

CITY COUNCIL WORKSHOP

Workshop –School Department FY2018 Budget Update May 7, 2018 at 6:15pm

Councilors Pepin, Dumont, Vincent, Cameron, Levasseur were present

School Board Members Present: Don Austin, Lori Lane and Katie Krauss

Mayor Hilliard opened the workshop at 6:15 pm.

Present from the school department is FY2018 Budget Update

The presentation regarding the FY2018 School Department Budget Update is attached and on file.

Following the presentation, Councilors asked questions.

Mayor Hilliard thanked Don Austin, Lori Lane and the School Board for the relationship that these 2 bodies continue to build. He has said time and time again this is a model for the way the Hilltop City does Governing. That is not just for the State but on the National level one only needs to do is turn on the television to see what dysfunction equals when elected bodies do not work together, talk together and trust together. But we do! The success of the Community means open dialogue, communication and partnership. When we entered October we were looking at a \$637,000 deficit and you have cleaned it. That is certainly accolade to the School Board for doing the work and the “deep dive” and looking not only for the best interest of all of the students, but the best interest of this Community. He thanked them for clearing up the large deficit and continuing to look out for the best interest of all parties.

Director Smith addressed the Council regarding the special education over expenditure options. Right now the options are relatively limited, it does sound like the school is taking what action they can to freeze their budget and look for areas to control. Essentially, if the numbers play out exactly as stated in the presentation, first to utilize that revenue to absorb some of that you would need a supplemental appropriation, then to balance the budget you would need the remaining balance as a supplemental appropriation from fund balance. The net effect on the City’s financial statement is going to be the same at the end of the day. If the City takes no action you’re going to end up with a deficit for the school portion of the budget of \$295,205, which will ultimately affect your fund balance the same way. So really it is getting that supplemental appropriation to recognize those revenues, absorb that portion of it and then balance the budget with the supplemental appropriation.

Councilor Vincent asked for his knowledge regarding the special education transportation fund \$320,000, what does that deal with? Lori Lane responded in essence it gets the students from here to there. The school has seen huge expenses as we have students that are transported to schools that are not within our public school, but have needs that are better served in other placements. Homeless transportation is one of the bigger areas

where we have just seen an incredible increase in the number of students that are accessing that transportation to get back and forth from school. The law changed a few years ago that put this in place to help students that are homeless continue with their education, so it's a good thing. However, it is unfunded mandates that we are required to do this, but we need to now adjust what we do financially and need to be able to cover some of this. We can use title 1 funds, so as we look to build the 2018-2019 budget we will be able to put some of those funds in, unsure if that will cover all of the expenses. Summer school is another area where we transport students back and forth.

Councilor Vincent asked for curiosity, how many students are using this transportation. Another question would be how far away these students are. Can we get a van to get these students ourselves? Lori Lane answered adding your own transportation adds a whole other host of things. She doesn't have the break down in front of her but we have students that have been transported from Hampton, Epping, and Derry to name a few. If they have found permanent housing in another town but they love Somersworth as their school they are by law allowed to still go to our school. Busing and taxis are used; taxis seem to be less expensive. The school is interested in looking for different ways to help with this as it is very student specific.

Councilor Dumont congratulated the school for their hard effort. He believes there is a solution somewhere and we will work to find it. Regarding the recent comment Lori Lane made have we looked into using COAST bus for a transportation option. The taxi rides are 100 times more than what the COAST bus is, it may not be the most convenient method. They did have a cooperative with UNH so he is wondering if that is an option. Action was taken last year on a line item in the budget that you had saved up some money for special education unanticipated costs, a number of years we never used those funds. So last year we decided to remove that line item from the budget, and look what we are dealing with today special education funding. As we move forward would you see the wisdom in doing that again without the ability to use it again but special education? It is a daunting task for unanticipated expenses for special education. Lori Lane stated we have to look at all our options, so that will be conversation moving forward as we are looking at the budget for 2018-2019. We are looking to do things differently so we are not standing up here again asking for money.

Mayor Hilliard called on a meeting of the Joint City Council and School Board to sit down and come up with a final recommendation to being forward to Council to address the deficit. If the federal government followed through on their obligations that they committed to like when the ADA act was passed and their commitment of fully funding it at the level they said they would back in the 60's we would not be in this hole in 2018.

Councilor Dumont stated tomorrow (5/8/2018) at 5:30 there will be a meeting of the Joint Commission City Council and School Board.

Workshop adjourned at 6:50pm

Respectfully submitted,

Kelly Gagne, Deputy City Clerk