

FREMONT BUDGET COMMITTEE MEETING

Fremont Town Hall
295 Main Street
Fremont, NH 03044
November 9, 2015
7:00 PM

I. CALL TO ORDER

Chair Mary Anderson called the November 9, 2015 Budget Committee meeting to order at 7:00 PM on in the basement meeting room of Fremont Town Hall.

Present were: Budget Committee Chair Mary Anderson, Vice Chair Mark Kidd, members Mike Nygren, Gene Cordes, Pat Martel, and Joe Miccile, and School Board representative Jennifer Brown. Members of the public included: School Board members Andy Kohlhofer, Greg Fraize, Angela O'Connell, and Susan Levine; School Superintendent Dr. Betsey Cox-Buteau, Financial Administrator Susan Penny, Jennifer Rydeen and Brittany Thompson (name).

II. APPROVE MINUTES FROM NOVEMBER 4, 2015

Gene Cordes made a motion to approve as amended the minutes from November 4, 2015. Joe Miccile seconded the motion. Motion passed 6:0.

III. SCHOOL BUDGET REVIEW WITH SCHOOL BOARD/ADMINISTRATION

Dr. Cox-Buteau gave an overview of the planning process, from the first few weeks of school when instructions are given on planning for the next year to requests being reviewed by Department Heads and Administration, to budget review and proposal by the School Board. She noted that the Principal made about \$15,000 worth of cuts before the budget went for review. The Executive Summary described the higher level points in the budget (the only missing item was transportation as the RFP will be going out soon). She noted that \$75,000 (bathroom renovations) was removed from the budget.

Ms. Anderson was concerned about the budget being up about \$887,000. She said this meant an approximate increase of \$400 per \$200,000 tax bill (home) and she felt this was unrealistic. Mr. Miccile was concerned that cost continues to increase while enrollment is decreasing. He said that taxpayers were generous last year and he had issue with the increase in the school budget of over 7%. He understood that the high school cost is a big piece but he said that there are other budgets in town that proposed increases that are necessary. Dr. Cox-Buteau understood the concerns but noted that the Executive Summary listed the major cost-drivers that are beyond the District's control: Sanborn Regional High School tuition, private tuition, transportation, health insurance, and salary/benefits. The proposed budget is about \$125,000 more than the default budget; significant cuts in staff would be necessary to bring the budget down considerably. Ms. Penny said that she was told that the transportation bid will be going out next week but that the bus contract amount was reasonable. She mentioned that Obamacare was affecting a lot of companies such as in transportation. Ms. Anderson noted that the town did not have the tax base to deal with a 7.45% increase.

There was review of lines that had major increases.

1100 REGULAR EDUCATION

There was a discussion about the substitutes lines, which were projected based on a 5 year history of actual expenditures. Last year there were a few pregnancies and illnesses. There was also discussion about health insurance (there is an approximate increase of 10% for each plan offered). Negotiations will occur in the fall when Obamacare begins. Mr. Kohlhofer explained that teachers can accept HSAs as an option (contributions roll into wages and teachers pay federal taxes on that). He said that the District cannot offer FSA because it counts against the Cadillac Tax.

The Teachers Retirement-Reg. Ed. line included two retirement stipends.

The Tuition Public HS- Reg. Ed. Line: \$3,797,971.30 is the amount that was budgeted this year; the average increase is 5.94%. It was noted that page 13 of the Executive Summary features Sanborn Tuition Analysis. The increase in the 11/1/15 estimate for FY17 tuition equals a 6.41% increase in the cost of a regular education student. Historically, the tuition projection reduces by between 3% and 7% less than the GMR as the budget season progresses.

The Supplies- Reg. Ed. Line increased 19.23%; it was noted that \$1,500 was previously paid for under a different line (School Admin.) and caused this line to increase.

The Workbooks line increased 38.03%. There was discussion about the math program. Dr. Cox-Buteau said that Ellis is working on the math curriculum and hopes to start a better program, aligning grades K-8). A School Board goal is to raise math scores. Ms. Anderson noted that math scores are failing state-wide.

Replace Furniture-Reg. Ed.: Items have started to be put on rotation such as cubbies and teacher desks.

1200 SPECIAL EDUCATION

In the Tuition NH Public HS-Sped. Line, there is a 37.67% increase that included an extra one on one para-educator next year (for a total of 2) at \$54,000 per aide (covering FICA, benefits, etc.) for a few more students.

It was noted that there is an increase of 115.92% in the Tuition Private & Other HS-Sped. Line for services that need to be offered to some students but will be given back in catastrophic aid and Medicaid as revenue next year (page three of the Executive Summary).

There is an increase in the Workbooks line for IEP-driven reading material workbooks for Spire and Seeing Stars programs.

2120 GUIDANCE

SES orders for guidance counselors were previously budgeted for in line 2400 and were transferred to line 2120-5610 Supplies-Guidance line.

2169 VISION CONTRACTED SERVICES

Last year, there was a \$1.00 placeholder for Vision Contracted Services but there is a need for it in FY17 so \$500 is proposed.

2210 IMPROVEMENT OF INSTRUCTION

There was a decrease of 30.10% in Improvement of Instruction. Part of the decrease was due to the movement of funds from the Evaluation Consultant line to the Assistant Principal line (which will be put back next year most likely).

2222 LIBRARY/MEDIA

There is an increase of 24.54 percent in the Library/Media line due to the change in a health insurance plan.

2225 COMPUTER TECHNOLOGY

The Computer Technology line was fairly level-budgeted. The \$5,000 salary increase was the last multi-year raise in the contract that was originally negotiated. There was discussion about the need for a full-time IT person at Ellis. Mr. Miccile wondered if it made more sense to sub IT services out on an as-needed basis. Dr. Cox-Buteau and the School Board members spoke about the various necessary duties of the Technology Director, including: testing, server work, teacher training, trouble-shooting within the whole District, work with the librarian and technology teacher, etc. Ms. Penny noted that most schools the size of Ellis have a full-time IT person and that the salary at Ellis was finally becoming close to what other school IT Directors receive.

2310 SCHOOL BOARD

There was a change the School Board Secretary line because the position was previously a contracted service but became an employee (with FICA).

There is an increase in the postage line based on a 5 year history of data for the newsletter, but a decrease in the newsletter line itself since it is produced in-house with volunteer help now.

2320 OFFICE OF THE SUPERINTENDENT

There is an increase of 130.77% in the Salary Adjustments line for raises for non-union contracts based on 1.75% across the board. There is an increase of 29.91% in the SAU Copier line due to the newsletter being copied in-house.

There is an increase in the SAU Main. Agreement of 43.45% for the following: Annual Software Support (\$3,800); Web-based Platform (Cloud) (\$7,600); and Doc Star (electronic file system) (\$4,380) – totaling \$15,780. The School Board had not voted on Doc Star yet; there will be a presentation at the November 17th meeting. There was discussion about the SAU location. The Board had instructed the Superintendent to inquire about a one year rental. The cost to renovate the modular is over \$25,000; the cost to renovate an internal classroom is about \$17,000 (new hung ceilings, etc. to provide privacy, etc.). Ms. Anderson said that this would be a one-time expense and mentioned that it was a point of contention with voters that a previous School Board moved the SAU to its current location without going to voters. Ms. O’Connell said that the Board talked about where the SAU should go, considering decrease in classroom space not wanting to make a one-time investment and throw it away if renovations will be done. There were concerns about the remaining 16 students at the charter school and the uncertainty of the availability of space at Ellis. Other concerns are the need for parking and a conference room that is used by the Special Education department as well as others.

Ms. Penny said she would double-check that the \$2,500 listed for the bi-annual newsletter in line 2320-5640 Publications & Advertising – SAU was not a duplicate.

2330 SPECIAL EDUCATION ADMINISTRATION

Ms. Penny noted that the increase of 50% in Medicaid Clearing Fees-SPED Admin. Means that the Medicaid revenue is expected to increase for FY17 (will be offset).

The 22.23% increase in the Salary-School Administrators line was due to the swap of the Evaluation Consultant and Assistant Principal lines.

It was mentioned that it payment of overtime work was being enforced (must be approved by the Principal).

2600 OPERATION OF PLANT

There is an increase of 177.78% in the Property Maintenance/Mowing line that included \$14,000 for snow removal from the roof as needed. Ms. Anderson was concerned about this increase of \$14,000 “in case” it is needed. It was noted that there will be no buffer in the tuition line this year as there was last year and that snow removal was not budgeted for this year. Ms. Anderson suggested using the maintenance reserve fund (which has about \$23,000 in it currently) for unexpected emergencies such as snow removal).

The 196.70% increase in the Repair Plant/Building line reflected last year’s expenses for regular building repairs and included: painting 6 classrooms (\$6,000); replacement of countertops in the 2005 addition (\$12,000); and installation of new cabinets/countertop in the main office (\$5,200). Ms. Anderson noted that these items amounted to \$23,200 (not the increase of \$37,590 that was noted in the budget as the amount of increase in that line). She wondered where the additional \$14,390 went; Ms. Penny will find this out.

The increase in the custodial travel line reflected requests that the Director of Facilities began to submit for reimbursement in January/February of 2015.

The Replace Equipment-Custodial line is increased by 4.86%. This included replacement of the 20-year-old Trane 30 Ton Rooftop AC Unit for \$45,000 that was scheduled to be replaced in FY16 but moved to FY17 for budget purposes. \$35,000 is budgeted in this line and \$10,000 will be taken from the Maintenance Trust Fund. Mr. Cordes explained that 20-25 years is a reasonable lifecycle and that maintenance cost starts to increase as the unit gets older; therefore, it is better to choose a time to replace it rather than when it fails.

2721 REGULAR TRANSPORTATION

There is a 28.43% increase in the Regular Transportation-Element line. It had been suggested (by NRT – North Reading Transportation) that an additional bus be budgeted for. The contract with NRT ends in FY16. An RFP (request for proposal) will be mailed/posted by early November and proposals will be due back to the SAU by the first week of December. The RFP will be for a single school day schedule. Much depended on the size of buses. Currently, there are 8 buses/day (with a capacity of about 50 students). Last time, the only RFP received was from NRT; the hope is that there will be more RFPs this time around.

There is a 36.38% increase in the Special Transportation-Element line for one more bus. Special Education bussing is divided between the elementary and high school and also applies to out-of-district placements.

4300 ARCHITECT & ENGINEER SERVICES

There is a contract for architect and engineer services and there is money in the encumbrance line for this. The proposed \$25,000 (FY17) is for continuing the planning process; plans are due back this spring from the Turner Group. The renovation plans for Ellis school will address updates for safety, minimum standards, etc. The District has not been billed yet.

GRAND TOTAL: FY16-17 PROPOSED = \$12,799,851.21 (for an increase of \$887,502.74, or 7.45%)

DEFAULT BUDGET

Ms. Anderson noted that there is only a \$30,000 difference between the FY17 Default and Proposed Budgets. Ms. Penny noted that there is one less teacher in the 1100 Regular Education salaries line: one teacher is retiring and is not being replaced. There was a question if this was reflected in the budget; Ms. Anderson thought that the variance should be larger if two positions were not included in the default budget. Ms. Penny will look into this.

IV. NEXT MEETING DATE: NOVEMBER 18, 2105 AT 7 PM

V. ADJOURNMENT

At 8:47 PM, Jennifer Brown made a motion to adjourn. Gene Cordes seconded the motion. Motion passed 7:0.

Respectfully submitted by

Susan Perry, Secretary