

**MINUTES OF MEETING
MUNICIPAL BUDGET COMMITTEE
February 15, 2012**

A meeting of the Municipal Budget Committee was called to order at 5:30 PM in the Auditorium at Kennett High School with the following members present: Chairman David Sordi, Doug Swett, Dick Klement, Betty Loynd, Bill Marvel, Maureen Seavey, Ray Shakir, Greydon Turner (arriving at 5:35 PM), Joe Mosca (arriving at 5:37 PM), Mike DiGregorio, John Edgerton, Brian Charles, Danielle Santuccio (arriving at 5:50 PM), Maury McKinney, Ted Sares and Kelly DeFeo. Excused: Karen Umberger.

Ted Sares led those present in the Pledge of Allegiance.

DEFAULT BUDGET

Chairman Sordi asked Earl Sires to step the Committee through the Default Budget as members had questions last time and he thought that maybe Earl would be able to assist in answering same. Earl stated that he would help and that Lucy (Philbrick) was here also to answer any detail questions. Earl asked Lucy if she had the Worksheet and Lucy stated she did.

Earl Sires stated that they did present at an earlier meeting a Default Budget and then there was a question raised about Police Salary & Benefits: where they had derived that number from. They went back and looked at that again and they did change that somewhat. They had not accounted for the fact earlier that there were two items in the Police Department that should not have been included that they just weren't thinking of and that was about \$35,000.00 that's in there in case there's a buyout for someone who separates from service and then there was another \$15,000.00 that is a contingency in the Health Insurance line in case there are changes in the coverages based on how many people are in a family and that kind of thing. That was about \$50,000.00 or \$60,000.00 and they did adjust it on that one particular line.

Earl Sires stated basically the Default Budget is a calculation that's established in law and he would just say that their practice has been over the years at the Town staff level to go through this exercise and present this to the Budget Committee. As we know, it is the Budget Committee's statutory authority to establish and vote on the Default Budget so, if in the future, there's a different way of doing this, if you want to have the Chair come over and sit down with them or if you want the Committee to come and sit down with them and go through this, they certainly can do that.

Earl Sires stated they start with the 2011 adopted Budget of \$9,004,767.00 and they add those contractual obligations and increases that they have to put in by law: Employee Benefits, Police Salary and Benefits, Union Salary and Benefits - those being contractual, some expenses related to the Elections. They then subtract out some expenses, some of the decreases that happened during the year - a Non-Precinct Fire Contract for instance went down, the Ambulance Contract as we know is only in there for part of the year and then as we know the Debt Service of \$331,000.00 has gone away. They subtract those things out and end up

with a Default Budget that they calculate and are presenting to the Committee of about \$8.8 Million. They're proposed Budget this year is \$9.123 Million and the difference between the Default Budget and the proposed Budget is \$310,450.00; the Default Budget is \$310,000.00 less than the proposed Operating Budget. Earl further stated that he should have pointed out right at the beginning that this is all on page 10 of the packet that was handed out tonight.

Ted Sares stated to Earl Sires the contractual obligations that he talked about do they included utilities, fuel. Earl stated they do not include those things. Ted stated the School does. Earl stated he understands that the School does. Ted asked what is he missing here; the School does and the Town does not. Earl stated at the risk of answering for another governmental entity, he thought that the argument that the School would make is that because they have Tuition Contracts, it's contractual. He would refer that to them. Ted stated isn't that a reach; my Lord, that's reaching way out. He submits that somehow we get this resolved once and for all. He would think that there needs to be some consistency here. He is sick of this; it happens every year.

Ray Shakir stated to Earl Sires isn't it true that if you established that procedure that we can save money in terms of fuel costs, etc. in pre-buys. Earl stated you could save money in a pre-buy if it worked to your advantage. As you know those things are some times to your advantage and other times not. The problem we have is if they are going to pre-buy they have to do it all at once and the arrangements that they are aware of is that you have to pay in pre-buy, so they would have to increase the Budget by the total amount of their fuel bill for the year to be able to pre-buy. They could certainly talk about that, but there's been some hesitancy to do that in the past when they've talked about it with the Budget Committee, but it is an option to consider.

Dick Klement asked Earl Sires to please clarify for him in the Default Budget is there fuel in that Default Budget. Earl stated no. Dick stated so if the taxpayers voted for the Default Budget, you would be unable to pay your utility bills or fuel for the vehicles. Lucy Philbrick stated no, last year's budget is there to start out with; there's no increase in the Default Budget for fuel. Dick stated and last year wasn't the fuel amended to be \$4.00 per gallon. Earl stated at Town Meeting, yes.

Mike DiGregorio moved, seconded by Kelly DeFeo, to accept \$8,813,373.00 as the Default Budget for the Town of Conway. In favor: 15; Opposed: 0; Abstain: 0.

Ted Sares stated he missed the last meeting so there must be a reason why we are meeting here tonight and asked what that reason was. Chairman Sordi stated the reason we are meeting tonight on the Default Budget is because some people had questions about the Default Budget for the Town and Earl (Sires) was not there to answer them so we decided to meet tonight before the Public Hearing to vote on the Default Budget. Ted asked if Karen (Umberger) was one of them. Chairman stated he did not remember. Ted stated he was aware that Karen had raised some issues on Default Budgets in general. Chairman stated this had specifically a question about the Police Default Budget which, in fact, was wrong. At the last meeting the amount that was in the proposed Default Budget was

\$60,000.00 too high and, in fact, that was what Earl was talking about. They have taken it out now and that is what is currently on the table. So it was good that we did table it until tonight because it was wrong. Ted stated so it's even less. Chairman agreed. Ted asked if Karen was going to come back with more questions on the Default Budget down the road or is that the only one on this. Chairman stated we are going to vote on the Default Budget so whether Karen has questions or not in the future is irrelevant. Ted stated he guessed he stood chastised. Chairman stated this is why we are here, to vote on the Default Budget. Commissioner Rodney King stated he thought it was \$50,000.00. Chairman stated it is \$50,000.00 and apologized for the error.

Joe Mosca moved, seconded by Betty Loynd, to adjourn the meeting at 5:45 PM. Motion carried unanimously.

PUBLIC HEARING - PRECINCTS

CENTER CONWAY FIRE PRECINCT

Ray Leavitt stated the proposed budget for 2012 is \$177,825.00. There were no major changes; last year they went for a new truck which will be delivered some time next week so they don't have that expense. The other thing was they paid off their building mortgage last year from their surplus account so they've saved some money there. They also expended a lot of money last year because they had a larger number of calls so obviously payroll went up and they reflected that in this year's budget. No real drastic changes in the budget from last year.

There being no questions, comments or concerns the hearing was closed with the proposed budget of \$177,825.00.

EAST CONWAY FIRE PRECINCT

Mike Valladares stated their budget has gone up; last year the budget was \$53,800.00 and they've gone to \$57,845.00 this year. The main line items was utility costs such as oil and electricity and insurance costs eat up most of the increases that they have.

There being no questions, comments or concerns the hearing was closed with the proposed budget of \$57,845.00.

REDSTONE FIRE PRECINCT

Greydon Turner stated the budget for 2011 was \$51,900.00; the budget proposed for 2012 is \$50,500.00. They did bring a new vehicle into service; they are selling one of the old vehicles and the proceeds from sale will go to overdue maintenance issues, mainly the garage doors, and they had a slight increase in insurance this year.

There being no questions, comments or concerns the hearing was closed with the proposed budget of \$50,500.00.

PUBLIC HEARING - TOWN

Chairman Sordi opened the Town portion of the Public Hearing at 6:30 PM.

Earl Sires stated he wanted to let everybody in the audience know that there was a couple of pieces of information that he was going to be working from tonight: the information packet that was passed out tonight and there's also a detailed Budget, a line by line Budget and also a separate piece that has the Warrant as it will appear, at least a draft Warrant that will appear on the ballot in a few weeks subject to any changes tonight in terms of voting and that sort of thing.

Earl Sires stated he wanted to direct everybody's attention to the Table of Contents that will tell you what is in the packet; there's a discussion, a Narrative of the Operating Budget that gives you an overview and then a Summary for each departmental Budget and on page 9 there is a Summary Spreadsheet of the Budget that shows increases by department and increases overall in their Budget. There is a Default Budget calculation which will be talked about in a minute and then we will get into the Warrant Articles and all of the Warrant Articles that have been submitted so far are in this new packet as well. Some of the Warrant Articles in the packet are annotated with some additional explanation because sometimes the statutory language in Warrant Articles can not be as clear as you'd like, so they try to explain some of those Warrant Articles in more detail. They also have spreadsheets that go with the Capital Reserve Funds and these are Funds that will be talked about in a minute that accumulate monies year-to-year for expenditures on capital equipment and projects. All of the plans for those various Funds year-to-year are presented starting on page 11. There are Warrant Articles that have been petitioned by non-profit agencies in Town on page 16 and then there is a list of the Warrant Articles that have been proposed on page 18. That does not include the non-profit Articles. The projected Revenue for 2012 is presented on page 26 and finally a tax rate calculation for 2012 is presented on page 29. We are going to be working from this packet and, as he goes through this if there are any questions, he'll be happy to answer them.

Earl Sires started on page 3, the Narrative, as is stated the Town's proposed Operating Budget is \$9,123,823.00, that's an increase over last year's adopted Budget of 1% and in dollars it's just under \$120,000.00 or \$119,056.00. As with any Budget, some things increase and some things decrease. Earl highlighted both the increases and the decreases on that page. The Police Department has a requested increase of \$310,073.00, Highway Department \$82,599.00, Solid Waste \$101,009.00, Parks and Rec \$22,288.00, Library just under \$19,000.00 and those are the significant increases. Earl proceeded with the significant decreases: Employee Benefits decreases by \$45,518.00; there is a decrease in the Ambulance Agreement line in the Operating Budget and that's because this year the 5-Year Ambulance Agreement expires on May 1st, so they carry the first 4 months of the year in the Operating Budget and then if that Contract is approved, the other 8 months are added in once the Warrant Article is included and then it's funded for the 4 subsequent years. They retired a Landfill Bond to the tune of \$315,000.00 in principal and \$16,000.00 in interest. Those changes all add up to an increase of \$119,056.00.

Earl Sires stated the Budget Committee, prior to this meeting, voted on the Default Budget and they approved the number of \$8,813,373.00. The Default Budget in its simplest explanation can be looked at as a kind of cost of living Budget; it's last year's Budget and you add any contractual increases that you're obligated to fund and you take out expenditures that are no longer there like the Bond being paid off. When you net all of those out, it ended up being the \$8,813,000.00 which is \$310,450.00 less than the Operating Budget. When you're at Town Meeting you'll have the opportunity to approve the Town Budget or not. If you do not approve the Town Budget, then it defaults to the Default Budget which is \$310,000.00 less. That will be one of the decisions that will be looked at during Town Meeting.

Earl Sires stated he was not sure how the Chairman wanted to handle the rest. Chairman Sordi stated he was going to read the Warrant Articles separately as was done last year.

ARTICLE 6: Shall the Town raise and appropriate as an **OPERATING BUDGET**, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the Warrant for the purposes set forth therein, totaling Nine Million One Hundred Twenty-Three Thousand Eight Hundred Twenty-Three Dollars (\$9,123,823.00). Should this article be defeated the default budget shall be \$8,813,373.00 which is the same as last year, with certain adjustments required by previous action of the Town of Conway or by law, or the governing body may hold one special meeting in accordance with RSA 40:13 X and XVI, to take up the issue of a revised operating budget only. **NOTE: This operating budget warrant article does not include appropriations contained in ANY other warrant articles. Recommended by the Board of Selectmen (5-0-0).**

No questions, comments or concerns.

ARTICLE 7: (Separate - not included in Budget Appropriation Article #6) To see if the Town of Conway will vote to approve the cost items included in a **TWO-YEAR (2012-2013) COLLECTIVE BARGAINING AGREEMENT BETWEEN THE TOWN OF CONWAY AND AFSCME #93, LOCAL 859, DEPARTMENT OF PUBLIC WORKS** which calls for no increase in benefits or costs to the Town for fiscal years 2012 and 2013. This means that the proposed contract results in no additional costs attributable to the increase in benefits over those of the appropriation at current staffing levels paid in the prior fiscal years. **Recommended by the Board of Selectmen (5-0-0).**

EXPLANATION: This article asks voters to approve a two year contract between the Town of Conway and its unionized employees in the Public Works Department. The contract includes changes to pay plan that will result in a decrease in the cost of the contract for 2012 and 2013.

Earl Sires stated he wanted to point out that although it states that there's no cost increase, this is one of those situations where State law requires certain language and they have to state that it's a no cost increase, but in fact it's a decrease because they were able to negotiate a pay plan that's based on Cost of Living basically this year rather than what it had been in the past. Actually, it's a decrease in cost.

ARTICLE 8: (Special - not included in Budget Appropriation Article #6) To see if the Town will vote to establish a **CAPITAL RESERVE FUND** under the provisions of RSA 35:1 for the **PARKS DEPARTMENT VEHICLES AND EQUIPMENT** and to authorize the Board of Selectmen to withdraw and disburse funds in accordance with the purpose of the fund. Further, to raise and appropriate the sum of Twenty Thousand Dollars (\$20,000.00) to be placed in this fund for fiscal year 2012. This appropriation is in addition to Warrant Article 6, the operating budget article. **Recommended by the Board of Selectmen (4-0-0). (Majority vote required).**

EXPLANATION: This is a newly proposed fund that will accumulate money to replace equipment and vehicles that are used for parks and grounds maintenance, activities such as mowing, hauling materials and equipment. Because we save money up front, the Town avoids financing costs and keeps the budget level by making equal payments to this fund over a period of years thereby saving up for the purchase. Actual annual expenditures are based on equipment to be purchased (see Exhibit 4).

No questions, comments or concerns.

Ray Shakir asked if it would be too much to ask to go through the explanations after the Chairman reads the main body of the Article. Chairman Sordi stated that was fine.

ARTICLE 9: (Special - not included in Budget Appropriation Article #6) To see if the Town will vote to raise and appropriate the sum of Three Hundred Twenty-Five Thousand Dollars (\$325,000.00) to be placed in the **INFRASTRUCTURE RECONSTRUCTION CAPITAL RESERVE FUND** to be used according to the purposes for which the fund was established. This appropriation is in addition to Warrant Article 6, the Operating Budget Article. **Recommended by the Board of Selectmen (5-0-0).**

EXPLANATION: This fund accumulates money to support road and street construction projects (See Exhibit 5).

No questions, comments or concerns.

ARTICLE 10: (Special - not included in Budget Appropriation Article #6) To see if the Town will vote to raise and appropriate the sum of One Hundred Ninety-Five Thousand Dollars (\$195,000.00) to be placed in the **HIGHWAY EQUIPMENT CAPITAL RESERVE FUND** to be used according to the purposes for which the fund was established. This appropriation is in addition to Warrant Article 6, the Operating Budget Article. **Recommended by the Board of Selectmen (5-0-0).**

EXPLANATION: This fund accumulates money to replace equipment and vehicles that are used for all public works activities such as snow plowing, road construction, drainage work and other critical functions. Because we save money up front, the Town avoids financing costs and keeps the budget level by making equal payments to this fund over a period of years thereby saving up for the purchase. Actual annual expenditures are based on equipment to be purchased that year. Currently all equipment and vehicles are on a 10-12 year replacement cycle (see Exhibit 6).

No questions, comments or concerns.

ARTICLE 11: (Special - not included in Budget Appropriation Article #6). To see if the Town will vote to raise and appropriate the sum of Forty-Four Thousand Dollars (\$44,000.00) to contribute to the **CAPITAL RESERVE FUND FOR POLICE VEHICLES** to be used according to the purposes for which the fund was established. This appropriation is in addition to Warrant Article 6, the Operating Budget Article. **Recommended by the Board of Selectmen (5-0-0).**

EXPLANATION: This fund accumulates money to purchase vehicles for the Police Department so that financing costs can be avoided. On alternating years, the Police Department purchases either one or two vehicles. This year the department plans to purchase two patrol vehicles.

Mark Hounsell asked how much went in last year. Lucy Philbrick stated \$38,000.00. Earl Sires stated he thought if the Chief were to be asked the explanation would be the platform for vehicle changes and the cost of patrol cars is going up like other things so they had to increase the amount request year to year.

ARTICLE 12: (Special - not included in Budget Appropriation Article #6) To see if the Town will vote to raise and appropriate the sum of Eighty Thousand Dollars (\$80,000.00) to be placed in the **MAINTENANCE OF TOWN BUILDINGS AND FACILITIES CAPITAL RESERVE FUND** to be used according to the purposes for which the fund was established. This appropriation is in addition to Warrant Article 6, the Operating Budget Article. **Recommended by the Board of Selectmen (5-0-0).**

EXPLANATION: This fund provides for the on-going maintenance of our town buildings. Projects such as replacing heating systems or installation of a new roof are funded from this source. Potential projects for 2012 and subsequent years are identified in Exhibit 7.

No questions, comments or concerns.

ARTICLE 13: (Special - not included in Budget Appropriation Article #6) To see if the Town will vote to raise and appropriate the sum of Seventy-Five Thousand Dollars (\$75,000.00) to be placed in the **SOLID WASTE EQUIPMENT CAPITAL RESERVE FUND** to be used according to the purposes for which the fund was established. This appropriation is in addition to Warrant Article 6, the Operating Budget Article. **Recommended by the Board of Selectmen (5-0-0).**

EXPLANATION: This fund accumulates money to support the replacement of equipment and vehicles that are used at the landfill and transfer station. By saving money up front, the Town avoids financing costs and keeps the budget level by making equal payments to this fund over a period of years. Actual annual expenditures are based on equipment to be purchased that year. Currently all equipment and vehicles are on a 10-12 year replacement cycle (See Exhibit 8).

No questions, comments or concerns.

ARTICLE 14: (Special - not included in Budget Appropriation Article #6) To see if the Town will vote to raise and appropriate the sum of One Dollar (\$1.00) to be placed in the **LANDFILL CLOSURE CAPITAL RESERVE FUND** to be used according to the purposes for which the fund was established. This appropriation is in

addition to Warrant Article 6, the Operating Budget Article. **Recommended by the Board of Selectmen (5-0-0).**

EXPLANATION: The Town of Conway is required by the New Hampshire Department of Environmental Services to maintain this fund which will be used to pay for the eventual closure of the existing landfill. Currently, it is felt that the amount in the fund is sufficient to cover future expansion costs. An amount of \$1.00 is recommended so that the fund is kept "open".

No questions, comments or concerns.

ARTICLE 15: (Special - not included in Budget Appropriation Article #6) To see if the Town will vote to raise and appropriate the sum of Fifty Thousand Dollars (\$50,000.00) to be placed in the **LANDFILL EXPANSION CAPITAL RESERVE FUND** to be used according to the purposes for which the fund was established. This appropriation is in addition to Warrant Article 6, the Operating Budget Article 6. **Recommended by the Board of Selectmen (5-0-0).**

EXPLANATION: This fund provides for the accumulation of funding for the future expansion of the landfill which is scheduled for 2014. The annual contributions are necessary to ensure that the Town has adequate funding for the expansion of our municipal landfill.

No questions, comments or concerns.

ARTICLE 16: (Special - not included in Budget Appropriation Article #6). To see if the Town will vote to raise and appropriate the sum of One Hundred Thirty Thousand Dollars (\$130,000.00) from the annual cable television franchise fees to add to the **PEG EXPENDABLE TRUST FUND**, to support the operations and equipment needs of Public Education and Government television services. **No property tax funds will be raised to support this warrant article. Recommended by the Board of Selectmen (5-0-0).**

EXPLANATION: This article asks the voters to place \$130,000.00 in Cable TV franchise fees received by the town into a trust fund to be used only for purposes related to Public Education and Government (PEG) television. PEG TV is currently broadcast on cable channel 3 and is provided for the Town of Conway by Valley Vision, a private non-profit organization. If the voters approve the placement of these funds in the trust, the Board of Selectmen intend to use \$96,000.00 to fund Valley Vision services for the year. The remaining monies will be deposited into the account for use for equipment purchases or other PEG related services, programs, or expenses.

Mark Hounsell asked what the current balance was in the account. Lucy Philbrick stated \$186,000.00.

Earl Sires stated just a note on that; it seems like a fairly substantial balance but there is probably somewhere in the neighborhood of \$100,000.00 or \$90,000.00 that they received last year to fund equipment purchases over the next 10 years that was part of the negotiation with Time Warner for the franchise renewal. They funded the Town last year with this initial deposit of equipment money that will be used over the next 10 years to replace equipment at Valley Vision or for the PEG Station.

Ted Sares stated there's no tax impact whatsoever and if for some reason the Town voted against it, we wouldn't have Channel 3 and would get an alternative down the road. The long story short is that there is no tax impact on this; this is a fee thing, it's driven by fees.

Amy Snow asked if this was for all Town entities including like the Professional Development Center at the School, this PEG funding or is that a separate fund. Earl Sires stated that was separate and he didn't believe they provided any funding out of the PEG Account for that Professional Development Room.

Chairman Sordi asked about the Valley Vision equipment that's maintained there. Amy Snow stated that's what she was asking about. Earl Sires stated the equipment that's used there he believes would have come from their funding, not the facility.

Mike DiGregorio stated that any government show that you see on Channel 3 other than Madison is stuff that we have directed Valley Vision to go and film and tape. They typically own all of that equipment, Valley Vision does own some, but we typically own most of it, if not all of it. When you see stuff filmed here or see stuff filmed at the Professional Development Room, we've asked Valley Vision to do it for us. Anything within the Town of Conway, we've asked them to do for us.

Mike DiGregorio stated just to finish up on what Mark (Hounsell) was asking before about the number that's in the account right now. For some reason when they were negotiating and they have never figured out why, Time Warner, instead of giving the payments over 10 years like they used to, they wanted to pay all of that money up front which he was amazed at. That's what they did, instead of breaking that up with 3 payments over 10 years, they wanted it all up front. So that's why there's so much money in that account.

ARTICLE 17: (Separate - not included in Budget Appropriation Article #6). To see if the Town of Conway will vote to approve all costs associated with the addition of **ONE PATROL OFFICER POSITION IN THE POLICE DEPARTMENT**. The annual cost of one additional position is estimated to be Eighty Thousand Eight Hundred Dollars (\$80,800.00) and further to raise and appropriate Forty Thousand Four Hundred Dollars (\$40,400.00) for the current fiscal year, such sum representing the costs to fund the position for one half of the year. **Recommended by the Board of Selectmen (5-0-0).**

No questions, comments or concerns.

ARTICLE 18: (Separate - not included in Budget Appropriation Article #6). Shall the town vote to raise and appropriate the sum of Two Hundred Fifty-Eight Thousand Three Hundred Dollars (\$258,300.00) to hire a new **FULL-TIME OFFICER FOR THE POLICE DEPARTMENT**. This amount includes salary, benefits, and equipment. Said hiring to be conditioned upon receiving a grant for 100% of the officer's salary and benefits from the U.S. Department of Justice, Office of Community Oriented Policing Services, which if awarded would provide salary and benefits for three (3) years and require the town to fund the position awarded under the grant for the 4th year. If approved, funding for this position

will be contained in the operating budget for the 4th year. **Recommended by the Board of Selectmen (4-1-0).**

EXPLANATION: This article proposes to enter into a grant agreement with the U.S. Department of Justice, Office of Community Oriented Policing Services. If awarded, the grant funds will provide all of the salary and benefits for one newly hired police officer for a period of three years. By approving this article, the Town commits to paying the full salary and benefits for the fourth year of the grant period. If the funds are not received, the police officer position will not be hired.

Ray Shakir stated he just wanted to clarify the obvious and that is that it's not just the 4th year, it's the 4th year hence so once we start paying the 4th year, we'll be paying that Officer for as long as that Officer is employed. Is that not correct. Chairman Sordi stated yes.

Theresa Kennett, Police Commissioner, stated the requirement of the Grant is that we will pay for a 4th year, that's why that language is in there; but each and every year the Commission with the administrative staff of the Police Department review the staffing conditions and make judgments on that. She thought that was a more appropriate answer. It is doubtful that we will have less of a need for Police Officers so she guessed the probability of him or her continuing is there but the reason that 4th year is in this Article is because it's a requirement of the Grant that we pay for the 4th year.

Mark Hounsell asked if Town Counsel had looked at the language of this Article. Earl Sires stated yes, and he had to admit it's not necessarily the way that you would think that something would be written, it's not particularly straight forward, it is what the DRA requires and it has been reviewed by the attorney. The tough thing for them is that you are raising and appropriating money that there won't be any expenditure or revenue if this doesn't happen but we still have to raise and appropriate that and include it in the Budget so that's why that's statement in the Explanation is there which says if the money is not received, the Officer is not hired.

Ted Sares asked how often does the Board of Selectmen obligate itself financially 4 years out. Earl Sires stated the only way in fact the Selectmen can do that is through a Contract or a Grant agreement. Ted asked how often. Earl stated from time to time, he wouldn't say every week, but a number of times during the year they have a Lease this year for 10 years on a Parking Lot for example. Ted asked how about how often on manpower. Earl stated only through the Union to the degree that that's contractual.

Rebecca Gardner asked after the 4th year, is the 5th and 6th year or whatever, are they a separate Article or are they part of the Budget. Earl Sires stated he believed that in the past when Grant funding has run out there's been an Article on the Warrant to approve that once the Grant funding had run out. Earl thought the other night there was discussion about that happening in this case or at least we talked about that being a possibility. Commissioner Kennett stated we did talk about that being a possibility and we talked about the legal requirements. We will make sure that it's presented in the way that it is absolutely to be presented. She

thought that was the nature of the discussion a few weeks ago. They will research that and make sure they do it in the way that the law requires them to do it.

Lt. Chris Perley stated whenever we discuss the COPS Grant, 16 or 18 years ago when they got their first one and recently, there's always a question posed "what about the 5th year", "what about the 6th year". The way the question is posed makes it almost sound like the COPS Grant is a bait and switch, but it's not. It's really a very good financial deal for the community as it relates to labor costs and manpower and the analogy that he just wants to express is if you were buying a home and were shopping at banks for a mortgage and one bank said to you "we'll give you a 20 year mortgage if you do business with us, but the first 3 years we'll pay for it and you have to pay for the rest", there would be a line out the door and around the block to do business with that bank because that's just makes good sense. It's ridiculous to believe that we will have a lesser need for Police staffing 4 years from now when we already know what the staffing needs are at present. Money is not going to get any cheaper, labor is not going to get any cheaper. Anybody that will underwrite labor for 3 full years, labor, benefits and equipment in any business and he didn't care if you make collars at Lupine or you teach kids at the School or you police the streets, that is really good business sense and it should be a no brainer.

Stephen Steiner stated his question is what is the Police Department doing about the increase in crime. They are asking for more money and more cops; are we going to have more cops out there giving more traffic tickets out or are we going to go after drug traffickers, what are we doing. Mr. Steiner stated he thought it was a fair question. Chief Wagner stated he thought it was a fair question too, but they've had many discussions that he (Mr. Steiner) hadn't shown up at. If you come to any of their meetings, you would know that they have increased crime and arrests and traffic tickets because that's all part of policing the streets of Conway and over the past at least 7 years that he's been Chief, they've had more crime and more arrests every single year in the Town of Conway. What do they do? They arrest people that commit crimes, they give out traffic tickets to people that break the law driving the streets, they do all those, that's what they do.

Mr. Steiner stated to Chief Wagner you're saying you have an increase of crime, what is the source of the crime. Do we have people driving 90 mph down the main drag or do we have people dealing drugs and we're having murders because of drug crime, we're having people getting robbed because of drugs, that's all he is saying. Yet we don't have a Drug Task Force or this town has no plan to go after the drug dealers.

Chairman Sordi stated he was going to stop the discussion right now. This is a public hearing for the Budget, not about the performance of the Police Officers. Mr. Steiner stated but are we going to hire another cop to give out traffic tickets. We have enough of them right now. Chairman stated just like we are not going to go into the performance of the Schools during the School discussion unless it relates to a specific budgetary item. We're talking about Article 18 about hiring a full-time officer. How are your comments related specifically to this Article or your questions. Mr. Steiner stated it pertains to hiring more cops,

right. Chairman agreed. Mr. Steiner stated we have 23 or 24 now, 22 now yet we heard in the other meetings that he did attend that we had a murder at Cranmore that was clearly undersigned by drugs and no one's doing anything. Yes, we're having an increase in crime because no one's attacking the source of the problem. That's all, but we need more cops to give out traffic tickets, that's all he's saying. Chairman stated he was not going to get into a discussion about whether the Police Officers are giving out traffic tickets or going after drug crimes. The issue on the table is whether the Police force needs an additional Police Officer or not and if there's a specific question to whether they need another one, fine. He was not going to discuss what the Police Officer was going to be doing in his time, that's up to the Chief and the Lieutenant to decide. That's up to the Police Commission to decide if they're doing their job. It's up to the Police Commission to decided if there needs to be a Task Force, plain and simple.

Commissioner Kennett stated the reason they have these two Articles on the Warrant is because they are understaffed and in order to provide adequate service to the community of Conway, they need these two Officers. That's all she wanted to say.

Mark Hounsell stated forgive him if he's a stickler for the process, but this is a Budget hearing, not the Deliberative Meeting and he thought the question should be related to the Budget itself and to the particulars of it and on that line, he would like to ask a question regarding the source of the Grant. This is specific to the U.S. Department of Justice, Office of Community Oriented Policing Service. If a Grant becomes available from some other Department of Justice Bureau, wouldn't it be the case that it could not be accepted under the terms of both this Article and previous settings of Grants.

Chairman Sordi stated that was a good point and he didn't have an answer to that. Was that question posed to Town Counsel. Earl Sires stated no because the intent of the Article is specific to this one program. There may be other Grants out there that could be applied for and are every year for a variety of purposes. The unique thing about this and why it has to be structured the way it is is it's a multi-year financial commitment. He didn't think it would authorize multi-year hiring under any other program.

Rebecca Gardner asked if we would know by voting time or the Deliberative Meeting whether it will be an Article or in the Budget for the 5th and future years. You said you needed to do it according to what's correct and legally right. Will we know that answer by then. Chief Wagner stated they won't know if they get the Grant before the vote comes up. Ms. Gardner stated not the Grant, future years. Chief Wagner stated they should know by September or October whether they get the Grant or not. Ms. Gardner stated Theresa (Kennett) said "we needed to do what was properly worded" via the legal and she just needs to know if we will know that answer prior to our decision on what we are going to do this year. Earl Sires stated we can certainly look into that and have an answer.

Rebecca Gardner stated you say we have 22 now, does this include the one we voted on last year or is there an opening still; are they all filled. Chief Wagner stated they aren't all filled. Ms. Gardner asked how many

were vacant. Chief Wagner stated one is vacant. Ms. Gardner stated and that's last year's or one which could be. Chief Wagner stated one is vacant still. Ms. Gardner asked is that because we don't find somebody to hire or what's the reason behind that. Chief Wagner stated he thought it was a little bit of both. As is well documented, they had 4 people leave last year, unanticipated; so it's a little bit of both. They've had a difficult time hiring as well. They ran a process where they didn't come up with anybody so they had to start the whole process over. It's a little bit of both; they had people leave and it's been difficult to find somebody.

Linda Teagan stated under the Grant from the Justice Department, are you obligated to do any other changes in the way you police or are you independent; in other words, are there any other strings attached that we should know about by taking this Grant. Chief Wagner stated the only string attached is that 4th year. There are no other requirements or anything.

Bob Drinkhall stated as he has stated a few times, he's not exactly the biggest spender in Town; however, he didn't understand why there's so much scrutiny on this issue when in fact the crime rate has gone up as much as it has and perhaps some of the people here tonight haven't heard exactly what those figures are and maybe the Lieutenant could briefly give a little bit of information on that.

Lt. Perley stated he was glad that Bob (Drinkhall) asked that question and he would try not to bore everybody with statistics and facts, but they really try to let their operating decisions and their projections and their theories on crime and prevention based on facts, not based on anything else so they try to rely heavily on the facts. He was not going to rehash all of the statistical information he has presented before, but most recently there was a report published by the New Hampshire Center for Public Policy Studies out of Concord which is a non-partisan group that did a really excellent global view on crime in New Hampshire. They basically looked at crime reports and trends from 1985 to present and the report is available on-line and he would urge everybody to read it if they're interested in what the trends are in the State.

Lt. Perley stated there were a couple of things that make it not quite as clear for us, but it allowed them kind of a jumping off place to look at what's happening in Conway. The report included all communities in the State that had a population of 10,000 or greater. We are not a component of their study unfortunately or all of his work would have been done by somebody else and that would have been easy. If you will recall the discussions that we've had in year's past about where we rank on the top 50 communities as far as Group A Crimes and Group A Crimes are the most serious, we ranked 15th in 2009 which was the most recent ranking report. What he did was take the 6 communities above us and 5 below us to look at where we kind of fell on the most recent Group A Crime data and that was 2010. The communities that were involved in that analysis and he won't read every little detail, but the communities that were reviewed for 2010, not a trend this is a snapshot because he would have had to have had a lot more material and he just learned of this report two days ago. He read the report and then he analyzed it relative to our activity.

Those communities are Dover, Somersworth, Hudson, Claremont, Lebanon, Hampton, Merrimack, Londonderry, Milford, Bedford and Goffstown.

Lt. Perley stated the criteria that the New Hampshire Center for Public Policy looked at for crime activity, not trends because trends are changes over time and this is a snapshot of 2010, where violent crime totals, property crime totals and then there were subsets that made up those totals: murder and non-negligent homicide, forcible rape, robbery and aggravated assault were the subsets for the total violent crime and then burglary, theft and motor vehicle theft were the subsets for the property crime. In looking at our crime in 2010 in those categories as compared to those other communities, based on that the average violent crime total for the 11 towns that he spoke of was 22 in any given year, we had 23; the average theft crime total was 383, we had 399; the average forcible rape total was 4, we had 9; the average robbery was 6, we had 3; average aggravated assault was 15, we had 11; the average property crime total was 391, our property crime total was a whopping 512; average burglary total was 58, ours is 93; average theft total 321, ours was 399; average motor vehicle theft which Federal studies will tell you that motor vehicle theft and robbery are two significant crimes in community quality degradation and can be a prelude to homicide because motor vehicle theft is often involved in car jacking and robbery is involved in homicide. The average for the 11 towns was 13, we had 20 in 2010.

Lt. Perley stated what that does is that puts us higher than average in all of the categories except for robbery and aggravated assault. We are above the bar in all of those things. To put a finer point on it, now this is compared to those other communities: Dover, Somersworth, Lebanon and Claremont, those are big towns and cities, Londonderry. We had the highest forcible rape total for 2010, the highest burglary total, the second highest property crime total, the second highest motor vehicle theft total, the fourth highest theft total, fifth highest violent crime total, fifth highest robbery total, fifth highest aggravated assault total. So in those categories we were as high as number one and never lower than fifth. The population ranges in those communities are a high of 28,794 and, of course, the low of ours which, the last report he used for this was in 2009, and it was 9,240. He knows we are over the 10,000 mark now, but he didn't have that exact number. There are police forces that are nearly 3 times the size of Conway, populations nearly 3 times the size and their crime rate in some categories pales in comparison to ours. That's the state of affairs in 2010.

Dick Klement stated he would appreciate the Commissioners clarifying why we're spending \$258,000.00 of this Warrant Article to provide one year of service. That seems a tad high. Chairman Sordi asked if the \$258,000.00 reflected the Revenue we're going to get. Commissioner Kennett stated if we receive this Grant it will be over time, over 3 years time, so for this Article they had to project what that cost would be and that is for over 3 years time for an Officer over 3 years time. Chairman stated the only tax impact to the voters would be for the 4th year. Commissioner Kennett stated the only tax impact for the voters, yes.

Dick Klement stated might he suggest that the explanation be modified to state that the actual cost to the townspeople would be \$90,000.00 or whatever it is because it appears that we are going to actually raise

\$258,000.00 through taxation. Commissioner Kennett stated she would ask the Town Manager if they can work on that explanation.

Greydon Turner asked how many officers have been hired in the past 4 years. Chief Wagner stated 2. Greydon asked if all of them were hired under similar circumstances and similar type Grants. Chief Wagner stated no.

Amy Snow asked if this money was contingent upon hiring somebody; let's say we vote it in, do we not get the money until you hire somebody. Commissioner Kennett stated true. Ms. Snow stated we already have one opening; will that money be used to fill that opening. Commissioner Kennett stated no. Ms. Snow stated so now we have two openings. Okay, that's a replacement. If you can't fill this one position and then we put in for this Grant and you finally hire somebody, it could be another year or two before you fill this position. It seems like you are having a hard time finding qualified Officers to work here. Ms. Snow stated she guessed she was asking if one of the strings attached is you have to hire somebody before you get the money. Commissioner Kennett stated this is a draw down type of Grant so yes you hire somebody and you get that money in year 1 and then again in year 2 and then again in year 3. Her answer to one of Ms. Snow's questions is that they can't tell how long it will take them, the Grant is awarded she believed in September, and she would hope to have an Officer on staff by December at the very latest. That would be her hope.

Ms. Snow stated so you will fill this position first. Commissioner Kennett stated actually they have 22 positions that they currently can fill; 21 are full and they are going to fill the other one very shortly so they will be on board. They had 4 resignations in the second half of the year which was unanticipated which is why they are down one right now.

Ms. Gardner asked if you don't get it filled the first year, does the Grant keep going on even if you don't get it. Commissioner Kennett stated she was not sure. Chief Wagner stated it doesn't start until you hire somebody. Ms. Gardner stated and then it will go for 3 years. Chief Wagner stated correct.

Mark Hounsell stated perhaps a suggestion to the Police Department: Commissioner Kennett would you think it might be wise to just put a period after Department of Justice and leave out the Office of Community Oriented Policing Services in case a Grant becomes available. Commissioner Kennett stated she thought that would actually be their recommendation to the Town Manager. One of the things about these Grants as you know they have to pass muster with DRA so if they will, that's the way to go because she agreed with Mark about the agency.

Ms. Gardner wondered if they might want to put in the explanation what we just talked about that it will start when they get hired and will continue for 3 years and it won't just die if we don't get it the first year. Commissioner Kennett stated clearly the input they have received tonight tells them that they need to work on that explanation so she will work with the Town Manager and try to word it so that it is clear and not confusing.

ARTICLE 19: (Separate - not included in Budget Appropriation Article #6). To see if the Town will vote to approve a five year Memorandum of Agreement for contributions to **EMERGENCY AMBULANCE SERVICE** between the Town of Conway and two providers (North Conway Ambulance, Inc. and Conway Village Fire District) beginning at 12:00 AM May 1, 2012. Further, to raise and appropriate One Hundred Two Thousand Six Hundred Sixty-Six Dollars (\$102,666.00) to be disbursed to the providers in accordance with the provisions of the Emergency Ambulance Service Memorandum of Understanding. This amount is in addition to the Fifty-One Thousand Three Hundred Thirty-Four Dollars (\$51,334.00) contained in Warrant Article 6, the Operating Budget Article, which is the cost of ambulance services from January 1, 2012 to April 30, 2012. **Recommended by the Board of Selectmen (5-0-0).**

EXPLANATION: The Ambulance Budget funds a contribution to local ambulance providers: Conway Village Fire District and the North Conway Ambulance Service. This budget decreases by 67% or \$102,666.00. This is because the existing five year agreement expires in April of 2012 so only the first four months of funding are included in the operating budget. A renewal of the agreement for a period of five years is proposed. The agreement amount totals \$154,000.00 for the first year and will increase by a cost of living increase not to exceed 3% for each of the remaining four years of the agreement.

Amy Snow stated she had been watching this on Channel 3 and the same question keeps coming to her mind: is it one Contract with the two providers because they're two separate entities or is it two separate Contracts, both the same. Earl Sires stated the way it's been structured for the last probably 20 years is that it's been one Contract between three parties: the Town and the two providers.

Mark Hounsell stated he wanted to start by saying that he thought the Ambulance Service in the Town of Conway was without question excellent and superb. With that being said, North Conway Ambulance Service is a for profit entity and the Conway Village Fire District is a government agency. Has anyone asked either entity, especially the for profit entity, if they will be able to continue business if the subsidy ended. Earl Sires stated he did not believe that question was asked this budget season. Chairman Sordi stated the comment was it's not a subsidy, it's just a Contract. Mr. Hounsell stated he just remembered this is a budget hearing so he'll save his reply to that for the Deliberative Meeting.

ARTICLE 20: (Separate - not included in Budget Appropriation Article #6). To see if the Town will vote to approve the **NON-PRECINCT FIRE AND RESCUE PROTECTION AGREEMENT** between the Town of Conway, the Conway Village Fire District, and the North Conway Water Precinct. The agreement shall be for a term of five years beginning on January 1, 2013 and expiring on December 31, 2018. The annual cost of this contract will be included in the operating budget beginning in 2013 and shall be funded by non-precinct tax payers only. **Recommended by the Board of Selectmen (5-0-0).**

EXPLANATION: This agreement provides fire service for areas of the town not located within a fire district or precinct. The contract funding is assessed only to residents of non-precinct areas.

No questions, comments or concerns.

ARTICLE 21: (Special - not included in Budget Appropriation Article #6). To see if the Town will vote to approve a **TEN (10) YEAR LEASE FOR A MUNICIPAL PARKING LOT IN NORTH CONWAY VILLAGE**. And further, to see if the Town will vote to raise and appropriate the sum of Forty Thousand Dollars (\$40,000.00) to fund **CAPITAL IMPROVEMENTS TO SAID MUNICIPAL PARKING LOT**. Of this total amount, Thirty Thousand Dollars (\$30,000.00) will be funded by tax revenue and Ten Thousand Dollars (\$10,000.00) will be funded by the owners of the leased property. **Recommended by the Board of Selectmen (5-0-0)**.

EXPLANATION: This article proposes to renew the existing lease for the municipal parking lot in North Conway Village. Part of the agreement includes a cost share of needed maintenance including paving, lighting and curbing.

Ted Sares asked what would be the effective impact of this if it was voted down. Earl Sires stated if it was voted down there would be less public parking available in North Conway Village. Exactly how that would play out, he couldn't say. Ted stated less public parking in an area where few people park anyway, correct. Earl stated he thought at times there's a fair amount of parking there. He thought the Selectmen have decided it's important to maintain public parking and what would happen to this particular parking lot if this Lease weren't approved, he didn't know, other than to say there would be less parking. Ted stated even on nights like the 4th of July when you're starved to find a place, you can rest assured that in front of HCC you will always find a place. To contend that that place is used by the public, he doesn't buy that one bit. Maybe three, four times a year and then forget it. He thought this was money poorly spent. Just a view.

Chairman Sordi stated at least from his perspective, he knows that parking lot has become a common place where he parks when he goes downtown because all of the spots are usually filled along the street and so he goes in there. Ted Sares stated he rests his case; after this everybody's going to park there.

John Edgerton asked if the \$1.00 was paid last year. Chairman Sordi stated he was assuming so, yes and if not, he would pay it himself. Earl Sires stated he could not vouch for the dollar being paid. John stated he has tried parking in that parking lot and has found the last place. Chairman stated he has been in similar situations.

Mary Seavey stated she just wanted to say that she visually sees the Parking Lot every day and that Parking Lot is used extensively by the Gibson Center and she thought that was a big part of our community that we really need to support and make sure that they have adequate parking.

Greydon Turner stated there's also a new company that's opening up in the same building where Mary (Seavey) is as well and they will be using 10 to 15, possibly 20 of those parking spaces.

Ted Sares stated let the record show that this one is far from being resolved and it will come up again at the Deliberative Meeting he guaranteed it.

ARTICLE 22: (Special - not included in Budget Appropriation Article # 6). To see if the Town will vote to raise and appropriate a sum not to exceed Four

Thousand Three Hundred Dollars (\$4,300.00) for Conway Public Library purposes, specifically, for the purchase of literary, **AUDIO AND VIDEO MATERIALS FOR THE YOUNG ADULT SECTION**. This article will not affect the tax rate as the funds to be expended for these purposes have been donated to Conway Public Library. **Recommended by the Board of Selectmen (5-0-0)**.

Mark Hounsell asked if the Trustees could do this themselves; haven't they in the past had similar attainment. Lind Fox Phillips, Library Trustee, stated they received the donation in a different year and therefore they do have to have an Article in order to expend the balance. They spent part of it the year it was given to them and this is the balance that's left.

ARTICLE 23: (Special - not included in Budget Appropriation Article #6). To see if the Town will vote to raise and appropriate the sum of Thirteen Thousand Dollars (\$13,000.00) for **TRI-COUNTY COMMUNITY ACTION** for the purpose of continuing services of the Fuel Assistance Program for the residents of Conway. Submitted by petition.

No questions, comments or concerns.

ARTICLE 24: (Special - not included in Budget Appropriation Article #6). To see if the Town will vote to raise and appropriate the sum of Three Thousand Dollars (\$3,000.00) in support of **CARROLL COUNTY TRANSIT SENIOR AND GENERAL PUBLIC TRANSPORTATION**. Submitted by petition.

John Edgerton stated this was discussed by the Board at the Gibson Center this morning. They had information that there was about \$2 Million expended of government funds, Federal, State and Local funds on this project to support a total of 100 passenger transits. You can almost buy a car for every single person that's on that bus for the cost this program has. It's an extreme waste of money. Chairman Sordi stated the 100 people that it does transport though are transported for multiple trips. John stated if one person is round trip, that counts as two people, so out of the 100 that's 50 and we count Moultonboro, Laconia, Tamworth and the Conways. Ted Sares stated if you can believe the Conway Daily Sun this morning, it's 50 trips.

ARTICLE 25: (Special - not included in Budget Appropriation Article #4). To see if the Town will vote to raise and appropriate the sum of Thirty-Two Thousand Dollars (\$32,000.00) (level funded from last year) to support the Conway home delivered meals (Meals on Wheels), congregate meals, transportation and program services provided by **THE GIBSON CENTER FOR SENIOR SERVICES, INC.** Submitted by petition.

No questions, comments or concerns.

ARTICLE 26: (Special - not included in Budget Appropriation Article #6). To see if the Town will vote to raise and appropriate the sum of Twelve Thousand Dollars (\$12,000.00) for the Early Supports & Services Program (birth to 3 years) of **CHILDREN UNLIMITED, INC.** (Level funding request). Submitted by petition.

No questions, comments or concerns.

ARTICLE 27: (Special - not included in Budget Appropriation Article #6). To see if the Town will vote to raise and appropriate the sum of Five Thousand Dollars (\$5,000.00) for **VAUGHAN COMMUNITY SERVICE, INC.** Submitted by petition.

No questions, comments or concerns.

ARTICLE 28: (Special - not included in Budget Appropriation Article #6). To see if the Town will vote to raise and appropriate the sum of Three Thousand Dollars (\$3,000.00) for **VAUGHAN COMMUNITY SERVICE, INC. d/b/a NORTH CONWAY DAY CARE.** Submitted by petition.

No questions, comments or concerns.

ARTICLE 29: (Special - not included in Budget Appropriation Article #6). To see if the Town will vote to raise and appropriate the sum of Seventy-Five Thousand Dollars (\$75,000.00), said sum to be allocated to the **NORTH CONWAY COMMUNITY CENTER** for programs of the North Conway Community Center. Submitted by petition.

No questions, comments or concerns.

ARTICLE 30: (Special - not included in Budget Appropriation Article #6). To see if the Town will vote to raise and appropriate the sum of Thirty-Five Thousand Five Hundred Sixty-Five Dollars (\$35,565.00) for the support of **WHITE MOUNTAIN COMMUNITY HEALTH CENTER** to help meet the healthcare needs of the uninsured and underinsured residents of the Town of Conway.

Rebecca Gardner stated the last 4 Articles have not said level funding, do we therefore assume they weren't. Chairman Sordi stated the White Mountain Community Health Center was level funded for 3 years and if it doesn't say it there, he was not sure why it was not put in there.

Ted Sares asked if it got passed last year and Chairman Sordi stated he thought it did.

Earl Sires stated they use the language that is submitted by the Petitioner so if they include a statement as to level funding it gets in there. If they don't, we don't add language to their Petition.

ARTICLE 31: (Special - not included in Budget Appropriation Article #6). To see if the Town will vote to raise and appropriate the sum of Seven Thousand One Hundred Fourteen Dollars (\$7,114.00) in support of **STARTING POINT** providing advocacy and support to victims of domestic and sexual violence and their children. Submitted by petition.

No questions, comments or concerns.

ARTICLE 32: (Special - not included in Budget Appropriation Article #6). To see if the Town will vote to raise and appropriate the sum of Two Thousand Dollars (\$2,000.00), in the interest of public welfare, same to be payable to **COMMUNITY LEGAL SERVICES, INC.,** a NH non-profit organization. Said Community Legal Services, Inc. is offering low cost legal services to residents of the

Conway area, at space currently provided by the Northern Carroll County VNA, on Seavey Street, North Conway. Submitted by petition.

Ruth Hall requested permission to speak since she was not a resident of the Town of Conway. Chairman Sordi stated yes. Attorney Hall stated she was here tonight on behalf of Community Legal Services and also here tonight to answer any questions you may have is their Director Jeannette Haney and one of their clients, Dale, who has offered if anyone has any questions to explain what Community Legal Services has been able to do to help her out. They also gave everyone a brochure which has an explanation of who they are, what they do and how they do it. The public can get these brochures in your Library in the non-profit section and she thought also at the Conway Café and various other locations.

Chairman Sordi stated that was it for the budgetary Articles, the remaining Articles were non-budgetary. Ted Sares stated he guessed we can't discuss non-budgetary items and Chairman Sordi stated no, this is the Budget Committee hearing for only budget issues, that's all that we are discussing this evening.

Chairman Sordi closed out the Town portion of the Public Hearing at 7:40 PM.

PUBLIC HEARING - SCHOOL

Chairman Sordi opened the School portion of the Public Hearing at 7:50 PM.

Bob Godowski, Assistant Superintendent, stated the School Budget recommended is \$31,901,212.00. The increases and decreases: they have decreased a Bond, principal and interest, \$601,000.00; Health and Dental Insurance is down \$327,000.00; Special Education down \$258,000.00; Salaries and Benefits are down \$227,000.00. They have an increase of \$112,000.00 in School Building Maintenance and most of that is fuel, electricity and some new equipment; the Retirement Rate is also an increase of \$64,000.00; SAU 9, the District's share for Conway is up \$23,000.00; allocation of Government Agency School Building Aid is down \$30,000.00; Transportation is up \$18,000.00 and that's fuel and repairs; other supplies, books, contracted services up about \$38,000.00; and the School Lunch Program is up \$9,000.00. That comes out to a total decrease of almost \$1.2 Million or -3.73% in the Budget.

Chairman Sordi opened up the meeting for general questions and comments about the School Budget and stated then the members will go through the Warrant Articles like we did before.

Mark Hounsell stated School Building Aid is down \$30,000.00; could you explain to us what the School Building Aid is and how dependent we are with that for operating and maintaining the schools. Becky Jefferson stated the \$30,000.00 that we're referring to in that is the Building Aid that Conway gets that has to go back to SAU 9 for the School Building Project that they did through SAU 9. It is not the regular Building Aid.

ARTICLE 2. To see if the school district will vote to raise and appropriate as an operating budget, not including appropriations by special warrant articles and other appropriations voted separately, the amounts set forth on the budget posted with the warrant or as amended by vote of the first session, for the purposes set forth therein, totaling \$31,901,212.00. Should this article be defeated, the default budget shall be \$31,855,211.00, which is the same as last year, with certain adjustments required by previous action of the Conway School District or by law, or the governing body may hold one special meeting, in accordance with RSA 40:13, X and XVI, to take up the issue of a revised operating budget only.

No questions, comments or concerns.

ARTICLE 3. To see if the school district will vote to raise and appropriate the sum of Fifty-Four Thousand Four Hundred Forty-Three Dollars (\$54,443.00) (to be offset in part by payments from the sending towns in the amount of \$36,380.00) to be added to the Expendable Trust Fund (New Kennett High School Facilities Maintenance Fund) established for that purpose in 2007. This appropriation is in addition to Warrant Article #2, the operating budget.

No questions, comments or concerns.

ARTICLE 4. To see if the school district will vote to raise and appropriate the sum of Seventeen Thousand Eighty-Six Dollars (\$17,086.00) (to be offset in part by payments from the sending towns in the amount of \$7,681.00) to be added to the Expendable Trust Fund (A. Crosby Kennett Middle School Facilities Maintenance Fund) established for that purpose in 2007. This appropriation is in addition to Warrant Article #2, the operating budget.

No questions, comments or concerns.

ARTICLE 5. To see if the school district will vote to raise and appropriate the sum of Nine Thousand Nine Hundred Dollars (\$9,900.00) (to be offset in part by payments from the sending towns in the amount of \$1,271.00) to be added to the Expendable Trust Fund (Elementary Schools Facilities Maintenance Fund) established for that purpose in 2007. This appropriation is in addition to Warrant Article #2, the operating budget.

No questions, comments or concerns.

ARTICLE 6. To see if the school district will vote to approve the cost item included in the collective bargaining agreement reached between the Conway School Board and the American Federation of State, County and Municipal Employees (AFSCME) which calls for the following increases in salaries and benefits at the current staffing levels:

<u>Year</u>	<u>Estimated Increase</u>
2012-13	\$49,340.00
2013-14	\$50,058.00

and further to raise and appropriate the sum of Forty-Nine Thousand Three Hundred Forty Dollars (\$49,340.00) for the upcoming fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at the current staffing levels.

No questions, comments or concerns.

ARTICLE 7. To see if the school district will vote to approve the cost item included in the collective bargaining agreement reached between the Conway School Board and the Conway Education Association which calls for the following increase in salaries and benefits at the current staffing levels:

<u>Year</u>	<u>Estimated Increase</u>
2012-13	\$359,815.00

and further to raise and appropriate the sum of Three Hundred Fifty-Nine Thousand Eight Hundred Fifteen Dollars (\$359,815.00) for the upcoming fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at current staffing levels.

No questions, comments or concerns.

ARTICLE 8. To see if the school district will vote to approve the cost item included in the collective bargaining agreement reached between the Conway School Board and the Conway Educational Support Personnel which calls for the following increases in salaries and benefits at the current staffing levels:

<u>Year</u>	<u>Estimated Increase</u>
2012-13	\$13,132.00
2013-14	\$54,569.00

and further to raise and appropriate the sum of Thirteen Thousand One Hundred Thirty-Two Dollars (\$13,132.00) for the upcoming fiscal year, such sum representing the additional costs attributable to the increase in salaries and benefits required by the new agreement over those that would be paid at the current staffing levels.

No questions, comments or concerns.

ARTICLE 9. To see if the school district will vote to raise and appropriate Twenty-Nine Thousand Nine Hundred Twenty-Five Dollars (\$29,925.00) to supplement the funding of the John H. Fuller School, Conway Elementary School, and Pine Tree School Project SUCCEED Programs. (Designated as a Special Article) (Note: Anticipate \$20,000.00 in revenue to offset taxes.) (Additional grant sources will be sought to offset taxes further.) This appropriation is in addition to Warrant Article #2, the operating budget.

No questions, comments or concerns.

ARTICLE 10. To see if the school district will vote to raise and appropriate One Hundred Thousand Dollars (\$100,000.00) to be placed in the School Buildings Maintenance Fund established for that purpose in 1995. This fund will be capped at \$500,000.00. This appropriation is in addition to Warrant Article #2, the operating budget.

Amy Snow asked how much was in the Fund now. Mr. Godowski stated about \$96,200.00.

Ted Sares stated going back to Project SUCCEED which he is 100% for, they are asking essentially for \$30,000.00 and anticipate \$20,000.00 in revenue to offset taxes. Does this mean offset the \$30,000.00 or to offset taxes. The apples and apples fall apart there. Mr. Godowski stated it offsets the \$30,000.00. Ted stated so really then they are only asking for \$10,000.00.

Bill Marvel stated he was going to let this go, but it does say anticipate \$20,000.00 in revenue. If a car salesman told him to anticipate a rebate of a certain amount, that could be a sly way of saying you might get it or you might not. Is this guaranteed. Becky Jefferson stated yes, it is definite.

Ted Sares stated they have a good track record on this and that's why he is 100% for it. Generally when Christine says she's going to do something, she does it as a minimum if not more. If anybody says anticipate, she's the person he would believe more than anybody.

ARTICLE 11. To see if the school district will vote to raise and appropriate the sum of One Hundred Eighty-Six Thousand Dollars (\$186,000.00) to be added to the Capital Reserve Fund (School Buses) established for this purpose in 2009. This appropriation is in addition to Warrant Article #2, the operating budget.

Mark Hounsell stated he had a couple of questions; first one, does this get us caught up on needed buses and how much are we spending above what is appropriate to maintain buses in the fleet that are substandard. Jim Hill stated for next year they are going to have 3 buses that are at the 12 year threshold which is what the Board set for a policy. Two years ago they increased it from 10 years to 12 years. They have 3 buses that meet that threshold. They have an additional 3 buses that are looking at the 200,000 mark threshold that the Board increased from 150,000 to 200,000, so they have essentially 6 buses that are at what the Board as set for its peak. They are asking for 2; the rationale is that of course they lost a bus and a half last year through the DRA decision and the rationale is if they ask for too much the possibility is that they'll get none. He would rather ask for 2 and be sure that they get them and then work their way for the upcoming years to make sure that they get back on track. Maintenance is up and he thought that over the past 5 years probably about 100%. One of the things Dr. Godowski brought up was on maintenance, their increase was bus maintenance; their bus maintenance is up about 100% on their annual bus maintenance cost over what they were

paying 5 years ago. Some of that's attributable to older buses, some of it's not older buses, but it all plays a role in the costs.

Mr. Hounsell asked how many buses were in the fleet. Mr. Hill stated 17.

Amy Snow asked if this money was to maintain buses or to purchase buses. Jim Hill stated to purchase them.

ARTICLE 12. To see if the school district will vote to raise and appropriate Seventy-Five Thousand Dollars (\$75,000.00) to maintain the Conway School District Technology Plan. This appropriation is in addition to Warrant Article #2, the operating budget.

Chairman Sordi stated he remembers a couple of years ago there was a 3-Year Technology Plan; is it a new Plan or are you just extending what you are doing. Bob Godowski stated every 3 years the State of New Hampshire requires their writing a new Plan. They are presently in the first year of a new 3-Year Plan. Chairman asked if they were expecting the same funding each year or is that to be decided. Mr. Godowski stated they'd appreciate more, but the way it works out is that they have approximately \$36,000.00 in their General Budget for supplies and equipment which is negligible.

ARTICLE 13. To see if the school district will vote to raise and appropriate the sum of Fifty-Five Thousand Dollars (\$55,000.00) to purchase and install a new heating and ventilation unit at the A. Crosby Kennett Middle School. This appropriation is in addition to Warrant Article #2, the operating budget.

Mark Hounsell stated seeing that we spent \$11 Million at the Middle School to renovate and modernize the Middle School, why do we need to spend money now to install a new heating system. Jim Hill stated if you will recall, there were sections of that building that were "moth balled" and were placed outside of the scope of the project. This is one of those areas, it's actually the old gymnasium. The heating system is in the 1963 building, so the heat from that plant has to go through the old gymnasium out into the 23 and 38 sections of the building. This is to replace a 30 or 40 year old roof top unit on the section of the building that was not renovated. Even though it's moth balled, it still needs to be maintained in working order, it still needs to be heated and it's also sprinkled as well.

ARTICLE 14. To see if the school district will vote to raise and appropriate One Hundred Thousand Dollars (\$100,000.00) to be placed in the Expendable Trust Fund (Special Education Trust Fund) established for that purpose in 2008. This fund will be capped at \$500,000.00. This appropriation is in addition to Warrant Article #2, the operating budget.

Chairman Sordi asked what the current balance was of that Fund. Bob Godowski stated the current balance was \$200,700.00.

ARTICLE 15. To see if the school district will vote to raise and appropriate the sum of Thirty-Five Thousand Four Hundred Ninety-Eight Dollars (\$35,498.00) for the purpose of funding 70% of a Sous Chef position previously funded by the Carl Perkins Federal Grant, which is no longer available for this position. This appropriation is in addition to Warrant Article #2, the operating budget.

No questions, comments or concerns.

ARTICLE 16. To see if the school district will vote to raise and appropriate the sum of Twenty-Two Thousand Two Hundred Ninety-One Dollars (\$22,291.00) for the purpose of funding 30% of a Student Advocate position previously funded by IDEA/ARRA which is no longer available for this position. This appropriation is in addition to Warrant Article #2, the operating budget.

Amy Snow asked if it would be prudent in these last two Articles to put in where the other 30% and 70% are going to come from so that people when they are voting on this will know because we are only funding 70% of it, where's the other 30% coming from. Bob Godowski stated the other portion is in the General Budget. Ms. Snow stated wouldn't it be wise to put that in the Article so that when people are voting on this they'll know where the money is coming from or did the DRA say you couldn't do that. Becky Jefferson stated she didn't think it was asked. Ms. Snow stated she would like to know as a voter where the rest of the money is coming from and didn't know how other people felt about it. Bob Godowski stated they could certainly ask the question. John Edgerton stated they could have an explanation like they do for the Town.

ARTICLE 17. To see if the school district will vote to raise and appropriate the sum of One Hundred Sixty-Two Thousand Eighteen Dollars (\$162,018.00) (3 teachers at \$52,506.00 and \$1,500.00 per school for supplies and equipment) to establish a full-day kindergarten program in each of the three elementary schools. This appropriation is in addition to Warrant Article #2, the operating budget.

No questions, comments or concerns.

ARTICLE 18. To see if the school district will vote to raise and appropriate the sum of One Hundred Five Thousand Dollars (\$105,000.00) to replace a portion of the roof at John Fuller School. This appropriation is in addition to Warrant Article #2, the operating budget.

No questions, comments or concerns.

ARTICLE 19. To see if the school district will vote to raise and appropriate the sum of One Hundred Fifteen Thousand Dollars (\$115,000.00) to replace a portion of the roof at A. Crosby Kennett Middle School. This appropriation is in addition to Warrant Article #2, the operating budget.

Mark Hounsell asked if this was a moth balled area. Jim Hill stated yes.

ARTICLE 20. To see if the School district will vote to raise and appropriate the sum of Ninety-Six Thousand Nine Hundred Seventy-One Dollars (\$96,971.00) to provide for a 4th academic team at A. Crosby Kennett Middle School. This appropriation is in addition to Warrant Article #2, the operating budget.

Stephen Steiner stated he understood that this Warrant Article is pertaining to a team that was suppose to be eliminated if the enrollment went down. Why is it that the School Administration can't do their job and say what they're going to do and what they did is do the opposite of what they said they were going to do. Chairman Sordi stated if his memory serves him correctly, he believes the School Administration, and correct him if he is wrong, but they did propose to remove a team. Bob Godowski stated actually the question posed to Kevin Richard was "at what point would you start considering reducing a team" and the 300 number was there. He stated at no time that he was going to remove a team at 300. What he's been doing over the last few years is looking at his budget and trying to reduce in other areas because he feels very strongly that the most important thing in a budget in educating kids is the staff. He tried and has shown that he reduced his budget over the last few years in an attempt to make sure that he keeps his staffing numbers where he feels is appropriate and that this year there is a reduction of two teachers in that Budget.

Mark Hounsell stated other than not using one of the expensive Science Labs, has the School Board given any consideration to other areas that might be moth balled and also the second part of a question is can anyone tell us what the 3-Team set up would look like versus a 4-Team. It seems to be not symmetrical.

Chairman Sordi stated let's get to the first part, the moth balling. Bob Godowski stated he would let Dick (Klement) handle the moth ball question. Dick stated he didn't think we want to pre-empt anything until the non-binding referendum question is answered. Chairman questioned Dick's response. Dick stated they have a non-binding referendum question which is Article 21 which has no money assigned to it to determine whether more space can be moth balled so he didn't think they could answer that question until they find out whether the voters want to close a school or not and then once they get that answer then they can answer the other question.

Chairman Sordi stated to Mark Hounsell, as he was trying to recall, you were asking if part of the school was going to be moth balled at the Middle School. Mr. Hounsell stated he asked if there was any consideration given to what might be moth balled. They have 4 very nice Science Labs, one for each team, one of them won't be needed and that would fall under the category of a possible moth ball. He was just asking if there had been any consideration given to moth balling areas within the Middle School and from what he understands from Board member Klement that can't be discussed until Article 21 has been taken care of. Chairman asked why can't it be discussed until Article 21 is settled. Dick stated if an Elementary School is closed potentially almost certain the 6th Grade would have to move to the Middle School to make this work because they would run out of classroom space at the two surviving Elementary Schools. If that were to happen, approximately 125 or so children would move as the 6th Grade to the Middle School taking up those rooms.

Chairman stated that's fine and so you haven't considered it for that reason. Dick stated correct; they want to get one answer before they step off in other territory.

Chairman Sordi stated then the second question on how the teams are going to be structured is not really a budget related question so he is going to ask him (Mark Hounsell) to talk at the next School Board meeting.

Chairman Sordi asked if there were any further budget related questions. Ted Sares stated what would be very helpful to him for tomorrow night and he apologized because he should have asked for this earlier, would be some kind of either a two or three column list and on the first list under that would be "What was proposed last year" in the way of Warrants that are in there this year; "What new things are in there"; and "What was in there last year that was dropped out this year". In that manner he can pick and choose analytically; for example, last year we had "x" and we didn't get "x" because of the 11% request and so this year we have "y" and does "y" include "x" or does "y" include "x" plus "z" and if so, what does "z" look like. For example, he suspects "z" would include the All-Day Kindergarten and he suspects it would include one other one that he can't think of right now, but it's new.

Chairman Sordi asked which of the Warrant Articles were included last year, were rescinded by the DRA and now have been included this year. He believed there were some on the Warrant. Ted Sares stated he would expect all of them. Bob Godowski stated they could certainly get a list together for tomorrow night. He thought the buses were on there last year that were zeroed out; there was a Maintenance Fund that was zeroed out. Ted stated Sous Chef is new and Mr. Godowski stated he believed it was, but thought they could put those together for tomorrow night. Ted stated he thought it was important to understand that last year everybody complained and moaned and groaned because the Warrant Articles didn't get passed for a technical reason. Mr. Godowski stated some of them did get passed, they were just zeroed out. Betty Loynd stated they were passed by the voters, but were zeroed out by DRA. Ted stated that's what he means, they didn't get implemented, same thing, well not the same thing, but they did not get implemented so of the ones that either didn't get passed or didn't get implemented or whatever, are they still here. If not, what dropped out; is there something new and if so, what is it. Sous Chef, Kindergarten and anything else, that's all. Chairman asked Mr. Godowski if he was planning to be at the meeting tomorrow night and Mr. Godowski stated he was. Ted Sares stated he would come and get it tomorrow, what time. Mr. Godowski stated give him a few minutes in the morning.

Rebecca Gardner asked what is the total for these Warrant Articles above the Article #2, Operating Budget. Chairman Sordi stated if you look on the first page, the difference is about \$1.583 Million. Bob Godowski stated it's also detailed out on page 5.

Bob Drinkhall stated he would just like to state that this Budget is about 11 times what the Police Budget is and that seemed to get more scrutiny than this and he also wanted to add that last year we were able to take approximately \$.60 off the tax rate in the School Budget alone.

This year, if everything passes from what he's read thus far, we will be putting \$.44 back in and the irony of all of this is the enrollment is down while when you talk about the Police Department, crime is up and he just didn't understand why we would be looking for more money for the School than we've had in the past with enrollment down and he hoped the Budget Committee would take this into consideration when they vote tomorrow night. Thank you.

Chairman Sordi closed out the School portion of the Public Hearing at 8:25 PM.

BUDGET COMMITTEE MEETING

Chairman Sordi stated he sent around two documents and he has e-mailed pretty much everything that's he's gotten. He e-mailed something that he received from Earl (Sires) today and it's in the information he passed out, it's the Warrant Articles and a couple of non-budgetary Warrant Articles so we won't be voting on them tomorrow night. He also sent around the Agenda for tomorrow night. He just wanted to point out that tomorrow night we would be voting on 5 different sets of Minutes: the final Minutes for January 11th and the 18th and the Preliminary Minutes for the January 30th, February 4th and 6th. Please be ready to go through those very quickly and then we'll get into the deliberations. He has invited Earl (Sires) to be there and he expects he will and he knows Bob (Godowski) said he will be there in case we do have any questions during our discussion. As usual, the list of documents that have been sent out is on the back along with the Minutes. We will be starting at 6:30 PM at the Middle School so be prepared.

Ted Sares asked if the documents just passed out was just for the members' information. Chairman Sordi agreed. Ted asked if there would be any discussion. Chairman Sordi stated no, it's not a budgetary issue, there's no dollars. Ted stated it is a budgetary issue. Chairman stated we are not going to be voting on it. Ted stated he understood that, but could he get the Petition and see who signed it. Chairman stated Ted would have to go to the Town Hall and get it from Earl (Sires). Mike DiGregorio stated it will be read aloud on Deliberative night; that's the night it can be read aloud and debated. Chairman stated tomorrow night we will be voting on budget financial issues and he thought we would be lucky to get out of the meeting by 11:00 PM.

Ted Sares asked for the dates of the Deliberative Meetings. Chairman Sordi stated he would have all of that tomorrow night. Betty Loynd stated in the paperwork it said March 5th for the School and March 7th for the Town.

Dick Klement stated a protracted discussion, might it be feasible to have the Town Budget and Warrant Articles together and the School Budget and Warrant Articles together so that the individual who is lucky enough to go first can go home rather than sticking around for an extended period. Chairman Sordi stated we can do that, that's fine, we can do that.

Chairman Sordi stated what Dick (Klement) asked was that the Chairman had the order of the meeting as the Town Budget, the School Budget tomorrow because he figured those would take the longest and then we would get into the Warrant Articles of the Town and the Warrant Articles of the School. Dick suggested doing all of the Town or all of the School first so that person could go home and that's fine. We'll just have to flip a coin to see who goes first.

Mike DiGregorio moved, seconded by Danielle Santuccio, to adjourn the meeting at 8:30 PM. Motion carried unanimously.

Respectfully Submitted,

Iris A. Bowden, Recording Secretary