

FREMONT BUDGET COMMITTEE MEETING
Fremont Town Hall, 295 Main Street, Fremont, NH 03044
November 14, 2018 at 7:00 PM

CALL TO ORDER

Chair Mary Anderson called the November 14, 2018 Budget Committee meeting to order with the Pledge of Allegiance at 7:00 PM at the Fremont Town Hall. Present were: Mary Anderson, Gene Cordes, Mary Jo Holmes, Pat Martel, Joe Miccile, Brittany Thompson and Josh Yokela. Also present were Allyn Hutton, Susan Penny, Melissa McKeon, Sharon DeVincent, Greg Fraize, Gordon Muench, Susan Levine and Susan Perry.

APPROVAL OF MINUTES

Mary Jo Holmes made a motion to approve the minutes as written of November 7, 2018. Joe Miccile seconded the motion. Motion passed 7:0.

The Board received a town expense report dated November 14, 2018. It was suggested that the three open items be put on the next agenda: new police officer (need actual cost); Fire Department Rescue proposals; and new cemetery maintenance fund. Ms. Anderson will work on default numbers to compare with Ms. Carlson.

SCHOOL BUDGET

Ms. Penny distributed information on the expendable trust balances (Sanborn tuition, Special Education, Technology, and Maintenance) and enrollment. The maintenance and tuition funds would most likely need to be accessed due to building needs and current deficit in the tuition line. There was discussion about the number of classroom teachers and class sizes. There was concern about the number of teachers remaining stable with decreasing enrollment. It was noted that the level of support in classrooms might differ based on student needs (student needs have not decreased). It was mentioned that a Personalized Learning Facilitator has been hired this year and that salary line funds were reallocated to fund it. A P.E./Health/Wellness teacher has been hired to replace the Spanish teacher position that was in this year's budget but which was not successfully filled.

Mr. Miccile distributed information regarding Fremont's local education tax. There was concern that Fremont is among the highest in the past 10 years. Ms. Levine noted that the average cost per pupil (\$13,790.25) is well below the State average (\$15,396). Ellis' cost per pupil has decreased by 3.6% in one year. This information is in the budget books.

There was discussion about the \$500,000 surplus last year. Mr. Miccile was concerned that \$50,000 for Chromebooks and other line items were cut by the Budget Committee but the District found a way to purchase them anyway. Ms. Penny explained that the Sanborn excess was part of tuition surplus and that the District would not have such a surplus this year. She said that the district had followed the Budget Committee's direction and budgeted a 2% increase. Ms. Anderson noted that, considering the \$500,000 that would not be returned to taxpayers, Warrant Article increases, etc., the budget increase equals about a \$3.00 tax impact so far. Ms. Penny clarified the increases were due to: health insurance (\$114,000); NH Retirement (\$10,500); Sanborn tuition (\$96,000); Transportation (\$48,000); out of district (\$117,000); Special Education (\$66,000); glass/framework replacement (\$27,000). These total \$478,500. \$275,000 (increases by Warrant Article) was reported to the DOE (money is transferred in July). The Warrant Article is written such that if there is surplus money in the budget, it is not spent in the year that ends on June 30th. \$200,000 (\$275,000 minus \$75,000 FY18 funds) could have been returned to tax payers but \$200,000 was necessary for building safety renovations. This \$275,000 was carried into the next budget as reserve (revenue source) – it goes into the budget the year that it comes out. The District has been using a low GMR with the knowledge that the Tuition Trust Fund could be used if necessary. Mr. Yokela noted that the intent of the Budget Committee cutting \$300,000 last year was for the district to make cuts in places other than the trust fund. Ms. Hutton noted that last year's conversation dealt with establishing the trust fund as a safety so that extra "ghost students" would no longer be counted. She said that the District was told to budget what was known, in order to make the numbers work, with the understanding that the trust fund was there (decreasing the risk of having to ask taxpayers for money). The District cut back on the GMR and based it on the history of rates – the actual came in closer to the GMR. Ms. Thompson mentioned that the District flat lined the budget the past few years and cut even more when it was requested by the

Budget Committee. Cuts were made in Ellis education in order to accommodate the uncontrollable increases. It was noted that in November, it is difficult to estimate if there would be money left over to add to the trust funds.

There was discussion about class sizes, as there was concern that they were small. The situation is unique in that, in grade 1 for example, there are 42 students with 3 teachers (making the class size 14). However, if there were only 2 teachers, the class size would be 21, which would be large for grade 1. Mr. Cordes inquired about combining grade levels. Ms. DeVincent replied that this took training and practice. A Paraeducator might need to be hired for support depending on need. Ellis school has 28 students in the open classroom class of grade 3 and 4 students with two teachers. Fremont class size policy is: 12-17:1 for grades K-4 and 18-24:1 for grades 5-8. Ms. Levine noted that the district has cut supplemental support (e.g. intervention) to accommodate rising contractual costs. As such, teachers bear a heavier work load. She felt that, where the cost per pupil was below the state average, and has decreased over the past few years, there has been no frivolity with funds. The State class size averages for the year of 2017-18 are: 16:1 (gr. 1); 16:1 (gr. 2); 17:1 (gr. 3); 18:1 (gr. 4); 18:1 (gr. 5); 16:1 (gr. 6); 18:1 (gr. 7); and 17:1 (gr. 8).

The teacher contract will go to the Union/Board in 3-4 weeks; the deadline to put it on the Warrant is in January.

The District looks to focus on only one FY20 Trust Fund Warrant Article (maintenance) due to building needs. Mr. Muench mentioned that the District was doing an analysis of the building as a structure and as an educational facility. There were issues that had not been addressed in prior years (e.g. sprinkler system recall). He stressed the importance of keeping the taxpayers' asset (building) up to par so that there would be a future forecast to bring to the Budget Committee for proper budgeting. There was discussion about the NESDEC report done for Ellis years ago where the enrollment numbers were not correct. Ms. Hutton had viewed a NESDEC report at Sanborn that showed Fremont's enrollment growing while Kingston and Newton were declining.

Seven years remain in the Sanborn tuition contract. This year, the tuition increased by \$96,000. Ms. Hutton mentioned that the budget represents the needs of the school, with the understanding that taxpayers are strapped. She advocated for the needs of the school, though she understood the position the Budget Committee was in. She invited the Budget Committee members to submit budget questions/guidance/expectations to Ms. Penny and herself before the next meeting so they could prepare accurate answers. Ms. Martel requested a list of proposed salaries for FY20. Mr. Yokela noted that the District was asking for a bottom line general fund increase of \$220,000.

NEXT MEETING DATE: NOVEMBER 28, 2018 AT TOWN HALL

ADJOURNMENT

Mary Jo Holmes made a motion to adjourn at 8:35 PM. Joe Miccile seconded the motion. Motion passed 7:0.

Respectfully submitted by

Susan Perry, Recording Secretary