

Transcript 6/23/20 Board Meeting

Paul Steimle: 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.

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

[All said pledge]

At this time I would like to take a roll call of everyone in attendance. Each person state your name. [Each person stated their name.]

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

Paul Steimle: We do have some written communication. The Board received a memo from the Superintendent documenting that the Annual Professional Performance Review requirements were waived for the 19-20 school year pursuant to Executive Order 202.39. A copy of the full memo was provided to all of us last week.

Are there any reports of the board?

Jeanne Ernst : None. Thank you.

Lynn Errington : No, none.

Lorry Goldhawk: No, I don't have any.

Jessica McLaughlin: Our Safety Committee met on June 1 via zoom. We discussed the recently updated safety plans that were approved by the board. Mr. Belle-Isle developed checklists for each building that directly correlated to the new safety plans to ensure compliance. We also discussed a threat assessment process to help building level teams working with students who are struggling with mental health needs. Our next meeting will be in the fall of the 2020-2021 school year.

Mark Smith: None

Dominic Vivolo: No

Paul Steimle: None as well.

Paul Steimle: I will now turn it over to the Superintendent for the Superintendent's Report.

Tony Panella: Thank you. First and foremost I wanted to thank our community for their overwhelming support with our budget vote that was conducted over the course of several weeks and concluded on June 16th. As you may have heard we had a 79% approval rating which is amazing given the circumstances. The support the community shows our schools..I'm just so thankful for it and appreciative. In addition, I'd like to congratulate Mark Smith and Jess McLaughlin on being reelected to another term on the Board. I'm looking forward to working with both of you. And I'd also like to mention Deb Custodi and Laura Bosinski for all their hard work in pulling off the absentee ballot process. It was a very big undertaking and they did an amazing job. So thank you.

Paul Steimle: Great job.

Tony Panella: The second part of the Superintendent's Report is a report from Mrs. Bosinski on our current Fund Balance and Reserves.

Laura Bosinski: Thank you.

Slide 1: Thank you and good evening. Tonight, we will review our anticipated activity of our reserves and fund balance for the current fiscal year.

Slide 2: First we will review the activity estimated for each reserve and then look at our year end fund balance projections. We will then have time for discussions, questions, and comments.

Slide 3: Let's start with our reserve activity. These are still estimates as we have not closed our books for the fiscal year yet. The first column represents where we ended last year after our audit was completed, roughly \$7.8M in total fund balance. The used total of \$225,000 is based on the appropriation of reserves to help balance our budget.

Tony Panella: Hi Laura?

Laura Bosinski: Yes?

Tony Panella: Can you hit present on that so we can see the numbers a little better?

Laura Bosinski: Yes. That means I am sharing the wrong screen. Is that better?

Tony Panella: That's better. Thank you.

Laura Bosinski: Thank you. So the \$225,000 is based on the appropriation of reserves to help balance our budget.

\$200,000 from EBALR, Employee Benefits Accrued Liability Reserve and up to \$60,000 from our tax certiorari reserve. The added column represents deposits of estimated interest earnings for each reserve as well as the maximum funding of the Retirement Reserve TRS Sub fund of \$484,705. The decrease in assigned fund balance of \$434,000 is due to the change in appropriated fund balance from the current year budget into next year's budget. This amount moves to unappropriated fund balance. That change, along with our year end budgetary surplus, allows us to add about \$2.5M to our unappropriated fund balance total, bringing us up from \$2.4M to \$4.8M. As we have discussed previously, this will exceed our 4% limit, but will help us absorb anticipated but unknown revenue shortfalls next year. With these adjustments, we can predict a year end total fund balance and reserve total of just over \$10M. Our adopted and voter approved budget includes appropriations from our reserves of \$840,000 and from fund balance of \$704,000, for a total of \$1,544,000. Potentially, we could use up to \$2M of our reserves and fund balance and still maintain our \$8M goal. We will monitor our budget closely and anxiously await for further details on state aid revenue and Erie County sales tax revenue.

Slide 4: Our expenditure budget continues to perform as expected with an anticipated and planned surplus of about \$2.6M. Our revenues increased about \$300,000 from our last presentation. Our revenue assumes a 60% Erie County sales tax payment for the final quarter of the fiscal year. Together, our revenues and expenditures, along with not using any of our appropriated fund balance, leave us with a budgetary surplus of almost \$2.3M.

Slide 5: We started this year with almost \$7.8 million in fund balance. With an additional \$2.3 million from this year's budget, we could end the year with a total fund balance of a little more than \$10 million. We are now busy getting the fiscal year ready to close and preparing for our year end external audit.

Slide 6: Does anyone have any questions?

Paul Steimle: Mrs. Bosinski what did you say [about] the Sales Tax Revenue? We are anticipating some payment?

Laura Bosinski: We didn't know exactly what to anticipate so we normally receive about 1.1 or a million or so and we are estimating 60% to come in hoping that it's more accurate than the 10%, down to 10% from the original letter from the Erie County Comptroller's office that said could be possible. But that range was from 10 - 90% so we went with 60.

Dominic Vivolo: That's a quarterly number, right?

Laura Bosinski: Yes, that would just be for the quarter. Our third quarter payment came in as expected. It was about \$960,000.

Tony Panella: So obviously we will have more information as the summer moves on. We've reached out to the Comptroller's office to see how they want...what data they would like to calculate that sales tax because normally it is based on our average daily attendance and in the

unique circumstances we have had since March, we don't have those records and neither will any school district frankly so we are at least trying to put it on the radar at the most appropriate places to see how that will be calculated.

Does anyone have any more questions regarding the fund balance projection?

Okay, Mrs. Bosinski did share that she got an update from the state business officials this afternoon. Unfortunately it is not good news but Mrs. Bosinski could you give the board a heads up on that information you got this afternoon via email?

Laura Bosinski: Yes, it was actually about an hour and a half ago 13 cities in NYS are due to receive a state aid payment this week and it was reduced by 20% for each of the 13 cities. So no word yet on what's going to happen with school payments but it is unfortunate that the 20% reduction is actually being upheld in the first payments that are being released to the cities.

Paul Steimle: When do we get our first payment?

Laura Bosinski: We have our final June payment. I think it comes by June 30th or the first week of July and Mr. Panellas had asked that as well so I will double check that. But we are watching all of our state aid certification payments carefully. So far we have received everything that we anticipated.

Paul Steimle: Is that payment that we are due to receive though for this current school year or next school year?

Laura Bosinski: Current school year.

Paul Steimle: So are those payments being affected?

Laura Bosinski: We don't know yet.

Tony Panella: Yes, I think that's why we were unpleasantly surprised by the news that we got about an hour ago. Unless those 13 cities are seeing a reduction in their 20-21 payment. We did not hear or expect a reduction in the 19-20 aid payments but that would be something we need to keep an eye on as well.

Dominic Vivolo: Was that city school districts or just cities, you know, the municipal part?

Laura Bosinski: It said "cities" with no information relative to school aid.

Tony Panella: So it's just something else to keep an eye on. When the look-back windows were first established in the budget back in April I know we questioned whether or not the first 2 look-backs, April 30th and June 30th, could affect our current fiscal year since they fall within it.

And from most reports that I received, they said that there wouldn't be an impact on the 19-20 aid but depending upon how dire it is of the state's finances I think we are anticipating there could be a reduction in it. But we are hoping there won't be.

Paul Steimle: Can you remind us? What is 20% for us?

Laura Bosinski: We have not gotten explicit details about what the 20% will encompass. Whether it is only foundation aid or if it's total state aid. If it is total state aid then it is about three and a half million dollars.

Tony Panella: If it's foundation aid it is about \$1.4 million.

Laura Bosinski: Right. Neither are good.

Paul Steimle: No.

Tony Panella: And then to make the matter worse, there are a lot of reports out there nationally talking about how much it will cost to safely reopen schools in the fall and there are some states that are ahead of us in that regard because they start in August. I saw a report today that suggests it may cost the average school district \$1 million dollars plus just to be able to safely open schools in the fall so we are hoping that is an overestimate. I think the report I read was talking about doubling the teaching staff so that they could spread out more and that is certainly something not recommended by the state or any guidance that we received but there will be a cost in reopening safely and we're hopeful that the federal government will provide us with some stimulus money or the state with some stimulus money in order for us to do that and to maintain our current appropriation.

So I think our plan is strong that we have, in terms of budget monitoring and the four points we've outlined. We will be able to withstand some shortfalls but we are also hoping there is some money available to assist us in our reopening planning.

Before we wrap up the Fund Balance and Reserves discussion, are there any other questions?
[no response]

Normally around this time of year, we like to invite our retirees to come in to be recognized and we will present them with their crystal apple and recognition for their service. We've also had our administrators come in and speak on their behalf and it's been a nice event. Like many things, we have been forced to turn that into a virtual event so I have a short video that I'd like to play for you, to honor our retirees.

[Power Point Retiree Recognition shared]

It is always a bittersweet time for us. I wish all our retirees good health and happiness in retirement and I want all of them to know how much I appreciate them and how much they contributed to our District over their careers and certainly I don't look forward to replace them. They all leave very big shoes to fill but I'm happy for them as they enter a new chapter of their lives. So thank you.

That's all I have for the Superintendent's Report.

Paul Steimle: Alright, thank you. We will need a motion for new business.

Mark Smith: I will make the 1st motion to approve items E-1-a through h, E-2-a through e, and E-3-a, b, d, e, f & g.

Paul Steimle: Do we have a second?

Jessica McLaughlin: I will make a 2nd motion.

Paul Steimle: Any discussion? [no answer] Alright. I will roll call each board member for their vote to approve or not to approve. All those in favor of approving items E-1-a through h, E-2-a through e, and E-3-a, b, d, e, f & g please say "Aye".

Jeanne Ernst: Aye

Lynn Errington: Aye

Lorry Goldhawk: Aye

Jessica McLaughlin: Aye

Mark Smith: Aye

Dominic Vivolo: Aye

Paul Steimle: And myself is an Aye motion carries 7-0

Ms. Custodi are there any follow up items?

Deborah Custodi: I just have that Mrs. Bosinski will find out when we will receive our first payment from the state. Is that correct?

Paul Steimle: I believe so.

Deborah Custodi: Okay.

Laura Bosinski: Our June payments. (Ms. Custodi repeats.)

Paul Steimle: Great. I would like to actually congratulate some new team members: Melissa Martin, who will be our new Assistant Principal at Smallwood -Welcome to the team. Congratulations Dr. Oddo for her new appointment as Director of Special Ed and Pupil

Personnel Services. And our other new team members listed on our agenda. Welcome aboard everyone.

With that we will need a motion to adjourn the meeting:

Lorry Goldhawk: I will make a motion to adjourn the meeting.

Dominic Vivolo: I will 2nd that.

Paul: I will now roll call each of you.

Jeanne Ernst: Aye

Lynn Errington: Aye

Lorry Goldhawk: Aye

Jessica McLaughlin: Aye

Mark Smith: Aye

Dominic Vivolo: Aye

Paul Steimle: Aye

Motion carries 7-0

Members of the public, if you have questions or any public comment, please contact the District Clerk at 362-3051 or dcustodi@amherstschoools.org or you can email the board at boe@amherstschoools.org.