

**MINUTES OF MEETING
MUNICIPAL BUDGET COMMITTEE
January 26, 2009**

A meeting of the Municipal Budget Committee was called to order at 6:38 PM in the Meeting Room at the Conway Town Hall with the following members present: Chairperson Melissa Stacey, Doug Swett, John Edgerton, David Jensen, Bob Drinkhall, Mike Gilmore, Daniel Bacon, Phil Dighello and Karen Umberger. Also present: Nancy Leavitt, Mike Valladares, Glen Doe, Rob Pettis, Earl Sires, Paul DegliAngeli and Andrea Osmun from The Daily Sun.

Chairman Stacey welcomed everyone and stated that tonight we have approval of Minutes, report of Precincts and meeting with Earl Sires and Paul DegliAngeli for Capital Reserves. We will also do the recommendations to the Selectmen.

APPROVAL OF MINUTES

John Edgerton moved, seconded by Mike Gilmore, to approve the Minutes of January 7, 2009. In favor: 7; Opposed: 0; Abstain: 2 - Phil Dighello and Karen Umberger.

Bob Drinkhall stated on Page 3, second paragraph, it was his understanding Jim was referring to the entire custodial staff being contracted. Chairman Stacey stated can't correct with Jim not here; will put in Minutes, but the person making the statement has to do the correcting.

Mike Gilmore moved, seconded by Melissa Stacey, to approve the Minutes of January 12, 2009, as amended. In favor: 7; Opposed: 0; Abstain: 2 - Phil Dighello and Karen Umberger.

Bob Drinkhall stated on Page 8, second paragraph, fifth line, the word "not" should not be in there; should read "... not a large number of employees effected."

Chairman Stacey reminded the members that candidate filing opens on the 25th.

EAST CONWAY FIRE PRECINCT

Mike Valladares presented the budget for the East Conway Fire Precinct. Mike stated he was a Commissioner for East Conway and, as you will note, their budget isn't that high. They went back to 2006, 2007 was higher and 2008 was quite high. In the past, if the fire trucks needed fuel or gas, they would go to the neighbors, get fuel and continue on; but those days are gone and have carried over 10%. Last big expense was a pump as it was getting weak, disintegrating; cost was \$8,000.00 to rebuild. Trying to use common sense with their budget.

Dan Bacon questioned the Capital Reserve. Mike Valladares stated they were going to use it to draw money out to pay for a new truck.

Karen Umberger asked about Special Warrant Article #2. Mike Valladares stated Article #2 states:

"To see if the Precinct will vote to raise and appropriate the sum of Ten Thousand Dollars (\$10,000.00) to be added to the Capital Reserve Fund - Equipment previously established."

Carrying over 10% over the years and do have a little over \$10,000.00 that we have accumulated in the checkbook. Mike wasn't sure if the voters realized it and they were not really sure if they could buy without the Article; this was a more professional way to do it. Chairman Stacey stated it will legally protect you. Mike stated he respects the Budget Committee and basically wanted the Budget Committee's opinions. Karen stated she thought this was the best way.

John Edgerton asked how much in fund in addition to Special Warrant Article #1 and Mike Valladares stated right now there is \$3,000.00; putting in another \$1,000.00 in it. Proposal is for new windows in the Grange Hall; it is about \$2,800.00 to replace the windows.

Mike Gilmore thanked Mike for his presentation and a good job of controlling and managing the expenditures.

Chairman Stacey thanked Mike for coming and stated she would see him at the Public Hearing.

CENTER CONWAY FIRE PRECINCT

Nancy Leavitt presented the budget for the Center Conway Fire Precinct. Chairman Stacey thanked Nancy for all her years as she understood this was her last year. Nancy stated she tried in the past and failed to succeed. Nancy proceeded with an explanation of any increase with the packet handed out. Building Maintenance - need to seal the driveway and repair the roof at the Fire Tower, they figure \$1,000.00 for sealing and another \$5,000.00 for the roof repair. Heat has gone up \$200.00. A stretcher needs to be replaced for \$2,000.00. Truck increase because runs are up. The Chief's salary is up \$500.00; the Assistant Chief's salary is up \$250.00; the Officers Salary up \$350.00. Miscellaneous Expenses are up \$499.00. Office Expenses are up \$500.00 for software; Nancy has been using her own supplies and software. Travel/Advertising is up \$100.00; this year they are going to have a filing period. Fire Call Wages are up \$300.00; increase in calls and increase in manpower. Training Wages are up \$150.00 because of required courses. They do have a Special Article; last year they held a non-binding vote to explore a full-time position for the Department and they voted for it; have calculated for 6 months this year with all expenses. The idea is for a full-time position and they will start doing their own transportation on medical calls and in return the Precinct would realize income.

Phil Dighello asked on the salary increases, what is the percentage and Nancy Leavitt stated the Fire Chief is up \$500.00; didn't calculate; have had no increase in wages for 5 or 6 years.

Mike Gilmore stated he noticed in the budget, there is \$14,000.00 that is unspent and Nancy Leavitt stated they didn't spend it. Mike asked if it would help offset increases this year and Nancy stated no, they were retaining it as they were allowed 10%.

Dan Bacon asked how much was in the Capital Reserve and Nancy Leavitt stated \$132,234.95 at the end of the year; working towards not having to finance but buy outright. Dan asked under the Special Articles what were they looking for and Nancy stated last year it was a truck and it came out of the Capital Reserve. Karen Umberger asked if they were not adding to the Capital Reserve this year and Nancy stated yes, \$30,000.00. Karen stated it has to be in a Warrant Article. Chairman Stacey stated never have before.

Karen Umberger stated the Call Fire Wages are only showing a \$300.00 increase and have stated calls were up. Nancy Leavitt stated had an increase in our force so we have a higher turn out rate. Karen asked how many and Glen Doe stated 29 total. Karen asked if the new position was an EMT and Nancy stated full-time Fire Chief with an EMT license. Karen stated hiring a person to be full-Time Fire Chief and an EMT. Nancy stated what you are looking at is for 6 months; looking at approximately \$60,000.00 for this, so that would probably be a salary of \$37,500.00.

Mike Gilmore asked if the Capital Reserve was on target to be able to buy when needed and Nancy Leavitt stated yes.

Chairman Stacey thanked Nancy for coming in and for all her years of making the presentation to this Committee. Nancy stated that she would not be at the Public Hearing.

REDSTONE FIRE PRECINCT

Chairman Stacey stated we will assume that the Redstone Fire Precinct is out on a call or some other reason they have been detained.

BIRCH HILL WATER DISTRICT

David Jensen presented the budget for the Birch Hill Water District. David apologized for not having on the standard form, but the Clerk was on a long vacation. David proceeded by stating that the budget is the same as it has been for the last 3 or 4 years. They are keeping the District in place in case everything collapses and they have to pick up the pieces.

Karen Umberger questioned the budget balance of \$199.00 and Chairman Stacey stated it was \$1,277.00.

Mike Gilmore stated other than what was transferred, pay out is only \$1,200.00 on a \$4,000.00 budget. David Jensen asked if Mike was familiar with this Water District; formed when a private water company was in the process of failing and the Town recommended they form to catch the pieces; then the system was bought and saved us from having to run it.

They have kept it in existence just in case. Mike stated plan for the worse, hope for the best.

John Edgerton asked if they plan to take the system over and David Jensen stated not if they can possibly help it.

Chairman Stacey thanked David for the presentation.

CAPITAL RESERVES

Paul DegliAngeli gave the presentation. Paul stated the Infrastructure Capital Reserve Account has been revised. Earl (Sires) and he decided to give the marked up version to the Committee as it would be easier to see what the modification was. Board has taken \$153,500.00 for 2009 request and, for the benefit of new members, first established in 1988. Projects in the upper portion designed as reconstruction. Reconstruction is checking up and replacing stone. This program shows our street coordination with the North Conway Water Precinct. Starting in 1988 ramping up funding to a level number, anticipating in 2013 to bring back down. This showed a short fall in 2011 of 10%; 10% is within the contingency. The modification results in a short fall of more than 10%. North Conway Water Precinct, if go according to the schedule, then we may not have enough funds to cover our portion. You will see in 2009 Budget lined out; 2010 back to \$325,000.00. Conversation with the Precinct, may not be ready and may not need that much in 2011 and may decide to push out further. Second page to look at is the original page and you can see we carried a 10% short fall all the way through.

David Jensen stated he was not understanding how this works; if the Precinct does it, is the Town obliged to contribute. Paul DegliAngeli stated our obligation is to come through and box cut, put gravel in and pave later. Paul stated Kearsarge has been on the plan for some time now; not going to rebuild the road and then have any governmental agency cut it up; we are going to wait.

Karen Umberger stated tell me what you did in 2008 dollar wise based on the plan provided last year; were to do Mechanic, Intervale and Kearsarge and none got done; what did you do. The reason she was asking was because when she looked at how much there was remaining from past years and didn't do very expensive projects she got concerned, only had \$425,000.00 left; whereas now talking \$499,000.00. She was really confused where \$700,000.00 was spent last year. Paul DegliAngeli stated expenditures on Intervale is a two season expenditure; did spend some of it; Precinct did go through; also had a special contract with \$357,000.00 for drainage that we did spend in 2008. Additionally, rebuilt Allen Siding. Karen stated that was 2009 and Paul stated done in 2008. Karen stated she was not questioning the shifting around of the bottom line dollar value.

Karen Umberger stated it is difficult to follow; as you know, not spending about \$80,000.00 that the Selectmen couldn't spare on Kearsarge Road; where did it go to. The original plan was that Kearsarge was going to be done 3 years ago and have carried money forward and every single year expecting it to be done as it is already in the plan. Now, all of a sudden, money in the plan evaporated, where did it go; what are you

planning to do with the \$80,000.00 that is in there. Paul DegliAngeli stated if you look back, Depot Road was not scheduled, yet as you will recall, folks pushed hard for unscheduled work and ended up spending unscheduled money on the project; admittedly not in the plan but funded. We did the Brownfield Road culvert. If you would like a complete accounting, we would be happy to do it. Karen asked about the 2008 Depot Road overlay and Paul stated have overlay to do. Paul stated we did Depot, Allen Siding, Jennifer Lane and Brownfield Road. Karen stated projects scheduled for 2007 not accomplished and Paul stated done this past season. Karen stated it has become difficult to follow; what she couldn't follow was the money. Paul stated best way to follow was for him to give Karen an annual report; he could pull 2007 and 2006.

John Edgerton stated Kearsarge Road just overlay and Paul DegliAngeli stated in contract phase which includes the box cut, gravel, Town obligated 1 inch of pavement; additionally, there would be \$100,000.00 for widening it; the \$100,000.00 was not cost shared. John stated Kearsarge from the stop light to top of the hill and Paul stated from the stop light to the hill is reconstruction; it is Capital Reconstruction. Overlay is for that portion from the top of the hill to Hurricane Mountain. When the Precinct opened bids for the contract, bids exceeded the budget amount; had to scrap Mechanic Street. Paul stated Mechanic may not get done; may see Kearsarge Street moved back to 2010; he didn't know.

David Jensen asked what happens if North Conway Water Precinct experiences financial problems and decide not do; how long delayed before the Town acts. Paul DegliAngeli stated already have money to do; what happens is that there is too much work to be done there; need to put in drainage. The Selectmen voted for a sidewalk and retaining walls. Paul further stated that he had found a Memo dated 1927 stating "Mechanic hill will be open for sledding" and it was signed by the Selectmen. Patching will continue to go on.

Dan Bacon stated he would like to see the figures concerning the discussion with Kearsarge. Paul DegliAngeli asked how many years and Dan stated 3 years should do it.

Karen Umberger asked where is the money for 2007 that the work was not done. Paul DegliAngeli stated they did something else. Earl Sires stated actual projects. Karen stated just 2007 would be fine. Paul stated we actually did Passaconway in 2007 and we did two in 2008 which was not programmed in 2008.

John Edgerton asked about the culvert and Paul DegliAngeli stated they actually did do construction. John stated Kearsarge Street can show the Town what happens if they don't do the maintenance. John asked about the other half of Davis Hill and Paul stated Davis Hill and others have had more development; people have been asking for upgrades; plan was to do in 2013 and with the recent budget adjustment, it may take us further out. You can see the project identified in the box and see all of the roads that have pavement on them now, so it will be sometime after. John stated can never do Potter Road, listed as a gravel road. Paul stated it has a

scenic designation, West Side is the same; it would have to go to Public Hearing since the folks would rather keep as gravel.

John Edgerton stated control of 113, when you know it is a terrible road, what happens. Paul DegliAngeli stated should redo and do it correctly this time; State redid that road.

Karen Umberger stated she wanted to switch to Government Buildings since she was not at the original meeting that covered same. Karen further stated that she got a little confused on two things: this year Highway spent almost \$100,000.00 out of the Capital Reserve that was not planned. Earl Sires stated it was an alarm system at the gym and that it has been on there. Karen stated it was not in last year's book and that she had nothing from last year's book that any money had been taken out. Earl stated nothing discussed. Karen stated she didn't remember the money being spent. Earl stated he could go through his notes; had a number of discussions; two things: the electric alarm and the design for the service garage. Karen stated it was not on the list that we had in 2007. Earl stated he would have to go back and see. Karen stated she was not questioning the necessity, just saying what it did to the plan is causing a significant shortfall for building of the garage.

Karen Umberger stated when planning the Garage originally roughly a \$400,000.00 building, now over \$800,000.00, and what she didn't understand was how it went from a \$400,000.00 to an \$800,000.00 building when nothing has changed, always looked at a steel structure. Her concern was the reducing of the Capital Reserve by \$100,000.00 and how it went from \$400,000.00 to \$800,000.00. Paul DegliAngeli stated original cost estimation was in 2003 and they had worked with a local contractor. At that time the dimension was for a 75 x 70 garage, now 76 x 80. Paul further stated the question is valid on how did we get from \$400,000.00 to \$800,000.00. This summer we went through the process of selecting a firm, they did design and sent it out for estimates; same number came back twice; same building, it all has to do with the economy at the time. All we can report is what is estimated. It also explains why the Precinct opened bidding on the contract. Karen stated she finds it absolutely unbelievable unless the design of the building has changed significantly. Paul stated it is the same building. Karen stated she was not accusing, just concerned about coming back with that kind of number. Paul stated it was agreed to use the firm for this type of building and their original estimate in late Fall. Karen asked if the original person had been talked to and Paul stated yes and he wants to see the plans; can't hold quotes for long. Karen stated then you haven't actually talked with him and Paul stated he will want to bid on the project. Karen suggested going back to the original person and advise that he gave a figure 3 years ago, what about now, nothing has changed.

Mike Gilmore asked how much confidence in the accuracy of being on target and Paul DegliAngeli stated good point. Karen Umberger stated from the Precinct experience with their building, it was right on target with everything that was asked for. Mike stated he didn't like estimating; he liked to see hard numbers. Paul stated the market will tell us the cost when bidding; might have to spend more; haven't asked contractors to bid, estimates are for budget purposes and spend as little as you can; we

bring our projects in under budget. Not one of us could have seen this economy situation.

Bob Drinkhall stated to complicate it just a little more, have we yet determined the difference in cost between wood and steel. Paul DegliAngeli stated didn't pursue when voted for steel. Mike Gilmore stated steel is going up; nothing is stable. Bob stated wood has gone down considerably; maybe something to look into. Paul DegliAngeli stated when Board voted steel stopped pursuing that; whatever the difference was, it is only \$100,000.00. Bob stated on the wood versus steel, took first vote to go with a steel building with fire suppression made no sense; could go back and look at wood with fire suppression. Paul stated whatever the Board decides; this Board is discussing the same issues the Board of Selectmen got hung up on. Paul was not going to choose, he will bring back to the Board the bottom line; it costs what it costs at the time when you ask for the price.

Mike Gilmore questioned why is a used bus good enough for the Rec Center; why doesn't it stay in the school system. Earl Sires stated remember for the most part, the Rec bus is running from Conway Elementary and back; he would say it is sort of like the police vehicles when looking at the cost to maintain for what it is used. Mike asked if Paul had a rough idea on the repairs for the Rec Center vehicle. Paul stated he didn't know, doesn't have that number; keep in mind all services done on any vehicle is put in the computer and if you want a maintenance history, they can give it. Mike stated he hadn't seen any analysis on the school buses. Earl stated we can give you repair history. Paul stated can go back two years, see all the service slips.

Chairman Stacey thanked Paul for coming in.

TOWN REVIEW

Earl Sires stated Valley Vision is not here because it would not have been productive; suggest we wait until we have the current information. Chairman Stacey asked when there would be a rough estimate and Earl stated next Monday night probably.

Mike Gilmore stated he was new to this and knows little about PEG; what are the rules that cover the Selectmen with the PEG funds. Earl Sires stated Federal legislature authorized the Town to charge the Cable TV company 3% to 5% of gross sales; in turn, FCC allowed the cable company to bill a franchise fee and provide a shared channel. Town's can do whatever they want. The monies are a general fund revenue. Mike stated basically when the monies get here, free right to do whatever. Earl stated the Town created the trust fund and every year there is a Warrant Article for people to decide how much to put in it. The Selectmen, by Warrant Article, have the authority to spend it. The Selectmen have negotiated a draft agreement with the vendor and it is talked about at the Town meeting; if money goes in, this is what we plan to do with it; have bought equipment. Valley Vision has their proposed budget and what they would like to see. Earl further stated that the Selectmen have the authority to spend for purposes of the funds; sports program on Channel 3. Last year gave the School \$35,000.00 as they were eligible to receive

funds. Mike asked what kind of work was done at the High School and Earl stated they would have to be asked. Earl Sires stated he guessed there was now more than \$20,000.00 in the fund.

Karen Umberger stated one thing that you need to understand is that the Town contracts with Valley Vision for PEG. If some other company wants to come in and offer to provide services, the Selectmen will look and make a decision. We support this because Earl doesn't want to run the TV station himself. Earl has that responsibility; the Selectmen have the responsibility to run and have chosen to have a contract with this company; people get really confused that Valley Vision is contractual for the Town and works for other Towns.

Earl Sires discussed the year end numbers for both revenue and expenditures and stated that he was very pleased with the work the staff has done. These are the year end numbers for 2008, the unedited numbers; \$117,000.00 under budget; feel good about being able to control things at the end of the year. Earl further stated that Legal was \$28,000.00 over; one of the cases has been resolved. Selectmen have chosen to continue with the other pending cases; have a pretty good record defending suits brought against the Town; have prevailed in just about all cases against the Town; did get reimbursed on that big case with a local hotel. The other fairly significant increase is with Welfare, \$8,800.00 over, up to \$35,000.00 for the upcoming year. Earl complimented the staff on cooperating during the last quarter; able to do because they didn't do things, didn't to a number of projects.

John Edgerton stated came in under budget, sold \$383,000.00 of town lands. Earl Sires stated there was a taking by the DOT that led to that revenue and there may be more. Revenue projections are a preliminary look at estimates for 2009.

Chairman Stacey asked on the bond, don't we have to fund balance and Earl Sires stated part of the rationale for the bond was that there would be no contribution or minimal amount contributed. Bob Drinkhall stated started out by not contributing \$175,000.00; then decided could spend up to \$200,000.00. Mike Gilmore stated rather keep it in as the taxpayers know a set figure is being put in.

Karen Umberger questioned the Emergency Management Plan situation and the reason she was bringing it up was because of the ice storm and the Emergency Management basically failed. Karen noticed there is only \$6,000.00 budgeted for Emergency Management and she was concerned. Although Karen was not here for the ice storm in 1998, probably the Emergency Management was not that great. She was just saying it is a very important part of what the Town needs to do; it doesn't appear we are looking to get someone part time. Earl Sires stated tomorrow he was presenting the Selectmen a proposed Contract with Fire Chief Solomon. The difference this time is that there is a contract and certain things have to get done. In part, Ed Duffy did a lot of work. Earl thought it was worth trying and have a year to see if it works.

TOWN RECOMMENDATIONS

Chairman Stacey turned the meeting to recommendations for the Town. Phil Dighello stated he had none on the Town. Daniel Bacon stated he had none.

Karen Umberger moved, seconded by Daniel Bacon, to ask the Selectmen to review the length of time for the bond and provide the interest rates for the 5, 10, 15, 20 years bond life. In favor: 7; Opposed: 1 - John Edgerton; Abstain: 1 - Bob Drinkhall.

Mike Gilmore stated on the bond, he didn't like loans; dislike bonds even more. John Edgerton stated the Bond rating for the Town is AA; never had less than AA. John further stated the interest rate is estimated; won't know until actually get; may get 3.5%.

David Jensen moved, seconded by Mike Gilmore, to ask the Selectmen to investigate alternative building materials given the dramatic change in material prices. In favor: 8; Opposed: 0; Abstain: 1 - Bob Drinkhall.

David Jensen questioned if looking at different construction materials. Lumber is collapsing; at the rate falling could be beneficial. Bond rate seems high and a delay would be good. Mike Gilmore recommended adding steel and wood.

Mike Gilmore moved, seconded by Sheryl Kovalik, to ask the Selectmen to reduce the amount of the bond to \$600,000.00. Mike Gilmore moved to amend his motion, seconded by Sheryl Kovalik, to ask the Selectmen to reduce the amount of the bond to \$400,000.00. In favor: 4; Opposed: 4 - Doug Swett, Melissa Stacey, John Edgerton and David Jensen; Abstain: 1 - Bob Drinkhall.

Mike Gilmore moved, seconded by Sheryl Kovalik, to ask the Selectmen to reduce the amount of the bond to \$600,000.00. In favor: 0; Opposed: 8; Abstain: 1 - Bob Drinkhall.

Phil Dighello stated \$800,000.00, won't have \$200,00.00 in Capital Reserve Fund. Bob stated that is how to get to \$1 Million. The way it is worded \$800,000.00 bond and spend up to \$200,000.00 out of the Capital Reserve. Phil stated he didn't agree with that. Bob stated he felt could do for \$750,000.00; got to that price by adding in a Generator that was not included; they then added up to \$200,000.00 out of Capital Reserve. Figure should be somewhere between \$500,000.00 and \$800,000.00; his opinion only.

Doug Swett stated he didn't want to get into the same mess as with the School.

John Edgerton questioned \$50,00.00 for a generator; should only need for lights, heat and water. Chairman Stacey stated it could be designated as our Emergency Shelter. Mike Gilmore stated he backed up what John said.

Karen Umberger stated what we are asking the Selectmen to do is to look at reducing the amount of the bond.

John Edgerton stated he thought they have to look at price and interest rate, most banks don't want to consider less than a \$1 Million bond. Mike Gilmore asked if there was a reason for keeping the total at \$800,000.00. Doug Swett stated dealing with just opinions; we don't know what we are talking about. Chairman Stacey stated she didn't think \$400,000.00 gets us to where we want to be. Bob Drinkhall stated to clarify, Paul D. went back to the estimator and he came up with \$850,000.00 off the cuff. Doug stated maybe we are talking to the wrong people.

Mike Gilmore stated his intent was to have the Selectmen just look at the total building cost. Dan Bacon stated it needs to be \$600,000.00 for the Garage. Chairman Stacey stated she couldn't agree.

Melissa Stacey moved, seconded by Dan Bacon, to reduce the amount of the bond to \$600,000.00 without using the Capital Reserve Fund. In favor: 5; Opposed: 3 - Doug Swett, John Edgerton and David Jensen; Abstain: 1 - Bob Drinkhall.

Phil Dighello asked by recommending this, we will still have \$200,000.00 in the Capital Reserve. Chairman Stacey stated yes.

Mike Gilmore moved, seconded by Dan Bacon, recommending to ask the Selectmen to look at what they would cut if they had a 5% shortfall or reduction in the Operating Budget. In favor: 4; Opposed: 4; Abstain: 1 - Bob Drinkhall.

Bob Drinkhall asked if there was anything else about the 5%. The Selectmen are meeting this week and he will bring it up again. Mike Gilmore stated it should go to the Selectmen and emphasize that we are not looking for the list; don't expect a list back; want to know yes we have a plan; just need to know that the exercise was done. Bob asked if this Committee wanted it done again; he was not clear. Karen Umberger stated since this is our formal letter, put it in there and they can answer by saying "no".

Phil Dighello stated he wanted it made clear that we are not asking to cut by 5%, but if there was a big shortfall, where would you cut. Dan Bacon stated the point trying to get across is it is just a good plan and good sense should they be asked to cut 5%. Bob Drinkhall stated he had brought to the Selectmen and the answer was "no". Chairman Stacey stated the Selectmen could ask the Department Heads as a practice for what if there is a 5% shortfall. Bob stated we looked at everything and felt we have done enough. Chairman Stacey stated if it stated do not bring the list to us, I would approve it. Mike Gilmore stated Point of Order.

Karen Umberger moved, seconded by Melissa Stacey, to know when receiving the Warrant Articles, the Default Budget, and the Union contract. In favor: 8; Opposed: 0; Abstain: 1 - Bob Drinkhall.

Karen Umberger asked when this Committee would be seeing the Warrant Articles and if there had been a decision made on the Union contract.

Karen Umberger moved, seconded by Dan Bacon, to have the Selectmen come back to us with fuel, oil, gas and diesel decrements and any other decrements they might have. Also to the Police Department and Library. In favor: 5; Opposed: 3 - Doug Swett, John Edgerton and David Jenson; Abstain: 1 - Bob Drinkhall.

Karen Umberger stated she knew there was talk about fuel but she didn't know what the decrements to the budget are at this point, it becomes important for her to know what those decrements are. Just want them to give us all the decrements, specifically look at gas, fuel and oil.

Bob Drinkhall requested a clarification on what price is being talked about. Karen Umberger stated she did not have a clue where the budget stands right now. Bob stated the figures are in the budget. Karen stated she thought there may have been some changes in the budget. Bob asked changes from when and Karen stated nobody has said when asked to look at Town, Police and Library; eventually someone should come in with the recommended budget. Bob stated the recommended budget is in the book.

Karen Umberger moved, seconded by Mike Gilmore, to have the Selectmen look into the Emergency Management Plan, the lack of having a person running it, and will it work for the money provided. In favor: 8; Opposed: 0; Abstain: 1 - Bob Drinkhall.

Karen Umberger requested that the Emergency Management Plan be discussed. Bob Drinkhall stated again discussed this, you know who is doing it. Karen stated Earl said he was bringing it up to the Selectmen tomorrow night; there was no decision. Karen's concern is if we have an ice storm, what do we do and who runs it; slashed to \$4,000.00 and looking at a person in Conway who the Town is supposedly going to contract with. She doesn't want the Town to get into the situation it was in 3 years ago. David Jensen stated the motion is to make sure they listen to Earl, just asking to consider. Karen stated they could consider it and say no. Karen stated \$4,000.00 isn't going to get you squat. Chairman Stacey stated the Selectmen won't have the letter until Tuesday. Bob stated he had a problem with this one.

Mike Gilmore moved, seconded by Doug Swett, to review the 30-Town Matrix and reconsider it for the Police and its impact on starting salaries. In favor: 7; Opposed: 1 - Karen Umberger; Abstain - 1: Bob Drinkhall.

Mike Gilmore stated he was still waiting for the 30-Town Matrix; still didn't know the range. Karen asked when hired the new policeman at what rate and Mike stated they said average. Phil Dighello stated they hire at 92% of the average in that pay group; the Town has the same system, hire at 88% of the average. Police originally at 92% and he got into it when they suggested going up to 94%; Matrix chart is much more liberal than the Town chart.

Melissa Stacey moved, seconded by Dan Bacon, to have the Selectmen consider swim lesson fees increase to cover the costs. In favor: 9; Opposed: 0; Abstain: 0.

Chairman Stacey stated fees can be raised and still cover without impacting the taxpayer. Karen Umberger asked when the fees for the Rec Center were to be reviewed. Chairman stated they already have and nothing changed. Karen stated we are just asking about swim lessons. John Edgerton asked how much is being charged now and Karen stated \$35.00. Phil Dighello asked if there was a provision to take care of kids that can't afford it and Chairman stated yes.

Mike Gilmore stated before another recommendation he wanted to respond to the story made by the Board of Selectmen. He was referring to the article with information which was printed erroneously. Personally he did not see in that individual in the meeting but if he had been at the meeting it would have been clear we did not ask to deliver list; asked to really look at the contingency plan. Mike also wanted to recommend asking the paper to put our response in a prominent place. The taxpayer saw it on page 1, he would hate to see it buried. Chairman Stacey stated doing recommendations for the Selectmen now.

Melissa Stacey moved, seconded by Karen Umberger, to charge a fee for the Teen Center to make up the difference cut from the Rec Center budget. In favor: 9; Opposed: 0; Abstain: 0.

Mike Gilmore asked about those that can't afford it; increase for those that can't afford it. Karen Umberger stated currently there is no fee; what this is doing is adding a fee so that the Teen Center can get back to 3 days.

Melissa Stacey moved, seconded by Karen Umberger, to make the School Resource Officer fully funded by the School and not the Town. In favor: 9; Opposed: 0; Abstain: 0.

Chairman Stacey stated she wanted the School Resource Officer fully funded by the School and not the Town. David Jensen asked whose decision it was and Chairman stated asking the Selectmen to look into it; we can vote to remove from the Town budget. David asked if changing the funding would be effected by the Police contract; are the Police billing the school for his time. John Edgerton asked if the Town was reimbursed by the School. Chairman stated he works 180 days, would be part-time employee contract. Karen Umberger stated we have brought this up every year for at least 6 years and the School refuses to do this and the Town continues to do this. Basically the person spends most of his time at the High School and Junior High.

Melissa Stacey moved, seconded by John Edgerton, to ask the Selectmen to fully fund Valley Vision at their current \$90,000.00 budget. In favor: 4; Opposed: 3 - Mike Gilmore, Bob Drinkhall and Phil Dighello; Abstain: 2 - Doug Swett and Dan Bacon.

Chairman Stacey stated the Selectmen have split Valley Vision, giving "x" amount for their actual budget and "x" amount for equipment. Mike Gilmore stated he did not know if the \$90,000.00 budget is their budget or what they have been told to come in with. Chairman stated funded it last year. Mike stated they should get what they are asking for unless the Selectmen can show cause why they shouldn't. Bob Drinkhall stated the approved

budget for this year was \$84,909.00; estimated through end of 4/09 will be \$86,818.00; proposed budget for upcoming year would be \$90,000.00. Chairman stated she was asking for this to be fully funded. Karen Umberger stated the Budget Committee has no impact on Valley Vision's budget; the Selectmen decide how much. We are asking that they look at \$90,000.00. Dan Bacon stated he has seen them given appropriate funds and come back for equipment and other things; maybe trying to make sure how the money is appropriated. Chairman stated no other entity is held to the bottom line. Dan stated but if they come back they should say no. Karen stated part of the money that is in the PEG account is for equipment and if something breaks in the middle of year then there is no reason why Valley Vision can't ask for a replacement. All equipment paid for by the Town is identified. They can't come back and ask for more operating dollars, but for equipment they can ask any time. Dan stated can spend on what they want and intentionally spend on other things. John Edgerton stated he didn't want to see this Committee micro-managing anything. Bob Drinkhall stated he thought the letter was preliminary since a lot would be brought up tomorrow. Karen Umberger moved the question.

Mike Gilmore moved, seconded by John Edgerton, to have a response by the Budget Committee to the article in the newspaper and have it displayed in a prominent place. In favor: 5; Opposed: 3 - David Jensen, Bob Drinkhall and Karen Umberger; Abstain: 1 - Melissa Stacey.

Mike Gilmore stated he wanted to respond to the article in the newspaper and asked if the Board, as a whole, could respond to it. Karen Umberger stated she was not sure if it was worth it; it is over, who cares; obviously you (Mike) care, but it is the kind of thing that it is over and done with, not going to gain anything. Chairman Stacey stated except correct information. Mike stated not to satisfy me, it has nothing to do with the person making the comment, it has to go to what we are doing and what we stand for. Chairman stated she had no problem; this is the second time information has been left out; it is not her job to tell reporters what went on at a meeting. Dan Bacon stated it is the wrong information; as a resident, he would be responding on his own.

Doug Swett stated that he wanted it on record that Jim LeFebvre apologizes for not being here due to family business.

Mike Gilmore moved, seconded by Dan Bacon, to adjourn the meeting at 10:35 PM. Motion carried unanimously.

Respectfully Submitted,

Iris A. Bowden, Recording Secretary