

**MINUTES OF MEETING
MUNICIPAL BUDGET COMMITTEE
May 3, 2010**

A meeting of the Municipal Budget Committee was called to order at 6:32 PM in the Meeting Room at the Conway Town Hall with the following members present: Chairman Jim LeFebvre, Bob Drinkhall, Doug Swett, Pat Libby, Bill Masters, David Sordi, Bill Aughton, Raymond Shakir, Joe Mosca and Linda Teagan. Members excused from meeting: Karen Umberger. Members absent from meeting: John Edgerton.

Chairman LeFebvre asked Joe Mosca to lead the members in the Pledge of Allegiance.

Bob Drinkhall, as a Selectman, gave the oath of office to Linda Teagan and Joe Mosca as new members of the Budget Committee.

ELECTION

Bob Drinkhall nominated Jim LeFebvre for Chairman, seconded by Ray Shakir. Jim LeFebvre nominated David Sordi for Vice Chairman, seconded by Bob Drinkhall. There being no other nominations, one vote was cast for Jim LeFebvre to be Chairman and one vote was cast for David Sordi to be Vice Chairman.

Doug Swett stated you didn't ask if you wanted any other nominations. Chairman LeFebvre asked Doug if he wanted to nominate any one and Doug stated he did not. Chairman further stated that he was not a *Roberts Rules of Order* guy.

Chairman LeFebvre discussed vacancies on the Committee and asked what is the feeling of the Board; did anyone have someone to recommend for consideration. David Sordi asked how many vacancies there were and Chairman stated there was one 3 year and one 1 year that he was aware of. Chairman further asked if the Committee would like to advertise to fill the vacancies; we can run an ad in *The Conway Daily Sun* as we have done in the past. Pat Libby suggested that we don't advertise as it has already been in the newspaper that there are vacancies; why waste energy. Chairman asked if that was the consensus of the Committee and stated that nothing further would be done on the vacancies.

APPROVAL OF MINUTES

Pat Libby asked if the Minutes for January 25, 2010 had been approved already. Recording Secretary stated Minutes were approved at the February 11, 2010 meeting. Bob Drinkhall stated he did not receive any of the Minutes until the 14th of April and he wanted it clear that he was not blaming anyone here at this meeting. Chairman LeFebvre asked Doug Swett if he was in the same situation of not receiving the Minutes until the 14th of April and Doug stated he was. Chairman stated he would discuss the situation with the Town administration on this. Bob stated when he makes corrections because he got them so much after the fact that he didn't know if they were misstatements. The Recording Secretary stated

that she transcribes the Minutes from her notes and then reviews the DVD provided by Valley Vision and members may not think they said something, but they did. Bob stated it would still be a correction even if stated incorrectly.

Bob Drinkhall moved, seconded by Pat Libby, to consider and accept the Minutes of February 1, 2010, as amended. In favor: 6; Opposed: 0; Abstain: 4 - Jim LeFebvre, Bill Aughton, Linda Teagan and Joe Mosca.

Bob Drinkhall stated on page 14, third paragraph, first line add the word "fund" so that the sentence will read "... \$110 Million malpractice suit fund ...".

Bob Drinkhall moved, seconded by Pat Libby, to consider and accept the Minutes of February 3, 2010, as written. In favor: 7; Opposed: 0; Abstain: 3 - Jim LeFebvre, Joe Mosca and Linda Teagan.

Bob Drinkhall moved, seconded by Pat Libby, to consider and accept the Minutes of February 6, 2010, as written. In favor: 7; Opposed: 0; Abstain: 3 - Jim LeFebvre, Joe Mosca and Linda Teagan.

Bob Drinkhall moved, seconded by Pat Libby, to consider and accept the Minutes of February 8, 2010, as amended. In favor: 7; Opposed: 0; Abstain: 3 - Jim LeFebvre, Joe Mosca and Linda Teagan.

Bob Drinkhall stated on page 5, third paragraph, first sentence, first line: \$36,00.00 should be \$36,000.00.

Bob Drinkhall moved, seconded by Pat Libby, to consider and accept the Minutes of February 10, 2010, as amended. In favor: 7; Opposed: 0; Abstain: 3 - Jim LeFebvre, Joe Mosca and Linda Teagan.

Bob Drinkhall stated on page 1, East Conway Fire Precinct: \$4,350.00 should be \$13,350.00; page 3, second paragraph, ninth line: Solid Waste should be changed to Highway; page 3, second paragraph, eleventh line: Solid Waste should be changed to Highway; page 8, Article 21, sixth line: rants should be changed to Grants.

Bob Drinkhall moved, seconded by Pat Libby, to consider and accept the Minutes of February 11, 2010, as amended. In favor: 7; Opposed: 0; Abstain: 3 - Jim LeFebvre, Joe Mosca and Linda Teagan.

Bob Drinkhall stated on page 4, fourth paragraph, fifth line: \$825.00 should be changed for \$8,025.00.

Bob Drinkhall moved, seconded by Pat Libby, to consider and accept the Minutes of March 3, 2010, as written. In favor: 7; Opposed: 0; Abstain: 3 - Joe Mosca, Linda Teagan and Bill Aughton.

Bob Drinkhall moved, seconded by Pat Libby, to consider and accept the Minutes of January 27, 2010, as written. In favor: 5; Opposed: 0; Abstain: Jim LeFebvre, Joe Mosca, Doug Swett, Linda Teagan and Bill Aughton.

Bob Drinkhall questioned whether the Minutes of January 27, 2010 had been approved. Chairman LeFebvre suggested tabling the Minutes until the next meeting. After discussion, it was decided to vote on the Minutes.

OTHER BUSINESS

Chairman LeFebvre stated he wanted to throw some things out there that he had been thinking about over the course of the last few weeks and would like to get feedback on. He talked with the new DRA representative for Conway, Don Boyer and we have set up a meeting for the Chairman to go down to talk to him in Concord on the 13th to set up a session like we did last year, where the DRA comes up and they talk about their structure, what they do and how we interface with them and so forth. Last year when he did this, he heard from at least one Selectman that they would have liked to have had that as a session that they could have attended also. Tentatively Mr. Boyer and he are looking at a meeting sometime the second half of July and he would like to do it early enough in the day so that they can come up here, do their thing and get back to Concord/the Southern District before an ungodly late hour. So it would not be a Budget Committee meeting at 6:30 PM, it would be maybe a joint meeting with the Select Board at 4:00 PM on a Tuesday in July. On that basis, he would like to throw it out for discussion; see what everyone thought. Was what we did last year beneficial for those of you that attended it; is it something you would recommend; is it something you want him to continue to pursue and from your perspective, Bob, would the Select Board be interested in attending. Bob Drinkhall asked who stated that they wanted to attend last year. Chairman stated he did not recall; it might have been Mike DeGregorio. Bob stated they should obviously be given the choice. Chairman asked Bob to talk with the Select Board at the next meeting; if the rest of this Committee agrees. Chairman further stated he would like to open it up for discussion; was what we did last year with the DRA beneficial, those that were able to attend.

Doug Swett asked if the same people would be sent up again. Chairman LeFebvre stated this would be with Don Boyer; Michelle Clark has been released as our representative, she is on some special project that is eating up a lot of her time so Don has picked us back up.

Chairman LeFebvre asked Pat Libby what she thought about last year, was it worth the time. Pat stated she would also suggest perhaps inviting the School Board, if they were interested. Chairman stated he would invite them and that this would be especially beneficial for people like Joe who are just coming on board and may not know how we interface with the State and how RSA 32 impacts us also and Linda, of course, because she comes from a different state, the people's republic of Massachusetts, nothing personal.

Chairman LeFebvre stated it seems to be the consensus that everyone thought it was worth our time and would be willing to show up at a 4:00 PM meeting in mid to late July, on a Tuesday. He will schedule it so that we can do it with the Select Board; he will go ahead and continue if that is the considered opinion. Chairman asked for discussion.

Bill Masters stated it might be helpful if we had some guidelines in place that we could share with them, meaning DRA, and ask them to review them and give us feedback during the course of that meeting. Something for you to consider in terms of that; that way they could focus on the issues we might have up front. Chairman LeFebvre stated that would be helpful from the people that have been here before; for the new folks we want to start with the over view and then get in to the specifics. He will take any suggestions anyone may have and talk to Don about them when he is down there next Thursday. If you have any suggestions, please feel free; whether you do it now or you do it individually later on, but he will go ahead and set up that meeting. If you want specific topics addressed, those of you who were here last year, please let him know no later than Noon next Wednesday, the 12th, because he will be down there on the 13th which is Thursday.

David Sordi asked if the Chairman was going to invite Earl Sires to that meeting due to the confusion we had this year with the special Warrant Articles that normally went into the overall budget. It would be good to maybe get him involved earlier. Bob Drinkhall stated that he would speak with Earl tomorrow. Chairman LeFebvre stated he would stop by to give Earl his personal invitation and, if for some reason he is unable to do so, would appreciate Bob taking care of it.

Chairman LeFebvre stated several people had talked to him in the recent past about the School Default Budget and, as those of you who have been on the Committee for more than a year or so recognize, the way it currently works with the School Budget is the governing body which is the School Board prepares and approves their own Operating Budget and their own Default Budget. In the past, there have been attempts to petition to have the Budget Committee oversee, take a more active role in the preparation of the School Default Budget. In other words, be responsible for the School Default Budget. In the past, that requires a 60% majority, much like the Town Garage required a 60% majority in order to pass. That has been brought up again; he was not going to take any position on it as the Chair of the Budget Committee. If anyone wants to address how they feel about that, please feel free. He thought it was something that we should discuss as a general rule.

Ray Shakir stated not only did he think it's appropriate but thought that we should also use the same arguments for the Town Default Budget, not that they abused it either but he just thought it is our position to set the Default Budget. Furthermore, he didn't know if this is appropriate, but believes that it should be kind of like automatic. If it fails, it should automatically be proposed for the following year until such time as it passes because it's only logical and commonsensical that we should have that authority.

Pat Libby stated we brought it forward for 2 or 3 years in a row; she thought this past year although she wasn't here the year before so maybe it didn't come up that year, but we brought it forward for several years in a row and in terms of the Town, when we were first given that authority, that opportunity, the Town voted it in that we would have that authority but the School has always opposed us and we've never been able to get the 60%. Chairman LeFebvre stated the percentages if he recalled

properly were somewhere around 54% on the School the first year and then it went downhill considerably each year afterwards. Pat stated she didn't remember; she remembered one year they thought it had passed but forgot that it needed the 60%. Chairman stated that would have been the 54% year because after that it dropped below 50%. Doug Swett stated some years before that we used to complain and the standard answer was "well, nobody in the State has ever taken it to Court"; this SB2 and default budget situation. Until somebody takes it to Court and wants to spend the money to get it interpreted. Chairman asked Doug for a clarification to be sure of what he is exactly trying to say for the Minutes. Doug stated we complained about the Default Budget, what could be in it and what couldn't be in it and this, that and the other and they said the standard answer was a few years back was "until somebody takes this to Court and gets it interpreted, this is the way it is".

Bill Masters stated there is a question in his mind concerning that and going back and looking at when the Articles were adopted. The Town in 1956 adopted under Article 16 that they would adopt the Municipal budget laws provided in Chapter 32 and part of Chapter 32 is the provisions of Section 14. When you adopt any standard as a chapter, you include all the items in that. Article 19 in that same year determined the number of members-at-large on the Budget Committee. So it is very clear that the Town intended to adopt the Budget Committee and that would be under Section 14. So if you are adopting a Municipal Budget Committee, it seems to him if you are adopting Article 32, you're adopting all Sections in that Chapter. Now that would be an issue he would ask DRA or the legal portion of that. Chairman LeFebvre stated your reference to 1956 is, to some extent, overcome by the 1989 Charter which is the most recent adaptation of the Budget Committee by the Town. Therefore, that overrules the 1956 action. He will ask for a legal opinion on this issue because he knows what Bill was saying but this is one of those things that he was going to go with the attorneys. Bill stated it seems to him the provisions of that also said it can be revoked by the voters and here is the determining factor, the voters. Chairman stated where we have a precedent where the voters have turned down on at least two occasions that he was aware of giving the Municipal Budget Committee the Default School Budget, the precedent has been set that the voters don't believe we have that authority. That has some very interesting issues so he will talk with the Town Attorney or talk to Earl to get to the Town Attorney. So we have some interesting legal issues there, we really do.

Bill Aughton asked when was that last put in. Chairman LeFebvre stated he was on the Budget Committee for the 54% and the one that dropped below 50% so it has to have been from 2006/07 up. Bill asked if it was put in two years in a row. Pat Libby stated she thought it was three. Chairman stated it might have been three but he was not here for the first one; he remembers two votes going down. Bill stated we had a majority but not the required amount. It would seem that the time is right to do that again. Chairman stated he agreed that the time is right, given the economic situation that we are facing and not only the Town, the County and the State but the Federal issues and we will talk about those later.

David Sordi asked does the regulations also prevent us from participating in the development, rather than taking it over completely, are we able to

act almost like Sheryl did on the Budget Committee, sort of the opposite way where we participate in the development. Chairman LeFebvre stated by the Charter, the Select Board and the School Board each have a voting representative on the Budget Committee. The Charter does not address the Budget Committee having a voting member on the Select Board or the School Board. In the absence of any affirmative answer, his answer would be they don't recognize that. But it is an interesting question and he can always ask that too.

Bill Masters stated where the Municipal Budget Committee is the official Budget Committee for the Town, the Budget Committee for the School system is strictly an advisory committee. Chairman LeFebvre stated the Budget Committee for the School District as it is currently being used or done, is the School Board sitting as the Budget Committee for the School District. That's how that's set up right now. As we have just discussed, the governing body has the responsibility for doing the regular operating budget and, in this case because of what happened with the 60% rule, they also have the default, by de facto they have the default. Bill stated but the question we have is the budget developed by the governing body going directly to the official Municipal Budget Committee. Chairman stated we do have a vote on that. The School Board sits as the School Board and then they sit as the Budget Committee of the School District and they do their own budget and then they pass it to us for review and discussion and vote. There are some very interesting questions here.

David Sordi stated even if it all comes back, we don't have the ability to draft a Default Budget ourselves; don't we have the ability and responsibility to sit down and put together a Default Budget Committee, that could be presented as an alternative. Chairman LeFebvre stated we could and we could also provide them with at, what he would propose to do is what we have done in the past, and provide them with detailed recommendations, where we would make cuts on their budget. Again, because of the way it is currently established, they have the operating and the default to do and all we can provide is input as he understands it. David stated but we could during the budget process also propose or recommend an alternative budget. Chairman stated there is one way that might work and he would have to do some additional research on that. David stated if we had enough detail into the budget and we came up with a proposal that still met the requirements of the DRA, we could put it out there and it may not be a default and it may not be a School Board Budget but it could be an alternative budget that would possibly go on the Ballot. Chairman asked that he be allowed to do some more research on that. There is one provision under State law regarding the 10% rule under which we may be able to justify that, but he would have to do some additional research.

Pat Libby stated we actually set the School Budget, not them; we set it. David Sordi stated we vote on it. Pat stated we set it and what we vote for is what goes on the Warrant; you can't really have it both ways and then set your own Default Budget unless you had that authority.

Chairman LeFebvre stated one of the things he was going to ask the DRA to talk about is the 10% rule and those who have been on the Budget Committee from last year recognize what he was talking about. Those who are new may not fully understand, but under State law, as he understands

it, if we pass what is a reasonable budget and this is subject to clarification which he needs to do some work on before we go any further with it, if we pass what is considered a reasonable budget, the law states that it can only be adjusted upwards 10%. For example, this is his theory and he was not sure if this is accurate so as you listen to this on the TV understand we are doing more research on this. If we pass a budget for \$30 Million for the School, they can adjust that upwards 10% or \$3 Million and if we pass a budget of \$28 Million, they can adjust it upward \$2.8 Million and that's it. However, there is more research that has to be done to make sure we have this understood completely and that we are on firm legal ground before we do anything, before we even consider it. So, he didn't want anyone to panic out there in TV land, he was going to be doing some research on this to find out what the situation really is.

David Sordi stated thinking about what Pat just said, the only difference is if we put together an alternative budget versus just voting for the one that is presented by the School Board is that we would have more flexibility in looking at specific line items to reduce or if we recommend the School budget should be cut by a Million, they decide where it is going to be cut. If we feel there are specific areas that they need to look stronger at and get reduced a little bit more than what's in the School budget. Pat Libby stated the only problem is that the voters don't vote on the Default Budget; the Default Budget is a default budget and they only vote on the School budget itself. The Town initially wanted all those Articles inside the budget and because we had the authority to set their budget we could do that. David stated the only thing he was asking was do we have the authority to put in an alternative budget, other than the default and the School Board budget, on the ballot and he was not sure if we do or we don't. Chairman LeFebvre requested that he be able to get some legal advice on that. Pat Libby stated what's happened in the past when the Budget Committee has come up with a different number for the School for their budget instead of their Operating Budget, they go in and they stack the meeting and they immediately propose what the School Board proposed. Effort in futility.

Ray Shakir stated let's assume by some chance that we get the authority to set these default budgets and we set the default budgets, do they in turn have any vehicle to challenge those recommendations and, if so, what is their vehicle. Chairman LeFebvre stated as you are all probably aware from the municipal garage discussion, either the Select Board or the School Board can request through the Court system a one time second look at the budget or a specific Article. That is their prerogative to take it to Court and have the Court say this is something they will support and, of course, when you go that route there is a cost for having a second ballot. Basically, you have to have your hearings all over again; you have to have the Deliberative all over again because this is a SB2 Town and then you have to have your voting session which is going to cost a degree of cash. Chairman asked Bob Drinkhall if he had a feel on what the cost would be on the Town side. Bob stated he didn't have a figure, but knew it wasn't a tremendous amount. Chairman further stated they do have that one time opportunity to go back and request a re-look. Ray stated but this is after it goes through the Court procedure; so it's not only

the course you are talking about but it's also the initial Court costs and that could be a significant amount of money.

Pat Libby stated as long as we're discussing a special meeting, she had read the statute and she didn't believe the Town or the School has any basis and she was doing her little moral quandary about whether or not she should go down to the Court and oppose it. She has some history with that having done that with the School a number of years ago when they tried to buy the Catholic Church, they petitioned for a Special Meeting and she went down and said her piece and won. Chairman LeFebvre stated good for you; a citizen should stand up. Pat further stated she reviewed the statute again today and doesn't believe they have a leg to stand on if somebody opposes it.

Bob Drinkhall stated he believes they are going to have a legal opinion at tomorrow's meeting; just got the Agenda before coming here and he was pretty sure that is on it. As you know, he made a motion to do just that and will go over that at a later point.

Linda Teagan stated as a newbie, she didn't even know if she was going down the right track, but what she heard was that you would like to have your views input to the School Budget. What if, first of all, you had an overview, a macro view of what the Budget Committee feels. In other words, we are going into this coming year and she didn't know what the Assessor has for what we have to spend if you're talking about last year's taxes, new growth, if the Town is behind in terms of revenue collections. She didn't know where that's going and it would be nice to know that before we got the individual Articles. And then there is the issue of the Budget Committee and how you would like to come out at the end of this; do you feel you would like to hold the line on taxes; do you feel you'd like to reduce them; are you comfortable with an increase. That goes to the whole consensus of this body that might help communication or might not help communication if you let the School Board know that in the next month. Linda didn't know what the consensus is so she couldn't, she didn't want to presume, in saying just a short communication to the School Committee that this is what the financial situation of the Town is, the State, the Feds and therefore we would like to hold the line. It is possible that if Federal, State and local income is down so much that adopting the exact expenditures that you adopted that the Town voted last year, would result in a substantial tax increase. Chairman LeFebvre stated let me do some additional research on that and we'll discuss it in more detail in June because he needs to get some information from the Town as to default rates and where they see it going in the next year.

Bob Drinkhall stated just a couple of comments with one being, and he guessed nobody remembered this because it was shot down so fast it didn't even get considered by the Budget Committee, he had suggested this in a prior year that we do just what Jim was talking about with the 10% so it would not go over a certain level and it didn't even pass the then Budget Committee. As far as the revenues are concerned, it's looking very bleak for the future, particularly with the School and probably with the Town. Chairman LeFebvre asked Bob if he had a feel on what the arrears rate is on the property taxes. Bob stated last check it was \$2.7 Million.

Chairman asked if that was an increase or a decrease. Bob stated that has continually increased since 2002 and he had the exact figures somewhere; \$2,746,300.00 as of 12/31/09. Chairman asked what sort of enforcement action is the Town administration/Select Board doing with this, doing to get this money into the coffers. Bob stated he had a few suggestions and they were shot down. Chairman stated as a representative of the Select Board, he knows Bob may not speak or may not feel he can speak on something the Select Board voted on; however, as an individual taxpayer he can say what he will. Bob stated he could tell the Committee as it is part of the record on TV and in the Minutes, he suggested that we go back to publishing the delinquent tax list and you might have thought he had suggested something horrendous; it wasn't even considered. Chairman stated we have approximately \$2.7 Million in unpaid taxes that are being charged at the rate of 18% per annum. Bob stated it begins at 12% and goes to 18% and unfortunately all too often when somebody comes before us and that was the excuse that was used that we in fact have this interest that we are accruing that we will eventually collect. The only problem with that is that when people come before us all too often that's the first thing abated.

David Sordi stated to Bob Drinkhall, in looking at the taxes and arrears, do we know or have any type of profile of who's in arrears. Is it developers that have not sold property and just haven't bothered paying taxes because they can catch up later on; is it private homeowners; is it commercial; do we have any idea to get a feel because depending on what the profile is, is going to depend on what type of enforcement you want to take and how aggressive you want to be. If it's all commercial, then let's go after it. If it's developers, let's go after it. If it's private homeowners, let's go after it but you are going to have to take a different approach. Bob stated the ones that he's seen, he hasn't seen the majority, he's only seen the ones that come before them which are 3 years, over 3 years and those have been either very small businesses privately owned or private homes. Chairman LeFebvre stated then we don't have a large problem with Wal-Mart not paying their taxes and Wal-Mart is being used as an example only. Bob stated he thought it was a well known fact that Wal-Mart and now others are looking to be re-evaluated at a lower rate. There's a lot he can't say on that; there's a different problem, but they are not behind. David asked if there were 5 or 10 really big entities that owe a lot of money and maybe it wouldn't knock it all down, but could knock down \$1.5 Million off it by going after 5 people, it might be worth it. Bob stated he didn't believe that was the case, but he couldn't swear to it.

Bill Masters stated if he remembered correctly, we did address going back to the question you asked, the School Board specifically on zero base budgeting where we recommended that they look at 3 separate budgets, one dealing with absolutely no increase in the tax rate whatsoever period; the second one to deal with inflation only; and the third one was a wish list if we had plenty of funds to be able to do that and to be prepared to tell us what each one of those budgets would impact on their existing mandate. If he remembered correctly, we made that point fairly clear in terms of how they needed to approach it. Chairman LeFebvre stated we made that point clear verbally. What he believes he's hearing from at least one member and maybe more of the Committee is that we take this to the

next step and put it in writing. Is that the drift he was hearing? Linda Teagan stated she thought if we could get a consensus of this Board, we have to know what our own consensus is before we go forward. Who has a handle on the numbers, the Assessor or the Tax Collector. Who would be able to let both us and the School know what the rate of non-payment of taxes is. If we plan our budget by what's coming in, it would be nice to know what's coming in. Bob Drinkhall stated the Tax Collector as far as the back taxes are concerned, the Assessor might be able to give a broad overview of what might be coming up the pike as far as assessments are concerned, so it could be a little of both. He didn't know how much could be divulged at this point at least not in a public meeting.

Chairman LeFebvre asked Bob Drinkhall when the last Town wide reassessment was and how long it is between intervals that we do the reassessment. Bob Drinkhall stated he didn't want to say because he was not positive; he had an idea but was not sure. Pat Libby stated her valuation changed last year with last year's tax bill. Joe Mosca stated he thought that was something that was ongoing for the last couple of years in his reading of the paper anyway that there was a re-evaluation taking place. Bob stated it is ongoing in different sections of the Town in different years to keep up with it, but he did not know what the law reads on how often it has to be done; he thought he did, but because he was not positive he was not going to state anything. Chairman stated that's a matter for him to sit down and talk with the Assessor and he would talk with him this week.

Ray Shakir stated he didn't know we had left the other subject already. Is it the bottom line that we are going to go forward with proposal or not. Chairman LeFebvre stated yes, we are going to go forward. Ray stated that's what he wanted to know and if our goal is to go forward with this proposal that we should take control over the default. Chairman stated what has to be done is there has to be a Petition done if you are talking about the School budget specifically. A Petition has to be done and it has to be passed by 60% of the voters on the next election which is in April of next year and that would start for the year after that. Ray stated he was just trying to find out if we are in fact going to pursue that proposal. Chairman stated he believed it was the consensus of the Board and, if he was wrong he could call for a vote, on the action that we go ahead and put together a Petition. Bob Drinkhall stated why not poll the members now. Bill Masters stated let's go back to what the action actually is; you've gotten a lot of conversation. Chairman stated for this it would be looking solely at the School budget because we don't have the Default Budget authority as we do with the Town budget to put together a Warrant Article Petition to give the Budget Committee of the Town the right to have the oversight on the Default Budget of the School which is not currently the case. There is language in the Articles of the School District several years back which he could pull and make sure that the DRA still finds that language acceptable and if the Budget Committee wishes to as a group, they can sign it as individuals. Remember that any petitioned Article must have at least 25 voters sign it and the fact that we sign it as the Budget Committee does not mean that it's going on unless we have the 25. He could have every member of the Budget Committee sign it and he would only have 13. Again, if you want to pursue this, he will get the language, verify the language with the DRA, do all of the

homework necessary and then give it to you guys and let you discuss it in more detail at that time but let him do the homework first. Any other commentary on this?

Bill Aughton stated depends on what direction we are going to go in terms of perhaps reducing a budget that we don't like. He was not in favor of the Budget Committee making the cuts to the School Board line by line because he didn't believe the Budget Committee knows enough about this whole process. He was much more in favor of saying we need that thing dropped 4%, you decide how to do it. Chairman stated your point is well taken; as you are all probably aware, for those of you who have been on the Budget Committee and so forth associated with the Town for more than a year, both the Town and the School District, and correct him if he was wrong on this, they operate on a bottom line budget. In other words, the taxpayers say we're going to give them \$8.5 Million, just a number he was pulling out of the hat, it is then the responsibility of the governing body, the Select Board and the School Board, to allocate that \$8.5 Million for the Town or that \$30 Million for the School as they deem fair and appropriate. We don't go in and do a line by line cut, you are absolutely right, we affect the bottom line only. Bob Drinkhall stated you are correct and agreed with what Bill said. Every time we have suggested something being cut, we're told that it absolutely, positively can't be cut and that is the School Board's prerogative. He has always argued that we should go on the bottom line and a percentage or an amount that we want. He would agree with Bill wholeheartedly that that's the way to go. Either way we go, we are then told we should do the opposite.

Ray Shakir stated he knew what was being said about the bottom line; however, that doesn't usurp the fact that we can make suggestions and back our suggestions. For example, we can suggest that they eliminate two teachers predicated on the fact that the student body has decreased by 200 to 300 students over the previous 5 years or whatever. Chairman LeFebvre stated what you would be saying, if he could elaborate on Ray's thought a little bit, based on what Bill was saying, let's say a 3% cut, just for discussion purposes, inside that 3% cut we would recommend privatizing the School buses for example that would save let's say "x" number of dollars whatever "x" is based on our homework or we would recommend that they go from 4 teaching teams at the Middle School to 3 based on the population of the Middle School which is 300 students as opposed to having 4 teams of 5 teachers handling 75 students a piece, you have 3 teams of 5 teachers handling 100 students a piece each, etc. We're saying you should cut 3% and here's what we would do if we were in your shoes; is that what you are saying. Ray stated exactly.

Bill Masters stated you really have to look at some of the line items. If they had 300 bubble gum machines in there for \$30,000.00 that would be a line item and he would question the necessity of that being in the budget. Now that effects the bottom line but also at least gives some taxpayer input that we're doing a prudent job on their behalf. You can't very well get to a bottom line unless you look at all the line items and look at them and say are they reasonable and prudent in terms of what the overall mission function of the organization is. Bottom line is the bottom line.

Ray Shakir stated just to expand a little bit on that, it's very easy, like Bill was saying before, we'll just tell them they have to cut 4% and it's up to you where you want to cut and then it's the standard procedure that they'll come back and say "it's very easy to say cut 4% but you never tell us where to cut it". In this particular scenario, if we tell them to cut 4% and then we give them a roster of where they can cut it and why it's able to be cut, it takes a lot of their fire away. Bill Aughton stated he agreed with Ray, it's a sequence piece saying that we need this lower and if they come back and say "how would you lower it", his first answer would be "you're the School Superintendent, but if you can't do it, we can do it, we will look at the things that stand out". To him the sequence is really important rather than going through it and saying well you know we could probably get rid of a couple of teachers there and maybe a nurse there. Give them the opportunity. What would you like to cut and if you can't do it, we sure will. Chairman LeFebvre stated your sequence is a good idea, but there's one concern that he had: once we start the budget cycle, which we actually start the budget cycle in December, we're on a very tight schedule. We look at this say maybe 3% and have the list of what we would call a decrement list to get to the 3% already prepared so if they immediately come back we can say here it is because we won't have time to go back if we don't do the homework first. The time line won't permit it, we just do not have the time; if we don't prepare for it, if we say we want a 3% cut at the very beginning before it gets too far down the highway based on what we have seen during their presentation, we should have our ducks in a row and say this is what we would recommend if we were in your shoes.

Joe Mosca stated two points; one, if we let the Schools dictate back to us, past experience from being down south is the school always cuts sports and they cut the janitorial services and they cut everything that is necessary for a rounded education or for maintenance purposes and we really should be going to them saying "this is what we should do", try to not look at these but look at cutting teachers, cutting whatever. Chairman LeFebvre stated it is a well known track in public administration that when the administrators cut, they cut the cop on the beat, they cut the teacher teaching the student, they never cut the overhead, salary and benefits. Joe further stated second, as he was watching the Selectmen's meeting the other night he thought that the discussion was that they wanted to step up the budget process and actually start it sooner this year rather than wait and that would be probably wise given the economic times we are in. David Sordi stated he agreed with what Joe was saying. Thinking about it from the Superintendent's perspective, they're going to do everything they can to meet the mandate that they're given which is to satisfy some test score or keep a certain number of people in school. Understanding where they are coming from would make it a lot easier for us to be able to go back and say figure out a way to do it; if you've got to lose two teachers, come up with a revolutionary way to teach the people but don't go cutting janitorial because in two years we'll be cleaning up a mess and you may be gone. So, I agree with what Joe is saying but understand where they are coming from, they're trying to protect their own tail to meet the goals.

Chairman LeFebvre asked if there was any further commentary on this before we move on to the Garage and he apologized for apparently cutting off the discussion earlier. Bob Drinkhall stated that the Chairman had not yet gone around and polled the members present. While polling the members, Pat Libby asked if we were doing a percentage or is it too soon. Chairman stated he thought it was too soon and stated he would do some research and report back next month. Chairman advised after polling the members, that it was unanimous to move forward on this issue.

Bill Masters stated just one other point he'd like to make in terms of the growth of the School District. This was the 1998 Conway School District Annual Report and at that time they had 330 employees in the system and they had 2,106 students at a cost of \$7,747.00 per student. Chairman LeFebvre stated that's based on the total budget divided by the number of students. Bill stated that is right out of their documentation based on the total budget. Any school system that he's been familiar with does not exclude the actual physical school building from its budget. Chairman stated what he wanted to make sure for the people who may be watching and aren't fully familiar with Bill was taking about, Bill's taking the total budget of that year 1998, dividing it by the number of students coming up with that number. Bill stated the same process for 2008, we went to 358 employees within the School District, 1,916 students so you are having a decline in the student enrollment and the total per student with everything included was \$17,107.00 per student. In 2009, this past year, there were 372 according to their report and some of the documentation that we have received is higher than that. Chairman stated during the budget process, ladies and gentlemen, those of you who were on the Committee last year, he specifically requested of Dr. Nelson the number of total employees inside the Conway School District. The number that came back was 392, not 372 and he was doing that for a purpose which those of you that were on the Committee last year in January or early February all received a copy of what he wrote up on that. If anyone who was not on the Committee from last year wants a copy, then he would be happy to give it to them. What he was doing, he was looking at teachers who are under \$30,000.00, \$30,000.00 to \$40,000.00, \$40,000.00 to \$50,000.00, \$50,000.00 to \$60,000.00 excluding the two teachers earning over \$60,000.00 base salary and then he took a look at their benefits from the School, not counting the health insurance, and then added a number from the health insurance based on 355 people dividing into the \$3,889,000.00, which he believes it was, which came to \$10,955.00 per health benefit. So for a person earning under \$30,000.00 in base salary, the average salary was \$28,163.00 and the total was over \$45,000.00 when you added in the total compensation package and that's something when you look at hiring new people, you don't look at the base salary you look at the benefits cost and you look at the health insurance cost because someone in the taxpayer world is paying that stuff.

Ray Shakir stated on the onset he was probably the last guy in town that would defend the school system. With that being said, he would like to be fair, as fair as he could be, and say that the numbers are not as dramatic as Bill points out and the reason why is because of all of these other things that were added from then to now that we have to deal with. So, let's be fair about things, there is an inflation factor here; there's some ridiculous Special Education requirements that were forced

on us by unfunded mandates and stuff like that. There are other things that are State mandates that were forced on us that we had no control over. All of these things would add up to less than that dramatic numbers that Bill was talking about. With that being said, it's still way out of hand. What he was trying to say is that we had a core systematic problem, not just a Conway problem, this thing goes back to the whole idea of how we approach the education system and how we cater to special interests and stuff like that and how the individual taxpayer is raped through no consensus or achievement of their own. It's just this is what it is, this is what you're going to pay and it goes back, way back, to a State, Federal issue not just a Conway issue. Chairman LeFebvre stated if we don't attack at the local level, you'll never get to attack at the State and Fed. Ray stated he couldn't agree with the Chairman more.

Bill Masters stated he would like to add in the 2009 figures and there are points that need to be considered in all of this. In 2009 there was 372 and we had another decline in enrollment to 1,890, that was the enrollment for 2009 and there was an increase in what it cost by \$17,316.00 per student. Now, dealing with inflation, yes you are going to have inflationary costs, but he's not too sure that when we go up from 330 to 370 to 397 employees we're not really inflating employees we're just adding on where there is a decline of student enrollment. Granted the cost would still be there but still the fact of the matter is when you're increasing staff by that significant amount that's a considerable dollar value and per student ratio has changed. There is some merit to that, we just have to look at it.

Chairman LeFebvre stated one thing we have to remember as we go through this process and we've touched on it briefly, there is a brand new physical plant sitting at the end of Eagle Way which is a large expenditure every year. Additionally, one of the things you will hear as you approach this is that Conway only pays 47% of the \$32 Million; however, when we address this and we've put the School District through the thing on Kennett and the Middle School and so forth, we are not just speaking for Conway we are speaking for the sending towns who can not speak because they are not getting this information. So, when we look at it, we just don't look at the fact that we spend only 47%, we're looking at the whole \$32 Million and we're speaking for those sending towns just as well as we are for ourselves, at least that's his opinion.

Bob Drinkhall stated just to back up what has been said and to simplify it a little bit, the figure that he likes to use is the fact that from 1979 to basically 2009 minimum wage went up 93% and minimum wage drives the wage of those that are close to minimum wage, you know in the \$10.00 or \$12.00 range. Again, minimum wage 93%; rents went up 189%, double what minimum wage did, but of course rents are driven by property tax; property taxes went up 308%. So that simplifies it and that takes the inflation portion out of it in a sense because it's comparing actual wages. Ray Shakir stated there's only one aspect to the inflation, we have to add in these other things too, Special Education requirements, unfunded mandates, all of these things. Bob stated we don't get the percentage we are suppose to from those who mandate these rules. So, if they're not abiding by their own rules, why do we have to.

Chairman LeFebvre stated the larger question we may want to raise with the School Board and he will address this the next time he goes to a School Board meeting, is are they willing to look at attempting some way to get the State to be forced to pay the percentage they supposedly have to pay in the State law.

David Sordi asked Bill Masters where he got the old Reports. Bill stated his generation never throws anything out. In the Library, in the historical portion of that are all of the Warrant Articles, all of the Town Reports in the Conway Library. If you want to go up and pull those, he took some time to look at a lot of those things, not completely but go back and get himself caught up on where we stood as a Committee. David stated sometimes when you look at those things there's so much information you get lost in the trees but if you can take it and put it into a format that makes it easier to see trends and to see our increased cost. One of the things he would ask and this may not be a fair comparison in one way is how much is our cost per student gone up as compared to tuition at the local private college and if our cost per student has gone up more than the cost of a local private college, then there's something wrong because it should be the opposite. Bill stated he went a step further and called Fryeburg Academy just to find out in terms of what they were doing and their out of country students are paying something like \$41,000.00 a year. That tells me right up front that we're probably on the high end. David stated he had a feeling it's sort of in state, out of state; they're probably charging the international students much more. Bill further stated he was not anti-education at all, but we have a specific responsibility particularly the elected members, our constituents are the taxpayers and he grew up in a house with a single parent who had a Masters Degree in education and after her children, her first love was the student population and there were plenty of times when he would have loved to have swapped spots with them so that he could have been number two. The point is, these are tough decisions and it seems like that when we get managers coming in and saying what do you suggest we cut, if a manager of a program has to ask the Budget Committee what it is that they have to cut to balance that budget, what do you need them for if you're going to make the decision for them. If the managers can't do it, what do we need them for. David Sordi stated in his work if somebody comes to him a tells him to cut the budget, he never says what do you want me to cut, he always figure out a way to do it.

Chairman LeFebvre stated based on what he was hearing, we've had enough discussion on this; does anyone disagree with my assessment at this time. Okay, let's move on.

Bob Drinkhall stated he would preface what he did with his feelings and that is he was extremely disappointed in the voting results; however, it wasn't a surprise, actually thought we'd do worse than we did. He hasn't triple checked, but the figures he got that night we were only 43 votes off but when many individuals handle their personal finances such as purchasing homes they can't afford, going into credit card debt that he's heard stated by those who study it anywhere from \$4,000.00 to \$19,000.00 per household, why wouldn't they vote for a want as opposed to a need. By that what he means is the voters turned down the Maintenance Garage which is a need by all who have taken the time to go over and look at it and

yet they voted for the Bike Lane on Kearsarge Road which he believes is a want. The Bike Lane would require the services of Town equipment which is maintained at the Garage. If that isn't irony, he doesn't know what is. The results are beyond his comprehension to consider reasonable between the two votes. We will now most likely begin spending money on the existing Garage and probably big money, meaning when a replacement is built, you must reduce the cost by the amount wasted on the old Garage as well as the amount that you want to save, if in fact you think that the \$600,000.00 was too much. So let's say you think it should be \$500,000.00 and let's say we spend before we get the Garage approved another \$100,000.00, well that would mean that you'd have to get the new garage for \$200,000.00 to realize that \$100,000.00 savings and the problem with the old Garage is no matter what we do to it, it really needs only a new floor, new walls, new windows, new doors, new roof, new heating system, new ventilation system and new electrical, that doesn't leave anything. So, anything that we fix is strictly a Band-Aid approach. So, he made two motions at the past meeting for those who were not aware of it: one was that we will go out and get an actual cost of bringing up the Garage to last 20 years, that included testing the cement blocks to see what their life expectancy was and that will be a cost into itself; the second thing was looking into, and believes we are going to get a report on that, the special meeting possibility of going for the new Garage again this year and that way we would have the cost of updating the old garage to last 20 years as well as the interim costs if we were going to get a new Garage in the mean time, etc., etc. and be able to compare it and take it from there. Whether or not it's legal or not, he did not know. Pat has brought up something, he hasn't read it yet, that states in her interpretation and she is very knowledgeable when it comes to this that it wouldn't be legal to do. Again, he thought they were going to get a report on that tomorrow from Town legal counsel.

David Sordi stated this thing has been voted down twice and there were some questions that were asked during the budget process that sort of raised an outside the box sort of way to think about the Garage and maybe a way to make it cheaper for the Town to operate it. How come we are running our own School buses, we've got 80 School buses. Bob Drinkhall stated he believed in the vicinity of 16 buses. David stated they are maintained in the Garage. Bob stated 84 vehicles, including the buses. David stated one of those things I've been thinking is why don't we go out and contract our School buses and whoever is going to operate them, lease back part of the space in the Garage to the School bus company. It will be cheaper for them to maintain them here rather than maybe driving them back to Ossipee or wherever because of fuel. Ray Shakir stated they would do that automatically; they would have a local spot. David stated if we lease part of the Garage back to them, it will pay for part of the Garage, the cost of the Garage and take that cost of operating the School buses off. The School's are not in the business of running School buses, they are in the business of teaching kids. So that would take something that they are not expert at, it would take that away from them so it would almost be a win-win-win for the Town if it was at least looked at as a potential option. Bob stated he knew that Jim Hill says he has looked into this and the expense is not less and it does make sense that they're going to have the same basic costs that we do plus they are going to want to make a profit. So, by doing it yourself, you're taking out

that profit at least to save another amount. Again, he hasn't done the study so he's not going to say it's correct but that's what Jim Hill has stated and it would take coordination with the School just to get the Garage if that were a part of the equation and that's complicating it even more.

Doug Swett stated some years ago and it wasn't too many, they did an extensive research into this very thing and he couldn't repeat any figures, but they came up with it wasn't what they thought was feasible. Chairman LeFebvre stated we also asked that same question last year. Doug stated Jim Hill did it and others and they didn't like what they found out. He didn't have all the facts to tell the figures, but he does remember that part of it.

Bill Masters stated the point that he wanted to make is that he went over there twice and could take a tie tack and put it right through the mortar on the concrete wall and you could see that it's an absolute disaster. The interesting part about that is when he asked the employees how many vehicles that they do service and they came up with a total of 88 which includes all of the School buses, all of the Police vehicles, all of the Highway heavy equipment that you see, all of the Highway vehicles, the plows and what have you, all of the equipment used at the Transfer Station. In looking at all of that in terms of priorities in his own mind, one of the top priorities is maintaining our highway system, it's the one thing that all of the taxpayers benefit from. Try getting out of your road with 30 inches of snow in the middle of winter and see what happens if you don't have a plow to deal with it. As far as a solution to this, well may be there is a solution to this; how about if we transfer the maintenance facility over to the new Kennett High School and let them use the maintenance facilities there and we'll transfer the Kennett High School system down here to take over their vehicle maintenance at the shop and we'll see how long the accreditation lasts. The point that he's getting at is the old Kennett High School made that look like a palace, absolutely, and if we can't get something through that benefits all of the taxpayers when we can get a new High School through which benefits 29% of the population in this. Now having said that, understanding education is absolutely essential, I'm not anti that, but the point being is that 66%, between that and 69% goes to support about 29% of the population, keeping in mind what the Assessor told him that 49% of all the residential taxed property is owned by out of staters who come here off and on through the course of the year so they're paying a real significant portion of our educational system with really no return. His aspect of that is the Budget Committee is really responsible to all of the taxpayers and we need to prioritize some of that.

Chairman LeFebvre asked Bob Drinkhall how much would it cost to bring it up to a significantly better situation for 20 years; what is the anticipated life of the new garage. Bob stated at least 50+ years. Chairman stated when you do a cost benefit analysis of "x" number of dollars for 20 years versus "y" number of dollars for 50 years, you're looking at significant differential. So, if you get \$500,000.00 and it lasts for 50 years, that becomes \$10,000.00 per year. If you spend \$250,000.00 for 20 years, you're spending "x" number of dollars more than that per year, correct? So, a lot will depend on what happens when the

numbers come back. Bob stated it's going to show, he believes, the senselessness of spending money on the old Garage. Plus you haven't even factored in the fact that we are going to save at least \$3,000.00 to \$5,000.00 a year on heating costs. We're using all the waste oil and the waste oil will be used in the other building to heat that. Chairman stated the old garage will eventually be demolished which is a cost that has to be factored in also, you're taking the waste boiler and put it in the storage facility to keep that warm. Bob stated no, we're not going to take the boilers because the boilers are no good. The idea is to utilize the waste oil in the other garage which is having problems.

Ray Shakir stated two points; first of all getting back to the School bus issue, he didn't believe there's been many cases at all where it's proven that a municipality or any government agency can operate almost anything more efficiently than a private enterprise and until such time as he sees actual figures of how a contractor's cost would be equal or greater than a municipal cost, he will never agree to just forego the situation. He believes that we should at least explore a national transportation bid check. Chairman LeFebvre stated one thing that would support your argument: one of the things that is commonly done in the private sector which is not done in the public sector is that the cost of retirement is dramatically less because they do not have a defined benefit retirement fund like the public sector does. They have a 401(k), IRA type of operation which is primarily individually funded. Ray stated and that's just one aspect. Chairman stated but when you start looking at what you're paying for retirement for these folks several years down the highway when they're no longer working and, oh by the way remember something else, the State Retirement Fund is under financed by billions of dollars. Ray stated exactly, there are all kinds of things that factor into the cost of School buses. The other point was back to the Garage, everybody knows his position on the Garage and he still maintains that we can do the Garage cheaper and still maintains that if we presented to the voters in a very, very one sentence clear cut situation, it will pass. There's not a doubt in his mind and he doesn't want to get into the specifics; everybody knows the specifics. The new part of this situation is the story about putting money in the old Garage. In his opinion, it almost borders on deception. All of a sudden we have to put all of this money in this Garage to bring it up. Last week is was okay for everyone to work in the Garage, but this week we'd better put \$200,000.00 in the Garage or it's going to collapse and kill everybody.

Chairman LeFebvre stated this is something that is going to take an entirely different session and he was going to cut the debate short here and give Bob one chance to respond and then cut the debate.

Joe Mosca stated he had two points; one, having worked and retired from a major metropolitan Transit Authority who tried to privatize the bus routes, doesn't work; the few cities that did privatize their bus routes found that it cost them more money and when the contract expired they went back to their unionized employees to do it. There is ways to have different pension systems. Again, he worked for the Transit Authority in Boston, has a pension, is 51 years old, collecting his pension and he gets paid from a private pension fund; he does not get paid by the State of Massachusetts. There are ways to set up private funds to take the

burden off of the Town or off of the State. He needed to play devil's advocate here: he hears about this Garage that is completely falling apart and, as a taxpayer, how did it get to this condition; why wasn't any maintenance done for the last 20 years. He has no problem voting for a new Garage, but needs to understand why the building is falling down instead of being maintained and if we are going to build something new, 50 years from now is it going to be the same thing.

Chairman LeFebvre stated you have raised a question that was raised about the Kennett Middle School and why we are so concerned about the maintenance of Kennett High School today. You'll see that as you go through this process.

Bob Drinkhall stated two points: one on the buses and one on the Garage. On the buses, very simply and maybe Ray is correct, all we have to do is request that we get those figures from Jim and take it from there. That's simple and should settle the argument; it's a good route to go and will end the discussion one way or the other. As far as the Garage is concerned, it has been planned to replace it for some time now. At one point, and he wasn't involved at the time, he was told 1992 at one point but it has been at least 7 or 8 years that it's been planned so it made no sense to make these maintenance expenses because there's no one that will take care of the problem. As an example, there's no insulation in the building whatsoever. The roof is not built to handle a snow load but it doesn't have to because the heat, even the year before last when we had 133 inches, it melted all of that and they didn't have to touch the roof because it melts it off. There is just no sense in putting money into the old Garage. It is his understanding even before he was involved, and that's how it goes to the condition because the plan always was to replace it. At this point it is between 50 and 60 years old, actually over 60 years old, it was built in the 1940's. Everything has a life span. One other thing, the Garage doors are too small to allow two of the vehicles inside which we inspect as well as maintain.

Chairman LeFebvre stated he was closing the discussion off after hearing from Doug Swett and David Sordi.

Doug Swett stated if at the last minute they hadn't thrown in the fact that possibly some government money was available and if they had faced the fact that the amount of money we're talking about and forgot about a bond, this thing would have passed, but they held up Bob's committee with this government money that we were going to do so much for and all it did was throw things into a tail spin. That's what it looked like to him from where he sits.

David Sordi stated the comment he had, this sort of goes along with maintaining the existing buildings, you mentioned you were looking at the life of this building for 50 years; is that in the design which seems long for a building built these days. Typically we'll look at a building, a capital building like that and it is 30 years and if the idea is going out 50 years and that's what you're basing your decisions on, he was not sure of the buildings everyone may have seen built, 50 years seems like a long time to expect a building however it's built to last unless you put in the kind of maintenance probably not going to be put into it.

Chairman LeFebvre stated interesting perspective. Obviously there is going to be some more discussion on this and we'll probably end up having, depending on what happens with the Select Board in getting the Superior Court to agree to have a separate special meeting, he would hope they would have a hearing on both the Select Board and the Budget Committee and he'd also expect because it's a SB2 Town, that there will be a Deliberative Session and that then there would be a voting session. Chairman stated on that note he believed we should close this discussion. Bill Masters stated he hoped there would be an informational session before the Deliberative Session and a voting session; get out the facts so that everybody knows where they stand on this thing.

Chairman LeFebvre stated other things that are coming up: we need to do a quarter review of Town and School budgets. He will try to schedule those, one for June and one for July and he wanted everyone to be aware of the fact if you weren't already that the Conway School District recently, it was announced in *The Union Leader*, failed the "No Child Left Behind" provisions and while he was talking to the administrators at a recent School Board meeting, the Assistant Superintendent stated that was based on a failure within the Special Education segment; that one segment would fail the entire School District. He has said that he is going to be doing some more analysis and be reporting back to the School Board at a future session. This was in April and it may be happening tonight as we speak here they are also in session doing their reorganization meeting, that's why there isn't a School Board representative here because one has not been appointed yet by the School Board. If however they have not had that discussion tonight, he will raise that question again at their next meeting which will be May 10th. He encouraged as many members of the Municipal Budget Committee as can attend the regularly scheduled School Board meeting to do so because this is where you can ask a lot of questions as they go through their budget process as citizens and he also encouraged the citizens of the Valley to get out there and listen to these folks because as they go through this process that's where the decisions are being made that influence what we get later on. If anybody is interested, he'll be going to the next one on May 10th and would encourage everyone to join him. They were being held at 6:30 PM at the Kennett High School Auditorium. One of the things they are going to be discussing tonight is where they are going to have their meetings this year so if that changes, he will let the Budget Committee know.

Joe Mosca stated as one of the newbies, there's a lot that's been thrown out tonight as far as the RSA and this and that, is there information somewhere that he could get his hands on so he could go through and educate himself so at the next meeting he understands a little bit better as to what's going on. Chairman LeFebvre stated that's one of the reasons he was going to have the DRA come up because that will give you a very good overview of that and we can help you, sit down and talk with anybody who has been on the Committee for a number of years: myself, Pat, Bob, Doug Swett and there's the Basic Rules book that he would get to Joe.

Doug Swett stated he thought this might be of interest if you don't read a Maine paper, but they put 10 schools over there at the bottom of the list, one of them is the Lakes Region High School on 302 and they had a

meeting the other night and they had 185 in attendance and they finally decided they'd grab a big bite of government money, \$2 Million; that involved firing the Principal and letting half the teachers go. The Principal beat them to it, he retired the week before. This is something and the blame is on SAT scores and that and it's a mess, a total mess. Chairman LeFebvre stated believe me there are many things the State and Federal governments have done that make this job incredibly difficult for the local School Boards and we need to understand that when we look at them because often times they are dealing with, as Ray was saying earlier, unfunded mandates or mandates that to us make absolutely no sense but it does to someone else above the operational level and that's the key. The further away we get from the operators, if you will, the less decisions are made at the operational level. That's something to think about. Doug stated there was a time when you could hire a School Superintendent and let him and the School Board just about run the schools and you got very good results. It's creeping on us, the State and they put in a Federal Department of Education that costs us multi-fortunes that amount to nothing and here we go, we're suffering from it.

Bob Drinkhall moved, seconded by David Sordi, to adjourn the meeting at 8:21 PM. Motion carried unanimously.

Respectfully Submitted,

Iris A. Bowden, Recording Secretary