

**MINUTES OF MEETING
MUNICIPAL BUDGET COMMITTEE
April 27, 2005**

A meeting of the Municipal Budget Committee was called to order at 6:30 p.m. in the meeting room of the Conway Police Station with the following present: Ted Sares, Betty Boucher, Melissa Stacey, Debra Deschenes (School Board Representative), Maureen Seavey, Russ Seybold, Karen Umberger (Selectmen's Representative), Bill Aughton and Carl Rosenthal. (Randy Davison arrived at 6:34, Kirk Smith (~~North Conway~~ Birch Hill Water Precinct Representative) arrived at 6:39).

Melissa Stacey noted that Bill Jones, Phil Dighello and Rick Paquette would not be in attendance this evening.

SWEARING IN OF ELECTED OFFICIALS

Karen Umberger asked those who have yet to be sworn in to join her by the flag as she administered the oath of office to William Aughton, Maureen Seavey, Betty Boucher and Carl Rosenthal. (Randy Davison arrives).

APPOINTMENT OF RECORDING SECRETARY

Ms Stacey noted that due to the retirement of the Committee's recording secretary, an ad was placed in the paper and we received one response. **Ted Sares moved, seconded by Betty Boucher, to accept Martha Tobin as the Recording Secretary.** Karen Umberger would like to know what would happen should the Committee meet on the same night as the School Board. Melissa noted she would expect that the Committee would work around that. Ted Sares noted that we could offer to rearrange our schedule so as not to have these two groups meeting on the same night. Karen noted that she just wants everyone to be aware that if Martha is appointed to this position there are going to be nights when the Committee can't meet. Debra Deschenes noted that this Committee has in the past worked with the School Board to work around conflicting dates. Betty Boucher wants the record to be clear that the Budget Committee does not have to adjust its schedule to work around any other committees. A member of the Committee asked if Martha's information was included in their packets and finding that it wasn't, Melissa Stacey read Martha's letter of application. Russ Seybold would like to know if what we are saying is that if our Recording Secretary isn't available then we would cancel our meeting? Ted Sares noted that there is no reason to believe that Martha would not make herself available for the Committee's meetings just as she does for the various School Committees she works with. There was no further discussion. **The motion to accept Martha Tobin as Recording Secretary passed unanimously.**

Betty Boucher moved, seconded by Debra Deschenes, to adopt Roberts Rules of Order (Kirk Smith arrives). Russ Seybold noted that if we get into Roberts Rules we get into weighty grounds. He'd like us to use it as a model but not to follow it in the strictest sense. Ted Sares agrees, stating if you follow the rules literally you get into a quagmire. Betty Boucher noted that we have used these in the past and Russ countered that even our town moderator says we are "guided" by Roberts Rules and he believes that is the direction we should go in. **Betty Boucher withdraws her motion and Debra Deschenes withdraws her second.** Karen Umberger wants all of us to be under the agreement that we use Roberts Rules for guidance. The Committee members agreed.

Melissa Stacey noted that before we go further we need to decide if we want the Recording Secretary to document the general gist of discussion, to paraphrase or to use verbatim comments. Ted Sares noted that the minutes are the only record we have but he believes getting the gist is ok as long as members can amend the minutes upon review. Karen Umberger noted that Valley Vision maintains a copy of the tape of the meeting that the Committee could request if needed. Ted countered that the tape has no legal bearing. Russ Seybold would like to assure that any motions be verbatim. Melissa noted that she has reviewed minutes generated by Martha and Melissa believes Martha gets the points that need to be made. **Betty Boucher moved, seconded by Ted Sares, that the minutes would be generated at the Recording Secretary's discretion, while motions would be verbatim. The motion passed unanimously.**

ELECTION OF OFFICERS

Ted Sares moved, seconded by Betty Boucher, to elect Melissa Stacey as Chair. The motion to elect Melissa Stacey as Chair passed unanimously.

Karen Umberger moved to elect Randy Davison as Vice-chair. Randy declined to accept, motion withdrawn.

Ted Sares moved, seconded by Carl Rosenthal, to elect Rick Paquette as Vice-chair. Melissa Stacy moved, seconded by Ted Sares, to elect Betty Boucher as Vice-chair. Ted Sares noted this is going to be a tough call for him as Rick puts community first however Betty is shrewd as a fox, has been around a long time and has no difficulty putting Ted in his place. **The motion to elect Rick Paquette as Vice-chair failed 3-6-2, the motion to elect Betty Boucher as Vice-chair passed 6-3-2.** (* This vote was taken before a format including names was established).

APPROVAL OF MINUTES

Karen Umberger moved, seconded by Russ Seybold, to approve the minutes of March 14, 2005 as written. The motion carried 9-0-2 with Deschenes & Rosenthal abstaining. The Chair asked that the lower vote names be listed as had been done in minutes previously.

DISCUSSION REGARDING COMMITTEE VACANCY

The Chair noted that the Committee needed to accept the resignation of Mike DiGregorio. The Chair did a phone poll and the result was 10-1-0 with Rick Paquette voting not to accept the resignation. The Chair noted that the phone poll was also 10-1-0 to fill the vacancy. The Chair stated that the next decision was if we are going to advertise or have names submitted and the phone poll results were 8-5-0 to submit with Rick, Russ, Karen, Bill and Deb disagreeing.

Randy Davison would like to know if the Recording Secretary is putting down the names on these votes. Ted Sares called a point of order noting we are only in the talking phase and haven't even decided on how we are going to make this appointment. Karen Umberger called a point of order stating that it was already established that the side with the lowest vote would be recorded by name. Randy noted that whenever there is a vote the minutes needed to state where folks stand on the issues. Ted asked if we were discussing voting on an appointee to fill the vacancy or votes in general as he thought that was what Randy was referring to and he is concerned that we haven't established the

process we're going to use to fill the vacancy. Randy would like to go back to his question regarding how the minutes would reflect each vote. **Ted Sares moved, seconded by Betty Boucher, to indicate the names of who voted on all votes.** Russ Seybold would like to know if that means all three votes would be accounted for and Karen countered that we already established that we would only record the lowest vote by name. She noted she doesn't have a problem changing this, only that we'd already established a procedure. Randy noted he feels it's important that his constituents know how he voted. Karen doesn't think we need to record individual votes on the approval of minutes, stating that if it passes unanimously the public knows who was in attendance. Russ noted that he agrees that the votes on minutes aren't an issue but when it comes to voting on articles, he believes everybody should stand by their vote. Ted Sares moved the question. **The motion to move the question passed 5-4-2 (Stacey, Smith, Sares, Boucher, Davison positive; Deschenes, Seavey, Umberger and Rosenthal opposed; Seybold and Aughton abstain)** (*the first vote tied 4-4-3 with the Chair abstaining, following the first vote, the Chair voted in the positive to move the question). **The motion to indicate the names of who voted on all votes passed 10-1-0 (Sares, Boucher, Stacey, Deschenes, Seavey, Seybold, Aughton, Rosenthal, Davison, Smith positive; Umberger opposed).**

The Chair noted that since the phone poll was 8-5 to submit names, she asked folks whose names were submitted to come tonight so that they could get right into the process tonight. Ted Sares would like to suggest a process. He would like to have all names of nominees submitted then have discussion or to have discussion following each nominee's introduction but he wants to make sure that the vote occurs after all nominees have been brought forward. Betty Boucher noted she would like to hear from the nominees. Ted believes that means we are holding the nominees to a higher standard than those who were voted into office. Let them talk if they want to but just having their name brought forward should be enough. Russ Seybold doesn't see how this process would be holding the nominees to a higher standard than those who were voted in. Those folks had the opportunity to speak to the public through interviews and spotlights on the candidates in the newspaper. He doesn't expect the nominees to have a speech prepared. Randy feels that filling the vacancy is more difficult because it is the Budget Committee that is electing that person and it isn't the voice of the people; it's an indication of the folks on this committee. Ted reminded Randy there were no contested races for the Budget Committee so for argument's sake, let's say there were lunatics who ran with no competition and won, they are sitting on this Committee now and they are going to choose an appointee on a higher standard. Russ asked the Chair to ask Mr. Sares why he feels this process holds the nominees to a higher standard. We are only trying to fill a vacancy, not looking for qualifications. Ted noted Russ could ask him directly and the answer is as soon as this Committee asks any of the nominees a question we are crossing that line over to a higher standard. Karen Umberger noted that we are waxing philosophically over something that really isn't worth the time we're taking. She asked that we get on with the nominations. The person who makes the nomination can say something about the nominee and if the nominee wants to speak, that can happen, too. Maureen Seavey noted that she had brought forward a name because she thought that person would do a good job and it's nothing against any other nominee. Ted noted we should get on with the nominations.

Maureen Seavey moved, seconded by Karen Umberger, to appoint Bob Drinkhall to the vacant position. Bob Drinkhall introduced himself to the Committee and read the letter of interest he had submitted. He listed his background and qualifications and thanked the Committee for considering him for the vacancy.

Betty Boucher moved, seconded by Ted Sares, to appoint Rob Roy to the vacant position. Rob Roy introduced himself and noted that he has had some troubles but would caution folks not to believe everything they read in the papers. Ted Sares noted that people are supposed to be considered innocent until judged guilty. When Rob served on the Budget Committee he shook things up, he voted against the school bond. He's a guy who says it the way it is and what you see is what you get. Ted is not worried about what the papers have had to say. The Chair noted that Rick Paquette had submitted a letter to her that he asked to have read at tonight's meeting since he wouldn't be in attendance. Rick would cast his ballot for Rob Roy to fill the vacancy. Rick listed several reasons for his support. The Chair noted that Rick's vote doesn't count, as he is not in attendance. His support of this nominee would be reflected in the minutes. Betty Boucher noted that Rob's personal life is his own business.

Karen Umberger would like to speak on behalf of Bob Drinkhall. She noted that he slid right over his involvement on the budget committee for the North Conway Water Precinct. Bob did a lot of digging into the budgeting process and he understands it. He may not have been involved on the municipal level but he still has a good understanding of the process. She can't say enough about the work he has done with the precinct.

Russ Seybold noted that we all have different points of view. He knows Bob to be a very detail-oriented person and getting into those details brings forth a lot of information. That leads him to support Bob. Maureen Seavey noted she has worked with Bob on the budget committee for the precinct and while they don't always agree, they treat each other with respect.

Ted Sares would like to know where Bob Drinkhall lives and was informed he lives in Kearsarge. Ted noted that Rob lives in North Conway. While Ted knows Bob and has worked with him on the Planning Board, he supports Rob specifically because he is separate from the precinct. He has no special interests, he's just a taxpayer and having no identification with the precinct is to Rob's advantage. Maureen disagrees noting that being on the Municipal Budget Committee has nothing to do with being involved with the Water Precinct. Bob is taxpayer-focused and Bob would be very concerned with watching the budget and the tax rates. Betty Boucher moved the question.

Rob Roy asked to address the Committee and noted that he would like folks to vote for Bob Drinkhall. Rob has watched Bob work. Rob noted that he had said he would accept if he was appointed but now that he knows Bob is a nominee, Rob is removing himself from candidacy. **Ted Sares withdrew his nomination of Rob Roy to fill the vacancy on the Committee, Betty Boucher withdrew her second.** Rob was thanked for considering the position. **The motion to appoint Bob Drinkhall to the vacant position passed unanimously.** Bob was invited to join the table but was not able to be sworn in, as Karen didn't have the appropriate forms with her. Bob won't be able to vote until he is sworn in.

SCHOOL BUDGET

The Chair noted this is the updated version and would like to know when the Committee would like Carl Nelson to come and review it. A query was made as to when Carl would be ready to present and Melissa noted that Carl has all the figures the Committee just needs to tell him when we want him to present the information. Debra Deschenes noted that she asked that Carl be in attendance, as she may not know the answers regarding the school budget. Karen Umberger noted that she wants Carl to be in attendance because she has questions on some of these items. Ted Sares called a point of order noting that we are not prepared to have this discussion tonight. Karen noted she would like to have her question given to Carl so that he can be prepared to answer it. She noted that the bottom line has about \$950,000 in it and about \$400,000 of that are Special Education funds. She is concerned that we balance the school budget on the back of Special Education. Ted noted that he understands that the Municipal Budget Committee needs to meet four times per year in addition to the budget meetings. He'd like us to have this presentation during a regular session. Betty Boucher asked if we aren't also supposed to be reviewing the bond? Melissa noted that bond information was requested but was not delivered to the Committee. Deb would like to know what kind of information the Committee is looking for and Betty noted things like bond payments and expenses to date. Randy Davison noted he is glad Karen brought up the subject of Special Education, as he'd like to know where that money goes. Ted noted he has never received an answer to that question that was satisfactory. He noted there is a money transfer that happens and his sense is that it goes back to town but he doesn't know how it happens. There is a surplus at the end of each year, of about \$200,000. Karen noted that when the DRA comes in to set the tax rate, they use the \$200,000 to reduce the tax rate. There is no actual money it just reduces what we are asking for. Betty would like to recommend that Deb take this back to the School Board. She noted the School Board meets to decide where the money was spent and she'd like to have other boards involved. Deb wants to know if Betty means she'd like other boards involved before the School Board spends any money as surplus? Deb noted that the School Board votes on a list that has been prioritized by the Administrators. Betty noted that this means the School Board spends money on that prioritized list before the Municipal Budget Committee can have any discussion on it. Karen noted she gets very angry when people go on spending sprees with her money but the problem is that the School Board has the authority to spend whatever the taxpayers have given them. We can make suggestions but there is no way to enforce it. She'd like the Committee to have an opportunity to see the priority list so we can know where we are with the spending. She recommends that we pick a date in early May and just go for it! Randy Davison noted he has a lot of faith in the make-up of the current School Board and he thinks they are going to be more frugal. Special Education funds are for specific programs and if the money isn't expended it should go back to the taxpayers. Karen suggested May 16th for the meeting to review the school budget. Deb noted that Carl would have information on this quarter but the meeting to discuss the surplus won't be able to happen until July. The Chair noted that May 16th would be the tentative date at 6:30 p.m. in a location to be announced.

BUDGET COMMITTEE BUDGET AND SCHEDULE FOR 2005

The Chair noted that all we have left is \$854.80 minus the costs of tonight's meeting. Maureen Seavey believes the town could give us more if we needed it. The Chair noted

that we'd have to go through the selectmen to approve additional funds. The Chair noted she'd just like folks to stay aware.

The Chair would like to know, in addition to the budget reviews previously discussed, when do we want to start our budget season. Ted Sares would like to know when we started it before and the Chair noted it was December. The RSAs allow for the Municipal Budget Committee to set when the budget is done. Ted believes it should be as soon as the books are ready. Karen Umberger stated the target date for the town is the 15th of December. It was noted that it would be easiest to set our target date as December 15th. The other concern is finding out when the school would be ready as last year the Committee was very rushed. Randy Davison requests that the school have their budget completed earlier since it is much more cumbersome than the town's. Deb noted that Carl begins building the budget in September and in October the Administrators and Principals get it and start prioritizing. The School Board gets its first look at the budget in November. Betty noted we don't have to ask, we have the right via the RSAs to set the date. Betty would also like to know if the school going first this year which was affirmed. Carl Rosenthal would like to know if there is a translation to all these functions and Ted noted it is a line item budget so it is easy to understand. Betty would like to ask Carl Nelson to do a page for each location. Russ Seybold would like to ask if they could provide a larger binder.

OTHER BUSINESS

The Chair noted that she has been asked to allow a member of the public to address the Committee and agreed this could happen under other business. There are a couple of other items the Committee members would like to discuss first. Ted Sares noted that he would be happy to act as the go-between for folks who don't have e-mail. He knows Bob Drinkhall doesn't have e-mail but he does have a fax and Ted will make sure Bob gets faxes of e-mails. Ted would also like to ask that e-mails be sent to the group, noting if you have something to say to one member of the Committee, it should go to everyone. Betty asked to receive a hard copy since she doesn't have e-mail or fax. The Chair requested a copy as well. Ted would like to make sure that when we send e-mail to one we should send to everyone. Russ believes that two members of the Committee should be able to discuss something without involving everyone. Ted noted that if too many of us are communicating it could be considered a meeting. We are a Committee and we should act like one. He doesn't think using e-mail for persuasion is appropriate but for clarification purposes, it would be all right. Russ noted that folks consider e-mail as an extension of telephone conversations and he'd like to know if we're going to treat phone calls differently from e-mail. Ted noted he doesn't have a problem with clarification or an exchange of information but if there are eleven on the Committee and five get the e-mail, leaving six out, that's problematic. Randy Davison noted that there are members of the Committee who are specialists on certain items and it is advantageous for us to let those "specialists" address the issues. Karen Umberger asked if we all had an understanding of what is being asked here and if we could move on.

Randy Davison noted that the information regarding the votes (in April) are on the website and it would behoove the Committee members to get this information. Only one in five voted, which is a disgrace. Randy noted that when the contracts come out the information on the votes could be compelling.

Elizabeth Carleton was introduced to the Committee. She noted that having the minutes of the Municipal Budget Committee meetings posted on the website is a great resource for those of us who are not able to make all of the meetings. She noted that a number of crucial minutes didn't get posted until after the vote. The minutes of October 20th didn't show up until January and the minutes around the school budget didn't show up for months. She hopes they show up more consistently. Karen Umberger noted she would take Ms Carleton's input to the town. Earl Sires is aware that something fell apart somewhere and he is working on it. Maureen Seavey would like to know if the Conway site has both school and town minutes posted. She was informed the website only has town minutes. It was noted that the minutes couldn't be posted until they are approved. Karen will follow up with Earl on the process. The Chair noted that there were some software problems during the timeframe as well. (Kirk Smith leaves)

Betty Boucher would like to have the books with the budget laws go out to the new members, noting it is very informative. The Chair will pursue this.

ADJOURN

Karen Umberger moved, seconded by Russ Seybold, to adjourn the meeting. The motion carried unanimously. The meeting adjourned at 8:15 p.m.

Respectfully submitted by:

Martha D. Tobin
Recording Secretary