

# Minutes of the Joint City Council and School Board Meeting

Date: April 16, 2019 at 6:00 PM

SAU 18 Office – Curriculum Development Center

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Attended – Superintendent Daniel LeGallo; School Business Administrator Jefferson Braman; City Manager Judie Milner; Councilors George Dzujna, Kathy Rago, Paul Trudel; City Finance Director Frank Lossani; School Board Members Chris Kneeland, Deborah Brown, Tim Dow.

Others: Franklin Residents Jo Brown and Vincent Ribas; School Board Clerk Cathy Viau

Deborah Brown called the meeting to order at 6:04 PM.

Superintendent LeGallo started by referring to the letter that was sent to the city and council. This referenced how a tax cap budget would devastate the district and what that would eliminate. The attendees were also given a copy of the General Fund Revenue Sheet and the 19/20 School District proposed Budget. The columns represent the actuals for 2017-18, Actual 2018-19 Budget, Principal's proposed budget for 2019-20, Superintendent Proposed budget for 2019-20, School Board's recommended budget for 2019-20, and amount change.

The board approved the Principal Proposed budget of \$16,826,547.93, which is over two million dollars of the anticipated tax cap amount. This is a "needs" budget not a "wants" budget.

Discussion was held regarding the following:

- What has been encumbered for this year and what is left to encumber
- What are the year to date expenditures
- City's unreserved fund balance
- Programs for elementary level are included in the budget
- Project AWARE coming to end and the possibility for an extension
- Grant from the NH Charitable Foundation of \$75,000 for Project AWARE work
- Grants do not always run from July 1 – June 30, which is the normal school district fiscal year. They may run for multiple years, therefore overlapping fiscal years. They may also run, as an example, from September to September. According to law, they are not supposed to replace general funding but rather supplement.
- Grants are not included in the budget presentation.
- Census of students and staff
- YTD actual expenditures
- Description of lines
- Stipends for multiple individuals/team leaders
- How many out of district students?
- Number of special education students?
- How many are IEP (Individualized Educational Plan) driven?
- A detailed budget will be sent to the City Finance Director by School Department.
- Employee count
- Presentation to the City by the School will take place May 7<sup>th</sup>.
- What is the school's tax allocation versus the city's?

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- The Joint Finance Committee members should direct questions to their respective finance individuals, i.e. Jefferson Braman, Business Administrator, Dan LeGallo, Superintendent and Judie Milner, City Manager and Frank Lossani, City Finance Manager.
- The budget to move forward lies with the board but the final decision is made by city council.
- The personnel only from Project AWARE is included in the budget.
- The school is running well below baseline.
- If defaulted to the tax cap budget it will be reduction in force of over 11 positions and much more.
- Need for an additional social worker.
- The schools are currently running at a bare minimum: one school has one administrator for over 300 students plus staff; the SAU Office only has five (5) people and one person of the five (5) is HR certified; etc.
- We have been fortunate in the past to received in-kind donations and fundraiser for necessities but this can't be relied on.
- Special Education fluctuates often and must be funded regardless.
- A pie chart of the category of expenses will be given during the presentation.
- Adequacy Aid is an issue. It reduces significantly every year as well as stabilization. Down by over \$350,000.
- State education tax
- County taxes
- Education funding analysis
- CPI rate 1.9% was discussed
- SWEPT (State Wide Education Property Tax) Tax revenue anticipation
- TIF (Tax Increment Financing) how much and when will the school start seeing money from this
- Veteran's credit
- Chinburg Project
- Ninety-five percent of cities and towns given more of the tax allocation to the school vs. the city whereas Franklin gives over 60% to the city and over 30% to the schools. What is the city's plan to adjust this? The split should be more balanced.
- Must take into account other revenue
- Tax Cap
- The state pays more than 74% of the education in Franklin versus the 26% paid by the city. It was stated that this not the norm. or acceptable according to some members
- HB709
- The voters can do a warrant on the budget or use another path with enough voters.
- There is no fluff in the budget.
- There is a need to provide an appropriate education to the children from the city and community
- Safety and liability.
- Chromebook contract and what is included.
- Savings of using digital vs. hardcopy.
- Need to work together.
- Efficiency waste study.
- Demographics effects the budget.

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- Evaluation/Reduction in spending.
- Evaluate whether there can be splitting of cost in some areas.
- This budget does include the set aside money of \$109,000.
- Discussion was held regarding a SWOT Analysis.
- Discussion was held regarding previous budget processes.

**MOTION:**    Deborah Brown moved to adjourn at 7:43 PM, seconded by George Dzujna.

**Motion Carried - Unanimous**