

**MINUTES OF MEETING
MUNICIPAL BUDGET COMMITTEE
May 11, 2004**

A meeting of the Municipal Budget Committee was called to order at 6:29 p.m. in the Conference Room of Conway Police Station with the following present: Janine Bean, Doug Swett, Ted Sares, Melissa Stacey, Betty Boucher, Phil Dighello, Bill Jones, Russ Seybold, Mike DiGregorio, Bob Barriault, Selectmen's Rep., Karen Umberger, and School Board Rep., Deb Deschenes.

Elect Chairperson: Motion was made by Mr. Jones, seconded by Ms. Umberger, to nominate Janine Bean Chair of the Budget Committee for the ensuing year. Nominations for Messrs. Seybold, Dighello and Sares were declined. Mr. Jones called for the question. **Motion to nominate Janine Bean carried with 10 votes in the affirmative and Ms. Bean and Mr. Sares voting in the negative.**

Elect Vice Chairperson: Motion by Mr. Jones, second by Mr. Barriault, to nominate Russ Seybold as Vice Chair. Motion was made by Mr. Sares, seconded by Mr. Swett, to nominate Bob Barriault as Vice Chair. [Mr. Barriault declined, citing personal responsibilities that make it impossible for him to serve for more than a year at a time and which make it impossible for him to know that he will always be available.] **Motion was made by Ms. Boucher, seconded by Mr. Sares, to nominate Melissa Stacey as Vice Chair. Motion by Mr. Swett, second by Ms. Umberger and carried, that nominations cease.**

Discussion: Mr. Sares voiced his objection to the nomination of Mr. Seybold as Vice Chair, citing a derogatory comment having been made about him (Mr. Sares) on Valley Vision's Point of View program in which Mr. Seybold's wife has a major role.

Mr. Seybold stated that he believes Mr. Sares has a misunderstanding of some things, but would withdraw his name because he feels we have to make sure we do not have any animosity on this Committee, and he wants to make progress this coming year in an expeditious fashion and to do our job.

Mr. Jones said he would definitely support Mr. Seybold – he is sensible and responsible. He acknowledged that there were some comments made on Valley Vision, some expressions of discontent expressed last year during the meetings; however, we have a job to do and we are intelligent enough to separate things that are before us. He said he looks at Mr. Seybold with confidence, and he would be a good person for the position. Mr. Jones commented that we need to get going, will need to meet more frequently; will be dealing with issues relative to the new school, issues that will require good debate and opinions. He strongly supports Mr. Seybold.

Mr. Barriault asked Mr. Seybold to reconsider his decision to withdraw as he thinks he would be a good choice. He felt with Mr. Seybold's business background and with his experience on the Committee for a year, it makes sense to maintain some continuity.

Ms. Bean said she has been on many Boards over the years, has been called many names, it is going to happen, we will not all be liked by everybody, sometimes we have to take the punches and roll with them because they are just opinions of other people. She asked that Mr.

Seybold reconsider, citing the need to have some stability on the Committee, someone who has been here. Ms. Deschenes agreed, stating that being on the School Board in the past four years there have been instances when some have not liked her or her decisions. She said from having watched the Budget Committee meetings she has seen that Mr. Seybold is even-keeled and would be a great choice for Vice Chair.

Mr. Sares said he stands behind his comments 100%. He said the Committee is misunderstanding something about his feelings on Valley Vision. He said he is not sure whether he would have to resign [if Mr. Seybold were to be elected Vice Chair].

Ms. Bean stated as Chair she will let some discussion go, up to a certain point, but not past that point - there is a line when it comes to the business of the Budget Committee, and she will hold to it. Also all debate must go through the Chair.

Mr. Seybold said he tries not to be an argumentative person, does take things personally. It is he who sits on the Budget Committee, not his family. He said he would like to be viewed as being his own self, making his own decisions. He stated he would not want to be Chair because he wants to be able to speak his true feelings; Mr. Sares does not want the Chair to do that, so he stands on his decision to withdraw. Mr. Sares said in a good faith effort he is willing to support Mr. Seybold based on what he just said.

Mr. Jones said he put forth Mr. Seybold's name because he has sat with him for the past year facing the issues we all faced. However, this is 2004, a new set of problems, new members on the Committee. We need to come together as a unified body facing problems and make decisions on good sound judgments and opinions based on the information we receive. He said he echoes the sentiment of those asking Mr. Seybold to reconsider, stating that Vice Chair is a strong position and Mr. Seybold has demonstrated he can stand on his own two feet.

Mr. Seybold stated he is set in his own mind where he is. He noted he also has a family situation (his Dad is 90 and lives in Washington, D.C.) which could cause him to be away at any time. It was Mr. Dighello's opinion that Mr. Seybold does a good job and he would like him to reconsider.

Motion was made by Mr. Sares, seconded by Mr. Barriault and carried, to reopen nominations. Motion to nominate Melissa Stacey as Vice Chair for the ensuing year carried by unanimous vote.

Vacancy on the Committee: Mr. Sares noted that last year we put an ad in the paper, there were no responses, the Committee then came up with names. He suggested using the same process. Mr. Seybold suggested the ad include the commitment of time required. Ms. Umberger advised the vacancy has also been publicized on Valley Vision at a Selectmen's meeting. Mr. Seybold questioned whether there is any criteria? Ms. Bean said only that the candidate must be a resident of the town of Conway.

Budget Review: Ms. Umberger stated one of the requirements of the Budget Committee is to review the budgets throughout the year. She provided copies of the town's budget to date, noting that the Budget Committee has already overexpended its budget by \$224 for the current year and needs to ask for more money. Mr. Sares questioned whether there was a method for early warning. Ms. Umberger said these are the up to date figures. Mr. Seybold commented that

since we have been told we are going to meet more often this year, we need to have a forecast of how many meetings we will have to attend with the various budgets, and make that our figure for a proposed budget. Mr. Barriault questioned how it is arrived at, noting the Committee had all the same meetings, plus some additional meetings, and should be able to come up with numbers that are more representative. Ms. Bean noted that the way the law is written we are supposed to be overseers of the budget for the town, school and the precincts year round, and would have a better handle when it comes time for next year's budget if we knew how it is being handled. Mr. Jones noted in the seminar with Meg Baker of DRA, she pointed out that it is part of the Budget Committee's obligation to review the budgets on a reasonably regular basis.

Ms. Bean read an excerpt from RSA 32, Municipal Budget law, which says the Budget Committee is required to review the budget periodically. She pointed out that "periodically" could mean quarterly, noting we are not here to micromanage.

Ms. Boucher stated she has been on the Committee 12-1/2 years and this is the first time she has seen us go over budget. Ms. Umberger said this has been historically the figure that the Budget Committee has used for the year; she does not think the Budget Committee has ever submitted to the town an additional budget because we have not exceeded what is there. Ms. Stacey pointed out there were a lot more meetings, lasting longer, this past year so she can understand how we overspent.

Mr. Swett questioned the process to get more money into this column. Ms. Umberger said we use bottom line authority. The Selectmen need an estimated dollar figure as to what the Budget Committee feels they will need for the rest of the year. Mr. Sares said in order to budget for the future we have to look at the past as to what we have spent; secondly, in terms of periodically, he suggested dividing the year by three, which would mean meeting three times a year (less than quarterly, but would meet the accounting definition of periodically).

Motion was made by Mr. Sares to define periodically as three times a year to meet the terms of the RSA. Seconded by Mr. DiGregorio. Upon question by Mr. Barriault to make it more specific, **Motion was made by Mr. Sares, seconded by Mr. DiGregorio, to amend the motion to include review of the budget in early May, September and December of the calendar year.** Ms. Stacey pointed out the figure will have to be increased because we will have extra meetings and they will last longer. Motion was made by Mr. Swett to find that figure and add 10% so that we are not facing the same issue in six months. There was no second. **Mr. Sares' motion carried as amended.**

Mr. Swett questioned whether it is the law that we have to advertise for a new member, noting anyone who is interested has had a chance to run. Ms. Bean stated it is just the way we have done it in the past. Mr. Sares said there is nothing that requires us to do it, but it is a clean fail safe way to do it, then if no one comes forward we can bring up the names we want. Ms. Deschenes suggested if we are only running the ad once, that it be in the weekend edition so it is out there for two days, also it should include a deadline to submit names.

It was agreed the next meeting would be held on June 7th at 6:30 p.m. with an agenda to include nominations to fill the vacancy, money for over expenditure, and review of the budget. A letter will be sent to Dr. Nelson advising him that in May and Sept. he will need to provide us with school budget information in advance of the meetings, and to have an up to date budget

available for the June 7th meeting. New member address lists will be provided for that meeting as well.

Ms. Boucher pointed out that the School Board has agreed to pay North Conway Water Precinct's lawyer fees. Ms. Deschenes stated it is in the process, but no dollar figure is set on that yet. Ms. Boucher questioned whether that expenditure should come through the Budget Committee? Ms. Bean said it does not have to because they have a bottom line budget; it is bond money that we have approved.

Mr. Sares reported at a Planning Board seminar he had attended he discussed with attorneys a comment made by Peter Malia during school bond discussions that town officials could be sued by other towns regarding the tuition contract. Mr. Sares' concern was whether Budget Committee members are covered by insurance. He requested that Ms. Umberger find out what member coverage is, the extent, and if we are covered. Mr. Jones requested that that information be provided in writing.

Other Business: Motion was made by Mr. Jones, seconded by Mr. Sares, that the Minutes of the March 24th Budget Committee meeting and the March 24th Birch Hill Water District Public Hearing be accepted as submitted. Motion carried with 9 votes in the affirmative and Messrs. Barriault and DiGregorio, and Ms. Deschenes abstaining as they had not been on the Committee at that time.

At 7:45 p.m. Motion was made by Mr. Jones, seconded Ms. Umberger and carried, that the meeting be adjourned.

Respectfully submitted,

Gail T. Currier
Recording Secretary