

**Rochester Board of Education**  
**Finance Committee Meeting**  
**May 17, 2018**

**Attendance:** Vice President Powell (Chair); President White; Commissioner Hallmark

District Staff: Chief Financial Officer, Everton Sewell; Director of Grants & Business Office, Kathleen Saville; Director of Procurement, Tim Schmandt; Chief of Operations, Michael Schmidt;

Board Staff: Kallia Wade

Parent Representative: Not present

Vice President Powell convened the meeting at 5:48PM with a motion to approve the agenda, and noted quorum.

**I. Review and Approve Minutes of the February 8, 2018 Committee Meeting**

**Motion** by Vice President Powell to approve the minutes of the February 8, 2018 Committee meeting. Seconded by Commissioners Hallmark and President White. **Adopted 3-0.**

**II. Review and Discuss District April 2018 Financial Report**

Chief Financial Officer, Everton Sewell addressed the Committee, walking them through the District's financials. He indicated that there have been some changes in revenue. He also noted the completion of the stacking process and advised that financials were submitted to the State for Special Aid High Cost Claims at the end of April which accounts for the approximately \$1M additional revenue above the original adopted budget. Additionally, the Grants and Special Aid fund increased, primarily due to state and local grants. Vice President Powell agreed, noting that while the Committee knew about the grants last month, but didn't have the stack information that was still in progress. She indicated this to be a reason why a budget amendment was not done in the previous month. CFO Sewell also noted that another reason for the delay in amending the budget was because the District is going out for bond soon and so will need an updated budget (an amendment as of April 31<sup>st</sup>). Finally, Sewell pointed out minute increases in transportation and charter school tuition aid.

CFO Sewell noted that the District is still planning to use the fund balance. He advised that Budget Director, Rodney Asse, is currently doing projections to see where the District will end the year—in May all P-cards and purchase requisitions will be shut down so that an accurate figure can be calculated. VP Powell then questioned how much of the Fund Balance from the current year was swept back into fund balance. CFO Sewell responded that the District took \$20M and put back \$2.5M. Powell also asked how much was put back from the previous year, to which the CFO noted an approximate figure of \$6M. He also indicated that with the Community Schools grant (CSG) and the Persistently Struggling Schools Grant (PSSG) grant coming

onboard, the District needed to reclassify some of the expenses carried in the A fund. He advised that here is still a bit of recoding to do put in the grants—i.e. Receivership dollars. For the benefit of the Committee VP Powell clarified that much of the fund balance usage to balance the budget is done in good faith, as the District anticipates the release of grant funding to replace these used funds. This fact was verified by CFO Sewell.

VP Powell questioned Chief of Operations, Mike Schmidt regarding the Preschool Smart Bond, and asked whether there had been any progress or resolution made. Schmidt responded that the language is being finalized and that the District is hoping to submit by Friday or Monday the latest. At this point it would be moved to the city for review. Unfortunately, however, Schmidt noted that no timeline has been provided on when the Governor’s office would do the Smart Bond review. He noted that the District will probably miss the summer construction season and so the Facilities team has built in some contingencies given the progress of the smart schools bond, but is eager to have the process resolved.

Commissioner Hallmark asked for clarity on the Bond, to which Chief Schmidt provided an explanation of the schools being addressed and the work needed. He also indicated that there are weekly updates provided via email. Commissioner Hallmark requested that these be stored on BoardDocs for easier accessibility.

CFO Sewell continued the conversation indicating that new revenue would be rolled into the fund balance. He also pointed out the details in the financial reports presented for the month of April. Lastly, he indicated that the District has scheduled a meeting with the City’s Director of Finance, but the meeting keeps being pushed off. This meeting is intended to discuss the schedule for the release of funds to the District.

### **Action Items:**

Board staff Kallia Wade to have all the monthly updates from the Facilities team uploaded to the BoardDocs library.

**Motion** by Vice President Powell to approve and accept District’s April 2018 Financial Report. Seconded by Commissioner Hallmark and President White. **Adopted 3-0.**

## **III. Review and Discuss 2017-18 Budget Amendments**

### **A. BUDGET**

- 1. Budget amendment– agreement to amend the General Fund Budget for 2017-18– Resolution No. 2017-18: TBD 1**
- 2. Budget amendment– agreement to amend the Special Aid Grant Fund Budget for 2017-18– Resolution No. 2017-18: TBD 2**
- 3. Budget amendment– agreement to amend the School Food Service Fund Budget for 2017-18– Resolution No. 2017-18: TBD 3**
- 4. Budget amendment– agreement to amend the Budget total for 2017-18– Resolution No. 2017-18: TBD 4**

**Motion** by Vice President Powell to address and approve the Budget amendment Resolutions Nos. 2017-18: TBD 1-4. Seconded by Board Commissioner Hallmark and President White. **Adopted 3-0.**

**IV. Review and Discuss the 2017-18 Third Quarter Elementary Activity Accounts & Student Activity Funds Report**

**Motion** by Vice President Powell to approve and accept District's 2017-18 Third Quarter Elementary Activity Accounts & Student Activity Funds Report. Seconded by Commissioner Hallmark and President White. **Adopted 3-0.**

**V. Review and Approve Proposed Resolutions for the May 24, 2018 Board Business Meeting**

Director of Procurement Tim Schmandt represented the Procurement Resolutions. He indicated that the key cost drivers for the past month was not the internal signage, but rather that which had to do with the renaming and rebranding of schools. Commissioner Hallmark asked how many name changes the District had, which resulted in the dollar amount represented. Mr. Schmandt noted that there isn't so much a number for that as there is a listing of all the school moves which required these changes. VP Powell noted that she had asked Mr. Schmandt to provide further detail on the Procurement resolutions in anticipation of the type of questions that would come from Commissioners on the history of the spending. President White indicated that it would be wise to indicate specifics as to why there is that charge of \$204, 891 indicated. VP Powell indicated that providing more detail would increase the trust factor for the Board regarding District spending for these contracts.

**B. PROCUREMENT & SUPPLY**

1. **Mid City Signs Inc.– contract extension for purchase of District signage– Resolution No. 2017-18: 873**
2. **Best Plumbing Specialties Inc.; Buckpitt & Company Inc.; Crest/Good Mfg. Co., Inc.; and V.J. Stanley, Inc. – contract extension for plumbing & HVAC equipment & supplies – Resolution No. 2017-18: 874**
3. **V & V Vending Incorporated dba Valenti Sporting Goods – contract agreement for Athletic Uniforms, at a 40% discount for Group 21-Bristol Cheerleading Catalog – Resolution No. 2017-18: 875**

CFO Sewell left at 6:14pm to deliver the 2017-18 budget book to the City.

**Motion** by Vice President Powell to address and approve the Procurement and Supply Resolutions No. 2017-18: 873-875. Seconded by Commissioner Hallmark, and President White. **Adopted 3-0.**

## C. EDUCATIONAL FACILITIES

Chief of Operations Mike Schmidt represented the Facilities Resolutions.

### Final Payments:

1. **Leo J. Roth Corp. – final payment for plumbing work in renovating School No. 10– Resolution No. 2017-18: 876**
2. **Leo J. Roth Corp. – final payment for HVAC work in renovating School No. 431– Resolution No. 2017-18: 877**
3. **SSM&RC Inc. dba Spring Sheet Metal & Roofing Co. Inc.– final payment for roofing work in renovating Marshall Educational Campus– Resolution No. 2017-18: 878**
4. **Hewitt Young Electric, LLC – final payment for electrical work in renovating School No. 8– Resolution No. 2017-18: 879**
5. **Pipitone Enterprises, LLC– final payment for mechanical work in renovating School No. 9– Resolution No. 2017-18: 880**
6. **Genesee Building Restoration, Inc.– final payment for general construction work in renovating School No. 52– Resolution No. 2017-18: 881**
7. **Hewitt Young Electric, LLC – final payment for electrical work in renovating School No. 34– Resolution No. 2017-18: 882**
8. **Unified Mechanical Contractors, Inc. – final payment for plumbing work in renovating School No. 34– Resolution No. 2017-18: 883**

**Motion** by Vice President Powell to address and approve the Educational Facilities final payments Resolutions Nos. 2017-18: 876-883 as a bundle. Seconded by Commissioner Hallmark and President White. **Adopted 3-0.**

### Contracts:

1. **Archie Donoughe Sanding, Inc.– contract agreement for wood floor refinishing for maintenance services for various schools– Resolution No. 2017-18: 884**
2. **GP Land and Carpet Corp. dba GP Flooring Solutions –contract agreement for resilient flooring for maintenance services for various schools – Resolution No. 2017-18: 885**

3. **Tandai Asphalt & Sealcoating, LLC– contract extension for Snow Plowing and Snow Removal (Groups A,B,D,H and L)– Resolution No. 2017-18: 886**
4. **Manel Excavating Corp.– contract extension for Snow Plowing and Snow Removal (Groups C,E,F,G,I,J,K,M,N and O)– Resolution No. 2017-18: 887**
5. **Rotolite-Elliott Corp.– contract extension for Reprographic Services– Resolution No. 2017-18: 888**

**Motion** by Vice President Powell to address and approve the Educational Facilities Contracts Resolutions Nos. 2017-18: 884-888 as a bundle, Seconded by Commissioner Hallmark and President White. **Adopted 3-0.**

**Other:**

1. **RJSCB– approval of closing documents for issuance of the County of Monroe Industrial Development Agency School Facility Revenue Bonds (Rochester Schools Modernization Project), Series 2018– Resolution No. 2017-18: 889**
2. **RJSCB– repurposing of funds for further development of the Playfield at Helen Barrett Montgomery School No. 50, as additional scope to Phase II of the Rochester School Facilities Modernization Program – Resolution No. 2017-18: 890**

Chief Schmidt provided further details on Resolution 890, indicating that

**Motion** by Vice President Powell to address and approve the Educational Facilities Other Resolutions Nos. 2017-18: 889 and 890 as a bundle, Seconded by Commissioner Hallmark and President White. **Adopted 3-0.**

**D. OTHER**

1. **University of Rochester– agreement to provide use of Eastman East Wing, Howard Hanson Hall, various classrooms and related premises as the venue for hosting the District’s third annual Technology Summit, on June 28, 2018– Resolution No. 2017-18: 893**

**Motion** by Vice President Powell to address and approve the Other Resolution No. 2017-18: 893. Seconded by Commissioner Hallmark and President White. **Adopted 3-0.**

**Late Submissions:**

Chief Schmidt explained the late submissions to the Committee noting that especially for the Hart Street lease, there is a lot of work to be done starting in June to make the space ready. He also responded to Commissioner Hallmark's question about the state of the building, noting that the space was completely empty at this time. In regards to the Downtown Cabaret sublease, Schmidt indicated that a permanent parking solution is needed for #58 school and that this lease is just to get the District through the next 4 years,

**Late Submissions:**

- 1. Lease Agreement –agreement to lease a space at Hart Street for the Bilingual Academy– Resolution No. 2017-18: TBD 5**
- 2. Lease Agreement –agreement with Center For Youth to sublease a space at Blessed Sacrament– Resolution No. 2017-18: TBD 6**
- 3. Lease Agreement –agreement to lease a space at Downtown Cabaret for School #58 parking– Resolution No. 2017-18: TBD 7**
- 4. Natural Gas Agreement –agreement to secure a competitive rate for natural gas– Resolution No. 2017-18: TBD 8**

**Motion** by Vice President Powell to address and approve the late submission Resolutions No. 2017-18: TBD 5-8 as a bundle. Seconded by Commissioner Hallmark and President White.  
**Adopted 3-0.**

Next monthly Finance Committee Meeting: June 14, 2018. Meeting adjourned at approximately 6:39PM