

CITY OF BERLIN
New Hampshire

Minutes of Council School Budget Session of 3/05/2020
Council Conference Room
6:30 pm

Members:

Mayor Grenier
Councilor Theberge
Councilor Morgan
Councilor Eastman
Councilor Remillard
Councilor Otis
Councilor Rozek

City Staff:

James Wheeler, City Manager
Patricia Chase, Finance Director

School Board, Administration and Staff:

Superintendent Julie King
Administrator Marion Moore
Accounts Payable Specialist, Holly Paquette
School Board Vice Chairperson Scott Losier
School Board Member Matt Buteau
School Board Member Jeanne Charest
School Board Member (Secretary) Ann Nolan
Jamie Welch, BMS Teacher
Autie Hamilton, IT Director
Alaina Huot, BES Teacher
Tammy Fauteux, BES Principal
Sandy Pouliot, BES Vice Principal
Sonya L'Heureux, BMHS Vice Principal
Mike Kelley, BMHS Principal
Anthony Mullins, BMHS Teacher

Mayor Grenier called the meeting to order at 6:30 p.m.

Mayor Grenier welcomed everyone to the meeting and explained that this was the first meeting in a process that would lead to an adopted budget. These meetings offer department heads and administrators the opportunity to explain their requests and to be heard by the Council.

School Board Vice Chair Scott Losier opened the school's budget presentation with introductions and was then followed by Julie King, Superintendent of Schools.

Ms. King began the discussion with an overview of the Nellie Mae Grant and the collaboration between area schools which has been underway for 1.5 years and that headway has been made. There will be a Dinner on April 9 and further details would be forthcoming.

A school budget presentation was distributed to Mayor and Council. Ms. King explained that the FY21 School proposed operating budget included an 11.18% increase of \$2,048,121. She noted that the Fringe Benefits line item reflects a 10.14% increase due to an expected GMR increase of 58% for health insurance. This high increase is due to an overall unfavorable experience rating by the current health insurance provider. They are actively shopping around for better rates. The budget also includes positions that were formerly funded by grants that have ended or will end with the current fiscal year.

Ms. King reviewed the estimated revenues which includes a one-time State Adequacy Aid payment of \$1,998,100 and there are no guarantees that funding will continue. She noted that the State Adequacy Aid no longer separates the different sources and that aid will decreased by \$100,163. Mayor Grenier asked why there was a decrease and Ms. King explained that it was a state formula and not due to a drop in enrollment.

Ms. King further discussed the fact that the school would not be receiving funding from the state for Special Education Aid. The funding is reimbursed to the schools the year after the expenses are incurred. The school has reduced the out-of-district placements thus reducing/eliminating aid provided by the state. There was further discussion around out-of-district placements and the financial impact it has. Ms. King explained that there was an Emergency Order placed in August 2019 restricting billing for services provided to special education students. The issue has been corrected and billing will resume and is retroactive.

Ms. King reviewed a chart of revenue sources as related to the general fund which reflected that local taxes provide 32.5% of the school budget. Other sources such as State Adequacy Aid provides 60.4% and Tuition 7.0%. Ms. King then reviewed statistics comparing Berlin with State and Federal averages and noted that Berlin is in line with those averages and the per pupil cost is approximately the state average.

Further review of the school budget indicated that the gap between proposed revenue and expenses is \$7,124,321. The 2019 school budget was 44.7 % of the city budget with the state average at 62.3%.

Ms. King reviewed school enrollment statistics which has been decreasing over the years. There has been a reduction since last year of 43 students and kindergarten projections FY21 is 90 students. Mayor Grenier noted that is assuming that all 90 students attend the Berlin school system rather alternative places/forms of education.

District staffing levels were reviewed which demonstrated that staffing has decreased by 22% since the 2019-2020 school year and the student population has decreased by 24%. Mayor Grenier clarified that these were for positions that included all staff and not just teaching positions.

A brief review of tuition rates followed with Ms. King stating the state sets the rate. A discussion then ensued around student placements. As of January 27 there were 33 students in placements and as of today there are 35. The school has no control over the costs of these placements. Councilor Remillard requested a report on the placements and Councilor Eastman asked for clarification between behavioral and educational placements. Councilor Rozek noted that last year the placements numbered 42.

Ms. King reviewed the state assessment results provided in the handout. Mayor Grenier commented on the growing need for technical skills such as plumbing, electrical and welding. Ms. King explained that the school is promoting its CTE programs and there are 22 students from Gorham enrolled in the programs. The programs have seen a growing interest amongst the student body.

Ms. King reviewed statistics regarding the economically disadvantaged and also noted that the special education enrollment rate is above the state average. She also discussed the difference on how to treat a child who has experienced trauma versus a student with an educational learning problem.

A review of the average teacher salaries took place with Ms. King noting that veteran teachers are at a higher pay scale but as they retire and are replaced by new staff the costs will decrease. However, in certain situations a specialized teacher may be recruited that is not hired at a lower wage. Councilor Morgan asked if there were any expected retirements with Ms. King affirming that there would be.

Mayor Grenier asked for a review of capital expenditures. A discussion followed regarding the need for a fire alarm panel, hand rails, asbestos abatements, a utility vehicle and land improvements. Councilor Remillard asked if a grant for a new fire alarm system has been awarded with Ms. King saying it has not at this time.

School Board Member Matt Buteau led a discussion regarding the problems, difficulties and requirements in educating students with special needs.

Councilor Otis inquired about the Chrome books that students currently use. IT Director Autie Hamilton explained the rationale behind the schools choice of devices. The school has a four year rotation and the Google platform is far less expensive. He noted that most schools use a Google platform.

School Board Secretary, Ann Nolan, discussed the stress placed upon teachers dealing with students with behavioral issues.

Mayor Grenier explained that the proposed budget is not sustainable with a \$4.50 increase in the tax rate. The departments will have to work together to reduce that impact prior to adopting a budget. He also stated that the state funding formulas need to be revamped so that communities such as Berlin can sustain a high level of education for its students.

Discussion around school funding formula.

Motion to adjourn by Councilor Rozek and seconded by Councilor Otis.

Meeting adjourned at 8:05 p.m.

Respectfully Submitted by Patricia A. Chase