

Finance Committee Meeting
June 21, 2016
Minutes

Present: Joe Phelan, Tom Burnell, Deirdre d'Albertis, Mark Fleischhauer (via phone), Deirdre Burns

1. Cafeteria Financials

- End of year statement of revenues and expenditures for the school lunch fund: net loss of \$11,607.00. This is within \$40 of last year's deficit. Tom noted that this is the case even with increased costs this year due to new milk contract and using compostable trays. Cumulative over three years is just under \$40,000. This represents a significant slowing of lunch fund deficit growth.
- Lunch participation hovers around 24% each of the last three years. Breakfast participation has increased from 1.56% in 2013-14 to 6.28% in 15-16.
- We have not used fund balance to offset losses in the past three years. Recent audit of program calls out need to make program whole each year. TB recommending transfer of \$45,000 from the Unappropriated General Fund to the School Lunch Fund.
- Question raised about impact of such a transfer. Tom estimates that our fund balance will be healthy when we close our books this year, adding perhaps \$300-400,000. Better estimate by end of July and precise number in September. [Additionally, Tom is trying to determine whether monies owed to us by Allways East should go on the books or not.]

2. Cafeteria Program Price Increase

- Costs are expected to rise close to 5% on most food products. Salaries will increase and the state audit called for more training. With these expected costs, Larry Anthony recommends a 10 cent increase for CLS breakfast (currently \$1.50/ BMS/RHS is \$1.75) and a 25 cent increase for BMS/RHS lunch (currently \$3.25 at all schools). Price differences would reflect the smaller portions at CLS. Based on this year's paid meals, the increases would bring in \$500 more from CLS and \$5000 from lunch at BMS/RHS. This would cover anticipated cost increases.
- Currently RCSD and Hyde Park charge the most for lunch among Dutchess County schools.
- Deirdre B. raised concerns about proposed price increase. At what price point will we lose participation? Larry has done a tremendous job the past two years bringing stability to the program. Maybe this year the focus should be on increasing participation.
- Impact of later start time on breakfast program is uncertain, but perhaps may lead to greater use for students dropped off early.
- Deirdre d'A suggested we revisit the idea of selling snacks after school. With so many students participating in sports and clubs, this could be helpful for students and bring in revenue. Tom will discuss this with Larry - staffing is a question. Joe

suggested that should they decide to do this, it should start at the beginning of the school year with ample communication to students.

- Discussion of the need for communication about the program in order to boost participation. There is now a Food Services page on the web site, but may need a more robust presence. Larry is considering ideas such as raffles - this has been done at Red Hook. Larry also began a 6 week menu cycle which enable him to better track meals that sell and those that don't. He is also looking into having a bilingual menu.
- Tom and Larry are ok with no price increase, but want the committee to be prepared for potential need for greater general fund subsidy.
- Joe suggested Tom and Larry consider perhaps a middle ground instead of the .25 increase.

3. The Cooperative Purchasing Network Program (TCPN)

- The State allows "piggybacking" of municipal purchasing contracts in order to get better pricing on supplies. Tom and Christine belong to the NYS Association of Municipal Purchasing Agents. As such, RCSD can enter into an agreement with TCPN. We will then be on their list of approved organizations that can order supplies through their program. This will expand the possibilities of finding better prices beyond BOCES (previous example is using a cooperative purchasing agent in NJ for baseball infield clay). The Board needs to approve a resolution to enter an agreement with TCPN. The committee supports approving the resolution.

4. Budget transfers.

- Tom reviewed requested transfers for Board approval. Transfers are to correct budget code placement or to reallocate monies from one code to another. Notable increase in special education residential program costs. Tom reminded the committee that while the county pays "maintenance" portion of residential placements and we pay tuition, the county then bills the district for 40% of their costs. Dutchess County delayed billing RCSD and the large bill this year reflects an accumulation from previous years.

The committee had to adjourn the meeting. Other items on the agenda: M and T Banking Agreement and computer leasing for 2016-17 were put off until the next meeting.

Submitted by Deirdre Burns