

To: Holmdel Township Board of Education

From: Chair, Budget and Finance Committee

RE: June 13, 2011 Meeting Notes

Attending: Mr. Sockol (chair), Ms. Pascucci, Ms. Vander Woude, Ms. Wetmore, Ms. Duncan, Mr. Petrizzo, and Mr. Mikos

The Budget and Finance Committee met on June 13, 2011, beginning at 7:49 p.m. The Committee conducted the following business:

1. Every two years, the School District has the ability to participate in a pooled capital lease/purchase program through the Monmouth Country Improvement Authority (MCIA), which allows the District to take advantage of MCIA's AAA bond rating. The retirement of the 2005 MCIA lease/purchase agreement will allow us to raise \$500,000 with roughly 80 percent of the proposed funding to be used for technology purchases, including computers, servers, and software. Once the Township approves an ordinance and guaranty supporting our proposal, the Board of Education is expected to consider a resolution to approve participation in the program at its July 27, 2011 public meeting.
2. The Committee recommends that the District renew its five-year contract with Chartwells to provide food services within the district. Chartwells was the sole bidder, and it has agreed to guarantee a \$125,000 profit for the district as well as invest \$100,000 for improvements to the serving lines at our four schools. This resolution will be on the June 29, 2011 Board agenda for approval.
3. The Committee reviewed the 2011/2012 insurance renewal rates provided by Holmes & McDowell and G.R Murray to provide property and casualty coverage and workers compensation insurance, respectively. In both cases, we received lower quotes than in the 2010/2011 year. Mr. Petrizzo recommended that the District use the savings to increase our existing liability coverage from \$21 million to the maximum amount of \$31 million at a cost of roughly \$4,000. The Committee agrees with Mr. Petrizzo's recommendation. These resolutions will be on the June 29, 2011 Board agenda for approval.

The Committee learned that the transportation bids for Regular Education, Special Education and Extended School Year (ESY) students for the 2011/2012 school year were lower than our budget projections. In addition, the Committee is expected to discuss the possibility of preserving four special education bus aide positions, which Mr. Petrizzo estimated will cost the district an additional \$100,000 if we choose not to outsource them.

4. The Committee learned that our latest bids for repairing the entire roof at the Village School significantly exceed our budget projections. Since several school districts plan similar projects within a compressed summer time frame, our architect feels that another bid would not yield better results, and in fact, we risk the possibility that they may even rise. Therefore, the scope

of the project to award is under review. These resolutions will be on the June 29, 2011 Board agenda for approval.

5. The Board will be asked to approve the budget for the 2011 Summer Academic Enrichment Program, which is self-funded by student tuition, at the June 15, 2011 Board meeting.
6. The Board will be asked to restore the maintenance reserve that the District established last year, not to exceed \$1 million. The District will replenish the reserve with anticipated year-end savings, funded partly with 2010/2011 Extraordinary State Aid revenue that exceeded the amount budgeted. This resolution will be on the June 29, 2011 Board agenda for approval.

The meeting adjourned at 9:28 p.m. The next meeting will be held on July 19th at 6:45 p.m.

Respectively,

Mike Sockol

Chairman, Budget and Finance Committee