

**MINUTES OF MEETING
MUNICIPAL BUDGET COMMITTEE
February 1, 2006**

A meeting of the Municipal Budget Committee was called to order at 6:35 PM in the Meeting Room at the Conway Town Hall with the following members present: Chairperson Melissa Stacey, Phil Dighello, Randy Davison, Russ Seybold, Robert Drinkhall, Betty Boucher, Rick Paquette, Maureen Seavey, Karen Umberger, Deb Deschenes and Bill Aughton.

APPROVAL OF MINUTES

Phil Dighello moved, seconded by Rick Paquette, to approve the Minutes of January 25, 2006. Betty Boucher stated that on Page 4, third paragraph, third line should be changed to "Bill asked under whose direction...". Karen further stated that she checked on the amount budgeted for the last 3 years. It should be \$50,000.00 and not \$40,000.00. Karen further advised that the Contract reads that the Board shall establish an amount equal to 110% for highest level for previous 3 years not to exceed \$50,000.00 for any one year. Karen looked back for highest expenditure, which was \$33,521.00, and 110%, comes to \$36,873.00. This needs to be addressed with a letter to the School Board because they must abide by what is in there. Bob Drinkhall wanted to clarify page 8, second paragraph under Other Business that "...difference figures" should be amended to "... specific increases in the new High School". Bob further stated that it was also asked what the budget would be like with the new school added. Karen advised that on Page 9, fifth paragraph, line 13 that "AMHA" be changed to "NHMA". **The motion passed unanimously.**

Chairman Stacey asked that all sidebar conversations be kept to a minimal in order for the Recording Secretary to catch everyone's comments. Chairman Stacey further stated that Karen Hallowell had advised her that we would not be able to move our vote to February 22nd since the Warrant Articles must be done by the night of the 15th. Karen Umberger stated that she did not think that was correct and that she would speak with Karen tomorrow.

Chairman Stacey also stated that the filing period for Town offices is from February 22nd to March 3rd. There are five members on this Committee whose seats are up this year. Two for one year and 3 for 3 years.

Chairman Stacey further stated that each member was given the Budget from the East Conway Fire Department showing the actual budget and what was spent.

SCHOOL BUDGET REVIEW

Dr. Nelson stated that he had provided a Memorandum with the information requested by the Committee. Dr. Nelson introduced Christine Thompson to discuss Project Succeed. Ms. Thompson stated that she wasn't sure if there were specific questions or if the Committee wanted a general overall explanation.

Chairman Stacey read *Article 13 - Project Succeed* to the Committee. Ms. Thompson stated that the program encompasses all Elementary Schools and the Middle School and has before and after school programs. Conway Elementary has the largest number of students participating with 70; Pine Tree and John Fuller have between 40 and 45 students; Middle School has between 15 and 20 per day. The Middle School is a tougher group to attract. Ms. Thompson further stated that the Middle School and Pine Tree run three afternoons per week because of funding.

Chairman Stacey asked whether the programs were tailored for each school. Ms. Thompson responded that each school is a little different and they take into account what the students want. Karen Umberger stated that there is talk about the need to provide a number of services for low income children, which I realize we have grants; but as we go through the schools and spend dollars to have help to do better, in High School, there is a high drop out rate. Are we losing the kids that should be there? Ms. Thompson advised that there is a high percentage of free/reduced rate: Conway Elementary - 53%. Definitely for K-3 probably biggest, fewer kids in 4 through 6 and lose them after 6. More choices after grade 6 - sports, clubs, more than at the elementary level. It is an age thing as well.

Russ Seybold asked whether the grant applications are on going. Ms. Thompson replied that the 21st Century Grant they lost 25%; next year will be 50% of the original grant. They can re-apply for 50% of what the original amount asked for. Diversity of funding is a big way to sustain. Corporate sponsors are another way. We are on the look for other granting sources. There are different funding cycles for different schools: Conway Elementary started January 1, 2003; John Fuller started in July 1, 2003 and 50% starts in 2007.

Rick Paquette asked how long. Ms. Thompson stated we can re-apply and stay at that level for 2008. Randy Davison asked if grants are running out, is someone looking for other grants for the after and before school care. It is my view that it is not the Town's responsibility to take care of the kids. Ms. Thompson replied that it is her job and definitely somebody is looking.

Chairman Stacy asked what would happen if they lose Town support. Ms. Thompson stated that if they lost funding, they would reduce programming but that the program would probably sustain itself.

After school program, I don't know, we would have to make some tough decisions. Chairman Stacey further asked why there was less fundraising. Ms. Thompson replied they still have major fundraising. Chairman Stacey asked whether they tie in with the PTA's. Ms. Thompson stated the PTA's have offered to do some funding raising, but only for a specific project. Chairman Stacey asked how many other grants were there. Ms. Thompson responded with 3.

Randy Davison stated that the amount of hours went down: 2003/04 had 215 hours; 2004/05 had 190 hours, what is the justification? Ms. Thompson stated that they cut the budget: full-time coordinator taken out; down from 5 to 3 afternoons. Pine Tree was 4 afternoons, went down to 3. How that impacted, she would need the budget from the previous year. Ms. Thompson advised that the figure will not show up in this budget. Randy further stated that you cut 215 hours of services, but the figures stayed the same. Ms. Thompson stated that 2004/05, there was a loss of a \$53,000.00 grant. Randy asked whether she had her list with her and Ms. Thompson stated she did not.

Maureen Soraghan, Director of Special Services, gave her presentation. Mrs. Soraghan advised services and programs are mandated by a law that has been in existence for over 25 years; explained what a "team" was; and that a representative of the school District or the LEA representative heads the team. She further stated that children are sought out very early on by going to physicians, asking for referrals. Services must be provided from 3 to 21 years of age. Prior to age 3, there are programs through the government to help. Conway does not have free preschool; SAU 9 subsidizes to provide the education necessary. The District has specialized staff that go to preschool to make sure kids are properly educated. Most special education students receive services in the regular classroom. There are 275 identified students in the School District and 19 preschoolers. There are accommodations for those not able to be in a regular classroom. Conway has lots of programs: Rainbow Park at Conway Elementary, Pathways at John Fuller, Horizons at Pine Tree, Expeditions at the Middle School and Trails at the High School.

Bob Drinkhall questioned the number of students who can't be educated in a classroom. Mrs. Soraghan responded that there are 10 students who are placed out of the District.

Mrs. Soragahn continued that \$362,162.00 was received for students in grades K-12 (IDEIA) and \$10,244 for preschool (IDEIA). Mrs. Soraghan stated that we share that money with Albany Chatham, Hart's Location and Eaton. These funds pay for services, salaries, and professional development pursuant to a plan submitted July 1st of each year. Medicaid reimbursement for eligible students is 50%. Every 5 years Special Education is reviewed by the State and it is coming up again in 2007. Special Education students make up 13.45% of the population.

Mrs. Soraghan further stated that SAU 9 hired a consultant, received a report and implemented the recommendations in the report. There are increases in services that can be contributed for support to preschools. There was a reduction of 4 aides and a transfer of one aide; reduced by \$188,000. As we said, in October we can never tell exactly what is going to happen; it is truly an educated guess; very unpredictable.

Karen Umberger asked if there was a large increase in the preschool special needs. Ms. Soraghan stated we have 19, but anticipate an increase. Karen asked how many was budgeted for that require or would need a speech therapist? Mrs. Soraghan replied that that she would need a few minutes to get that figure. Becky Jeffers stated that originally had 9 or 10.

Betty Boucher stated that I know you send out to other Districts, how to do you get money back. Mrs. Soraghan stated that if it is a resident of Chatham, send a Conway employee and they fill out a form. Conway gets reimbursed by billing Chatham.

Randy Davison stated that in the Middle School it looks like there is a Special Education Aide on each team. In addition, there are 2 aides run a Learning Support Center. Mrs. Soraghan stated that the Special Education population percentage in the Middle School is high; it is double what is on the high school level. We need to investigate that. Randy further stated that is a lot of support. Mrs. Soraghan stated that she felt they did a great job and there has been a reduction of 13. There is a point where we can reduce no more. Randy further stated that a class of 14 in the Middle School when State average is 20 for New Hampshire. I think that is a small number with an aide in there.

Russ Seybold stated that the population moving through the schools is non-calculable. Mrs. Soraghan stated that we are able to track that. She has concerns about the transitioning from grade 6 to Middle School; one of the things the consultant looked at were staff members. It is a big job transitioning to 7th grade.

Betty Boucher asked if the IEP needs are being met. Mrs. Soraghan stated that she hasn't had any complaints from the Department of Education.

Rick Paquette asked for the number between the Emotionally Handicapped and Special Challenged students for an IEP development; there are criteria that have to be met. Rick further stated again that we need a breakdown for emotionally challenged, physically or other.

Karen Umberger asked about the other program, 504; is there any money for the 504 children? Mrs. Soraghan stated no it would be in the budget of the individual schools. As an example, in High School

in Automotive we had a car accident student go back to school. He couldn't see over the car and a harness was constructed so he could participate. The cost would appear in the High school budget. Karen further asked if it was tracked in a specific function number. Mrs. Soraghan said no. Becky Jeffers stated that once in awhile it would be added as a line item. Karen asked how do you budget for 504's. Mrs. Soragahn replied that you have to anticipate. Karen added that to her there was no problem with the special education budget.

Betty Boucher asked how many students are covered under a 504. Mrs. Soraghan stated about 30, but that figure changes.

Chairman Stacey asked where does Mrs. Soraghan see special services at the end of this year. Mrs. Soraghan stated she sees a decrease in the future. Chairman Stacy further questioned if she was the only LEA representative. Mrs. Soraghan replied that she doesn't make all of the meetings so there are others trained in special education - all principals of the schools; other trained staff. Chairman Stacey asked how have numbers changed in Section 8. Mrs. Soraghan stated that would require a compilation and asked how many years back would we like her to go. Chairman Stacey stated that just a few years back would be okay. Mrs. Soraghan stated that she could probably go back 5 years. Chairman Stacey further asked that if a student that is serviced do they have full fledged licensed or trained assistants? Mrs. Soraghan advised we have several certified assistants in the District. Chairman Stacy asked about cost savings. Mrs. Soraghan stated that if they had a certified occupational therapist, not a licensed occupational therapist, the cost is less. Chairman Stacey stated asked if a student in Rainbow Park is sent to the Student Support Center, is there a follow through with staff at the Student Support Center about the needs of the student? Mrs. Soraghan stated that she would hope that there is communication. She would assume the classroom teacher would advise what is in the IEP. Chairman Stacey further asked what happens in the 12th grade? Mrs. Soraghan stated that many can stay through 21, Vocational Rehabilitation gets involved when a student is 16 years old. In addition, there is family support and services out of the Center of Hope. They also come to help families get ready for the transition. Chairman Stacey further asked whether there was somebody in place at the High School to help with transition. Mrs. Soraghan replied that there is a guidance counselor who supplies assistance.

Betty Boucher asked how many kids stay until they are 21? Are we servicing them now? Mrs. Soraghan stated that there may be just two students presently. Chairman Stacey thanked Mrs. Soraghan.

Dr Nelson then passed out a summary of pluses and minuses to the Committee and reviewed it. The bond payment going down this year, as is early retirement. A decrease of about \$46,000.00.

Karen Umberger asked if the bond principal and interest figured in the 55%. Dr. Nelson responded had nothing to do with 55%. Karen

further asked if it was and interest only payment and Dr. Nelson stated yes. Karen asked when the payments are due and Dr. Nelson replied in July 2006 and January 2007.

Jim Hill, Director of Administrative Services, gave his presentation. He advised a different process was used this year. Mark Hounsell re-started the Facility Committee. In the past, when money was left over, it was generally good to keep to do maintenance. This year instead of doing that, the Board went through facility items for inclusion in the process. Next step, the Facility Committee looked at every facility need listed item by item that needed to be addressed. Then a priority list was developed for each school.

Mr. Hill stated that Table #2 was the result of the priorities list. The Facility Committee made recommendations to the School Board; placed into Warranty Articles.

Chairman Stacey asked if it fell outside the \$60,000.00 and Mr. Hill replied there are maintenance with \$60,000.00. Basically have had fundamental budget. Past budget supplemental list has been picked in years passed. Supplemental list had no items for maintenance department.

Randy Davison asked how often is the floor stripper used. Mr. Hill replied daily. Randy further asked if each school was getting one. Mr. Hill stated Pine Tree is 90% carpet. They may want to replace with tile as John Fuller did.

Mr. Hill proceeded to Table #3 stating this is an overview of Pine Tree advising that the yellow areas were done; green area on the Warranty for \$95,000; plus items that still need to be done.

Randy Davison asked is that the ongoing Article for \$95,000 and Mr. Hill responded yes. Randy further stated that he had concerns with the \$60,000.00; that belongs with the Elementary budget, possible to extract that from their budgets. There was also a separate Warranty Article being placed on maintenance priority issues: Pine Tree dealing with electrical. We are looking at why they aren't combined into one amount. Mr. Hill responded that the Elementary Schools are reluctant to put out as an Article by itself. The wiring is a code issue. Randy asked where it is in the budget. Mr. Hill stated that it is in the Pine Tree budget. Randy further stated that her budget was higher because of it.

Chairman Stacey asked can you do the capital improvement fund whether the \$60,00 got into it? Mr. Hill responded if it is in a Warrant Article, it is held out by taxes. We used to do maintenance at \$20,000 for each school; what we found was that Andy was spread out all over the District versus going to one school and doing one school.

Karen Umberger stated I think the only thing that we are saying is that we don't have a problem with the \$60,000.00, but would like to see it in the maintenance budget and not passed from school to school increasing a tuition item. Does it necessarily have to be assigned to that school? You identify what it belongs to so you can charge that school. No one has a problem with the budget, but would like to see it out of each elementary budget, preventing that up and down thing.

Russ Seybold stated that with the Facility Committee in place and this kind of format, it is easier to look at and understand.

Mr. Hill then proceeded to Table #4 for Conway Elementary and explained that Articles 11 and 16, Articles 11 for \$40,000.00 and Article 16 for \$375,000, for lighting and electrical upgrade. Mr. Hill further stated that the yellow areas are 1950, 1960 or 1970 vintage. There is electrical wiring that is 50 or 60 years old. What we are finding is that the circuits will become overloaded. That is the \$40,000.00.

Karen Umberger asked is this job work or running conduit. Andy Griegel responded by stating both; work replacing existing panels in the walls, adding additional circuits. Don't have additional circuitry. Mr. Hill added that at the High School there is sub-panel fitting for a whole wing. There are four panels with only 8 circuits per panel. Karen stated don't have a problem with upgrading electrical circuits; I just didn't know how severe the problem was. Chairman Stacey asked how many times last month and Mr. Hill replied once a week.

Randy Davison asked if it would have been easier to combine than to have two Articles. Mr. Hill stated basically line items being separate stand on their own merits, one doesn't make it because of the other one.

Russ Seybold asked what would happen if one Article passes and the other didn't. Mr. Hill stated that we need the \$40,000.00 for the electrical first in order to do the second. Chairman Stacey asked can we safely live without? Mr. Hill stated that 50 and 70 ventilation section of the school. No fresh air was being brought into the rooms. We are taking what we have done at the High School to the elementary schools. We are making ventilation in all of the rooms. They would like to do the lighting at the same time as the electrical.

Karen Umberger asked is this primarily classroom lighting? Mr. Hill stated that the larger classroom, hallway, in the gym. Mr. Hill stated upgrading lighting to dual technology - goes for 5 minutes and they go off if no motion. Chairman Stacey requested that Mr. Hill provide a list of rooms that would have that done. Karen stated she was confused and ask if Mr. Hill was stating that we have wide areas for air flow and Mrs. Hill replied yes. Andy Griegel stated

that if you look at the map provided you are looking at 4 rooms that is 1978; 7 rooms 1990 as well as front entry; and were done with unit ventilators.

Russ Seybold stated that we have two maps really which would be that which includes the electrical and lighting another for mechanical and lighting. Chairman Stacey stated that it would be helpful if there were dates on the maps.

Mr. Hill proceeded to Table #5 stating our present truck is a 1997 with approximately 145,00 miles on it and it literally has as many miles on reverse as it does forward; used on a daily basis. The lawn mower is a 10-year-old unit used for snow blowing and mowing 2 acres every day. They are spending more and more time fixing.

Chairman Stacy asked what would they do with the old mower. Mr. Hill replied that he wasn't sure, but maybe they could keep the parts, he wasn't sure.

Mr. Hill then went to Table #6. This is a Warrant Article for a security system at Pine Tree and John Fuller. They want to do what they have already done at the High School and install card readers for the main doors. They can be put on wherever the schools want; automatically doors lock down so the main entrance would have to be used.

Chairman Stacey asked if that would prevent vandalism and theft. Mark Hounsell stated that the District spends up to \$10,000.00 replacing locks for keys that are lost.

Randy Davison stated that the maintenance priorities for John Fuller that is getting the \$60,000.00, what is that money going for. Mr. Hill replied mostly carpeting.

Chairman Stacey asked if they would take out the metal bars at Pine Tree. Mr. Hill replied that they would put it in with the door.

Karen Umberger asked if a person loses their key, do you replace that or the system or what. Mr. Griegel stated that with the card, once notified, they can disable card immediately and reactivate a second in the event you lose it. Mr. Hill added that unlike a key, with each card lost, it is dead within two seconds; a card is deactivated. Chairman Stacey asked if every student will be issued a card. Mr. Griegel replied that you could conceptually use it for that. Mr. Hill added one of the things being talked about is if we have these in the new High School. Mike DiGregorio stated we could take it a step further and use for lunch programs and library programs eventually in the future.

Betty Boucher asked back to the key cards, who is in charge of them. Mr. Griegel stated that they are based out of our offices, we have to generate a new one and make active. Mr. Hill added these cards

are digital photos. Call Andy if broken, he does up another card. Betty further asked if that would cost extra. Mr. Hill stated that Andy has it all.

Randy Davison stated that the School Board not decisive; what was the rationale. Deb Deschenes responded that with the vote there was 3 in favor; 2 against and 1 abstained. She thought it may have been Cheryl Kovalik who abstained. Randy further asked how frequent the elementary schools are broken into and vandalized. Mr. Hill responded that we have stuff missing. Randy stated that he was curious to find out about break ins to the Elementary Schools. Mark Hounsell stated that Conway Elementary was broken into this past summer. We spent between \$10,000 and \$15,000 in re-keying. Randy stated that is irresponsibility of whoever loses the key. You lose it, you pay for it. Need to be more responsible. That is a lot of money and that is irresponsibility people. Mr. Hounsell stated that he couldn't say that, issue is that is what we spend. Will have to look at that. Randy further added that if you lose your key, you should have to pay for it. Randy further added your time is valuable as an employee.

Bob Drinkhall asked whether anyone considered doing it yourself? Mr. Griegel stated that throughout the District there is not one lock manufacturer. Old locks are unique.

Bill Aughton asked if there was a grant through 911 for that. Mr. Hill replied that he did not know.

Mr. Hill proceeded with his presentation by stating that the phones are 15 years old. At this point, parts are hard to find for them. We've gotten our money's worth. Phones will be disbursed through the building. Secretary will continue to answer; it will be a similar system but much more convenient. Chairman Stacey stated is this so they can get in touch faster. Mr. Hill advised that a parent would be able to leave detailed messages.

Karen Umberger asked whether the phone system is for each school for \$22,000.00 and Mr. Hill replied that was correct. Karen further asked what is that \$22,000.00 going to buy us. Mr. Hill stated 21 staff phones, a console, portable phone, additional phone line and caller ID; however, the numbers might be slightly different for each school. Karen further asked whether or not Bartlett ever bought their system. Mr. Hill replied yes. He further stated they would be wiring for the security system at that same location as running wires for the phone.

Randy Davison asked if they used surplus money to complete in the past. Mr. Hill responded he thought so.

Chairman Stacey stated that due to time, the rest of the presentation would have to be moved to February 6th and asked if Mr. Hill would be available.

Randy Davison stated that he wanted to go back to maintenance priorities; he liked what had been done; needs to be prioritized. Mr. Hill responded that he thinks that the list will be rolled or substituted.

Mr. Hill went on to Table #8 concerning the school buses. Mr. Hill stated that it is recommended that a bus be used for no more than 10 years and have no more than 150,000 miles. The yellow numbers on the chart are the buses that have 0 to 50,000 miles; blue has 50,000 to 100,000 miles and green has over 100,000 miles. They need to replace two buses this year.

Chairman Stacey asked about the new attachment on the bus that she recently saw. Mr. Hill advised that was given to us to use; makes the students go in the line of vision of the bus driver.

Randy Davison asked if the old buses will become activities buses. Mr. Hill stated that we have this discussion every year. Buses that need to be picking up kids are most reliable. That is why older buses are used for activities.

Betty asked what buses do you mandate. Karen stated that we don't need mandate from the State. Mr. Hill stated that if they mandate, it will be over a period of time. Any new security would be over a period of time. Betty further stated that I hope they leave your maintenance budget alone.

Karen stated that as we transition to add a new school, what effect do you anticipate this would have on buses. Mr. Hill anticipated buses to continue to pick up 7 through 12 on same bus. He does not foresee additional bus.

OTHER BUSINESS

Karen Umberger stated she had a lot of concern that we are running out of time. What are we going to do; not sure we have all of the stuff we need to make an independent decision. Chairman Stacey asked if there was anything she needed. Karen advised no, but we have a lot of questions. I would personally prefer that we have an opportunity to do that. If others don't need to, okay; but I am getting concerned, there are follow up questions that need to be asked.

Randy Davison stated that he was not impressed as a community member, it is our job to present an adequate recommendation to this community. Does take a lot of time, even if you are just rubber stamping. I don't make recommendations unless I have the facts. These taxes are affecting people's budgets.

Russ Seybold stated he wasn't being flip the other night, but if Earl could manage my budget... I don't dispute looking at the items in

Town, but how I look at \$250.00 is a different philosophy. I am not looking for a great deal more information from the Town budget side and I am ready to vote yea or nay. Is there more on the School?

Chairman Stacey stated that we have the fuel contract. Karen Umberger stated bond for 2.5 million. Deb Deschenes stated we have next Monday night. Chairman Stacey stated that we still had one more meeting with the school. Karen stated that there was a lot to cover on Monday night. Chairman Stacey stated that there is no other night, members on other committees, prior commitments. Karen questioned whether we could meet next Saturday afternoon.

Maureen Seavey suggested that we go over the insurance; change to after budget season and get the School done.

Maureen Seavey moved, seconded by Phil Dighello, to change the health insurance meeting scheduled on the 8th to whatever we need to do on the School. There was no discussion. In favor: Melissa Stacey, Phil Dighello, Randy Davison, Russ Seybold, Robert Drinkhall, Rick Paquette, Maureen Seavey, Karen Umberger, Deb Deschenes and Bill Aughton; no one opposed; abstain: 1 - Betty Boucher. Betty explained that she abstained from the vote because she did not know if we can legally do this.

Chairman Stacey stated that she would notify the insurance agents, commissioners, the Town and the School of the change. Chairman Stacey asked whether any members had another date in mind. Karen Umberger stated we could meet between the deliberative session and April 11th. Phil Dighello stated that he would be unavailable during the month of March.

Chairman Stacey stated that she heard from Karen Hallowell and we have to vote on the 15th on the budget articles. Karen Umberger stated that the Selectmen are going to disclose Wiley Court at the budget hearing on the 21st. Karen stated that she will find out and we can sort out a date from there. Karen suggested that maybe we could meet on April 3rd or 4th. Betty Boucher stated that we had to do it before voting.

Motion made by Deb Deschenes, seconded by Karen Umberger, to adjourn the meeting at 9:46 PM. Motion carried unanimously.

Respectfully Submitted,

Iris A. Bowden, Recording Secretary