

**RUTLAND PUBLIC SCHOOLS**

**RUTLAND CITY PUBLIC SCHOOLS – FINANCE/PLANNING COMMITTEE SPECIAL MEETING**

**November 17, 2020**

**Committee Members Present:**

Joanne Pencak, Chair  
Ann Dages (5:09 pm)  
Dena Goldberg  
Charlene Seward  
Kevin Kiefaber

**Also Present:**

Superintendent Bill Olsen  
Assistant Superintendent Rob Bliss  
Director of Finance Ted Plemenos  
Greg Schillinger

The meeting was called to order at 4:42 pm.

**CALL TO  
ORDER**

Chair Pencak noted that there would be opportunity for public comment at both the beginning and end of the meeting.

Tricia O'Connor (lone attendee) was invited for public comment. Tricia advised that she did not wish to address the Board, but had joined to listen to the meeting.

**PUBLIC  
COMMENT**

Status of FY 22 Budget Preparation – Director of Finance, Ted Plemenos, noted that he was prepared to provide a high-level overview of the budget and gave the recommendation to go into executive session for pertinent details. He advised that budget progress was on schedule, going reasonably well and a first pass of many key areas has been completed. He noted that he would prefer to comment on the status of ESSR and Corona Virus Relief Funds in executive session. A first pass related to staffing levels has been completed based upon input from principals, directors and senior administrators. The Open Enrollment Period for health plans has concluded and the process for pricing out health care cost has begun. VEHI anticipates an increase in health care plan costs ranging from 8 – 18%, with an average estimate of 10%. This is dependent on plan selection of employees. He advised that direct instruction costs (excluding salaries and benefits) remain relatively flat or with very small increases (around 1%) as has been the case over the last couple of years. Special Education costs are expected to be down. Special Education costs relate directly to the Individualized Education Plans (IEPs) of eligible students being served. If the profile changes, these costs will change. Both the Information Technology and Buildings, Grounds and Transportation Budgets are anticipated to be flat or down, despite anticipated COVID related expenses. Mr. Plemenos advised that he does not have specific input regarding food service yet, but referenced the USDA's website, noting food inflation of 2.5 to 3.5 percent. He stated that Laurie Colgan and Sean Miller are working very carefully to keep the costs lean relative to the needs of the student population. In regards to utilities, he is reviewing payment schedules and potential savings related to the solar projects. Heating oil, per the New York Harbor Bench Mark, is down about 40% and we can anticipate some savings, assuming we don't have a much colder winter than normal.

**FY 22 BUDGET  
PREPARATION  
UPDATE**

Outstanding Debt Service and Annual Debt Service – Ted Plemenos referenced a handout provided to the Committee earlier that recapped the Districts long term obligations, including bonds, capital leases and other long terms obligations (i.e., accrued sick time/retirement incentives.) He noted that he believes that some of the debt is attributed to energy projects and that our energy consumption is down by about 50%. Interest rates on debt is competitive. The District has not borrowed money since 2015 and principal repayment typically goes up by about \$20,000/per year. He advised that he is not sure that any of the rates are variable, but is reviewing them. He spoke to Rutland's socio-economic profile and his appreciation for the critical support the District provides to the community with programs like Tapestry and the Food and Nutrition Programs.

**OUTSTANDING  
DEBT & DEBT  
SERVICE**

Discussion revolved around Special Education Funding (as expenses come down, funds decline – net impact is only about 44 percent) and grant opportunities. Commissioner Pencak stated

**DISCUSSION**

concern for people wanting the budget cut by a flat number without consideration of tax savings. Mr. Plemenos agreed that there are nuances to be cognitive of when looking at cutting things that are Federally funded and don't impact the bottom line (lowering service without savings.) He noted that there is an educational role to perform and suggested having a list of points for understanding prior to the December 8<sup>th</sup> Meeting.

**DISCUSSION  
(CONT.)**

Commissioner Goldberg asked about potential new grant avenues. Assistant Superintendent Bliss responded, explaining that new things are small (generally \$5,000 - \$10,000) but we do apply for every opportunity. These grants are generally for enrichment and after school programs. He noted that they always jump on big grants, but there is nothing new right now.

Discussion moved to the UVM Weighting study and a timeline. Mr. Plemenos advised that there has been no timeline mentioned. He noted that he anticipated no short-term resolution. He expressed his interest in a reasonable proposition of a hybrid consideration.

Chair Pencak noted the Supreme Court Decision/Brigham Decision that allows Rutland City to pay less than 25 cents/dollar in the current budget would likely play a role in determining new allocation of State education funds. Any new allocation is not relevant for the current budget.

Mr. Plemenos noted that the charge is to deliver a well thought and thorough budget for fiscal 22, but encouraged Committee Members to think about fiscal years 23 and 24 as well.

Other – Chair Pencak requested to set a procedure for the Committee to receive the audit report and provided a historical perspective of the process. She would like the Committee to have contact with the auditors and said she believes that this is good fiscal policy. Mr. Plemenos advised that this will be of significant benefit, will provide documents to the Committee and send an introduction email to Jim Reynolds. Discussion revolved around potential additional costs for this communication. Mr. Plemenos noted that some findings were related to staffing turn over and that there was a recommendation to add an accounting resource. He advised that he is working to optimize how resources are allocated and provide effective controls. He acknowledged affects COVID related.

**OTHER**

Chair Pencak asked the Committee and the Administration if there were other concerns to address. There were none.

Chair Pencak asked if anyone had public comment.

**PUBLIC  
COMMENT**

Tricia O'Connor, Rutland City, noted that she enjoyed listening and that there was a lot to think about. She thanked the Committee for asking for her input.

Motion by Pencak/Goldberg, at 5:28 pm, that the Finance/Planning Committee of the Rutland City Public Schools Board of School Commissioners enter into executive session with Superintendent Olsen, Assistant Superintendent Bliss and Director of Finance Plemenos for the purposes of discussing contracts and negotiations/the effect of the budget items the general public knowledge of it which would clearly place the Committee/Board at a substantial disadvantage.

**MOTION:  
EXECUTIVE  
SESSION**

The Committee came out of executive session at                      pm.

**OUT OF  
EXECUTIVE  
SESSION**

The Committee adjourned at                      pm.

**ADJOURN**

Respectfully Submitted,  
Betty A. Kapitan, Recording Secretary