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**DRAFT – FOR DISCUSSION PURPOSES ONLY
NOT REVIEWED OR APPROVED BY THE COMMITTEE OR FULL BOARD**

**MINUTES OF THE FINANCE COMMITTEE MEETING OF THE
RHINEBECK CENTRAL SCHOOL DISTRICT BOARD OF EDUCATION
HELD ON JANUARY 22, 2020**

A meeting of the Finance Committee (the “Committee,” the members of which are referred to as “Committee Members”) of the Rhinebeck Central School District Board of Education (the “Board”) was held on January 22, 2020 (the “Meeting”) at the District Office.

Present at the Meeting were Tom Burnell, Mark Fleischauer, Steve Jenkins, Christine Natoli, Joe Phelan, and Matthew Van Wormer, constituting all of the Committee Members.

Mr. Jenkins, serving as Chairman of the Meeting, greeted all in attendance and called the Meeting to order at approximately 12:30 p.m.

Ms. Natoli began by providing an update on the Cafeteria financials. Referring to a handout that showed a year-over-year comparison of the financials, she noted that the Cafeteria realized a profit for the period ended December 30, 2019. Ms. Natoli then discussed year-over-year differences in certain revenue categories, noting in particular, the one-time increase in catering costs.

Mr. Burnell next provided an update on the Cold War Veterans’ Exemption, which had been discussed at prior Committee meetings. He explained that if the Board decided to approve the Cold War Veterans’ Exemption, it would need to decide which level of Basic Exemption it wishes to provide. Mr. Burnell stated that the majority of other towns/villages that offer the Cold War Veterans’ Exemption provide Basic Exemption 1, which provides a tax exemption of 10% of the assessed value of the property, not to exceed \$8,000 or the product of \$8,000 multiplied by the latest state equalization rate of the assessing unit, whichever is less. Mr. Burnell then discussed the Disabled Veterans’ Exemption, which would be in addition to the Cold War Veterans’ Exemption. After discussion, the Committee decided to recommend to the full Board

that it approve both the Cold War Veterans' Exemption – Basic Exemption 1, as well as the Disabled Veterans' Exemption at an upcoming meeting. Mr. Burnell then discussed the timing and deadlines related to the implementation of both Exemptions.

Mr. Burnell then provided an update on the Every Student Succeeds Act (ESSA), including the upcoming deadlines and reporting requirements.

Mr. Burnell next discussed the Projected Fund Balance. Referring to a handout providing a Multi-Year Fund Balance Projection, he stated that there was a General Fund Balance Surplus of \$1,093,879 in 2018-19 and a projected General Fund Balance Surplus of \$982,649 in 2019-2020. Mr. Burnell explained that the primary driver of the surplus in both years was the significant level of Unappropriated Fund Balance. He then discussed potential options to reduce the Unappropriated Fund Balance going forward, including through funding payments to BOCES over the next several years. Mr. Burnell agreed to conduct further analysis in this area and report back to the Committee at an upcoming meeting, before presenting any recommendations.

Mr. Burnell then discussed the 2020-21 rollover budget. He reviewed the different categories of expenses, highlighting those instances with significant variances between the 2019-20 budget and the 2019-2020 estimated expenses (*i.e.*, the “rollover budget”). Among other instances, Mr. Burnell noted the year-over-year decrease in fuel oil and electric expenses. He explained that the installation of new, more energy efficient windows at the High School was the primary reason for the decline in these expenses. Mr. Burnell then discussed the possibility of using some of these cost savings for future equipment upgrades.

Mr. Burnell then discussed a potential change to the Budget Meeting Calendar. In particular, Mr. Burnell discussed a potential enhancement, in which the Budget Work Session,

which is currently scheduled to take place on March 14, 2020, would be rescheduled to take place over two sessions. The Committee agreed to discuss this potential change with the full Board at its next regularly scheduled meeting.

There being no further business, upon a motion duly made and seconded, the Meeting was adjourned at approximately 2:00 p.m., Eastern Time.

Matthew J. Van Wormer
Acting Secretary

FINANCE COMMITTEE MEETING

AGENDA

January 22, 2020

New Business

1. Cafeteria Financial Update
2. Cold War Veteran's Exemption
3. ESSA Update
4. Projected Fund Balance
5. 2020-21 Rollover Budget

Next Meetings:

March 5, 2020
1:00 in District Office Conference Room