

**MINUTES OF MEETING  
MUNICIPAL BUDGET COMMITTEE  
September 23, 2009**

A meeting of the Municipal Budget Committee was called to order at 6:34 PM in the Meeting Room at the Conway Town Hall with the following members present: Chairperson Jim LeFebvre, Bob Drinkhall, Daniel Bacon, Karen Umberger, Bill Masters, Doug Swett, David Sordi, Ben Kane and Mike Gilmore. Members excused from meeting: John Edgerton, Pat Libby, Sheryl Kovalik and David Jensen. Members absent from meeting: Shirley Renahan, Raymond Shakir, Melissa Stacey, Betty Boucher and Bill Aughton.

Chairman LeFebvre asked Bob Drinkhall to lead the members in the Pledge of Allegiance.

**Karen Umberger moved, seconded by Dan Bacon, to accept Mike Gilmore's resignation. Motion carried unanimously.**

Mike Gilmore stated for many years in business he had tried to follow two rules when it comes to meetings. When inviting staff members, two questions are asked: are you going to contribute something meaningful; are they going to get something meaningful out of it. If all of the answers are no, he usually doesn't ask them to come. When he attends meetings, two similar questions: is he going to contribute and will he get something meaningful out of it. If both answers to that are no, he does not attend. At this time, he feels the Committee presenters fail to meet the contributing requirement in the first two. He also feels that he is in the "no" category for the last two. He came to these conclusions for reasons stated a few meetings ago when he presented the CBC 09 post-mortem. Lastly, he is very appalled by voter turn out over and over and over again. He just feels there is not enough votes to measure the majority view in this town. Because he can see no way to contribute in a meaningful way, he resigned his seat on this Committee effective immediately. He wished everyone well.

Chairman LeFebvre asked if anyone had anything to add and thanked Mike for his time on the Committee.

Chairman LeFebvre stated with that resignation, we are now below the quorum level. Karen Umberger stated no we are not. Chairman stated look at the numbers; we have to have 9; 8 is less than half of 17. Doug Swett stated we started the meeting with a quorum; if somebody got sick and left, he doesn't know the laws and he doesn't know the rules, but we did start the meeting with a quorum. Chairman stated he would let it go; he did start the meeting with 9 and that is his ruling.

APPROVAL OF MINUTES

**Karen Umberger moved, seconded by Dan Bacon, to accept the Minutes of August 26, 2009, as amended. Motion passed unanimously.**

Bob Drinkhall stated first, just to be clear on this, it depends on what Committee or what Board you are on, some prefer to amend the motion due

to a fact that you are making a change to the Minutes. Several boards take the change prior to the motion and we do it this way; doesn't matter to him; thought he would bring that up. Chairman LeFebvre stated Roberts Rules of Order say you can do it either way, so he was going to go this way if that was all right with everyone. Chairman further stated he didn't see, because you are accepting the Minutes, that you have to have a Motion to Amend.

Bob Drinkhall stated that on page 10, fifth paragraph, third line, should read "... Board of Selectmen Lighting Committee representative and the Chair wanted to know ..."

OLD BUSINESS

Chairman LeFebvre stated the next item was the discussion of the Town and School worksheets. Since Sheryl is not here and since we have not really had a chance to talk with the Town, he was going to defer this to the next meeting. The next meeting is tentatively scheduled for October 26, 2009. He will be out of town for two weeks in October and apologized for any inconvenience. He hoped everyone will be able to make that meeting at 6:30 PM at the Town Hall.

**Bob Drinkhall moved, seconded by Ben Kane, to go with the short form for the non-profits, as amended. In favor: 7; Opposed: 1 - Doug Swett; Abstained: 0.**

Chairman LeFebvre stated the next item is the long and short non-profit form. At the last meeting, Karen Umberger brought up the short form which he thought was a great idea for non-profits who have been giving information for years and years and years. Sheryl Kovalik did mention that she would like to see how they spent the money from the previous year in detail, break it out. The form does allow you to do that. He will make the modifications with the Town Hall staff and will re-institute the short form for use by non-profits who have provided information over the course of several years.

Karen Umberger stated we need to define several years. If they've been coming to the Town for 3 years and the voters have agreed that they should be provided that money. That would be her suggestion. Chairman LeFebvre stated 3 years is a reasonable length of time. Bob Drinkhall stated he disagreed very strongly because there is a lot of information that we do need that is on the existing form that it took years to get on there. This will be particularly interesting to new members which would have no knowledge of this whatsoever. We need salary detail as far as he was concerned; we need at least two years of fund requests; we need cost of service per client; number of clients served with in and out of town figures; also very important is the property tax abatement. Karen Umberger stated that the tax abatement is on the short form. Bob continued with the reason he says this is we've asked everybody to cut back; we haven't ever asked the non-profits to cut back and anyone who wants to give to a non-profit has the ability to do so on their own, let alone the fact that they are bound to do it if we or if it passes by just a simple majority of the Town vote.

Doug Swett stated he would agree with Mr. Drinkhall. This form was revamped some years ago; not too many years ago it was rehashed and a new format was put forward. Chairman LeFebvre asked Doug if he was referring to the long form and Doug stated he was. Doug further stated to make big changes he didn't see any reason for it; if you don't have the information, it just means you are operating in a fog.

Karen Umberger stated perhaps it's because she has been on the Budget Committee for a long time and perhaps it is because she has filled out the forms which she was not sure anyone else in here had done, and that she had no problem with adding some of the things that Bob mentioned, but she did feel that it's really not necessary to regurgitate that information every year. She realizes that there are some new people on the Budget Committee and because she is familiar with all of the non-profits, she generally doesn't spend a lot of time on them other than what their requests are and why. That was one of the major reasons why she felt that for the people that we had been contributing to perhaps we could go to this shorter form and if there are questions then they could certainly be asked. She agrees that we ought to have cost per service and didn't have a problem with that at all; that is probably something that is very difficult for the non-profits to come up with because most of them don't do a cost per service. Something like Gibson Center because their funds are used for the congregate meals or Starting Point that does what Starting Point does. There are some organizations that is relatively easy to do and there are some organizations that what is there is there, but it may or may not reflect anything in regards to cost of service.

Dave Sordi stated it sounds like some people feel we need the long form but trying to streamline the information to the Committee. It would make sense to go to the short form. Is there a way to, if we have a new non-profit organization requesting money, they've got to do the long form the first year and then the following years after that just have them certify that the information they've previously provided remains the same except for the stuff on here. That way it streamlines it a little bit; we still have the information we need and they can attach this to the short form when they submit it. They still would need to give it that first year and actually some of the information in here might be good for them to think about so that they can understand some of the concerns that we have when considering their request.

Chairman LeFebvre asked the two new members of the Committee, Mr. Masters and Dave: what do you feel, do you feel you need a detailed break out this year. Dave Sordi asked for an example of a non-profit. Chairman stated Gibson Center is a good one; Starting Point is another. Dave stated that he would like to see the detailed information the first year; if they have a form previously filled out that he could review as part of the request and it hasn't changed, then that's fine; but asking for data just for the sake of asking for data doesn't make sense. Bill Masters stated there's a lot to be said for having basic information and he thought any non-profit that has submitted the information initially, the only thing we should ask them is if there have been any changes to this and what are you requesting this money for; so if they certify it right up front then we have a basis for background information that we can look at to determine whether the Board of Directors has changed, whether the

individuals have changed, but the streamline form is fast and quick and makes a lot of sense. After we get through having historical data that we can rely on, just ask for any changes in operation; what are they really delivering.

Bob Drinkhall stated there are so many things that could change; they could have somebody that went from a position of a \$75,000.00 salary to a \$100,000.00 salary and you wouldn't know that, as well as many other bits of information and when we've reviewed this in the past people have asked for more information, not less. It's there, it's not difficult; if anybody wants to look at it, Bob brought last year's book with him if anyone wanted to take a peek at it. Bill Masters stated he thought there is validity to that in terms of changing the dollar and cents line, any changes that might effect the taxpayer's money. For example, increasing the Director's salary from \$75,000.00 to \$100,000.00, that's a significant change that would impact us in the decision making process. We actually want to see that the money is going to the intended purpose of that organization rather than to the administrative side. That would be critical information that should be channeled to us. If there have been no changes in the Board of Directors, all they would have to say is that there have been no changes in the Board of Directors period or there have been no changes or specify what changes have occurred from their original application so that we have an idea of it. Once they've done the long form, unless they modify that, modify their services, modify their expenditures, it wouldn't seem necessary.

Doug Swett stated that's fine for this year; if you've got one or two people coming on this Committee next year, what are they going to look at. You won't have last year's to look at; you've got to make it a point to go back to some long form and give it to them so that they can start to learn how things work.

Dan Bacon stated he thought the streamline was good but if there was a change there ought to be something if it isn't salaries, then we're going to know that because of the dollar amount; but then when they submit this form they should have an explanation of the changes. He does make a valid point; what we could do is if we are going to do this form and live with the first report, it would be up to this Committee to make sure the new members have a copy of the previous year.

Karen Umberger stated every non-profit comes in and asks for money based on a specific thing; they don't just come in and say "I want money"; it's every single one, whether it's Tri-County Cap, whether it's Gibson Center, Starting Point, Vaughan, Day Care, Red Cross, White Mountain Clinic, the money that we give them is for a specific purpose, it is not for general operating funds at all. It's to focus on something that benefits the people of Conway and so it might be where it says describe in general the services for your Agency; maybe what we should say describe what you want the money for and how does it benefit Conway because that is what our role is. The fact that White Mountain Health Center over the last 5 years has increased the salary of their person, so? They are not using the money that we are giving to pay that person's salary, they are using the money to provide service for people that don't have health insurance. If it was just into the pot without a specific

purpose then she could agree with a lot of the comments, but we have been very conscious of making sure that it is for a specific purpose and that the following year when we discuss it with them that's exactly what the money has gone for. She was not saying that the things that are here are necessarily the right things and she thought that Bob's point about cost per service and those kinds of things are appropriate and agrees that maybe some of the things can come out. Does it matter to us what the Agency insurance is; what matters to us is the cost per service.

Doug Swett stated he voted against this; he has seen them come in here with big budgets and are only looking for \$2,000.00 to \$3,000.00 only because they figure they can get it. For example, one that came here a few years ago, the Loon Society of New Hampshire, it came out that they had a balance of half a million dollars or \$480,000.00 and they were in here looking for \$4,000.00 or \$5,000.00. We didn't give it to them.

Chairman LeFebvre stated that Karen (Hallowell) had been getting calls as to when the forms are going to be released so the non-profits can get started filling it out because they realize it does take them a degree of time. So we need to make a decision tonight one way or the other folks.

Dan Bacon stated we need to know what we are giving, what the Town is getting out of those effects. If he was a non-profit and needed more money and he was going to increase his salaries, then he would just shift his meaning somewhere so that he could get more money. We have to look at the overall cost. Dan further stated he was a stickler for salaries and benefits.

Karen Umberger asked Bob Drinkhall to go over the things he felt needed to be added that would allay some of the concerns that people have. Bob stated salary detail, at least last 2 years of their fund request, cost of service per client, number of clients served with in and out of town figure, those were the basics. He'd like to add that on the Town Budget which was again lower than the previous year and lower than the default budget, they cut things by as little as \$80.00 line items. He thought somebody on this Committee stated they didn't go over it line by line; they did go over it line by line and some items were taken or reduced by as little as \$80.00 to \$100.00. You can't do that if you don't have all of the information. Karen stated one thing we have to remember is that these are petitioned Articles, so all we have is a "yes" or a "no" vote, we can't adjust the number; it's just a "yes" or a "no".

Doug Swett stated it would be interesting to know the number Karen has heard from and he thought that this Committee should announce that this form or any form won't be available until November 1<sup>st</sup>. He didn't think it had to be done in September. Chairman LeFebvre stated good point. Doug stated they've got their own books; it shouldn't be too big a job to go from one year to the other.

Karen Umberger asked do we know when the petitioned articles have to be in. Chairman LeFebvre stated that he did not recall the date right off the top of his head. Karen further asked if a date had been set for the non-profits. Chairman stated one of the things he wanted to do in October was set the dates, set the meeting dates and the date for the non-

profits. Karen agreed with Bob and she didn't have a problem with adding those things and whether we take something out or just add them in she didn't have a problem with that and thought it would help to substantiate their request.

Bob Drinkhall stated where it states "Conway Property Tax", that would be confusing to somebody; they could just put zero, but you don't know that in fact we are giving them an abatement of \$3,000.00, \$5,000.00 or \$10,000.00 on their buildings and he would like to add that in so we know what is being abated.

Bill Masters requested a clarification: is there a statement in there that the funds we allocate to them or they receive, will they certify that the funds will be expended solely for those items. Chairman LeFebvre stated are you asking if they are fenced. Bill stated exactly; if we are going to say that, do we want that to go towards a service or whatever we have in there, do we want to deal with that. Karen Umberger stated she didn't think this Committee could do that. Chairman stated that he didn't think we could do that. Doug Swett stated all we can affect is the bottom line. Chairman stated if it was the consensus of this Committee that we can not do that; it is a nice idea, but it is not like the Feds where you can fence funds for certain topics.

Karen Umberger recommended that somebody take it upon themselves to come up with adding these things and making a few changes at the top. Chairman LeFebvre asked if Karen was referring to an introductory paragraph on how to use the form and Karen replied no. For example, if you look at the amount requested from the Town of Conway, we could say amount requested this year, last year, the previous year and then that takes care of the two years. The things that we have said here could be incorporated without a lot of hassle by revamping the form a little bit. Karen stated that she could do that and would be willing to do it. Chairman stated that he worked on a simple rule: He who proposes, does volunteer. Chairman stated with this Committee's approval, he would work with Karen and Bob to put this thing together quickly so that he can get it to Karen (Hallowell) so that she can modify her documentation. Karen stated that we need to get it to the Budget Committee as well so that they can take a look at it and do a final vote. Chairman suggested that he, Karen and Bob get together after this meeting to discuss a time and place where the three of them could get together and do the re-vamping and then kick it to the Budget Committee and to Karen.

Doug Swett stated a man just resigned here and made a statement; was his resignation able to be recorded in detail. Iris Bowden stated that she believed she got most of it and would get a copy of this meeting to get it word for word. Doug stated he thought it should be in the paper; he knew what he said generally and there have been groups and government entities trying to get the voter out at different times for the past 25 years and it's a problem. If they don't like what they get and they haven't contributed to the vote, then he didn't have much sympathy for them but he understood where he (Mike) is coming from. Doug further stated that he was sorry he's gone and it could happen to others; he could think of one at least. It should be in the paper and with the paper not here, it will be on TV and if the Minutes are recorded correctly,

people can get a hold of it. Iris stated that she would get a copy of the meeting and get the resignation down word for word.

Karen Umberger stated she thought Mike's comments aren't going to get people to come and vote. She thought it is important, but it becomes incumbent upon us, as Budget Committee members, to do a very thorough job of vetting the budgets that we get so that the people have confidence whether they vote or they don't vote, that at least there is a group of people that are thoroughly scrubbing every line item. Chairman LeFebvre stated and that is the key. Karen proceeded to state to her that is the key; why people don't come to vote, she couldn't answer that question.

Doug Swett stated this country is in the mess it is today because of the lack of voters over the years and the lack of education of voters in the schools, public, private, and at home; that's why we're in the mess we're in today and have been in for the past 20 years. He was not pointing at one party or the other, but this government is in a mess.

Dan Bacon stated he thought our job is not to drag the voters out, our job is to look at the information, do our best to make a decision and whether they do come out or not that's up to them; but it is not our authority to try and drag people out to do their part in the process.

Ben Kane stated from what he gathered from Mike's statements he didn't think it was so much his regard that it was our responsibility to have people come out and vote but Ben thought that Mike was disenfranchised by the simple fact that voter turn out was pretty low and that's not something that is specific to our area; unfortunately you look at our entire country and voter turn out is extremely low and he could understand his point of view that all of us come here, devote a lot of time and effort to making sure that the budget we either recommend or do not recommend, we put in our time and it is somewhat disheartening when we don't have the people that we're serving come out and say either yea or nay in terms of the business or work that we have done.

#### OTHER BUSINESS

Chairman LeFebvre stated there were certain things that he wanted to go over from the Minutes of the last meeting to see if he understands them properly and to see if the information requested has been received from various sources or if he needs to pursue this in further detail with the Superintendent and the School Board representative who, unfortunately, is not present. On page 2, paragraph 3, Dan Bacon is talking about the accreditation document and Dr. Nelson stated that he didn't have it, do you want that information. Dan stated yes. Chairman stated that he would put the request in writing to the School Board.

Chairman LeFebvre stated on page 3, Sheryl Kovalik is talking about a draft of the budget given and she was looking for feedback; she stated that she would try to get the book out early this year. Is it the sense of the Committee that you want us to ask them for a specific date to have this book.

Dave Sordi asked if any dates had been set for the whole process of the budget so that we can start setting our schedules to make sure we're available and that the schedule will dictate when that book is needed. Chairman stated that at the October 26<sup>th</sup> meeting, he was going to try to set the schedule for the entire year based on when we have to have things done by law; we usually start the middle of November, early December. Karen Umberger stated it is the second week in December. Doug Swett stated they used to say we can demand this and we can demand that; you can demand this and demand that and you'll get it when they are ready. Chairman stated but we can request that they get it to us by the early part of December. Doug stated they have some excuses, some of them make sense and some of them don't, but they're held up by things also. Karen stated generally we have asked for the books around the 10<sup>th</sup> of December and that has been pretty much the standard. When she was a Selectmen, a letter was sent to the Selectmen and to the School Board defining the dates that we wanted to have them ready. So, if you look at the 10<sup>th</sup> of December and say that is the time for the Town, that gives us the weekend to look at their book and the School Board won't meet until the 14<sup>th</sup> of December and she couldn't imagine them approving their budget before then; so it would look like what we would like to have it either the 15<sup>th</sup> or the 16<sup>th</sup> of December. Historically, the Town is done first for any number of reasons and we really don't begin to actually work on the School budget until sometime in January; that would give us two or three weeks to mull through it. Karen further stated that would be her recommendation and hopefully on the 14<sup>th</sup> of December or the 16<sup>th</sup> of December we could do the Town and the next week is Christmas week and we probably wouldn't want to do that. Chairman stated he would sit down with the Town staff and look at the legal issues between now and the next meeting.

Doug Swett stated he would rather wait until they have solid information; we used to get a sheet of paper every week, reams of it and 10 days later we got another piece of paper that superceded that piece of paper and it goes on and it just ties you up for time; they're trying to satisfy what we're demanding and they can't. Chairman LeFebvre stated if he recalled properly, and he may not be correct, what we agreed to last time was that they would give us the shell and as things changed, they would give us change sheets. Karen Umberger stated that's what they did and that's very hard to work with. Dan Bacon stated there were so many sheets for changes; it's hard to keep up with it because you're trying to have a meeting and they're giving you changes and you're trying to concentrate to get those changes in your book to discuss them. Karen stated she would like to have it before Christmas so that she has the opportunity to look at it in her free time. If the 14<sup>th</sup> is unreasonable and they're not going to meet again until January, it would be nice if we could have it. Chairman stated he would sit down and talk with Sheryl directly. Dan stated the Town pretty much gives us everything and the School's been doing it for awhile so there shouldn't be any reason why they can't, they should probably already be working on their stuff now, putting notes and whatever together, getting it prepped if they were wise of that fact. He would like to have it, he didn't want to have to keep scurrying back and forth; he thought their Committee's good enough and professional enough that they should be able to do that.

Bill Masters stated that if we don't set a date, it's open ended and if we need it by the 15<sup>th</sup> of December say we want the final version delivered to us the 15<sup>th</sup> of December. If they want to go beyond that, then that's their call but at least you've given them a deadline.

Ben Kane stated one thing he has been contemplating is what's the cost of putting together these materials for us; you look at the books we got last year from the School Board and it was probably a ream and a half of paper each, so what's the cost of materials, what's the cost of the person putting together these materials. There's got to be a more efficient way to transfer this information to us. For example, last year when we got addendums every other day that we had a meeting with the School and he kind of likes the trees we have outside and would kind of like it if we didn't have to cut down so many so we could look at our budget materials. Karen Umberger stated you kind of like your computer, that's your problem. Ben stated he had the Minutes right here, you want to review the Minutes they are right here. He just thinks it is absolutely asinine the amount of materials and paper that we use for our budgeting season and it is year after year. He would hate to see what it is for 10 years of budgeting, how many reams of paper we used and it's not like we go back a whole lot to review last year's budget. Most of the time they give us more paper with last year's materials on it. So it would be nice if we could be more conscious of the materials that we are using for our budgeting process and try to reduce some of the waste.

Doug Swett stated the earlier you ask for this material, the more paper that will be used. Dan Bacon stated that is why he was considering if you give them a budget deadline and they have all of their information, they shouldn't have to keep compiling with more paper and more paper; so if they have a deadline, they should be close to being where they're at and we won't have to see all that paper we saw last year. Chairman LeFebvre stated that was an optimistic statement and that was just his opinion. Bill Masters stated the interesting part about it is most of the budgets are all computerized anyway, it's all listed by cost code and that's information; they probably have "x" number of years right there for them, they can give them the tallies and printouts right up front; that can be transmitted to other computer systems that we might have. The only problem with something like that is that you're putting out financial data, but that's public information anyway. No problem getting it to the computers as far as I'm concerned.

Dave Sordi stated he agreed with what Ben was saying, but thought that it was probably a little bit too late to try to do that this year, to try to set it up so that it is all electronic, get everybody up to speed on it. Maybe that is something you work on over the next 6 to 8 months; put together a secure FTP site where you can download it off the web, they can upload it to the web as they're doing the work and then the people that want to do it electronically tell them we want to do it electronically. Some people are still going to want paper, but at least you have been able to save some of it, but it is not something you can do in a month or two. Chairman LeFebvre stated in order to clarify things for everyone here, we have to remember that five members of our Committee do not even have e-mail. Dave stated that's why he said some are going to want paper; he would rather have it electronically.

Ben Kane stated he brought this up last time when Sheryl was here about getting electronic copies; for right now we'd be best served if at least we gave reasonable deadlines for when we needed this material submitted and he was not saying we were trying to be unreasonable before, but in the aspect of last year we gave a deadline of early November, maybe if we increased that by a nominal period of time, we might have the opportunity to reduce the amount of changes that are done. Ben further stated there is more we can do as either the School Board or the Budget Committee to try and alleviate some of the extraneous materials that are being distributed.

Chairman LeFebvre stated Sheryl has stated that they would try to get the book out early this year, he will go to her if this is the consensus of the Committee and say that we would like to see it on or about the 15<sup>th</sup> or 17<sup>th</sup> of December and ask can you do that. All members agreed. Karen Umberger stated that she would suggest that the Chairman also ask Carl (Nelson) if he can provide a disk for those that want it in that method and he may in fact be able to. If that's how you are comfortable doing it, fine. Chairman stated he would talk with him on that, too.

Karen Umberger asked if the Town would be on the 10<sup>th</sup> and Chairman LeFebvre stated the 10<sup>th</sup> for the Town and the 15<sup>th</sup> or 16<sup>th</sup> for the School.

Bill Masters asked if there was a date for when the budget was to be submitted. Chairman LeFebvre stated that he did not recall, apologized and stated that he would have the information for the meeting on October 26<sup>th</sup>. On October 26<sup>th</sup>, he will have everything laid out so we know when the Warrant Articles have to be in and all of that good stuff so that we can do our backward planning, to schedule all of our twice a week sessions.

Dave Sordi asked if it was to be expected that the book received on the 15<sup>th</sup> or the 17<sup>th</sup> would be their final version before we meet with them. Chairman LeFebvre stated it will be the version that they will probably do their initial briefing off of, yes. Dave stated so that the number of pages that everyone is talking about getting and having to re-insert we wouldn't see. Chairman stated no. Dave stated if there are going to be a lot of changes, we should tell them our expectations on how to manage changes, rather than doing multiple changes week after week, you get one shot at making changes a week before briefing or whatever and they have to be submitted; maybe set the expectation for that also at the same time you tell them when the books are due, that way it will minimize the number of changes that we have to take a look at. Chairman stated what he will do is make sure that they understand that the desire of the Committee is to have minimal changes as possible. Chairman further stated they will have to make some changes, that's obvious, as will the Town. He didn't want anyone in the TV audience to think we are just knocking the School here, the Town also does change its materials, so we need to understand that and so does the viewing audience.

Chairman LeFebvre stated on page 3, Carl Nelson discussed how many people we wanted to come in to do the presentations. Last year we went away from having the principals come in. The principals are the people who set

their own budgets with guidance from the SAU. Personally, and this was his personal opinion, we should have the principals in to defend their budgets. The fact of the matter is we want the Unit heads in to defend their budgets. All members present concurred except for Doug Swett who abstained.

Chairman LeFebvre stated you did see the results from the school on page 4, on how much their surplus was, \$569,000.00; he did have a question on this: on page 4, Karen Umberger asked on the Warrant Article if anything was left over would it go into the Special Education Fund and Dr. Nelson indicated \$100,000.00 of that, was he referring to the surplus; that was how he understood it and Karen agreed. Karen stated because that's how that Warrant Article is written. Chairman stated that surplus is somewhat less than \$569,000.00 because \$100,000.00 is going to disappear into that.

Chairman LeFebvre stated on page 6, Doug Swett asked what percentage of the Special Education Aides dealt with just one student and Dr. Nelson stated that he would have to get that information. Chairman asked Doug if he still wanted that information and Doug stated he did. Chairman stated that he would address that with Sheryl and Dr. Nelson. Doug stated that will vary from year to year and student to student. Karen Umberger stated on Doug's question, she thought that we should have a little bit further break out on that which says Elementary, Middle School and High School and the reason is if Bartlett sends someone to the High School with a Special Ed requirement, then Bartlett pays for that. What we're interested in is what is Conway's Special Ed thing. Doug stated that's what affects our taxes. Karen further stated when you look at the budget for the High School and the Junior High, the sending towns provide a portion of that, that is always shown, how much the sending towns are paying and then our taxes are based on what's left out of that apportionment.

Chairman LeFebvre stated in the middle of the page 6, Karen Umberger was discussing drop out prevention and so forth, "especially disheartening as when you look at the Middle School and the numbers there, class size is relatively small with the logic for that being able to focus attention and help those at the lower end. Karen asked Dr. Nelson to give a comparison as to what trends have been in this area. Sheryl Kovalik stated observations in general there is a back slide in the Middle School years; in general they slip a little. She would like to see the analysis as well." Chairman asked Karen if she would still like to see that analysis and Karen stated she would because that falls right into our education committee.

Chairman LeFebvre stated on page 7, Karen Umberger is talking about something that she doesn't want to go into tonight so he was not going to talk about that at this point; however, when you want to raise that again please let me know.

Chairman LeFebvre stated he discussed the issue about School Aid and have a promise from them that they will keep us posted on how that is looking as time goes on; afraid next year we are going to see a different issue on the School Aid, but that's a long term issue. Karen Umberger stated

right now the budget is set for 2010 and 2011 and there could be some reductions based on the taxes not coming to support the budget, we've got a couple of Court cases; there are all kinds of things. Chairman stated one of which you could lose \$110 Million. Karen stated there are all kinds of things that could occur, but whether it would come out of education or come out of something else, nobody knows at this point. As soon as we know something, if it effects education, she will let it be known.

Chairman LeFebvre stated on page 8, Karen Umberger is stating that for the Middle School and High School we should have both the number of classes and the number of students. This again goes back to something we were discussing at the K through 8 session earlier today, horror stories about having 30 kids in class and so forth. Chairman asked Karen what exactly are you looking for from them so that he could tell them specifically. Karen stated the comments that you hear are "I have 28 kids in my class" and you hear that from parents as well as teachers and what she was looking for is that the trend or is the trend that the classes are at 5 or 6 or 10; supposedly if you don't have 10, they cancel the class. Chairman stated the question: is the 28 outside the norm. Karen stated yes and the important thing is the core curriculum, but again it's those outliers that have the fewer students. The way the contract reads teachers teach a certain number of hours a week or a day, but it doesn't have anything to do with the number of students that they are supporting, it is just hours taught. She did not know how you get to something like that, but if she was Teacher A in English, is she in contact with 40 students or is she in contact with 15 students. Karen didn't know the answer to that and it certainly makes a difference when you are trying to look at the overall number of teachers when you are talking about hours of contact, that is what's important, student contact and hours that deal with how many students you are contacting with. That doesn't mean if you are only contacting with 4 students that that isn't important.

Chairman LeFebvre stated that was part of what that personnel spreadsheet was designed to address. It may be if the School Board feels that they can not do that or the School Administration feels they can not do that, maybe it is something we want each of the individual principals to discuss in detail when they do their briefing. Karen stated in the Elementary Schools we know what the student contact is, it's whatever the size of the class is and they provide us with that information. Obviously your music teachers and phys ed teacher and those people have a larger number of student contact. Karen further stated that she did not think it was appropriate for the Elementary School; those diversions are at the Middle School and the High School. Maybe the real question is how many classes do you have under 10 students, maybe that's all we need to know. Chairman stated what we are searching for is more definitive information out of the Middle School and out of the High School on class size, number of hours taught, by a teacher. Karen stated we know how many hours are taught because the contract tells you how many. Chairman stated how many students are being taught during those hours; it varies if they are a mentor or something of that nature because that enables them to drop the hours that they teach. Karen stated we know what the contract says and that's the way it is, but it is pupil contact that she was concerned about. Chairman asked for a consensus on this issue.

Chairman LeFebvre stated that was all he came up with; if there are any other questions from the August 26<sup>th</sup> meeting that we want to make sure we address to Sheryl or Dr. Nelson he would be happy to take those later.

Karen Umberger stated the one thing she thought would be beneficial in particular to the new members is for someone on either the School Board of Carl to actually bring in last year's budget and actually go through what's there; he really just brushed over all of that stuff. The devil is always in the details and the devil is that stack of white paper that looks like this and you can get a very broad brush from what the people are coming in to tell us. Until you start connecting the dots as to what's happening and why, such as why is some Special Ed in the budget, why is some Special Ed in Unit 2, why is this here and why is that there and that; in order to understand what's going on inside the workings of the budget if you don't know those things and haven't had the exposure to them then it becomes a lot.

Dave Sordi stated given he and Bill are new this year, is it going to be helpful to us to have a copy of the School Budget from last year to compare this year's to. Karen Umberger stated no, you don't have to do that because it is in the actual budget itself, they give us the comparison.

Bill Masters stated he went back to 1998 and took a look at the number of students in 1998 and, this is the Conway budget for the Conway School District and in 1998 there were 2,106 students and there were 330 staff members or employees of the school and cost was about \$16.3 Million which was an average of \$7,747.00 per student in 1998. Ten years later, we have 358 employees on the staff, 1,916 students and a cost of \$17,170.00 per student. So that's a bunch that we've gone up in 10 years. Chairman LeFebvre stated one thing needed to be factored in is part of what you are looking at is, of course, the new High School and that's a significant bite; if you strip out the new High School costs, your numbers are up significantly. Karen Umberger stated when you talk about costs per student, cost per student is not just the bottom line of the budget divided; that is something we can use and we can throw out a number of \$17,000.00, but when we look at what the State does as you look at cost per student, we're down. Karen referred to the sheet she provided at the last meeting that shows the cost per pupil and the Conway cost per pupil was \$10,977.00. It is all taxpayer money, but we don't include the building costs when talking about the cost per student and she did not know what else was not in there. Chairman stated some of the operational stuff is not in there.

Bob Drinkhall stated Bill's way of looking at it is a more accurate way in the long run; that's more of a cover up as to the true expense. He agreed that looking at the per student cost the way Karen, and he didn't mean it was Karen's figures just that Karen brought it up, which is the School's way of doing it. Bill's is more accurate because that is a cost and it doesn't matter whether it comes from the State or the local government, because it's just a matter of what pocket it comes out of. Bill Masters stated that's the reality of it.

Dan Bacon stated he pulled figures last year; this is from New Hampshire Business magazine; he pulled stuff off the NEA, he pulled stuff off the State of New Hampshire and he pulled stuff off the educational and those are all much higher than this. So, it depends on who's favoring the pot here and he thought we are looking closer to home if we look at our own tax base and our own area and not national averages.

Dave Sordi stated if you are trying to benchmark against other people you have to calculate it the same way everyone else does and he could understand what Karen is saying. You're going to have a base line cost no matter if you have a student in those schools or not and that base line cost has nothing to do with educating students. What you have to look at is what the cost to educate the students is, not the base line cost. If the way they benchmark all the other towns in the State is without those base line costs in it, then you have to do the same comparison. He understood the real cost is going to be that, but you have to factor in that one way or another if you've got a new school up there you're going to have to heat it, you're going to have to cool it, you're going to have to maintain it whether there's a student in it or not. So, he understands what Karen is saying and he looked at that sheet real close and if he remembers right, we were pretty much middle of the road and that is a good place to be especially if you've got a brand new school like we have.

Bob Drinkhall asked about the discussion of the spreadsheets. Chairman LeFebvre stated that we are passing over that until October. Karen Umberger stated that he did say we would not be discussing it tonight.

Doug Swett asked if the Chairman LeFebvre had been contacted by any of the members that missed this meeting and Chairman stated yes, by two individuals who contacted him and stated that they would not be able to make it. Dan Bacon stated that he would be out of town February 27<sup>th</sup> and 28<sup>th</sup>.

**Bob Drinkhall moved, seconded by Bill Masters, to adjourn the meeting at 7:53 PM. Motion carried unanimously.**

Respectfully Submitted,

Iris A. Bowden, Recording Secretary