

FREMONT BUDGET COMMITTEE MEETING

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

I. CALL TO ORDER

Chair Mary Anderson called the December 9, 2015 Budget Committee meeting to order at 7:01 PM in the basement 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, School Board representative Jennifer Brown (arriving at 7:05 PM), and School Financial Administrator Susan Penny.

II. APPROVE MINUTES FROM DECEMBER 2, 2015

Mike Nygren made a motion to approve as amended the minutes from December 2, 2015. Joe Miccile seconded the motion. Motion passed 5:0:1 (abstention from G. Cordes).

III. SCHOOL ITEMS/FOLLOW UP

There was continued review of School District 2016-17 budget questions that were posed at the last meeting.

| | |
|-------------------------|---|
| \$12,536,868.60 | = Total budget |
| - <u>\$3,220,560.33</u> | |
| \$9,316,308.27 | = rough projected local district assessment if revenues come in as projected (can go either way and is subject to change) |
| | |
| \$591,836.16 | Expenses that are over |
| - <u>\$430,687</u> | Revenue shortfall (fund balance that was returned last year) |
| \$1,022,523.57 | |
| | |
| \$9,316,308.27 | |
| - <u>\$8,293,785</u> | |
| \$1,022,523.57 | Needs to be raised in taxes (\$2.74 increase, but might change if there is a fund balance) |

The Committee was concerned about the increase of 3% in the school budget. The increase in proposed spending is \$591,836.16, but, because of a lesser fund balance and decrease in revenue, the amount to be raised by taxes increased to \$1,022,523. Ms. Penny said she could project better in April 2106 but not definitively. She said, since the computer and library teacher positions are unfilled, there might be an increase in the substitute line (about \$10,000 perhaps). Ms. Anderson was concerned that there is a need to raise/appropriate over \$1 million more than this past year to accommodate the school budget.

The Committee will learn more about the accepted transportation bid at the January 6, 2016 meeting (bids are due on December 30th and the School Board will meet on January 5th to review them). The bids included an increased ride time of about 10 minutes to try to reduce a bus (there is no law/School Board policy about the length of time students can be on buses; the Special Education goal is under 55 minutes). The cost is for a certain amount per day, no matter how many students ride the bus. Buses accommodate 71 passengers.

Mr. Nygren spoke about the issue of a lack of revenue in town.

Mr. Kidd saw an opportunity for budget reduction in the Special Education Administration line, with two full-time coordinators. Ms. Brown explained about the work done by the administrators, including out-of-district work at the high school. The funds that the District might need to pay back to Sanborn are encumbered in FY14-15 so they won't affect the FY17 budget. Ms. Brown said that the Board tried to find ways to pull away from the high budget while not directly

impacting students (e.g. reducing the part-time nurse position and reducing the library position to integrate with the computer program, etc.)

Mr. Kidd favored using the free training provided by the company of the new math program rather than paying for a math specialist. Ms. Penny noted that staff would need to be paid to train in the summer. Ms. Brown added that teachers can be taught, but, until they teach students with the new program, the critical support comes into play there. With increased class size in one grade and cutting back in other places (e.g. when meetings/training can happen), she cautioned about the importance of committing to the math program and making sure to have the supports in place to make it succeed (increase score levels, etc.). She said that training done by the math program company vs. professional development training brought into the school is not of the same quality. A math specialist for the full year roll-out was reduced by the Board to part-time to still offer support and fidelity to the program without derailing it. Mr. Nygren figured that the cost of the full program (less than \$50,000) did not drive the budget up to a million and felt that, though the planning by the Board was good, they had to look at staffing (to cut significant cost to bring the budget down).

Ms. Penny reiterated that the main cost increases are: high school tuition, health, transportation and special student cases. There is an increase in catastrophic aid (revenue) of \$133,000 but Medicaid has remained level.

Ms. Anderson understood the Board's efforts but she said that, if they went by state guidelines regarding student: teacher ratio (class sizes), Ellis could have 18-19 teachers instead of the 26 that are proposed in the budget. Under School Board policy, the applicable number of teachers would be 24. She expressed concern about residents who many need to leave Fremont due to the unaffordability of high taxes. There was discussion about class sizes. Ms. Brown noted the need to target class sizes of 24 students in grades 7-8 for lab sciences.

The proposed budget is smaller than the default, which is last year's expenses plus or minus any one-time expenditures; Ms. Penny felt that staffing remains the same. She said that there were no savings in teacher job-sharing in the same position since retirement still needed to be paid.

Ms. Martel noticed an increase of about \$217,000 in a few years in salaries (teacher and SAU Administration lines).

Mr. Cordes was sensitive to the big cost drivers and the fact that small class sizes are good in early grades and do impact education but he agreed that a tax increase of \$2 - \$3 is difficult for taxpayers to afford in Fremont. Ms. Anderson said that the town budget increased minimally but taxpayers expected a reduction.

Mr. Miccile asked what the cost per student is. Sanborn's high school cost per student is about \$18,000/student; Ellis, a K-8 school (not middle school) is about \$14,000/student.

Mr. Cordes said that learning about the low revenue makes the discussion tonight different than at last week's meeting. Ms. Penny noted that the \$110,000 in warrant articles would be taken from any fund balance. Ms. Anderson said that the tax rate is set on appropriations so she would rather not appropriate.

There was discussion about course reimbursement, which seems to consistently have surpluses. Per the CBA, money needs to be available in the budget for staff if they want to take courses (which they sometimes take in the spring).

Ms. Martel requested that a summary by object be emailed to the Committee members.

Ms. Anderson mentioned that there will be a projected 10 students per Special Education teacher next year (5 teachers for 58 students). She asked if there is a requirement. Ms. Penny said that there is one classroom teacher and 4 case managers and that a consultant did a study of the Special Education Department in 2014-15 and a case manager was reduced as a result of the study. Case managers deal with 504s and IEPs and are in the CBA. The Special Services Director is a liaison between Ellis and Sanborn High School (full-time) and the Building Coordinator makes sure high school students' IEPs are being followed (it is the responsibility of Fremont).

Possible areas that the Committee posed to reduce the school budget included:

- \$7,050 for computer equipment (Chromebooks)
- \$25,000 for architectural study
- \$11,813 for non-union salary increases
- Teacher evaluator (find money elsewhere)
- Possible reduction of \$80,000 in transportation cost.

- Special Education Administration
- Teaching staff
- \$5,000 (raise in IT Director contract)
- \$5,000 (Regular Education Supplies e.g. snacks for students when testing – Ms. Martel suggested the PTA provide this)

There was discussion about NH Retirement. All school employees are eligible for NH Retirement (teachers who work at least 40 hours; professional staff who work at least 35 hours). Paraprofessionals who work 32 hours are not eligible. There was discussion about the difference in retirement benefits school vs. private sector. It used to be that teachers did not get paid as much as in the private industry but had good benefits. Mr. Miccile said that now the average cost has gone down and raises are awarded if deserved (not for everyone).

Ms. Anderson will distribute the list of possible budget reduction ideas to Committee members tomorrow and she asked them to re-look at the school budget.

IV. NEXT MEETING DATE: DECEMBER 16, 2015 AT 7 PM

- Final Town Warrant to date for review (save for any petition articles)
- Annual Town Report, due the first week of January
- January 6, 2016: review of final school items
- January 12th (snow date January 13th): Public Hearing
- January 12th: Petition Warrant Articles are due to Selectmen's Office by noon; School District Articles are due to SAU83 Office by 4PM
- January 30th (snow date February 1st): School Deliberative Session (9 AM)

V. ADJOURNMENT

At 8:40 PM, Joe Miccile made a motion to adjourn. Pat Martel seconded the motion. Motion passed 7:0.

Respectfully submitted by

Susan Perry, Secretary