

**Rochester Board of Education  
Finance Committee  
December 9, 2010  
Immediately following Policy Committee Meeting**

**MINUTES**

**Attendance:** Commissioner Powell (Chair) and Commissioner Cruz. Commissioner White absent. Parent Representative: Betsy Rice absent. District Staff: Joyce Martelli, Gary Smith, and Vern Connors. Board Staff: Debra Flanagan

Commissioner Powell convened the meeting at 6:39 p.m.

**I. Review and Approve Minutes of November 9, 2010 Finance Committee Meeting**

**Motion** by Commissioner Cruz to approve the minutes of the November 9<sup>th</sup> Finance Committee meeting. **Adopted 2-0.**

**II. Review and Approve November 2010 Financial Report**

**Motion** by Commissioner Cruz to approve November 2010 Financial Report. **Adopted 2-0.**

**III. Overview of Contracting Process**

Joyce Martelli explained that Shanai Lee developed these materials to provide an overview of the contracting process, as requested by the Board in the November 4, 2010 Special Meeting.

Commissioner Powell requested that the forms provided by Shanai Lee be included with the proposed Professional Services Contracting policy (6741) in the Board packet for the Business Meeting on December 16<sup>th</sup>.

**IV. Review of Proposed Resolutions for December 16, 2010 Board Business Meeting**

**A. ACCOUNTABILITY**

- 1. Erie 1 BOCES – Western New York Regional Information Center – provide New York State data collection, reporting, and data warehousing services – Resolution No. 2010-11: 419**

**Motion** by Commissioner Cruz to approve above resolution with Erie 1 BOCES for data collection and warehousing. **Adopted 2-0.**

## **B. FACILITIES**

### **Final Payments:**

- 1. Verizon – low voltage and communication work to the Thomas P. Ryan Community Center and School No. 33 – Resolution No. 2010-11: 420**
- 2. Steve General Contractor, Inc. – general construction work for renovations to School No. 4 – Resolution No. 2010-11: 422**

**Motion** by Commissioner Cruz to address all above final payment resolutions for Facilities as a group. **Adopted 2-0.**

**Motion** by Commissioner Cruz to approve all above final payment resolutions for Facilities. **Adopted 2-0.**

### **Other:**

- 1. City of Rochester – bond issuance to support capital improvements to school buildings – Resolution No. 2010-11: 421**

**Motion** by Commissioner Cruz to approve above resolution for bond issuance by the City of Rochester to support capital improvements to school buildings. **Adopted 2-0.**

## **C. PROCUREMENT & SUPPLY**

### **Contracts:**

- 1. XPEDX – contract to purchase variety of papers to develop printed materials – Resolution No. 2010-11: 423**
- 2. Corr Distributors, Inc. – contract to purchase floor scrubbing machines – Resolution No. 2010-11: 424**
- 3. Flower City Glass – contract to purchase laminated, insulated glass – Resolution No. 2010-11: 425**
- 4. Schutt Reconditioning – contract for reconditioning, testing, and cleaning football equipment – Resolution No. 2010-11: 426**
- 5. Anixter, Inc. – contract for purchase of telephone equipment and parts – Resolution No. 2010-11: 427**

**Motion** by Commissioner Cruz to address all above Procurement and Supply contracts as a group. **Adopted 2-0.**

**Motion** by Commissioner Cruz to approve all above Procurement and Supply contract resolutions. **Adopted 2-0.**

### **Other:**

- 6. Monroe 2-Orleans BOCES – cooperative bidding for purchase of commodities – Resolution No. 2010-11: 428**

**Motion** by Commissioner Cruz to approve above resolution for cooperative bidding of commodities with Monroe 2-Orleans BOCES. **Adopted 2-0.**

## **V. Update regarding Revenue and NYS Funding**

Ms. Martelli reported that many items have not yet passed the NYS legislature for 2010-11 and Article VII was vetoed, which has increased the District's payments to charter schools. A veto of Article VII was not anticipated and therefore the increased charter school payments were not included in the 2010-11 budget.

From her meeting with NYS officials in Albany, Ms. Martelli stated that massive staffing cuts are being made at the State level to the point where it is uncertain as to how work will get done. She reported that it has been taking longer to receive reimbursements from the State, which compounds the District's fiscal situation.

Ms. Martelli stated that no information was provided regarding a mid-year funding cut or withholding of the January payment from New York State.

She explained that NYS funding will be affected by the termination of federal stimulus funds, and further cuts to districts are expected. The State has used federal funds to reduce its payments to school districts. Ms. Martelli estimated an approximate \$30-35m loss in revenue to the District for 2011-12, emphasizing that the size of the deficit will be determined also by the amount of increased expenditures. She stated that staff are currently exploring alternatives for cutting costs, particularly for contractors not covered by grant funds.

Ms. Martelli stated that she will provide the draft Budget Calendar to the Committee members via email tomorrow morning. She explained that the timeframe for review will be shortened this year due to the shift to weighted student funding. Ms. Martelli expressed concern that the proposed 2011-12 budget will be based on the current year budget proceeding as planned and without information as to the Governor's proposed budget until January 17, 2011.

Ms. Martelli also reported that the City of Rochester has concerns regarding the way in which the State Maintenance of Effort payment is calculated. Commissioner Powell inquired whether the City has proposed legislation to reduce their maintenance of effort obligation. Ms. Martelli replied that the City has presented their concerns in a letter to State officials regarding calculation of the Maintenance of Effort payment. She added that the State has not yet responded to the City's letter, and the District staff is preparing a letter to the State in response.

## **VI. Analysis of Financial Reports from Other Districts**

In addition to the overview of the contracting process, the Board also requested an analysis of the financial reports used in other districts. Ms. Martelli noted that all of the financial reports required by NYS statute are currently provided in the Rochester City School District, and there are few differences in the reports here as compared to Syracuse and Buffalo. She offered to provide a breakdown of Available Funds by fund, rather than as a combined total for all funds. Ms. Martelli also offered to meet with Board members as a group or individually to clarify the information contained in each of the financial reports.

**Motion** by Commissioner Cruz to adjourn. **Adopted 2-0.**

Meeting adjourned at 7:26PM.

**Next Meeting: To be determined (need to reschedule January meeting, as conflicts with “State of the Schools” address).**