

WEBVTT

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00:00:01.860 --> 00:00:10.200

Kevin Hutton: The Board of Education meeting and we will start with the Pledge of Allegiance please silence and I'll, I'll say it.

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00:00:10.800 --> 00:00:11.700

Kevin Hutton: I pledge allegiance.

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00:00:11.759 --> 00:00:12.540

Kevin Hutton: To the flag.

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00:00:12.660 --> 00:00:14.130

Of the United States of America.

5

00:00:15.690 --> 00:00:16.470

Kevin Hutton: Oh my gosh.

6

00:00:19.500 --> 00:00:30.780

Kevin Hutton: I'll start over again. I pledge allegiance to the flag of the United States of America and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

7

00:00:32.250 --> 00:00:41.250

Kevin Hutton: You know that's been my biggest fear is as I am up here speaking that I wouldn't remember the words. Welcome to my heck

8

00:00:42.810 --> 00:00:43.380

Kevin Hutton: Okay.

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00:00:43.770 --> 00:00:45.000

Jody Gillette: You did well, you're fine.

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00:00:47.370 --> 00:00:54.240

Kevin Hutton: I'm over it. Okay, so our first item is the approval of the agenda.

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00:00:56.730 --> 00:01:02.400

Kevin Hutton: Asked me verbal. So first, Gary, Mr Barton second

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00:01:04.350 --> 00:01:04.740

Jody Gillette: Cody.

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00:01:05.760 --> 00:01:09.000

Kevin Hutton: Cody what. All in favor. Show of hands.

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00:01:10.050 --> 00:01:12.660

Kevin Hutton: I see five here.

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00:01:13.860 --> 00:01:14.850

Kevin Hutton: Thank you everyone.

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00:01:16.140 --> 00:01:19.950

Kevin Hutton: Okay, our next item on the agenda is the Consent Agenda.

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00:01:20.400 --> 00:01:21.180

Gary Bracken: Is there any

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00:01:23.190 --> 00:01:26.220

Gary Bracken: additions to it. No, I don't think so. Right.

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00:01:26.280 --> 00:01:26.820

Kevin Hutton: So,

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00:01:26.880 --> 00:01:27.690

Kevin Hutton: I haven't seen it.

21

00:01:27.930 --> 00:01:30.240

Gary Bracken: Okay. Motion to approve. Consent Agenda.

22

00:01:31.530 --> 00:01:32.940

Kevin Hutton: First scary second

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00:01:34.320 --> 00:01:35.010

Jody Gillette: Second, Jodi.

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00:01:35.040 --> 00:01:35.370

Jodi.

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00:01:36.570 --> 00:01:39.780

Kevin Hutton: JODI is one of your second from last meeting. We got to get you in here.

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00:01:39.900 --> 00:01:43.560

Jody Gillette: I know it, I know I'm going to be very vocal. Okay.

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00:01:43.830 --> 00:01:44.580

Oh,

28

00:01:45.780 --> 00:01:49.350

Kevin Hutton: Okay. All in favor of consent agenda Chopin.

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00:01:55.050 --> 00:01:57.630

Kevin Hutton: My screens are jumping around. I don't know where everyone is now.

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00:01:57.930 --> 00:01:58.290

Yeah.

31

00:02:00.750 --> 00:02:01.530

Kevin Hutton: Okay.

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00:02:04.110 --> 00:02:04.620

Kevin Hutton: I'm

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00:02:05.670 --> 00:02:14.280

Kevin Hutton: Trying to make there. A quick meeting my report is going to be welcome to the meeting and on to other board members report.

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00:02:16.260 --> 00:02:17.190

Gary Bracken: Just really won.

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00:02:18.570 --> 00:02:23.070

Gary Bracken: The Monroe County School Board Association. We're in the midst of trying to

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00:02:25.050 --> 00:02:25.590

Gary Bracken: Pick out

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00:02:27.120 --> 00:02:37.740

Gary Bracken: Different chairs and and CO chairs for the committee's for next year and stuff. So we're looking for folks that might be able to attend.

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00:02:38.850 --> 00:02:41.610

Gary Bracken: Any of the three main standing committees.

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00:02:43.020 --> 00:02:49.020

Gary Bracken: Which are legends Legislative Affairs and an exchange and labor relations, we're looking at

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00:02:50.040 --> 00:03:11.100

Gary Bracken: People from different districts to try and take new positions on those versus the same people doing all of those things. So if you have an interest, let me know we'll be working on that we have a meeting Thursday to go over some of that stuff. Additionally, there's a

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00:03:12.180 --> 00:03:21.690

Gary Bracken: Kevin, I think you probably know this misbah has gone to make a presentation to the President's meeting at the end of this month.

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00:03:23.040 --> 00:03:30.540

Gary Bracken: To see where where where we stand with our with our friends in New York State School Board association. So

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00:03:31.650 --> 00:03:36.660

Gary Bracken: There's been there's a few well I know Pittsburgh is no longer a member

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00:03:38.580 --> 00:03:49.890

Gary Bracken: And there are other districts that are considering whether or not it makes sense for their membership to continue. And I don't know that we've had a really extensive discussion about that.

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00:03:51.150 --> 00:03:54.870

Gary Bracken: But we probably need to at some point in time, you know,

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00:03:55.950 --> 00:03:56.430

Gary Bracken: After that,

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00:03:57.900 --> 00:04:04.950

Kevin Hutton: Yeah, Gary and or Rick, do you know when the membership dues or do for this.

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00:04:08.880 --> 00:04:11.160

Gary Bracken: I don't Rick, do you know when we pay that bill.

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00:04:12.480 --> 00:04:16.500

Rick Wood: I'd have to look but it's either typically June or July.

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00:04:18.330 --> 00:04:21.690

Rick Wood: Of course, that may be the mineral counties have school boards to, I don't know. No.

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00:04:22.410 --> 00:04:25.290

Gary Bracken: Yeah, he just don't

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00:04:26.490 --> 00:04:32.580

Gary Bracken: Again, I would suggest we have a conversation before we pay that bill and see

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00:04:33.690 --> 00:04:37.290

Gary Bracken: If the end of the month goes where you think

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00:04:38.040 --> 00:04:44.670

Kevin Hutton: Yeah, I like to put that as a topic for our next meeting to discuss the value of that membership.

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00:04:46.320 --> 00:04:59.730

Kevin Hutton: And that should work out well because we would have had. I'll have that presentation from Rick Snyder for the who is the executive director, so I'll be able to come back and share with everyone.

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00:05:01.320 --> 00:05:04.320

Kevin Hutton: There was a disappointment in their

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00:05:05.340 --> 00:05:10.680

Kevin Hutton: Ability to really advocate for with regards to school.

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00:05:10.800 --> 00:05:12.210

Kevin Hutton: posing for the real thing.

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00:05:15.930 --> 00:05:16.200

David Gibbardo: Hey,

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00:05:17.700 --> 00:05:18.870

Kevin Hutton: Dave, welcome.

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00:05:19.740 --> 00:05:20.160

Thank you.

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00:05:21.450 --> 00:05:22.080

Kevin Hutton: You heard me.

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00:05:22.620 --> 00:05:23.580

David Gibbardo: I'm on my cell phone.

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00:05:24.450 --> 00:05:27.120

Kevin Hutton: Okay, so we just lost your video feed from your

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00:05:27.120 --> 00:05:28.290

Kevin Hutton: Computer, but we

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00:05:28.320 --> 00:05:29.220

Kevin Hutton: Tell your voice.

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00:05:30.360 --> 00:05:33.150

David Gibbardo: Okay, I'll try and get back on computer while you're going here.

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00:05:33.990 --> 00:05:34.380

Okay.

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00:05:37.140 --> 00:05:41.190

Kevin Hutton: So that they think the concern is we're

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00:05:41.820 --> 00:05:45.570

Kevin Hutton: Our expectation is, we have advocacy in

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00:05:52.680 --> 00:05:54.270

Kevin Hutton: One of your devices.

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00:05:55.800 --> 00:05:56.160

Kevin Hutton: Got it.

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00:05:58.260 --> 00:05:59.880

Kevin Hutton: Perfect baby. Can you hear us.

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00:06:02.280 --> 00:06:03.240

Kevin Hutton: Can we hear you.

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00:06:03.960 --> 00:06:07.710

Kevin Hutton: 12345, yeah. Perfect. Thank you.

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00:06:08.730 --> 00:06:14.820

Kevin Hutton: All thank you for your patience. Hi. Can you put on the record that Mr. Robot are returned at 614

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00:06:16.140 --> 00:06:17.340

Kevin Hutton: Okay, and

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00:06:18.870 --> 00:06:25.590

Kevin Hutton: Mr Kincaid is going to be joining us. So we'll make sure we document. When that happens, Gary, I'm sorry if you want to continue

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00:06:26.160 --> 00:06:36.510

Gary Bracken: Know that that's it Nabil I'll be singing with you on that meeting with with this later this month. Great.

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00:06:37.920 --> 00:06:39.390

Kevin Hutton: Good. We have, we have a fourth

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00:06:40.620 --> 00:06:41.910

Kevin Hutton: Not to try anymore.

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00:06:45.270 --> 00:06:47.100

Kevin Hutton: Okay, anything else, Gary.

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00:06:47.910 --> 00:06:48.300

Gary Bracken: Missing

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00:06:49.230 --> 00:06:51.060

Kevin Hutton: Word. Remember report eight

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00:06:54.330 --> 00:07:11.040

Katherine Czarnecki: Um, yeah, I had a fifth grade moving up ceremony was very nice and only emotional for me everybody else was just happy to be there, I guess, but the teachers were amazing. It was great. And it was ran very smoothly and then I also attended

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00:07:12.690 --> 00:07:20.820

Katherine Czarnecki: The Black Lives Matter rally down at Pine we ponds just, you know, from a student perspective, you know, super impressive that those kids are

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00:07:21.120 --> 00:07:27.330

Katherine Czarnecki: Out there doing what they're doing and putting themselves out there and representing our schools so well. I know it's

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00:07:28.290 --> 00:07:42.780

Katherine Czarnecki: A very touchy subject for a lot of people and not people struggling with how to deal with it, but they are an amazing force in our, our district. So I was super impressed and happy to be there as there were representing our district.

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00:07:43.950 --> 00:07:44.370

Kevin Hutton: Thank you.

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00:07:47.100 --> 00:07:47.970

Kevin Hutton: So much Kelly.

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00:07:53.190 --> 00:07:53.580

Kevin Hutton: Your let

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00:07:55.080 --> 00:08:04.380

Jody Gillette: No, nothing for me winding down to my last few weeks and nothing specific to report, though. Looking forward to results of the vote and Canada elections.

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00:08:05.490 --> 00:08:05.670

Jody Gillette: Well,

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00:08:06.630 --> 00:08:07.920

Gary Bracken: Thank you, Mr. Eating

95

00:08:12.210 --> 00:08:13.560

Kevin Hutton: And Mr Gerardo.

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00:08:14.250 --> 00:08:25.170

David Gibbardo: Just want to piggyback on what Kate said about the Black Lives Matter event that power poses as a nice nice thing to see those kids speak so eloquently about their cause.

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00:08:27.540 --> 00:08:28.890

Kevin Hutton: We do have some awesome students

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00:08:30.780 --> 00:08:33.120

Kevin Hutton: Okay, so with that.

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00:08:34.740 --> 00:08:36.480

Kevin Hutton: On to the superintendent report.

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00:08:39.270 --> 00:08:53.130

Daniel Milgate: Thanks, Kevin. So news and notes last week. Rick gave a copy of the PowerPoint, which you're actually going to see tonight with a presentation and I asked you to review that as a beginning point. If you have any questions about

101

00:08:54.720 --> 00:09:05.400

Daniel Milgate: You know what we're looking at in terms of the reserve fund. So I think he's going to look for some for some direction from you tonight in terms of his presentation with

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00:09:05.850 --> 00:09:18.540

Daniel Milgate: what your thoughts are about moving forward. And we probably couldn't have a more interesting year in which to do that. But you know, I think we've done a nice job of trying to capture that and as PowerPoint and and I think it'll help with our conversation so

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00:09:19.860 --> 00:09:21.330

Daniel Milgate: Mr. What do you want to

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00:09:22.500 --> 00:09:25.020

Daniel Milgate: Take i don't i do have control the screen.

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00:09:26.070 --> 00:09:28.860

Rick Wood: I'm going to try to share the screen now.

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00:09:29.220 --> 00:09:29.670

Okay.

107

00:09:30.840 --> 00:09:31.230

Daniel Milgate: Thank you.

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00:09:40.500 --> 00:09:41.850

Rick Wood: Can everyone see that

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00:09:44.700 --> 00:09:45.330
Kevin Hutton: Yes, sir.

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00:09:48.180 --> 00:09:48.600
All right.

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00:09:53.340 --> 00:09:54.150
Rick Wood: See if I can

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00:09:57.900 --> 00:10:00.420
Rick Wood: Make sure I see everybody here so I can get their questions.

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00:10:07.020 --> 00:10:08.130
Rick Wood: I think I got most of you.

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00:10:11.040 --> 00:10:15.390
Rick Wood: Okay, so again if you've done your homework. Hello, Mr Kincaid

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00:10:16.590 --> 00:10:17.340
Greg Kincaid: Hi everyone.

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00:10:19.140 --> 00:10:19.680
Kevin Hutton: Hello, sir.

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00:10:20.640 --> 00:10:32.910
Rick Wood: And before I start, I'm a little disappointed that either mister mister mister wreck and mentioned that we had a most exciting audit committee meeting that should help lead this discussion.

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00:10:33.990 --> 00:10:34.350
Gary Bracken: We know

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00:10:34.950 --> 00:10:35.700
Michael Miceli: We're saving

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00:10:36.210 --> 00:10:37.740
Gary Bracken: overstep your time.

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00:10:39.150 --> 00:10:43.590
Rick Wood: I appreciate that. So again, hopefully you've done your homework and

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00:10:44.760 --> 00:10:47.520

Rick Wood: This presentation and go relatively smoothly and quickly.

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00:10:48.630 --> 00:10:57.390

Rick Wood: To Dan's point in years past, I've presented something similar. And we very similar to the long range plan, we get to a point of

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00:10:58.500 --> 00:11:11.010

Rick Wood: You know, here's the numbers and we don't get to the next step. The next step is I really need from the board tonight a direction on a particular rationale, which will identify the amount of

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00:11:12.180 --> 00:11:21.660

Rick Wood: Funds, we can put into a reserve and what those reserve amounts should be that is really driven by some of the state comfortable reports specific to us.

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00:11:22.200 --> 00:11:29.940

Rick Wood: About, you know, potentially being over funded. The reason they can say that is in part because we haven't gone to this next level so tonight.

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00:11:30.660 --> 00:11:48.390

Rick Wood: I'm not going to cover all of the reserves, but mainly those that I feel I need a direction from the board so that I can take that. Put it into the reserve template that Dr. Tim's shared with me. And then, you know, the goal would be at the next meeting to have you approve that template.

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00:11:49.530 --> 00:11:52.320

Rick Wood: If I can get it done in time so

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00:11:54.240 --> 00:12:10.800

Rick Wood: As we go through the presentation, I'm going to breeze through quite a few of the different slides. The first one again it just talks a little bit about reserve funds, how they're authorized and remember that they are there specific rules for many of the different reserves.

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00:12:14.430 --> 00:12:23.040

Rick Wood: How are they acquired really we look at excess revenue or the under expenditure, I think I've shared with you over the last year.

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00:12:23.580 --> 00:12:33.990

Rick Wood: That it really is. It's the excess or deficiency of revenue over expense, not necessarily hey you know what we're 1.7 million under budget.

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00:12:34.620 --> 00:12:47.970

Rick Wood: And where you know 500,000 more in revenue. It's not, it's not that calculation anymore. It's really looking at how much revenue did receive versus how much did we spend

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00:12:51.390 --> 00:12:57.450

Rick Wood: The next slide really, again, I think is important because these are the things that we should be considering

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00:12:58.770 --> 00:13:05.430

Rick Wood: As we make these decisions. So again, does it fit within the compliment of our long range financial plan and capital plan.

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00:13:06.540 --> 00:13:08.850

Rick Wood: what's in the best interest of the taxpayers.

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00:13:09.870 --> 00:13:11.190

Rick Wood: And again, how do we

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00:13:12.240 --> 00:13:15.960

Rick Wood: evaluate those. And do we feel that they're reasonable and necessary.

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00:13:18.780 --> 00:13:26.730

Rick Wood: These are the different reserves that we have. This is the presentation or the format that our auditors provide

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00:13:27.330 --> 00:13:38.370

Rick Wood: I like it because it shares with you. We have three and now actually for reserves that are really we use on an annual basis to help offset those expenditures

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00:13:39.120 --> 00:13:50.070

Rick Wood: And then we have those other reserves that are restricted for specific uses. So for example, the, what we call the ABL our, our liability tax or obviously our capital reserves.

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00:13:55.320 --> 00:13:59.400

Rick Wood: This slide is sharing with you, historically what our

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00:14:00.660 --> 00:14:08.220

Rick Wood: Balances have been again that the green portion, are those reserves that we use on an annual basis to help offset that budget.

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00:14:09.270 --> 00:14:16.290

Rick Wood: The blue ones are more those that we have a set amount on or their voter approved.

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00:14:20.580 --> 00:14:38.250

Rick Wood: This slide is really sharing if we were not able to replenish the reserves, this is what we've identified that we would have to use to help balance our budget. So, in the current fiscal year you use \$1.9 million to help balance our budget in 2021 we've used a little over two.

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00:14:43.800 --> 00:14:46.620

Rick Wood: So the area that I want to look at as we get into the first

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00:14:48.060 --> 00:14:48.210

David Gibbardo: Is

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00:14:48.840 --> 00:14:49.830

Rick Wood: Like your input on

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00:14:50.250 --> 00:14:56.640

Rick Wood: Is the workers calm and I really want to focus on. If you look. Notice the maximum contribution is not defined.

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00:14:57.780 --> 00:14:58.260

Rick Wood: So,

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00:14:59.460 --> 00:15:03.060

Rick Wood: Historically, this is where we've been. And again, just

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00:15:04.560 --> 00:15:11.460

Rick Wood: I want to just review how this chart works. You can see that this reserve was established in 2009

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00:15:12.900 --> 00:15:23.100

Rick Wood: And then our beginning balance in 2010 is obviously the carry over at the ending balance we earned \$4,500 in interest. We did not identify

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00:15:24.240 --> 00:15:33.210

Rick Wood: Offsetting and expense with that, nor did we increase that reserve in the, in the end of that fiscal year so that we ended up with a beginning balance, plus our reserves.

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00:15:34.110 --> 00:15:49.350

Rick Wood: You look in 2011 we earned about the same and interest revenue we actually did use a portion to offset our reserve, but we were able to replenish that and then add some to get to a balance of 1 million

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00:15:50.850 --> 00:15:54.240

Rick Wood: Any questions as to the way this chart or table works.

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00:15:58.560 --> 00:16:07.470

Rick Wood: OK. So again, I'm going to breeze through these hopefully you've had an opportunity to look god this these next couple slides I HAD YOU IN MIND.

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00:16:08.160 --> 00:16:21.810

Rick Wood: Because many times. You've asked, what's an appropriate amount. What is it compared to other districts. This is the best information I have to provide that information. So again, what I've done is

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00:16:25.230 --> 00:16:35.280

Rick Wood: I've shared where we are compared to the Monroe County districts that have this particular reserve and it's shown as an ex as a percent of expense.

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00:16:37.290 --> 00:16:38.460

Rick Wood: So that was 18

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00:16:41.790 --> 00:16:46.530

Rick Wood: And then 19 and then this is where we've been historically since 2009

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00:16:49.050 --> 00:16:50.910

Rick Wood: So this is where I want to get to

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00:16:53.220 --> 00:17:10.710

Rick Wood: in prior years we've sort of identified that listen we're going to go four times our annual expense. If we were to do that in the current year we would want to fund our reserve up to \$1.7 million, you'll notice that we're currently at the end of

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00:17:11.880 --> 00:17:12.960

Rick Wood: At 1.4

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00:17:14.700 --> 00:17:18.480

Rick Wood: I had proposed the last couple years, a little bit different rationale

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00:17:19.980 --> 00:17:26.130

Rick Wood: That said, okay, because workers comp is in part based on your payroll.

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00:17:27.630 --> 00:17:39.030

Rick Wood: Let's take five. Let's use our rationale based on that payroll. So at a minimum, we're going to fund it at 5% of our payroll and if that were the case, we'd funded at 1.9 million

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00:17:40.170 --> 00:17:44.310

Rick Wood: Or we could go to a maximum of 10% of payroll, which would get us to 3.8

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00:17:46.080 --> 00:18:01.230

Rick Wood: So you're probably asking, okay, Rick, where did you come up with the 5% 10% honestly I've in the plans that I reviewed from other districts. Those were the numbers do we, are we stuck at those numbers. No, you can certainly increase or decrease those

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00:18:02.430 --> 00:18:08.910

Rick Wood: Those were just the numbers that I saw that sort of helped match where we were at a particular point in time.

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00:18:09.660 --> 00:18:25.440

Rick Wood: So what I'm asking from the board before we get to the next slide is. Do you have a preference as to what Rach which rationale you prefer to use so that I can incorporate that into the reserve plan.

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00:18:26.550 --> 00:18:33.990

Gary Bracken: So Rick with that segue. I'm going to jump in with what we just experienced with the audit committee.

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00:18:36.510 --> 00:18:42.390

Gary Bracken: That ended about 15 minutes before this meeting started, Mike. Mike, please help me.

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00:18:44.010 --> 00:18:57.900

Gary Bracken: Relay this information accurately and stuff. In general, not only this worker workers compensation reserved, but also the unemployment and liability reserve which Rick is going to get to

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00:18:59.730 --> 00:19:01.170

Gary Bracken: The thinking was

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00:19:03.750 --> 00:19:15.990

Gary Bracken: Because we, in the past, we've been able to kind of rely on historic data and trend analysis to kind of get us to. All right, what makes sense for this.

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00:19:17.310 --> 00:19:22.980

Gary Bracken: However, given we are in a situation that has no precedent.

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00:19:24.030 --> 00:19:27.570

Gary Bracken: Or school districts in the modern era.

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00:19:29.280 --> 00:19:47.010

Gary Bracken: We did. I think the audit committee was coming down on the side of let's let's go to a conservative approach to make sure that these reserves are funded as best we can.

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00:19:48.840 --> 00:19:54.000

Gary Bracken: And that we put the money in out of these three reserves.

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00:19:55.050 --> 00:19:56.970

Gary Bracken: Ones where we can

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00:19:59.100 --> 00:20:15.210

Gary Bracken: For lack of a better term, manipulate but Move, Adjust without a major you know without a major lift without a major you know voter approval or or those things or where we put ourselves into a situation where

182

00:20:15.690 --> 00:20:21.810

Gary Bracken: I think with this one. We have to do anything. We're going to do within 60 days or

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00:20:22.980 --> 00:20:33.840

Gary Bracken: The end of the fiscal the school fiscal year. So we they audit committee was kind of really getting to and this was a huge discussion which I i haven't

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00:20:35.850 --> 00:20:38.250

Gary Bracken: Audit Committee very much but

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00:20:39.900 --> 00:20:53.850

Gary Bracken: There was a big discussion about what do we how do we make sure we are covering ourselves on all these three bases were because of what we're dealing with. There could be claims and

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00:20:54.930 --> 00:21:01.050

Gary Bracken: Lawsuits that not in the past. So Mike, please.

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00:21:03.750 --> 00:21:21.870

Michael Miceli: Yeah, just our audit committee meeting was interested in the. There's a lot of discussion around the the presentation, you're looking at right now I think everyone was very comfortable with some of the recommendations May Concern Workman's Comp and the unemployment reserve.

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00:21:23.100 --> 00:21:32.910

Michael Miceli: And even to the extent the retirement contribution year us to us. I think the one that dominate much of our time and Gary, please help me out with the liability desert.

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00:21:33.960 --> 00:21:34.350

Michael Miceli: Because

190

00:21:35.550 --> 00:21:46.110

Michael Miceli: We're going to get to that one. And one of the proposal here is to take cut it by 50%. And once we're done with that portion of it. How's everyone can chime in and share their thoughts on it.

191

00:21:47.490 --> 00:22:00.090

Michael Miceli: But right now, is everyone on this board knows we're trying to navigate and in completely uncharted waters. We don't know. There's two more markers coming in on the calendar as far as we're going to receive

192

00:22:00.240 --> 00:22:11.880

Michael Miceli: For funding. We're building a budget for 20 2021 without knowing how much money we're going to have. So there's, there was a feeling on my behalf and Marty will echo that, that we need to have

193

00:22:13.770 --> 00:22:17.520

Michael Miceli: Fun funds available in reserves that we can access if we need it.

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00:22:19.410 --> 00:22:27.390

Michael Miceli: And then so that was the big thing. And I know those are the ones that can be offset by operating expenses, which is workman's comp unemployment here. I sent to us.

195

00:22:28.080 --> 00:22:45.090

Michael Miceli: And then conversely, when you get into the liability reserve it gets tough because that reserve is less flexible in terms of uses. But on the other hand, I think, given the environment. If there's ever a time when you're going to see lawsuits.

196

00:22:46.830 --> 00:22:47.550

Michael Miceli: It would be now.

197

00:22:48.570 --> 00:22:53.820

Michael Miceli: There's interest groups all over the state lining up to sue school districts and Sue government. Government.

198

00:22:54.930 --> 00:23:05.610

Michael Miceli: Its power these government organizations everywhere. Everything from special ed to, you know, how parks in government buildings have been utilized so

199

00:23:06.630 --> 00:23:15.420

Michael Miceli: If there's ever a time when we almost don't want to mess with the library reserve might be now because they're being so Uncharted on the flip side liability reserve is one of the more

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00:23:16.530 --> 00:23:18.360

Michael Miceli: Restrictive reserves to put money into it.

201

00:23:19.620 --> 00:23:23.760

Michael Miceli: So yeah, there was a 45 minute discussion that I've never seen in a audit committee.

202

00:23:24.960 --> 00:23:40.440

Michael Miceli: Meeting on exactly this topic. I will say that it seemed if we had to draw straws and Gary please correct me if I'm wrong, as I don't want to speak for the committee and appropriately seemed like there was a certain slant to a conservative

203

00:23:42.330 --> 00:23:46.260

Michael Miceli: People want to be conservative because there's so much uncertainty. So Gary, please chime in.

204

00:23:46.830 --> 00:24:07.830

Gary Bracken: So if you're looking at this slide and I agree, Mike. It was it was a slant towards a more conservative approach. I think that meant we looked at Rick's proposed rationale versus our prior rationale as the way we kind of go forward from here.

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00:24:09.240 --> 00:24:20.580

Gary Bracken: Because we wanted to make sure that we were certainly covering ourselves in these areas where we could see some significant change in the kind of activity.

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00:24:21.720 --> 00:24:33.000

Gary Bracken: That's been experiencing, you know, from what's been experienced in the past, Rick, I you is that kind of where you caught the committee.

207

00:24:33.870 --> 00:24:35.220

Rick Wood: Yeah, I think you guys are spot on.

208

00:24:37.440 --> 00:24:48.270

Gary Bracken: So, would be the proposed rationale being what the audit committee was kind of leaning towards versus how we used to do the prior rationale

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00:24:49.440 --> 00:24:59.820

Michael Miceli: I would concur with Gary So for the reserve targets the proposed rationale is the way they wanted to go, especially for the reserves that offered us flexibility.

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00:25:00.270 --> 00:25:02.130

Michael Miceli: How to utilize those reserves.

211

00:25:02.790 --> 00:25:05.940

Michael Miceli: Given the uncertain Financial Times. We definitely don't have the time or ending up

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00:25:06.390 --> 00:25:10.500

Michael Miceli: In the reserves that whereas it's restricted into what we could use them for

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00:25:10.920 --> 00:25:13.740

Michael Miceli: Because quite honestly, I don't know if anyone really knows what

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00:25:14.160 --> 00:25:21.780

Michael Miceli: September is going to look like or what economically what the governor's forecasts are going to reveal in the checkpoints on the calendar for

215

00:25:22.320 --> 00:25:38.700

Michael Miceli: In June and July. So it's just we're trying to maintain flexibility here and as well as do the right thing to manage our reserves and it's tough, because we just don't know. There's no certainty and this has never happened before in our lifetimes.

216

00:25:40.140 --> 00:25:40.320

Kevin Hutton: So,

217

00:25:40.410 --> 00:25:41.670

Greg Kincaid: Gary Larry and Mike

218

00:25:41.670 --> 00:25:45.750

Greg Kincaid: Thanks for sharing that information that's extremely helpful.

219

00:25:49.980 --> 00:25:50.850

Kevin Hutton: Rick when

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00:25:50.880 --> 00:25:51.180

David Gibbardo: When it

221

00:25:51.360 --> 00:26:03.540

Kevin Hutton: Comes to if we're proposing a 5% or 10% of payroll rationale in we don't fund it to that level. Does the Comptroller see that as something negative against us.

222

00:26:07.140 --> 00:26:09.450

Rick Wood: Listen, I don't want to speak on behalf of the Comptroller

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00:26:10.800 --> 00:26:12.810

Rick Wood: I'm sure they will find something

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00:26:13.200 --> 00:26:20.910

Rick Wood: So that, in my opinion, which is what, there's woody is one you're under funded or

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00:26:23.430 --> 00:26:28.920

Rick Wood: You'd be under funded and if they want to slap your hand for being under funded, so be it.

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00:26:31.140 --> 00:26:31.440

Gary Bracken: Yeah.

227

00:26:32.940 --> 00:26:33.270

Gary Bracken: Yeah.

228

00:26:34.020 --> 00:26:40.890

Kevin Hutton: Workers comp is that there's a couple year lag on workers comp with your

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00:26:41.100 --> 00:26:53.700

Kevin Hutton: External factors. So if we do have a bad year a lot of workers comp claims that doesn't hit us until that the proceeding years

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00:26:54.690 --> 00:27:08.640

Kevin Hutton: So if my thought and guys in the audit committee if it doesn't fit in with way your discussion happens. My thought would be is, well, it's fun. The other things that are more likely to occur sooner.

231

00:27:10.170 --> 00:27:25.950

Kevin Hutton: In that, then this one that would, if there is complications due to coven, it would be something that that two or three or two or three years down the road before our policy, what, what would be increased, because of those claims.

232

00:27:26.850 --> 00:27:42.240

Rick Wood: Let me just be clear, though, you're. I mean, what we're doing is setting parameters. Next week is when you'll identify based on the recommendation of, you know, Superintendent as to how much to put in there. So what, in this particular case what it's saying is

233

00:27:43.470 --> 00:27:49.020

Rick Wood: If you were to look at the proposed rationale. You could go up to 3.8

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00:27:50.160 --> 00:27:52.590

Rick Wood: Or between 1.9 and 3.8

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00:27:54.450 --> 00:27:56.190

Gary Bracken: So Kevin,

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00:27:56.880 --> 00:28:00.720

Gary Bracken: Thinking, I think the rationale from the audit committee was

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00:28:01.740 --> 00:28:17.700

Gary Bracken: The four time Daniel expense thing, given what you are saying as well in terms of the fact that this is something that's going to happen, you know, a year or two down the road from from now and we don't know the the you know the kind of fan of it.

238

00:28:18.930 --> 00:28:28.380

Gary Bracken: That we needed to take a more conservative and and build these reserves, a little bit more than we have in the past because

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00:28:28.950 --> 00:28:46.920

Gary Bracken: You know, in the past, we kind of can get a sense for what this is going to be, but two years from now, we could be, you know, bleeding money and work workers compensation cases based on our employees, you know, possibly coming down.

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00:28:48.240 --> 00:28:57.480

Gary Bracken: And they can prove it happen in the workplace. There's just, there's just so many liabilities out there right now with this that

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00:28:57.870 --> 00:29:11.400

Gary Bracken: The, the audit committee was saying all right let's kind of bump this to a more conservative approach versus we know what's been happening but that's based on a different kind of world, then we're in right now.

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00:29:12.870 --> 00:29:18.540

Michael Miceli: A couple to be fair if someone in the audit committee alluded to. Exactly. We just started, there were 100% right

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00:29:20.520 --> 00:29:23.400

Michael Miceli: There was an error that people. It seemed that he wanted to be conservative and

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00:29:23.400 --> 00:29:35.640

Michael Miceli: prepare for the worst prepare for things that might not be ideal. But the other thing is, is workman's comp are also offers us a lot of flexibility in terms of how it's used.

245

00:29:36.960 --> 00:29:50.610

Michael Miceli: And that was the other thing about this is what they were. They went down the road that that one specifically the workman's comp Reserve can be used to support operating expenses, so it's not like that money's buried, we can ever use it for anything.

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00:29:52.830 --> 00:29:59.820

Michael Miceli: But yeah, that was brought up directly. And the problem here is something we wrestled with throughout that meeting. You just don't know what's gonna happen.

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00:30:00.900 --> 00:30:08.130

Michael Miceli: We just don't know what tomorrow is going to look like, and how do you plan for that. And now we're trying to make long term financial plans based on

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00:30:09.270 --> 00:30:13.260

Michael Miceli: What I hope to be a blip on the radar for 12 or 18 months but

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00:30:16.740 --> 00:30:22.620

Jody Gillette: Long term plans, though. I mean, you can do this for one year and see where coven takes us

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00:30:23.850 --> 00:30:34.470

Jody Gillette: Because I agree that it has less restraints, but it's still, I mean going with a 10% still have quite a large amount of money if you want to do it for just one year. I'm assuming that's possible wreck. Right.

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00:30:35.880 --> 00:30:38.340

Rick Wood: Yes. I mean, if the board feels as though you know

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00:30:38.520 --> 00:30:39.990

Rick Wood: Say one or two years and

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00:30:40.530 --> 00:30:51.030

Rick Wood: We never get closer, our workers comp. I mean, right now, our expense for workers comp is about 440,000 so to have 3.9 million in there are some may be a stretch.

254

00:30:51.960 --> 00:31:06.420

Rick Wood: But again, if the board will, we will review this on an annual basis. So you can certainly go back and say, You know what, given where we're at. We think that's a little high. We want to adjust the percentage or we want to do a different method.

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00:31:09.210 --> 00:31:20.700

Jody Gillette: I would think the rationale for this year is to just come up with a proposed percentage, whatever that is. And I'm not suggesting 10% that seems high to me. But if what you're looking for right now is the rationale

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00:31:21.600 --> 00:31:43.620

Jody Gillette: Then the rationale to me would be for one year, we increase based on a bit of risk and unknown we revisit next year, but we don't go overboard, because our trends. Don't show that we've been using it and Kobe would probably be a one year, maybe two year impact as far as we know, anyway.

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00:31:45.480 --> 00:31:57.000

Gary Bracken: I would agree with you, Judy. I think that's no certainly let's let's give ourselves some buffer in the event that we do get those kind of claims from people

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00:31:58.080 --> 00:31:58.500

Gary Bracken: You know,

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00:31:59.820 --> 00:32:10.860

Gary Bracken: Saying they caught Kobe 19 in the district and as a, as a matter of their work in a district, but it's not something we need to necessarily do for a long term.

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00:32:17.070 --> 00:32:19.140

Rick Wood: So I'm not sure how I'm going to put that in the template.

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00:32:20.220 --> 00:32:21.420

Gary Bracken: And now I think Rick, do

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00:32:21.540 --> 00:32:22.860

Jody Gillette: Maybe just percentages.

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00:32:22.980 --> 00:32:36.990

Jody Gillette: That your proposed rationale is showing different percentages five seven and a half 10% and then have the board vote on

what percentage seems appropriate for the amount based on actual as you were saying what it's 400,000 a year, the

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00:32:37.110 --> 00:32:37.740

Rick Wood: Topic. Yeah.

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00:32:38.460 --> 00:32:54.180

Jody Gillette: Yeah, the comp reserves, you know, our balances have not been drastically reduced. There's, there's one dip in 2015 so if you do a proposed rationale of different percentage increments have the board and you discuss is it for this year. Is it for next year.

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00:32:54.960 --> 00:33:03.390

Rick Wood: I mean, really, the intent is this as long range. So you want to be able to come up with a percentage that you're going to not change on an annual basis.

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00:33:03.780 --> 00:33:07.320

Jody Gillette: You know, but I think if we're considering coven that's too broad stroke.

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00:33:08.190 --> 00:33:11.670

Rick Wood: For here for the next two years, maybe we pick them out and then

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00:33:12.180 --> 00:33:17.730

Jody Gillette: Then you get back into a long range rationale and maybe the rationale is just random percentages, rather than a

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00:33:20.400 --> 00:33:28.950

Jody Gillette: multiplier of annual expense. I don't know or or do the annual expenses and say the characteristics of four times annual expenses on normal

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00:33:30.270 --> 00:33:49.950

Jody Gillette: Normal year five times is yours with health risks, you know, six times is unusual circumstances, whatever, and then give guidance for what those rationales are and let the board pick each year, what year they think they're in well to help characteristics are, I guess.

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00:33:50.940 --> 00:33:57.180

Gary Bracken: I think I must, I think I kind of missed that little nuance that this would be a

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00:33:58.560 --> 00:34:03.990

Gary Bracken: Longer term thing versus what do we want to do to make sure we're covered for the next year or two.

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00:34:06.090 --> 00:34:07.920

Gary Bracken: So, I mean, I

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00:34:09.660 --> 00:34:13.890

Gary Bracken: More time Daniel expenses covered us well for a long time.

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00:34:15.450 --> 00:34:18.120

Gary Bracken: Painting it to some percentage of payroll.

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00:34:19.440 --> 00:34:28.080

Gary Bracken: I you know i'd sense, then I think the audit committee sense that yeah probably makes sense, just to make sure that we're in a good place for our

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00:34:29.220 --> 00:34:38.400

Gary Bracken: fortunate circumstances were in now, but I don't know that it necessarily means this is a long term plan for how we just one

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00:34:39.780 --> 00:34:54.150

Jody Gillette: Know what I would actually argue that's the whole. I mean, that's one of the primary responsibilities of the board is in this financial stuff. I don't know that we've got a frame everything saying this is a long term plan every year. Maybe you guys talk about reserves, you know,

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00:34:55.440 --> 00:34:59.010

Rick Wood: It's, I guess that's why I was going with a minimum and maximum me it convert each

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00:35:00.090 --> 00:35:00.870

Michael Miceli: Day. Right.

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00:35:01.350 --> 00:35:01.590

Rick Wood: Yeah, I

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00:35:01.920 --> 00:35:09.660

Michael Miceli: Mean the the audit committee was comfortable with the proposed rationale of some percentage between five and 10

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00:35:10.380 --> 00:35:13.830

Michael Miceli: Or whatever it was warranted on a given a year by year basis.

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00:35:14.460 --> 00:35:25.230

Michael Miceli: They were gonna committee seem comfortable with coming off of the four times annual expenses to the 5% of payroll, at a minimum, and people in those numbers are very similar. Anyways,

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00:35:26.850 --> 00:35:39.780

Michael Miceli: The opportunity was comfortable that I think we're kind of we got into a situation, we talked a long time about stuff that really in the end of it. We weren't talking about a big difference in just financial dollars when it came down to it.

287

00:35:41.580 --> 00:35:47.340

Michael Miceli: Because we're just talking about the proposed rationale versus the prior rational rationale agreeing on numbers today.

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00:35:50.490 --> 00:35:50.790

Gary Bracken: Yeah.

289

00:35:53.160 --> 00:35:57.780

Rick Wood: I'll leave it up to you guys. I mean, we've whatever you guys. I mean, if you wanted to do.

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00:35:58.590 --> 00:36:03.210

Rick Wood: An annual percentage with a four or five and six with a mean I have to come up with a rationale. I don't

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00:36:03.780 --> 00:36:06.480

Rick Wood: Know what, four or five or six

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00:36:07.260 --> 00:36:11.280

Gary Bracken: Was that we we look your 5%

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00:36:13.110 --> 00:36:19.680

Gary Bracken: Minimum one the 1.9 that gives us a little extra buffer than what we've had in the past.

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00:36:20.460 --> 00:36:38.640

Gary Bracken: I would propose to the rest of the board that let's let's make that step of changing from the four times annual expense, at least

for the next year to see where we end up with any kind of claiming that happens over the, over the next 18 months.

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00:36:40.470 --> 00:36:40.980

David Gibbardo: A wreck.

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00:36:41.490 --> 00:36:42.030

Rick Wood: Yes, can

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00:36:42.240 --> 00:36:50.820

David Gibbardo: Hear me, so can we it worst case scenario. Can we transfer money and if if things go haywire to this fun

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00:36:54.360 --> 00:37:05.820

Rick Wood: While depending upon the reserve that you if you have surplus funds, Dave. At the end of the year. Yeah. Again, you should go to the amount the maximum amount that you would identify

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00:37:06.360 --> 00:37:07.140

Rick Wood: Okay.

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00:37:07.290 --> 00:37:16.980

Rick Wood: If you're talking about taking it from another reserve it really doesn't matter it's you're trying to set a crypto and amount that you're you're shooting for.

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00:37:18.120 --> 00:37:20.370

Rick Wood: Because that's the controller is saying.

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00:37:21.210 --> 00:37:37.290

David Gibbardo: Yeah, my thought was, if we go with the 1.7 ish and to was point if we have a covert outbreak and all of a sudden Risperdal for money, then if we could pull from somewhere to the band aid it we would do that. I do think you know 10% little too much.

303

00:37:38.730 --> 00:37:56.460

David Gibbardo: So I do agree with the four times the 5% seems a little heavy for me. But that's why I was asking if we burn through that 1.7 because of whatever cases we have do could we replenish in a disaster situation. So that's why I was asking.

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00:38:02.430 --> 00:38:07.860

Rick Wood: Yeah, I mean, ultimately, it's up to the Lord, and I'll try to answer whatever you guys asked of me, but

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00:38:09.390 --> 00:38:14.490

Greg Kincaid: To be, to be honest, I'm kind of leaning toward the proposed rationale. I remember

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00:38:14.910 --> 00:38:23.040

Greg Kincaid: A few meetings back. It may have been during one of our first meetings when we're talking about long term financial planning. We talked about the four time

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00:38:23.910 --> 00:38:30.120

Greg Kincaid: Annual explain expense compared to the proposed rationale and based on the flexibility we have with this reserve.

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00:38:30.540 --> 00:38:39.510

Greg Kincaid: And also with the uncertain future ahead of us with the information that Gary and Mike have shared from the audit committee and to Jodi's points as well.

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00:38:40.080 --> 00:38:55.170

Greg Kincaid: I guess I'm leaning toward the proposed rationale, whether it be 5% 6% so I'm and a half percent whatever the number may be, but the out approach. I think is more fitting that I think that piece fits our puzzle, a little bit better. Right now based on

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00:38:55.230 --> 00:38:56.790

Tied to pay rate discussion.

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00:38:57.810 --> 00:38:58.890

Greg Kincaid: What was that, God, I'm sorry.

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00:38:58.920 --> 00:39:00.690

Jody Gillette: And it's tied to payroll so

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00:39:00.810 --> 00:39:08.190

Jody Gillette: Yeah, absolutely, better aligned with measuring against payroll whatever percentage makes sense then to measure against expense.

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00:39:09.030 --> 00:39:10.590

Jody Gillette: Which has less correlation

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00:39:11.160 --> 00:39:13.320

Greg Kincaid: Absolutely. I totally agree.

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00:39:15.720 --> 00:39:17.490

Rick Wood: Okay, so do you get again guys I'm

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00:39:17.790 --> 00:39:20.250

Rick Wood: You guys want to pick a particular percentage

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00:39:21.510 --> 00:39:23.040

Rick Wood: Do you want a minimum and maximum

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00:39:23.970 --> 00:39:24.810

Five.

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00:39:26.250 --> 00:39:26.610

Kevin Hutton: So,

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00:39:27.630 --> 00:39:39.330

Kevin Hutton: I can support five to 10% knowing that our role ever meet his goal is that the 5% range, so I can get on board with that.

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00:39:41.610 --> 00:39:42.990

Kevin Hutton: So thumb.

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00:39:44.100 --> 00:39:45.150

Kevin Hutton: Up, down,

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00:39:46.710 --> 00:39:48.300

David Gibbardo: For with sums up for what

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00:39:49.110 --> 00:39:50.640

Kevin Hutton: For the five to 10%

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00:39:51.480 --> 00:39:52.620

Greg Kincaid: Proposed rationale

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00:39:53.010 --> 00:39:58.770

David Gibbardo: Oh, don't have to we have to pick one of the five or 10 or we're saying five or 10 or five and

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00:39:59.490 --> 00:40:08.280

Kevin Hutton: Five minimum and in the years where we can fund it higher. What, what the controller is asking us to do is give rationale for range.

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00:40:08.640 --> 00:40:18.870

Kevin Hutton: Rather than a specific number. So, so we're our minimum that we want to carry for our workers comp reserve would be 5% of the payroll.

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00:40:19.410 --> 00:40:29.550

Kevin Hutton: In good years we have money to put into it. Then we go up to 10 years or if we see forecast where we're going to need that we can also go up to the 10% okay

331

00:40:30.810 --> 00:40:39.360

Michael Miceli: The biggest crux of this entire thing. And we're going to see this as a repeated theme is the decoupling of the rationale to annual expense.

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00:40:40.050 --> 00:40:52.620

Michael Miceli: And then the proposal rationale couples the funding to the percentage of payroll. That's what you're going to see as a recurring theme, it just sets a high and a low is. So Rick and translate this

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00:40:53.070 --> 00:41:03.990

Michael Miceli: To policy to present to the controller. So we're not even picking a number. At this point, we're just, we're picking the rationale of how we're going to tie where these numbers come from.

334

00:41:05.610 --> 00:41:19.710

Michael Miceli: So in this case we're going, we're saying that we're going to world we're comfortable with the target for the Reserves being somewhere between 5% of payroll and 10% of payroll versus four times four times the annual expense.

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00:41:24.660 --> 00:41:25.290

Michael Miceli: That's on right

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00:41:26.430 --> 00:41:27.090

Rick Wood: Spot on.

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00:41:31.950 --> 00:41:33.870

Kevin Hutton: That comes up from

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00:41:36.060 --> 00:41:41.910

Kevin Hutton: God fill up in the air. Two thumbs up. Okay, one down.

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00:41:43.980 --> 00:41:44.100

Rick Wood: Oh,

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00:41:46.260 --> 00:41:50.160

Gary Bracken: Ricky did not expect this out of the audit committee. Yes, for sure.

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00:41:52.470 --> 00:41:53.640

Rick Wood: Alright, moving on.

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00:41:56.670 --> 00:41:58.620

Rick Wood: All right, where are we at unemployment.

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00:41:59.730 --> 00:42:03.570

Rick Wood: Okay, this is almost exactly the same conversation for workers comp

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00:42:04.770 --> 00:42:05.850

Rick Wood: Except for

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00:42:06.120 --> 00:42:07.470

Rick Wood: The percentages are different.

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00:42:09.150 --> 00:42:22.260

Rick Wood: So again, you guys, I've shared this with you, prior to the meeting. I'm going through that again the prior rationale that was used in years past was four times the annual expense, which

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00:42:23.370 --> 00:42:40.860

Rick Wood: Quite honestly, that was really the it was four times what was budgeted over the last three to four years, our unemployment expenses have been lower than 25,001 of our audit committee members asked about this particular reserve. And my response was,

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00:42:43.920 --> 00:42:49.260

Rick Wood: April, May and June, our unemployment alone could be over \$110,000

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00:42:51.000 --> 00:42:51.600

Rick Wood: Right, Jamie.

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00:42:53.880 --> 00:42:57.930

Rick Wood: She's given the head nod. So, that being the case.

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00:42:59.220 --> 00:43:06.480

Rick Wood: You know, if we allowed for the four times the annual expense moving forward. You can only find it up to 100,000

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00:43:09.300 --> 00:43:24.360

Rick Wood: So that's I just throw that in there as a little bit of you know his oracle piece of where we're at right now given you guys have again showing concern about what coven may due to a budget that's an example of what it can do to the budget.

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00:43:25.530 --> 00:43:36.240

Rick Wood: So again, open it up to you can change the annual expense or you can stay with a similar approach and go with a 2% or 5% which again was what I've seen on the

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00:43:37.380 --> 00:43:38.460

Rick Wood: Plans that I looked at

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00:43:42.720 --> 00:43:43.260

Michael Miceli: Much of this

356

00:43:43.740 --> 00:43:44.190

Michael Miceli: This one.

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00:43:44.220 --> 00:43:46.290

Michael Miceli: Was the same way. And it was about

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00:43:47.430 --> 00:43:55.350

Michael Miceli: And yo versus annual expenses expense versus payroll. And the other thing is, is the reserve fund is is again flexible.

359

00:43:56.100 --> 00:44:06.210

Michael Miceli: But yeah, this one was the conversation was just about the same as one we just had it. How do we know what the right number is we're just trying to set a policy here about where where we'd like to be

360

00:44:08.190 --> 00:44:14.610

Gary Bracken: It's not a long term policy, it's a it's upon our stance based on

361

00:44:15.900 --> 00:44:30.630

Gary Bracken: We have no idea. I mean, and as Rick alluded to unemployment. Holy smokes. Depending on what happens over the next six months with the state budget and what we do as far as a district.

362

00:44:32.430 --> 00:44:41.490

Gary Bracken: To, you know, continue to do the work of the district. We have no idea what an employment liability could be. I mean, it's

363

00:44:44.520 --> 00:44:55.920

Gary Bracken: I don't even want to think of the worst case, but even even a best case could be significantly different than what we faced in in in the 10 years I've been doing this so

364

00:44:56.910 --> 00:45:08.400

Gary Bracken: I think we need again and more the audit committee was leaning towards take a conservative approach for the short term, you know, we can always revisit it, but we need to make sure that we are

365

00:45:09.480 --> 00:45:18.960

Gary Bracken: Covering the districts, but here on, what could you know end up being some significant issues for us.

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00:45:27.480 --> 00:45:28.920

Kevin Hutton: So I'll agree with the

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00:45:29.040 --> 00:45:30.420

Kevin Hutton: Two to 5% range.

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00:45:31.740 --> 00:45:32.610

I report that

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00:45:33.960 --> 00:45:44.610

Greg Kincaid: Yeah, I'm very comfortable. Once again, supporting the proposed rationale tied to payroll. The two to 5% seems very reasonable to get us through

370

00:45:47.130 --> 00:45:48.810

Rick Wood: Okay, so I'm hearing proposed rationale

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00:45:50.400 --> 00:45:56.640

Jody Gillette: Yeah, let's stay consistent across the measures as well too. I don't see a reason to deviate to different measurements.

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00:45:58.980 --> 00:46:01.440

Jody Gillette: If you just want what the proposed rationale of payroll.

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00:46:01.500 --> 00:46:02.760

Jody Gillette: And the last one. So,

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00:46:03.150 --> 00:46:04.560

Greg Kincaid: Yep. That makes total sense.

375

00:46:05.040 --> 00:46:05.670

Rick Wood: All right, great.

376

00:46:05.730 --> 00:46:09.030

Kevin Hutton: Kevin 707 thumbs up

377

00:46:10.710 --> 00:46:21.420

Rick Wood: Right, thank you. Moving on to the retirement contribution reserve. Again, you look down at the bottom maximum contribution is not defined under the

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00:46:22.740 --> 00:46:27.840

Rick Wood: The gentleman in civil law. Historically, this is where our numbers have been

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00:46:30.210 --> 00:46:34.620

Rick Wood: Again, God, hopefully, took a lot of time and looked at all that data.

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00:46:37.020 --> 00:46:37.620

Rick Wood: And

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00:46:39.660 --> 00:46:47.280

Rick Wood: If we were to go four times the annual expensive be 5.4 again proposed rationale is using a certain percentage

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00:46:48.660 --> 00:46:52.350

Rick Wood: 15 or 20% again. You guys are more than welcome to change those

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00:47:01.740 --> 00:47:03.240

Michael Miceli: There was a lot of discussion on this.

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00:47:04.290 --> 00:47:18.570

Michael Miceli: Because it already been kind of had out here. They is four times annual expense and 15% of ERS Carol. There wasn't a significant difference in terms of the mark in there. And again, this is a flexible reserve right

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00:47:20.460 --> 00:47:24.690

Gary Bracken: Yeah, and I know I mean I don't necessarily see that

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00:47:27.570 --> 00:47:31.860

Gary Bracken: Geez, I guess from a economic standpoint, our

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00:47:33.090 --> 00:47:49.650

Gary Bracken: Contribution could change fairly significantly and I don't know how that affects this one risk. No, I'm not sure I understand the effect that that the downturn in the economy is our ERS contribution going to be significantly more

388

00:47:50.340 --> 00:47:52.170

Rick Wood: It will my

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00:47:54.120 --> 00:48:05.820

Rick Wood: My thought is that I think you're going to see ERS and TRS rates start to spike if our economy doesn't come back and that these will definitely increase gates are all

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00:48:06.120 --> 00:48:14.460

Gary Bracken: We need, we didn't really get a chance to chat on this one much on the water. But again, I think the really the thinking of the audit committee was

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00:48:15.930 --> 00:48:18.270

Gary Bracken: Let's err on the side of conservative

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00:48:19.410 --> 00:48:28.260

Jody Gillette: Then I guess I'm comfortable with the proposed rationale. Again, we're switching over to our payroll measurement and 15% more than previous so I'm good with 15 to

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00:48:31.290 --> 00:48:37.860

Jody Gillette: 20% seems high, but since we're more kind of giving guidance on the rationale 15 to 17 sounds good to me.

394

00:48:40.290 --> 00:48:43.500

Greg Kincaid: Yeah, I'm in full support of that as well it aligns well

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00:48:46.530 --> 00:48:46.920

Rick Wood: Okay.

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00:48:47.040 --> 00:48:49.290

Greg Kincaid: Again we have flexibility with this too.

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00:48:49.770 --> 00:48:51.240

Rick Wood: Yep, so

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00:48:51.660 --> 00:48:52.770

Kevin Hutton: Well thumbed up again.

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00:48:55.080 --> 00:48:55.890

Rick Wood: All right. Thank you.

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00:48:57.540 --> 00:49:07.260

Rick Wood: Alright TRS there's really not much to talk about. Unless you guys really want to hammer this one. But when you look at the max contribution. This is really generated by

401

00:49:07.770 --> 00:49:19.470

Rick Wood: What was written into law, and it's 2% of the prior year TRS salaries and the balance can exceed 10% of the total compensation. So the recommendation is to

402

00:49:20.700 --> 00:49:21.690

Rick Wood: follow what's in the law.

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00:49:23.850 --> 00:49:24.840

Rick Wood: Right, okay.

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00:49:24.900 --> 00:49:25.140

Gary Bracken: Good.

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00:49:25.890 --> 00:49:26.700

Greg Kincaid: It sounds good.

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00:49:27.540 --> 00:49:27.960

Yep.

407

00:49:29.280 --> 00:49:31.590

Rick Wood: Alright, so the next one is the liability reserve.

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00:49:32.730 --> 00:49:40.200

Rick Wood: Again, you can see there is a contribution max of greater 15,000 or 3% of the total budget where we'll be within

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00:49:41.580 --> 00:49:43.200

Rick Wood: Historically, this is where we've been.

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00:49:44.670 --> 00:49:50.040

Rick Wood: And even though this has a proposed rationale of 500,000 which I think Mike alluded to last time.

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00:49:51.330 --> 00:49:52.680

Rick Wood: A 50% reduction.

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00:49:53.880 --> 00:50:00.180

Michael Miceli: In this one generated a lot of talk and it was basically, there was one side of it that said

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00:50:01.260 --> 00:50:08.460

Michael Miceli: We should reduce it reallocate the funds because we're already protected, to a certain extent by our insurance.

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00:50:09.960 --> 00:50:10.680

Michael Miceli: And

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00:50:11.940 --> 00:50:16.860

Michael Miceli: We could reallocate money as we needed to and the other side of it was

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00:50:18.720 --> 00:50:28.050

Michael Miceli: There's if there's ever been an opportunity for litigation against governmental agencies school districts, etc. Now's the time is when it's going to happen.

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00:50:29.010 --> 00:50:31.530

Michael Miceli: He certainly we want to reduce this

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00:50:32.880 --> 00:50:33.780
Michael Miceli: We want to reduce

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00:50:33.810 --> 00:50:39.600
Michael Miceli: The liability reserved by 50% and there's compelling arguments both ways.

420
00:50:41.100 --> 00:50:45.780
Michael Miceli: In the American conservatism kind of rule the day because of uncertainty.

421
00:50:46.830 --> 00:51:02.850
Michael Miceli: I that's where I started with. It just basically leave it alone for now for a year and let's figure out where we stand. And that was my opinion opinion, only I, so there was not a clear, I don't, Gary, you can please chime in. I don't think there was a clear

422
00:51:05.910 --> 00:51:10.650
Michael Miceli: Decision on this one. Exactly where people said, or maybe there wasn't. I missed it. But this one was

423
00:51:10.740 --> 00:51:12.840
Michael Miceli: There was a lot of conversation on this a lot.

424
00:51:14.100 --> 00:51:16.770
Gary Bracken: Yeah, I think the conversation kind of

425
00:51:18.210 --> 00:51:22.920
Gary Bracken: Funny went around for a while. And at the end of the day.

426
00:51:24.030 --> 00:51:35.190
Gary Bracken: Is it going to make a big deal. Is it gonna make a big impact. One way or the other. If we move half of this to another, or is it

427
00:51:36.210 --> 00:51:41.790
Gary Bracken: You know, is it something we could do later if we needed to. So it was like, you know,

428
00:51:42.840 --> 00:51:51.870
Gary Bracken: making this decision. Now is it, is it something we need to do now. Excuse me. Sorry, or is it something that we could you know

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00:51:52.980 --> 00:52:01.740

Gary Bracken: Look at another time. If we start getting in trouble and is 500,000 going to make a big difference in the world with any of the other

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00:52:02.820 --> 00:52:06.810

Gary Bracken: Other reserves or in our or in our budget and stuff so

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00:52:07.230 --> 00:52:07.770

Gary Bracken: And

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00:52:08.130 --> 00:52:11.490

Gary Bracken: It speak to the ability to move

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00:52:12.510 --> 00:52:14.640

Gary Bracken: These monies around and stuff.

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00:52:15.630 --> 00:52:23.010

Rick Wood: I think I can probably cut to the chase on this one pretty quick. Because after the conversation. I did have an opportunity to go back and look at, you know, some of the finer points and

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00:52:23.970 --> 00:52:29.940

Rick Wood: The fact of the matter is in order. We're currently a little under a million if you wanted to go to 500,000

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00:52:31.020 --> 00:52:35.100

Rick Wood: The other use of funds is this reserve may be unfunded with voter authorization

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00:52:36.330 --> 00:52:45.570

Rick Wood: So my recommendation is this. We've got one more board meeting, there's no way in my opinion that we're going to be able to put this out to voter authorization

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00:52:46.410 --> 00:52:47.130

Quickly.

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00:52:48.330 --> 00:52:56.940

Rick Wood: I, my recommendation is you stay at a million you you look at this in a year, see where we're at that way.

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00:52:58.170 --> 00:53:06.270

Rick Wood: We're not scrambling to try to at some point. I don't know if there's a time limit on when to get this out, or whether you can do it at any point in time.

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00:53:07.980 --> 00:53:10.140

Rick Wood: My recommendation is to keep it at a million for now.

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00:53:10.890 --> 00:53:24.600

Michael Miceli: So Rick you clarify the discussion we're having. We weren't sure. So basically, you would have to dissolve this by the voter through the vote and then reinvest in, bring it back, but at a lower number, right. You can't transfer now.

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00:53:25.110 --> 00:53:31.020

Michael Miceli: Correct. Okay. Yeah, that was there was unclear. I'm glad you got that. So we can't really do anything about this anyways.

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00:53:32.220 --> 00:53:35.760

Gary Bracken: Yeah, so given that I my recommendations we stamping

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00:53:38.190 --> 00:53:39.840

Michael Miceli: Think that's all we can do is stand pat

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00:53:40.080 --> 00:53:44.100

Greg Kincaid: I'm I'm good with that as well. That makes total sense.

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00:53:46.590 --> 00:53:47.220

Rick Wood: All right, great.

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00:53:49.860 --> 00:53:53.190

Rick Wood: These are just the components, you'll see these hopefully next week.

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00:53:55.050 --> 00:53:56.520

Rick Wood: And Dare I ask

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00:53:58.740 --> 00:53:59.610

Any questions.

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00:54:00.990 --> 00:54:01.950

Gary Bracken: There is

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00:54:04.020 --> 00:54:06.750

Gary Bracken: That's where your lead is supposed to be any questions.

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00:54:10.230 --> 00:54:11.700

Rick Wood: And I thank you all the information

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00:54:11.700 --> 00:54:12.450

Jody Gillette: Appreciate it.

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00:54:13.200 --> 00:54:17.400

Rick Wood: Thank you guys for taking the time to review that and hash this out so that we can

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00:54:18.000 --> 00:54:26.100

Greg Kincaid: You don't think I really, when I went through the presentation. When you send it out to us. I really appreciate the Jody graphs as well. The bar graphs.

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00:54:26.700 --> 00:54:40.380

Greg Kincaid: That really I'm always very interested in seeing where we stand with other districts and how that money and how these reserves are being used. So thanks for that visual fun taking the time to put that together. It's very helpful.

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00:54:40.800 --> 00:54:44.820

Jody Gillette: In context to compare districts and to see year to year.

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00:54:45.120 --> 00:54:49.230

Greg Kincaid: And absolutely, and Mike and Gary, thanks for your

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00:54:50.280 --> 00:54:51.510

Greg Kincaid: Insights with the

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00:54:51.630 --> 00:54:56.370

Greg Kincaid: Audit Committee meeting today, you know, tying that makes a lot of sense and

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00:54:58.140 --> 00:55:05.280

Gary Bracken: That was a THAT WAS A That was probably one of the more insightful conversations and an audit.

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00:55:05.280 --> 00:55:05.850

Gary Bracken: Committee.

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00:55:05.940 --> 00:55:07.440

Gary Bracken: That we've had so

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00:55:08.640 --> 00:55:26.730

Gary Bracken: You know, certainly, that the timing of this. And that was, you know, extremely it's good timing. I mean, it's good time and you have that conversation with those outside, you know, committee members and stuff to inform this discussion. So, yeah.

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00:55:28.230 --> 00:55:28.710

Gary Bracken: It's a

467

00:55:29.130 --> 00:55:29.850

Gary Bracken: Good work.

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00:55:30.780 --> 00:55:31.260

Good work.

469

00:55:38.970 --> 00:55:42.660

Kevin Hutton: Oban you're you're on again I muted you can you unmute yourself.

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00:55:45.300 --> 00:55:47.850

Daniel Milgate: I can. Alright. Thanks, Rick.

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00:55:49.380 --> 00:55:50.700

Daniel Milgate: I know that says passion.

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00:55:52.200 --> 00:55:52.830

Daniel Milgate: loves it.

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00:55:54.120 --> 00:56:01.800

Daniel Milgate: Alright, so we in news adults we shared, we did that. We pulled one of our second reads out the middle schools done a really good job at

474

00:56:02.610 --> 00:56:10.200

Daniel Milgate: God might have asked for more detail on other districts comparison notes will have that 40 before the end of the week.

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00:56:10.800 --> 00:56:18.000

Daniel Milgate: Jim central has done a good job with it. But for now we have Corey and, I believe, Jonathan, and on the panel with us.

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00:56:18.510 --> 00:56:31.410

Daniel Milgate: Who are going to take some time to go over the student and technology policies as our second read, and I believe Mike and Kate probably add some input on the subcommittee level with that as well.

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00:56:32.550 --> 00:56:35.100

Daniel Milgate: So I don't know who's going first Jonathan or Corey.

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00:56:36.600 --> 00:56:37.590

Daniel Milgate: My go, Jonathan.

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00:56:39.480 --> 00:56:40.350

Jonathan Saltzberg: Yeah, I can go down.

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00:56:42.090 --> 00:56:47.490

Jonathan Saltzberg: Thank you for everyone. So what we what I submitted on Friday.

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00:56:48.330 --> 00:57:03.300

Jonathan Saltzberg: Was basically a cover memo with the four policies, the cell phone policy was pulled out of that one, but there weren't any. There weren't substantial changes or actually any changes from the policies that I submitted for the first read

482

00:57:04.230 --> 00:57:14.280

Jonathan Saltzberg: The personal identifying information and the data networks and security access and then the ad block to the policies they all correspond with one another.

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00:57:14.580 --> 00:57:22.950

Jonathan Saltzberg: And essentially complete our suite of technology policies that will help us pass an audit.

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00:57:23.760 --> 00:57:30.780

Jonathan Saltzberg: From the control or at least from the audits that I was reading last year when we started reviewing all of the technology policies.

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00:57:31.230 --> 00:57:42.450

Jonathan Saltzberg: And then the student physical policy is really just an update of all of the practices that we have put in place since 2006 which was the last policy update

486

00:57:43.170 --> 00:58:00.660

Jonathan Saltzberg: We reviewed Tim and his team review that policy and everything contained in there by everyone. Both these work practices that we already have in place. They just either weren't contained in the 2006 version or had come about since then.

487

00:58:02.070 --> 00:58:06.540

Jonathan Saltzberg: Corey, or Tim. If you want to add anything to those policies that I've mentioned

488

00:58:11.520 --> 00:58:13.470

Timothy O'Connor: My perspective john did you captured

489

00:58:14.670 --> 00:58:15.480

Timothy O'Connor: That correctly.

490

00:58:22.200 --> 00:58:23.340

Daniel Milgate: Or is going to be unmuted.

491

00:58:26.280 --> 00:58:34.410

Cory Allen: Sorry, specifically the PII policy everyone put this out. We made some minor changes to it but you know the the news.

492

00:58:34.980 --> 00:58:43.230

Cory Allen: Last week, I believe, was that we, this was pushed back while it was supposed to be adopted by July one, we now have until October 1 but I hope that we can get ahead of that curve.

493

00:58:43.770 --> 00:58:49.950

Cory Allen: Just given all the work we've done you know on this last year and then transitioning over there to the 1920 school year.

494

00:58:55.440 --> 00:59:08.820

Jonathan Saltzberg: So they are submitted for a second reading today. I have not received any questions over the weekend or since the last board meeting, but I'm we're open to answering any questions you may have. If, if you have any since you've had a chance to review them.

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00:59:11.310 --> 00:59:12.210

Kevin Hutton: Any further question.

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00:59:13.650 --> 00:59:16.680

Michael Miceli: Then review these. I had no problem with any of them. They were more of

497

00:59:18.300 --> 00:59:27.450

Michael Miceli: Required your one boilerplate kind I didn't get into the language of the of the documentation, just because I don't want to risk.

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00:59:29.040 --> 00:59:32.100

Michael Miceli: We can in the document in any way by changing words so

499

00:59:36.120 --> 00:59:38.670

Kevin Hutton: So the level of Motion to approve.

500

00:59:39.090 --> 00:59:39.810

Gary Bracken: Us into

501

00:59:41.100 --> 00:59:46.290

Kevin Hutton: First, Gary. Second, you're going to be you're unmuted, Greg.

502

00:59:47.040 --> 00:59:48.900

Greg Kincaid: Sorry about that. I'll second that motion.

503

00:59:49.410 --> 00:59:53.340

Kevin Hutton: Okay, second and Mr Kincaid. All in favor. Show of hands.

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00:59:54.570 --> 00:59:56.670

Kevin Hutton: Looks like seven zero

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00:59:59.550 --> 01:00:00.510

Kevin Hutton: Not that Mr. Franklin.

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01:00:04.050 --> 01:00:04.530

Kevin Hutton: Okay.

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01:00:05.970 --> 01:00:16.350

Kevin Hutton: So meaning evaluation I Corey. Thank you so much. Things went a much smoother. Today, we did a little checks.

508

01:00:16.980 --> 01:00:29.490

Kevin Hutton: And discovered that it was that bad both Corey and I last time. I've been unmuted and moving and conflicting with each other. So he would undo what I did and I would undo what he did and we figured that out and much

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01:00:29.550 --> 01:00:30.330

Kevin Hutton: Smoother today.

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01:00:31.350 --> 01:00:32.490

Kevin Hutton: Thank you, Mr. Allen.

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01:00:34.260 --> 01:00:35.220

Kevin Hutton: Any other

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01:00:37.230 --> 01:00:38.850

Kevin Hutton: Comments for meeting evaluation.

513

01:00:40.110 --> 01:00:40.380

Gary Bracken: Good.

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01:00:41.070 --> 01:00:44.460

Kevin Hutton: Okay, so, Mr Allen, can you bring your wife back

515

01:00:46.710 --> 01:00:47.310

Cory Allen: Yes, sir.

516

01:00:48.300 --> 01:00:54.210

Kevin Hutton: So, this meeting is going to stay open. And we have to return to it after our Executive Session.

517

01:00:55.410 --> 01:01:00.330

Kevin Hutton: Yes, sir. Okay, so everyone has a link to the Executive Session. Correct.

518

01:01:01.290 --> 01:01:02.970

Gary Bracken: Motion do move to the executive

519

01:01:04.170 --> 01:01:08.550

Kevin Hutton: Okay, working that can replicate. All in favor.

520

01:01:09.060 --> 01:01:09.510

Yeah.

521

01:01:13.830 --> 01:01:14.040

Kevin Hutton: Yeah.

522

01:01:14.820 --> 01:01:17.400

Michael Miceli: Yeah, I didn't get a link to executive

523

01:01:18.840 --> 01:01:22.260

Kevin Hutton: OK, I will send it to you. And we'll see you in that meeting.

524

01:01:22.800 --> 01:01:24.210

You thank

525

01:01:26.430 --> 01:01:30.270

Gary Bracken: You like to make a motion to accept the MO, as discussed in

526

01:01:30.360 --> 01:01:31.320

Gary Bracken: Executive Session.

527

01:01:34.290 --> 01:01:41.610

Kevin Hutton: economic aid. All in favor. Chopin. Mr. Kelly is here. So if

528

01:01:44.760 --> 01:01:45.450

Kevin Hutton: Anyone again.

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01:01:51.720 --> 01:01:52.320

Kevin Hutton: Over again.

530

01:01:53.010 --> 01:01:55.140

Kevin Hutton: AND ALL IN FAVOR Chauvin sleep.

531

01:01:57.000 --> 01:01:57.810

David Gibbardo: But this is

532

01:01:58.080 --> 01:02:00.090

David Gibbardo: What we discussed about personnel right

533

01:02:00.480 --> 01:02:01.950

Right, okay.

534

01:02:03.660 --> 01:02:05.040

Kevin Hutton: So, okay.

535

01:02:06.300 --> 01:02:15.510

Kevin Hutton: Mr. Miss Ellie your hand up. Okay, so that's 707 yes euro knows

536

01:02:17.760 --> 01:02:20.040

Kevin Hutton: What is that no cake.

537

01:02:21.780 --> 01:02:22.080

Kevin Hutton: Okay.

538

01:02:29.520 --> 01:02:29.880

Kevin Hutton: Got it.

539

01:02:32.790 --> 01:02:33.270

Kevin Hutton: Okay.

540

01:02:34.380 --> 01:02:35.550

Kevin Hutton: Motion to adjourn.

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01:02:40.410 --> 01:02:40.680

Gary Bracken: The

542

01:02:40.740 --> 01:02:41.670

Jody Gillette: Motion to adjourn.

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01:02:43.320 --> 01:02:43.860

Gary Bracken: Second,

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01:02:44.640 --> 01:02:45.090

Kevin Hutton: Second, your

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01:02:46.410 --> 01:02:47.370

Kevin Hutton: Own favor

546

01:02:48.450 --> 01:02:50.430

Kevin Hutton: Seven. Oh, thank you, everybody.

547

01:02:53.130 --> 01:02:58.650

Katherine Czarnecki: I mean, I've been muted. This whole time is a four dogs in my house and all they do like bark.

548

01:03:02.370 --> 01:03:03.450

Jody Gillette: Have a good night, everyone.

549

01:03:03.480 --> 01:03:04.560

Katherine Czarnecki: Bye guys.

550

01:03:06.570 --> 01:03:07.440

Daniel Milgate: Thank you everyone.