

Finance Committee Meeting Minutes, May 18, 2015

Present: Mark Fleischhauer, Diane Lyons, Joe Phelan, Tom Burnell, Deirdre Burns

1. Food Service

- a. Participation/Financials. Tom noted that 15.5% of our students are eligible for free or reduced lunch (note: students who are eligible for SNAP or Medicaid now automatically are eligible for free or reduced meal). Review of participation numbers over the last few years. Breakfast participation and sales are up, particularly at the high school. Lunch participation flat or reduced from previous years at each school. Revenues for lunch similar to last year. Nevertheless, monthly losses decreased substantially. Tom attributes this to improved management of ordering of food. The program produces much less food waste. As noted at earlier meetings, we see savings from sharing the food service director with RH. Noted increase in contractual expenses reflecting costs of software purchase. This will be a recurring expense although will be a lower expenditure next year. Overall, the program is still seeing losses but at a much slower rate.
- b. Biodegradable products. In response to a student generated petition to use biodegradable trays and paper as opposed to Styrofoam products, Larry Anthony has explored the costs of changing to the more eco-friendly products. The cost of biodegradable trays has decreased since the last time RCSD looked at this possibility. Tom estimates an increase of approx \$2200 annually to change to biodegradable and paper products. Should we go this route, we may see a lower cost when the contract is bid out, particularly as Tom has been contacted by a couple of other districts looking to also make the change, increasing the potential bid volume. Use of a dishwasher was determined to be too costly. A discussion ensued about the sorting of waste in the cafeteria to avoid biodegradable products being discarded in plastic bags into landfills. It was recommended that our carting company, Waste Management, be contacted about proper sorting and the availability of receptacles. Currently, RCSD does not even sort plastic. It was noted that young people are now used to sorting at many different types of venues, including often their own homes and that we should move in that direction, perhaps by engaging the HS Environmental Club to help guide students to sort.
- c. Milk. Tom informed the committee that we do not have to bid out our contract for milk because we are under the threshold dollar amount (\$20,000) for bidding.
- d. Meal prices. Consideration is being given to increase breakfast and lunch prices by 25 cents at the middle school and high school (currently the costs are \$1.50 and \$3.25 respectively). Those schools are given larger portions which would justify the increase in those buildings only. Tom was asked to provide information on our prices as compared to other districts. Would bring this motion before the board in July. On line parent accounts for cafeteria payments will be in place for September. The committee noted the importance of promoting our reinvigorated food service with its

focus on fresh foods. The newsletter from Larry Anthony is to go out this week and Joe continues to tweet menu options. Promotion is critical to increasing participation.

2. SMART Schools Bond.

The Committee reviewed key components of the implementation guidance document recently received by the district. The process involves getting prior approval to spend dollars that will then be reimbursed by the State. The review board will meet quarterly. The funds do not expire. Application portal will be open on June 1. First order of business is to identify needs. Steve Jensen is working on this. Various stipulations about appropriate use of the money - cannot be used for professional development or technical support. Also, need to demonstrate stakeholder engagement in planning process, including non-public schools within the district, which may be receiving a portion of our funding.

3. Technology Lease Purchase Agreement.

Tom shared quote from Apple, Inc. for technology purchases for BMS. Numbers have come in at or below what was expected and budgeted for. Minor adjustments must be made before final quote is offered. Motion to approve should be on next BOE agenda.

4. Questar III EBALR (Employee Benefits Accrued Liability Reserve) Reimbursement.

This Capital Region BOCES began saving for Post Employment Benefits some years ago and accrued a sizable fund for this purpose. Recently the State Comptroller and SED have determined that such accruals should be returned to component districts and these obligations should be handled on a pay-as-you-go basis. RCSD has used Questar III for many years for state aid planning, a small service. We are due \$1,026.43 in reimbursement from the EBALR.

5. NY State Government Efficiency Plan.

The District submitted an efficiency plan to the State as part of a consortium of Dutchess County school districts. The consortium needs to demonstrate savings/efficiencies of \$6.1 million. The plan includes efficiencies well over that amount. Our district's savings include efforts such as refinancing of bonds, eliminating a bus run, health insurance eligibility audits, and sharing the food service director. If approved by the State, the efficiency plan will result in a property tax credit to homeowners.

6. Budget Transfers

Tom alerted the committee that end of year accounting refinement will result in budget transfers to be approved at subsequent BOE meetings.

7. Bus transportation.

The committee discussed matters pertaining to our transportation vendor which should be discussed further in executive session.

Submitted by Deirdre Burns