

Paul Steimle, Board President: I'd like to call the meeting to order. As a result of the COVID-19 pandemic, and in accordance with Executive Orders, please be advised that members of the public will not be permitted to attend this Board meeting in person. The meeting is being recorded and transcribed and will be posted at a later date.

At this time I'd take a roll call of everybody in attendance. Each person please state their name:

Jeanne Ernst
Lynn Errington
Lorry Goldhawk
Jessica McLaughlin
Mark Smith
Dominic Vivolo
Paul Steimle
Michael Belle-Isle
Laura Bosinski
Deb Custodi
Tony Panella
Lynn Shanahan

Paul Steimle: I would like to open the meeting with the Pledge of Allegiance.

[All said pledge.]

Paul Steimle: We have no written communication. Are there any reports of the board?

Jeanne Ernst: No
Lynn Errington: No
Lorry Goldhawk: No
Jessica McLaughlin: No
Mark Smith: No
Dominic Vivolo: No
Paul Steimle: And I do not either.

With that I will turn it over to the Superintendent for his report.

Tony Panella: Good morning. Thank you. Mrs. Bosinski is prepared this morning to present our final draft of our proposed budget to give us the time that we need to accommodate the Governor's Executive Order and the mail in balloting system he designed. Welcome Mrs. Bosinski.

Laura Bosinski: Superintendent Panella can you please allow me to share my screen?

Tony Panella: Try that.

Laura Bosinski: Got it.

Slide 1: Thank you. This morning, we will review the final recommended changes to our projected budget for the 2020-21 school year.

Slide 2: Topics which have been changed are highlighted in blue, which include our revenue assumptions and projections, fund balance projections, and our summary. First, let's talk about the recommended changes in our revenue projections. I will move over slides that have not been updated since we last discussed on April 21, 2020.

Slide 3 - 6: No changes to the state aid updates.

Slide 7: No changes to our property tax levy or our state aid projections. Our budget is tax cap compliant at 2.389%.

Slide 8: No change to miscellaneous revenues and Erie County Sales tax revenues are still a question mark.

Slide 9: This slide illustrates changes in reserve and fund balance allocations from our April 21st budget presentation. Due to our economic climate and the various unknowns in our revenue budgets, we are recommending an increase in the amount of reserves allocated to our 2020-21 budget by \$580K to a total of \$840K. These amounts are "up to" amounts. If not needed, they will not be withdrawn from the reserve.

In fund balance allocation, similar to the past several years, we have appropriated \$500,000 to offset an equal expenditure line to be used in the case of unforeseen emergencies or unplanned expenditures. We also typically appropriate an additional amount to help close any budget gap we may have. The gap closing allocation in our current year was \$420,000. Moving into the 2020-21 school year, we are recommending maintaining the \$500,000 allocation and reducing the "gap closing" allocation from \$420,000 to \$204,000. This is a direct result of the increased reserve appropriations. The combination of appropriations from reserves and unappropriated fund balance will help us keep enough flexibility in our expenditure budget to maintain our current programming in light of unknown revenues. As we do every year, we will closely monitor our budget, both revenues and expenditures, with the goal of not using any of the fund balance appropriated.

Slide 10: This revenue chart demonstrates the adjustments we made in transfers and unappropriated fund balance. With an \$840K assigned from our reserves, our unappropriated fund balance is reduced to \$704K. Our compliant tax levy increase is 2.389% with a levy of \$37.7 million. State aid is projected using the Governor's enacted budget numbers. This maintains our projected revenue budget of \$62,423,000.

Slide 11 - 13: We have not made any additional changes or adjustments to our expenditure budget.

Slide 14: Our expenditure budget remains the same as our previous presentation, \$62, 423,000, and increase of \$2.28 million or 3.79%.

Slide 15: We have updated the expenditure side of our fund balance projections as there wasn't much movement in the last few weeks on the revenue side. Our assumptions now include not having students in the buildings until next school year. These estimates project an unspent

budget of \$2.6M. That, coupled with not using any of our appropriated fund balance, leave us with a budgetary surplus of almost \$2M.

Slide 16: We started this year with almost \$7.8 million in fund balance. With close to an additional \$2 million from this year's budget, we could end the year with a total fund balance of a little more than \$9.7 million. We still have open and outstanding purchase orders we are working on either getting paid or closed. We expect this number to grow as we near the end of our fiscal year.

Slide 17: Overall, we have a balanced budget of \$62,423,000.

Slide 18: Both revenues and expenditures are projected to increase about 3.8%. This budget does represent a compliant tax cap at 2.389% and uses the state aid projections released in early April. We recommend appropriating \$840K in reserves, maintaining the \$500,000 fund balance allocation for contingency expenditures and an additional \$204,000 to close our gap, resulting in a total fund balance allocation of \$704,000. It will be our goal to not need any of the reserves or fund balance appropriated. Finally, we have removed the proposition from the ballot to ask the voters to authorize a new capital reserve fund. With the uncertainties and difficulties in our economy at this time, we do not feel this is the best time to put this question before our voters.

Slide 19: As this is our final budget presentation, the next step is for the board to adopt this budget. A resolution is included in the agenda for this meeting.

Also included in today's agenda is a resolution to approve the Property Tax Report Card. One of the elements of the property tax report card is an estimate of year end unappropriated fund balance. While we have discussed keeping as much as possible in this area to offset revenue shortfalls next year, our property tax report card reflects this amount as 4% of next year's budget. We will continue to monitor our expenditures this year and expect that number will be higher. The Budget Hearing is scheduled for Tuesday May 26th at 7:00 p.m. and will be conducted remotely while practicing social distancing guidelines. Community members will be afforded the opportunity to ask questions, details to be provided on our district website. Does anyone have any questions? Thank you.

Tony Panella: Thank you. So at this time we have two resolutions in our New Business: to approve our Property Tax Report Card and the proposed budget. So President Steimle, could you please poll the board on whether they agree or disagree with the proposed budget?

Paul Steimle: I will. I will poll the board on approving the proposed budget and the Property Tax Report Card. Please say whether you agree or disagree.

Deb Custodi: Hold on. This is just a poll to make sure that everybody is in agreement with the amount of \$62, 423,000. The next resolution will be to approve the agenda which will include that.

Paul Steimle: Thank you. Alright I will poll the board on the proposed budget and whether you are in agreement on it.

Jeanne Ernst: I agree.

Lynn Errington: Agree.

Lorry Goldhawk: Agree.

Jessica McLaughlin: I agree.

Mark Smith: Agree.

Dominic Vivolo: Yes, I agree.

Paul Steimle: And I agree as well. We will now need a motion to approve new business.

Deb Custodi: Prior to the motion I would like to amend resolution "a" to read: "Adopt the 2020-2021 Budget in the amount of \$64,423,000 for voter approval."

Tony Panella: I don't think that is the amount. I'm sorry.

Deb Custodi: Oh I'm sorry \$62,423,000.

Tony Panella: Thank you.

Deb Custodi: Thank you. I'm sorry about that.

Lynn Errington: I will make the 1st motion to approve items E-1-a and b.

Paul Steimle: Do we have a second?

Jessica McLaughlin: I will make a 2nd motion.

Paul Steimle: I will now call on each member for their vote to approve, not approve or to abstain.

Jeanne Ernst: Approve.

Lynn Errington: Approve.

Lorry Goldhawk: Approve.

Jessica McLaughlin: Approve

Mark Smith: Approve

Dominic Vivolo: Approve

Paul Steimle: And I approve as well. Motion approved for items E-1-a and b. 7 - 0. Are there any follow up items Ms. Custodi?

Deb Custodi: No there are not.

Paul Steimle: We will now need a motion to adjourn the meeting:

Mark Smith: I will make a motion to adjourn the meeting.

Jeanne Ernst: I will 2nd that.

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Paul Steimle: I will now roll call each member to approve adjourning the meeting:

Jeanne Ernst: Aye

Lynn Errington: Aye

Lorry Goldhawk: Aye

Jessica McLaughlin: Aye

Mark Smith: Aye

Dominic Vivolo: Yes

Paul Steimle: And I am yes as well. Motion carries 7-0. Thank you everybody.