

CITY COUNCIL WORK SESSION
School Department Budget

Thursday, May 17, 2004 - 6:30 p.m.

Conference Room A

City Council Present: Mayor Sirrell, Assistant Mayor Grasso, Councilors Ferrini, Marchand, Pantelakos, Hynes, Raynolds, Whitehouse and St. Laurent

Officials Present: John P. Bohenko, City Manager; Dianna Fogarty, Human Resources Director; Judie Belanger, Finance Director; David Moore, Community Development; Dianne Kirby, Deputy City Clerk; Peter Torrey, Business Administrator of Schools, Robert Lister, Superintendent of Schools; Charles Vaughn, Kent LaPage, Carvel Tefft, Henry Hayward, Ann Walker, Nancy Clayburgh, John Lyons and Raimond Bowles, School Board members.

I. Call to Order

Mayor Sirrell called the meeting to order at 6:40 p.m.

II. Introduction

City Manager Bohenko welcomed everyone to the continuation of the work session on the 2006 Budget. He thanked Peter Torrey, Business Administrator of Schools for the technical and production of the presentation and introduced Kent LaPage, Chair of the School Board.

III. Presentation School Department

Kent LaPage stated that he was not there to represent a 7.3% budget, but a 9.3% budget. He advised the City Council that over the last 5 years the budget cuts have slowly whittled away certain programs. He stated that the school has down sized administration over the last three years and they have taken out classroom projects and these people and programs need to be brought back. He stated that his stand was to show that the School Board has done it's homework and is here to present a very lean budget. He said there are 25 individuals that they could not give contracts to in March because of the 4% mandate. He stated that they have already lost at least two teachers because they could not wait until June to ensure they have a job for the next year.

Superintendent Lister, Kent LaPage and Peter Torrey presented a PowerPoint presentation stating the School Department's Mission Statement and goals. They explained the No Child Left Behind Program and the funding needed to operate this important program. Peter Torrey presented various slides depicting the breakdown of the school's budget expenditures on programs, showing that instruction is at 63%, pupil support 12%, instruction support 2%, administration 8% and system support 15%. Superintendent Lister went on to explain that 60% of the budget is salaries with 26% for benefits, 9% for services, 4% for supplies and 1% for equipment. Kent LaPage explained that the increases of 7.34% were due to an 81% increase in fixed costs, 7% increase in non-discretionary costs and 12% in staff increases. He stated that the impact of fixed budget increases for fixed costs were from wage/salary increases;

retirements/salary changes; benefits and contractual rate increases and non-benefit contractual rate increases. He further stated that the impact of staffing and program increases would be a New Franklin Grade 4 Teacher, Portsmouth High School Math Teacher, Portsmouth High School Custodian, adjust clerical hours and part time positions, a Database Administrator, Technology Integrator/Department Head. Kent LaPage explained to the Council how to determine cost per pupil ratio. Superintendent Lister ended the presentation with the impact of a 4% budget limit. He explained that a budget limit of 4% would be a reduction for the requested budget of \$970,202. It would put the school budget \$577.831 below fixed cost increases; it would likely eliminate modest program staffing increases; it could further delay Capital Improvements to Little Harbour School; it could force reductions/eliminations to current programs and it equates to 17 teaching positions currently "On Hold".

Kent LaPage thanked the Council for allowing them the time to make this presentation and urged them to approve their budget request.

IV. Questions and Discussion

Councilor Reynolds stated that he is a strong believer in a good education and he did not want to see any teacher lose their job. He said he would support no less than the fixed cost increase. He did show concern for keeping quality teachers and paying them their worth.

Councilor Ferrini stated that he will support the budget and he has no interest in cutting teachers, but we have to watch out for the taxpayer also.

Assistant Mayor Grasso thanked everyone for the work they put into this budget. She stated that after hearing about the wall in the Little Harbour school she went to City Manager Bohenko and asked if there was anything that could be done to get this wall completed.

City Manager Bohenko stated that he was surprised that the wall was not included in the Capital Improvement Plan. He suggested reprogramming approximately \$70,000, or whatever it takes, of the money allocated for the sprinkler system into fixing the wall, then allocate the money for the sprinkler system at a later date.

Councilor Hynes stated that everybody is a supporter of education. He said that the School Board has told us how much it would take to give our children the education we all want, the Council now has to find out how to get the dollars to do it.

Councilor St. Laurent stated that a lot of people have made a patient plea for the increase in the school budget, but what he sees is the taxpayer who can't make ends meet now. He stated that there are a lot of elderly people out there that are sacrificing. He stated he thinks it is a great deal of money and we have to think about the taxpayer. He stated that he could not support a 7.34% budget.

Nancy Clayburgh, School Board, talked about the last teacher's contract negotiations and how they have brought the teacher salaries up. She stated that we are not there yet, but we have a great start.

Mayor Sirrell stated that she does not agree with the 4% budget guideline and that we need to go back to having a strong Joint Budget Committee. Mayor Sirrell asked City Manager Bohenko to come back with some options for the City Council where we do not increase taxes to the taxpayer.

Councilor Marchand stated that it is foolish to pick a number and expect everyone to function under that same number.

Councilor Ferrini stated that we have our process and we do not need to be derailed.

Councilor Raynolds stated that discussion has been opened by this strict proposal and we have made a good start for multi year budgets.

Councilor Hynes stated that the Council voted for an unrealistic bottom line, but it was a bottom line. We have not decided on a top figure yet.

City Manager Bohenko asked what his options target was for his proposals. Was it the \$17.74 tax rate of FY 2005 or the \$17.17 tax rate of FY 2004?

Mayor Sirrell stated that the goal was to stay below \$17.17.

City Manager Bohenko stated that the rule is for every \$30,000 change in expenditures or revenues equates to approximately 1 cent on the tax rate or every \$300,000 change in expenditures or revenues equates to approximately 10 cents on the tax rate.v

VIII. Adjournment

At 8:55 p.m., Mayor Sirrell closed the meeting.

Respectfully submitted by:

Dianne M. Kirby, Deputy City Clerk