

FREMONT BUDGET COMMITTEE MEETING FREMONT PUBLIC BUDGET HEARING

Fremont Town Hall
295 Main Street
Fremont, NH 03044
January 8, 2013
7:00 PM

I. CALL TO ORDER

Chairman Gene Cordes called the January 8, 2013 Budget Committee meeting to order at 6:04 pm on the main floor of Fremont Town Hall.

Present were: Budget Committee Members Gene Cordes, Griffin Cordes, Greg Fraize, Charles Kimball, Patricia Martel, Joe Miccile, Mike Nygren, Greta St. Germain, Town Administrator Heidi Carlson, and Recording Secretary Susan Perry.

Members of the public included: School Superintendent Michelle Langa, School Business Administrator Laurie Verville, School Board Chair Ida Keane, School Board members Deb Genthner, Sharon Girardi and Andy Kohlhofer, and during the Public Budget Hearing: Brett Hunter, Margie Diggins, Annemarie Scribner, Dawn DiBurro, Matthew E. Thomas, Brenda Barthilemy, Brigid Connelly, Carla Smith, Julie Beal, Jodi Donahue, Richard Butler, Sue Lynehan, Carrie Tomany, Kathy Schriver, Scott Brown, Mark Pitkin, Keith Evans, Brian Dobson, Ellen Canty, Dan Chiacchia, Ria Kirby (?), Nathan R Draney, Jennifer Rydeen, John Safina, Jason Carey, James Thompson, Elizabeth Beaulieu, Antje McKee-Courcy.

II. BUDGET COMMITTEE MEETING

Mike Nygren made a motion to recommend Town of Fremont Warrant Article 8, "Contribution to the Police Cruiser Capital Reserve Fund". Charles Kimball seconded the motion. Motion passed 8:0.

Greg Fraize made a motion to recommend Town of Fremont Warrant Article 11, "Purchase New Breathing Air Equipment for the Fremont Fire Department". Mike Nygren seconded the motion. Motion passed 8:0.

The Board of Selectmen had removed the Warrant Article regarding animals roaming at large. The Budget Committee reviewed/voted on remaining School Warrant Articles.

There was discussion about the Affordable Care Act law and requirements as regards penalties if taxpayers vote to not approve the cost of the Federally mandated healthcare to employees. To cover Para-professionals, health insurance was estimated to cost \$62,980; if the District did not offer insurance, it would need to pay an \$88,000 penalty (covering 6 months). The District's attorney had advised that since this was a new benefit under the CBA with an associated cost, it had to be a Warrant Article. If defeated, the \$88,000 would be in the default budget (it was not in the operating budget). The existing contract would be opened to add this piece. Mr. Nygren had concern about it being a contract provision and appropriating money if residents voted down the Warrant. Ms. Langa said that this was a Federal mandate and there would be no money available if the Warrant was voted down. More cuts would need to be paid to the District.

WARRANT ARTICLE 3 (CBA, teachers)

Because of differences between each Step, there would be a flat \$1700 Step increase per person (for 41 teachers the first year). Mr. Nygren felt that the figure of \$44,940 for estimated increases for FY 2013-2014 was misleading; he thought that the money should show in the benefits package. The \$44,940 included a reduction in health insurance by the 5 RIFd teachers, negotiated change in plans to Matthew Thornton from more expensive plans, reduction in NH Retirement, etc. Ms. Langa mentioned the previous salary scale and noted that the negotiations did not finish until January 2, 2013. She said that the Warrant was to show new money. Counsel advised the District to add a note to clarify to voters that the first year's cost reflected 41 teaching positions instead of 46.

Greg Fraize made a motion to recommend School District Warrant Article 3. Griffin Cordes seconded the motion. Motion failed 5:3.

"Not Recommended by the Fremont Budget Committee 5:3"

WARRANT ARTICLE 4 (Special Meeting if W. A. 3 failed).

Greg Fraize made a motion to recommend School District Warrant Article 4. Pat Martel seconded the motion. Motion passed 5:3.

Later in the meeting, Greta St. Germain made a motion to re-open the vote on Warrant Article 4 for another vote. Charles Kimball seconded the motion. Motion passed 5:2:1

Greta St. Germain made a motion to not recommend School District Warrant Article 4. Mike Nygren seconded the motion. Motion passed 5:3

"Not Recommended by the Fremont Budget Committee 5:3"

WARRANT ARTICLE 5 (Support Staff CBA)

Greg Fraize made a motion to recommend School District Warrant Article 5. Pat Martel seconded the motion. Motion passed 5:2:1.

"Recommended by the Fremont Budget Committee 5:2:1"

WARRANT ARTICLE 6 (Special Meeting if W.A. 5 failed)

Greg Fraize made a motion to recommend School District Warrant Article 6. Pat Martel seconded the motion. Motion failed 4:4.

"Not Recommended by the Fremont Budget Committee 4:4"

WARRANT ARTICLE 7 (raise/appropriate up to \$10,000 to expendable trust fund)

Greg Fraize made a motion to recommend School District Warrant Article 7. Pat Martel seconded the motion. Motion passed 8:0.

"Recommended by the Fremont Budget Committee 8:0"

WARRANT ARTICLE 8 (accept provisions of RSA 198:20-b)

There was discussion about having the Warrant mention that a passing vote would rescind the previous Warrant Article. The School District attorney had written a letter stating the proper way to reinstate 198:20-b (the prior Warrant would be rescinded if the new Warrant Article was voted in).

Greg Fraize made a motion to recommend School District Warrant Article 8. Pat Martel seconded the motion. Motion failed 2:5.

“Not Recommended by the Fremont Budget Committee 5:2:1”

WARRANT ARTICLE 9 (authorize retention of year=end unassigned general funds not to exceed 2.5% of current FY's net assessment)

Under government accounting standards, Towns and schools were mandated to do fund balance planning a few years ago. The net assessment was \$7.6 million (can retain up to 2.5% of this, which equaled \$190,000). Net assessment can be recalculated each year. What was not expended would go back to the Town. The money needed to be used the following year or it would be lost. The money was already appropriated. The purpose was to reduce the tax rate or for emergency or over-expenditures (e.g. an expensive Special Education placement).

Greg Fraize made a motion to recommend School District Warrant Article 9. Pat Martel seconded the motion. Motion failed 4:4.

“Not Recommended by the Fremont Budget Committee 4:4”

RECESS 7:05 PM – 7:24 PM

Griffin Cordes made a motion to change the word “momentarily” to “temporarily” in Section II of the December 19, 2012 minutes. Greta St. Germain seconded the motion. Motion passed 8:0.

Griffin Cordes made a motion to omit “ore” from the December 19, 2012 minutes. Charles Kimball seconded the motion. Motion passed 8:0.

Charles Kimball made a motion to approve the minutes of December 19, 2012 as amended. Greta St. Germain seconded the motion. Motion passed 8:0.

III. PUBLIC BUDGET HEARING: 7:30 PM

Mr. Cordes read the following:

The Public Budget Hearing will be held on January 8, 2013 at 7:30 pm at the Fremont Town Hall, 295 Main Street, pursuant to NH RSA 32:5. The Budget Committee will convene at 7:00 pm to review any petition articles submitted.

Additional nights Wednesday January 9 and Thursday January 10, 2013 have been set aside as needed for recessed sessions (if additional time is needed to review), to sign budget forms; and for allowance of a snow date. The public is encouraged to attend.

TOWN BUDGET REVIEW

Mr. Cordes reviewed each line of the Town budget MS-7

Mr. Kohlhofer asked if all three Police Department Administrators (Police Chief, Dep. Police Chief and Investigator) did patrols; Ms. Carlson said at least one is currently doing patrols. All three positions were part-time and were in the budget. The Deputy Chief did side work and administration.

A citizen asked why the library budget increased; Mr. Miccile replied that they were requesting more hours to be open. Ms. Carlson noted that a big part of the increase was due to putting in a chlorination system.

Ms. Carlson listed the various Vendor Payments (line 4445-4449)

The total operating budget was \$2,499,591. The difference would go back to Government Town Buildings (improvements to heating system).

The Budget Committee's Recommendation of \$90,000 for "Capital Reserve Fund W.A. # 7-10" was changed to \$106,500 (related to capital reserve fund for police cruiser). It was noted that Crown Victorias were no longer made so a cruiser needed to be re-equipped for the brand new style.

The "Special Articles Recommended" line changed from \$310,874 to \$327,374 under "Budget Committee's Appropriations".

There was review of the Town Warrant Articles.

Family Promise of Rockingham County was explained to be an agency that helped homeless people find temporary housing placements via churches who take turns hosting families. The money offset the cost of food etc. Family Promise originally asked for \$5,000 but the Selectmen and Budget Committee recommended \$1,000.

There was review of Town revenues and it was noted that tendency was to be conservative in revenue. Some things in 2012 were higher (e.g. motor vehicle permits) but revenues could be updated during the year.

The Total estimated revenue and credits was \$1,374,382. The Estimated amount of taxes to be raised was \$1,533,721 (above and beyond the revenues) if all Warrant Articles passed.

SCHOOL DISTRICT BUDGET REVIEW: MS-27

The School recommended budget was \$11,093,863. The Budget Committee's recommended budget was \$10,939,863. The difference was: 1 bus route, 1 guidance counselor and 1 classroom aide.

It was explained that "Special Programs" were for students with IEPs whereas "Regular Programs" were for students without IEPs. There was a reduction of one classroom aide in Special Programs, bringing the amount from \$1,564,912 to \$1,544,912. There was a reduction of one guidance counselor for a reduction from \$677,895 to \$588,895 in "Student Support Services".

There was a reduction of one bus route (for all three schools: elementary, middle- and high-school), reducing the Student Transportation line from \$531,151 to \$486,151. Ms. St. Germain justified the reduction stating that it was based on the decrease of enrollment (@ 100 students in the past 5 years), plus a proposed reduction of 15 students next year. Where the 3-year contract was set to expire in 2013, it was a good time to put out bids and have the Town absorb savings. Consideration would be to have students be on buses for as little time as possible.

Justification for the reduction of a guidance counselor was based on RSA 193-C: 3, III which stated that: *The counseling load in each elementary school shall not exceed the equivalent of one full time guidance counselor per 500 students enrolled.*

There were 428 students at Ellis. Mr. Kimball said that, State law considered Ellis considered an elementary school (not two schools). Ms. DiBurro understood that but noted that there were two

different “cultures” at Ellis (one elementary school and one middle school). It was noted that the guidance counselors fulfill the health teacher roles and deal with bullying education, which was new.

Ms. Scribner asked why the management increased @ \$30,000. Ms. Verville explained that part was the health insurance eligibility and NH Retirement increase. Ms. Scribner had concern that the District had a full-time Superintendent (first time since creation of SAU) when cutting a guidance counselor and bus. Ms. Keane explained that previously the District had a 32-hour/week Superintendent and had to run a search for a replacement in only 6 weeks. The District was fortunate to hire a Superintendent who worked a 40-hour week for a few thousand dollars more than the previous Superintendent at fewer hours. Even with the additional cost of benefits, etc., Ms. Keane said the School Board felt that it was worth it and that there will be curriculum work done and student achievement should increase even more than at present. There was a \$44,000 increase over last year’s budget and Ms. Keane said that the School Board felt they were being fiscally conservative in creating a budget good for the Town and students.

Ms. Verville noted that all grant-funded positions were in the general fund.

Budget Committee-recommended amounts were added to the School District Warrant Articles in the MS-27. Revenues were reviewed. The total estimated revenue and credits equaled \$646,070. Special Warrant Articles (\$10,000 and \$107,920) were added to the budget summary, making the “estimated amount of local taxes to be raised for education” to equal \$7,682,347. The “maximum allowable increase to Budget Committee’s Recommended Budget per RSA 32:18 would be higher than the \$1,065,723.00 if the \$10,000 and \$62,980 Warrant Articles were approved.

A citizen asked about the budget cuts. Ms. Langa said that the School Board was asked to bring in a level-funded budget. There were increases in NH Retirement Costs and high school tuition. In order to have a level-funded budget, there were recommended cuts: Regular Education classroom Teacher, Special Education Case Manager, Part-Time Nurse, Occupational Therapist changed to Part-Time, Teacher Support Services, Para-professional, one teacher retirement (not to be replaced). Therefore there were 5 FTE positions built into the budget proposed by the School Board and accepted by the Budget Committee.

There was a question about why the Budget Committee voted to recommend Warrant Article #5 Para CBA but not the Warrant Article #3 Teacher CBA. It was explained that 41 teachers got a flat pay raise of \$1700 and there was a change in health providers/plans reduced some cost. Mr. Miccile had concern with the flat pay raise of \$1700 for teachers. It was noted that the pay raise was part of a CBA that was reached so the Warrant Article was to cover the cost of the agreement. About 18 teachers were at the top Step and that people at the top Step have not had raises for 5 years. Mr. Kohlhofer noted that there were changes to the CBA: increased work day and designated work hours (Principal could schedule events to do within the scheduled work day/after school hours, not before school). It was noted that this would allow for a savings of substitutes once used for these reasons.

At 8:47 PM, Charles Kimball motioned to sign papers. Greta St. Germain seconded the motion. Motion passed 8:0.

At 8:50 PM, Charles Kimball motioned to close public hearing. Pat Martel seconded the motion. Motion passed 8:0.

IV. ADJOURNMENT

At 8:55 PM, Charles Kimball motioned to adjourn. Mike Nygren seconded the motion. Motion passed 8:0.

Respectfully Submitted, Susan Perry, Recording Secretary