

<p style="text-align: center;">BUDGET ADVISORY COUNCIL Meeting Minutes - Monday, January 11, 2021</p>

Members Present: Chuck Allen, Karen Arthmann, Sheila Buck, Philip Chang, Maria Hamilton, Dan Hentschel, Paul Hoak, Carl Kirchgessner, Dan Knapp, Nancy Kula, Bob Logel, Cheryl Lomedico, Jessica Mattice, Molly McLaughlin, Rhonda Morien, Ken Nelson, Gil Ong, Dave Patt, Betty Pum, Lauren Purvee, Pamela Reinhardt, Jim Schultz, Millie Sefranek, Rachel Sherman, Dina Stathopoulos, Nhu Tran, Jessica Wackerman

Members Absent: Philip Chang, Regina Decarr, David Drury, Brain Usselman, Nathaniel Wright

Ex-Officio Members: Mary Ann Exler, Nichole LaPlaca, Diane McBride, Andy Whitmore and Bo Wright

The meeting was called to order at 6:30 p.m.

WELCOME & INTRODUCTIONS

Bob Logel, Chairman of the Budget Advisory Council, welcomed the members. Since he was unable to attend this year's first meeting, he introduced himself and his affiliation with the district.

QUESTIONS FROM MEMBERS

Andy Whitmore, Assistant Superintendent for Finance and School Operations, reviewed and answered questions submitted by the members based on the information that was reviewed at last month's meeting. Topics included rollover of budgeted funds from one year to the next, paraprofessional schedule changes due to hybrid model, use of funds in the unemployment reserve, how the district priority of equity is addressed in the budget, how the budget supports student needs, particularly in the area of Special Education, as we emerge from the pandemic, and the reasonableness of the increase in legal expenses.

TAX CAP CALCULATION

Andy explained the Tax Cap Calculation which determines our allowable tax levy. The RG&E substation contributes positively to the district's growth rate but, the Marketplace Mall PILOT may be altered and the result could be lower taxes paid by the Mall. Our amount of state aid is still uncertain as the \$4 billion of additional federal aid to NYS has yet to be allocated. In the past, NYS used similar federal aid to replace cuts in state aid. At this time, we project our maximum allowable tax rate increase to be 1.5%, before any impact of Marketplace Mall is taken into account.

ESTIMATED REVENUE BUDGET

Andy reviewed the Estimated Revenue Budget based on currently available information. This is the amount needed to fund the base budget. We are cautiously assuming no change in State Aid, some decreases (@\$300,000) in revenue from other sources, the need to utilize \$3 million of Appropriated Fund Balance and \$1.5 million from Reserves. Under normal circumstances, this would be a favorable budget situation but, the actual amount of state aid is still undetermined.

FIVE-YEAR FINANCIAL PLAN

Andy presented the Five-Year Financial Plan. With 70% of the budgeted expenses being wages and employee benefits, our expenses will continue to rise each year. The district will need to plan for those increases while not assuming that revenue increases will keep pace. Bo Wright, Superintendent, reminded the members that when we use our reserves to balance the budget, we also need to plan to replenish those reserves. To manage the growth of expenses, the district can make small, strategic cuts each year. The resulting savings can be used to replenish our reserves and reduce the need for drastic cuts in future years. The district's history of conservative financial planning and practices have created the reserves we have available to use in our current situation of uncertain revenues.

The meeting adjourned at 8:00 pm.

The next meeting will be on Monday, February 22, 2021 6:30 p.m.

Respectfully submitted by Mary Ann Exler, Budget Technician