

FREMONT BUDGET COMMITTEE MEETING
Fremont Town Hall
295 Main Street
Fremont, NH 03044
December 7, 2016
7:00 PM

I. CALL TO ORDER

Chair Mary Anderson called the December 7, 2016 Budget Committee meeting to order at 7:00 PM on the first floor of Fremont Town Hall. Present were: Budget Committee Chair Mary Anderson, Mark Kidd, Neal Janvrin (substituting for Gene Cordes who was absent), Mary Jo Holmes, Mike Nygren, Pat Martel, and Joe Miccile, School Board representative Jennifer Brown, School Superintendent Betsey Cox-Buteau and Financial Administrator Susan Penny. Public attendance included Susan Levine.

II. APPROVAL OF MINUTES: NOVEMBER 30, 2016

Mary Jo Holmes made a motion to approve the minutes of November 30, 2016 as amended. Joe Miccile seconded the motion. Motion passed 7:0:1 (abstention from N. Janvrin).

III. SCHOOL BUDGET REVIEW FY2017-18

Ms. Brown reported that the School Board met tonight and approved the Budget Committee's request. The Teachers' Union has not yet ratified the contract but will sign it by Friday; they gave permission to the School Board to discuss the CBA. The bottom line increase for FY18 is \$23,322.60; for FY19, it is \$81,795.75. There is a health care savings of \$109,000: copays will increase from \$5 to \$20 and prescriptions will increase from \$1, \$3 and \$15 to \$10, \$25, and \$40. Contributions remained level (employees pay 15% and the District pays 85%). There is a 2.5% step increase for year one (\$500 to step 1; \$300 to step 2; and \$1,000 to step 15) and a 1.75% step increase for year two. Susan Levine, part of the CBA negotiations, mentioned that there was effort to schedule instructional time close to what is at Sanborn (Fremont is significantly lower). As a result, instructional days will increase to 186 in FY18 and 187 in FY19 and school days will be 5 minutes longer each day.

Ms. Anderson was pleased with the health savings concessions.

Mary Jo Holmes made a motion to recommend School District Warrant Article 2: to approve the cost items included in the Collective Bargaining Agreement reached between the Fremont School Board and the Fremont Education Association which calls for the Following increases in salaries and benefits at the current staff level:

FY 2017-18 - \$23,323

FY 201-19 - \$108,119

And further to raise and appropriate \$23,323 the current fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels. The motion was seconded and approved: 7:1 (nay J. Miccile).

The operating budget is about \$23 less than last year's budget. The FY figure is \$12,622,926.28 and the default amount is \$12,498,997.09. There was discussion about the food service increase of \$31,000. It was explained that there is revenue offsetting the expenses (by free/reduced money and student payments for lunches). Ms. Penny noted that this has not gone in the red when she reports to the state. There is effort to try to collect outstanding lunch funds mid-year as opposed to waiting until the end of the year. Ms. Anderson felt that taxes should decrease, considering the revenues and CBA.

There was a motion and second to recommend School Warrant Article 3: to raise and appropriate as an operating budget...\$12,622,926.28. Should this article be defeated, the default budget shall be \$12,498,997.09. Motion passed 7:1 (nay, J. Miccile).

Mary Jo Holmes made a motion to reopen discussion on Warrant Article 3. Mike Nygren seconded the motion. Motion passed 8:0.

Ms. Holmes suggested decreasing the School District budget by \$50,000, noting the following possible cuts:

- Chromebooks (\$20,000)
- Music: from \$7,800 to \$3,900
- Science: from \$6,000 to \$3,000
- Palo Alto training (TBD): \$2,300 to \$1,100
- Spanish teacher: keep at .6
- P/t Superintendent savings
- Leave secretaries as-is (SAU)
- 1.5 custodians (doing work that one custodian used to do).

Ms. Brown explained that it is difficult to find qualified Spanish teachers for a part-time position. It is important to offer a full-time position to align with Sanborn. She noted that Ellis School does not have enrichment opportunities due to restrictions in space and funding. Having a language program is not requirement by the State to meet minimum standards, but the Spanish program is part of the District's Strategic Plan and people felt it is important to fund this to help move the District forward (as with Chromebooks). There are about 68 Chromebooks at Ellis; they are not in use 1:1 as it is in Sanborn.

There was concern about the budget increase of about \$900,000 over the last two years. It was explained that reasons include out-of-district placement and uncontrolled costs of about \$470,000 in NH retirement, health insurance, etc. There was discussion about having auditing done sooner; Ms. Penny said she has tried to push auditing forward each year. The \$400,000 surplus due to the GMR will reduce taxes in September 2017.

The Budget Committee discussed cutting the bottom line by \$50,000 from the regular education line. Mr. Miccile had concern about decreasing enrollment with no staff reductions. Ms. Brown mentioned that the District reduced a teacher last year but had to re-hire in third grade due to increased enrollment in that grade. Ms. Anderson said that there is decrease in enrollment but not in class sizes due to School Board policy. Ms. Brown explained that classroom sizes (space at Ellis) are very small (less than the recommended size) and therefore the building cannot physically accommodate space for larger classes. She mentioned that Ellis does not have a lot of extras to offer so at least having smaller class sizes is attractive to families. Mr. Miccile spoke about data showing that Fremont's school cost is higher than districts of the same demographics (amount of students/business area). Dr. Cox-Buteau said that Ellis' classroom sizes do not meet minimum standards (900 sq. ft.)so elementary students are in the small classrooms (600 sq. ft.). Ms. Anderson compared data to three years ago and found that the maximum in classrooms now is less by 2 to 3 students in each room. Dr. Cox-Buteau explained that the person who gathered that data before did not include the square footage for the teacher (desk, etc.), whereas the new classroom size data does include this.

Ms. Holmes reasoned that the \$50,000 decrease was not unreasonable since the building fund could be used to make repairs and the high school tuition fund can be used if needed. Mr. Kidd appreciated Ms. Holmes' reduction idea but felt that the School Board satisfied the number requested by the Budget Committee and he was pleased to see the hard work done to accommodate that request. He did not want to reduce the Chromebooks.

Ms. Brown expressed that if there are increases and Special Services cannot be reduced, the regular education line is the only place to cut, which affects the K-8 Ellis School students opportunity. Ms. Martel said that the largest increase is in administration (\$360,000 to \$455,000). Ms. Penny said that Ellis now has a full-time Principal and Assistant Principal (200 day contract). Having a good Principal helps the students. Also, this line includes secretaries, benefits, copier, mail machine, Blackboard contract, teacher evaluation system, some software and graduation.

Pat Martel made a motion to accept Mary Jo Holmes' proposal to reduce the regular education line by \$50,000, bringing the FY18 proposed school operating budget in Warrant Article 3 to \$12,572,926.28. Mary Jo Holmes seconded the motion. Motion passed 5:3.

Motion was made and seconded to recommend Warrant Article 3 with the new amount of \$12,572,926.28. Motion passed, 6:2.

Mary Jo Holmes made a motion to recommend Warrant Article 4 (to raise and appropriate up to \$20,000 to be added to the previously established expendable trust fund, known as the Ellis School Building and Grounds Maintenance fund). Motion was seconded and vote was approved, 8:0.

There was discussion about the intention of the high school tuition fund as being for Sanborn only. Dr. Cox-Buteau explained that the District tries to spend from the regular education budget first and go into deficit as they close the end of the year; they look to pull from other lines and decide in the spring. She said that she originally wanted this Warrant Article to cover Sanborn but it is always a risk for out of district Special Education placement and this is more economical to have one fund vs. two funds. If people wanted to change the article, the trust fund would need to be rescinded, money given back to the taxpayers and re-raised with a new trust fund and Warrant Article. The cost to call a special meeting (to ask for funding for Special Education outplacement) is about \$5,000. Ms. Anderson mentioned a concern that the School Board could use the fund as a crutch for out-of-district placements rather than keeping students in the district. Ms. Brown said she would be concerned as a School Board member if school professionals did this.

Mr. Nygren suggested that, since the current tuition trust fund article does not specify Sanborn, perhaps a Warrant Article could be added just for Sanborn and the current article could be taken out. There was talk of capping the new article at \$200,000 (this equates to about 8 Special Education students at the high school. The vote on Warrant Article 5 (high school tuition fund) was tabled. Dr. Cox-Buteau will talk with counsel about changing the wording of the Warrant Article on the tuition trust fund and draft a new article specific for Sanborn tuition with a cap within the next week.

The Public Hearing is January 11th (for Town and School) at 7 PM at the library; Budget Committee will meet at 6PM. The School Deliberative date is February 4th at 9 AM; the snow date is February 7th at 7 PM. The Town Deliberative date is February 6th at 7 PM; the snow date is February 8th at 7 PM.

IV. OTHER

In an email, Heidi Carlson said that she spoke with Chief Twiss about transferring operating funds to cover purchase of portable radios. She said: He detailed out the changes he already made in the operating budget to reflect a decrease in requested part-time hours from 48 to 36. Some of this change took place in 2016. There was significantly less weather-related call out in 2016 as well as a reduction in time spent on other significant matters. The Chief believes these are the two most significant changes. The newest FT officer was on the road alone in May of this year and some scheduling has been streamlined with that in place. The 2017 budget was reduced to 36 part-time patrol hours and is down another \$8,000 from the current year as well.

Mr. Nygren felt that 1,080 hours of patrol was a lot to over-estimate in a year (surplus of \$19,600). He said that money was transferred from the fuel line. There was discussion about the previous year's police budget, default budget and actual spending. He did not feel that the Selectmen should have allocated \$40,000 more than last year. Mr. Janvrin mentioned that Chief Twiss redid his schedule to make better use of his manpower. Ms. Anderson noted that \$218,000 was spent in 2015 but the default was \$257,000; she was not sure why. It is unsure that the Warrant Article for a full-time officer will pass. Ms. Anderson will send a copy of the Selectmen's minutes regarding this issue to the Budget Committee.

The Committee will meet on December 14th to vote on the School Warrant about the tuition trust fund and will discuss further the questions about the police budget with Ms. Carlson.

V. NEXT MEETING DATE: DECEMBER 14, 2016

VI. ADJOURN

Neal Janvrin made a motion to adjourn at 8:35 PM. Joe Miccile seconded the motion. Motion passed 8:0.

Respectfully submitted by,

Susan Perry, Secretary