

...modification laws are leading to the disaster emergency. Pursuant to that, suspension law allowing attendance of meetings telephonically or other similar device. Article 7, the public officers' law to the extent necessary to permit any public body to meet and take such actions authorized by the law without permitting in public person access to meetings and authorizing such meetings to be held remotely by conference call or similar service provided that the public has the ability to view or listen to such proceeding and that such meetings are recorded and later transcribed.

Public participation: In light of the declared states of emergency the Board of Education is exercising its right under board policy 3240G to limit audience participation to only matters set forth on the agenda. Public participation, comments, questions, regarding this agenda should be emailed to district clerk Laura Smith at lsmith@frewsburgesd.org by 3pm on April 6th, 2020. All comments/questions will be read by Ms. Smith in this section of the agenda during the streamed board meeting. So at this time I'd ask Ms. Smith, were you in receipt of any questions regarding tonight's meeting?

Mrs. O'Boyle-1:24.07

Mr. Chitester, Ms. Smith is having some technical difficulties. Her screen went black and she is trying to log back in but I can tell you I did text her and she said she did not get any emails for public participation.

Mr. Chitester- 1:44.95

Ok. And with that we will move on to tonight's budget presentation, Mrs. Shelly O'Boyle. 2.2 in tonight's agenda.

Mrs. O'Boyle- 1:52.42

So I'm going to share my screen

with you so that you can see the power point. Chad, can you give me a thumbs up if you see it? Perfect. Great. So you know originally we had this special meeting scheduled and it actually kind of came in handy because we recently got the runs from the executive budget. I just want to start with a couple of things that we know because there are so many unknowns in this day and age. I know that every press conference Governor Andrew Cuomo says, "No one is held harmless from reality. I cannot protect you from reality," and he's referring to the financial situation of the state. We know that New York State is spending money that it doesn't have and we know the money is being funneled to COVID-19. The state budget director indicated a \$15 billion deficit. And just to put that into perspective, for those of you that were around for the 2008 gap elimination adjustment, there was a \$10 billion deficit at that time. We know that COVID-19 will have long lasting implication for our budgeting and for our district. In the near future, we know right now in this moment, we have a 2 year problem. We know it's going to be long term, but we know we have a 2 year problem facing us. There's the possibility of delayed State Aid payments. So that would be April, May, and June. We have about \$2 million out there of State Aid payments that need to come into the district. I've since heard that the federal government has given the state money to be able to cover those state aid payments so we're hoping that they will stay intact for the rest of this year but that's still to be determined. We also are wondering if there's going to be decreased State Aid Payments. April 30th marks the end of the quarter. When we look ahead to the 2021 school year, we know a couple of things based on our state aid runs and I'll go into it more in depth a little bit later but our Foundation Aid remained the same as last year. The

Expense Based Aids were not consolidated into the Foundation Aid and we received FEMA money to help balance our budget. More on that in just a second. We know that there's some things that we need to do. So Jerome has been working on a cash flow assessment. That would be like if I said to you, "You have one more pay check and then we're going to cut off your paychecks." You would know how much that paycheck was, you would know how much you have in your checking account, you would know how much you had in your savings account, and anywhere else that you had cash, and you'd have a final amount. You would know too what your bills were and you would be able to determine how long you could meet your bills. That's important for us because if we run out of cash flow to be able to pay our bills, the district would need to apply for what's called a Revenue Anticipation Note or a RAN, which a school district can't apply for a loan. A RAN is similar to a BAN, it uses State Aid Payments in the future as collateral in order to take the money to be able to meet our expenses. So I want to tell you that Jerome and I have been looking at that. To determine if we need to do that. We anticipate not, or had anticipated not receiving State Aid Payments this year because of how the income tax was delayed until later so there's no state income tax flowing to the state for the state to flow that money to us. Again, we've since learned that we think we're ok in this area but we're going to keep a close eye on that. We're going to discontinue any discretionary spending. Any POs that were out there that we haven't done, anything we were planning to buy has stopped because what we need to do is start to complete the budget projections to determine how much we'll have at the end of the year on the expense side of the budget, along with assessing how much revenue we're going to have. We're going to be limiting our hiring to essential position replacements. I put for example the cleaners. We never have enough cleaners so you're going to see that we do hire some cleaners. This April 6th meeting was actually a special meeting to appoint our Elementary Principal but I have put a hold on that because I just don't know where our budget is going to come in and I want to make sure that we are being smart about all of our hiring. We're updating a reserve plan that we'll be presenting to you in a couple of months to come to determine where we can put money to protect the district from potential retirement. We know that TRS, ERS we know that's going to be increasing in the upcoming years, so we're trying to be smart about what do we have and we're trying to limit any expenditures and trying to plan for being able to meet our needs in the future. We also know that for 2020/2021 we need to think about the best and worst case scenario for State Aid. I had Jerome do if State Aid stayed the same how much deficit we had and you'll remember at our last workshop it was \$213,000. I also had him do if our State Aid, our Foundation Aid, decreased by 10% or our overall aid amount, you see the \$1.3 million and if it decreases by 20% that means a 2 point almost 5 million in deficit. And if it decreases by 30%, it's at 3.6. And I show you those dismal numbers because our district relies on 2 things, State Aid and taxes. And when the State Aid decreases, you know what happens. We don't get a lot of State Aid. I'm going to show you our current budget deficit after the runs actually came in. I had him estimate the 10, 20, and 30 prior to having a final budget. And for 20/21 these are potential things that we could do, limit hiring, a salary freeze which of course is dependent on Union agreement. We could put an early retirement incentive out there and potentially it might come down to some cuts of staff. I took the state run and I want you to look at a couple of things. The Foundation Aid stayed flat. So this amount was the exact same that we got in 19/20. You'll also notice that these right here are the expense based aids and they, the governor wanted to consolidate into the foundation aid, that was not approved so you'll see that they're separate and you'll also notice that if you were to compare this run with the run that we presented at the last budget workshop, these amounts reflect more

accurately February data base. So these are a more accurate reflection of our true expenses and aid that we're getting back from those expenses. Now if you notice right here, we have the pandemic adjustment, so you see the minus \$134,649 and then you see right here the federal cares restoration or FEMA money which puts in \$134,649 which is nice feel good right now because it balanced out the amount that governor has taken for the pandemic adjustment, which is a double edged sword because if that goes away for next year's budgeting then we're that much in the hole plus the amount of the \$134,649 to begin with. I'm going to stop so I can see you all. Any questions or are you good for right now?
Ok I see a question from Polly. Polly?

Polly Hanson-12:23.08

Can you explain again about if it's taken out for 2 years?

Mrs. O'Boyle- 12:33.18

The pandemic? Yeah. Jerome do you want to grab that question?

Jerome Lee Yaw- 12:42.45

This year, that pandemic adjustment \$134,649, if they do the same amount next year we're not sure if there's gonna be a federal reimbursement for it so pretty much we're gonna be starting next year at a negative \$134,000 deficit on aid.

Larry Lodestro- 12:59.86

That number could go up right?

Jerome Lee Yaw-13:10.45

Yes it could go up and that's just assuming that it's the same as this year but more than likely, depending on the economy situation, it could go up yes.

Mrs. O'Boyle- 13:34.07

So I'm gonna share my screen for just a second again. And I want to talk to you about this entire run looks ok. Not great but it kept the Foundation Aid flat, expense based aids were placed in here so we're getting reimbursed on what we spent. Took out the pandemic, restored the pandemic, but here's the concern ok? The budget includes a mechanism that authorizes the governor's budget director to adjust cut most state local assistant spending including School Aid. In the event that the state's revenue either comes out 1% less or the expenditures come out 1% higher. So if the state budget comes out 1% less in revenues or 1% higher in expenditures, the governor has the ability to cut the overall budget which means we could get cuts in the mid year next year or the beginning of the year. So the recommendation has been to wait until at least April 30th to propose a budget be prepared with cuts, extra cuts or what you're going to cut or what you aren't going to replace to be able to withstand any cuts that may occur next year. Questions about that comment? Yeah. No questions but lots of dismal faces right? I know Tom has been talking about being careful with expenditures and anything that we're purchasing so that's why we've cut off spending now. We're not going to do anything that isn't necessary, absolutely necessary and as we have been budgeting Jerome and I are trying to find what we can actually cut, whether it be expenditure or increasing a little bit of the revenues. So I'm going to just make sure I check my notes here. So I told you the foundation aid was frozen.

Other aids appearing on school aid runs will be calculated according to formulas in current law producing the net state wide increase in total aid of \$96 million. We talked about the proposal to consolidate the 10 expense based aids into foundation aid was rejected. Proposals for reductions in transportation and building aids starting with 21/22 aid were also rejected. So it doesn't look like those will be touched and we talked about the 1%. Larry?

Larry Lodestro- 17:06.52

Have we done anything yet to check with the whole closing of school? I assume transportation expense is gonna be reduced somewhat. I don't know what additional expenses with the meals we've been running out there. Have we done any work as far as trying to figure out this impact is gonna have on our bottom line for this year, if there are any savings or possible cost over-runs that we're dealing with right now?

Mrs. O'Boyle- 17:22.82

That's a good point because we're not doing the mileage that we normally would do right, for all of our runs and we've reduced delivery of meals to Tuesday/Friday and they go to two main locations and then they do go to some district residents so we do know we're going to have less transportation mileage which would then be less transportation aid theoretically, but we're all, and when I say we are all, I mean all of the districts across the state, are holding our breath to see what's gonna happen with that. As far as the food service or the food that we're providing, we're getting federal reimbursement for that and I just today completed 4 waivers with Janet to make sure that our reimbursement comes in at the highest that we can because you know with federal money or federal reimbursement it always comes with stipulations. So the waivers are to relieve us of those stipulations. For example, Janet can't serve legumes so we needed to do a waiver for vegetables because it has to be a well rounded meal and so we had to put that waiver in and the fact that we're not serving our meals at a certain time that is prescribed and required for breakfast and for lunch so we had to put that waiver in and then there was one other waiver about parents being able to pick it up vs. the kids eating at that appropriate site. So we're doing everything that we can to make sure that we keep our aid or our reimbursement that comes in but we're still like not knowing much of anything. So we're preparing for the absolute worst case scenario. I'm gonna go ahead and share the screen again and I'm gonna move to the next slide. So currently, what we did is we looked at the overall revenues and we presented to you for budget workshop number 2, the current expenses. This has the newest foundation aid and the newest overall revenue based on the runs or the State Aid run that I just showed you. If I scroll down here you're going to see that number in deficit of \$326,799. Overall if you looked at where we were before and add the additional revenue shortage, we were \$213,815 deficit at the last workshop and if you then add the other deficit that we [inaudible] our run of \$112,984 that's where we get this \$326,799. So just a reminder to the board, expenditures can't be any more than our revenues and if you'll remember...my screen isn't changing hang on just a second. How's that? Let's do that again. Just quickly, I have the revenues over here so you'll notice Jerome has put the newest State Aid legislative budget effective 4/1 in. You'll see the expenditures that we had at the last meeting and just a reminder that our expenditures can't exceed the total revenues. If I move down and now you can see what I'm looking at, you'll see that the difference between the expenditure and the revenue comes out to this amount that we are in deficit. So we're looking to cut the current expenses by \$326,799 and just a reminder that's going out with our 2.77% tax cap

increase, allowable tax cap increase. I'm gonna stop the share for just a second. Any questions? I'm going to share back. So what are our next steps? Obviously we are waiting to see April 30th with bated breath, to see if anything is going to be taken or if we have any update. We're going to look at what the effects are for 19/20 state aid payments. We're going to continue to conduct the cash flow study and apply for the RAN if and when needed. We're gonna stop any unnecessary spending, I've said that like 3 times now or 4, and we're going to plan for the worst case scenario and hope for the best. So Jerome and I have our jobs cut out for us to look for ways to get that \$326,799 deficit down and because now the budget vote has been moved to June 2nd there are some dates that affect you that have been changed or that we need to add. So April 21st at 6:30 we have a regular board meeting. May 4th, those of you that are running for the board, your board petitions are due. Now that's if it doesn't get extended, that just currently is when the petitions would be due at this point. Please do not go out and try to get signatures until it's safe. May 14th 6:30pm, we're hoping that all of you can do this date and replace the May 20th meeting. So we would cancel the May 20th meeting and do the meeting on May 14th so that you're able then to approve the budget. You'll notice that Jerome and I used the latest possible date for budget approval because we want the most amount of time to see what comes out. It's like a daily news break. You never know what's going to come out of the governor's office or State Ed. I'm gonna stop sharing for just a second to find out if, does that date, the May 14th work for all of you? Can you give me a thumbs up if it does? And then Polly?

Polly Hanson- 26:18.63

I had down, I may have had it down incorrectly, but for the April 21st one, I had at 7 we were meeting instead of 6:30.

Polly Hanson- 26:35.03

Mrs. O'Boyle, you're muted.

Mrs. O'Boyle- 26:39.91

Sorry. I was spinning around looking for my notebook to check that. Is that right? Laura do you know? Is is 7?

Laura Smith- 26:53.33

It's 7 ok. If 7 is still fine that's fine with me.

Mrs. O'Boyle- 27:05.14

What date was that?

Polly Hanson- April 21st.

Mrs. O'Boyle- Ok I just want to change it on the power point, just so that it reflects it. Can you all see now the screen or did I stop sharing that?

Laura Smith- You stopped sharing it.

Mrs. O'Boyle- Thank you for catching that Polly. Ok there you go. 7pm then on April 21st as was originally scheduled. May 4th the board petitions. May 14th is the 6:30pm board meeting to approve the budget which will replace the May 20th meeting and then our budget hearing has to occur on May 26th with a June 2nd budget vote if everything stays as is. We're hoping that either at the April 21st or the May 14th board meeting Jerome and I will be doing another budget presentation or both potentially. The other thing is because we don't know at this point about any

aid including BAN or school bus aid, the school bus purchasing aid, we're recommending that we remove the proposition for purchasing school buses at this time. Concerns, questions? I do want

to talk about the school bus for just a second because we have been very good about making sure that we're on a replacement cycle and that has done very well for us. I feel uncomfortable when you start making cuts and you're purchasing buses when you're uncertain of what aid the state even is going to be giving back. So we would like to continue that replacement as soon as fiscally responsible but at this point we're saying hold because we just don't know. If there are no further questions, I'm done with the budget presentation.

Chad Chitester- 30:06.40

Ok thank you Mrs. O'Boyle for that and as you guys are all aware I'm sure there'll be more information forthcoming as it's presented to us from the state. So that concludes this evening's public statements, presentations, questions. We'll move to tonight's action items starting with 5.1. Move that the following non-instructional resignation be accepted, resignation Julie Cardone cleaner effective March 23rd, 2020 with thanks 8 months service to the district. If there's no questions or concerns I'll take motions to accept.

Laura Smith- 30:58.63

Motion made Mr. Ruhlman.

Second made by Mrs. Hanson.

Mr. Chitester? Aye. Mr.

Fenton? Aye.

Mr. Lodestro? Aye.

Mrs. Hanson? Aye.

Mr. Ruhlman? Aye.

Mr. Spacht?

Aye. Mr. Wiltsie? Aye.

Motion carried.

Laura Smith- 31:55.11

Chad you're muted.

Chad Chitester- 31:58.99

Thanks. Moving on to 5.2 thank you, recommended action authorization to approve the following resolution regarding the annual district vote and I'll read that here tonight. Whereas in light of the situation that has been created by the COVID-19 pandemic, New York State governor Andrew Cuomo has issued Executive Order number 202.13 and on March 30th, 2020 and whereas [inaudible] that any school board election scheduled to take place in April or May of 2020 is postponed until at least June 1, 2020 subject to further directive as to timing, location, or manner of voting for such election and whereas the New York State School Board Association has obtained informal guidance from the Deputy Secretary for Education in New York the order is intended to cover not just school board elections, but also school board votes in general. And whereas the board of education of the district wishes to empower the district clerk to monitor the situation and defer the pending initial publication of the district's annual vote notice [inaudible] until such time as further guidance is provided in accordance with the order and then to proceed

as directed. Now therefore be resolved that District Clerk be and hereby is authorized and directed to monitor the events that are subject to the order and to keep abreast of the future guidance that is anticipated to be delivered pursuant to the order and be it further resolved that the District Clerk shall in the meantime defer initial publication or any further publication of the district's annual vote notice until such time as a date for the district's annual vote be has been established pursuant to the order or has otherwise been established by law or by another executive order and then to proceed with such publication arrangements including [inaudible] frequency as may be directed without further action by the board being necessary. And be it further resolved that this resolution shall take effect immediately. If there's no further questions or concerns regarding action 5.2, I'll take motions to accept.

Laura Smith- 34:15.93

Motion made by Mr. Ruhlman.

Second made by Mr. Lodestro.

Mr. Chitester? Aye.

Mr. Fenton? Aye

Mr. Lodestro? Aye.

Mrs. Hanson? Aye.

Mr. Ruhlman? Aye.

Mr. Spacht? Aye.

Mr. Wiltsie? Aye. Motion carried.

Chad Chitester- 35:04.18

And with that the motion carries. 5.3 Motion to adopt the attached resolution regarding essential staff and administration.

Whereas cases of COVID-19 are spreading throughout New York State and whereas the response to the spread of COVID-19 the Chautauqua County Executive declared a state of emergency March 15th, 2020 and the Cattaraugus County Executive declared a state of emergency March 15th, 2020 and whereas on March 16th, 2020 the New York State governor signed Executive Order closing schools statewide for 2 weeks beginning March 18th, 2020 and ending on April 1, 2020 with Executive Order has since been further extended. And whereas in compliance with both such declarations executive order and recommendations of various county and state officials, the Frewsburg Central School District closed to students effective March 16, 2020 until further notice and action. And whereas the Board of Education recognizes there are many undue hardships this unprecedented event may have on its community both known and yet to be known and whereas the Board of Education recognizes there are many [inaudible] hardships this situation may cause to the district in its efforts to safely maintain certain of its essential operations and to maintain certain of its facilities including but not limited to providing students with meals and other services. And whereas the Board of Education recognizes the need to nonetheless continue the essential operation of the district and maintain certain of its essential facilities, now therefore it be resolved the Board of Education authorizes Shelly O'Boyle Superintendent of Schools to designate select staff, faculty, and administration as essential to address the aforementioned concerns and to add and remove any individual from time to time from such a designation as essential as to determines necessary. And be it further resolved the Board of Education approves employees be authorized to work from home as directed by Shelly O'Boyle Superintendent of Schools. And be it further resolved the Board of Education authorizes

Shelly O'Boyle Superintendent of Schools to take all measures she deems necessary to continue the essential operation of the district and to maintain the essential facilities of the district including but not limited to waiving current district policies and procedures, ensuring the continuity of business office functions, including but not limited to purchasing, bill payment, banking, and payroll for all district employees and long term substitutes including bus driver substitutes who had been daily drivers and other substitute employees who had been committed for limited term duration. And be it further resolved that these resolutions shall remain in effect until such time the district is allowed to reopen to students and non-essential personnel and resume functions as proscribed by regulatory authorities. Any questions or concerns regarding tonight's action item 5.3? If not I'll take motions to accept.

Laura Smith- 38:11.49

Motion made by Mr. Wiltsie.

Second by Thomas Fenton.

Mr. Chitester? Aye.

Mr. Fenton? Aye.

Mr. Lodestro? Aye.

Mrs. Hanson? Aye.

Mr. Ruhlman? Aye.

Mr. Spacht? Aye.

Mr. Wiltsie? Aye. Motion carried.

Chad, you're muted.

Chad Chitester- 38:54.22

That concludes tonight's action items and with that it also concludes tonight's Board of Education meeting unless there's anything else to come before the board. There is no need for executive session and with that I will take motions to adjourn.

Laura Smith- 39:16.83

Motion made by Mr. Lodestro.

Seconded by Mr. Ruhlman.

Mr. Chitester? Aye.

Mr Fenton? Aye.

Mr.Lodestro. Aye.

Mrs. Hanson? Aye.

Mr. Ruhlman? Aye.

Mr. Spacht? Aye.

Mr. Wiltsie. Aye. Motion carried.

Chad Chitester- 39:39.83

Thank you everybody and I'm sure we'll be talking and meeting again shortly, thanks.