

**FREMONT BUDGET COMMITTEE MEETING**  
**Fremont Town Hall**  
**295 Main Street**  
**Fremont, NH 03044**  
**November 16, 2016**  
**7:00 PM**

**I. CALL TO ORDER**

Chair Mary Anderson called the November 16, 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, Gene Cordes, Mary Jo Holmes, Mike Nygren, Pat Martel, and Joe Miccile, and School Board representative Jennifer Brown.

**II. APPROVAL OF MINUTES: NOVEMBER 9, 2016**

*Jennifer Brown made a motion to approve the minutes of November 9, 2016 as presented. Joe Miccile seconded the motion. Motion passed 7:0:1 (abstention from M. Holmes)*

**III. TOWN BUDGET UPDATES/INFORMATION**WARRANT ARTICLES**ARTICLE A: OPERATING BUDGET (\$2,819,626)**

*Gene Cordes made a motion to recommend Article A: Operating Budget (\$2,819,626). Pat Martel seconded the motion. Motion passed 7:1.*

**ARTICLE B: HIRE AN ADDITIONAL POLICE OFFICER (\$44,571)**

*Gene Cordes made a motion to recommend Article B: Hire an Additional Police Officer (\$44,571). Jennifer Brown seconded the motion. Motion passed 5:3.*

**ARTICLE C: CONTRIBUTION TO THE LIBRARY BUILDING EXPENDABLE TOWN TRUST FUND ((\$5,000)**

*Jennifer Brown made a motion to recommend Article C: Contribution to the Library Building Expendable Town Trust Fund (\$5,000). Mary Jo Holmes seconded the motion. Motion passed 8:0.*

**ARTICLE D: FUND A BOOKMOBILE MOBILE SERVICE FOR ELDERLY OR SHUT-IN RESIDENTS BY THE FREMONT PUBLIC LIBRARY (\$2,160).**

*Mary Jo Holmes made a motion to recommend Article D: Fund a Bookmobile Mobile Service for Elderly or Shut-in Residents by the Fremont Public Library (\$2,160). Jennifer Brown seconded the motion. Motion passed 7:1.*

**ARTICLE E: CONTRIBUTION TO THE BRIDGE CAPITAL RESERVE FUND (\$25,000)**

*Jennifer Brown made a motion to recommend Article E: Contribution to the Bridge Capital Reserve Fund (\$25,000). Mary Jo Holmes seconded the motion. Motion passed 8:0.*

**ARTICLE F: CONTRIBUTION TO THE HIGHWAY EQUIPMENT CAPITAL RESERVE FUND (\$25,000)**

*Mary Jo Holmes made a motion to recommend Article F: Contribution to the Highway Equipment Capital Reserve Fund (\$25,000). Jennifer Brown seconded the motion. Motion passed 8:0.*

**ARTICLE G: CONTRIBUTION TO THE EMERGENCY MANAGEMENT EQUIPMENT CAPITAL RESERVE FUND (\$25,000)**

*Jennifer Brown made a motion to recommend Article G: Contribution to the Emergency Management Equipment Capital Reserve Fund (\$25,000). Mary Jo Holmes seconded the motion. Motion passed 7:1.*

**ARTICLE H: FUNDING HIGHWAY PAVING AND IMPROVEMENTS TO NORTH ROAD**

*Jennifer Brown made a motion to recommend Article H: Funding Highway Paving and Improvements to North Road (\$25,000). Mary Jo seconded the motion. Motion passed 8:0.*

**ARTICLE I: CHANGE THE SALARY FOR THE ELECTED POSITION OF TOWN CLERK TAX COLLECTOR (\$35,700 total)**

*Mary Jo Holmes made a motion to recommend Article I: Change the Salary for the Elected Position of Town Clerk Tax Collector (\$35,700 total). Gene Cordes seconded the motion. Motion passed 6:2.*

## ARTICLE J: FUNDING THE MOSQUITO CONTROL PROGRAM (\$49,550)

*Gene Cordes made a motion to recommend Article J: Funding the Mosquito Control Program (\$49,550). Jennifer Brown seconded the motion. Motion passed 8:0.*

## ARTICLE K: CONTRIBUTION TO THE FIRE TRUCK CAPITAL RESERVE FUND (\$50,000)

*Gene Cordes made a motion to recommend Article K: Contribution to the Fire Truck Capital Reserve Fund (\$50,000). Mary Jo Holmes seconded the motion. Motion passed 8:0.*

## ARTICLE L: CONTRIBUTION TO THE RADIO COMMUNICATIONS EQUIPMENT CAPITAL RESERVE FUND (\$12,500)

*Jennifer Brown made a motion to recommend Article L: Contribution to the Radio Communications Equipment Capital Reserve Fund (\$12,500). Mary Jo Holmes seconded the motion. Motion passed 7:1.*

## ARTICLE M: CONTRIBUTION TO THE HISTORIC MUSEUM CAPITAL RESERVE FUND

*Mary Jo Holmes made a motion to recommend Article M: Contribution to the Historic Museum Capital Reserve Fund. Gene Cordes seconded the motion. Motion passed 5:3.*

## ARTICLE N: VOTE TO REESTABLISH CABLE FRANCHISE FEES AS PART OF THE TOWN'S CONTRACT WITH COMCAST

*Gene Cordes made a motion to recommend Article N: Vote to Reestablish Cable Franchise Fees as Part of the Town's Contract with Comcast. Pat Martel seconded the motion. Motion passed 8:0.*

(note: the warrant article's narrative should read 2% not "estimated at 1 to 2%".

#### IV. SCHOOL BUDGET REVIEW

The Committee reviewed enrollment data and catastrophic aid. Ms. Brown reported that the School Board met last night and decided in good faith to propose to the Budget Committee reducing the school budget by \$128,482.02 to flat line it and lean on the trust fund if necessary for tuition. The Sanborn tuition would need to come in at over 1% increase, so it is a bit of a gamble. Ms. Anderson appreciated the School Board revisiting this. She said that the District has a surplus of \$534,000 which will reduce the baseline budget next year – but will increase again the year after. Mr. Cordes considered budgeting less money and reserving more money (if money is put in reserves, the District can use from this year's operating budget and there would be no need to raise as much money next year). The \$420,000 in surplus in tuition included sequestering \$70,000 from the previous year (that has not been turned back). Ms. Brown will ask Ms. Penny how that money comes back in; Ms. Anderson said it is a fund balance in 2015-16 and did not go on the MS-25 to go to the State. Ms. Anderson said that the goal is to bring the school budget to this year's level and she suggested that the Board re-look at other areas of savings e.g. transportation.

Ms. Brown noted that the oil tank needs to be addressed (cost of \$60,000-\$100,000+) and was not budgeted for in FY18. Mr. Cordes hoped that the oil tank would be resolved within the next 6 months (using savings from transportation). RFPs are being done, Ms. Brown said, and Ms. Penny has been working diligently on the oil tank issue but it takes time and assistance from professionals in the field (there is a need to consider the condition of the burners and whole system).

Ms. Anderson said that the high school tuition is projected to increase by \$284,929 (7.86% increase over this year's revised budget). The per student rate is up 4.42% and enrollment is up by 6 students. She suggested budgeting for 4.42%. There is \$200,000 in the tuition reserve now (that comes out of the year end fund balance). The tuition reserve fund was established for up to \$100,000 per year of fund balance. She said the budget for 2017-18 is \$650,000 more than this year's budget, which is a lot of money. Ms. Brown noted that there are increases of \$470,000 in retirement, health, tuition and Special Education obligations. There was discussion about a Spanish teacher position.

Mr. Miccile spoke of data he got regarding enrollment and noted that the trend in NH is that budgets have gone down. He understood that some things are mandatory and cannot be cut, but he had concern that Fremont has the second highest tax rate in the state (22% vs. the 12.8% average). According to State data, there is a 20% decrease in enrollment but only minor staff changes (class sizes have reduced). Ms. Anderson said that the Budget Committee has supported staffing needs but noted that the two contracts on Warrant Articles affect the tax rate too; she felt that how resources are used is what counts for education, not the cost. Ms. Brown noted that the School Board had cut \$77,000 (Smartboards, musical instruments, etc.) before the Budget Committee saw the budget because it knew that the Budget Committee did not want to see an increase. Both committees spoke about trying to do what is best for the taxpayers and students.

There was discussion about the Financial Assistant position going to full-time. It used to be a full-time position and the part-time position did not work out (overtime pay had to be paid during the busy times, etc.)

Ms. Brown will ask if there is a cap on the amount to be in the expendable trust fund where there is currently \$110,000. Ms. Holmes had concern about students going to high schools other than Sanborn Regional per the tuition contract, however, she understood about educational hardships. It was noted that the other schools to which these students attend (such as Pinkerton Academy) are less expensive than Sanborn.

Mr. Cordes felt that the Budget Committee could go over the school budget line by line but, ultimately, there will be a bottom line and the Board can spend where it wants anyway (the Budget Committee only approves the bottom line). Ms. Anderson was concerned that the reserve fund will need to be tapped into because the tuition increase will be more than 1%.

Ms. Martel requested information on staffing/salaries as has been done in the past (list of names and salaries). There was a large turnover in staff this year so there was savings in salaries as new staff were hired at the lower end of the scale. Ms. Anderson said it was good for staff to see how much is paid for their positions, including salaries, benefits, and retirement.

*Mary Anderson made a motion to keep the school budget at \$12,220,450 (the same as the 2016-17 adopted budget), with changes not coming from the tuition line, and ask the School Board to budget at no less than a 3.0 % tuition increase plus the new students. Joe Miccile seconded the motion. Motion passed 7:1 (nay, J. Brown).*

There will be a joint School Board meeting at Sanborn on December 1, 2016. Ms. Brown informed that, per the contract, the Boards are supposed to meet twice a year. This will be the second joint board meeting this year. Topics discussed at the last meeting covered the budget, the position Fremont is in in having no say in the budget and no representation on the Board, the after school bus, scheduling and course offerings. There was mention that it is not too soon to consider renegotiations regarding the tuition contract.

Each Budget Committee member was encouraged to think of 2-3 school budget lines to reduce for the next meeting.

**V. NEXT MEETING DATES: NOVEMBER 30, DECEMBER 7, DECEMBER 14**

**VI. ADJOURN**

*Mike Nygren made a motion to adjourn at 8:30 PM. Joe Miccile seconded the motion. Motion passed 8:0.*

Respectfully submitted by,  
Susan Perry, Secretary