

Present Committee Members: Chair Mary Jo Holmes, Josh Yokela, Michael Nygren, Jon Benson, Steve Bonaccorsi, Pat Martel, Selectmen's Representative Gene Cordes, School Board Representative Gordon Muench, School Members: Superintendent: Allyn Hutton, Business Administrator Sue Penny, Recording Secretary Shawn Perreault; FCTV Greg Fraize.

The meeting was called to order by Chair Holmes at 7:00 pm in the first floor meeting room of the Fremont Town Hall. The Pledge was recited.

Motion made by Cordes to approve the November 11, 2020 meeting minutes as amended, seconded by Benson. Motion passed 8 Yes – 0 No – 0 Abstain.

Fremont School District Budget 2021-2022

Chair Holmes welcomed the Superintendent Allyn Hutton and Business Administrator Sue Penny. Hutton stated she will be highlighting the proposed budget but will not go line by line. Then if the Committee will email any questions to Sue Penny at Spenny@sau83.org, Penny will have the answers at the next meeting. Tonight's presentation is a little different than the book, but the same as was presented to the School Board. After the presentation, she will highlight some portions of the book, she would like to bring to the Budget Committee's attention. Hutton stated they are proposing a budget that plans for both all remote learning, all in-person learning or a combination. Right now, they offer both options to parents and school is in session five days a week. There have been a few cases of COVID that affected a portion of the students and/or staff who were required to quarantine, but things are going well.

Hutton stated the Leadership Team started the budget process by meeting and discussing the following: current and anticipated needs, class size and social distancing requirements, compensatory services for "lost learning" and the Special Education staffing needs. The Leadership Team then presented the initial budget to Hutton and Penny. They reviewed each line of the budget and adjusted as needed compared to past spending patterns. They examined places to reduce, eliminate or reallocate costs and looked for any expenses that may have been missed. Then they sent the budget back to the Leadership Team and presented it to the School Board, which they adopted on November 12, 2020.

Hutton stated there are things that are unknown but must be prepared for, such as: staff salaries and benefit increases, these are contractual and NHRS High School Tuition rate at Sanborn, they received an estimate on November 1, 2020 but the final numbers will come in on December 15, 2020. Increased needs or costs due to health and safety measures like the addition of a part-time custodian for daytime cleaning, staffing requirements based on IEPs, which are federally mandated and Support Staff negotiation and Warrant Article for their contract.

Penny went over some detailed numbers for expenses and revenue with the Committee, these are in the budget books presented to the Committee. There are a lot of things that look different, but they are planning for activities that may or may not happen like athletics. If they are unable to take place due to COVID that money will not be spent.

Hutton then continued her presentation with facility projects that were recently completed. These items were paid with money obtained from grants, the School Impact Fees and maintenance operating funds. The School was able to complete the following: all phases of the new roof, install new exterior door and window security film, pave and line driveway, have a company assess the air purifier system, determined 10 classrooms needed standalone systems that were then purchased and upgrade the walkie-talkies and security cameras. The next large project will be the HVAC system.

Hutton then went through the CARES Federal funds. This is a government program that was put in place to help with COVID-related expenses. Ellis School was allocated \$32,000, these funds were used to purchase additional computers for remote learning one on one capability for all learners (K-8) and cases to ensure they were protected. Hutton also stated that another round of funds was made available in November. This will be about \$116,000 however; all funds must be spent by December 30th or be returned to the State. They will use this money to off set the new part-time custodian, the purchase of two electrostatic cleaning machines, air quality study of the building, the re-designed nurse/health care portion, air circulators and window fans for 10 classrooms, safety supplies such as wipes, hand sanitizer, PPE, cleaning supplies, etc. and additional classroom equipment like desks, partitions, etc.

Hutton moved on to teaching and curriculum needs for Ellis. Supply and equipment lines were flat funded or reduced slightly in consideration of other expenses needed. There is a need for an additional Special Education teacher. This is based on student needs for academic support and they will reduce a paraeducator position. Staffing assignments were shifted to prioritize the needs for classroom learning. Although enrollment is down, the school is at compacity due to the COVID distancing requirements.

Hutton stated the anticipated changes to the FY 22 are as follows: anticipated increases are contractual salaries, health insurance increase of 6.7%, Sanborn tuition (offset by enrollment), NHRS, Special Education and Utilities. Anticipated decreases are the retirement of a teacher, who's replacement will be hired at a lower step, supplies and equipment, Chromebooks (1 year) and out of district special education placement. Hutton stated the computers are on a yearly cycle, however due to the need to purchase so many new computers this year, they will be able to skip 1 year of cycling on the computer replacement. Hutton stated they project returning approximately \$140,000 to the Town. This includes funds from the Health Trust Refund and additional Special Education revenue from the State. Finally, Hutton stated they are proposing a FY22 of \$11,788,767.99, which is a decrease of \$68,745.02 or -.58%.

Hutton then review two Warrant Articles they are considering:

1. They will be putting the Support Staff Contract on, which is in negotiations now.
2. They would like to transfer up to \$150,000 from unanticipated funds. This is after returning the \$140,000 to the Town.

Chair Holmes thanked the School for returning the money to the Town. She is sure the residents are grateful as well.

Hutton moved on to the budget book that was presented to the Committee. She first pointed out budget summary tab – The front page which show all categories and the increases and decreases. Then behind it is a general explanation of why it went up or down. Next Trust Fund Tab shows where they currently stand. The maintenance shows \$285,000 still coming, which will have over \$500,000 in there, they feel this will allow them to do the HVAC system. Tuition Trust 310,000, which they feel is plenty; Special Education Trust has \$102,000, this is not enough. That is why they are proposing the warrant article for \$150,000. Again, this will come from fees at the end of the year if they are left. General Fund (Blue Pages) show every budget and increase for those who want to get into all the details. Default Tab shows \$24,000 lower then recommended budget.

Yokela had some questions on the Default budget. There seemed to be a large difference. Penny stated the last adopted budget is used as the default budget and then contractual obligations are added to that. Penny stated the reason the default is higher is because the last approved budget had things like supplies, salary and such that were higher.

Bonaccorsi asked the status on sports and after school activities. Hutton stated they must budget for it; however, they were not used for the fall this year. Muench stated they are planning for a normal year, if

they do not spend it, it will go back unless there are COVID issues. Penny stated they have used a lot of cleaning supplies. Bonaccorsi asked if they thought any more CARES funds would be added but Hutton did not know, Penny stated the CARES funds have been extremely helpful. The State recommended tracking all expenses and Penny has done that. Cordes asked about the computers. Hutton stated that they are waiting for one more shipment, if it comes in by December 30th they will use the CARES money to off set that cost.

Holmes asked how food services has gone? Hutton and Penny stated it has been a mess. Penny stated they met with the Food Service Contract Company and they allowed them out of the contract. Ellis is now supplied by Sanborn High School and they are claiming the meals for our Ellis students with the FDA. Food Services is a different fund, it should be self-funded line, however, it has not funded itself for a while now and the general fund covers any short fall. Holmes asked if the breakfast/lunch are free for all students for the rest of the year. Penny stated no, we did not qualify for that waiver. Penny further stated that based on the surveys that were sent, there was not a need for it. Further discussion was held on food services and the changes schools are seeing. Hutton stated that if the need comes back, they can reinstate the Food Services in Ellis.

Yokela asked about page 32, blue page, Special Ed – it appears a lot of things are moving around within this budget. Penny stated this is due to the Employees that are in those positions at the time. These are based on Staff changes, such as, insurance. There are certain things in their contracts such as continuing Ed, which the school pays for, that the staff member can exercise. Yokela asked about the consulting part. Hutton stated this is for an outside person to review the Special Education program. The Principal, who is also acting as Special Ed director was looking at the needs based on IEPs. This is an over all review to the whole Special Education Program itself. Yokela asked when it was last done and Hutton stated about 2 years ago. Bonaccorsi asked what they felt was the cause of the increase. Hutton stated that there are more needs that students are requiring rather than an increase to the number of students requiring needs. These are services that are required by law. Muench stated that the review done 2 years ago was due to staff changing. They wanted to make sure the additional needs were met along with the legal requirements. The consulting is also needed to make sure that what you put in place is working. Hutton stated that the number is a place holder right now. Further discussion was held on Legal requirements and Spec. Ed.

Martel asked about the decrease for out of District, is the trust fund for this purpose. Penny stated that in the past they used to budget for the what if, now they do not do that. They only budget for the current needs. The Trust fund is to cover an emergency, such as an out of district need. Holmes asked if they have ever drawn from it and Penny stated no.

Holmes asked if Special Education was the only Trust they were adding to and Penny stated yes. Benson asked why the consulting for Special Education increased so much. Hutton stated the last time part of cost was covered by grant money.

Yokela asked about the increase of trash removal. Is this due to COVID? Penny stated no, they feel this will be an ongoing expense. They are now disposing of the chemicals in a more proper manner with a company that takes them and disposes of them for us. Holmes asked about some security measures, but the discussion was not held due to this matter being confidential.

Martel asked for year to date expenses for current year and Penny stated they don't usually provide that. She stated it will be in the December packet. Hutton stated that it will look off, because of the COVID expenses and such.

Benson stated that on page 7 of the blue pages, top line looks like a 11.35% increase, Penny stated on page 6, elementary line decreased – this is going to the high school. Need does not go away, just goes to a different line. Sometimes there is also an increase in needs. Penny noted that the Board will see codes of 10, 11 and 30, which represent the school the expense is charged to; 10 – elementary, 11 – middle, 30 – high school.

Martel under repair of the building inquired if the consulting is new and Penny stated no, it is there every year. Sometimes it is used and sometimes it is not and occasionally it is transferred to Engineering. Further examples were discussed.

Penny stated that the Health insurance was based on claims up to February of 2020 and she stated they are giving the district a refund of \$53,000, which is the same as the increase.

Yokela asked if the enrollment decrease is due to people leaving that can come back and Hutton stated 11 people moved to home schooling.

Holmes reminded the Board to send all questions to Penny by Monday, November 30, 2020. Penny stated she should have the revenues by then as well. Hutton stated she is waiting on final High School numbers, which are due by Dec. 15th, right now they are using 2% and there are 11 fewer kids, the current number is a place holder.

At 8:21 pm Yokela made a motion to adjourn, seconded Cordes. The vote was unanimous.

The next meeting will be held on Wednesday December 2, 2020 at 7:00 pm in the Town Hall First Floor Meeting Room.

Respectfully submitted,

Shawn Perreault
Recording Secretary