

MINUTES OF MEETING
MUNICIPAL BUDGET COMMITTEE
July 19, 2006

A meeting of the Municipal Budget Committee was called to order at 6:32 PM in the Meeting Room at the Conway Town Hall with the following members present: Chairperson Melissa Stacey, Randy Davison, Robert Drinkhall, Betty Boucher, Maureen Seavey, Karen Umberger, Pat Libby, Charlotte Waterman and Bill Aughton. Also present were Earl Sires, Town Manager and Lucy Philbrick, Town Finance Director.

APPROVAL OF MINUTES

Bob Drinkhall moved, seconded by Betty Boucher, to approve the Minutes of May 3, 2006. Motion carried unanimously.

Chairman Stacey advised the Committee that no decision by the School Board had been made yet concerning everything discussed at the School Review, i.e. class size reduction. The decisions would be discussed on Monday night. Chairman Stacey further stated that Deb Deschenes apologizes for not being present at tonight's meeting.

TOWN

Chairman Stacey turned the meeting over to Earl Sires to present the 6 month budget for the Town for review. Earl stated the report does not include long term debt and capital obligations because they are paid in large lump sums. There is 51% of the budget left.

Legal is over expended by almost 8%. The reason being lawsuits against the Town for action taken or not taken by the Planning Board or Zoning Board of Adjustment. Each Board's decision has prevailed in all cases or have been resolved, but the Town has to pay to defend each lawsuit. A tremendous amount has gone to the negotiations with the Road Development Agreement related to Home Depot. There are 3 development groups with 5 attorneys and it is fairly complicated; one of the most complicated because something needed to happen to several different properties. In order to finally construct the round-about, the Town had to take a more active roll. The only entity everyone trusted was the Town. Home Depot gave almost \$1.1 million to supervise the round-about. There will be a public hearing at some point on accepting this money. If Paul D. can build the round-about for less, the Town can keep the remaining funds. If that should happen, there is the possibility of reimbursing the legal budget. As discussed in the past, one year nothing spent in Legal and, in the next year, the entire budget and then some is spent.

Payment on the Ambulance hasn't been completed, although all requested information has been submitted.

Patriotic Purposes is over budget, but usually donations are received on that.

Advertising for a person to work on the revision of the Emergency Management Plan is in place. We have submitted for a Grant for \$18,000 to revise the Emergency Management Plan. When a person is hired, hoping to pay for the work on the Plan with those funds; hoping the Town will only have to pay for 8 hours a week and pay for the work on the Plan with Grant money.

The Selectmen increased the Town Clerk's pay from \$43,500 to \$50,000 effective July 1st.

Betty Boucher asked on the round-about, who pays if over budget. Earl responded that the Town would be obligated, but with certain contingencies built into the Agreement, there is a cushion of about \$100,000 to \$150,000. Paul D.'s analysis show where savings can be made. Paul has the contract and plans to start the bid process this month with construction starting in September.

Randy Davison asked if there was any hitch with the deposit from Home Depot. Earl responded that Home Depot had brought the check in already. Earl responded that from the engineering analysis, the round-about is better than a stop light. Earl further stated the Lowes project was a lot less complicated. Part of the solution at that intersection will be a right turn only, no in, and no cross track. Route 302 gets improved, Barnes and MacMillan get improved.

Betty Boucher asked Earl about the Planning Board and the lawsuits and how that works. Earl replied that it depended on each situation. In one case, a subdivision that was approved was challenged based on the property not being used according to Town regulations. A judge found that it was a separate issue. Basically, if somebody doesn't like a decision by the Planning Board, they have the right to challenge it. Betty asked if most suits have been brought by taxpayers. Karen Umberger stated when the Planning Board issues subdivision approval, an abutter can say I don't like that and take it to Court. Karen did not think the Selectmen have ever initiated a lawsuit. Earl stated that he didn't think the Selectmen had ever initiated a lawsuit. Earl stated that the Planning Board does not decide to get involved, they just do their job and get sued.

Randy Davison asked if a there was ever a situation where the losing side could pay for the legal fees and Earl replied that the Town tries whenever possible. In major cases, the Town hasn't been able to do that.

The Revenue was reviewed. Chairman Stacey asked if the software was acquired for the Motor Vehicle Registrations and Earl replied that it was being worked on; not yet in.

Earl stated that the Building Permits were off. Lucy Philbrick stated that in the first week of July \$92,000 collected in Building Permits. Earl stated with larger projects and voters increasing the fees, that figure will increase.

Chairman Stacey asked about the interest on 2005 taxes and whether all the taxes had been paid. Lucy Philbrick responded that is interest on the taxes. Karen Umberger stated she didn't think there was anything left from 1999.

Other than what had been discussed, Earl stated that nothing else really jumped out that would need an explanation or that is of major concern yet. Solid Waste fees are lacking a bit, but there is an increase during the summer months.

Chairman Stacey asked about the insurance meetings. Earl replied there had been two meetings: the organizational meeting and two presentations; the next meeting is on July 25th with a presentation from Cigna. Earl further advised that the School had gone with Hartford Pilgrim and there have been significant savings. Pat Libby asked what time the insurance meeting was? Earl responded at 11 AM.

Earl advised that the Town had its annual audit. The auditors indicated all information prepared accurate and very good; a clean audit. A few adjustments had to be made; very complimentary on how presented by the staff.

Earl reiterated that the Town is managing in the 1% to 2% range with 51% of the budget left and half the year left which illustrates that the margin of error is very tight.

Randy Davison stated he would like to mention that the School did change over to Hartford Pilgrim. The services seem to be fine; generic costs nothing. Randy felt that if everyone went to one carrier, there would be a better rate. A lot of the area physicians and service providers need to sign on with Hartford Pilgrim. Lucy Philbrick stated that it was her understanding that most had signed on. Randy stated that his family had 3 physicians and they were not signed on. Physicians need to get together; they will have to sign on as there are only a certain amount of referrals allowed within one year.

Betty asked about the status of the Grant the Police Department got to redo area. Earl replied that the Police Chief was coming in to talk with Selectmen. A contractor had been hired contractor to do the work. Karen Umberger stated that the Grant was for radios and computers.

Chairman Stacey stated the Review meetings for the Town and School needed to be set up. Discussion followed on dates for the Reviews. It was decided that the Town would go on the 18th. Chairman Stacey stated that the School Review would then be on the 25th. Discussion then followed on when the books would be ready. Earl replied that the Town was planning it again in December. It was decided that a specific date would be set for the School to get its books to the Committee. Discussion followed on having enough time for each Review so that the Committee would not feel rushed as it did last year.

Chairman Stacey stated that the Committee would make October the last Review and in December do the first meeting and set the schedule at that time.

Randy Davison asked if the numbers from SAU 9 had been received for the actual amount of the surplus. Chairman Stacey stated not yet. Karen stated that the final numbers may not have completed yet since the books were just closed on June 30th. Randy felt that the School should have some indication of what the amount would be. Chairman Stacey read from June 14th Minutes about the time needed by the School to have actual numbers. Randy asked that the Chairman keep reminding the School for same.

Chairman Stacey advised that the members list should be updated shortly and asked if there was any information the members wanted to add, they needed to let her know.

Betty Boucher asked if Randy Davison is on the School Board, is his seat filled or is it left empty. Chairman Stacey stated the DRA stated the seat needed to be filled. Chairman Stacey asked all members to keep it in the back of their minds the names of anybody to join the Committee and to get the names to her. Maureen Seavey asked if the term would be for one year. Chairman Stacey advised that the person would fill the vacancy for one year. Randy stated that they will have to run in the Spring. Karen Umberger stated that in the Spring, they will run for the remainder of the term.

Discussion followed on the School Board meeting Monday night at Conway Elementary. Randy stated that he was not sure if another person had come forward other than he and Janine. Both he and Janine preferred an open forum. Chairman Stacey advised there were no new candidates, just Randy and Janine. Maureen Seavey asked if the School Board would actually do the interviews that night and Randy replied yes. Randy further stated that since it is a public office, it should be an open forum.

Betty asked if the new members had received a copy of the law and regulations. Chairman Stacey stated the 2006 book was not out yet, but she would get copies to everybody. Karen Umberger stated that the 2006 book would not come out until the end of the year.

Motion made by Betty Boucher, seconded by Bob Drinkhall, to adjourn the meeting at 7:29 PM. Motion carried unanimously.

Respectfully Submitted,

Iris A. Bowden, Recording Secretary