

CITY COUNCIL SCHOOL DEPARTMENT BUDGET/LISTENING SESSION

MUNICIPAL COMPLEX
DATE: THURSDAY, MAY 10, 2018

PORTSMOUTH, NH
TIME: 6:30 PM

PRESENT: Mayor Blalock, Assistant Mayor Lazenby, Councilors Roberts, Pearson, Dwyer, Denton (6:45 p.m.), Perkins, Raynolds and Becksted

STAFF: John P. Bohenko, City Manager; Steve Zdravec, Superintendent of Schools; Steve Bartlett, Business Administrator; George Shea, Assistant Superintendent of Schools; Judie Belanger, Finance Director; Andrew Purgiel, Deputy Finance Director; and Kelli L. Barnaby, City Clerk

SCHOOL BOARD: Ann Walker, Nancy Clayburgh and Kristin Jeffrey

I. Call to Order

Mayor Blalock called the Work Session to order at 6:30 p.m.

II. Introduction

City Manager Bohenko said we are here to review the School Department proposed budget this evening.

III. Presentation of FY19 School Department Budget

Superintendent Zdravec provided a presentation on the proposed School Department budget. He said the School Department quest is for excellence. He said the School Department has a personalized learning environment and focus on making their students citizenship ready. He reviewed the goals of the School Department and said many of the efforts are expanding equity. He stated the School Department focuses on teacher and student learning. He addressed the energy efficient buildings and spoke to stabilized student enrollment. Superintendent Zdravec said he has worked with the Planning Department on how enrollment would affect the School Department. He addressed academic measures and reported at the High School there has been a rise in student PSAT scores. He spoke to energy efficiencies in electricity. He reported the budget request is for 3.25% increase. He also spoke to the collective bargaining contingency of \$85,000.00. He thanked the City for helping to implement later start times for the school and the transferring the transportation costs. He said that this is a challenging budget to meet the 3.25% increase with the reduction in grants. He reviewed various reductions in the School Department and their supplemental request.

Supplemental Request

<i>Preschool Coordinator</i>	\$67,300
<i>Farm to School</i>	\$58,750
<i>Drug & Alcohol Counselor</i>	\$99,431
<i>DHHS Grant Extension</i>	<u>(\$70,000)</u>
TOTAL	\$155,481.00

FY19 Increase 3.58%

Superintendent Zdravec spoke to each position being requested and outlined their needs.

IV. Questions & Answers

Councilor Denton asked if the Farm to School Program would have reporting requirements. Superintendent Zdravec stated they would provide reporting.

Councilor Dwyer said it is hard to think about using this position in this role for a preschool coordinator. She said family transportation will be needed always and asked how many kids we are talking about that we know will be receiving preschool experiences. Superintendent Zdravec said 15-20 students and there are thirty 4 year olds in Gosling Meadows. Councilor Dwyer said that this is more of a community effort. She said we should think of this as a shared position with other community players and it could be more of long term sustainable effort.

Councilor Dwyer spoke to the Robert J. Lister Academy and asked if it is possible to integrate the twenty students into the schools. Superintendent Zdravec said the School Board has a Committee and have not talked about closing the building. He said we find the model is working and it is real hands on education.

Councilor Dwyer spoke to the energy costs for 2017 being \$175,000.00 lower and whether this is an area of savings toward other things. Business Administrator Bartlett spoke to the transferring of funds to cover costs in maintenance. Councilor Dwyer said she feels this is an area to reduce funding.

City Manager Bohenko said we are going to look at all utility accounts but we need to be careful as the energy market can change very quickly.

Councilor Becksted said New Hampshire has accepted Keno and asked if we received money and if so how much. City Manager Bohenko said we received \$165,000.00 for kindergarten aid. He said we will have a full review of revenues at our May 23rd Work Session. He stated it is really like any other revenues and expenditures they must equal. He said the \$165,000.00 is three cents on the tax rate and without the funds it would be a \$.91 increase versus \$.88. He said every \$54,000.00 equals one cent on the tax rate. Councilor Becksted asked if all the funds were going to be used in the fourth quarter. Superintendent Zdravec said if you look at actuals for FY17 we were very close to expending all funding.

City Manager Bohenko he would caution using the quarterly reports for numbers as it is an unaudited report and is more like a guideline.

Councilor Reynolds said the \$165,000.00 for kindergarten revenue and the 3.25% increase would have been lower if we did not have the \$165,000.00. City Manager Bohenko said the School Department still would have come in at 3.25% but the increase in the tax rate would be three cents more or equal \$.91 cents versus \$.88 cents.

Mayor Blalock asked when a grant is received does it go directly to the School or into the General Fund. Business Administrative Bartlett said it goes to the special revenue fund.

Assistant Mayor Lazenby asked about contracted services and said they are trending 6% higher. Business Administrator Bartlett said they are services performed by people other than employees it would be snow removal and occupational therapy. He said district students would also encompass those costs.

Councilor Becksted asked about the increase in collective bargaining. Business Administrator Bartlett said there are three contracts that extended 1 year and that is the reason for the costs.

City Manager Bohenko said in the beginning of the fiscal year the funds would all be allocated to the different line items.

Councilor Perkins said she would like to know if there is data on student to teacher ratio. She also inquired as to the separate tuition services and tuition for contracted services. Business Administrator Bartlett said it is a transfer to a special revenue fund in order that it does not get counted as a double expense.

Superintendent Zdravec asked if Councilor Perkins is looking for data or comparable information on the student to teacher ratio. He said he would get that information to the City Manager to report to the Councilors.

Councilor Dwyer asked about the seed money for the equity fund. Superintendent Zdravec said it is in the general office contingency fund. Councilor Dwyer said a goal is to have private support for that. Superintendent Zdravec said the Class of 1957 had over \$3,000.00 left over from their reunion and donated to that fund. Councilor Dwyer asked if the school is looking at inequities that are happening. Superintendent Zdravec said not beyond reduced lunch.

Councilor Becksted asked about the Farm to School Program now being absorbed and asked if the costs included salary and benefits. He said he does not support the Preschool Coordinator.

City Manager Bohenko said on Monday we will be reviewing the General Government and Non-Operating and addressing questions on rolling stock and policy decisions. He said he would like the City Council to have prepared with what they want us to do in terms of reductions and/or increases.

City Manager Bohenko said he would have recommended and would come forward with what the tax rate would be. He said we will go through resolutions. He said adjustments could also be made on June 4th and we will need to take our time and make sure we have numbers right.

Councilor Dwyer would like to know when we would do revenues and fees. City Manager Bohenko said that would be at the May 23rd Work Session and we would discuss parking revenues also.

Councilor Becksted said he would like to have staff available. City Manager Bohenko said on May 23rd all departments will be here as well as Police, Fire, and School. He said the meeting location will be changed from Conference Room A to the Eileen Dondero Foley Council Chambers.

V. Adjournment

At 8:05 p.m., Mayor Blalock adjourned the meeting.

Respectfully submitted by:

Kelli L. Barnaby, MMC, CMC, CNHMC
City Clerk