

**MINUTES OF MEETING
MUNICIPAL BUDGET COMMITTEE
April 11, 2011**

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 David Sordi, Bob Drinkhall, Doug Swett, Bill Masters, Ray Shakir, Linda Teagan, Karen Umberger, Greydon Turner and John Edgerton. Members excused from meeting: Joe Mosca and Janine McLaughlin.

Chairman Sordi asked Greydon Turner to lead those present in the Pledge of Allegiance.

APPROVAL OF MINUTES

Bob Drinkhall moved, seconded by John Edgerton, to consider and accept the Minutes of February 9, 2011. In favor: 9; Opposed: 0; Abstain: 0.

Bob Drinkhall moved, seconded by Bill Masters, to consider and accept the Minutes of February 13, 2011, as amended. In favor: 9; Opposed: 0; Abstain: 0.

Bob Drinkhall stated on page 27, sixth paragraph, second line, "of" should be "to".

Chairman Sordi stated that the only Minutes that are outstanding and would have to be voted on at the next meeting will be March 23, 2011 and this meeting.

OLD BUSINESS

Chairman Sordi stated for Old Business there was the letter that Bob Drinkhall was going to put together along with Ray (Shakir) and a couple of other people.

John Edgerton moved, seconded by Bill Masters, to forward the letter to DRA. In favor: 8; Opposed: 1 - Greydon Turner; Abstain: 0.

Bob Drinkhall passed out a copy of the proposed letter to all members and read same as follows:

"Barbara Robinson, Director	April 11, 2011
Department of Revenue Administration	Conway Municipal
Municipal Services Division	Budget Committee
P.O. Box 487	Conway Town Hall
Concord, NH 03302	Center Conway, NH
	03813

"Re: Conway School Budget, Budget Committee Comments

"On February 13, 2011 after careful deliberation the Conway Budget Committee voted in favor of an 11% decrease to the school board's proposed \$33,085,322 budget. This resulted in the committee's budget of \$29,445,982.

"At the March 9, 2011 Conway School District Deliberative Session a motion to restore the budget to the original figure of \$33,085,322 passed. This exceeds the 10% rule as stated in RSA 32:14.

"As a result of the above action on April 12, 2011 voters will be faced with a school budget that is on its face non compliant with the RSA's. The alternative default budget exceeds both the budget committee's figure and that of the deliberative session.

"We are at your disposal should you wish to discuss this issue in further detail."

Bob Drinkhall asked if Chairman Sordi would like him to expound upon what has transpired between our last meeting and now regarding the DRA. Chairman asked Bob to proceed. Bob stated prior to last week's meeting, Earl (Sires) gave Bob a copy of an e-mail:

"From: Earl Sires
Sent: Tuesday, April 5, 2011
To: Jean F. Samms
CC: Lucy Philbrick
Subject: Default Budget and 10% Rule

"Good Morning Ms. Samms:

"Our Finance Director, Lucy Philbrick was explaining your response to me this morning concerning the Default Budget and 10% rule. As I understood her, you indicated that if the proposed operating budget is defeated and the Default Budget is enacted, the DRA will only allow the Default Budget to be a total of 10% more than the budget proposed by the Budget Committee. Can you verify that and also include the supporting RSAs. I am anticipating questions from our Board and would like to be able to fully respond. Thanks."

Bob Drinkhall further read Jean Samms' response on the same date:

"RSA 32:18 is what we call the 10% rule. It says in part, "... the total amount appropriated at any annual meeting shall not exceed by more than 10 percent the total amount recommended by the budget committee ..."

"That rule is for the total voted/approved bottom line budget not just the operating budget article, it includes all warrant articles.

"If you need more clarification, I can be reached at this e-mail ...

"Thanks, Jean."

Bob Drinkhall stated he got that e-mail just before the meeting and at the meeting the person who is least likely to support this out of the Board of Selectmen, Mike DiGregorio, said that this doesn't mean that the Default Budget is, in fact, subject to the 10% rule. Hence, Bob had been meaning to call the DRA for a couple of weeks and on Wednesday morning he proceeded to call and spoke with Ms. Samms, who informed him that the Default Budget was in fact subject to the 10% rule, absolutely, positively and that if he got to her through fax the MS-27, including the budget figure we proposed as a Budget Committee, she would come back to him with the exact figure, which of course he had already calculated but it's better to have it from her. In order to provide her with the MS-27, Bob assumed incorrectly that even though we are directly involved that Lucy, because payments go through her, would have that. Bob called Lucy and was informed that she did not have them but would attempt to get them from Becky at the School SAU. At that point, he left. When he got home, he had more messages than he really liked, most of them were regarding this including one from the newspaper. The only call he made that evening because it was after 5:00 PM was to the newspaper and ended up talking with Erik who incidentally had called Ms. Samms 20 minutes after Bob had, nothing to do with the fact that Bob had called her, just that he had of course received the e-mail Bob just read and he had been told she would not speak with him because she was not paid enough money to talk to reporters. Hence, he (Erik) called Earl and this now gets Earl involved in it. When Bob did go over it with Earl last Thursday, he basically told Bob that what he understood was that they were not going to make any decision prior to the vote and that it would go to the Attorney General. This is where it gets a little foggy because they happened to be on a ski lift and Bob was not positive if it was referred to both the regular budget and the Default Budget or just the Default at that point in time. They left it at that and he (Earl) was going to get back to Bob to try and clarify the whole thing. When Bob got home, there was a call from Lucy and it was too late to call her on that day. Hence, he called DRA first thing this morning and spoke with Barbara Robinson. Just to back up: what transpired is this Ms. Samms took the place of Don Boyer and she didn't know how much had gone on about this and she had been told to hand everything over to her immediate supervisor, which in fact is Barbara Robinson. Barbara Robinson stated the following as close as he could dictate because he doesn't have the capability of Iris to take shorthand, but it's as close as possible and you want to listen to some of the words because nothing is definite in this if you hear all of the words:

"1. Not sure which trumps, default or 10% rule; thinks they would have to turn over to the AG for a ruling should it be the Default Budget.

"2. She assumes they begin cutting Articles from the bottom up, not to cut collective bargaining.

"3. Will need MS-22, 27, Deliberative Minutes, Ballot including results and will come back with a decision rather rapidly because they are all preparing for this."

Bob Drinkhall further stated he asked about appeal and she said there was no appeal on the 10% rule; however, anyone could try for 10% on each Article as opposed to wiping out the Article entirely and working up in

that manner. If that were requested, once again, the DRA needs to go to the Attorney General. She also mentioned they can appeal where the cuts are to the Hearings Department of the DRA and they would work with them on that. That's about where we are at.

Chairman Sordi stated that what Bob found out about the Attorney General is pretty much what he had heard right from the beginning is that DRA wasn't going to make the final ruling on the Default Budget and the 10% rule, that it would go to the Attorney General. Bob Drinkhall stated once again, nothing was stated absolute, positive, definite. Chairman stated given that this is a unique situation, he was not surprised that they are going to need some kind of ruling on it. Chairman thanked Bob for the calls and that it was helpful.

Chairman Sordi asked for comments or questions about the letter to the DRA. Chairman asked Bob Drinkhall if he told Barbara (Robinson) that this letter was potentially coming to her. Bob stated he did not believe he did; however, he did believe he mentioned it to Ms. Samms.

Karen Umberger stated she thought this was relatively a good letter and that it didn't raise any negative things which she thought was one of her major concerns and the fact that it indicates that we are certainly willing to discuss this matter in the future with them and it was her understanding that the date that all of those forms have to be in is May 25th and it will be a month and a half before we hear anything from DRA. That's her understanding.

Bob Drinkhall stated the indication to him was that no dates were mentioned; he knows that's the absolute deadline but believes the sooner they get this information the sooner they will get back to us and the indication was that they were ready to make a decision or go through the process of making a decision or go to the Attorney General as soon as possible. He is hopeful that it won't take that long.

Karen Umberger stated the time frame for when the reports have to be in, and she realizes that is a deadline date, but also it's up to the SAU to submit them and whenever that occurs, but it is not later than the 25th of May.

John Edgerton stated the reason the letter should go forward is it just backs up the phone calls.

Chairman Sordi stated there were a couple of changes he would suggest; the last sentence of the first paragraph could be changed to read: "This resulted in an approved budget of \$29,445,982." The last sentence in the second paragraph should be "RSA 32:18". The next change is the third paragraph: "As a result of the above action on April 12, 2011 voters will be faced with a school budget that is on its face non compliant with the RSA's. In addition, the Default Budget exceeds both the approved budget and the changes made at the Deliberative Session."

Both John Edgerton and Bob Drinkhall stated it's saying the same thing. Chairman Sordi stated he wanted to use the word approved because that's what he has always heard it referred to as the "approved budget" rather than the "Budget Committee budget".

Doug Swett asked when the letter would actually get mailed. Chairman Sordi stated he would mail it out tomorrow. He would have to e-mail it to Karen (Hallowell), get it printed and then he'll stop by when he goes to vote tomorrow and sign it and it will get mailed out. Doug stated that the Town Offices were open only until Noon tomorrow.

Karen Umberger stated she would suggest that the Chairman put a phone number where he could be reached on the letter. Bob Drinkhall stated he thought the DRA knows our number and that's why he didn't put it in there. Karen stated it really makes no difference, but they may or may not know how to get in touch with the Chairman.

Doug Swett stated Barbara Robinson has been down there a long time. Karen Umberger agreed. Chairman Sordi stated it's probably tough to spring surprises on her but guessed we were getting her one this year.

NEW BUSINESS

Karen Umberger stated she thought we should establish a time for getting the Budget Committee together following the election. Chairman Sordi stated we talked about it and set a date of May 4, 2011 at 7:00 PM at a place to be determined given the fact that we are going to have 17 people and he was not sure if the meetings could be held at the Town Hall and make it comfortable. Karen stated there have been meetings here with that many people. Bob Drinkhall stated there have been meetings with 17, 18 people. Chairman stated the meeting would be held at the Town Hall.

Chairman Sordi stated the Agenda for the meeting on the 4th will be:

- Call to Order;
- Pledge of Allegiance;
- Election of Chair and Vice Chair;
- Approval of Minutes;
- Old Business;
- New Business.

Karen Umberger stated one thing that she would like to do at that meeting is to set up a review of both the Town and the School and their progress that they have or have not made in the budget. She recognizes that the School and the Town may in fact be able to meet before the May time frame for providing the Budget Committee where they stand on the budget through the first quarter. That way it would give the new members an idea as to one of the many jobs that we have as Budget Committee members and also to give them a view of where both stand in expenses and revenue. Chairman Sordi stated he would send out an invitation to both Earl (Sires) and Dr. Nelson for that meeting.

John Edgerton stated that was the third quarter for the School. John further stated he had already read the Minutes for the 23rd of March and apologized for not being there, but the discussion was more regular meetings throughout the year and he thought that was a really good idea. We should probably start to plan on monthly meetings.

Chairman Sordi stated one of the things that he wanted to try to put together between now and that meeting is some suggested forms that we would ask the School and the Town to fill out that provides more information about what they are doing to manage the money rather than to spend it because that's what we get right now. We get an update on how they have spent it, what they've spent it on. He knows a lot of the questions asked this budget season was "how are you managing it", "how are you managing to use it more efficiently". Let's start asking the questions; start asking earlier rather than later. He wants to try to bring some things with him that may or may not be of interest. If other people have some ideas feel free to bring them, but something we can start getting on a regular basis because getting a budget update on a monthly basis is not very helpful but understanding some of the things that are going on within the Town and within the School where they are trying to figure out ways to use the money more effectively he thought would be more helpful.

Ray Shakir stated wasn't there some discussion earlier in the budget season to change the venue permanently; we were going to have the regular Budget Committee meetings in a different venue to accommodate a greater amount of people. Chairman Sordi stated he didn't remember that, but if the Committee wanted to change the venue he didn't have a problem with it, he just needed to let Karen (Hallowell) know.

Karen Umberger stated one of the major problems with changing the venue is Valley Vision in that this room is set up specifically to hold large group meetings and if you go to other venues, you lose that ability for the microphones and all of the things that go along with it and that's one of the reasons why, in particular with the Budget Committee, it's difficult if you don't have sufficient microphones or something like that for the discussion. That's the trade off; the trade off is the lack of microphones for the number of people that are at the meeting.

Ray Shakir stated the High School is set up for it, it's televised when we have meetings at the High School. Bob Drinkhall stated not to this degree. Karen Umberger stated they don't have the mikes available in their system at this time.

Bill Masters stated the Chairman had asked for some thoughts on better management tools; one of the things that he was very accustomed to from the Agency he came from was they had to fill out Operation Program Plans and from that they had a budget that supported that Plan and each quarter they projected out when those events were going to occur. For example, when snowplowing occurred. If we had a Plan from the School that they projected the quarterly costs that may be implemented and we could track that to see if there is deviation one way or the other, then it gives us a chance to see how they plan to manage it in terms of their overall projections and the budget costs as well as whether or not it's falling in line with their projections so we would have a better understanding of where the outlines occur. That was a very common occurrence with us except that they had to do it on a monthly basis rather than a quarterly basis; they had to justify a 10% deviation either one way or the other as to why it did occur. Without having an understanding of what their projected plans are for each quarter of their fiscal year, it's pretty hard for us to determine whether the funds are being controlled, whether

there is an overage or what have you. That's a thought for you to consider.

Chairman Sordi stated he had something that is along those lines and he will bring examples along that line to the next meeting.

John Edgerton stated with the lack of civility at the open meeting with the School Department there was no time for common sense discussion on Special Ed. The State of Florida has implemented a ruling, you have to go to the State to get this, that Special Ed or the regular School Department requires that each student entering the school be able to be potty trained and be able to feed themselves and that's not too much to ask he didn't think. We shouldn't have teachers changing diapers; we were worried about those people in the Special Ed who can't do that. That's not too much to set a lower limit on Special Ed, is it.

Chairman Sordi stated he didn't think that should be discussed tonight. He thought one of the things that we keep saying and he wanted to make sure that we don't go down this road is micromanaging how the schools are run. He thought asking questions about how money is being spent, why it's being spent is one thing; but asking why a particular class is being given or how a particular student is educated, he didn't want to go there. John Edgerton stated that was not micromanaging; this is just setting some kind of limit on who enters the school. Chairman asked how would we be the ones to set that. John stated we wouldn't; we would have to go to the State; the State has to make a change in Special Ed. Not us going to the School; the State has to set a bottom line limit on Special Ed.

Karen Umberger stated she would suggest that John get that information from Florida and bring it back to us. She knows that it might be appropriate for some time after the 30th of June to have a discussion with the Special Ed people here so that everybody has a clear understanding of what the requirements are and that could be one of our meetings that we have later on in the year because she thought that was important. She spent about 3 hours several years ago for a tutorial on what all of the Special Ed requirements were so she does have a relatively good understanding and thought that some kind of tutorial could be given to the Budget Committee for everyone's understanding of the forms and of this and that, all of the things that go into IDEA and where we stand on that. It is an important thing.

Ray Shakir stated assuming the State's Statutes are reviewed, it really is irrelevant it seems to him because the Federal Statutes would take precedence, would they not. It really goes beyond what we want and what the State would want, it would all have to be predicated on the intensity of how it impinges on Federal requirements.

Chairman Sordi stated he didn't know and could only speak from how they implement environmental regulations and if the State has been granted authority by the Federal Government to manage their environmental program, then the State rules as long as they don't undermine the Federal rules, are basically enforced and are the ones you follow.

Karen Umberger stated she thought that was something the Special Ed people can discuss with us.

Bill Masters stated he had spent a little time with Pam Stimson, who is the Director of Special Ed, and gone through a lot of the forms and the only question he had was that the results of the intervention, for example, the Individual Education Plan for a student; what are the specific goals and objectives and were the interventions getting that child to that level and was it cost efficient because we could spend as much as \$500,000.00 or more for one child in a period of time. If we are not achieving the goals and objectives to the Plan that has been developed, is that being tracked and where is that child in relationship to it. Those things, for him, are strictly a dollar assessment of how that money is going. He did understand from her that there was a specific case that came up and she couldn't see any improvement in that child and resisted the intentions of not spending additional money that was not producing end results. Those are the things that are important from his view point to see whether or not the taxpayers' dollars are producing results, not how or what intervention or what child it is or where that came from, but specific goals and objectives and the interventions that go into place. Those are the things that you really want to look long and hard at.

Chairman Sordi stated he understood that but he thought we need to, at least from his perspective, focus more on programmatic issues rather than specific examples of how something's being managed. In other words, saying with one student you did it this way, how come? We need to focus on the program overall. One of the things that he hasn't seen at all and would be interested to see is how do other states, other School Districts manage Special Education. Are there better ways to manage Special Education than what we are doing here to provide a quality education to Special Ed students but yet do it more cost effectively. He doesn't know whether that information is out there, but it's those types of things he thought would address what Bill (Masters) was talking about but would not start getting into specific one-offs, it's looking more at the program and getting the Superintendent and getting the School Administration to focus on the larger strategic issues that will generate cost savings long term rather than for one year.

Bill Masters stated in line with that, there are such things as the Kahn Academy, it's a Key ED which is a Bill Gates funded program and this past year's winner is an individual by the name of Kahn and they have tutorials that are free that are on the Internet that are absolutely superb. We've gone out and taken a look at that, all you have to do is have the Internet and they are geared towards Math and Biology and a lot of the Sciences and it was very effective. He had a chance to sit down at home, pull it up just to see what it was like and it's amazing to see what's free out there and what they need is computers. That's one of the things that the group for Excellence in Education can go out and start a drive to purchase additional computers for the students to use. That would be more worthwhile in terms of raising funds for the summer programs. It's just a point he wanted to make; stuff is out there.

Linda Teagan stated she just wanted to add something to see from the departments that come before us, but she thinks it's helpful, after the

first, second or third meeting that the members of the Budget Committee articulate what they would like to see so that the departments can't say that they didn't know or whatever. It seems to her that there are probably four options and it wouldn't be a binding vote or anything, more of a sense of the Committee to see if the Committee is comfortable with a tax increase; is the Committee comfortable with a tax decrease; is the Committee comfortable with asking department heads, all departments to come in at the exact expenditure they had the prior year. The fourth one being come in at the last expenditure plus new growth which in other words gives a certain amount of flexibility if the Town is bringing in more money.

Chairman Sordi stated it was interesting the Committee heard a number of times during the budget season that the Budget Committee "didn't do its job" but we started last September/October putting that letter together saying we wanted to see a 5% reduction. While we didn't see it in any of the entities that came before us, we saw efforts on the Town trying to reduce costs which is why we went forward and approved that budget they requested. We never got any indication that the Schools were trying to do the same thing; in fact, they went through a very long process of looking at different budget cuts, different areas to reduce funds and ultimately they really didn't reduce it at all and that's ultimately why we came up with what we did or what was voted on by the Budget Committee. To say we didn't do our job he thought was really unfair to all the work the Committee did put into it between the beginning of October and the middle of March or whenever the Deliberative was. He agreed with Linda (Teagan) but we'll do it earlier and then we'll reinforce it so that the people do know where we stand.

Linda Teagan stated just because we tried last time we did it, we came to an agreement and put out what we wanted and just because they ignored it doesn't mean we can't do it again and toss around some options. Chairman Sordi stated he agreed, we need to do it again, we need to continue and we need to start earlier.

John Edgerton stated that brings up a really good one and that is he would like the School Department on the same budget we are. When the Administration came up, and he wasn't going to use this as an example, when we were talking about numbers and they jumped up and gave numbers for this year and not the budget year and that was embarrassing to them and that was never brought up in the paper or by anybody else. Administration was not ready to come to the Budget Committee.

Chairman Sordi stated the date the School Budget was ultimately approved was a disservice to what we were trying to do. It wasn't approved until the end of December and he knows the School Board was working to finalize it as early as possible, but getting the School Budget as late as we did, we initially and ultimately held additional meetings and were able to review it with the School to our satisfaction.

Doug Swett stated when the School Board Budget Committee was talking about these cuts, they very conveniently let the public believe that it was us that caused it and they did nothing to stop that attitude. Consequently, we got h*** for what they did before we even got in the

process. They could have suspected we would come for something, but we hadn't come with anything until way in the Winter.

Chairman Sordi stated he would agree that at the School Board meeting one of the members did allude to the fact that if people wanted to make a change, they should go talk to the Budget Committee because we were essentially the ones who were really pushing for this, for budget cuts and he couldn't argue that we were pushing for budget cuts, but we did not precipitate the \$1 Million and the \$1.5 Million, but that being said, he would have gladly taken the flack that we did if those cuts had ultimately been adopted and they weren't. We took all that grief and nothing was ever done about it and that made it doubly worse. Doug Swett stated he was afraid we're headed for the same situation. Chairman Sordi stated he didn't know, we'll see.

John Edgerton stated he would like to see some of these members that think we are not doing a good job come and read the 2,000 pages between January 1st and January 15th to be able to make qualitative questions and answers to the people that come before us. That's not an easy task.

Chairman Sordi stated it isn't and the one thing that he thought was going to be an issue for the first couple of meetings is the new members understanding what the responsibility of the Budget Committee is and is not and that's something that is going to have to be carefully explained and reinforced.

John Edgerton stated that's where we get blamed for not micromanaging in the paper and we've said time and time again we will not micromanage. They want us to give examples of exactly where to cut the budget and that's not our job and we can't do it and they have to understand that it's not our job.

Chairman Sordi stated the interesting thing is that sounds like what they wanted us to do when they said we didn't do our job was to basically micromanage the budget on a line item by line item basis and that's not what we are supposed to be doing. That's the School Board's responsibility.

John Edgerton stated we did bring up 6th Grade to the Middle School; getting rid of one of the Elementary Schools; we brought all of these items up to the School Board and they cast them away. The biggest problem he had was the undercurrent that if they moved the 6th Grade to the Middle School, make it a Middle School with 6th, 7th and 8th, now they only have 150 students in each Elementary School, they can't justify three Elementary Schools and they don't even want to go there.

Chairman Sordi stated he thought there were people on this Board that brought up or did give some examples during the course of the meetings and there were suggestions maybe some people didn't want to hear but there were suggestions and when people ask for suggestions, you're going to get it and you may not like what you hear.

Bob Drinkhall stated he thought a package should be put together for the new members and he knew that wasn't done each and every time, including the RSA's and so on and so forth and what the Budget Committee

responsibilities are. John Edgerton stated *Basic Law of Budgeting*, everyone will need a copy. Chairman Sordi stated he would ask Karen (Hallowell) to make up copies for the next meeting.

Ray Shakir stated he would suggest that the majority of the people on this Committee are intimidated when they are accused of micromanaging and he thought because of that intimidation they put this Committee in a Catch-22 situation. He absolutely disagreed with what was said before; he thought it was not only our right, but it is our duty to offer suggestions and examples of how the School should save money. That doesn't mean we should cover every basis and give them every fact and every which way they should pursue those issues, but he thought it was well within our right and it was our duty to offer suggestions on how they could save money and not be intimidated by making those suggestions and not stand for the accusation of micromanaging. It's a fine line, he agrees it's a fine line, but in many instances you can't make a point or you may not be articulate enough to make a point without providing examples. He knows that he has provided several examples and he's not shirking from those examples and he stands by them 100% and more than anything else those examples save money inarguably. We shouldn't be in a position where we are backed into a corner and afraid to open our mouths and afraid to make suggestions because they point fingers at us and say that we're starting to micromanage them. It's either one way or the other; we can't be put in a Catch-22 situation and he still believes it's our right and our duty to offer suggestions.

Chairman Sordi stated offering suggestions is one thing, but going line by line through the budget and talking about every single line item. Ray Shakir stated he made a point that we shouldn't do that. Chairman stated that's what he thinks they were saying is that we didn't do our job because we didn't do that and that's not what our role is. He understood what Ray was saying and that's fine, but to go through every single line item. Ray stated there was no argument there.

Greydon Turner stated that he agreed with Ray, there isn't any reason at this point in his limited experience, he didn't think there was any reason that any new Committee coming in couldn't pinpoint specific areas where suggestions could be made. Busing for instance is a good example of that, not to say you should run this route this particular way and use this amount of gas, but that the busing in general should be looked at and here are certain suggestions how to do it. He felt that would be a productive use of the Committee's time.

Chairman Sordi stated from the way he has run the meetings this year, people can say what they want as long as it's done in a respectful manner and he appreciated everyone doing it that way but the one thing he would say is be careful focusing on tactical issues rather than strategic and by that he means when it comes to buses, to him saying this route could be done differently is tactical and that's going to give you a short term gain; but managing the buses differently like out-sourcing them is a strategic issue that looks at the bigger picture and he thought that's what we really need to get the Administration to think about. Rather than this year cutting the amount of paper they buy, as an example, is much different than "hey, why don't you double side all of the paper and think about the way you are giving out documents" and think about it more from

a bigger picture of long term so that there's going to be savings every single year rather than this year we'll buy 3 less reams of paper and then they go back to buying those next year. He understood what Greydon (Turner) was saying and thought we needed to continue to hammer that because we saw this year during our discussions that we didn't get a lot of examples of ways that they thought they could save money, things they could do to save money and some of the suggestions they opposed.

Karen Umberger stated this year we had problems with the School; 3 years ago we had problems with the Town; 5 years ago we had problems with the School; 9 years ago we had problems with the Town. To her, you can't focus on one or the other because the tax rate as we all know is made up of the combination of the two and that it's important for us to understand that as Selectmen and School Board members change, the reaction between the Budget Committee and those committees will change. We had 2, 3 very good years with the School where there was very, very little consternation between the Budget Committee and the School and she thought during that, we all had an appreciation for the difficulties and the problems and what was going on and the way that the School Board reacted was different than what it was this year. We have to realize that there's always an ebb and flow on those committees and, as a Budget Committee, our job doesn't change; our job stays the same, in that it is our responsibility to look out for the bottom line for the taxpayer and those are the things that we have to balance: can our community afford what we're looking at. She thought whether this year it's the School and next year it's the Town, the following year it will be the both of them, we can't just focus on the School. These questions that we're talking about need to be questions for both the Town and the School. Chairman Sordi stated he agreed. Karen further stated this year the Town was very responsible and came back to us and then at the Deliberative Session the budget was increased, so here we are right back in the same situation as we were, there's been no savings attributable to the Town. Next year when we start all over again, we're going to be in a situation where we don't have any savings attributable to the Town and once again that could create some problems. It's always a hard thing when you're on a committee that is looking over someone else's budget, whether it's here, Concord or any place, but it's stuff that the taxpayers and the voters want us to do.

John Edgerton stated in the past, we've made suggestions to the School and they've gone out and done extensive studies and brought them back to us. They didn't come back with anything we asked this year.

Bill Masters stated the suggestions that we look at closing schools, it goes back to that; if they'd provide us with some documentation when they did the overall assessment, in other words they projected it down for 10 years and they looked at student growth versus the cost efficiency for maintaining the facility, closing one of the Elementary Schools for example, but they provided none of that information to support other than they've looked at that situation and it's very difficult for him to sit here and make an informed decision. He went down and looked at the School, too and thought boy this place has got some real problems versus some of the other systems but it goes back to exactly what you (Chairman) said, they're not providing us documentation as to what their rationale was so that we can either look at it, verify it and say it makes some

sense to do that from a cost efficiency view point and it goes back to the strategy of really looking at the problematic end of it, not as it relates to the dollar end of it, not necessarily how to; you buy 10 toothbrushes at \$.29 that's ridiculous at this level but when they come down to making cuts, they do not want to make it and he can guarantee that, whether it is politically unpopular they're not going to make them, they are going to come back to this Committee and say "what do you want us to cut". If we had some decent documentation, maybe we could say "maybe you should re-look at this".

John Edgerton stated he agreed with Bill (Masters) in that they've done the studies before but we haven't had the studies so we could then ask questions as to what they've got for answers. Karen Umberger stated nor did we ask for them. Bill Masters stated we asked, but never received them. Karen stated we did not ask for the study that came out on the changes that the study committees went through for a whole summer, we never asked for that; the ones done on the Schools, the consolidating. Chairman Sordi stated the one done 2 years ago. Karen stated at least that long. Chairman stated there was talk last year about re-doing that and they decided to put that aside because they felt some other options were better. He remembers at the end of the budget season last year there was some talk about doing that and it never went any further.

Ray Shakir stated he knows this is rhetorical and he knows there's no answer to it, but if you really come down to it, no matter how much work we do throughout the year, invariably, and it's been his experience, that the Deliberative Sessions are for want of a better expression "stacked" and they restore the funding; so everything that we've done is just swept away. The question is, again rhetorically, what are we wasting our time for. Chairman Sordi stated Ray was right, there is no answer and that he has asked himself the same question. Doug Swett stated there is only one answer to what he has to say and the ones that sit home and watch TV and don't go to the meeting could make big changes, but they stay home.

Karen Umberger moved, seconded by Bob Drinkhall, to adjourn the meeting at 7:32 PM. Motion carried unanimously.

Respectfully Submitted,

Iris A. Bowden, Recording Secretary