

**MINUTES OF MEETING
MUNICIPAL BUDGET COMMITTEE
February 1, 2010**

A meeting of the Municipal Budget Committee was called to order at 6:30 PM in the Meeting Room at the Conway Town Hall with the following members present: Chairman Pro Tem Dan Bacon, Bob Drinkhall, Doug Swett, Pat Libby, David Jensen, John Edgerton, Bill Masters, David Sordi, Karen Umberger, Shirley Renahan, Raymond Shakir, Bill Aughton and Sheryl Kovalik. Members excused from meeting: Jim LeFebvre. Members absent from meeting: Ben Kane. Also present: Tara Thomas and Bart Bachman of The Daily Sun.

Chairman Bacon asked Ray Shakir to lead the members in the Pledge of Allegiance.

APPROVAL OF MINUTES

Bob Drinkhall moved, seconded by Karen Umberger, to consider and accept the Minutes of January 13, 2010. In favor: 13; Opposed: 0; Abstain: 0.

REDSTONE FIRE PRECINCT

Dave Pandora, Commissioner, gave the presentation. Chairman Bacon stated he noticed they dropped \$800.00 in the budget. Mr. Pandora stated there was some savings on fuel and other stuff that they didn't use and calls were down, it's unpredictable with the Fire Department on how much gas/diesel you are going to use, so they saw a savings and took it. Chairman asked if that was part of Miscellaneous. Mr. Pandora stated Miscellaneous hasn't actually been used; it has been there for years as an open category, it's never been spent, always left at \$200.00. Chairman stated he was looking at the negative in parentheses, the \$500.00, what is that. Mr. Pandora stated actually the negatives at the bottom, those are for DRA use; when he does their budget, he leaves all of the DRA numbers there and if you compare those numbers to what the DRA forms are, they match. The categories don't all fit; you'll have four categories that fit underneath DRA 4194 which are all building expenses. He puts those in parentheses because it is easier for him when he fills the DRA forms out.

Karen Umberger asked if there were going to be any Warrant Articles this year and Mr. Pandora stated just the one; no Special Articles.

Chairman Bacon thanked Dave Pandora for coming in.

RECOMMENDATIONS FOR THE TOWN

Karen Umberger moved, seconded by Sheryl Kovalik, to request that the Selectmen re-look at their reduction so that the Library could remain level funded. In favor: 9; Opposed: 2 - Doug Swett and Pat Libby; Abstain: 2 - Bob Drinkhall and Bill Masters.

Karen Umberger stated she didn't know exactly how the Selectmen treated the Library budget, because the last figure she saw was a reduction as opposed to what the Library had proposed and she did not know where that stands. Tara Thomas stated they presented to the Selectmen and the Selectmen recommended a \$25,000.00 reduction from what was recommended. The Board of Trustees met on January 4th in preparation to presenting to the Budget Committee that night and decided to level fund their budget so the budget presented to the Budget Committee is different than the one presented to the Selectmen. Her understanding is that because of the way that the Town budget is submitted and appears on the ballot, it all appears as one big lump sum. It is her understanding at this point that the \$25,000.00 is showing in that lump sum. Basically what they are saying is come back and recommend to agree to go with the level funded \$446,137.00 budget. Karen stated the question is: have the Selectmen changed their mind or are they recommending a different number than what the Library has. Bob Drinkhall stated they haven't changed; they haven't taken any vote at this time. Chairman Bacon stated so the recommendation from the Selectmen is still the \$25,000.00 reduction. Bob Drinkhall stated yes.

Sheryl Kovalik asked if that means the submission from the Library has changed, then the standing reduction request by the Town is off of the new number because you haven't had a chance to have a conversation about it. Bob Drinkhall stated he would have to look at the wording to see how the motion went at that point in time; that's a good point because they haven't addressed the new number. Sheryl stated it is safe to say they are not recommending, they can't because things have changed. Karen Umberger stated where she was coming from, she appreciates the action taken by the Library Trustees to level fund the budget and we recognize just over \$8,000.00 in additional taxes are needed to be raised, but we concur with not using the principal from the Library investment.

David Jensen asked if Karen was suggesting that they ask for a smaller reduction. You're suggesting to the Board of Selectmen that the reduction not be \$25,000.00 but that it should be less; is there a number we could put on there. Karen Umberger stated she was not sure what number; the Selectmen are showing that they're recommending \$427,934.00 and the Library is requesting \$446,137.00 and so she assumes that would be an increase of \$18,203.00.

Raymond Shakir stated how does that make it level funded if you are asking for more money. Karen Umberger stated they are not asking for more, they are asking for the same as last year. Bob Drinkhall stated that is an additional \$8,025.00 more from taxpayers due to the fact that is what they reduced the income from investment. Tara Thomas stated it was from a variety of trusts that they have that stipulate what they can use it for. The income from those trusts is down substantially. Ray stated the bottom line is funds from sources other than the taxpayers have been reduced and that's the bottom line. Therefore, they are requesting that the taxpayers make up the difference even though the difference is still going to add up to what they had originally had requested the prior year.

Sheryl Kovalik stated if the Selectmen were to meet again and stay consistent with their original message, they would be requesting a reduction of \$18,203.00 because that would have the same effect as the previous number prior to level funding.

David Sordi stated it was mentioned not taking from the principal, are you able to do that. Tara Thomas stated on most of the trusts, they can't; on the Trust they are able to take from, they are stipulated as to the principal; for instance, they have a trust specifically for the care of the cuckoo clock and are able to draw on the principal from that, but it is specifically for that. David asked are you able to borrow against the principal on any of them and Tara stated not to her knowledge.

David Sordi moved that the Selectmen do not use the Building Capital Reserve Fund for any portion of building the new garage; it should be funded through a Warrant Article or not at all. WITHDRAWN after discussion.

David Sordi stated one of the proposals that was mentioned in the last meeting by Bob was that they were throwing around the idea of \$600,000.00; basically \$200,000.00 from Federal assistance, the stimulus package and if we threw in \$200,000.00 from the Capital Reserve Fund, you would only need \$200,000.00 more and you might be able to fund that out of the general budget and wouldn't have to bond it. That would drop the Capital Reserve Fund down to \$25,000.00 which if something significant happened during the year you would have no money to pay for it.

Raymond Shakir stated he wanted to make sure everyone understands; first of all there is no guarantee that we are going to get \$200,000.00 from anybody; how they assume we are going to get \$200,000.00 is way beyond him; secondly, even if we did get the \$200,000.00 and in almost every instance where the Federal Government gives anybody anything, there's all kinds of strings attached, and we don't know the ramifications of those strings and what they're made out of and sometimes those strings could wind up costing more than the \$200,000.00 that you are "getting". If it was up to him, in his own humble opinion, he wouldn't consider the \$200,000.00 period.

Bob Drinkhall stated as a clarification on all of this; Ray is 100% correct there is no guarantee of the \$200,000.00 and the way the bond is currently written it means \$600,000.00 would come from the taxpayers period should there be nothing from the stimulus and there's no guarantee that we'll have an answer on the stimulus by voting day. What was mentioned was a proposal the staff came up with and hasn't been talked about at great length. Remember tomorrow at 2:00 PM, if anybody is interested, the Garage Committee which has not given any recommendation to date and that is what the committee was formed to do, will make its decision between 2:00 PM and 4:00 PM as to what they recommend and then sometime after 4:00 PM at the Board of Selectmen's meeting tomorrow that recommendation will be made and then the Board of Selectmen will make a decision.

Sheryl Kovalik stated determining the cost of the project is what we should spend on the project and how it should be tackled is different

than how we should pay for it. She sees that as two different conversations, so she doesn't understand how we can be talking about where the money is going to come from until we know what the project is going to cost which is something that has always bothered her a little bit and she wants to see the project be done in a cost effective way and doesn't understand why the cart comes before the horse.

Doug Swett stated this is repeating some things but to get in on this government money, you can't buy a spare nail unless it says "Made in the USA" and dealing with Davis Bacon and if you have to go by Boston wages, he doesn't see getting mixed up with the Government either. The other thing people should understand if we don't build a garage somehow this year or agree to build one, we're going to be stuck with a \$100,000.00 to \$150,000.00 bill to patching up that piece of junk across the street and that he didn't want to see happen; that's a waste of money.

Raymond Shakir stated answering Sheryl's questions, the money is coming from you. It's going to be a bond, it's going to be a Warrant Article bond and that's going to be the request. He has been involved in the Committee with Bob and they have recommendations; whether or not the leadership of this Town approves those recommendations, that's the issue, not the issue of where the money is coming from and not the cart before the horse either. It is simply are they going to agree to our recommendations or not. They did some heavy duty work and came out with some really good numbers; whether they agree to it or not is completely up to them, but they did enough research and enough cutting and making things efficient so that they can bring in the garage for a decent number. Whether they agree with it or not, that's another story.

Bob Drinkhall stated he wanted to answer two questions that were brought up. One, the bond if it goes the way it is currently written for \$600,000.00, it doesn't matter what the stimulus requires because we couldn't spend more than \$600,000.00. Second, the figure that Doug brought up is \$111,000.00 that they want to make repairs to the old garage within the next 5 years should this bond not pass. That hasn't been looked at and he would question those figures; something would have to be done to that garage, it would be costly. Bob thought that it was \$80,000.00 to \$85,000.00 just for electric and that could be upgraded to a safety level for less than that, in his own opinion.

Karen Umberger stated she didn't agree with the motion because she was a Selectmen when they created the Capital Reserve account for government buildings. The purpose of that account was after a period of time, 5 years, we would have money available to build the garage and the money that is in there was sold to the taxpayers to continue to put the money in there year after year after year so that we would have dollars available to offset the cost of the garage. To make a motion saying we can't use any of that money because this is specifically for capital improvements and that's why the money is there; whether we have \$1.00 left or we have \$150,000.00 left, it doesn't matter because it is suppose to be for capital improvements to the Town facilities and that's what the money is for. Any money that is in there needs to go against the garage. She may have missed the meeting when they talked about what capital improvements they were planning over the next couple of years, and she

doesn't know what they are, the Selectmen are planning to put money in this year. She just feels that since we convinced the voters that is why we needed to put money against the garage; now the cost of the garage has been all over the place as we know, but that's neither here or there, that money was to be dedicated to the garage.

Bob Drinkhall stated he agreed with what Karen said as to what was done in the past, but did anybody expect the economy would go as far south as it did and that has affected the Capital Reserve Fund. We didn't put anything in last year and there is the need for a new roof on the Storage Garage and that has to be done in the very near future. He was led to believe that it had to be done within the year and now he is being told, since the plan came up with possibly using that money, that it could be put off for another year and then we would have to have that amount in there at that particular time to do that project. There are other projects that have to be done and he is very leery about having nothing or very little left in that account.

Raymond Shakir stated he was having a little problem understanding the definitions; he would consider a capital improvement as some kind of addition to the garage or some type of upgrade like putting in a lift. He doesn't consider capital improvement putting on a roof, that seems to be a maintenance thing. Are we talking about the same thing when talking about capital improvements, are we talking about any kind of improvement or maintenance to the building or are we talking about an expansion or new equipment or new space or whatever. Karen Umberger stated when the fund was set up we had a 5 year plan and that was the extent of it; it wasn't a forever plan, we had a 5 year plan to do repairs. One of the things that was done under this was the siding for this building and the new windows. We did some work in the Police Department, it was that sort of thing.

David Jensen stated the general consensus in this room is that everyone wants to see a new garage. Assuming that to be the case and we all want to see a good garage, a safe garage and one that's going to last a long time, his concern is that sort of like the conversations about health care at the national level, the more we twist and turn in the wind on how we are going to do it, the less anybody is going to want to listen to what our recommendation is. There was some conversation last week about if we used the Capital Reserve Fund which was established for this purpose and if there was some federal money available, there would be a whole lot less to be done as taxes. He thought he remembered from last year that if you are even looking at a bond, you had to be up over a certain dollar amount before bond agencies were going to get involved. John Edgerton stated the Treasurer is going to have to hunt that because State Street or Bank of America or whoever it is, Rothchild is \$500,000.00 minimum, but that's the highest one so they can go to some of the Maine banks or Massachusetts banks, the big banks and find out what the minimum is they will do. David further stated which raises the question and he didn't know maybe this has been handled already given everything that's been going on in the news, are banks lending this sort of money right now. To bring it around to the last part, if what Earl (Sires) was saying last week if we really want this to get done and by not doing it as a bond means that the threshold for it being supported by

the public is lower, the dollars are going to be roughly the same to us, it may come to us at a different point in time, but the dollars are going to be roughly the same whether we finance it through a bond or we finance it through taxes. It seems to him that we don't want to spin this around as much.

John Edgerton stated he wanted the garage, we need the garage; it's up to the Selectmen and the Treasurer to hunt this out. The Treasurer can go get estimates and the Selectmen can agree with it or not, but \$500,000.00 is not a lot of money. That can go to the local banks because of the decrease in payments of the big loans that are coming, they can probably get a 5 year Note at some ridiculous interest rate; the bank gets a write-off for a municipal loan on their taxes so it benefits all the local banks even to do \$500,000.00 and that's only a good sized house today. This is no big deal for the local banks; you don't have to go to Rothchild or Bank of America or CitiGroup. He doesn't want to micro-manage where they are going.

Bob Drinkhall asked if everyone received a copy of the Garage Budget and the expenditure sheet. Basically it's based on a \$600,000.00 cost of the garage and that hasn't been determined or shouldn't have been determined because there has been no recommendation yet as a Committee. Assuming it is \$600,000.00, the idea was \$200,000.00 from the Grant which we may not know the answer prior to election day; \$200,000.00 from the Capital Reserve Fund and then the remaining need of only \$200,000.00. The reason this was brought forward is if we funded \$200,000.00 through taxes this year, we'd save on financing costs and that is why this was brought up at this time. Basically, it was no bond whatsoever.

John Edgerton stated if they didn't get the \$200,000.00 from the Federal Government and they went to a local bank and got a short term Note, they could still do it but he saw no problem at all as far as funding the money.

Chairman Bacon stated he agreed with Karen; he wouldn't agree with the recommendation either and he wouldn't agree to put it out there because the simple fact is we still have a meeting that the Garage Committee has to do and recommend to the Town. The Town is also going to have their bond hearing on the 9th so all that has to come out and the figures will probably work themselves out; everybody is aware it is about \$600,000.00 maybe a little more. He is in favor of a garage because he thinks we need it; it has been a long time coming, we looked at it last year. John is right about the financing if you put it over long term; we have Notes coming due that we can pay off and he didn't think it would effect us that bad.

David Sordi stated he would like to bring up for discussion the report the Police Department talked about, an evaluation of police officers that they feel is necessary based on criteria by the FBI. He believes they only presented that report to us and not to the Selectmen. Bob Drinkhall stated that specific report, he didn't believe so. David further stated that the recommendation that he would make is that the Selectmen should consider that report and possibly put together a committee this year to take a look at that and have the committee make a recommendation of what

we need to do in response to that report. Just leaving that report hanging out there is problematic. Bob stated he would disagree because the Police weren't asking for anything more, they stressed that and why do we want to look into spending more if they're satisfied with that budget. David stated he didn't know if they specifically said that but they generated a report that provides a recommendation for a number of Police Officers that's more than double what we have in the Town and his only concern would be that the report is there and based on criteria established by the Federal Government, the Town should at least respond to the report that was presented to the Budget Committee and he didn't think we have. Chairman Bacon stated that was something that Jim had requested for them to put together so that everybody in Town would have an understanding of what the criteria was. What you are looking for is maybe to have them review over the next year to see if they really need to come back and ask for more positions. David stated the Town needs to evaluate it with the Police Department to see if there are additional positions that are necessary.

Sheryl Kovalik moved, seconded by Karen UMBERGER, that the Budget Committee encourage the Selectmen and the Police Commissioners to work with the Police Department to establish a protocol and an approach for self-evaluation to determine if they have adequate staff and how to self-assess whether they are meeting the needs of the Community. WITHDRAWN after discussion.

Sheryl Kovalik stated she would like to tweak it a little bit. It is always hard when they come to us and ask for additional Police Officers because it costs more money and there is a reluctance to want to grow the Police force for what might be perceived as arbitrary reasons. She would like to see them, with the support of the Selectmen, make a plan that doesn't say this is how many Police Officers we are going to add but this is how we are going to self-assess to determine if we are meeting the demand and we will do this on an annual basis and give a report back to the Town.

Pat Libby stated you have a chain of command problem here because you seem to be eliminating the Police Commissioners who stand between the Selectmen and the Police Department. The governance it seems to her is via the Police Commission, the Selectmen only get involved because of the budget and they really don't control it. It's a similar situation to the Library where you have this other political body in the middle.

Bill Masters stated looking at the feedback they gave us, it is just an evaluation in terms of what they have versus what others have in terms of resource personnel and makes a comparison. There is quite an extensive review that they did to determine whether or not they are staffed properly; they didn't develop a long range plan for that staffing, but they did do a review of their work force versus other communities with similar demands and they did point out that we are number one in Class A Offenses in the State. He was not certain that we need to ask them to develop a long term proposal to incorporate their evaluation and present that in terms of increasing personnel over periods of time.

Chairman Bacon stated it was a good report but he thought the report was based on a lot of figures that were drawn up by the Government from all the different agencies. What we are looking for is our area in general, assessing what their in house needs are so we have a better understanding. You can pull statistics off the internet and come up with a report. We do need to have an in-house assessment to really figure that out and probably they are going to need a year or so just to look at that.

Doug Swett stated he didn't think Jim intended to have it turn out this way but what he did was give them an opening to go at us and soften us up for a year. The way the economy is going in this country and around the world, to talk about expanding anything in this town and in fact it should be cut and cut severely in all departments. Chairman Bacon stated that is why we want to have the in-house assessment; we don't want to just go by the assessment of the Federal or State Government.

Bob Drinkhall stated he agrees with what the last two have said completely; he doesn't think we need to do this motion, it is up to the Police Department to go through their Commission and if they so desire, to then come forth with whatever their recommendation may be and don't forget it was 37 needed versus the 14 that we have, yet we have 20 some odd police with only 14 patrolmen. There could also be a question as to the allocations; just something else to throw out there.

Karen Umberger stated this reminded her of when the School was asked to look at K through 8 delivery of education. She didn't think it means we are giving the Police Department carte blanche to come back and ask for additional police officers or anything of the kind, she still feels pretty safe on the streets of North Conway or of Conway. She does think that sometimes when you start pulling things from all over the place, you can get some interesting numbers that may or may not be true, but she does feel that before any changes should come about that there needs to be some sort of self-assessment. Bob's point about maybe it's a distribution of work force, maybe that's a problem, she doesn't know and she was not asking, and she doesn't think that the police were necessarily asking for any additional people, they just wanted to provide an option. She thinks it is good for any organization to re-look at how they're doing business, what they're doing and she thought that hopefully it would help all of us in our ability to understand the \$2.5 Million Police Budget that keeps going up and up and up.

David Jensen stated as a fairly new member, are not the recommendations of the Budget Committee suppose to be germane to the budget. No disrespect, this is not a budget issue and the last question on the garage is not a budget issue because there's no line on the budget for it as far as he knows and there's no specific proposal that we've reviewed or had anything to do with. Aren't we suppose to be talking about things on the budget that have been presented to us. Karen Umberger stated the bond issue is extremely important to the Budget Committee and she is personally very, very disappointed that we don't have something before us to discuss and thought that's a downfall. David stated his question is that if we are writing a letter of recommendations about the budget, shouldn't they be about the budget. Karen stated when you look at

budgeting, you also have to look at the long term focus and what's going to happen next year or the year after. She refers back to the K through 8 Study and she believes that the School Board is still working on it. She would hate for any department in either the Town or the School to come in and say they need 4 more people if they hadn't done some very serious preliminary work to help the Budget Committee understand. David stated he was not saying these are not extraordinary important subjects, he was just questioning if they were subjects to the task at hand; is there somebody that does know what they are suppose to be doing.

David Sordi stated on the garage, the reason he put that out there was solely because of what he understood was the possibility of using the Capital Reserve Fund and that to him was within the budget. He was solely focusing on the Capital Reserve Fund.

Chairman Bacon called Point of Order; we are getting off track, we need to get back to what is on the table.

Sheryl Kovalik stated she was rethinking her strategy and that we should not make this as a motion but should send a letter thanking the Police for doing this particular presentation and encourage them to work with the Commissioners in a planning direction so that they have sound documentation in the event they ever come to us with a request for additional staff. Bob Drinkhall agreed with Sheryl. Sheryl stated it would have the same effect and is less of a directive. David Sordi stated the reason he raised it is we were the only ones they presented it to and for us not to act on it, could be a problem in the future.

Ray Shakir stated that's the whole basis of the Budget Committee. If you were running a department, you would come in and say "I need more manpower for this department and here's why", so you're making your argument of why you need the extra manpower to run your department and if you don't make a good case on why you need additional people or building or whatever you need, you're not going to get the vote. That's the basic crux of the Budget Committee, to evaluate based on need that's presented by the people that are requesting whatever.

Chairman Bacon stated basically we're all agreeing that we should send a letter thanking them and he would be happy to do that instead of making it a motion. It would probably be better at this point, instead of making it a recommendation to them, to thank them and consider looking in to the evaluation of their force over the next year.

Sheryl Kovalik stated she didn't like any of the recommendations that Jim sent via e-mail, but in his absence aren't we obligated since he sent it to everybody to have a conversation. He did go through the work and she does think it deserves conversation. She didn't understand Number 2 and hopes someone can explain that; she totally understands Number 3 so maybe we should start there first since we have already covered the Library. Number 3 was where he wanted us to reduce the Recreation budget which she doesn't agree with.

Chairman Bacon stated he wanted everybody to see Jim's comments, make sure it was all out there and that we bring it up for discussion, but

didn't think we needed to spend a lot of time on it as he has it all laid out. Chairman further stated that he didn't take Jim's e-mail as recommendations. He is not here so he can't; this is actually just open for group discussion and see where it goes and it's open to the public. He is not going to allow motions because Jim is not here. Sheryl Kovalik stated unless someone else shares his point of view. Doug Swett suggested that maybe the e-mail should be read so everyone would know what is being talked about. Chairman read the following from the e-mail by Jim LeFebvre:

"3. I would also recommend a reduction of \$25-\$30K targeted to Recreation. The current usage of the Teen Center does not warrant last year's increase of \$40K. The reduction of \$25-\$30K should enable the staff to continue with the most popular evenings and special events, until they can demonstrate a true demand, which an average of 25 kids does not."

Karen Umberger stated we are having a lot of problems this year and part of it is because the Selectmen have not set the fees for this year unless that occurred last week, and it becomes difficult for her to know what to do about anything in the Recreation area. We don't know what we can anticipate as revenue and she was not even sure if the Selectmen have decided how much they are going to take out of the Revolving Fund this year to put against the Rec Program. All that makes a big difference in what we do. She believes there is no charge at all for the Teen Center and that maybe what we should look at is some minor charge for that particular service, but she doesn't know where to go because we don't know what the Selectmen are thinking about in that regard.

Raymond Shakir stated almost every subject can be broke down to the category of want and need and this is clearly a situation of want rather than need, especially in this particular climate when so many people are having so much of a problem meeting their necessities that situations of want should be given very, very little attention.

Bill Aughton stated this may sound funny, but we want a garage and one of the reasons the garage sank last year was because this room was full of people saying you want to shut the Teen Center down and build an \$800,000.00 garage. Whatever we need has to be balanced very carefully. If you take \$20,000.00 out of the Teen Center, he guarantees those seats are going to fill up again and we don't know where we're going to get the money for the garage yet. He'd rather leave it as it is and work on the new garage.

Pat Libby stated in fairness to Jim, it would be better for you to read all three recommendations that he made.

Pat Libby moved, seconded by Karen Umberger, to cut \$600.00 out of the budget for the American Legion/Nasby King Field because John Eastman stated he did not need it and it would be removed from the budget. In favor: 12; Opposed: 0; Abstain: 1 - Bob Drinkhall.

Raymond Shakir disagreed; we need a new garage, we don't want a new garage. We need a new garage because if we didn't build a new garage the expense of maintaining the old garage will be cost prohibitive; so it's not a question of wanting a garage, we definitely need a new garage; we may want recreation facilities, but we don't need recreation facilities.

Bob Drinkhall stated he would quote exactly from the Minutes:

"Parks and Recreation, John Eastman appeared before the Board. Mr. Martin stated that fees are not a part of the budget process."

Hence, we (Selectmen) went ahead and voted on the budget of \$292,758.00 and it unanimously carried 5-0-0.

Sheryl Kovalik stated as a point of clarification, does the difference between the actual budget and the past budget for 2009 mean that they used money from the Revolving Fund or they collected fees; assuming they balance their budget, is that a fair assumption. Karen Umberger stated it was a fair assumption, but she did not know where they got it from, the Selectmen can take it from any place. Bob Drinkhall asked if that helped and Sheryl stated it helps a little but it doesn't help her overcome the fact that they spent more than they were budgeted and we don't know if that was accounted for by unanticipated revenue or whether it was provided for by unanticipated revenue from fees or some other source or whether they were over budget period. Bob stated he did not have that answer.

David Jensen moved the question.

David Sordi stated this is an idea to throw out and it is a budget idea. Now that everyone's budget is in and everyone has put into the budget what they want or need, a thought that we might pass along to the Selectmen is to do a 5% across the Board cut from all departments which would be about \$500,000.00. If you do a 5% across the Board budget cut in all departments and establish through a Warrant Article a \$100,000.00 Operating Reserve Fund that would be administered by the Selectmen or the Town Manager, as you get towards the end of the year people's budgets start running out, it would be a way to eliminate about \$400,000.00 from the budget. David was not sure if that was something that could be done and he was not sure if that was something that might be done. Bob Drinkhall stated he asked the very same question; he thought it was a good idea and was told that it could not be done. David stated it would be a \$100,000.00 Operating Reserve Fund that would not roll over from year to year, but they would use it in case of shortfalls in one particular area. Bob stated he didn't claim to know the legality of it, but he was told it can't be done. It was a suggestion he had as opposed to having items over the years when going over the budget line by line and seeing things that are never spent. He asked the exact same thing and was told it couldn't be done that way. Karen Umberger stated you can not establish a fund for operating expenses; you can do a reserve fund for a specific thing.

John Edgerton stated he didn't know if it was Federal or State law, but the 4th quarter can't exceed any of the other quarters. You can't hang money in there to balance out the last quarter if things came up in the last quarter; you can't do that.

Sheryl Kovalik stated she thought that the Town was allowed to have a fund balance; what is the current fund balance. Karen Umberger stated it's \$1 Million something. Bob Drinkhall stated it's about half of what it was a few years ago. Sheryl stated every year we roll over, for argument's sake, \$1 Million as a fund balance and that's legally allowed as a provision to protect us from uncollected revenue. Karen stated it is really for cash flow because the Town has to pay the School, it has to pay the Precincts and it has to pay those kinds of things. It's really a cash flow thing, so that when they send you \$500,000.00 in January or February and tax collections haven't come in, they are able to send you that money. Sheryl Kovalik stated the alternative would be if you didn't have this fund balance rolling forward, you would borrow to meet that responsibility at whatever the interest rate is at that time and then you wait for the revenue to come in and pay it off. Sheryl further asked if there was a set of principals that guides what the fund balance needs to be, a percentage of your budget and what's advised by DRA. John Edgerton stated the DRA advises it. Karen stated it's between 5% and 10%. Sheryl further asked if they were within that range and Bob stated we are going to be at the low end. Bob further stated as recently as 2002 we had \$2,643,000.00; as of January 1, 2008 it was \$1.6 Million, almost \$1.7 Million.

Chairman Bacon stated the 3 items we were discussing earlier in Jim's e-mail had to do with the Rec Center and there were a couple of other things listed:

"1. Regarding the Town Library - recommend that they find \$8,500.00 in cuts to keep their funding from the taxpayers level with last year. I fully support the Library's mission, and tend to agree with the argument that one should not cut hours or personnel in this environment for the facility. However, according to the Head Librarian (per discussion with Karen Umberger) they are asking the taxpayers to fund an additional \$8,500.00 due to the fact that the Trust fund does not have the interest/dividends to take from this year. Finding an additional \$8,500.00 to remove from their bottom line does not strike me as hard to do within their current budget.

Chairman Bacon asked if there were any comments. Karen Umberger stated she thought we had dispatched that.

Chairman Bacon proceeded to read #2 of Jim's e-mail:

"2. Regarding the central of the Town Government pay raises. Given the current economic conditions of the State and the Valley, it is my personal belief that the staff and Selectboard should find a way to reduce the bottom line of the budget by an amount equal to the pay raises scheduled

to take effect; be they programmed or due to contract negotiations. A true zero increase in salary, given that the CPI showed zero inflation last year, is warranted. I would also make the same recommendation to the Police Commission and Selectboard regarding the police and police staff pay increases for this year. I also want to emphasize that I believe that both the central town government staff and the police department are doing excellent work, and are to be commended for their performance."

Chairman Bacon asked for comments in that area. Karen Umberger stated she didn't know what Earl's increase was this year because he gets paid in a different manner than everybody else; she didn't know if that had been decided. On the other people, they are on the merit pay system and the Town has already reduced the merit pay from 3% to 2% so they have made some reduction. She didn't get a pay raise this year and she could guarantee that the State is not going to raise her \$100.00 per year. It's always difficult when you try to say to people that have been doing a good job that we're going to recommend that you not get any kind of increase. She feels that is an issue that the Selectmen need to deal with and doesn't feel it is a Budget Committee thing. She did ask the Police Department, as a Budget Committee member, to look into reducing their merit pay raises and was politely told "no" because she was concerned about it and the same e-mail went to the other Town officials and the Town did agree and came forward with a 2% increase. The Town reacted to that and the Police Department chose not to and they are at whatever their normal merit pay raises are but she still feels in regards to pay raises that needs to be at the Selectmen level for the Town and the Police Commission level and if we don't like the decisions they make then when they run next April, we can not vote them back in.

David Jensen stated he mostly agreed with Karen, but thought Jim was not urging anybody to change anybody's pay; he was urging that the budget be cut every place but pay in order to bring the budget in line. He wasn't asking anybody to cut their pay, he was saying give the Town crews less salt or give the Police Department less bullets or something; he wasn't saying to take anything out of anybody's paycheck. Karen Umberger stated that was not how she read it; "a true zero increase in salary, given that the CPI showed zero inflation last year is warranted". David stated that he understood that part but it sounded to him like he was saying we can't do anything about the pay so we should make the budget zero some other way.

Sheryl Kovalik stated she was not inclined to make a motion out of it because the nature of that kind of a cut across the board would most definitely result in staff decreases. In this particular case, she was going to support what the Selectmen have put forward; she thought they had squeezed the Town pretty hard. Bob Drinkhall stated he was the one that insisted that they go line by line which they weren't going to do this year and he made numerous suggestions, a few of which passed, none of the major ones did. Bob further stated that he had calculated out just how much did not pass that he recommended but, of course, in the end he did vote with the Board on the overall budget in the affirmative.

Karen Umberger stated she had a couple of problems; one is Revenue which although it doesn't affect the budget, it does affect the tax rate and she didn't know if she had seen a projected tax rate but was particularly concerned that the Town is projecting a \$250,000.00+ increase in Revenue for this year. She didn't know what the final Revenue figures were from last year versus what was planned and so she is really worried about whether or not the Revenue side is a realistic projection and if it is, then great because that leaves the tax rate at whatever it is; but if it is not, then in October when DRA comes to do the taxes and set the rate then that causes some problems. Karen further stated she knows Lucy (Philbrick) does a good job and has done a good job in the past with Revenue projections and she really is concerned about what's going to happen in that area. Maybe we'll see something later on that's a little bit clearer but right now she just doesn't foresee a \$250,000.00+ increase in Revenue in 2010. Maybe all that is just something for Bob to be aware of and have a discussion because she knows the Selectmen always discuss Revenue in order to provide projected tax rates. They have to decide if they are going to take money out of the rainy day fund or any number of other things and, of course, projected Revenue is where they come up with the projected tax rate. Those are Revenue questions that are concerning her from a taxpayers point of view and if we don't get the Revenue then our tax rates will change.

John Edgerton had a question for Karen because she was the only one in the room that had access to some kind of feeling as to what the Governor is going to do to us and if the Governor and the State are in really as bad a shape as they say they are, what is your feeling as far as Revenue from the State. Karen Umberger stated the Revenue that comes down to the Town is basically set and that will come unless they stand up and say we're not going to do that. But the percentages and how much is set for the biennium she doesn't expect that to change; if something comes up, obviously she will let people know but right now she has not heard anything about reducing anything back to the Towns.

Bob Drinkhall asked Karen about the \$110 Million malpractice suit, what will that do to the State Government and where will that come from. Karen Umberger stated she did not know. John Edgerton stated if they take the \$110 Million, they set a precedent that will be unbelievably ricocheting all the way across this country. Bob Drinkhall stated that is figured into the year's budget as Revenue. Karen stated the Supreme Court decided no.

Karen Umberger stated on the expense side, overall the Town budget is up approximately \$623,000.00 over last year. However, if you look at the bottom line number, that number is only \$410,000.00 up but what's sneaking in there is the fact that we had a bond that expired or we paid off along with interest that we paid off and that came to \$126,000.00 in savings. When you put all of this together a \$623,000.00 increase is a little bit more than chump change. Where did this come from; it came from employee benefits that increased by \$262,000.00, it came from \$241,000.00 addition to the Capital Reserve Funds and it came from merit pay of \$35,000.00 which of course will compound into next year and the years after. On the Employee Benefits, there is not really a lot we can do about the health insurance increase that occurred unless we once again

drastically change what we do in health insurance. To the best of her knowledge and it certainly wasn't briefed, the Town did not go forward, as the School did, with the \$500.00 deductible plan and she didn't remember if there was a contract up this year. Bob Drinkhall stated he didn't know. Karen further stated that is perhaps an issue, but she didn't like to hear things like "we are just barely making it", "we aren't doing things that we couldn't possibly cut something out of" and she brings that forward and knows that last year the Selectmen cut the Capital Reserve Funds down and they're attempting, in her opinion, to make it all up in one year. She gets really uptight over this when one would think if we had a bond that we paid off, that we should be able to see some reduction in our costs in our budget and that we wouldn't be eating that all up. Obviously, she was not going to recommend that we cut employee benefits.

Chairman Bacon stated his biggest thing when talking about recommendations and budget cuts and he was going to say it again so that the public hears it, he has a big problem when we take away from the Town, the Schools or whatever it might be and in this case, the Town is \$410,000.00 over on their budget. It seems like there's a "I'm going to get mine" attitude and he knows we don't have any control over benefits and he is really tired of hearing that too. Tired of hearing "we don't have any control", taxpayers should have the control over what we spend, how we spend it and we should be the ultimate decision making. The Unions, benefits, we hear it every year and he didn't get a cost of living increase on his VA Retirement nor on his Social Security and for other people to get merit pay or whatever they're getting, additional benefits just because the insurance companies may want to charge more. The people that are using these services and getting these services need to step up to the plate and make some type of comment instead of just letting their superiors roll with the flow and say "there's nothing we can do about it".

Chairman Bacon moved, seconded by John Edgerton, to cut the budget by \$623,000.00. In favor: 5 - Chairman Bacon, Shirley Renahan, Raymond Shakir, Doug Swett and Bill Masters; Opposed: 7; Abstain: 1 - Bob Drinkhall.

John Edgerton stated Karen couldn't find the whole \$623,000.00. Karen Umberger stated she found it all. John further stated the School absorbed \$1.635 Million of which he found \$35,000.00 for the Police Officer that they are paying the Police Department for and the Special Ed at \$400,000.00, leaving \$1.2 Million and we still don't know where that goes. Sheryl Kovalik stated Point of Order; she asked for that information to be provided and she needed to comment directly on the whole discussion of benefits. Based on her limited experience with negotiating contracts, there has always been the option with a Union Contract upon mutual agreement with written documents to open a conversation relative to one segment of that Contract for the purpose of improving the situation. They actually had, when they didn't have a negotiation, they opened conversation on health insurance to change because it was specified by name which carrier it was going to be, to negotiate which carrier it would be so that we could get a reduced rate in health insurance. She didn't know whether the Town has tried that or

not, but minimally she would go there first even if it wasn't a negotiating year because it is worth it to see if they will come to the table.

Chairman Bacon stated the reason he was bringing this up was because tough times are ahead and maybe he could expand on his motion to say he would like to see the Town take \$623,000.00 overall from their budget and put it into a fund for the garage. The fact is when the Town or whoever is doing the cutting, from what he has seen, it's always the taxpayers that are hurting, it's always the services. It's a manipulation and shifting of funds. It's a lot of paperwork and he is fairly good with numbers and he can see when things are shifting and moving and to him, that's deception because we're moving money from one place to another and we're taking away. He would rather see the stuff for the kids stay in the Town. Obviously, if we ask for a cut of \$623,000.00, he can almost guarantee they are going to take away resources instead of looking at the pay salaries and re-thinking about the way they are being funded about their own jobs.

John Edgerton stated his real concern is the debt payments are going down at a rapid rate over the next few years, are they going to absorb that also. The trend is to absorb everything that's not being paid out to make the balanced budget and we've got big money in the next few years that's not going out to debt payment.

David Sordi stated Dan stated if we cut \$623,000.00 they will cut services rather than leave the services alone or minimizing the impact of the services which was one of the reasons why he said reduce it 5% across all departments because then every department has to take a look at it and how they are going to do it; leave it up to the departments how they are going to do it. Rather than eliminating this service or eliminating that service, if you put it at a percent, it is more easily translatable across all the departments then having to divvy up who is going to have to get rid of \$623,000.00. Chairman Bacon stated his point of the whole thing is no matter what we say or how we word it, every department will still take away the resources and the benefits and pay will not be affected.

David Jensen stated assuming we were to vote on Dan's motion and it was approved, it went to the Board of Selectmen and against all precedent they agreed to that, at this point in time the only thing they could take out of the budget is everything but what you want taken out of the budget; the one thing that they cannot touch is the one thing that you are upset about. Chairman Bacon stated absolutely; the point is he knows they are going to do it but he is willing to stand up and say "do it" because maybe the taxpayers would stand up, get out and start talking, coming to the meetings, going to the Deliberations; at last year's Deliberations there wasn't very many people.

Karen Umberger stated she personally would not go for the whole \$623,000.00 but what she would say is that the \$120,000.00 which was how much we are not paying on the bond should in fact be taken out and that would be her counter. She looked at the \$400,000.00 but then as she was doing some more looking and saw that it was really a lot more than that;

that at least would show that we know that we've got some interesting things going on within the budget.

Bob Drinkhall stated he has to support what was voted on but if you will recall a few meetings ago he mentioned the fact that if you run a business or a household budget and all of a sudden a given expense goes up such as fuel oil or gasoline which you have to have to get to work, you don't just automatically get a raise and in this economy if it's a business, you don't just automatically raise your prices because you'll be out of business, so you have to find the money somewhere. Spending cuts in a little over a year, 67% or 69% of cities have been laying off, furloughing without pay or freezing wages; one local town cut road salt by \$75,000.00 and yet your vehicle is still white; Fitchburg was turning off 60% of their street lights; Brockton, MA laid off 101 employees; Strafford County laid off 40 full-time employees, they also stopped paying several programs it helped fund in the past; 1,800 UPS workers were laid off recently; Pratt & Whitney in Berwick were laying off; just today or the day before he heard about a 25 year old trucking company in Maine that just closed its doors; something has to be done is his point. He attempted line by line and didn't get too far.

Sheryl Kovalik stated her concern with those statistics is that anybody laying people off now is doing it because they have revenue shortfalls and they are already over budget. Nobody would be making these cuts today in any town if they had the funds available to meet those debts. You're not seeing people planning for a budget cut, you're seeing people reacting to bad management, in her opinion, instead of cutting their expenses and their overhead when they could and keeping those people or anticipating in last year's budget cycle the shortfall that they were going to have, those are bad management situations. You don't see Conway having to do that, they are not laying people off because they are short of funds and that's a whole different structure. She was not saying we don't have to be worried and be conservative, but those are bad examples against the Town of Conway because we're not in that same situation, we may be there next year, but we are not there now. Those people are reacting to bad situations they already have; just like the closing of schools in Manchester and those other Districts Bob quoted, those budgets ended up without enough money to fund them and that's why they started making those radical moves. She's not saying she is not in favor of being more conservative, she just doesn't like the use of those stories in this context.

Raymond Shakir stated believe it or not he agreed with Sheryl. He would strongly suggest that a part of or a major part of that bad management display goes exactly to where Dan was. Bad managers caved into Union pressure and we got all of this Cadillac health care programs and incredible retirement programs where you get retirees walking away with pensions predicated on their overtime, sick leave and all of that stuff; these are all negotiated situations that manifested itself because of bad management. What we have to do is make sure that when we are involved in negotiating with Union contracts, we sit at the table and start with a clean slate and not basically build on what they've acquired in previous contracts which is basically where the Union negotiation starts from almost every time they come to the table; we have this now, let's see how

much more we can capitalize on it instead of getting to the table and saying we're starting off at ground zero and working from there. The whole process has to be looked at, not just one little segment.

Sheryl Kovalik stated she didn't disagree; it took them 3 years to get to the point where they had the \$500.00 deductible in the Teachers' Contract and that was one year with no contract at all. She understands how difficult it can be and it isn't an easy process and she has never participated on the Town side of those Union negotiations so she doesn't know what it's like at those tables and maybe they're working hard at it and not making success. Sheryl further stated she would like to see a motion on the floor for a specific budget cut to get us back on task. Chairman Bacon advised that there was a motion on the floor.

Doug Swett stated when you get the results of this vote, what are you going to do; send the recommendation to the Selectmen and we are powerless. John Edgerton stated the Default Budget in all cases takes out the reduction in debt payment no matter what it is.

Pat Libby moved the question.

Karen Umberger moved, seconded by Pat Libby, to ask the Town to reduce the budget by \$125,000.00, based on the fact of a decrease in the bond payment; that sort of decrease should reflect and not be part of an increase. In favor: 9; Opposed: 3 - Chairman Dan Bacon, Sheryl Kovalik and David Jensen; Abstain: 1 - Bob Drinkhall.

David Sordi asked Karen if she would you consider modifying that to a percentage of the budget equivalent to \$120,000.00 because his fear is that the \$120,000.00 will be inordinately put on certain departments much more than other departments. John Edgerton stated can't do that. Karen Umberger stated that would be less than 1%. Sheryl Kovalik stated while that's less micro-managing, the only reason it's not really a big difference is once the budget passes, they have line item discretion and they can move monies from budget categories to others. David stated his fear is that they will turn to the Library and say you have to eliminate \$50,000.00 to make it up. Sheryl stated in reality what will happen, and she's just guessing, that the Budget Committee will make a recommendation, if it passes that they do make this cut, the voter will be given three numbers: they will be given the Budget Committee's recommended budget, they will be given the Selectmen's recommended budget and they will be given the Default Budget and there will be a lot of conversation at the Deliberative Meeting and the voters will either amend the Budget Committee's recommendation to match the Selectmen's recommendation or not and that's kind of where it goes to the next level.

Karen Umberger stated this is simply a recommendation to the Selectmen and then we'll see what they do with it and that will determine where we go beyond that.

Pat Libby asked when the Default Budget would be discussed and to whether or not it is acceptable, what was submitted to us. Pat further stated that it seemed to her that at one point Karen questioned whether or not the Capital Reserve Fund should be in the Default Budget. Karen Umberger

stated she certainly wouldn't put it in there but remember we set the Default Budget. This is just the Town's recommendation; we don't need to do this until next week because it has to be done prior to the Public Hearing. Pat Libby stated she would like to hear Karen's reasoning and perhaps convey that in the letter to the Selectmen and have them more or less agree.

Karen Umberger stated to her this is an increase that should not impact the Default Budget. The Town has chosen to keep the Capital Reserve accounts in the Budget and if you look at what it says in the rules, to the best of her knowledge, there's nothing about Capital Reserve accounts especially increases to Capital Reserve accounts because all Capital Reserve accounts now are not to be in the budget. It certainly doesn't make sense to include them in the increase. Chairman Bacon stated if we are uncertain, for the meeting on the 8th he will get a hold of the DRA.

Pat Libby asked if we should assume that this discussion took place and Bob will bring it up or should we put it in the letter that we have some questions about that. Chairman Bacon stated this is general discussion, we can't send a recommendation. Karen Umberger stated because it is our Default Budget, she would say Bob could probably tell them that we are concerned about this and we should perhaps ask him to do that. Chairman asked Bob Drinkhall if he could do that and Bob stated he could.

OTHER BUSINESS

Chairman Bacon stated he would be sending a letter to Ben Kane; after tonight he will be removed under the RSA which he passed out last week; he has missed 4 consecutive meetings. Karen Umberger stated Jim excused him. Chairman stated Jim excused him until January 13th, tonight is the 4th meeting that Ben has missed, therefore Ben Kane has removed himself from the Budget Committee and it now makes the quorum 7. Chairman advised that he would do the courtesy letter the same as was mentioned at the last meeting. By Ben not showing up tonight, he automatically removes himself under the RSA and, having said that, he was going to ask for a recommendation that we vote to put David Sordi to act as the Vice Chair for the Budget Committee.

Karen Umberger stated the only thing she would ask the Chairman to do and she understands where he is coming from, but she thought Jim had said that he was going to be gone until the end of January. Chairman Bacon stated he has already spoken with Jim LeFebvre and the 13th he was suppose to report back and give an idea of when he was coming back. Chairman further stated under the rules of the RSA, 4 meetings and he has removed himself and it was not actually open for discussion; he had automatically removed himself.

John Edgerton asked if it was unexcused only and Chairman Bacon stated that was correct, unexcused. Sheryl Kovalik asked if Ben Kane was aware of that, she knows that it is his responsibility to know what the RSA is, but she personally did not know that the RSA existed so she just as easily could have had it happen to her, not that it's likely but did anyone inform him that he had that window. Chairman Bacon stated if he accepted the Vice Chair, he should have been aware of whatever was said

between him and Jim. We can discuss this all day long, but like he explained at the last meeting, the rules are the rules and the RSA's were not set in place for us to just turn around and say excuse me, I'm going to not follow that.

Bob Drinkhall stated as much as he understood what the Chairman was saying, he had to agree with Karen and Sheryl, no one knew of this and he has been told basically the exact opposite. Just as a courtesy, it would not hurt. Chairman Bacon stated the RSA says what it says, to give someone courtesy now after they should have been here for 4 meetings when the rules state what they state. We can beat this to the end and he will put a stop to it. The fact is the RSA is what it is, now we can talk about it all day long, it is there for the simple reason; if we do what you said and budget season is almost over, this affects our quorum as far as somebody not showing up or not having the courtesy to call; now everybody else here has been giving me notification, they call me at my home or they send me an e-mail letting me know they are not going to be here. Ben Kane has been getting e-mails and notifications of every meeting. He got a notification of the letter sent to Betty, so he's well aware of the RSA, he has neglected to call me or respond to it or show up for a meeting; therefore, under the RSA he has excused himself. Chairman will give notification via the letter. Again, he is a rules guy; he doesn't have to send a letter to him stating that he has removed himself, it's not in the RSA; it's not his responsibility.

Bob Drinkhall stated all the years he has been on this Committee, this hasn't been in effect because we didn't know of it; hence these people had no knowledge of it and he just doesn't feel that it is fair. Since nobody's come after us in the past, nobody is going to come after us at this point in time. Chairman Bacon stated he took the Chair to do the job.

Sheryl Kovalik stated there are two pieces to this puzzle; one is the RSA exists to protect us from not having a quorum and if we don't have a quorum we can't vote effectively and do business and that's why the RSA exists; but, having said that, we also appoint a large number of people to this Budget Committee that never go through the election process because we end up with so many vacant seats. She would like to ask the Chair to let him know that while we can't consider him a Budget member at this time, if his schedule should change before his term expires and he would like to be reappointed to the Budget Committee because he can attend meetings, that we would like to have him. Sheryl stated she was asking him to consider that as an option. Chairman Bacon stated note taken, but to have someone sit out on every meeting or a majority of the meetings of the Budget Committee and then walk back in here because they want the seat for one meeting or the Deliberation, he's sorry; the rules are the rules and that's why it is put in place so that people can't just walk away and then walk right back in to a position; therefore it is going to stand as is; doesn't require a vote, just giving a heads up as he explained the last time. He is going to send a letter out because the Committee asked him the last time with Betty to at least give her a courtesy letter, he does not have a problem doing that and thanking Ben for his time and opportunity that he chose to sit on the seat but the fact remains the same, it changes the quorum to 7.

Sheryl Kovalik moved, seconded by John Edgerton, to elect David Sordi as Vice Chair. In favor: 10; Opposed: 0; Abstain: 3 - Karen Umberger, David Sordi and David Jensen.

Karen Umberger stated it was her understanding that we agreed that you would be the Chairman until Jim returned and we agreed that we wouldn't have a Vice Chairman at this point because Ben was gone. Chairman Bacon stated Ben was excused until the 13th of January; Jim asked members to sit as Vice Chair which he sat for a few meetings to fill the seat so that it would be filled. Karen stated she doesn't see this burning need to appoint a Vice Chairman for less than a month. Sheryl Kovalik stated she disagreed; the reason the Vice Chair exists is for running the meetings in the absence or illness of the Chair; it's a matter of having to have somebody in that position.

Sheryl Kovalik moved the question.

Sheryl Kovalik stated that she wanted the record to show that as much as she enjoys the Committee, she is extremely disappointed with the direction the Chair was taking concerning Ben Kane when there are other compromises.

Bob Drinkhall moved, seconded by Sheryl Kovalik, to adjourn the meeting at 8:30 PM. Motion carried unanimously.

Respectfully Submitted,

Iris A. Bowden, Recording Secretary