

FREMONT BUDGET COMMITTEE MEETING

Fremont Town Hall

295 Main Street

Fremont, NH 03044

November 28, 2012

7:00 PM

I. CALL TO ORDER

Chairman Gene Cordes called the November 28, 2012 meeting to order at 7:00 pm on the main floor of Fremont Town Hall.

Present were: Budget Committee Members Gene Cordes, Griffin Cordes, Greg Fraize, Charles Kimball, Patricia Martel, Joe Miccile, and Mike Nygren, and Recording Secretary Susan Perry.

Members of the public included: School Board member Andy Kohlhofer, School Superintendent Michelle Langa, School Business Administrator Laurie Verville, Ellis School Principal John Safina, and citizen Margie Diggins.

II. REVIEW AND APPROVE MINUTES FOR MEETING OF NOVEMBER 14, 2012

Greg Fraize motioned to approve as written the minutes of November 14, 2012. Griffin Cordes seconded the motion. Motion passed 7:0:1. (Abstention from Greta St. Germain).

III. SCHOOL OFFICIALS: CONTINUED PRESENTATION OF NEW BUDGET, FOCUS ON K-8

Ms. St. Germain questioned the difference between the \$11,051,000.000 reported by the School District on MS22 and the figure of \$10,600,000 for the general fund. Ms. Verville said that the summary sheet was the general fund component; food service and Federal grants were not included. There was discussion about including all three funds in the revenue report or not. Ms. Verville said she would send out a revised revenue report (in the budget book it was dated 11/13/12). She distributed a sheet on proposed tax impact.

Ms. St. Germain asked if the School Board had approved the budget number conditional on clarification. Ms. Verville said that there had been discussions about gross budgeting concepts. She noted that some teachers were in grant positions that had no contract (e.g. REAP). In October, the District was told they were getting funds (for those grant-funded positions) but they were not enough to cover the entire employees' packages. There was therefore uncertainty as to what the District would get for Federal grant funds; so this was put in the general operating budget. Teachers funded by grants in the past were now paid by the general fund. She said the total appropriation would be \$11,304,000.000. Ms. St. Germain asked why it included food service and Federal grants. Mr. Fraize replied that this year the School District was doing gross budgeting for the first time.

There was a discussion about funding critical teaching positions with grants. Mr. Nygren was concerned that this practice guaranteed that the positions would be kept and making cuts would be impossible. He felt that grant money should be spent on non-critical positions in case the District (Town) could not afford them. Ms. Verville said that funding critical teaching positions was done in the past but that they were trying to do the reverse. This year, grant money funded such positions as a Title I Director and a math teacher (so students could have math every day). Ms. Langa agreed that critical positions should be in the general fund and she was not sure why the Title I Director had been funded by grants. Gene Cordes noted that grant money was given for specific purposes by application so that the funds needed to be spent as granted. Ms. Verville said that the \$210,000 amount was just an estimate for grants. Ms. Budget Committee approved on December 12, 2012

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Martel asked if there would be a reduction in work force if the District did not receive the grant money and Ms. Verville said yes, on top of the positions that have been cut already.

There was discussion about enrollment. Mr. Miccile noted that the DOE Website reported the 2011 enrollment at Ellis to be 485 (preschool to grade 8). The enrollment as of today was 440.

Mr. Miccile asked if preschool had the same allocation per student and Ms. Verville replied that there was a reduced rate (about half).

There was discussion about Adequate Educational Aid. Ms. Verville said she tracks numbers the first of each month. She expressed uneasiness that the Commissioner could increase State aid. A goal has been to manage the budget tighter.

Ms. St. Germain felt it was important to ask why there were decreases in enrollment (foreclosures/families leaving Fremont). Ms. Verville noted that statewide enrollment was down 8,000 and that NH had one of the lowest unemployment rates.

Gene Cordes said that enrollment dropped as students entered Ellis and not as high school students left. He said that prior studies projected future enrollment to drop due to housing cost and less ability for young families to afford homes/have children.

Mr. Miccile was concerned about the high increase in tax rate. He said that the State average was \$10,19 for local education tax but Fremont is double that. He was concerned also that, according to testing procedures, Ellis students were at the bottom (of the class). Mr. Safina noted that Ellis made AYP this year in reading but not in math because of only one subgroup (the prior year, Ellis did not make AYP at all). He said all students showed improvement. Mr. Miccile said that Fremont's ranking in middle school across the State went up to 177 from 218. He read statistics in reading levels, noting that Fremont's third grade was in lower percentiles than other Districts such as Epping and Hampstead. Percentiles were higher in grade 8. Mr. Safina explained that Ellis had implemented an intervention program (PBIS) over the last few years. This has helped increase achievement, which has mostly been seen with middle school students but will filter down to the younger grades as PBIS expands. Mr. Kohlhofer said that Ellis was doing a lot of curriculum and mapping work now and that progress should be seen over the next few years. Mr. Nygren asked if the Town could afford this and Mr. Kohlhofer said that the District was making sure they could.

Mr. Safina said that the decrease in enrollment had been gradual (decrease of about 18-19% in four years), but that staff had been cut/reduced by about 17-18% so they have kept up with trending. Ms. St. Germain was concerned that the budget still increased. Mr. Fraize spoke about how the high school tuition had increased as well as the issues with State retirement. Mr. Nygren felt that if the District had to buy something and there was a fund balance (for a one time purchase), then it should not be in the next year's budget. There was discussion. Ms. Langa noted that there was an increase of over \$2.2 million in Sanborn Regional High School tuition, with only an increase of 28 students. Mr. Safina said that last year he asked to separate high school cost and they level-funded the Ellis school budget. The reading program was necessary and was budgeted with unanticipated money.

Mr. Nygren apologized for discussing the high school budget since this meeting was supposed to be devoted to grades preschool-8. Gene Cordes asked for general information on optimum class sizes for early learners based on testing information. Mr. Safina said that the smaller the class sizes the better (15 in elementary classrooms was good, with a maximum of 20). Class size was not just about space; it had to do with the needs of the students in the classroom as well. He explained that in the past there was tracking but now classes were more heterogeneous with inclusion of Special Education students. Teachers were asked to do more now. The success in test scores was due to the RTI (Response to Intervention) program, where all students' needs were met so all achieve. Students are tested and

determined to be in one of three tiers. One period a day was devoted to intervention (additional reading or math support or enrichment). The hope is that older students would not need as much intervention as RTI was used. Mr. Safina noted that the State maximum classroom size of 25 was based on minimum standards.

Mr. Miccile said that Fremont's out of District average class size was lower in all grades 1-8 compared to the State average. He saw data showing that there was no correlation between higher tests and class size. Mr. Safina said that there were other factors such as demographics. Gene Cordes said that Fremont's class sizes were not out of the norm (very few over 20).

Ms. St. Germain asked about the LGC holiday lump sum and if it would be given back to the employees who paid in. Ms. Verville replied that they would have hoped to get back more than \$28,000 in health insurance based on the millions of dollars involved. A question was how to equitably return the money to employees; it was seen as a credit back that the District could use to retain a job. Other Districts were doing this as well and there had not been any court rulings. The credit would be taken off of what the District had to send in this year for insurance.

There was discussion about transportation. Ms. Verville said she was coming up with a public transportation bid that would include: ridership counts and ways to reduce to one bus and maximize buses. Gene Cordes asked what the maximum amount of time for students to ride on buses and Ms. Langa said there was nothing in the policy but that common sense was no more than 30-40 minutes. Ms. Verville would be putting out bids to as many companies as possible to see their qualifications and competition.

Mr. Nygren had questions about increases.

Ms. Langa explained that the increase in the Superintendent line was due to a change in Personnel. Also, the previous Superintendent worked part-time and less than 32 hours so NH Retirement did not have to be paid.

There was discussion about starting the accreditation progress that would raise the bar of Ellis School.

Two Special Education positions had not been properly funded in last year's budget so corrections were made to properly fund this.

School Administration had a change in secretaries; a person was hired who could do all the State reporting so they are paid according to the Step in the CBA. There was discussion about salaries/benefits Fremont's salary schedule was one of the lowest in the State (Fremont had the lowest paid teacher in NH). The CBA has a requirement that if teachers were below the 14th Step, they were the only ones who got a raise. Fremont had highly trained teachers. Ms. Verville said she would provide a spreadsheet of salaries, being mindful of HIPPA privacies.

Ms. Martel asked about Federal grants, noting that nothing was filled in the report for the 2012-13 year. Ms. Verville replied that she created appropriation accounts and that the suffix had zeros. The DOE just signed project numbers. Ms. Verville said she would draw up a spreadsheet of appropriations.

Mr. Kimball asked about retirement buyout/buyback. Ms. Langa said that the CBA requires two teachers could retire per year (\$10,000 for one retiree or that number would be split if more than one employee retired in a year). Regarding the CBA, Mr. Kohlhofer said that they were in negotiations now.

Mr. Miccile asked about how the school got Federal funding. Ms. Langa said that the District was notified for entitlement fund allocations (such as IDEA, Titles I and II) These have been reduced for the past three years and would likely totally dissolve if Congress did not agree on a budget. Grant

application writing was a long process. When finally accepted, then the District could spend the money. Data was required to be provided about the need of services. There was no competition with other Districts. A factor was enrollment (identified students in the District). Title I and II grants were based on % of free and reduced lunch; Ms. Langa noted that some parents do not apply for free and reduced lunch for pride's sake. The District wanted to form a Grant Committee to search for grant opportunities (e.g. in technology and energy). The District wanted to propose a draft of a Warrant saying they could accept competitive grant monies without having to hold a special meeting (just before the School Board). Mr. Nygren said that a Warrant Article had already been passed stating that money could be taken in but not spent without a special (public) hearing (stating they had unanticipated money (if over \$5,000) and how they wanted to spend it). Gene Cordes said that the money would need to be used for the purpose for which it was applied for in the grant.

Gene Cordes said that Mr. Kimball would preside over the meeting next week in his absence.

A holiday party was scheduled for December 10, 2012 from 5-7pm.

Ms. Verville distributed copies of the food service contract.

IV. NEXT MEETING DATE: WEDNESDAY NOVEMBER 7, 2012

V. ADJOURNMENT

At 8:50 pm, Mike Nygren made a motion to adjourn. Greta St. Germain seconded the motion. Motion passed 8:0.

Respectfully Submitted,
Susan Perry,
Recording Secretary