

APPROVED DECEMBER 29, 2010

The meeting was called to order at 7:00 pm in the main floor meeting room at the Town Hall. Present were Budget Committee members Charles Kimball, Michael Nygren, Ida Keane, Greta St Germain, and Pat Martel; and Town Administrator Heidi Carlson.

Nygren moved to table the minutes until the Board from last week was here. Keane seconded and the vote was approved 5-0.

There was discussion about individual member's notes and recollections from the budget law conference in September and how the state aid monies should be handled in terms of school reporting and the applicable State MS forms. It is felt that these are not unanticipated revenues, and must be included on the School District's revenue sheet so that it is not raised in additional tax dollars next year.

Nygren shared comparisons between FY 10 to FY 11 to see where there was money was left over using what they closed out FY 10 with.

There was discussion about the timing of budget submissions. When the School Board / Administration submit their budget, it is 7-8 months before the actual start of the New Year; and the close of the current fiscal year. There was discussion about which numbers to use in comparison from one year to the next; and that what the Board shows is what was authorized for the present year and less of a focus on actual expenditures.

There was discussion about breaking down the school budget into the different functions and having a couple of members take a function to break it down and learn more about all of the details comprising each.

Sections of the budget were referred to as a comparison of what was actually appropriated and spent in different fiscal years; and that based on budget numbers, appropriations were kept the same in the following year even though actual expense may have been way down. Nygren pointed out that because of spending in 2010 they actually got \$380,000 more in FY 11.

Nygren said that if the District spent only what they actually needed the prior year, budget submissions would likely be less. Using the July 2010 printout which was not the final report, estimated within tolerance of about 1%, the 1200 function in 09-10 asked for additional \$90,000 and got \$260,000 thus should have \$170,000 left if they spent for what they asked for not what had been appropriated in the prior year. Nygren said that he had made these comparisons for several functions and there were overages in many. He said they are asking for money over what was budgeted in the prior year instead of using the amount that was spent as a baseline.

There was discussion about the staffing levels. Currently there are 74 positions funded in general fund; eight which are grant-funded, for a total of 82 full-time staff.

This led to discussion about the current 10-11 budget and that this is up an additional five full-time staff to the general fund budget as five employees are no longer being grant funded. The total Fremont School District budget approved last year was \$10,820,828 including grants.

This is up approximately \$421,000 from the budgeted number the prior year. It is actually a higher number based on what is planned on being spent, or \$10,464,083. Nygren said that \$778,249 is the increase is for the current school year based on expenditures not on the budgeted figures.

Peg Pinkham joined the meeting at approximately 7:30 pm.

St Germain discussed State education revenues and noted that there was \$1,783,978 State education grant last year and catastrophic aid was up about \$10,000.

There was discussion about what revenue comes in and what is used to help reduce the amount raised in taxes. Numbers included \$409,726 as the additional revenue; resulting in an overall total revenue updated to \$3,782,895. This results in roughly \$500,000 more than was raised in taxes in the prior year. This is some of the same money that was turned back in unreserved fund balance to offset the September 2010 tax rate.

Martel discussed a spreadsheet she has put together comparing the same date in percentages. Even with added revenues, there would need to be some cuts in expenditures to keep the tax rate flat.

There was discussion about reductions in enrollment but increases in staff. Keane was asked which teachers were moved back into the general fund. Nygren said there were five moved from grant status to funded by the general fund status going from the 09-10 to the current year.

There was discussion about the grant funded positions and how they have changed and evolved. This comparison can be done between the blue page 104 and the green page 98 within member's budget books. Keane walked through the changed positions and explained transitions, positions vacated and re-filled.

The Building Level Coordinator helps with coordination of the Special Education Team. There was discussion about how this works with the Case Manager positions and any potential duplication of efforts.

This makes a total of approximately \$260,000 in positions formerly grant funded. It was discussed last week that benefits had been included, and if the salaries alone are \$260,000 the total of \$288,000 cannot include all of the benefits. Health and insurances, retirement and the FICA/Medicare costs would be more than the \$28,000 difference.

Keane said that the Social Worker and a Paraprofessional are covered (salary and benefits) by a grant. There were follow-up questions on what is included with what positions. Keane said the Math Coach was salary only grant-funded.

In trying to get to a final figure, there was also discussion about the raises budgeted for non-contracted employees. There was discussion about the Evergreen Clause and how it affects Fremont and the contracts here.

There was discussion that the State has no right to obligate the Town to provide wage increases and the electorate is really the only one who can do it. We do have to negotiate in good faith but we do not have to give a guaranteed rate.

If looking to get to a flat budget, there needs to be more expression about what is not specifically designated to be paid.

Referring to the Evergreen issue, Nygren said that if you recognize that it is a right of the union but does not obligate the Town because the electorate is the only one who can set the salary, then you can keep salary and benefits flat and the 17% increase in health costs does not have to be borne by the taxpayers.

Nygren said that the contract is over, except because of evergreen is still observed. Evergreen only honors the pay raise (steps).

Martel said that in the MA Supreme Court, the Evergreen Clause was declared unconstitutional; and if there is an ordinance providing those benefits that is the only way they would be included. She said that in Massachusetts law, health insurance benefits of some kind must be provided to employees.

It was felt that there needs to be some pushback and show what this burden is to our taxpayers, and that the taxpayers simply cannot afford the annual increases any more. Nygren said that bargaining was not easy and even when done in good faith, that the Town or District gets to a point where they simply cannot afford it any more.

Keane disagreed with Nygren and Martel's interpretation of the Evergreen Clause. In Massachusetts the Evergreen Clause has been rescinded but that has not happened in NH yet. Keane did not believe that this was the case; she believed that the Evergreen Clause also covered benefits and retirement.

Nygren suggested that if the budget is kept flat, that would reflect approximately a \$1.30 savings on the tax rate.

Martel said she would like to see more detail on the special education information and tuitions and the programs they pay for. (She referred to the Blue page 27-28). She said that prices are increasing and that private tuition is about 35,000 per student with the request up to about \$51,000 for out of district placements.

Keane said there are some high need students and that skews the average cost per student. Some of the money will come back to the District in Catastrophic Aid but it will take a while.

Keane said she would ask for more detail on the individual facilities, how much they cost, as well as additional rationale on services.

Keane's current budget report showed that the line is currently trending to show \$160,000 expected to be left over in special education. She explained that there are varying costs for tuition for out of district placements. There was discussion about the out of district placements which may also include a separate billing for an aid or other contracted service associated with that student. Keane will follow-up with questions on that.

There was discussion about staffing levels at Ellis School and classroom size.

Keane explained that the Response to Intervention Program and those they are seeing improved results from the program.

There were questions about the District being able to teach more than three or four classes per day.

Pinkham added that over time the inclusionary process has caused classroom sizes to drop as well as statistical info that children grow and learn better in smaller versus larger size classrooms. It was agreed that society and discipline over time has also changed these situations.

The School Deliberative Session has been set for Saturday February 5, 2011 at 9:00 am at Ellis School with a snow date of Saturday February 12, 2011 at 9:00 am.

The School Public Hearing date was discussed as it needs to be chosen so it can be properly advertised. Members wanted to wait until their next session to have more members present.

Carlson distributed the last “new” budget for 2011 – Personnel Administration (4155).

The Committee discussed re-voting the Town Budgets voted already now that Joyce Booker-Janvrin had resigned, so that there was no problem later with these. Carlson pointed out that the Committee, in that re-vote needs to consider the updates to Government Buildings (\$5,000 for a new web site to be designed), Election & Registration, Fire Rescue Department, and Social Service Agencies.

An updated spreadsheet of budgets voted to date was distributed, which included expenses to date as well.

The next scheduled meeting is Wednesday December 29, 2010. The Committee considered additional meeting dates in an effort to catch up. This meeting will be recessed to Monday December 20, 2010 at 7:00 pm. Additional meetings were set and will be posted for Wednesday January 5, 2011 at 7:00 pm and Saturday January 8, 2011 at 8:00 am.

The Committee will decide on a School Public Hearing date on Monday. Carlson noted that the deadline for petition articles for the Town is 12 noon at the Selectmen’s Office on Tuesday January 11, 2011 and Keane said it was 4:00 pm on the same day at the SAU Offices. Additional information on the school submission will be gathered and posted.

A motion was made at 8:52 pm to recess the meeting to Monday December 20, 2010 by Nygren. St Germain seconded and the vote was approved 5-0.

Keane said she will be late on December 29, 2010.

Respectfully submitted,

Heidi Carlson  
Town Administrator

**Monday 20 December 2010**

Chairman Charles Kimball called the meeting back to order at 7:10 pm on December 20, 2010. Tonight’s meeting is a continuance of the meeting from December 15, 2010. Budget Committee members present were Charles Kimball, Mike Nygren, Andy Kohlhofer, Selectman Greta St. Germain, School Board member Ida Keane; others in attendance included School Board member Deborah Genthner, School Board member Eric Abney, School Board Chairman Jeff Rowell, Moderator Michael Rydeen and Recording Secretary Jeanne Nygren.

**4220-POLICE DEPARTMENT**

Kohlhofer asked the status of Chief Janvrin’s duties. St. Germain said he is not on patrol and is performing administrative functions. Kohlhofer said there is one Chief in the office full time; we also have one Deputy Chief and a full time administrative secretary. Nygren asked how the patrol wage increases were calculated. St. Germain said the Chief had a new pay matrix which was adopted by the Selectmen. Nygren said while looking at the clerical salary increase \$26,565.00 to \$28,123.00 that this was almost a 6% increase and seeing that all the other budget departments are only being paid 2% increase was this figure correct. St. Germain said this is an error and that the Budget Committee has the

wrong sheets. She went through the correct figure for the clerical salary line which has only a 2% raise and this calculated to \$27,052.00 yearly salary. The Budget Committee had several other sheets that were incorrect figures and spent time getting on the same pages.

Kohlhofer had concern feeling there was no reason to have 13 policemen in a Town the size of Fremont. He also was concerned and wondered if we can afford 74 hours of administrative at the police station on a weekly basis while other policemen have to cover the Chief's duties on the road. He feels that if the Chief is not doing outside patrol work then the salary line should be cut to reflect this as he is in doing administrative work and to possibly cut him down to a 20 hour work week. Kohlhofer then motioned to reduce the Chief's salary to \$28,943.20 which is 20 hours a week at \$27.43. This was seconded by Keane. A discussion then followed regarding the hours the Chief puts in. Kohlhofer stated that this is his choice if he works more hours. The vote was 2-3. The vote didn't pass.

A motion on Investigation wage line to reduce Bassett from 1248 total hours instead of the 1300 hours (back to 24 hours a week work and not 25) for a reduction of \$1,218.36 was made by Nygren. This was seconded by Keane. The vote was 5-0. The vote was unanimous. The salary line is now \$29,240.64.

A motion was made by Kohlhofer to reduce training line 4210-203 to \$1,978.50 changing training from 45 minutes which is the required training and not 2 hours per man presented in this budget. This was seconded by Keane. The vote was 2-3. The motion didn't pass. A motion was made by Kimball to reduce line 4210-203 only by 1 hour to \$2,638.00. This was seconded by Nygren. The vote was 5-0. The vote was unanimous.

A motion was made by Nygren in line 4210-207 new office training to reduce \$6,937.00 and leave only \$1.00 in this line as there is an increase of over \$6,000.00 already in patrol wage line. This was seconded by Keane. The vote was 4-1 with the nay vote by St. Germain.

A motion to recommend \$378,064.65 for the bottom line in the Police Department budget was made by Keane. This was seconded by Kohlhofer. The vote was 4-1 with the nay vote by St. Germain.

4211-Special Details. A motion to recommend \$55,000 in special details was made by Kohlhofer. This was seconded by Keane. The vote was 5-0. The vote was unanimous.

#### 4220-FIRE DEPARTMENT

Chief Butler had gone back to the Selectmen for their consideration of adding to 4220-004 FRD fuel line up to \$3,000.00 from \$1,850.00 and volunteer stipend 4220-300 up to \$65,525 due to additional members of the department eligible next year for LOSAP points and the Selectmen recommended this.

A motion to make all the above adjustments and recommend the Fire Rescue Department budget total at \$166,121.00 was made by Kohlhofer. This was seconded by Keane. The vote was unanimous 5-0.

#### 4155 PERSONNEL ADMINISTRATION

There was a question by Nygren if the figure in line 4155-001 was correct due to the decrease in benefits and employees hours. A motion to accept the bottom line of \$208,451.00 was made by Kohlhofer. This was seconded by Keane. The vote was 5-0. The vote was unanimous. Carlson will be asked to recalculate this figure to see if there are any errors and if this needs to be corrected.

## 4445-VENDOR PAYMENTS TO SOCIAL SERVICE AGENCIES

A motion to recommend vendor payment at \$23,888.00 was made by Kohlhofer. This was seconded by Keane. The vote was unanimous 5-0.

Kimball stated that due to the time and the committee wanting to start on the school budget to again table the minutes of December 8, 2010 Budget Committee meeting.

Jeanne Nygren will provide a list of all the budgets Booker Janvrin had voted on for the Budget Committee to revote on next week.

The Budget Committee then proceeded on to the school budget.

Kohlhofer while looking at the MS 25 from the school year 2007-2008 stated that there was \$221,675.00 difference with what was requested and what was spent. In years 2008-2009 there was a \$416,000.00 difference between what was actually spent and what was requested.

A discussion took place on the number of students in each classroom being so low in comparison to the State guidelines and possibly taking out the first and second grade teacher positions. St. Germain said there needs to be a level of teacher accountability as Ellis School is now identified as needing improvement. Keane feels that the Budget Committee needs to concentrate on the numbers and that they can't change the administrative positions.

A motion was made by Kohlhofer to eliminate the second grade teacher position by \$39,743.00 Kohlhofer line number 5112-10 in General Education Salary Teachers. This was seconded by St. Germain. There was no vote on this motion and Kohlhofer withdrew his motion.

A motion was made by Kohlhofer to eliminate in line 5112-10 the two lowest teacher salary positions based on the enrollment figures. This was seconded by St. Germain. The vote was 4-1 with a nay vote by Keane. The FICA, retirement, health, life and dental insurance and other deduction amounts will be voted on later. The 2 lowest listed salaries were \$33,798 times 2 for a total reduction in this line of \$67,596.00.

There was a discussion on reducing 80% in the guidance teacher line as we are an elementary school. A motion to reduce in 2120-Guidance line 5112-10 guidance salary to \$64,016.00 was made by Kohlhofer. This was seconded by St. Germain. The vote was 4-1 with the nay vote by Keane. The reduction in this line is \$40,878.00.

A motion to cut line 52100 guidance benefits by \$30,000 to \$33,792.00 was made by Kohlhofer. This was seconded by St. Germain. The vote was 4-1. Keane voted nay.

In dues for guidance, a discussion resulted in a statement that the dues should be paid by the individual. A motion to reduce in 2120-Guidance line 5810-10 dues to zero for a reduction of \$80.00. This was seconded by St. Germain. The vote was 4-1. Keane voted nay.

Assembly Programs 5590-10. A motion to reduce this line by \$900.00 to \$600.00 was made by Kohlhofer. This was seconded by St. Germain. The vote was 4-1. Keane voted nay.

A motion in 1200-Special Education line 5112 teachers salary to eliminate 3 case manager positions for a total of reduction of \$160,858.00 to this line leaving a total balance to this line of \$144,835.00 was made by Kohlhofer. This was seconded by St. Germain. The vote was 4-1. Keane voted nay.

A motion to eliminate in 2600-Operation of Plant in line 5118-10 the part time salary custodial position by \$14,299.50 was made by Nygren. This was seconded by Kohlhofer. The vote was 4-1. Keane voted nay.

After discussion by Kimball to purchase the uniforms but to eliminate the cleaning service for uniforms and have employee take care of their own uniforms as other departments have to do. Then a motion was made by Kohlhofer in 2600-Operation of Plant line 5429-10 Uniform cleaning to reduce this line to \$1,000.00. This was seconded by Nygren. The vote was 4-1. Keane voted nay. This is a reduction of \$1350.00.

A motion was made by Kohlhofer to set the date for the Public Hearing for the School Department was set for January 13, 2011 at 7:30 PM. The snow date will be January 14, 2011 at 7:30 PM. This was seconded by Nygren. The vote was unanimous 5-0.

A motion to adjourn the meeting was made by Kohlhofer. This was seconded by Nygren. The vote was 5-0. The meeting ended at 10:00 PM.

The next Budget Committee meeting will be held on December 29, 2010 at 7:00 pm.

Respectfully submitted,

Jeanne Nygren  
Recording Secretary