

MINUTES OF MEETING
MUNICIPAL BUDGET COMMITTEE
January 24, 2007

A meeting of the Municipal Budget Committee was called to order at 6:30 PM in the Meeting Room at the Conway Police Department with the following members present: Chairperson Melissa Stacey, Robert Drinkhall, Maureen Seavey, Pat Libby, Phil Dighello, Doug Swett, Crow Dickinson, James LeFebvre, Karen Umberger, Rick Paquette, Bill Jones, Etienne Vallee, Betty Boucher, Deb Deschenes and Bill Aughton. Also present were Dr. Carl Nelson, Pat Swett, Jim Hill, Martha Cray, Earl Sires, Mike DiGregorio, Andy Grigel, Randy Davison, Maureen Soraghan, Becky Jefferson and Sheryl Kovalik.

Chairman Stacey advised the members that she tried to solve the issue of voting. Suggestion is that we do have Monday night for big discussion over each item and on night of public hearing zip through votes on Warrant Articles; everything has to be done by the 19th. No matter what, have to vote that night. Earl Sires stated vote after public hearing, Committee needs to make formal vote. Karen Umberger asked if there would be a problem meeting on Thursday night and Chairman stated yes. Karen stated all we have to do is post 5 copies, not like it has to go to the printers, 5 copies. If it was the one after the deliberative session could understand. If we were done at 8:00 PM I have no problem, but if there until 10:00 PM, I do have a real problem because one becomes stupid. Chairman stated she agreed; originally thought vote on Monday, but apparently can not be done legally. Could run through vote after public hearing; should be quick, won't have to discuss. Phil Dighello asked the date and Chairman stated the 12th.

Rick Paquette stated he was concerned that the Town Hall meeting is going to be the Selectmen's and not ours. Chairman stated technically would be presented to us. Rick stated if following that and Budget Committee decided to lower by 15%, what happens to the process then. Chairman stated then Town discusses at deliberative portion of the meeting and vote again. Crow Dickinson stated who is that and Chairman stated the taxpayers, they can ask us to reconsider. Deb Deschenes advised that the 12th is a School Board night. Chairman stated she understands, but there is nothing she can do. Unfortunately, she will take full blame; when she set schedule because of weather set for a week earlier than had to be. Karen stated do we know the latest date can hold public hearing and Chairman stated the 14th. Karen stated can vote on the 14th, only that is not good practice to pre-determine what we are going to do before the voters have the opportunity to tell us what they think of our presentation.

Earl stated problem is Warrant due by the 13th. Suggest bring official voting of what the Budget Committee wants to see for public hearing. Selectmen's budget can handle however you want to do it. Karen Umberger stated is there a possibility of getting together earlier in the day on Thursday like at 1:00 PM, that would allow time. Chairman Stacey stated

some people at work, can't be there. Karen stated if we schedule it early enough, can be there; just saying if we got together early enough on Thursday, could work with people's schedules. Chairman stated to make Deb feel better, I know Iris can't be there. Only suggestion that will be legal and an opportunity to change our minds unless someone can come up with a better solution. Bill Jones stated vote on Tuesday night and Karen stated still haven't heard the public. Bill stated always backed into a corner. Karen asked if Chairman was sure the posting of the Warrant had to be on the 19th. Chairman stated 14 days from the date we set deliberative; could move Town meeting. Karen stated if something gets changed by the Budget Committee then the Selectmen will have to meet on Thursday. If Budget Committee decides to change the budget, then you know the Selectmen will have to meet.

Bob Drinkhall stated consider moving to the 13th and Chairman Stacey stated can't. Bob stated it would be after 5:00 PM. Chairman stated Municipal Association says so many days back from voting, so many days from deliberative, and so on. Only suggest either vote ahead of time and change or basically sit through to one or two in the morning. She didn't want to do it any more than the other members do. Deb Deschenes stated since it seems we can't come up with a consensus, my people are waiting; can't we move along. Chairman stated I will continue to work with Earl. Bill Jones stated net result: haven't changed anything. Chairman stated basically giving the information she had; nothing she could do.

APPROVAL OF MINUTES

Karen Umberger moved, seconded by Bob Drinkhall, to approve the Minutes of January 17, 2007, as amended. In favor: 11; Abstain: 3 - Etienne Vallee, Bill Jones and Betty Boucher. Bob Drinkhall stated on Page 3, third paragraph, seventh line, "clothing not appropriate" should be changed "inappropriate clothing". Chairman Stacey stated on Page 9, last paragraph, seventh line, after "...it does add up" add "I don't see cutting programs as a solution to doing that".

SCHOOL BUDGET REVIEW

Dr. Nelson stated that he had passed out answers to the questions that Karen Umberger had presented. Jim Hill will go through those. The request for the teachers contract is attached to Memo. The test results not in the Report Card, have new test results in draft form. Karen Umberger stated she understood from what Martha had said they didn't have data.

Dr. Nelson stated Report Card in draft form, may have by the 31st. Have agreement with CESP and Board will ratify on Tuesday, the 30th; CEA Contract now in which the Board approved by 7 to 0. Deb Deschenes stated the vote was 6-0-1 with Randy Davison abstaining. Dr. Nelson continued with AFSME needs to be ratified. Board took position on Article 10 which is \$60,000.00 for a bus; took position on Project Succeed for only Elementary Schools, 7-0-0; they are considering a separate Warrant Article for the Middle School. Took position on Article 15 based on what the DRA suggested, even if we don't agree. This is just an update, will go over again on the 31st, will have breakdown and summary. Turn

attention to district wide programs, there are others than the increase and decreases; district wide Unit 10 bond payment increase, Conway only responsible for \$80,000.00 or less; expenditure side set off by sending towns plus interest. Karen Umberger asked if in Revenue figures and Dr. Nelson stated yes.

In early retirement, people approved for early retirement differs by \$16,000.00; Health insurance increased; dental has gone down; retirement that is district SAU bill up; bus fuel up; \$3,000.00 for opening ceremonies to open High School; insurance down; performance for administrators and no-contract people. There is no bargaining unit for administrators, nurses and other troops.

SPECIAL EDUCATION REVIEW

Maureen Soraghan, Director of Special Services, presented the budget for the Special Education. Special services includes Students With English As A Second Language. Tonight she would talk about Unit 2 which includes SAU wide special education, all have names: Pathways at John Fuller; Rainbow Park at Conway Elementary; Horizons at Pine Tree; and 14 private preschools. Educate special needs from the age of 3 to diploma or reach the age of 21. Go out to find children with needs to address needs early. Good news is budget is down 24.08%; however, there is a flip side to this. The flip side, as children progress they are going to go into someone's program. Affected this year is the Middle School as a result of children aging through the system. Federal money that comes into the system has increase of \$58,400.00. Rick Paquette asked how money is received and Maureen stated check is sent through the State, State has handle on the way everything has to be. Bill Jones stated percentage increase and Maureen stated we can get that number for you.

Maureen Soraghan stated some had questions that they wanted her to address and she tried to make a sample of percentage of students in school, what is Special Education, and talk about out-of-district placements. There are 5 out-of-district placements anticipated at Kennett; 4 placed by the Court and only 1 did the school say we don't have a program for. There are 5 we don't have a program to dedicate to; keep in mind there is a lot of reimbursement for Special Education. Conway Taxpayers have to put out, but comes back. Medicaid reimbursement for services delivered by a licensed practitioner; get 50% back for that service. Bill Jones asked who licenses and Maureen stated the State.

James LeFebvre asked what does the contractor cost and Maureen stated a percentage, 10% to 11%. James asked if done in house and Maureen stated the amount of paperwork would require hiring another person. We looked around and some do it themselves, most have gone to a contractor, more efficient. Becky Jefferson stated a contractor more knowledgeable on the laws and how often they change, every 6 months, amazing how law changes in that time. Karen Umberger asked for children not on Medicaid but regular education, how do you handle insurance, do you pursue. Maureen stated in a way, on all I.E.P.'s there is a line where parents say can pursue through their insurance. If have to go to Dartmouth-Hitchcock, if there is health insurance a parent must sign, but there are some families

that have no insurance and children need to have evaluation. Karen stated she was most concerned about the special therapist, and who bills Medicaid for those, are private health insurers billed for same insurance. Maureen stated won't double dip. Karen stated forget Medicaid, talking about John do we charge his medical insurance for the special therapist or whatever they need. Maureen stated for some services only. Special services are provided in school, very complicated but where we can we try to charge. Karen stated do same rules apply and Maureen stated no. Doug Swett stated age 3 through 21; 21 established by the State or Federal. Maureen stated Federal for Special Education; at 18 you become an adult, but if required to have services provide through the 21st birthday, agencies of the State take over for this care.

Betty Boucher stated she knew there are some going to Fryeburg through Chatham; if services are needed, does it come back on Conway taxpayer or does Fryeburg cover. Maureen stated Chatham pays all their own bills; Conway never pays a Chatham bill.

Chairman Stacey stated if special services discover a speech and language disability and attends Fryeburg Headstart, who pays for the private therapist and Maureen stated where the resident is. There are sources of funding other than Conway taxpayers. In Catastrophic Funds you can see there is a fund in the State where State will reimburse a Town when it has extreme high costs. In 05/06 12 children qualified. We are lucky to have that fund; hopefully it will never dry up. We have Chapter 402, if a Judge orders a student with special needs to be placed in a residential home, the cost that goes to the district will be capped. Another source in Conway is the Special Education programs that others don't have, they send their students to us and we charge tuition. If Bartlett sends to Conway, then Bartlett will pay full program cost by number of students.

Finally, Federal Grants. As you will see from 2002 to present, we have successfully been able to get more money, partly because of lobbying. Betty Boucher asked how many kids tuitioning out and Maureen stated 3 anticipated; right now there is 3. Betty stated under Grant, when will it run out and Maureen stated it just keeps on trucking. Phil Dighello stated if took out Medicaid portion, what is percentage from Federal Government. Maureen stated comes from the State. Phil stated in Catastrophic Aid roughly, the percentage. Becky Jefferson stated federal is only \$400,000.00 in the Grant. Phil stated he was interested in knowing roughly what they were getting back and Maureen stated she thought about 12%.

Karen Umberger stated how many children in ESL and Maureen stated 18. Karen stated and that is only in Unit 2 or through all. Maureen stated she thought there might be a section in Unit 10. Special Ed is impacted in all grade levels. Karen stated Horizons, Rainbow Park and Pathways, are those children counted against class size or grade or separate count. Maureen stated she didn't think they are counted. Chairman Stacey stated they are classified. Karen asked if there was double counting; how much time spent in classroom. Maureen stated all day in self-contained program; goal is to be able to return child to class. Karen stated how many in those program and Maureen stated 19 for 07/08.

Chairman Stacey stated on the standardized testing, how many portfolios. Maureen stated portfolios is alternative assessments where all year long student, teacher and parent do progress, unable to take testing; 6 last year. Chairman asked about price savings and Maureen stated very time consuming for teacher piece. Martha Cray stated no cost. Chairman stated big long discussion about class in child's I.E.P., they request class size and Maureen stated there are students who need to be educated in smaller classes. Chairman asked average Aides make. Becky Jefferson stated around \$35,000.00; \$32,000.00 to \$35,000.00. Chairman stated money for Special Education always goes back to the State and Maureen stated no, goes back to the taxpayer. Chairman Stacey stated Pathways, Horizons and Rainbow Park, are schools specialized and Maureen stated yes, broken for emotionally, MR students that need life skills, multiple physical handicaps. Chairman stated adds to transportation costs and Maureen stated have special needs bus, a lot cheaper than have to send out of district. Chairman stated normally in John Fuller where they live, but need program at CEL. Maureen stated if Medicaid eligible transportation is reimbursed. Chairman stated education until 21, transition program in High School. Maureen stated have Trails which is a program for students with emotional disability. Chairman transferring out of High school and Maureen stated in High School students have Job Prep, work with Voc ReHab - Bonnie Rothermel and her people and Northern Human Services. Chairman asked how merger has affected and Maureen stated haven't noticed any change; see same faces; no complaints. Chairman stated there is new legislature about to be passed on raises for providers and Maureen stated they have a couple of contracts with independent agencies that provide services, but didn't think they were going to be affected at all. Chairman stated providers will up their fees; reimbursement. Maureen stated Catastrophic Aid reimbursement for residential placement; we would get money back from this fund. Chairman stated Title 1 Program and Maureen stated Title 1 was available to all regular education students. Martha Cray stated there are two ways to qualify; many are economically deprived, all 3 Elementary Schools get Free and Reduced Lunch and Conway Elementary has over 50%, they are special designation of Title 1; John Fuller and Pine Tree have a lower percentage. Chairman asked about the charge for records and Maureen stated \$.25 per page.

Betty Boucher asked about preschools, how many out of 14 and Maureen stated we have 14 locations; using all of them. Betty asked about transportation and Maureen stated parents transport. Betty asked if a child is hurt, School's insurance or private and Jim Hill stated would probably try to file claim with their insurance. Maureen stated parents have to register. We are basically just the checkbook to help Preschools deliver the service.

Randy Davison asked if 19 students in 3 programs are included in class size and Maureen stated she didn't know. Chairman Stacey stated she thought counted in classroom. Randy stated student in all day program, different environment, not in that class structure, so class size goes down. Martha Cray stated those are real kids. Maureen is talking State specifically. State does not break out, counted in grade total, not in classroom size. Randy stated he didn't agree.

Betty Boucher called Point of Order. This is a Budget Committee meeting, Randy asking questions of his own personnel.

Maureen Soraghan stated she would get that information. Karen Umberger asked where are those children accounted for in those numbers. Maureen stated that she would get that information to the Committee. Karen stated total number of students, didn't see another line that says Pathways. Chairman stated look at things principal handed out, in Pathways basically not counted in there. Martha Cray stated classrooms, actually not those rooms, not children in Pathways, Rainbow Room or Horizons. Rick Paquette stated number would be added and Martha Cray stated yes. Karen stated that is fine make sure not double counting. Phil Dighello stated cap on expenses and Maureen stated Catastrophic Funds cap not issued; last year \$34,210.00. State will reimburse above cap. Randy Davison asked about transportation reimbursement for the handicap bus. Maureen Soraghan stated the driver keeps a log. Randy stated he did not get a clear answer.

MAINTENANCE BUDGET REVIEW

Jim Hill presented the Maintenance Budget. The books handed out included the 5-year Capital Improvement Plan; updated from last year. The Facilities Committee went to each School, met with principal with a priorities list and negotiated what they want.

Tab 1 - Article 9, Expendable General Trust Fund shows final number. Once this section is done the entire roof replaced. Essentially it is the gym, cafeteria and kitchen. Bill Jones asked about the guarantee on the roof and Jim stated generally 15 years. James LeFebvre questioned the "established in 1995" and Jim stated probably Jim needs to check. Karen Umberger stated all Warrant Articles are a question and Jim LeFebvre stated he understood.

Tab 2 - Jim Hill proceeded with Article 10 concerning the handicapped bus. Generally try to keep one-third very good with 0 to 50,000 miles, one-third with 50,000 to 100,000; don't want too many over 100,000. Generally replace two buses, this year will replace only one. With the purchase of a new bus 31% will have 0 to 50,000 miles. Chairman Stacey stated mile long to the High School, enough buses and Jim stated still same number of kids, working out details. Rick Paquette asked about the parking capacity and Jim said 320. Dr. Nelson stated Jack was dealing with that. Sheryl Kovalik stated the School Board established a committee for fairest way to give out spaces.

Jim Hill proceeded with rule of thumb is 10 years or 150,000 miles for the buses. Generally the replacement bus is taken out of rotation, will not pass State Inspection, will pass regular inspection. Right now the maintenance bus will not be sold, will be painted green and turned over to Andy. Green bus is going to be trashed as scrap. Crow Dickinson asked about the facilities at the new High School and Jim stated may have some type of storage. Plan is for the Maintenance Department to take over the Auto Shop. Crow stated so if something breaks it must be taken down there

and Jim replied that hadn't been determined. Crow asked where repair work is done and Jim stated if it is a heavy piece, will go to Andy's. Any major maintenance will be loaded on a trailer. Karen Umberger asked if that meant Andy's building was going to be demolished or is his space being expanded. Jim stated it will be used as some sort of storage. Karen stated if he was physically going to move, there was a space differential. Jim stated they haven't gotten to that level; garage has 12 or 10 foot wide space; quite an increase. Karen asked if any of the cost of Andy moving has increased the cost and Jim stated no. Karen stated they will be heating a larger area.

Tab 3 - Maintenance Vehicle. Jim Hill stated generally this is similar to the maintenance vehicle, will allow staff who maintain over 500,000 square feet, to be able to keep equipment tools on the vehicle. Basically from November to March sander is on the back of the 1-ton truck. If they need to move anything, have to lift the sander off, disconnect and then reconnect everything. Karen stated what level of maintenance does Andy's crew do and when do you contract out. Andy Grigel responded depending on what they are dealing with. Philosophy is to attempt to do what we can before going out to contract. Karen asked 80% and Andy stated probably 90% to 100% we do ourselves.

Betty Boucher asked about the sheet she was looking at and Jim Hill stated that is the style and Rowe Ford is who the pickup was purchased from. Betty stated looking at price, why the need for a stereo in a maintenance truck. Rick Paquette stated can we expect that this figure is a working figure and Jim stated working figure for the Warrant Article for \$38,000.00.

Tab 4 - Security System. Jim Hill stated existing Middle School has a card, new High School will have it, but John Fuller and Pine Tree are remaining to be put on the system. Chairman Stacey stated she honestly hadn't made a decision. Her kids go to Pine Tree; why need, especially since at Conway Elementary the doors are propped open. Jim stated talked with Brian, he showed where bus pulls up, open from 8:30 to 9:30 then locks, only way through is the Main Entrance. One of the other uses is as part of the timecard system, custodian uses as a time card. Middle School and High School can use for school lunch card; put \$10.00 on card and deduct lunch from the card. Larger than just a security system. Chairman asked if Pine Tree hosts SAD 72, how do they get in and Jim stated someone goes to front entrance. Also for the Men's Basketball on Sunday, given a card to get into the facility and will have card from 1:00 PM to 4:00 PM on Sunday, the card will let them in. If card is lost, cost of \$1.50 to \$2.00 for a new card and old card is voided.

Crow Dickinson asked what are we guarding against and Jim responded intruders. Crow stated any intruder can easily overcome a security system.

Bill Jones asked about losing a card and Jim stated it is voided and can't be used any more. With keys, Andy has to change locks. Bill stated if staff loses card, who pays for the new card and Jim stated 50 cards at one School. Chairman Stacey stated for example can you have a key card

work with every school and Jim stated if you have the platinum card; these cards can be programmed. You can get in but you can't get into sections not allowed to get into.

Phil Dighello stated last year re-keyed and Jim stated he thought locks are from 1950. I can say for sure 2 or 3 sets lost at the High School. Karen Umberger stated she was really not in favor of any of this, not here or there. Message sent back if you are really, really serious about this do 1 and not 2 in this Warrant Article; one this year, one next year; one this year, one in 10 years from now. She does feel that when looking at overall School budget up and she knows they say the outlying towns paying more, overall budget is up, the effects won't effect others but does effect us.

Bill Jones asked if there were motion detectors in the school, reads 15 going in there and 14 leave, how do you know and Jim stated not under this system. Bill stated a security system with a possible flaw. Andy Grigel stated it has the capability for video taping; will be doing that at the High School. Keep simple, get up front ability to monitor through the door system; does identify who went through, what door appeared at. Andy stated teachers have a difficult time admitting they lost keys. People are more apt to tell us about the card. Bill asked if all other doors were going to be locked and Andy stated just what is listed, can chose to change all locks.

Rick Paquette asked how many entry doors at Pine Tree and Andy Grigel stated 7. Rick stated it can't cost that much for 7 doors and Andy stated those locks are not removable, have to take hardware off the door and send to Sargent. While this is occurring, doors don't lock.

James LeFebvre stated what analysis made you decide this was the system to go with. Andy Grigel stated they came to the conclusion 10 years ago. The present High School has 4 different types of locks. You get to a point where you are carrying keys of 150. Financially trying to find a way that would provide a level of security when a key is lost. Reality is people lose keys; have to send letters to locksmiths. Even if a card is lost tomorrow, we disable it. The card has the ease to add people into the system and eliminate people from the system.

Mike DiGregorio stated we need to start looking at security. Karen mentions separating, I don't think you save money by putting things off. The only time you save is when you have no intention of doing it. I do agree with Bill, interested in getting a better system with cameras, but this system will allow us to upgrade. A real working example - last summer Police were faced with an armed suspect; one phone call and all doors were locked and closed. No going around to see if doors are propped open. Bill Jones stated he was concerned about the vote: 5 for, 2 against; why not unanimous if so important. Randy Davison stated it does work.

Betty Boucher asked if the reader for the cards dies, how are the school doors opened for people to get in. Jim Hill stated generally has fail safety door for de-magnification. Chairman Stacey stated she understands

the Middle School and High School are huge buildings, but Pine Tree was shut down in two minutes flat. The system they have at the Elementary School works now; some will say do we absolutely need this. Martha Cray stated she was there and it was more than two minutes, had custodian in the back field who would have had no way of getting in. With a card, he can get in. Several adults had to go around and physically check the doors. Chairman stated rather a custodian than a child.

Rick Paquette stated currently at Pine Tree all teachers have access and Jim Hill stated to the building. Rick stated do we brief all teachers and Jim stated yes. Rick stated electronic and Andy stated UBS back up on every door. Phil Dighello asked run out hours and Andy stated 12 years. Rick stated any key can be used during lock down and Andy stated if we initiate a lock down, the only way to go through is by notifying us to de-mag the door. Security system does not recognize friend or foe. Betty Boucher asked if anybody has tried to duplicate one of the cards. Andy stated cards are encrypted, can't be duplicated.

Bill Aughton stated for priorities: locking system or new bus. Jim Hill stated depends on who you ask. Bill asked Andy what he would do.

Betty Boucher asked if State approved, legal to lock doors and Jim stated can't lock them in, can't keep from getting out in case of fire.

Tab 5 - Heating. Betty Boucher moved, seconded by Crow Dickinson, to recommend that Jim lock in at price in order to get savings. All members in favor.

Jim stated heating oil based on \$2.75 a gallon, shows consumption based on 3 year average; one penny amounts to \$2,000.00. Looking at ability to pre-purchase for upcoming heating season. If lock in at \$2.00 per gallon range, could reduce budget by \$150,000.00 if there is some interest in locking in now.

Karen Umberger asked why Conway Elementary consumes almost twice as much as the others and Jim stated the elements. Last year with the air quality issues, had to open windows. Karen asked if the square footage was the same and Jim stated all are 45,000 square feet. Karen asked about the end exposed to the weather and Chairman Stacey stated glass in the cafeteria. Jim stated the whole side.

James LeFebvre stated next year the Middle School is under renovation, impact on heat. Jim stated factored in total consumption. Chairman Stacey asked how old Conway Elementary was and Andy Grigel stated 1955, 1978, 1979 and 1990.

Betty Boucher asked if locked in at a certain price in this budget now and Jim Hill stated not locked in at all. What he was saying with the blessing of this group and the School Board, he would like to lock in so everyone knows exactly the price per gallon. Crow Dickinson asked why Jim was worrying about this and Jim stated because this group very knowledgeable. Chairman Stacey stated basically last year we had a big discussion on this. Bob Drinkhall stated we discussed at length, Jim is

afraid if some miracle occurs, price could continue to go down or we have another war or a hurricane and the price goes right through the roof. Betty Boucher asked if the School Board had taken a position and Deb Deschenes stated no, but at \$2.00 go for it. Betty Boucher asked that a poll be taken of this Board right now. Jim Hill stated he didn't want to get in a position that he set a precedent. Bill Jones stated this has been hashed out enough.

Karen Umberger stated on the Kennett High number of 75,000 estimated and Jim stated the number was provided by Engineer. Karen stated and the Middle School, what you are going to heat; SAU 9 moving in, the Auto Shop for Maintenance, who is going to heat what. Jim stated that will be decided between the Conway School Board and Lee Kennedy. I can not tell you what School Board will have for tenants. Karen stated Middle School didn't consume anything based on putting in a new boiler two years ago. In 3 year average, we have one year with boiler that was replaced. What are you planning to heat and how much fuel consumption in the entire building, and what is it going to be for some part of the building. Jim Hill stated this year saved a lot of fuel but may have nothing to do with the boiler; there are many variables. Karen stated how much of the building is going to be heated and at what temperature. We were told that the Career/Technical area was not going to be used, heat would be kept at 50 degrees. One boiler takes care of entire building, makes a difference in what is heated. You have anticipated when the High School leaves, we are going to heat the entire building. Jim stated we have never said how many were marked for mothballing areas; he had never heard anything to the contrary.

Tab 6 - Telephone System. Rick Paquette moved, seconded by Bill Jones, to recommend to the School Board to write up as a Warrant Article. In favor: 13; Abstain: 1 - Deb Deschenes.

Jim Hill stated that the phone system at John Fuller and Pine Tree need to be replaced. How much has been paid: \$300.00 to \$600.00 per year; continue to have a maintenance problem, have used up all favors to people that maintain our phones. It is a phone system that is 15 or 16 years old; have gotten our monies worth. Basically they have said they will no longer offer a maintenance contract. Crow Dickinson stated this clearly should be a Warrant Article. Please write a good Warrant Article for it and he thought he would support it. James LeFebvre asked about a new system and Jim Hill stated state of the art; it is a good solid phone system. Bill Jones stated this should be a Warrant Article.

Tab 7 - Rotating Fund. Jim Hill stated this has worked outstanding. Doug Swett stated he thought this keeps the Schools in good working order.

Tab 8 - Custodians. Jim Hill stated the general rule of thumb is 20,000 square feet for each custodian. By looking at the sheet provided, 9 is slightly below the national average. Karen Umberger stated she understood the calculations but was rather concerned there were no custodians, no charge to Career/Technical; no figure being charged to Career/Technical Center. She feels that the Career/Technical Center should pay for lights, sewer, water and custodian. James LeFebvre asked how is the Middle School

going to impact the number of custodians. As discussed, you estimated approximately 81% which included SAU and Maintenance. Jim Hill stated figure revised, looking at about 2/3 or 68%. Bob Drinkhall stated he was confused; back in February of 06 Jim had custodians at \$312,579.00, now at \$225,000.00; same number of custodians. Jim Hill stated it could be salary with family plan; now doing budget based on real people being in a different school. Bob stated haven't hired yet, what changed. Jim stated in February looking at 9 custodians at \$35,000.00. Bob stated \$90,000.00 less and Jim stated originally 11 at the High School. Bob stated very curious which we will end up netting, \$312,000.00 or \$225,000.00.

Doug Swett asked about putting in floors without asbestos and what needs to be done daily to maintain life. Jim Hill stated looking at one-third less than national average. Andy can buy equipment to do the job.

Bob Drinkhall asked if medical could have been left out on the \$225,000.00 figure and Jim stated probably the answer is just salary line. Betty Boucher recommended to the School Board that they leave Jim's Maintenance Budget alone. Jim Hill stated Grounds have two people, one existing and one is being transferred. Karen Umberger asked what the costs are for grounds maintenance. Karen further stated before we go on, your new equipment under Grounds since these are one-time costs it would appear to me that they should go into a Warrant Article and she realized that they have looked at a 5-year lease purchase. She just would feel a lot more comfortable for one-time things to be put in a Warrant Article. Jim Hill stated if that were the case and have on Warrant Article and Article fails, no way to pay for it. Dr. Nelson stated invested a lot of money in the field.

Betty Boucher asked about the whackers, what are those. Jim Hill responded mower.

Tab 9 - Water and Sewer. Jim Hill stated he contacted Engineer and DES and they have estimated the numbers shown. He has dealt with this before and these are more for design standards. He would rather fail on the side of caution, not going to know until we get two or three years under our belt. Need a couple of years to get data. Bob Drinkhall stated regarding Water and Sewer operations, \$5,000.00 not included and Jim Hill stated oversight on his part. Can adjust fuel down and adjust up the \$5,000.00. Betty Boucher stated Water/Sewer line up the road and Jim stated yes. Betty stated if others tie into this line is that going to bother the school; fee charged. Jim Hill stated that is all Water Precinct. Dr. Nelson stated that paid for a portion of the installation. If wrong, adjust next year, it was a volume issue. Deb Deschenes asked if teachers were taken into consideration. Jim Hill stated he wanted to get an idea what the cost per student was from where they are now. It is just a apples to apples, could have added teachers.

Betty Boucher asked about the Spring House and Jim Hill stated it was a done deal. Betty stated is that going to be an added cost and Dr. Nelson stated the Career/Technical property maintenance class will take over that as well as grounds. Bob Dinkhall stated what he calculated is very

close to the \$5,000.00 for operations and maintenance. Jim Hill stated he had that broken out, he got it from the precinct.

Tab 10 - Middle School Renovation. Jim Hill stated looking at a total of 173,722 not including portables. That is not just classroom, hallways, stair towers, does not include bathrooms, custodian closets. Rick Paquette stated he would like an Article on that one-time expenditure, would like to see as an Article. Jim Hill stated Town got new truck; was that a Warrant Article and Karen Umberger stated it is in the Capital Improvement Plan and funded.

Bob Drinkhall stated he came up with \$1,122,483.00, book has \$862,294.00. As much as he hates to spend money, this is extremely important; all this money in a new school, if we don't take care of it - why build it; he didn't see anything that isn't needed. Chairman Stacey thanks Jim for his presentation.

Chairman Stacey stated Monday, January 29th meeting at 6:30 PM at the Town Hall; if have to, can move to Elementary School. James LeFebvre stated if anticipate high turnout to attend meeting we should move. Dr. Nelson stated they would need to post again and put a note on the door. Karen Umberger stated Town Hall will seat 40 people and the acoustics are better. If we are going to be trying to do our job, then we need to be where we can hear. Conway Elementary meetings are difficult. Pat Swett stated maybe Town Hall can hold 40 people, but where do you put your feet and legs; need space where you can sit comfortably. Chairman stated we can take the benches out and put in chairs. Doug Swett stated if 120 people show what do we do and Chairman Stacey stated halt the meeting and go to Conway Elementary.

Karen stated she wanted to report what happened at the Selectmen's meeting. The first thing they did was vote to put a Warrant Article that will establish a revolving fund for recreational fees, all 5 agreed that was the right thing to do. Second thing, had motion to establish fees that the Budget Committee recommended and that motion was amended to say that the fees would only be charged if the revolving fund passes. In other words, if revolving fund passes, fees charged; not pass, fees not charged. Last thing, although we did not put it in a motion of any kind, did agree if there was a financial need for a family then we will continue to take care of them. Crow Dickinson asked why set it up this way and Karen stated it is actually easier to manage as well as taking all of those fees out of the budget, right now in budget. Rick Paquette asked if this impacts other recreation like North Conway in any way and Karen stated no. Karen stated the revolving fund will take line item amounts out of budget, voters agreed to revolving funds, are going to continue to support concept of revolving fund; better management tool, gives everybody an accounting of what the fees are for. Rick Paquette stated he was looking forward to seeing the Article.

Betty Boucher stated if Budget Committee needs to turn off their cell phones, then need to tell the audience to do the same. Karen Umberger stated the last thing also brought up hours for Administrative Assistant. Selectmen are waiting for a letter from the Budget Committee.

Bill Jones moved, seconded by Betty Boucher, to adjourn the meeting at 9:46 PM. Motion carried unanimously.

Respectfully Submitted,

Iris A. Bowden, Recording Secretary