

**MINUTES OF MEETING  
MUNICIPAL BUDGET COMMITTEE  
January 2, 2008**

A meeting of the Municipal Budget Committee was called to order at 6:36 PM in the Meeting Room at the Conway Town Hall with the following members present: Chairperson Melissa Stacey, Robert Drinkhall, Pat Libby, Jim LeFebvre, Rick Paquette, Bill Jones, Phil Dighello, Crow Dickinson, Bill Aughton, Karen Umberger, Doug Swett, John Edgerton and George Fredette. Also present was Randy Davison.

Crow Dickinson, as a Selectman, gave the oath to John Edgerton to become a member of the Budget Committee.

Chairman Stacey advised that since not all members had received the Minutes for the December 17, 2007 meeting, approval of same would be tabled until the next meeting.

SCHOOL REVIEW

Karen Umberger stated that looking through the budget information she was concerned that it didn't reflect the budget passed by the voters of \$30,736,820.00; but is reflecting \$32,108,199.00. Information is inaccurate and made it extremely difficult and impossible for her and others to have any clear indication of decreases and increases because the information, from what she assumed the School Board re-programmed the money so that it reflected a \$30,000,000.00+ budget. For her, she would listen but until she received the adopted budget and how it was disbursed for 2007/08, it is impossible to do an analysis. Karen was specifically looking at the Special Education budget information provided last year; shouldn't bottom line be \$4,816,793.00, yet this particular paper shows \$4,822,765.00. Of course, understand can re-program the budget, but have no indication or find where the change of money came from. Karen felt strongly that the 2007/08 budget straightened be out.

Dr. Nelson stated what is presented is the adopted Default Budget with the Warrant Articles. Karen Umberger stated that if you looked at the figure of \$32,108,000.00 under the function Summary there is nothing talking about Warrant Articles.

Dr. Nelson stated the budget book this year is no different than that in the past.

Bill Jones asked if the discussion was done with Karen's comments. Crow Dickinson stated before we go any where with these documents, you are absolutely certain this is not the Default Budget. Karen Umberger stated she was certain; take same page from last year's total appropriation of \$30,114,699.00; \$32,202,224.00. Karen didn't know where to begin. Crow asked Dr. Nelson to confirm that Karen was correct. Dr. Nelson stated what you see is the Default Budget; that is what was adopted by the taxpayers. You may be referring to materials given earlier; there have

been changes. Karen asked for an explanation on how we have \$32,108,000.00 as total appropriation when you look at the Summary, was \$30,000,000.00 and that is before we add and subtract Warrant Articles. \$31,285,000.00 is not the number that was voted on. Karen further stated she did not know what number she was supposed to work with.

Crow Dickinson stated that this was not all right. Only question is if this is the adopted budget or the Default Budget. Dr. Nelson stated it has to be the Default Budget. Crow stated he just heard that it isn't and Dr. Nelson stated it is the budget adopted.

Phil Dighello stated he had the Warrant Article which stated that the recommended Default Budget was \$30,736,782.00; this is what was presented to the people. So you are comparing a non-default budget to a proposed budget. Phil could see what Karen was saying.

Rick Paquette stated it throws off every piece of analysis. Take any line and that number is erroneous if that number is not the Default Budget. Unless that number is somewhere, he couldn't figure it out. Dr. Nelson stated that what he would do is go through this tonight, hit some highlights and double check with the accounting people. He doesn't put it together, but he didn't believe it was inaccurate.

Bill Jones stated he agreed with what Karen was saying. Bill asked why, when he opened his book, he had to look at a letter to the Conway School Board; why was it in there. Dr. Nelson stated because it pertained to the budget. Bill asked if it was the only letter ever received concerning the budget and Dr. Nelson stated it referenced the budget. Bill repeated his question of it being the only letter received and Dr. Nelson stated he believed so. Bill stated he objected to it being in his book and Dr. Nelson stated Bill was welcome to remove it.

Crow Dickinson asked if the Committee could proceed to hear about whatever Dr. Nelson wanted to say without making any comparisons. Chairman Stacey stated "yes", she believed the Committee could listen to what he has to say openly and without as much animosity and have Dr. Nelson check the numbers. Crow questioned on how to proceed and Chairman stated with Dr. Nelson going through the high spots and answer any questions or comments that need to be addressed.

Jim LeFebvre stated that, as he recalled, it was his impression that the School Board was going to conduct ways of looking outside the box; and requested a status of the study. Dr. Nelson stated the last two years based on minimum standards by the State and Local Standards; that is minimum budget with enhancements added on. Jim stated last year there was talk that if a school were to be closed there would be a savings of \$2.5 million out of the budget. Dr. Nelson stated it was an elementary school. Jim stated with an increase of \$2.3 Million; have you looked at closing one of the elementary schools. Dr. Nelson stated there had been preliminary discussions, no conclusions on what they are going to do. Closing a school is much more far reaching, the community has supported the concept of neighborhood elementary schools; would have to have input from the community. Jim asked when and Dr. Nelson stated not for this

budget season; also have other sending districts for tuition that should be involved as it will effect them.

Dr. Nelson proceeded with the Review: first page in the budget book, a Summary of the budget with a \$2.3 Million increase; about \$1.7 Million comes from obligations such as the two year CEA agreement approved last year for \$466,000.00; AFSCME for \$47,000.00; Special Education increase of \$852,000.00; health insurance of 13.7% increase, estimated at \$181,000.00; fuel oil for \$193,000.00, totaling \$1.7 Million. There is a reduction in state payment of \$195,000.00. George Fredette stated health insurance was \$408,000.00. Dr. Nelson stated there are 11 or 12 new Special Education positions for 2007/08 that had to be absorbed. Balance to be returned closer to \$150,000.00.

Karen Umberger questioned health insurance. Dr. Nelson stated 13.7% guaranteed maximum, may come in less; won't know until May. Phil Dighello stated on the surplus, School Board took part of it and hired a teacher; not right, if health insurance decreases, monies should go back to the people. Teachers Union have given money, millions to the democratic party for support; where is the NEA on getting money for us. Ask your teachers why they are not pushing their Union about where is our money. Phil further stated that it seemed to him that if you have this huge Union, they should be doing something instead of it going on the taxpayers.

Rick Paquette stated he would like a response on what happened to the money that Phil brought up. George Fredette stated it was used to pay the Special Education people. Phil Dighello stated he remembered the hiring back of an eliminated teacher. George stated they decided they needed to hire a teacher. Phil stated it still came out of the fund balance. Rick asked for the current surplus for this year, over or under. Dr. Nelson stated we are going to be extremely close; had to hire 12 new positions in Special Education that were not budgeted for. This is going to be a close year. Dr. Nelson stated the positions are IEP driven; if a student comes into the School District from some other place and has an IEP, the District is required to provide a 1 on 1 Aide. Karen Umberger stated she understood that, but questioned why 12 students were never identified with the need for Aides. Dr. Nelson stated one position is a health care person for a very critical child. IEP's change; do them in May, put budget together in November, September, October. An IEP change causes a program change. Conway Board had to approve one last month that was not foreseen. Dr. Nelson stated an IEP team consists of an LEA representative (usually a principal or the director), parents, school personnel, maybe a medical doctor, to determine what the needs of that child are based on behavior and a number of other things; could be as simple as extra time for a test; sometimes more elaborate such as a 1 on 1 Aide.

Bill Aughton asked about a contingency figure for last year. Dr. Nelson stated no, that is one approach a District might take. He does have some districts taking that approach; contingency line items would change each year.

Doug Swett stated 12 Aides was unusually high and Dr. Nelson agreed.

Karen Umberger asked if the 12 Aides is just Conway and Dr. Nelson stated Conway positions, some may be reimbursable. Karen asked if the students were from Conway or somewhere else. Dr. Nelson stated could be from a sending town and we get reimbursed.

Chairman Stacey stated Conway has the highest number of children recognized. George Fredette stated he didn't know if some were reimbursable; most are Conway. Dr. Nelson stated he thought George may be right.

Dr. Nelson proceeded with the Summary; the last page in the first section shows the additional positions. You can see the new positions, first 11 are Special Education Aides and one non-contracted position.

Phil Dighello stated in addition to 12, there is a total of almost 19 positions. In addition to 12 Special Education Aides, 7 new additional positions even though enrollment flat. Dr. Nelson stated positions are primarily in the High School. If the High School had had the space in the past, would have asked for all along; keeping High School class size at 25 or under. In order to do that, follow the Local Guidelines. Basically program based on State Guidelines and Local Guidelines. Karen Umberger stated just making sure teachers report include benefits or is it just salary. Dr. Nelson stated it includes benefits. Karen asked if the High School teacher at \$49,000.00 included benefits and Dr. Nelson stated yes.

Dr. Nelson stated looking at the Special Education Summary you will see that the bottom line is already short by \$852,000.00 which represents approximately 20% of the budget. Each Unit talks about the increases and decreases. Revenues we already talked a bit about and a particular concern is the Unencumbered Fund Balance. If all Warrant Articles are included and approved, the rate would be \$2.74 per thousand or 26%.

Phil Dighello asked if the School Board recommended all of the Articles and Dr. Nelson stated yes. Phil asked if the School Board was recommending the Operating Budget and Dr. Nelson stated yes. Phil questioned how the taxpayers could be asked to pay a 26% increase; he was completely astounded and stated that some things should have been looked at closer. Heating oil is going up. Phil had spoken with a taxpayer who keeps the heat at 58 degrees because he can't afford to pay more. How can we say to this person that his taxes will increase \$600.00 for School only and it doesn't include the Town. Phil further stated that it seemed this School Board was a little insensitive to the taxpayers. George Fredette stated they went through line by line and had members of the Budget Committee come to meetings, they would have seen spirited discussions; also suffering with heating oil and no end in sight to the health care crisis. School Board did take into consideration and cut \$300,000.00; this is a brutal budget; have to be willing to provide an adequate education for our kids. Middle School building was in a state of collapse; solved the facility problem with a new High School. Our goal is to provide an adequate education.

Phil Dighello stated the provision for a boom lift; what does that have to do with education. George Fredette stated one is being rented now and

paying through the nose; more cost effective to buy it. Phil stated still have security upgrades and George stated brought forward before; thought it best to put out to the taxpayer. Phil stated looking at a 26% increase, a \$219,000.00 expenditure is not necessary. George stated that Phil should talk with Mike DiGregario. Everyone has their own opinion; put out for taxpayer to decide.

James LeFebvre stated Point of Order - one talking at a time.

Phil Dighello stated that every time the School Board recommends an Article, you are basically telling the taxpayer to vote for it; you say "let the taxpayer decide", the School Board should make a decision and not leave everything up to the taxpayer. If the taxpayer sees a recommendation, they vote for it. George Fredette stated he understood Phil's point. Phil stated a lot of people can't pay 26%; may be you can, but most can't.

Rick Paquette asked if the Budget Committee had received a response from the Town Attorney. Chairman Stacey stated not yet. Rick asked at what point can one fire an attorney and get someone who will do the job; we have not received the guidance that we asked for. Crow Dickinson stated the Selectmen authorized the Committee to use the Town Attorney; if not conforming, then say goodbye; it is not our business, it is up to you guys. Phil Dighello stated Earl Sires stated he should have an opinion on the 7<sup>th</sup> of January.

Phil Dighello asked why there was no Default Budget in the packet. Dr. Nelson stated it was not completed; should be on January 19<sup>th</sup>. Phil Dighello stated he would like to see it before the next meeting; to see if the Default Budget is going to come into play again. Dr. Nelson stated this Committee would have it by the next School meeting.

Karen Umberger stated she wanted to go back to the new positions; she didn't understand the increase in student services; Director 8 days. Dr. Nelson stated that was an increase in the number of days. Karen questioned the stipend pool. Dr. Nelson stated if you have a class that is over-sized, as in English, that is a source of money to hire a part-time English teacher to reduce the class size. It is used for that kind of thing. It is a more economical way to keep classes at the required size.

Karen Umberger stated it was her understanding on the Eagle Academy that it was going to be at no additional costs. Dr. Nelson stated this is for next year; more enrollment. Karen stated so evening classes that were not suppose to cost more, you are asking for more. Dr. Nelson stated a Guidance Counselor position was eliminated. Karen asked that Dr. Nelson repeat what he said and Dr. Nelson stated a Guidance Director position was eliminated. Karen stated back for next year and Dr. Nelson stated Counselor is not there; that is currently in this budget. Karen stated added a Guidance Counselor and the savings was put towards the Eagle Academy. Dr. Nelson stated some money gains from Alternative Education; all of those were part of the Drop Out Task Force recommendation guide. Karen stated a \$22,000.00 increase; if we look at last year and 2007/08

I should find something. In this budget, you did not request a Guidance Director and Dr. Nelson stated that is correct. Karen stated the Guidance line was reduced by some amount of dollars and that sum amount was applied to the Eagle Academy for the current year. Dr. Nelson stated some, not all of it. Karen stated she needed to see the Eagle Academy this year and Eagle Academy proposed. Dr. Nelson stated he would do that.

Dr. Nelson asked that the Recording Secretary send him the questions that Karen needed answered.

Karen Umberger questioned what falls under the Unified Arts Department and Dr. Nelson stated Music, Arts, Physical Education. Karen stated only group with no department head and Dr. Nelson stated that was correct.

Bill Jones questioned the Assistant for Maintenance at \$61,981.00; what is that for. Dr. Nelson stated they have a Facilities Sub-committee and they have made a number of recommendations. School Board put on an Assistant Maintenance person to back up and support Andy Grigel; a new position. Bill asked if employed right now and Dr. Nelson stated the position would be advertised. Bill asked if \$62,000.00 is totally brand new and Dr. Nelson stated yes.

Bob Drinkhall stated cut a maintenance person or one-half a person and Dr. Nelson stated cut 1.5 custodian. Bob stated as he predicted, it would cost more with a new facility; not able to keep up; hesitate to say spend more. Maybe custodians shouldn't have been cut.

Phil Dighello stated in the first draft, a Family Liaison teacher was in the High School, is position still there and Dr. Nelson stated yes.

Phil Dighello stated there is an extra teacher at Conway Elementary for \$50,000.00. George Fredette stated no, position taken out. Phil stated position was still in there. George stated Brian (Hastings) brought forward for two teachers and an additional teacher was taken from Classroom Reduction; Conway Elementary teacher is back in the budget. There are two teachers for that grade and if we get Classroom Reduction, will add a third teacher.

Doug Swett questioned if custodial and maintenance were different and Dr. Nelson stated it was.

Karen Umberger stated on new positions, Freshman Team Leader; was there a new team added to the Freshman class. Dr. Nelson stated this year; still under the House Master's Guidance; have broken into three different teams and request at the High School was to add team leaders. Jim LeFebvre stated now have a Headmaster and three team leaders. Karen stated the stipend for 3 team leaders is \$5,000.00; what do they do to earn this money. Dr. Nelson stated contact with parents and students; this is where we start to lose them; this is an effort to have the student, parents and staff communicate. Karen asked why, if Family Liaison is doing that. Dr. Nelson stated drop out rate 7% last year, down to 4.5% estimated for this year. You need these people to bring services.

Karen Umberger stated co-curriculum stipend, what is this. Dr. Nelson stated that is at the Middle School for intramural program. George Fredette stated Freshman Field Hockey in 8<sup>th</sup> grade, basketball; they are stipends; don't want people thinking we are hiring new positions. Karen stated that is stipends of over \$5,000.00 called new programs, not in there before. George stated that was correct, although a few have been in there with prior funding.

Jim LeFebvre stated the drop out rate going from 7% to 4.5% is a noticeable improvement; define a drop out at Kennett. Dr. Nelson stated a student leaves school all together; no transfer; not home schooled; not in a residential placement. Now the age is at 16, will be 18. Jim asked if the School had calculated what the additional two years was going to cost. Dr. Nelson stated they had started to think about what kind of programs will be needed; for example, Eagle Academy looking at \$22,000.00. Jim asked what the State Legislature was doing to rectify unfunded mandates. Crow Dickinson stated nothing to his knowledge. George Fredette stated he had a different response; there may be people in government looking to use the unfunded mandates as an excuse to bring in income tax or a state wide sales tax.

Doug Swett asked if a student drops out at 16, lives in Fryeburg and works in Conway; can the SAU make him go to school. Dr. Nelson stated if a student left our school and didn't go to another District, then considered a drop out. Chairman Stacey clarified Doug's question by stating once the new law goes into effect, if you have a 16 year old living in Fryeburg and working in Conway, that is up to the other state.

Karen Umberger stated not sure what a VSO advisor was and Dr. Nelson stated Vocational Advisors. Auto has a national and state affiliation that they are part of; those are vocational advisors. Karen stated have not been paid and Dr. Nelson stated has come out of the Perkins Grant. We are beyond the point in terms of taking more from that Grant for those positions. It is recommended after three to four years it be taken off the Grant and added into the General Fund. Jim LeFebvre stated when accepting federal money it will disappear and comes back on the taxpayer.

Bill Jones stated are there other positions anticipated or coming to supplement the care of children. Dr. Nelson stated there is one Warrant Article for a Remedial Specialist. Title I funds have come from that; other funds like IDEA Funds, Class Size Reduction Funds will be reduced.

Phil Dighello stated he found himself in an awkward position; he agreed with George. He lived in Maine in 1965 and there was the same discussion concerning income tax being earmarked for education; always a shortfall and only a small amount did get it.

Karen Umberger stated on the Perkins Grant, money provided by Grant is going away or used for something else. Dr. Nelson stated it has reduced a little in its value, in the neighborhood of \$90,000.00. Karen stated so in losing it or deciding not to pay for that Vocational Advisor by the use of the grant any longer because it has been done for awhile. Dr. Nelson stated the Guidelines suggested that use be done in five or six

years. Two things happen when you have a new position, one is by Contract recommendation, Board approves and it becomes a part of a Contract. Karen stated positions have been there so already have had some type of stipend associated with them and Dr. Nelson stated he believed same as receiving now under the Grant. Karen asked if it was in the teachers' CEA Contract and Dr. Nelson stated not listed yet because they haven't been approved. Karen stated it was approved last year and Dr. Nelson stated it was in the Grant last year; it could have been any amount. Karen asked if it was going to change the teachers' Contract to accept these monies and Dr. Nelson stated no; if it passes, it will be in the General Fund. Karen asked if they were part of the teachers' Contract and Dr. Nelson stated he didn't know if they were members of the Union. Karen stated putting money into the budget that was not part of the current teachers' Contract is changing the Contract to pay these people. Karen further stated that it was her point that the Contract must be opened to pay them. George Fredette stated the question will have to be looked into. Karen stated because we have obligations based on a Contract, have coaches and whatever else is out there, how can we start something new if it is not in the Contract. George stated he was sure they could do an addendum. Karen stated needed to do it clean, otherwise a breach of Contract.

Bill Jones asked if the VOS Advisors were teachers or trades people and Dr. Nelson stated most are teachers, some are tradesmen. Bill asked if they were required to carry insurance to cover accidents and Dr. Nelson stated they would only need additional insurance if transporting children in their own car which is not recommended.

Dr. Nelson proceeded with the Warrant Articles. Articles 3, 4 and 5 are Maintenance Trust Funds. Karen Umberger asked who would contribute to the Maintenance Trust Funds and Dr. Nelson stated all 8 towns.

Dr. Nelson proceeded with Article 6 being the Conway Educational Support Personnel, a 3.6% increase over current rate. Article 7 is Project Succeed, information on same is in the back of the book. Article 8 is a phone system for Conway Elementary School. Article 9 is the roof replacement at Conway Elementary and John Fuller. Karen Umberger stated last year voted Pine Tree. Dr. Nelson requested that the Committee look at the 5 year plan in the back of the book.

Dr. Nelson proceeded with Article 10 being the security article talked about earlier; provide security systems at two Elementary schools similar to what is at the High School; surveillance cameras \$55,000.00 at each. Karen Umberger asked if the principals of the schools would be discussing why this is necessary and Dr. Nelson stated the principals of the schools would not be here. Karen asked who would talk about the need for this. George Fredette suggested bringing in Mike or Jim. Dr. Nelson stated Mike was a very strong supporter of it. George stated that Karen should get specific questions to them ahead of time. Jim LeFebvre questioned why the recommendation to put locks and cameras in one Article; might have better success to have two lock systems. George stated he couldn't agree more.

Dr. Nelson proceeded with Article 11 to provide door entrance and locks to meet ADA requirements. Bill Jones state he thought students had Aides

with them. Dr. Nelson stated some do, it is the exception rather than the rule; most students don't.

Karen Umberger asked if Maureen Soraghan was going to talk to the Committee and Dr. Nelson stated that she had given her presentation already. Karen questioned how Pine Tree ended up with meeting the requirements and Dr Nelson stated it was the newest building. Karen stated Pine Tree meets ADA requirements, was ADA in existence when built and Bill Jones stated ADA has been modified and changed. Karen stated this would not be considered as part of the \$60,000.00 rotating fund and requested the cost per door and the number of doors. Dr. Nelson stated he would get the information.

Dr. Nelson proceeded with Article 12; approximately one-third of the total package. Karen stated if this is a 3 year program, then there will be another Warrant Article next year. Dr. Nelson stated in all likelihood there would be. Karen asked what this does; would like to know what she was buying. Dr. Nelson stated it will allow monitoring of a building at night, such as no heat in one room. Jim LeFebvre asked if a cost/benefit analysis had been done; how much savings over the life of the system. Dr. Nelson stated Jim would be able to elaborate. Bill Jones stated this is the beginning of a 3 year program; approximately another \$100,000.00+; the benefits could be a more efficient system, but not necessarily a savings.

Dr. Nelson proceeded with Article 13 to purchase a boom lift. Bill Jones questioned \$40,000.00 for a boom lift. George Fredette stated it is a portable piece of equipment that can be carried around. Bill asked how would it be transported and Dr. Nelson stated the mechanical van will haul it. Bill stated they could buy an old telephone truck.

Dr. Nelson proceeded with Article 14 and that it would be discussed later. Karen Umberger asked where this money is and Dr. Nelson stated in a Trust Fund.

Dr. Nelson proceeded with Article 15 which is currently the Junior/Senior High School Building Maintenance Fund will be transferred to the General Fund. Karen Umberger asked why funds couldn't be put into other Building Maintenance Fund and Dr. Nelson stated the other trust funds come from other towns. Karen asked if this was all Conway tax dollars or split and Dr. Nelson stated Conway General Fund; could leave it sitting there but there is no Junior/Senior High School any more.

Dr. Nelson proceeded with two Article 16's for the Maintenance Trust Fund. One has the money being appropriated from the unused balance and the other is appropriated. George Fredette stated the \$234,653.00 is based on a formula of 1/3 of 1% of the value of all Conway school buildings. One will come out of any surplus and the other asks for specific authorization to fund. There were many ideas based on what we really expect it to cost. Karen Umberger asked if this was just for the High School and Dr. Nelson stated no, it was a District wide Maintenance Fund. Karen asked if the other towns would contribute and Dr. Nelson stated no; when Conway spends the money it becomes part of the

operational costs. Dr. Nelson suggested if the first Article 16 were to be used, not going to have that much; need to think about that. Karen asked if this is going to have some sort of limit of \$234,000.00 for five years; something showing an end. George stated it was based on the need of normal maintenance; five roofs will need replacement; other major equipment will need to be replaced. This number is just a suggestion; will continue to evaluate. Karen stated it would be helpful if there was some sort of target; a target stating in the next 10 years expect do to this and we need this amount of money to do it; then it becomes something you can go to taxpayers with. Whatever dollar figure you plan to use to do this, you need to be able to tell the taxpayer to expect \$234,000.00 every year. George stated it would be based on the replacement needs over a period of time.

Chairman Stacey stated this Budget Committee has pushed the School Board for this. Karen Umberger stated but have always steered toward a goal; never open ended; need to have some sort of goal in mind. George Fredette stated he agreed; he had the same concern at the school meeting; in reality maintenance has been at the forefront of all cuts; can not continue to run in the fashion as we have been. It is a betwixt and between situation.

John Edgerton stated the current taxpayer should not be paying for future use; not for 10 years from now. George Fredette stated the current taxpayer is paying the bill for 10 to 15 years ago now.

Dr. Nelson proceeded with Article 17 concerning the Special Education Fund. Most of the districts do have a cost enforcement that comes out at the end of the year. Chairman Stacey asked why there was no vote and George Fredette stated that the School Board was looking for direction from the Budget Committee. It can come out of any surplus or ask the taxpayer to pony up. Article 17 has some chance of being funded through any surplus. Chairman Stacey asked if there would be a cap and George stated it was supposed to be \$500,000.00. Dr. Nelson stated the fund balance is \$50,000.00. George stated over time being limited up to \$500,000.00.

Dr. Nelson proceeded with Article 18 concerning a remedial teacher position at Pine Tree. Karen Umberger asked why now and Dr. Nelson stated the Free and Reduced Lunch percentage of students has come down.

Karen Umberger stated she was a little confused in not having the various principals in to talk to this Committee. That was not made clear at any meeting she had been at and she found it interesting to learn that the School Board decided that if this Committee didn't attend their meetings, then this Committee couldn't hear what they had to say. Karen further stated that she was not sure if she would have known what questions to ask at that time. To her, that is a little disappointing. Karen advised that she knows how to write out questions and forward them and make sure they get answered.

Bill Jones asked if Mike DiGregario would be coming in and George Fredette stated this Committee will see Mike, Jim and Andy. Phil Dighello stated he would like to see the Default Budget.

Doug Swett stated when he considers the amount of money being put into education and the buildings referred to in the letter to encourage us to pay additional funds shows no respect for the taxpayers whatsoever; we have all we can handle as it is.

Chairman Stacey asked George Fredette how he would like to receive the recommendation from the Budget Committee. George Fredette asked how it had been done in the past and Chairman stated by letter. Mr. Fredette agreed to have same done by letter.

Randy Davison stated this town on average pays less per pupil. Next year the Middle School is increasing to \$15,000.00 per kid; that is high; the State average is \$10,000.00 to educate Middle School students; next year will be \$15,000.00. The High School has been short changed. Crow Dickinson stated that didn't impress him; figures taken prior to the new High School; figures that are mentioned may already have per pupil cost. Randy stated buildings do not count. The High School has been under State average compared to the rest of the State. Crow stated quality based on how much is spent and Randy stated the more you spend doesn't mean better information. Doug Swett stated it appears our School Board is looking at high spending on the Middle School.

Karen Umberger questioned no meeting for the 17<sup>th</sup> of January; shouldn't we have to make up for meeting missed. Chairman Stacey stated no; no meeting scheduled for the third Monday of January (the 21<sup>st</sup>) Earl does not feel it is needed.

Crow Dickinson asked when the next meeting was and Chairman Stacey stated on Monday (7<sup>th</sup>) for Town here at Town Hall at 6:30 PM. George Fredette stated he was not available on the second, third or fourth Monday of any month.

Chairman Stacey asked Crow Dickinson if a letter to the Selectmen regarding the Town budget would be sufficient and Crow stated yes.

Phil Dighello stated the letter from Bartlett and Jackson concerning an increase per student; they can afford to be very generous; look at the tax rate: Conway \$2,100.00; Bartlett \$1,100.00; Jackson \$900.00; they can be generous.

Randy Davison stated this Board needs to know it was a close vote, 4 to 3; 26% is a lot to swallow.

Rick Paquette asked the status on reducing the teams in the Middle School. George Fredette stated deal is this: if you cut from 4 teams to 3 teams you save about \$200,000.00; however you will need to hire back some people and that would bring it down to about \$150,000.00. Middle School has a building that has a big oversized gym; more efficient once done;

will get somewhat better. With only saving \$150,000.00 going from 4 teams to 3 teams, don't see rationale.

Jim LeFebvre stated when talking about the Middle School, one talked about a small percentage actually being used. George Fredette stated he has heard the percentage, but would ask Mr. Hill to portion out the Middle School, portion by Andy Grigel, and portion by SAU; there is a breakdown available. Also SAU pays for the portion they use. Doug Swett stated he thought the mothball percentage was 22% and George Fredette stated it could be.

Crow Dickinson asked that Dr. Nelson make sure all those pages get corrected. George Fredette stated he will make sure the numbers presented are correct. Karen Umberger stated she had a \$2 Million problem with it. Bill Jones stated possibly 22% doesn't mean no cost, there is still maintenance costs.

Chairman Stacey asked George Fredette if the Olive Branch Committee members from the School Board were keeping him updated and George Fredette stated they haven't been making regular reports. Chairman Stacey stated they had discussed maintenance items, up front trust funds, and caps.

Doug Swett questioned the status of negotiations with the teachers contract on health insurance. George Fredette stated he was not on those committees. Karen Umberger stated they were working on it; there is nothing yet. George stated he didn't mean to shy away from health care but his wife is an employee and he has his insurance through the system. He stays as far away as possible and if he seems ignorant on the topic, then he is.

**Jim LeFebvre moved, seconded by Doug Swett, to adjourn the meeting at 8:55 PM. Motion carried unanimously.**

Respectfully Submitted,

Iris A. Bowden, Recording Secretary