policy currently being developed. He elaborated that a recent federal audit of the State's use of School Improvement Grant (SIG) funds determined that these funds should not be used to purchase school uniforms. Mr. Smith reported that the State had allowed the District to use these funds in the past for this purpose.

Mr. Giannini asked whether schools could have extra uniforms available if a family were unable to afford them and uniforms are required by school policy. Mr. Smith replied that schools can engage in fundraising to generate the funds to purchase uniforms.

Mr. Connors cautioned that other items may arise from the federal audit of NYS use of SIG funds.

Motion by Commissioner Cruz to approve withdrawal of the above Procurement resolution for purchase of school uniforms. **Adopted 2-0, with concurrence of parent representative.**

2. **Borden Decal, a division of East Bay Sign Co., Inc.; Mid City Signs – contract extension for purchase of signage – Resolution No. 2012-13: 310**

Commissioner Cruz inquired about the purpose and use of signage to be purchased under the above Procurement resolution. Mr. Smith explained that the District purchases signs whenever a school moves or undergoes renovation.

Motion by Commissioner Cruz to approve the above Procurement resolution for purchase of signage. **Adopted 2-0, with concurrence of parent representative.**

B. FACILITIES

Other:

1. **State Environmental Quality Review Act (SEQRA) Report – Resolution No. 2012-13: 311**

Final Payments:

2. **Leo J. Roth Corporation – final payment of \$3,707.30 for mechanical work for East High School – Resolution No. 2012-13: 312**

Contracts:

3. **Excellus Health Plan, Inc. – agreement for self-funded health insurance plan for District employees – Resolution No. 2012-13: 313**

Motion by Commissioner Cruz to address all of the above Facilities resolutions as a group. **Adopted 2-0, with concurrence of parent representative.**

Motion by Commissioner Cruz to approve all of the above Facilities resolutions. **Adopted 2-0, with concurrence of parent representative.**

Late Submission:

- 1. Request to City Council to Issue \$14.125M in Bonds for remaining 2011-12 RCSD capital projects and 2012-13 incidental expenses that were not covered for capital projects due to lack of funding, as well as 2012-13 priority construction projects and 12% of 2013-14 incidental expenses**

Commissioner Powell noted that the above resolution was presented to the Board last year. She stated that while the Board approved the resolution, it was rejected by City Council due to concerns that RCSD debt would increase the City's annual Maintenance of Effort (MOE) payment to the District.

Motion by Commissioner Cruz to approve the above resolution requesting City Council to issue \$14.125M in bonds to support RCSD capital improvement projects. **Adopted 2-0, with concurrence of parent representative.**

Motion by Commissioner Cruz to adjourn. **Adopted 2-0, with concurrence of parent representative.**

Meeting adjourned at 6:08PM.

Next Finance Committee meeting: December 11th at 5:30PM