

**MINUTES OF MEETING
MUNICIPAL BUDGET COMMITTEE
February 7, 2009**

A meeting of the Municipal Budget Committee was called to order at 9:00 AM in the Meeting Room at the Conway Town Hall with the following members present: Chairperson Melissa Stacey, Doug Swett, John Edgerton, Bob Drinkhall, Mike Gilmore, Daniel Bacon, Phil Dighello, Jim LeFebvre, Sheryl Kovalik, Bill Aughton and Karen Umberger. Also present: Selectmen: Larry Martin, Crow Dickinson, Mark Hounsell and Dave Weathers (arriving at 10:05 AM).

Chairman Stacey welcomed everyone back and advised that she had handed out some information on the Teen Center, preliminary numbers. Chairman reminded everyone to keep the side conversations to a minimum and to remember to work through the Chair so that everyone would get a chance to speak.

TRI-COUNTY COMMUNITY ACTION

Paula Abraham, Community Contact Manager, gave the presentation. She started by thanking the Board and Town of Conway for past support. They have approximately 65 programs; each program is managed and funded individually. Fuel Assistance is a community contract program helping the less fortunate with their needs; specifically to support fuel assistance. They have served 1,045 residents for \$340,000.00 in Conway; winterization and electrical for \$260,000.00 for a total of over \$600,000.00 combined. These funds are vital to the program; funding doesn't adequately cover expenses. Basically, the funds are necessary to keep operating the programs with no funding. Currently have a list of 40 no heat emergencies; last year had 182; 547 fuel assistance and 2,332 for all of Carroll County and they are only just over half way. Finally, greatly appreciate the support given and the continued support.

Crow Dickinson asked how long in existence and Paula stated since 1965. Crow asked why there was no year-to-year comparison; only way to keep track. Look at the Gibson Center package and you will see it. Larry Martin stated to Crow that there is a year-to-year, but in a different format. Crow stated there is no history. Look at the Gibson Center; no doubt a great program; want a history, a year-to-year comparison.

Chairman Stacey advised that is all we request. Crow Dickinson asked why is it the Gibson Center had the common sense to give history information. Mark Hounsell stated he agreed with Crow; but no one should be bound to produce if it was not on the request sheet.

Sheryl Kovalik asked what was last year's request and Paula stated \$13,000.00. Sheryl stated percentage has not changed; anticipate help. Paula stated there are increases, but they are not asking for any more money.

Bob Drinkhall asked on Page 4, Sources of Revenue, Program Income is that monies paid by people receiving services. Jim LeFebvre stated the number from NH Public Utilities Commission matches up at the bottom. Bob asked

if they get support from the county and Paula stated no. Bob asked what the qualifications are for winterization and Paula stated the qualifications are the same as fuel assistance; must apply.

Phil Dighello stated your fiscal year is July to July and Paula stated yes. Phil stated on Page 6, Salary Detail, you have two fairly well paid Field Staff, what do they do. Larry Martin stated seeing them at \$48,000.00 and Phil stated add in benefits. Paula stated benefits included; they are the intake representatives; actually take applications and process; provide counseling.

Jim LeFebvre stated Agency Support consists of \$34,000.00. Paula stated she didn't know the answer; would have to find out. Jim questioned the possibility of funding from the State and Paula stated nothing. Jim asked a question he was going to ask everyone: If zeroed out, what would happen. Paula stated would vitally impact fuel assistance; could not run programming; our operating expenses are not covered by our revenues; would have to cut staff and we are already short staffed. This year's applications are over half and the number increases each year. Jim stated there is a zero number on Client Fees, how many. Paula stated last year 2,300; this year between 2,800 and 2,900. Jim stated get nothing from them and Paula stated nothing.

Mark Hounsell asked for a clarification on the dollar amount the Town of Conway gets in fuel assistance. Paula stated \$341,919.00 received last year. Mark stated most is from federal funds and Paula stated yes. Mark stated the impact is that the Town would have to come up with \$314,000.00; saves the Town of Conway money.

Dan Bacon stated on Page 6, Field Staff, two full-time at \$38,000.00 and \$48,000.00 and one part-time at \$55,000.00. Paula stated have 3 full-time intake representatives; that is a typo.

Crow Dickinson stated on Page 5, Expenses, one is the fiscal and then 2010; any actual figures. Paula stated 2008 are actual figures. Crow asked if 2009 were just estimates and Paula stated yes. John Edgerton stated supply food to Food Pantries and Paula stated yes, we do.

Mike Gilmore asked if all monies received go to what is stated; does any monies received go to other than listed and Paula stated no.

Chairman Stacey thanked Paula Abraham for her presentation and for coming in.

GIBSON CENTER FOR SENIOR SERVICES, INC.

George Cleveland, Executive Director, gave the presentation. George stated they are amazingly going into their 30th year of operation and provide three primary services: serve meals, have Meals on Wheels, transportation services for seniors. Numbers are going up this year; anticipated doing 57,000 meals, have done 59,000 meals; are being asked to do more. We are asking for a flat line from the Town of Conway. One thing he wanted to point out: Gibson Center, with some other non-profits, the Town and oil companies worked together to get a leg up on potential

problems. It was very hopeful to see non-profits, public and private work together in a constructive manner. Keep putting one foot in front of the other.

Karen Umberger asked how many Towns they are requesting funding from and George stated all towns except Chatham. Chairman Stacey stated that it was on Page 8.

Jim LeFebvre asked for a description on how funds are requested from every town; how do you break it out. George stated that is not an easy question to answer because can't say Conway has "x" number; therefore Conway is based on a formula from some years ago, before his time. They get a tax exemption of \$18,958.00 from Conway, based on the real estate tax. All Towns pay \$43,000.00; they look at Conway at \$32,000.00 plus \$18,000.00, approximately \$51,000.00 which is 81%. Conway gets most of their services; 81% of what they do goes to Conway. Eaton has 3 people that use their services.

Crow Dickinson stated congratulations, you are the only agency supplying a year-to-year comparison. It is a tremendous help; really appreciate it. George stated helpful to them, too.

Sheryl Kovalik stated she thought it was a great program; its a function that needs to continue; social environment, socialization is great. George stated not only getting busy in the next 10 to 15 years but there is that Generation X issue where that particular group will be the most unhealthy ones; fifty years down the road; really taking a long term view of things. Larry Martin stated he wanted to piggy back on what Sheryl had said; you do a wonderful job, get good bang for the buck.

Mark Hounsell thanked Mr. Cleveland and stated he was running a program that effectively means that their request in dollars has been \$32,000.00 over the last 7 years; they get his 100% support.

Karen Umberger stated she was disappointed Mr. Cleveland didn't call for volunteers to help at the Gibson Center; much of their support is done through volunteers. Please let people know that you are always open for help. George stated they were truly blessed by a wonderful staff, been there a long, long time; have a really good active Board of Directors, including the Finance Committee. They are presently going through an audit process; he does a fraud audit; comes in and finds out how they can steal money from the Gibson Center; what can they do to keep things above and over the bar.

Dan Bacon commended Mr. Cleveland on going with a new HMO; wish other entities would do the same thing; he thought it was great. George stated next year at this time, may be a whole different discussion. Mike Gilmore asked if all the funds received were spent on what was indicated and George stated yes.

Jim LeFebvre congratulated Mr. Cleveland and asked if there was a contingency plan if a short fall occurs. George stated they have always had a contingency plan, but not a good one; they would be looking at a waiting list for some of the services. Right now send home meals for

breakfast plus puts more food into their house; that would probably stop. Wheels on Meals transportation would be effected in some way. Other answer would be to find more money. Jim asked if zeroed out, what would his response be and George stated again probably have to go to some kind of waiting list and think of some other way to fundraise; always at it, do a lot during the year. Does the Valley have room for another Golf Tournament? They would be looking at a possible waiting list or a decrease in services. Jim asked for a detail on their fundraising. George stated they have an annual fundraising appeal in the fall and they actually came close to last year's; having an auction on Thursday that brings about \$7,000.00, depending on the economy; Craft Fairs four times during the year, receive money from the vendors; always fundraising.

Crow Dickinson asked if it was possible to have a history of revenues; can go back 3, 4, 5 years and give figures. George stated he was sure he could. Crow stated it was very helpful. George stated the only trouble might be being able to afford the paper to satisfy the Budget Committee.

Sheryl Kovalik asked on Page 4 under Income, Interest and Dividends, what is it, what are the investments. George stated won't see that next year; it is an endowment with the NH Charitable Foundation. Sheryl asked what is the value and George stated he didn't know what it was, probably in the \$500,000.00 to \$600,000.00 area at this moment, could be different tomorrow. That was created by bequests for Gibson Center.

Chairman Stacey thanked George Cleveland for coming in.

WHITE MOUNTAIN COMMUNITY HEALTH CENTER

Patricia McMurry, Executive Director and Judith Towne, Business Manager, gave the presentation. Patricia stated they provide services for Northern Carroll County and Western Maine; have a sliding fee for uninsured and underinsured, target low income; they include medications provided through fundraising; have the Miranda Leavitt Fund which is a fundraiser driven by Richard and Brenda Leavitt, they are the administrator for the fund to help those with diabetes. Contributions are 54% income from patients; 45% from fundraising; get money from State programs, Grants, and get a lot from Memorial Hospital. They have asked 9 Towns for funds and have asked some towns in Maine to provide money even though not a large percentage. This year they are getting some Federal money, almost never get. They try very hard with fundraising and did better in their appeal.

Patricia stated from 2002 to 2007 have doubled our business and since that time have asked for the same amount of money; see more coming in with less funds; do appreciate your support; without it, they would have problems; think you are getting something good from us.

Mark Hounsell asked if they could fill us in on their relationship with Memorial Hospital. Patricia stated connected through the Memorial Foundation; buy insurance through the Hospital, through the Hospital receive benefits. Mark asked if that would be the contribution of \$141,000.00; how much requested last year. Patricia stated the same amount. Chairman Stacey stated same number since 2001.

Crow Dickinson stated on Page 4 of your packet, you have Sources of Revenues. No where do I see a year-to-year comparison of actual received which would be helpful; nor did he see a breakdown of different town contributions. Chairman Stacey stated technically they can not give copy, confidential. Crow stated it was not confidential. Chairman stated they are not requested to do it. Crow stated some agencies did do it; quite helpful. On the next page there are two columns, Previous Year and then you have 6 months actual, but there is no estimate for next year. Judith stated they haven't done it yet. Crow stated he was not buying that; should have an estimate of what you think, it's only an estimate. Judith stated typically it is done at the end of February or first of March. Crow stated other agencies are also on a fiscal year and they have done it; helpful to us.

Sheryl Kovalik questioned the affiliation with Partners In Health. Patricia stated Partners In Health is funded totally by the State and Medicaid; they pay us to administrator. Partners In Health has a program for families with a child with a chronic illness; it is a support for those families. Sheryl stated for the track at the High School received about \$30,000.00 due to the efforts of Partners In Health. There are some quiet things that happen that benefit the Town. Patricia stated with Partners In Health they were able to write a Grant once a year and then they would get money; asked for as much as they could for the track.

Bob Drinkhall stated on Page 6, Salary Detail, he had several questions; on Lines 7 and 8, part-time Medical Secretaries with benefits, full-time with benefits; how many hours. Judith stated part-time works 28 hours and is a long term employee, involved in health insurance, do not start off paying all the insurance, she has been with us for a long time and gets benefits. Bob stated Nurses, Lines 15, 16 and 17, all part-time and range from \$36,000.00 to \$56,000.00; how may hours do they work. Judith stated it depends on how many hours, from 3 or 5; also a function of how long they have been there. Bob questioned line 16 at \$56,000.00 for part-time and Judith stated works a 32 hour week. Bob questioned Line 17 at \$55,000.00 and Judith stated she works 27 hours, has been here 20 years. Patricia stated they were lucky have her, a lot of people came over from the merger; very experienced.

Larry Martin stated looking at Page 13, under 2009, projected income State Grants are almost one-third, how confident it will be there. Patricia stated have talked about it a lot; some Grants are for what we do, primary care partly, those Grants will stay. Others are nice to have, but didn't have before, may get cut; feel like the main focus will stay. Larry stated Grants specific to service, lose service if lose Grant and Patricia stated wouldn't cover all of it.

John Edgerton questioned on Page 3 the cost for service of \$356.00. Judith stated that is per unit of service; it is not what that unit of service is, cost is for one patient on an annual basis, that is what that is for. Patricia stated it is a bargain.

Karen Umberger stated that with the Dental Program up and running, assume none of this money is going to Dental Program, how does the Dental

Program work; are you breaking even or are you losing money. Judith stated breaking even; get donations and State Grants. Karen asked how long and Patricia stated every two years, just put in for next two years, approve through fiscal year 2011.

Daniel Bacon stated looking at Miscellaneous Expenses, where is Bad Debt provision. Judith stated calculated for any amount due over 90 days; you have to assume you will not receive any of it; put in the Profit & Loss, this amount of money fluctuates. It is a number that goes up and down; do collect some of it.

Jim LeFebvre asked what happens if you don't get that money, Grants were reduced by a percentage, any contingency planning. Judith stated just addressed that. Larry Martin stated they were asked if programs would be effected. Jim stated given the Grant situation, showing program increase from last year, have you thought about freezing salaries for potential losses; would that decrease. Judith stated wouldn't decrease, wouldn't increase, have no control over health insurance. Jim asked if they did not receive \$35,000.00 what would the impact be. Patricia stated would have to assess services; some services would be cut. Jim stated Grants Income of \$13,000.00, do you know of a professional Grant Writer. Patricia stated yes and no, done largely by Clinical Director.

John Edgerton stated he thought requested at least year-by-year, don't see in here, see actual. John stated like Crow, he would like to see a history; he didn't see a change from 2008 to half of 2009, shows a little difference but we need one year before. Patricia stated instead of last year, need 2007. John stated need more history. Crow Dickinson stated just need more experience, have those figures, need more columns; it's common sense.

Bob Drinkhall stated back on Salary Detail, determined the first 4 positions are non-medical which roughly adds up salary to equal about 1/7, add in benefits and it becomes about 1/6; how does that compare with other agencies. Judith stated she didn't know. Patricia stated other agencies have more nurses than they do.

Mike Gilmore asked if all monies received from the Town are expended on the line items indicated and Judith stated yes. Bill Aughton requested a clarification on Salary Details; total cost includes the benefits and Patricia stated yes.

Karen Umberger stated having people for several years is always a good thing, but the transformation of the Clinic is absolutely phenomenal and services provided are phenomenal; have heard very good things overall; we as a community benefit from this by having less people go to the Emergency Room where costs are considerably higher. Aggravates her that people in Conway don't have health care; they choose not to use what is provided by White Mountain. There is no one in Conway who should ever go without health care. Please go in for health care, people at Clinic are well qualified and services are as good as anywhere else.

Larry Martin asked if have to meet guideline and Patricia stated everybody does. Larry asked if making \$100,000.00, still come; there are

no medical caps. Patricia stated they have people with no insurance, then they get a job; really serve everybody. Larry asked how do you make people aware of this, advertising, promotions. Chairman Stacey stated TV commercials, radio. Patricia stated have a regular column in the paper, do ads; we try to get out there. John Edgerton asked for a clarification; if someone comes to you to see a doctor, what is the procedure. Patricia stated they do have a physician working 1-1/2 days a week; if need a specialist, they will refer and do have a fund that will help pay for at least one visit.

Bill Aughton asked at what level does Memorial support. Judith stated about \$140,000.00, cash and in kind; about 1% of the total.

Chairman Stacey thanked Patricia McMurry and Judith Towne for coming in.

STARTING POINT

Suzette Indelicato, Executive Director, gave the presentation. Suzette stated she had brought agency brochures: purple is the Domestic Violence brochure and the green is the Agency brochure. They are asking for a little less money this year, \$7,483.00.00 which represents 8% in overall budget; 38% were from Conway. Starting Point shelter had 1,817 bed nights; 47% of service contacts were with Conway residents. They have an office in Conway; are very well established; work well with the Police Department.

Larry Martin asked where the office in Conway was located and Suzette stated on Kearsarge Street. Larry questioned the tax abatement and Suzette stated the emergency shelter is the tax abatement.

Crow Dickinson asked how long the organization had been going on and Suzette stated they were 27 years old. Crow asked about the breakdown by towns, didn't include; very helpful to have year-to-year showing. Suzette stated she could provide that. Crow stated on Page 5 there is the previous fiscal year, 2008; current year must be estimated and Suzette stated it was their budget numbers. Crow asked if it was the actual budget for current year and Suzette stated they were half way through their fiscal year. Crow stated anything she could do to make a comparison year-to-year would be helpful.

Jim LeFebvre stated on Page 4, discuss in more detail private Grants and fundraising. Suzette stated private Grants are to improve support groups, look at those that specifically address women and private Grants where they see specific needs. Support Group is floundering, looking for resources. Fundraising events: Board of Directors are planning a summer tea party, it is a women's event and one of the best things to bring awareness to other women; do annual appeal to stand up against Domestic and Sexual Violence; looking at a Spring event; have done Flatbread; and this year doing a mother/daughter tea in May. Trying to look at what they need to do. Agency has 4 people; looking at how to use most effectively. Jim stated total is \$309,000.00, of that all but \$78,000.00 comes from Federal or State funding; is there a contingency plan, looking at what you might have to cut. Suzette stated we already know, looking at about 7% being cut. Jim stated if nothing is received, what would the impact be

and Suzette stated they would decrease a position in the Agency and they have already had to do that.

Sheryl Kovalik asked what, if anything, were they doing with the youth. Suzette stated establishing prevention within the schools. In Conway work in John Fuller, Conway Elementary, Middle School and High School. In Elementary look at bullying in friendships; Middle School did violence and High School sexual violence.

Crow Dickinson stated on Page 4, back to Revenue, there are estimates for 2009. Suzette stated the only thing not figured is the Town money. Crow asked how compared with the actual received in year's past. Suzette stated overall revenues did decrease this year from the last fiscal year. Unfortunately, she didn't have anything with her; have decreased last 4 years from Federal and State funding. Fundraising has gone up every year; pretty solid donations. Crow stated it would be helpful to separate Federal from State.

Dan Bacon stated on Professional Salaries, there is a decrease because you let someone go; though a decrease, has there been any pay increases. Suzette stated 3% cost of living raise, effective July 1st. Dan asked if health benefits were looked at every year and Suzette stated yes, last year looked at maximum amount, first time capped it. This year looked again, health insurance went down.

John Edgerton stated you list Conway Elementary and John Fuller, do you go to Pine Tree also. Suzette stated they had in year's past, but not this year; reason being they really look at the School and at the kids, and Pine Tree is set with this need. Pine Tree has really worked hard on planning.

Karen Umberger asked if they serve any men in the community and Suzette stated yes, provide services regardless of gender; 3% are men, certainly do work with men, provide the same service. Don't put men in the emergency shelter.

Chairman Stacey thanked Suzette Indelicato for coming in.

NORTH CONWAY COMMUNITY CENTER

Ryan Sommer, Executive Director and Barbara Harmon, president, gave the presentation. Ryan stated as in year's past our request is level funded for \$75,000.00. This is pretty much the one thing that is stable, everything else fundraising, Grants, program fees are estimates of what we hope to bring in. In going through budget, tried to keep costs down. The Executive Director did not get a salary increase, reduced some staff, Snack Bar didn't really fund itself and have decided that as of right now will not fill those positions; have increased Day Camp counselors because of our numbers, first 40 kids and now 160 kids, see about 100 a day; utilized John Fuller for K through 4 for the summer and 5 through 8 still at the Community Center. Opinion was it was successful.

Crow Dickinson stated congratulations, you have given us a really good budget picture, particularly the sheets that show the year-to-year

comparison; not everybody does that. George Cleveland also did it. Crow just wanted to say he thought they deserved to be congratulated; understands how difficult it is to get a good picture.

Karen Umberger stated she didn't recall how close the fees were. Chairman Stacey stated slightly higher. Ryan stated \$75.00 higher for the summer program, out of summer pretty close. Chairman stated ours is \$403.00, theirs is \$430.00.

Jim LeFebvre asked if not funded, what would the impact be. Ryan stated without it, it would be devastating to the Community Center; it would be extremely devastating. Jim asked about the donation estimates, any fundraising at all. Ryan stated we do. Jim asked for specifics. Ryan stated project about \$23,000.00 from Mud Bowl, 4th of July, Bunny Express, Breakfast with Santa, big Rugby Tournament and Golf Tournament.

Chairman Stacey asked how they were affected by the cut of the 4th of July and Ryan stated \$6,000.00. Bill Aughton asked if they had taken a big hit in donations and Ryan stated they were down about 15% right now.

John Edgerton asked how much the North Conway Precinct gave and Ryan stated nothing. Karen Umberger stated the North Conway Water Precinct pays \$6,000.00 for the ice skating rink, but that is separate, not connected with the Community Center. John stated he believed that is not a Town facility, and if not used it reverts back to the Gibson Center. Barbara stated back then both were supported by the Water Precinct; there was at some time a law that changed; when moved, changed funding to what it is today. Larry Martin stated it is not exclusive to North Conway kids to use; Conway residents do use it. John stated he understood that was used by the whole town, but North Conway should support it. Sheryl Kovalik stated from her standing point, North Conway residents pay taxes to the Town of Conway and get an individual vote on whether to support; don't get to vote on how much for Conway Rec Center. Larry Martin stated you do have input at the Deliberative portion, in favor or against. You do not have input in total, true; not on Warrant Articles but can take hits if necessary. Sheryl Kovalik stated don't govern where those funds go, how effect the budget in line items. Barbara stated they serve all kids.

Crow Dickinson asked on Page 4, last column, what is the last column. Ryan stated percentage change on revenue brought in 2008 to proceed in 2009. Crow stated he had a problem with Rental, says dropped from the budget last year. Ryan stated dropped \$1,000.00. Crow stated on Miscellaneous Income it is zero. Ryan stated last year replaced the roof at the warming hut; came out of North Conway Community Center, got reimbursed and it went back in. Crow stated on fundraising, budgeted \$22,000.00 and anticipate \$23,000.00. Ryan stated should be zero percentage.

Mark Hounsell stated he wanted to address Mr. Edgerton's point, property could revert, but given the history he doubted that was going to happen; but he was right to point it out. Other thing, he was going to support this, but would have liked to have seen maybe a little less considering what the Selectmen had to give on Conway Rec, painful adjustments. Once

before the body, open to amendment. Mark stated you are to be commended, but your request remained the same; so there have been no adjustments that the taxpayers are seeing. Ryan stated he had been in Recreation for 10 years and most Town Rec Departments are always the first to get cut. Ryan further stated that he supported the Teen program; allows kids a second venue and that he would publicly support; should be back in the budget; \$40,000.00 seems like a lot, it is not; for some reason Rec is always the first to get cut.

Dan Bacon asked if they had cut hours or days and Ryan stated work 5 days a week; rent facility for Craft Fairs, Tent Sale; right now space is not big enough to run program and rent out.

Chairman Stacey asked about the summer program and splitting the program. Ryan stated again what the Community Center did worked with John Fuller and Mark Zangari, a lot of good comments from parents.

Phil Dighello stated spend \$75,000.00 on North Conway Community Center and spend \$250,000.00 on Conway; darn good value, worked out well.

Mark Hounsell stated he wanted to clarify on cuts first at Recreation; did not happen in the Town of Conway, very supportive and will continue in the future. There were wide spread adjustments to deal with. Ryan stated he understood that, but when money is tight parents will depend on Rec Departments.

Sheryl Kovalik asked if Ryan had any kind of feel of non-resident people serviced. Ryan stated non-residents 40% during summer camp; most parents work in North Conway, come from Bartlett, Conway, Fryeburg; do charge a different fee if a non-resident; fee structure is appropriate. Mark Hounsell stated thank you for what you are doing.

Chairman Stacey thanked Ryan Sommer and Barbara Harmon for coming in.

MOUNT WASHINGTON VALLEY CHAPTER OF THE AMERICAN RED CROSS

Jeanine Bean, a volunteer, was there to answer any questions the Committee may have.

Karen Umberger stated the \$7,300.00, as I understand it, is to support disaster within the community; what about this year. Jeanine stated she couldn't give full year, could give 6 months: 3 fires which affected 6 people; 3 total burnt out for \$2,000.00. The \$7,300.00 is earmarked for educational things, CPR Classes; bulk for direct disaster relief. Last year went over budget with fires; right now running close. Just received \$7,300.00 for 2008 so we were 6 months behind. Karen asked if there was a charge for the CPR Classes and Jeanine stated they do charge, but this was to help with travel time to teach those classes; doesn't pay for time but does travel.

Larry Martin asked if any of those disasters were in Conway and Jeanine stated yes. Bill Aughton asked for an explanation of the National Assessment. Jeanine stated that is what goes to the National office. Every year an increase, she thought this year it was \$8,000.00; a big

increase, but they can do nothing; to be associated with the National Chapter, they have to pay a fee; goes up every year.

Dan Bacon asked how many volunteers and Jeanine stated have 8 right now. We respond to fires or any other disaster. Have increased, last two years had 3 or 5 and they have 12+ instructors above the 8, so have 20 but that might not include volunteers doing the blood drives.

Larry Martin asked what do they get for paying the National Assessment. Jeanine stated they are part of the overall American Red Cross. If we have a disaster and we can't handle it, we call and they come; paying the fee ties us into them. We would not exist if not for them. Larry asked if money would not be better spent by keeping it locally. Jeanine stated that fee does not come out of the \$7,300.00 the Town of Conway gives; that is raised, have fundraisers, donations and if \$7,300.00 is not enough they do get money from national, they will fund short fall.

Jim LeFebvre stated approximately 52% is in Special Events, etc. on Page 4; if you were not given your request, what would the impact be and what would you cut. Jeanine stated most goes towards disaster relief classes; that money directly affects services. Jim asked if they break even and Jeanine stated they might break even; have supplies and travel, have to give certificates; she was not in the financial end of it. If cut \$7,300.00, they would have to get funds from National or other organizations for relief to people that have been burned out. A lot of fires last year affected a lot of people.

Sheryl Kovalik asked how the National Assessment is assessed and Jeanine stated she didn't know, but could get; would have at Town Meeting.

John Edgerton asked what do you have to do with the swimming program and Larry Martin stated that is pretty much run through the Conway Rec Center; they don't do much now. John stated Coos has had to do away with individual, only have County. Jeanine stated the Granite Chapter is working hard to get more recognition north of us. Berlin has a disaster area team; works really well, but they don't have a Chapter. Karen Umberger stated this is the only Chapter north of Concord. Jeanine stated there was one in Vermont; we are the last north of the divide line.

Mark Hounsell asked what month the Town paid the \$7,300.00 and Jeanine stated January, just got the check; assumed year ended in December. She did not think Red Cross has requested any money prior to that; don't know if they have requested any other way. Mark asked what month the assessment was paid and Jeanine stated she did not know, but could find out.

Bill Aughton stated he was troubled by the National Assessment; takes more than asking the Town, which effects whether he could support or not. When he went to a National disaster training, he had to go to Portland. Millions of dollars unaccounted for, people running around with credit cards; troubles him when paying \$8,000.00 additionally. Jeanine stated they didn't have a lot of volunteers, only have 20 for the Town of Conway; spent two weeks, 24 hours a day carrying an emergency phone; only 8 of us; don't have that many volunteers. Bill stated to him it says

don't spend nationally, spend locally. Jeanine stated she agreed it was a lot of money; asking for local disaster relief for housing, clothing, food for people burnt out. They are fundraising all the rest to pay the National Assessment. Jeanine further stated this is level funded. Last year the floor wanted to increase and she told them not to do that; this is what was asked for. She thought they were being very conservative already.

Crow Dickinson stated he agreed; but always controversial. He thought we didn't fund because of that; that is why it would be very helpful to have a break down for sources. We are unique, we have the only Chapter; what happens to the rest of the State north and west of here, they don't have a Chapter. Jeanine stated they will call a Chapter and someone will respond; have coverage in Berlin and have a Chapter in Vermont. Crow stated the figures anticipated for 2009 would really be for actual 2008. He was in a quandary about what they got before; might be a big eye opener. Jeanine stated there was a correction on Page 6 - Salaries, Chapter Manager and a part-time office person at \$7,000.00 to make \$33,000.00. They have not filled that position, but it needs to be there.

Dan Bacon asked when was the last time gave back, when requested. Jeanine stated she didn't know; have had a response of people from our Chapter, one went to California and was there for 3 weeks. She (Jeanine) was certified to respond nationally. Dan stated giving a fee every year, have to pay \$22,000.00. Dan asked when was the last time gave back to this Community, when have they come here. Jeanine stated she didn't know; she knew that they get services to help with administrative. Dan stated he didn't mind supporting the community but was concerned. Jeanine stated she thought everyone was concerned and that she didn't see any alternative to them having a local Chapter. They are only asking for their disaster relief fund.

Mike Gilmore stated he would like to specifically see what the other towns pay and know what their contribution to National is; percentage close to 21% that goes to National. For all the fundraising, never once hear what percentage goes to National. Take away our contribution and the 21% will go up significantly. As with any organization, more spent on management and less on the end result. Mike found 21% unreasonable; 21% per year, what are you getting other than a logo to put on a few items. Issue is \$102,000.00 to keep Chapter going, that is really the issue, would like to focus on that. Jeanine stated if you focus on National with all of their problems, only hurting local; have to help our citizens when facing disasters. How we fund for National is our problem. We work to help people, not disaster association. We know it is a high amount of money; being associated with them is good. If you want to look at this, have \$34,000.00 going to come from donations. We can use that money, put right back into the disaster need aid. Mike stated the strength of most organizations lie at the bottom, not at the top. As far as people in the Chapter helping locally, no doubt doing one helluva a job. He thought citizens stand up when needed. Jeanine stated she would find out what the 20% represents. Mike stated same thing comes up every time, what are we getting for 20%.

Mark Hounsell stated he agreed on the focus, such an easy and obvious issue about money going to National and what we get in return for \$22,000.00. Did not support because of that; since that really isn't the issue, obviously focus is on the local disaster relief. National could care less; disaster becomes their revenue as well but if we were to expect this Chapter to break from the American Red Cross, but at the same time feel do put something else in place; should we be having a Mount Washington Valley Disaster Relief line item. Important not to regard outlandish money spent; taking full advantage of what monies are available. Mark stated he hoped we don't have to spend \$7,300.00 on local relief; not to support would be painful. Jeanine stated if you look at the fundraising line item it is 20% of revenue; we are looking at 20% for fundraising. Mark asked if the local Chapter was tied in with the Town on the Emergency Management Plan. Jeanine stated yes, been to a couple of workshops where the Town and others have been; just had a meeting with all the Fire Departments and the Police Department.

Bill Aughton stated he didn't want to see anybody standing out in the cold; over the years Chapters have closed, and he wondered why that was. This is fundraising going out of the Valley; still a dollar is a dollar. When there is a fire, fire trucks are part of the emergency management; could be organized to do that. Jeanine stated, not as a volunteer but as a commissioner of the Conway Village Fire District, the Fire Department runs efficiently, does a very good job, does disaster relief and works with the American Red Cross; they respond when the Fire Department calls. They are their disaster relief venue and, as a commissioner she would not hesitate to support that. Jeanine stated they respond if called by the Fire Department, the Fire Department has to call us. Bob Drinkhall stated we can't control floods; on fires, not too many people set their own and watch, he thinks we have over scrutinized; yes, National blew money; Federal government, \$350 Billion and can't tell where it went; not being fair, should support this.

Sheryl Kovalik questioned how the \$7,300.00 was used and Jeanine stated she would get the answer. Sheryl stated she would love to see it more as surplus and not need the full \$7,300.00. Jeanine stated she would get it and asked if the requested information was wanted before the Deliberative. Chairman Stacey stated should get before; we vote on the 16th; Public Hearing is the 11th. Jeanine stated she would have by the 11th.

Mike Gilmore asked if you were to break with the American Red Cross and reorganize under similar or go independent, what would the costs be to respond. Jeanine stated she could not answer that question. Mark Hounsell stated he didn't know if there was an answer, the American Red Cross is the one.

Chairman Stacey thanked Jeanine Bean for coming in.

VAUGHAN COMMUNITY SERVICE, INC.

Christine Dias, Executive Director, gave the presentation. Christine stated that Vaughan has been in operation for 37 years; has done a lot over the years; have a Food Pantry and Clothing Depot and is the primary

Food Pantry for the Town. Town Welfare Officer, as well as others refer people. They come to us to look for needs they can not get elsewhere; we try to direct where they can go. Clothing Depot is in a separate building, completely free, has small household items and clothing. Over the past two years have new programs with a sliding fee scale. A visitation program, monitored, supervised services that are Court ordered, a service for families with custody issues. They are the only agency in New Hampshire that offers that program. They have counseling services; only two other licensed that do a sliding fee scale; their top rate is \$80.00, most pay \$10.00 to \$15.00.

Crow Dickinson stated on the document Larry Martin gave Christine which was a document the Gibson Center presented; a year-to-year comparison, very helpful. On Page 4, Revenue, that is projected, need actual revenues for previous years. Not this year, but next year we will need. This makes life simpler for people like him. Chairman Stacey stated there will be revised forms next year. Christine stated she had the information. Crow stated basically a history of the operation of your business.

Dan Bacon stated on Page 5, pay raises were an issue and questioned the increase in salaries. Christine stated she did not get a raise; North Conway Day Care pays a portion of her salary; last year 25%, this year 20%; more paid out by Vaughan. Dan questioned benefits and Christine stated only benefit is buy into a 403. Dan asked if Utilities were up because of oil and Christine stated their projected budget doubled; they are trying to decide what to do with the budget.

John Edgerton asked the Selectmen why not move Vaughan into the regular budget; it took over the Food Pantry for the Town; this could be a line item. Larry Martin stated he didn't think this was the forum; only questions pertaining to Vaughan Center, not how the Town does business. Mark Hounsell stated he would like to give an answer; Larry is correct, it is not a proper forum, but this is probably one of the few times the Selectmen and the Budget Committee sit together. Mark wanted to point out that Vaughan Community does a much better job and in fact works closely with the Town. John stated he was not intending to bring it back, but should be able to put Vaughan in the Town budget so it is not a Warrant Article. Chairman Stacey stated there is a line item under Welfare Contribution, USDA, they take it out and send to Christine. Christine stated the amount is \$850.00; the Town provides specifically for purchase of food. Mark asked about this year compared to last. Christine stated it has been awful; have run out of pasta, out of real basics; right now not good. Starting to notice they are getting more and more people; people are running out of fuel assistance so utilizing them more.

Jim LeFebvre asked about examining the possibility of Grants that have not yet gone to fruition. Christine stated they are always looking at Grants, sometimes for a specific purpose. They had a Grant to increase counseling services that will end in the summer time. Always looking in terms of funding.

Mike Gilmore asked if Conference Expenses were local or national and Christine stated that would be staff training, she has to have a license; mostly external. Mike stated he hoped that people would come again for

their next Food Drive. Karen Umberger stated people don't have to wait for a Food Drive to bring food, can bring in 5 days a week or come to the Church. The purpose of a Food Drive is to reach a wider community; we would be more than happy to accept food any day of the week. Also Christine normally has a list of things needed.

Sheryl Kovalik asked if Vaughan accepted donations other than food and Christine stated yes. Sheryl stated it is common for some people to use donations as an alternative. Christine stated she has people say this donation given in this person's name and she sends a card.

Chairman Stacey thanked Christine Dias for coming in.

NORTH CONWAY DAY CARE CENTER

Jacqueline Howe, Director, gave the presentation. Jackie stated since 1972 have had ages 3 through 10, extended to age 12 in the last 10 years; found there was a need for younger children and they reduced the age to age 2, then to 13 months. This fall was low for them; last year had 11 staff, now 9 and not all are full-time. If numbers do not warrant it, she doesn't use the employees when not needed. Just had an influx of people and their numbers are up to 70; 48% single parents, 35% receiving State scholarships.

Crow Dickinson stated about the sheet from Gibson Center and Jackie stated Christine (Dias) does the budget and it will be taken care of.

Chairman Stacey thanked Jackie Howe for coming in.

CHILDREN UNLIMITED, INC.

Jackie Sparks, Executive Director, gave the presentation. Jackie thanked the Committee for adjusting the schedule to meet with her. Jackie stated she was coming with a different situation this year. Although still providing Early Intervention, from the time they started in 1985 they have been under contract with area agencies, the Center of Hope and Northern Human Services to provide Early Intervention program. Last year there were some changes and some interesting practices; they (Children Unlimited) stopped receiving referrals as Northern was filtering into one of their own programs. Without getting into the history, it was very painful and concerning; tried to resolve with their CEO and other members of their Board and they were not able to come to an equitable resolution.

The Bureau of Developmental Services now contracts with them directly; they did come up with an agreement between Children Unlimited and the Bureau of Developmental Services and they are now a provider of early support and services with all direct contact with the Bureau of Developmental Services in Concord. That means they are allowed to do their own referrals and intakes. At the same time that is very nice, it has impacted them financially. Before they would get one-half of their budget from the area agency no matter what; this year they received no additional State funds.

They do the same formula for all 9 towns. They do receive Medicaid but if a family needs 3 services they only get paid for one visit for that week and are allowed to bill private insurances. A lot of private insurances don't pay for early intervention services or they don't pay for children with developmental disabilities. Even though they have quite a few children on private insurance, that is misleading. However, this is a new venture; get to bill directly now. More than happy to answer questions and she did spell out how many children are sent to them from Conway and the cost per child. The money that she comes for is for children that have no ability to pay; many of those may have private insurance but it doesn't always cover.

Larry Martin stated under Revenue, don't some families pay you and Jackie stated under the law, part of IDEA, under what the State of New Hampshire has adopted, they can not charge families any kind of co-pay for this program; at this point in time, they are not allowed to charge a parent any kind of co-pay. Larry stated on your form, \$12,500.00 level funded, last year it was \$12,000.00, was it amended, say it is a typo. Jackie stated she did not intend that. Larry stated when you say can't charge under this program, no children are charged and Jackie stated have a child care program; we have an integrated preschool, have some tuition children. All child care is paid by parents. This is the only program she was coming to the Town about.

Mark Hounsell asked does the program of early intervention have an impact on children going into the public school system. Jackie stated yes, actually 40% to 50% of early intervention never go on to receive services; other children go on and receive at preschool end and enter into the school system without special services and some are becoming uncoded in 2nd or 3rd Grade. She thought the impact on many schools may be with children with Autism; several go into school being much better prepared socially; very proud of the team and their approach. Mark asked if it was safe to conclude by these efforts the School District is able to realize a savings. Jackie stated yes, she really liked to think that; gets feedback from principals and Special Education Director. There are children that have never been identified. It appears services are solid and make a huge difference. Mark stated that was kind of a loaded question; he knew there was a savings with early intervention. Early intervention is saving the School District a lot of money.

Jim LeFebvre asked the age group for Early Intervention and Jackie stated birth to 3. Jim questioned if there was an overlay and Jackie stated as soon as they reach age 3 they are turned over. In Maine they are not picked up until September; here at 2-1/2 start transition, have an IEP in place; there are no overlays.

Mike Gilmore asked if the funds requested are adequate to provide the services and Jackie stated no, but she felt it was fair to ask for that based on the same kind of principle that they go to all the towns; always try to be understanding of economic situation. It is definitely a huge help. Mike asked is this enough and Jackie stated she would be perfectly happy; always need more, they are moving along and she does appreciate the change in the tax exemption of the property taxes. Mike again asked is this enough, who is suffering, who is going without. Jackie stated

nobody; there is no waiting list, no one gets left out for not having the inability to pay; have had people in the past give donations in honor of these children. We write Grants for this program; in a Catch 22, if you fundraise too much, will take away State money; they will not take away town monies. They do fundraising for the Day Care program.

John Edgerton asked how many programs and Jackie stated Early Intervention, Child Care, Preschool and family resource program for evaluating children being on the Autism Spectrum. Crow Dickinson asked how many programs and Jackie stated 4. Crow asked if they were successful in getting money from the 9 towns and Jackie stated they have been; they have always received from Bartlett, Jackson, Eaton, Albany, Freedom, Madison, Tamworth, Conway and Chatham; they don't cover Fryeburg. Jim LeFebvre asked if Fryeburg takes part in services and Jackie stated they will provide service, but they are charged.

Crow Dickinson stated on Page 4 those are the actual amounts received, but only for the upcoming budget year. What we need is something like what Larry gave you, the actual amounts received in previous years, same as on the expenditure side. There is no real history; need actual expenditure figures before 2008.

Sheryl Kovalik stated you have been doing this for a really long time and one of the things talked about was the continued increase in Special Education requirements, seeing different types, the newest being autism. Jackie stated more are being identified earlier, there are more cases of another part of the spectrum called Aspergers; a lot that we see have some of these behaviors; what is behavioral and what is emotional, what is the disorder and how to accommodate. It is helpful if look at as is it this or is it that; that is one thing trying to do through the Pediatric Evaluation Center; looking at all aspects; trying to go to IEP meetings with parents and help to work with the schools to help make things real and possible. We have kiddos diagnosed with things you can't get here, but could get in Boston.

Crow Dickinson stated on Page 5, you have a large figure of \$131,000.00 for Administrative Salaries; go over and look at the figures on Page 6 and \$56,100.00 for salaries shows up, but there is no breakdown of Administrative Salaries. Crow asked if the Executive Director is a part-time job. Jackie stated she was spread across the board. Crow stated only part of the salary to be received and Jackie stated yes; she is the Executive Director of Children Unlimited. Crow asked if those 4 programs were in here and Chairman Stacey stated no, only asking for Early Intervention.

Chairman Stacey thanked Jackie Sparks for coming in.

SCHOOL RECOMMENDATIONS

Chairman Stacey reviewed the two Recommendations to the School from the previous meeting. Discussion followed on whether or not to add the decrement list as a recommendation. Sheryl Kovalik stated the School Board is prepared for the possibility of a decrease in budget allocation and that they need to be prepared; they are already doing that; can put

as a Recommendation, but they understand and are already working on it. Jim LeFebvre stated he would take Sheryl and her Board at their word. Sheryl stated if it was appropriate, a statement could be added in the letter to the School Board stating that it is understood the School Board is discussing the decrement list and this Committee is awaiting a response.

Jim LeFebvre moved, seconded by Karen Umberger, to recommend looking at the cost and benefits of contracting out the bus routes. In favor: 7; Opposed: 2 - Bill Aughton and Bob Drinkhall; Abstain: 2 - Mike Gilmore and Melissa Stacey.

Sheryl Kovalik stated from her experience the first year is really awesome, get a great deal; once the buses are sold, you are held captive; rather than hiring rental buses, went to higher pay for the bus drivers. Karen Umberger stated right now some School Districts in SAU 13 contract bus service. Sheryl stated they have a transportation coordinator. Karen stated the initial answer might be to contact them and see what the bus service costs, probably greater due to distance, but it was just a thought and it might be an idea whether or not worth going with a study.

Bill Aughton stated after last Wednesday's meeting, he would like to say he is uncomfortable with too many Recommendations to the School Board. In his opinion, they have done an awesome job, first time seen. That may not be what you want to hear, but he was uncomfortable; he trusts them to look at those things. He wants to see a figure; how you do it is up to the Board, principals and staff; feel uncomfortable when what the School Board has asked for has already been achieved. He realized they were asked by the School Board and not the Budget Committee and he likes where we are with that; he was a little uncomfortable at this stage.

Karen Umberger stated to Bill that she thought that one of the things that she feels is that the Budget Committee has always been concerned about the growth in the School Budget. She agreed the School Board said this and this for this year, but remember they excluded health care costs and excluded fuel. Sheryl Kovalik stated they were the only two separated. Karen further stated even though held health care at 8%, never talked about the increase in the retirement system effective July 1st. We have costs in the budget coming up that are greater than what we are seeing. What we are trying to do is, we know they have done a very good job, but she also knows there is freight train coming that is not that far off. When approaching next year, need to look at these things, these two areas are what we should be looking at from a financial aspect over time.

Chairman Stacey stated she knew Carl (Nelson) was looking into the School Resource Officer and the cost share with the other towns; conversations with the School Board recommending the number of children in classrooms. Chairman thought the School Board was actively taking a look and she thought they have done an incredible job. One thing to look into is how large purchases are done; paper goods, whatever is used, do cost savings on that; she didn't think they had looked enough. Dan Bacon stated in his opinion, the School has done a great job this year in their willingness

to work with the Budget Committee; but then again, he didn't think enough had been done through all the conversations.

Jim LeFebvre stated currently only have 3 Recommendations. Chairman Stacey stated it is significantly less; had 17 last year. Jim stated one of the reasons is a better tone from both this Committee and the School Board. Sheryl Kovalik stated she was not going to presume no more Recommendations and asked if the School Board accepted all 3 Recommendations, would this Committee support the budget. Chairman stated she would not support the budget and that Sheryl knew why. Sheryl stated the Pine Tree issue.

Jim LeFebvre stated he wanted to see the total bottom line. Sheryl Kovalik stated all the numbers are in front of you now; would you like to see a side by side comparison. Chairman Stacey stated would like to see where the budget was last year with all the Articles that passed. Karen Umberger stated she thought Carl (Nelson) had given that. Sheryl stated he couldn't have; didn't have the Warrant Articles. Karen stated she thought she could probably support the budget without the Family Liaison position, but she has a difficult time supporting the budget and all the Warrant Articles. Dan Bacon stated he would like to see the real figures.

Chairman Stacey stated the next meeting is the Public Hearing; no meeting Monday night; Sheryl's Board is meeting that night to review our Recommendations. The other meeting is on the 11th at 6:00 PM at the Auditorium.

Bill Aughton stated he was supportive of the budget; but with the Warrant Articles he had some remaining questions, there may be some changes. John Edgerton stated he supported the budget, but had a great deal of difficulty with \$4,000.00 per student in the Middle School; cheaper to send to Fryeburg rather than keep the Middle School open; it is a 50% increase over a private school.

Karen Umberger stated Sheryl has told us she will get something back to us on the custodians and that may make some difference.

Chairman Stacey stated the School Board meeting was at 6:30 PM at the Kennett Cafeteria. Sheryl Kovalik stated one of the items to be considered are the Budget Committee's Recommendations.

Mike Gilmore stated he did not support the budget. He didn't feel he had gotten answers to the questions asked. He was still attempting to assign responsibility on Unit 10; no where did he see a figure. Chairman Stacey stated the only answer is in the buildings themselves. Sheryl Kovalik stated attributed through Jim Hill's office. Mike stated he talked zero about it when he was here. Sheryl stated he handles everything for the District; costs go into the buildings themselves. Mike stated he was trying to get a handle on Unit 10; it doesn't make sense; he was not comfortable with it. Middle School is totally out of proportion; would whack \$2 Million off; did not want to address teacher to student ratio; can't get blood from a stone. Details on buses out of 5 only 4 working; he was sorry, but there is something broke with this system; smoke and

mirrors; always address it next year; what is going on, what is real and what is not; not comfortable with it.

Chairman Stacey stated the members were handed a sheet on the Teen Center. This is an answer to the Recommendation of a fee schedule for the Rec Center to cover costs of opening the Teen Center 3 days a week; what it would be if averaged between 40 and 50 kids per week the fee would be around \$2.00, \$3.00 and \$5.00; would be short about \$16,000.00 in just charging the \$2.00, \$3.00 or \$5.00. Some other sources could be raising the summer fees from \$110.00. One thing in discussion is not just raising the summer fees; there are other things like the cost of the building for heat and electricity and charging 1% increase of that total fee. You could turn around and increase to 2% which would generate funds. Earl (Sires) will have a conversation with the Selectmen and John; trying to get in before the Public Hearing.

Karen Umberger stated right now the Teen Center is not part of the Revolving Fund whereas fees are in the Revolving Fund, that is a problem. She was sure it could be solved. The Revolving Fund was set up to take care of costs associated with all of that. If not charging fees then taxpayers are going to take care of it. The summer program is not fully funded by fees but all others aren't either; would be careful if thinking about looking at other activities that cover the cost of their programs. Chairman Stacey stated what it was when set up somehow got lost between February and March when implemented, it is not clear what the Revolving Fund is for; this has been a sore subject for two years.

OTHER BUSINESS

Phil Dighello stated at the last meeting Doug mentioned about the headway made with the AFSCME Union. He would like to recognize Sheryl and her contributions; she and Phil were on the committee and met with the Union representative to work things out; Sheryl made spreadsheets, brought companies in to give presentations and kept us informed; most people are not aware of that. Phil further stated that he was leaving the Committee after this year and that Sheryl should be considered the insurance expert, she did a good job.

Karen Umberger stated she did not see an Article for the Public Works Union; is that not happening this year. Bob Drinkhall stated he would have to check. Karen stated she knew it was a 2 year contract.

Doug Swett suggested that the Selectmen and the School Board watch what is going on in this country and before starting on the next budget, start facing the problems; they have to face what is going on. Bob Drinkhall stated Doug was preaching to the choir.

Jim LeFebvre moved, seconded by Dan Bacon, to adjourn the meeting at 2:45 PM. Motion carried unanimously.

Respectfully Submitted,

Iris A. Bowden, Recording Secretary