

FREMONT BUDGET COMMITTEE MEETING
Fremont Town Hall, Fremont, NH 03044
December 27, 2017
7PM

CALL TO ORDER

Chair Mary Anderson called the December 27, 2017 Budget Committee meeting to order with the Pledge of Allegiance at 7:00 PM at the Fremont Town Hall. Present were: Budget Committee Chair Mary Anderson, Gene Cordes, Mary Jo Holmes, Joe Miccile (arriving at 7:13PM), Kathy Miccile, Josh Yokela, and Jennifer Brown. Also present were: Allyn Hutton, Susan Penny, Greg Fraize and Susan Perry.

APPROVAL OF MINUTES: DECEMBER 13, 2017

Mary Jo Holmes made a motion to approve as written the minutes of December 13, 2017. Jennifer Brown seconded the motion. Motion passed 6:0 (J. Miccile was not yet present and P. Martel was absent).

Later in the meeting, the minutes were amended to reflect the correct amounts for the School District Warrant Articles: Tuition Trust Fund \$100,000; Maintenance Trust Fund \$50,000 and Special Education Trust Fund \$100,000.

Gene Cordes made a motion to approve as amended the minutes of December 13, 2017. Kathy Miccile seconded the motion. Motion passed 7:0 (J. Miccile was present at this time).

SCHOOL BUDGET UPDATES/INFORMATION

Ms. Penny reviewed a revenue 2018-19 document. Ms. Anderson noted that even though \$300,000 has been cut from the budget, it is still up about \$250,000 for district assessment (or \$0.60 on the tax rate). The Sanborn GMR had come in high initially but Ms. Penny worked with the Sanborn Business Administrator to clarify student count, etc. and the final GMR was brought down (about \$900/student) to a 4.6% increase in tuition. The high school enrollment from October to December indicated 4 less students attending Sanborn (savings of about \$90,000). She also provided an 8-year summary showing the various tuition increases, the highest of which was 7.74% in 2015/16. It was noted that Sanborn billed differently in '14/15 (students that were either partial day or did not attend Sanborn – payment or not for counseling/guidance) and this has since been in discussions to hopefully resolve soon (\$75,000 in '15/16 and \$75,000 in '14/15). The Fremont and Sanborn SAU teams have been in regular contact and will meet again in January. It was clarified that the 4.46% GMR is not in the FY19 Fremont School District operating budget. The budgeted tuition rate is \$18,525. The GMR expectation given by Sanborn is \$18,913 (for 211 students). Adjustments will be made accordingly as students come and go throughout the year.

There was a summary of past Sanborn budgets that passed, showing that the Town chose lower budgets. It has not completed the FY19 default budget yet.

2017: operating budget passed - \$527,000 lower than default budget
 2016: default budget passed - \$645,000 lower than operating budget
 2015: default budget passed - \$586,000 lower than operating budget

It was clarified that the State deducts based on a formula regarding items such as enrollment, free/reduced lunch, Special Education population, etc. Ms. Penny noted that Fremont received more in-state education tax, including about \$40,000 for "Keno-garden" (about a \$25,000 difference). She also said that the SAU received the tuition bill from Sanborn last week and, based on what is known now, the surplus in the line will be about \$250,000 - \$275,000 (realizing that there could be fluctuations in the status of services students may require throughout the year). She said that the District has been in a place

where the fund balance is the same each year and Ms. Brown noted that it was helpful to have it last year when necessary building projects were done for safety (though they understood the concern about potential spending of fund balance on other things). Ms. Anderson reminded that the appropriated amount is the amount that tax is set on.

SCHOOL WARRANT ARTICLES

1 – no vote necessary

2 Support Staff Agreement (CBA)

Mr. Miccile had concern about across the board raises, noting lack of incentive with guaranteed raises. Ms. Brown noted that there are other considerations and extra time/duties were added. The three-year contract includes 1% increase in salary (step and track).

Gene Cordes made a motion to recommend School District Warrant Article 2 (Support Staff Agreement). Mary Jo Holmes seconded the motion. Motion passed 5:2 (nay: J. Yokela and J. Miccile).

3 Special Meeting (if Article 2 does not pass, the District can have a special meeting, about \$5,000, to vote on it)

Jennifer Brown made a motion to recommend School District Warrant Article 3 (Special Meeting). Gene Cordes seconded the motion. Motion failed 1 (Brown):6

*Mary Jo Holmes made a motion to **not** recommend School District Warrant Article 3 (Special Meeting). Josh Yokela seconded the motion. Motion passed 6:1 (Brown).*

4 Operating Budget (\$12,405,605) (default: \$12,762,314)

Jennifer Brown made a motion to recommend School District Warrant Article 4 (Operating Budget). Gene Cordes seconded the motion. Motion passed 5:2

5 Building/Grounds Expendable Trust Fund (raise/appropriate up to \$50,000)

Gene Cordes made a motion to recommend School District Warrant Article 5 (Building/Grounds Exp. Trust Fund). Jennifer Brown seconded the motion. Motion passed 6:1 (Yokela).

6 Tuition Trust Fund (raise/appropriate up to \$100,000)

Gene Cordes made a motion to recommend School District Warrant Article 6 (Tuition Trust Fund). Joe Miccile seconded the motion. Motion passed 6:1 (Yokela).

7 Special Education Trust Fund (raise/appropriate up to \$100,000)

It was noted that Special Services are federally required and in the past, funds were pulled from elsewhere in the budget to pay for related costs (Special Education Students receive services until the age of 21). The District thought this fund (for Special Education services costs) would help alleviate the confusion of the prior tuition trust fund that did not pass last year. There was discussion about capping the fund.

Mary Jo Holmes made a motion to recommend School District Warrant Article 7 (Special Education Trust Fund). Kathy Miccile seconded the motion. Motion passed 6:1 (Yokela).

8 Technology Expendable Trust Fund (raise/appropriate up to \$25,000)

There was concern that this should not be a new trust fund and the money should be in the operating budget (be planned for) but that for big-ticket costs like server

replacement, it would be helpful to have savings from unused balances to pay for them. Mr. Fraize noted that such money could help whereas there is no insurance on the Chromebooks.

Gene Cordes made a motion to recommend Warrant Article 8 (Technology Trust Fund). Joe Miccile seconded the motion. Motion failed 2:5.

*Mary Jo Holmes made a motion to **not** recommend Warrant Article 8 (Technology Trust Fund). Joe Miccile seconded the motion. Motion passed 5:2.*

Ms. Penny will check with the DRA about how to word the “not recommended” votes on the Warrant Articles.

NEXT MEETING DATE: JANUARY 10, 2018

There was a reminder of upcoming dates and Ms. Anderson will be in touch with the Budget Committee if there needs to be a meeting earlier the evening of January 10th before the 7PM public hearing.

ADJOURNMENT

At 8:25 PM, Gene Cordes made a motion to adjourn. Jennifer Brown seconded the motion. Motion passed 7:0.

Respectfully submitted by,

Susan Perry, Secretary