

**MINUTES OF MEETING  
MUNICIPAL BUDGET COMMITTEE  
January 14, 2015**

A meeting of the Municipal Budget Committee was called to order at 6:32 PM in the Professional Development Room at Kennett Middle School with the following members present: Chairman Joe Mosca, Maureen Seavey, Doug Swett, Michael Fougere, Dick Klement, Bill Masters, Christopher DeVries, Danielle Santuccio, Frank McCarthy, Terry McCarthy, Peter Donohoe, Steven Steiner and Stacy Sand. Excused: Maury McKinney, Mark Hounsell and Greydon Turner. Also present: Dr. Carl Nelson.

Peter Donohoe led those present in the Pledge of Allegiance.

SCHOOL REVIEW

Dr. Carl Nelson stated he thought he would do what he has done in the past, bring to the members attention some of the high points of the whole Budget. He didn't know if the members had a chance to look through it all and answer what questions there might be and then there are several more meetings so if there are any Administrator that the members would particularly like to talk with or ask questions of, for instance the High School Principal, he will make them available at whatever meeting is designated. Likewise, if there are any questions beyond what he has already been given and answered, members should funnel them through Joe (Mosca) he'll get them to Dr. Nelson and he will have written answers for the next time he meets with the Committee so that the members have what they want.

Dr. Nelson stated he was going to start off by saying this Budget was a "needs based" Budget, meaning that there was no COLA target that they were going to hit, it was just what do the individual Principals need. Dr. Nelson asked the members to turn to the Summary, which was Tab A, the very first one, members are going to see the way this Budget was eventually constructed. When they first did the "needs based" Budget, the Budget increase was \$66,618.00 which is less than a quarter of a percent. That's what they turned over to the School Board. After some discussion, the second level of items that the members are looking at, there was a reduction in the Budget initially, then there was the famous Tablets that were broadcast all over the newspaper, etc. The Tablets were put in the Budget, the Board put that in at \$5,000.00 and then that \$287,500.00 is the Engineering Study with regard to the three Elementary Schools and their mechanical systems. When he says Study, what this Study would do, they know they've got issues in all three of the buildings and there is a potential that they could lose boilers over in Pine Tree which has a system that is antiquated and, as a matter of fact, they can't even get parts for it any more. This Study would actually set the bid specs up for them so they then could go out to bid. The actual cost on this is going to be some where probably in the neighborhood of \$4 Million for all schools combined, a little less at Pine Tree, a little more at the other two. That's in the Budget in Unit 10. That brought them up to a Budget increase of \$357,000.00 or an increase of 1% in the Budget.

Dr. Nelson further stated that they then had a reduction in the Health Insurance from a 10% increase, what they put in the original Budget, to the guaranteed maximum price of a 5.6% increase. So that reduced the Budget by almost \$242,000.00. The SAU share was reduced for the same reason, the Health Insurance went down there, therefore they were able to reduce the SAU Budget which reduced Conway's share of it. They came up then with a new figure that represented \$108,000.00, almost \$109,000.00, increase or about .32%.

Dr. Nelson stated finally there was an additional adjustment made by the Board to increase Nurse's salaries and then they took the Tablets out of the Budget at \$5,000.00. They now have a Budget that is \$111,000.00 over the current Budget that we're in or a .32%, about less than a third of a percent. So that's a quick summary.

Dr. Nelson asked the members to turn the page over and they would see a Unit Summary and see each of the Units, look on the left-hand side, Unit 2 is Special Ed, Unit 3 is the High School, Unit 4 is the Middle School and so on down the line until you hit Unit 10 and the members can see what their Budget was adopted at, the year we are in now, and what has been projected. Members will see that Special Ed has gone down by \$315,000.00, could go up tomorrow by the same \$315,000.00, but it's down currently and that's because of an IEP change which brought one of their Special Ed students from the Residential setting to a Day Care setting.

Dr. Nelson continued by stating that the members could see that the High School is down and they've reduced two teachers and a half of a teacher Aide. So there's a reduction in the High School. Middle School is down and that's predominately due to Health Insurance changes, people taking a waiver or things of that nature. Moving to the Conway Elementary School and members can see that is down and that is down primarily because they have a \$60,000.00 Rotating Fund which goes from Elementary School to Elementary School each year to do maintenance and they had it last summer and now they're going to lose it so that's a big chunk of that. John Fuller is receiving that \$60,000.00 to do maintenance work this summer and members can see they have a jump or increase there. Pine Tree is virtually even. The Technology, Unit 8, or the Technology Unit is up by a couple of hundred thousand dollars, that's either new or replacement equipment. If one thinks about it, the High School, they moved into there in 2007, that now has 7 or 8 years on portions of that equipment and the life span is usually about 3 or 4 years. He thought the members would continue to see a couple of hundred thousand dollar increases in the Technology Budget as time moves on. He didn't think this was going to be a one shot deal, he thought the members would be seeing more of it because they have to rotate that equipment to stay up to the standard. The Career/Tech Center is down slightly and that's due to staff changes, new hires at less than the people who left. Unit 10, he just talked about the \$287,500.00 in there as well as the increase in the SAU share of \$48,000.00, Conway's portion of it, and then there's some Health Insurance increase in there so those are the reasons for those increases.

Dr. Nelson stated that the next item he would like the members to turn to would be what he brought in tonight, Tab C in the book, or the Default Budget. Members will see that this year the Default Budget is \$536,000.00,

almost \$537,000.00, less than the proposed Budget. The big items in there are that \$287,500.00 he talked about; they have gone to a full-time Music Teacher in each of the Elementary Schools as opposed to a part-time in all 3 of them, that's new in that Budget; obviously the increase for the Nurses is new in this particular Budget; and then there is \$200,000.00 of Technology equipment which he just talked about, that's in there. That's the reason you've got that \$500,000.00, those items. Otherwise it's last year's Budget with any additions for contractual obligations. One of those contractual obligation was the CESP Contract which is a 2-year Contract and that has to be in there because it was approved and the AFSCME Contract. There's the Default Budget and he was glad to be able to give it to the Committee this time, usually he has to bring it in a couple of days after his first meeting with the Committee.

Dr. Nelson stated there is under Tab F a Summary of Special Education. He was not going to go over that, it's down this year, but the Committee likes to see that separately so that's what that's all about. Dr. Nelson proceeded with Tab G which is the Revenue page and members will see by starting off at the top with some Unanticipated Revenues. Those Unanticipated Revenues are 1) there was an insurance settlement with some of their insurance carriers where they had to return money to the School Districts so that's in there. Often times they get Unanticipated Revenue, as you probably saw a comment in the newspaper, about the County Commissioners looking at some place to send their Hale's Location students other than Conway. If they get tuition from Hale's, it goes into that particular pot. They expect that they will be able to have an Unencumbered Fund Balance of about \$800,000.00, most of that is the Health Insurance which when they approved the Contract in April, didn't have the guaranteed maximum; they had the guaranteed maximum, but they didn't have the real price and the real price came in at zero, close to zero, so there's a chunk of savings there that will be put towards the reduction of the taxes for next year.

Dr. Nelson continued on Revenue by stating there is a zero in Catastrophic Aid and that's a good thing because Catastrophic Aid is aid received from the State for Special Education services that are needed. If that's down, your Special Education is down or vice versa. That's really it; members can see the tally at the bottom. The tuition stayed about the same. One big portion of Revenue that they don't have, last year they had the \$767,000.00 and they are \$400,000.00 less on that so that's makes up a portion of it as well.

Dr. Nelson proceeded with Tab H, they do an Estimated Tax Rate for the Committee and the Estimated Tax Rate is showing that the Budget alone is a \$.33 per thousand increase or 2.7%/2.8%. If all of the Warrant Articles were to be approved, then there would be a Tax Rate increase of \$.80 per thousand or 6.7%. That's the Budget, that's the Default, that's the Revenue side of it. He would like to take a minute to take a look at the Warrant Articles which is under Tab B. There is a lot more in this book and he was not going to go over all of it, but one of the things that answers more questions than any he knows is the SAU Report Card. If you turn to that at some point in time later on, 90% of the questions he gets asked he can pull that out and finds the answers in there.

Dr. Nelson proceeded to review the Warrant Articles. The first is a Summary of the dollars related to the Warrant Articles, that's just a summary page and the members can see where there are \$35,000.00 worth of Warrant Articles in there. The first 3 Warrant Articles, 2, 3 and 4, are all by Tuition Contract, so if you want to make a note on the side of these, the first one is the High School Maintenance Trust Fund and that currently has \$428,000.00 in it. The second one is the Middle School and that's got \$137,500.00 in that Maintenance Trust Fund. These are all by Tuition Contract, some of it is offset, as the members can see, by money/Revenues coming in from the sending towns. The Elementary has about \$70,000.00 in that Maintenance Trust Fund.

Dr. Nelson stated Warrant Article 5 is the Teacher Contract and if the members flipped over the last page of the Warrant Articles they will see a copy of the Memorandum of Agreement with the teachers and the Warrant Article they estimate to be \$448,000.00 which is about a \$.32 increase in the Tax Rate. Major items here are they've moved away from a performance pay, they've put everybody on a salary schedule. The starting pay for a Bachelors 1 is \$31,900.00. At the other end of the salary schedule at a Masters 60, 12 years of experience you've got \$46,000.00. If you're not on a salary schedule, and he's given the members a copy of that Salary Schedule, and if you've been here 14 or 15 years and you step off of that salary schedule you would receive a \$1,500.00 increase that would be part of the salary. There is also a provision for a 3% or a COLA increase to department heads, co-curricular advisors and coaches and it's whichever is the least, As one reads through that, it's either the COLA or the 3% whichever is the least. The COLA came in at 1.7% so that's what it would be and that's what the Contract has been figured on, the increase. There was some language change with regard to opening the schools, the deductible pool was reduced from \$4,000.00 to \$2,000.00 so this Warrant Article carries about a 3.2% increase over the previous staffing arrangements.

Dr. Nelson proceeded with Warrant Article 6 is the Budget Warrant Article and he has inserted the Default Budget. There is the School District's proposed Budget and, of course, the recommended Budget by the Municipal Budget Committee as yet to be determined and that gets filled into that blank when this Committee makes that decision.

Dr. Nelson proceeded with Warrant Article 7, Project Succeed, and they have already done the Board's recommendations; 6 to 1 was the Budget vote and all of the rest of them were all 7-0-0. John Skelton was the dissenting vote on the Budget. Article 8, New Bus, will come at \$91,000.00. Article 9, several years ago there was legislation passed that said if the governing body, meaning the Town, voted in favor of the retention of funds by the School District, right now the School District has to zero out at the end of the year. There is no Fund Balance, it's zero. Either the Fund Balance money is given to offset taxes which means they don't raise as much or you've balanced out perfectly which is usually not the case, usually there is money that will be refunded. This piece of legislation allows the District to keep up to 2.5% of the current physical year's net assets and that is prescribed by the DRA and in Conway that's \$411,228.00 that they could keep. Up to that amount, they could keep less, they could keep \$100,000.00. He's had some District's that keep

\$100,000.00 and then they can use that in the following year to either offset taxes or for any emergencies. Any emergencies have to be approved by the Department of Education and/or the governing body, the Municipal Budget Committee. If a boiler went down or something of that nature, that would be an emergency.

Dr. Nelson stated that's the long and the short of it. In the Maintenance Trust Fund which is not on a Warrant Article this year, usually they have one, they didn't this year, they have \$258,000.00 and members will notice that there is no Special Education Warrant Article this year, currently in that Trust Fund is \$400,000.00 and he thought both Trust Funds were to be capped at \$500,000.00.

Dr. Nelson stated he's done all the speaking for a while here and he will entertain questions, but he knows that as the members go through the Budget and as you discuss things with yourselves, you'll have many other questions and he was anticipating to receive those from the Committee some time between now and the next time he meets with the Committee so that he can put together the answers and provide them in writing so that the members can analyze them.

Peter Donohoe stated the \$287,500.00 for the engineering design service for the energy management, how did you arrive at \$287,500.00, was it a contract. Dr. Nelson stated Seaman's would do the work for them and, as he said, it's something they know they need, it's just a matter of figuring out, virtually those would be the specs to go out to bid on, that's what they're going to give them. Peter asked if that figure could be sought competitively rather than just from Seaman's. Dr. Nelson stated they have all of the equipment here, that's all their stuff.

Peter Donohoe stated on the Revenues, the line item for Other Local which actual Revenue in 2013/14 was \$271,098.00 and has been reduced to \$30,000.00. What does that refer to? Dr. Nelson stated it refers to Other Local, remember he talked about Hale's Location, that would be one of the items. What he mentioned earlier in terms of Revenues, there was a settlement insurance wise and so those things get all added up and lumped into an "Other" category.

Dick Klement stated to piggyback on Seaman's, if they get this Contract to do the Engineering Study, he is assuming there has been included a "no bid" for them for the work. Dr. Nelson stated they haven't specified any of that. Dick stated the point being if you give a company the right to do a Study and they pretty well have a lock here, there should be a "no bid" capability to do the actual work. Dr. Nelson stated he would take that back to the Board.

Dick Klement stated on the Revenue, we're down \$500,000.00. Dr. Nelson agreed. Dick stated that effects the Tax Rate. Dr. Nelson agreed. Dick asked why did Lunches go down? Is this the children aren't buying the food that we have to serve them. Dr. Nelson stated they have different requirements than what they had in the past by some of the new Federal legislation which requires them to serve lunches in certain portions. They are not as attractive to the kids as they have been in the past, so that's one of the issues that's out there and that's one of the reasons it's

down. Also, population is down a little bit, too. When the population goes down, less kids are going to eat.

Dick Klement stated John Fuller went up \$120,000.00, \$60,000.00 of that is attributable to the Rotating Maintenance Fund, what was the other \$60,000.00 attributed to? Dr. Nelson stated staff hirings and changes in staff is another big piece of that one. Dick asked if that was the Music teachers? Dr. Nelson stated Music is a part of that. Dick asked about the other hire. Dr. Nelson stated changes in staff, people who had left. Dick stated if you don't have it at your fingertips, just get it back to us. Dr. Nelson stated he would, but the Rotating Fund is part of it, the Music teacher is part of it and he will get back to the Committee with all of the rest of it.

Dick Klement stated on the CEA negotiations, of that \$447,000.00, did that come out to a 1.7% raise on average. He knows some levels got bumped, but is the average raise 1.7% or 3.0%. Dr. Nelson stated you're talking about before FICA and all that stuff is added in. Dick stated that's correct. Dr. Nelson stated if the members look at the top on that tally sheet, members will see what the increase in salaries was 4.4% and it goes all over the place. Some got bigger jumps and some got smaller jumps. Frank McCarthy asked what is the average. Dr. Nelson stated the total cost is 4.1% and that's just in salaries and then the coaches, advisors and what not. Dick Klement stated it would be helpful if you could give the Committee an average salary raise. Dr. Nelson stated he could do that, but would wait until he got the good notes from the Recording Secretary/Minutes for any of these questions.

Dick Klement stated on Co-curricular, how much of that went to Co-curricular and what is actually paid for Co-curricular; for example, is Retirement included in Co-curricular. Dr. Nelson stated yes, it is. Dick stated FICA and everything. Dr. Nelson stated yes, it is. Dick stated when you see Co-curricular listed in there for \$400,000.00 or whatever it's total, it's not \$400,000.00 because you have to add in everything else. Dr. Nelson stated if you go down the lines, you'll see it totaled into that, there will be a separate piece for FICA based on whatever the salaries are. Dick stated so if you were a Coach and you coached 4 sports over the 4 seasons, you could amass another \$10,000.00 in salary and another \$2,000.00/\$2,500.00 in benefits in terms of Retirement and all of that other stuff. Dick stated he was sorry, the cost to the School District and the Town would be another \$2,500.00 or so. Dr. Nelson stated you could if you coached 3 sports at \$3,000.00/\$3,500.00 a piece, you could make a net of another \$10,000.00.

Dick Klement stated when he saw Jim's (Hill) articles on what the future holds, what we need to maintain. There's no Maintenance Funds in here to speak of. Rather than fixing anything we're doing a Study for \$300,000.00. What happens if a boiler at Conway Elementary goes down tonight. Dr. Nelson stated there is \$70,000.00 in the Elementary which they've had to use before on a boiler that went down and they have \$258,000.00 in the Maintenance Trust Fund which could be used. Dick stated but we're not doing any maintenance in large quantities this year, we're not doing an Air Handler. Dr. Nelson stated they were into the Air Handler; that was a 5 year deal on the Air Handler so year #1 is over and they are into year

#2. Dick stated he knew he was being hard on Dr. Nelson, but are they estimating that it will be 4 more years before another piece of equipment is looked at to be maintained. Dr. Nelson stated he would say no, but he would say that this is the flavor for right now that they had going into this Budget season. Dick stated wow. Dr. Nelson stated you know he is in the camp of making sure they keep maintenance up, but he doesn't have the sole decision. Dick stated he understood.

Dick Klement stated on School Board Services went from \$150,000.00 to \$189,000.00, is that the cumbaya plan. Dr. Nelson stated Legal fees went up from \$30,000.00 to \$50,000.00 he believed. They increased the Legal fees. That's the big piece of it.

Dick Klement stated SAU Services went up by \$48,000.00; what is that attributable to. Dr. Nelson stated it's attributable to Conway because of the formula, 50% wealth and 50% enrollment, is now paying a greater percentage. Conway is paying almost 68% of the SAU Budget at this particular point. It was not that high in past years.

Dick Klement stated in the agreement, and he will use Bartlett as an example, if their student ratio goes down, are they still committed to pay the original portion that they were going to pay for the Bond. Dr. Nelson stated yes. Dick stated so that remains the same. Dr. Nelson stated the Bond is based on equalized value, so if their equalized value changes, then their costs would go down, but the big portion of the Tuition of about 75%/78% is the operating costs.

Stacy Sand stated she had a bunch and some of them have been answered, but she will use some now and feel free to just write them down. Dr. Nelson stated give them to Joe (Mosca) and Joe will make sure he gets them. Chairman Mosca asked Stacy to forward anything to him and he would forward them to Dr. Nelson.

Stacy Sand stated on page 19, what is Tuition, High School Regular Education 504 Placements because this is not under Special Ed, this is Regular. Dr. Nelson stated a 504 is an accommodation that you make for a non-classified most of the time, sometimes a student can be coded, but it's an accommodation. For example, some of these lights would be very irritating to certain students so they have to make some accommodations: changing the light bulbs, shading it down so that it's darker, things of that nature. That's what that is.

Stacy Sand stated on page 21, line 1400-330, we've doubled the Athletic Trainer/EMT Trainers to support the Concussion Program; can you explain the Concussion Program. Dr. Nelson stated the Concussion Program is now required by regulation in the State of New Hampshire as well as other states and they have to monitor concussions. They have a base line which means that every kid gets tested at the beginning of an athletic season and if they suffer some sort of injury to the head area, they have to determine in fact whether it was a concussion. There is a process they have to go through in order to get cleared to go back and one of the things they are undertaking is that a concussion not only affects kids athletically, but what the researchers told them is that it affects them in the classroom academically as well. They have to be able to process

those students through a return to the classroom setting as well. Stacy stated so it's a separate testing that's done to set the base line. Dr. Nelson stated yes. Stacy asked if it was every athletic participant. Dr. Nelson stated yes and it gets set before the season started so they know what the base line is for all kids. If something occurs, they go back to that. In the proposal is an increase in the Athletic Trainers number of hours; they contract that with a therapeutic company in town and they increased the hours to make it a full-time position here as opposed to part-time. Again, most of it is to monitor that and to be able to work with the kids who are coming back off concussions.

Dick Klement stated this is a good thing we need to ask the Town about for the Rec Department. Are they doing concussion. Stacy Sand stated they've never mentioned it.

Stacy Sand stated you answered about the Nurses, she was noticing that. On page 25, under High School Psych Evaluations, there is under 2210-322, In-service Staff Development, there is an \$18,000.00 increase; what's that about. Dr. Nelson stated the \$18,000.00 is staff development, that's exactly what it is in terms of money that they would be using in the staff development area, professional development time. Stacy asked if Dr. Nelson knew why it went up \$18,000.00. Dr. Nelson stated he didn't know, but would get an answer. These would be good questions, like on the 28<sup>th</sup> you wanted the Special Ed Director here, he would have her here. Stacy stated that's why she wanted to give them to Dr. Nelson now and then he could see whether he needed to bring them as she just didn't want to have them unprepared if possible.

Stacy Sand stated on page 26, Cont is maybe Contractual Services - Library, it shows a 35% increase in that line item. Any idea what that could be about. Dr. Nelson stated it's related to IT or the technology pieces of it that have to be supported, contracted services for technology. Stacy stated so it's like a pre-Contract. Dr. Nelson stated they make an estimate of what they're going to need and then go out and get it when and if they need it. If they don't need it, they obviously don't spend it. Stacy stated there's no increase in Library, \$1,100.00 as new Library Equipment, so would it go hand-in-hand with that new equipment in terms of support services. Dr. Nelson stated he didn't know the answer to that, but he would get it.

Stacy Sand stated on page 29, under High School Support Services, line 2, Solid Waste Contracted Services, that's a 13% increase; has that been contracted already or could we bid that. Dr. Nelson stated that's what they've anticipated it to be. That's what the Budget is. Stacy stated it went down that percent this year and now it's going back up. Dr. Nelson stated it happens. Stacy stated there's a lot of swinging there.

Stacy Sand stated on Electricity in general she noted a decrease in electricity; is that because you bought it at a lower rate in general so that everybody under PSNH has got a lower rate. Dr. Nelson stated they actually did an energy audit on the lights and all of that stuff. Stacy stated so it's due to improvements and not the rate. The only place that didn't go down was John Fuller and she thought either the work hasn't been done there yet or is it because they under the Co-op instead. Dr. Nelson

stated it's a different one, it's on the Co-op; the rest of the Schools in Conway are all PSNH. Stacy stated right, so they got to be able to do it through PSNH, but they weren't able to do it at John Fuller with the Co-op. Dr. Nelson stated they conducted it, but he thought the costs are higher there.

Christopher DeVries stated under Function Summary, the first page, Improvement of Instruction, 2013/14, \$185,000.00, didn't use it all, actually the next year asked for more. He was curious where they are at now because he was wondering why it went up 15%, if all of those funds are getting used. Dr. Nelson stated yes, they should be used. Christopher stated they should be, how come they're not and then if they're not being used, why is more monies being requested. Dr. Nelson stated because of the activities that need to take place over the next year that's coming up, that's what they anticipate. Christopher asked what is Improvement of Instruction. Dr. Nelson stated Improvement of Instruction would be staff development work, evaluation work, things of that nature.

Christopher DeVries stated on Construction Services, \$287,500.00, just curious as to what that was. Dr. Nelson stated in Unit 10 that's the Engineering Study that he spent a little bit of time talking about.

Christopher DeVries stated under Budget Detail, page 33, curious as to why there was no money for Art Software, Science Software or Vocational/Technology Software. Dr. Nelson stated they didn't request it this year. Christopher stated he guessed that would be a School Board question. Dr. Nelson stated actually that would be more of a question for one of the individuals, one of the individual Principals that put that piece together.

Stacy Sand stated on page 39, Middle School, this is under Support Services, there is an increase there in the Repairs, Contractual Service, Operation Management Plan of \$15,000.00. Is there a specific thing in mind. Dr. Nelson stated he didn't know the answer to that, but Jim (Hill) would have that answer.

Stacy Sand stated in the same section, Contract Services - Grounds, has gone from \$1,000.00 to \$14,000.00 and also the Lease Purchase Equipment has gone from zero to \$14,000.00; curious as to what those items were. Dr. Nelson stated again that would be Jim (Hill) that would have the answer to that. When they send it to him, he will tag it and get the answer.

Stacy Sand stated also under Conway Elementary, page 46, there is a \$7,000.00 increase in their Repairs, Buildings, Operations Maintenance, if it's because we haven't added, you had just stated, or Dick (Klement) had stated that it didn't look like we added much to maintenance. Dr. Nelson stated they haven't. Stacy stated but we have added some, there is \$7,000.00 here and some \$16,000.00 or whatever it was in the Middle School and she just wanted to point out that there are some monies there that have been added to it, but she wanted to know if they are specifically allocated to a specific thing that they have in mind so we know whether it's just in case or we know we're buying a new polisher or whatever. Also in Conway Elementary, we're talking \$9,000.00 Contractual Service - Grounds, that's page 47.

Stacy Sand stated on page 51, under Co-Curricular, there's a line stating New Equipment - Health for \$3,400.00; just curious as to what that is. Dr. Nelson stated when you say Health, it's going to be under the Nurse Department, probably a piece of equipment. Stacy stated it was zero last year and now \$3,400.00 and she would like to know what that is.

Michael Fougere asked what was the purchase for the equipment for concussions. Dr. Nelson stated it's not equipment, it's testing. Michael stated just verbal eye/hand coordination type of testing. Dr. Nelson stated no, no, part of it is a written exam, they give you a base line. He didn't know all of the details, he knows what it is, but didn't know the details. Michael stated it's quite extensive because his daughter just went through it because she fell at college and was out of school for a week. Dr. Nelson stated it's intensive and there's a process to get back in that you have to follow and that's what they're seeing.

Frank McCarthy stated on Hale's Location, how many students do they have going to school right now and what they charge per student. Dr. Nelson stated that he would bring the next time the Tuition rates. For example, a high school student in Hale's Location would be about \$30,000.00. Conway has a policy that says any tuition student coming into the District that is not part of the 8 town Tuition Contracts that included construction of the buildings, has to pay at least the same rate as the highest rate which is usually Jackson which this year is \$30,000.00 at the High School level and then it varies at the Middle School and Elementary Level. He does have that; he doesn't have it with him, but he can get the numbers on that. Frank stated he would appreciate that.

Stacy Sand stated on new Computers and updating Technology, she comes up with, if you take each of the Schools, you had mentioned the High School which is a \$60,000.00 increase from the last year's Budget for new computers. Dr. Nelson stated High School is going to be more than that, High School is going to be about \$100,000.00. Stacy stated according to this, it's gone from \$22,000.00 to \$82,000.00 for new computers. It may be \$100,000.00 with the replacements, but this is new computers, the page is 61, you also have \$55,000.00, from \$15,000.00 to \$55,000.00 in replacement computers which would be updating the old ones she would assume, but this is new computers. Middle School there is a \$21,000.00 increase in new computers from \$10,000.00 to \$31,000.00; Conway Elementary goes up \$20,000.00; John Fuller goes up \$38,000.00; Pine Tree goes up \$32,000.00. Dr. Nelson stated you're going to see that all through and you're going to see that as he mentioned earlier when he was going over the increases, you're going to see that each year in order to maintain the technology that we need. Chairman Mosca stated that's part of the \$200,000.00 in the Technology Department. Stacy asked what is the plan behind this increase she guessed is what she was looking for. Hopefully we won't have to replace everything every 3 years. Technology is changing rapidly, but hopefully we have a gradual plan where we can replace some at a time to try to keep up with it. Dr. Nelson stated we have a Technology Plan that has to be approved by the Department of Education, it's a 3 year Plan, they have to upgrade it every 3 years. Stacy stated we have to upgrade everything every 3 years. Dr. Nelson stated no, no, we have to upgrade the Plan every 3 years. Chairman stated he believed Dr. Nelson handed that out

last year to the members. Dr. Nelson stated yes, he did and he could do that again, it's easy enough to do. Members have the Budget updates in there, but he can get Technology Plan. As long as it's in the Minutes, he'll get it to the Committee.

Stacy Sand stated there was something in here about buying Chrome Books. Dr. Nelson stated that's correct, replacement of obsolete. If you go back under Technology, to the 3-Year Technology Plan, it's in the back, Tab O, and that gives you a run through of all of them. Stacy asked if they are compatible because obviously that's not replacing everything, are they totally compatible with what we have now. Dr. Nelson stated that's why we have a Technology Coordinator, to make sure they are.

Peter Donohoe stated to piggyback on Stacy's (Sand) thing, in your opinion, are we at, ahead or behind the State's requirements as far as the Technology Plan is concerned. Dr. Nelson stated he thought it varies at different levels. For instance, he thought the Career/Tech Center was there, the Middle School is further ahead than the High School is right now in terms of number of computers per kid and the function and the Elementary Schools he thought would be behind because not only do they have to do the Technology end of it, but there they also have to do the electronic end of it in order to support the Technology because those buildings all have to get rewired. Peter stated so it's mixed and it would be not correct to say that there's not a lot of elective computer equipment in the classrooms right now or is there more than what is needed. Dr. Nelson stated he would say definitely that there is not more than what is needed. They need to improve upon that, increase that. Some Elementary Schools are further ahead; for instance Pine Tree might be further ahead than Conway Elementary. Peter asked if it was a State mandate. Dr. Nelson stated it is not a State mandate. Chairman Mosca stated the State mandates that we have a Technology Plan that has to be updated every 3 years. Dr. Nelson stated the Plan talks about equipment and all that. Chairman stated if you talk to some of the students, there's not enough computers for the students to use. It's tough in some of the grades for the students to get access to the computers. Dr. Nelson stated as he said, the Middle School is about 1:1. Chairman stated we're doing better than some, but we're not at the head of the class, that's for sure.

Frank McCarthy stated according to your Memo, and he was sure that it was all absolutely correct, the total Budget is \$34,574,950.00, that's the one that we are talking about now. Dr. Nelson agreed. Frank stated if you take out the Estimated Revenue and you take out the Fund Balance, the excess from the previous year, it comes out to \$16 Million and something and then there's the State Education Tax which is \$3.5 Million, we end up with the amount to be raised by taxes really, the local district assessment, of \$12,946,000.00, is that correct. Dr. Nelson agreed. Frank stated he knew Dr. Nelson couldn't do it right now, but one of the questions that he would like to have answered is: what was that figure for the last 3, maybe 4 or 5 years. Dr. Nelson stated he could do that, he will go back and look at the Budgets and come up with that. That would be the local assessment for the last 5 years. Frank stated or the amount to be raised by taxes. Dr. Nelson stated that's pretty easy for them, they could do that.

Stacy Sand stated this is still on the Technology portion. Dr. Nelson had mentioned that there was a lot of upgrading to do with like wiring and such like that. Dr. Nelson stated at the Elementary Schools, but that has to be taken care of as well, it usually goes along with it. They are well into doing that, but they have to make sure that happens. Stacy asked where is that, is it in the Technology Budget. Dr. Nelson stated no, it usually ends up in the General Unit Budget for whatever they are going to do. For instance, that \$60,000.00 Rotating Fund, some of that next year when it goes to John Fuller he believes is targeted for that. Stacy stated in conjunction with that, all of the Middle School and all of the High School have Wi-Fi capabilities throughout the school. Dr. Nelson stated yes, the connectivity at the High School varies depending on how many devices are being used up there. Stacy stated because the Chrome Books require Wi-Fi to operate, so they don't have much storage capacity. She was just hoping that's in here as well if we are going to be purchasing those.

Michael Fougere stated his is more of an observation. We're doing about \$1 Million a year in Technology one way or another, but at the same time we can't come up with \$5,000.00 to update our School Board with Laptops or Tablets. That's kind of lopsided and just an observation. Chairman Mosca asked Michael if he had read everything that was in the paper, that's all he'll say and he thought that was the decision. The voters seem to not want it.

Frank McCarthy stated the \$447,000.00 in increases in salary and wages, that's in the form of a Warrant Article right now, right. Dr. Nelson stated that's correct. Frank stated that couldn't go on the Default Budget unless and until the legislative body approves it which is the voters. Dr. Nelson stated it's not on the Default Budget. Frank stated it couldn't even go on the Default Budget either. Dr. Nelson stated it can't even go into the Budget until the community approves it, the voters have to vote for it. The Union and the Board have voted in favor of it, the third party has not voted yet. Frank stated it has to be voted on by the legislative body. Dr. Nelson stated that's correct in April.

Dick Klement stated to return to a favorite subject of Tablets. The Conway School Board has a Budget line item annually of \$20,000.00 or so for their reports and this, that and everything else, the services you provide from the SAU for one thing, this is a philosophical question again, but couldn't they reduce that by \$5,000.00 or, if that's impossible, to ask the members of the Conway School Board to give up part of their \$2,700.00 or so stipend that they receive annually to buy a Laptop/Tablet.

Dick Klement asked if it was possible for Dr. Nelson to provide a breakout for the sending towns by grade as to where they go because he noticed that the Kennett Middle School is down to under 270 at this point and he knows Madison goes there, Albany goes there. Dr. Nelson stated Freedom goes there as well. Dick stated his assumption is that probably it's 200 or so from Conway and the remainder are coming from these other towns, but if we could get the list of them from Kindergarten on up so that the members could kind of have an idea of where this is going. Dr. Nelson stated okay and asked if Dick only wanted the Elementary level. Chairman Mosca stated he was going to ask the same question and he was going to go

for the whole K through 12 for all the sending towns. Dr. Nelson stated he could do that. Chairman stated he thought that raises a good point; members will be able to see what's going on, what's happened over the last couple of years, where it's heading, if there are projections going forward because as that number gets smaller, Conway's portion of the Budget goes up higher through the Tuition Contracts and he thought that was really something this Committee should be looking at because if the numbers are dropping dramatically, where's the money going to come from this community to pay for the Budget. He thought that was a great question.

Dick Klement stated in Dr. Nelson's Memorandum that was sent to this Committee answering the questions, he would ask that he go back about the relocation of the Middle School students to the High School and ask them for some more specific answers than generalizations. The generalization of "not for some time" doesn't give the members much to work on. Dr. Nelson asked what kinds of things Dick wanted because that's really all over the place. We know that the Conway population is staying the same, it has been at the Elementary level. Dick stated so with Conway staying the same and us at 800+ at the High School, he was not sure if it was 880 or whatever, we have 267 kids at the Middle School. Can we move them to the High School or at what point does the number have to go down to as Bartlett goes down at the High School and these other towns go down, at what point can we move them. Is the magic number 800 kids at the High School, 750. Dr. Nelson stated he thought it was a philosophical question more than anything. Do you want Middle School kids and High School kids in the same building or do you want some other arrangement that we have studied and looked at. Dick stated that wasn't the question asked though. Dr. Nelson stated that's the philosophical answer to it. Dick stated a numerical answer would be what the members are looking for. Dr. Nelson stated he didn't if the members would get a numerical answer, he didn't know how to give that. One could say you could do it at 800; when can you fit them all in; is that your question. It's a 1,000 capacity student building, that's what it's built for. The High School building is built for 1,000 students.

Dick Klement stated at some point this town is going to have to make a decision on whether it wants to receive students or go it alone; do they want to close facilities. He personally feels that you can't close one Elementary School and come out ahead financially, but he believes you could close two Elementary Schools and come out financially, but he has not proof of that. It's just a feeling that he has. The members have no facts and data. You have a Study that's ongoing that is a long-term whatever it is Study meeting of the townspeople or mostly from teachers or from Bartlett or from some place else, nobody's asking the question: When can we reduce facilities. He believes \$2 Million could be saved a year in closing those two Schools, he doesn't know if that's true, he's just blowing smoke. He needs facts and data; he doesn't have facts and data; and if Dr. Nelson could get some for the Committee and please try to have a School Board member present so they can take stuff back. He finds it insulting and he knows Mark (Hounsell) was out of pocket, he accepts that, but finds it insulting that nobody came. Dr. Nelson stated Mark's got a couple of broken ribs. Dick stated he understood that, but nobody wanted to come. They offered you up on a plate. Dr. Nelson stated that's a question that he would ask the Board if they want us to conduct that

Study; if they do not want to conduct the Study, then they won't because they've done some of those studies and, as Dick will recall because he was on the Board at the time, they also put one out in terms of a Warrant Article to the tune of \$250,000.00 as to whether an outside company could investigate and make some of those recommendations to the Board and that failed. That was not successful.

Steven Steiner stated he thought the voters voted for that, for the \$250,000.00 and it got to the School Board and the School Board didn't want it. Dr. Nelson stated no, they voted to conduct a Study and you would have to look at the phraseology in that particular Article. He believes it was changed on the floor at the Deliberative.

Stacy Sand stated under your Warrant Articles you have a bus replacement schedule chart, so just she's clear, the bus that we're replacing is #1, is that correct. Dr. Nelson stated he thought it was the one with the highest miles. Stacy stated it has cross outs on it and Dr. Nelson stated yes. Stacy stated it was just a little confusing to her on how the schedule worked.

Frank McCarthy stated he was sure Dr. Nelson was aware that in the Manchester Union Leader today and perhaps yesterday or a couple of days now, there's been a front page story about the enrollment in the schools in the State of New Hampshire. In the last 8 or 10 years it's gone down some 60,000 students. A couple of towns have closed schools and he disagrees with his colleague because they closed one school and saved \$800,000.00 that year. He thought that is what the members are getting at, enrollment has been going down steadily for the last 10, 12, 15 years. He knows Dr. Nelson made the statement that no, it's steady. Dr. Nelson stated that's in Conway. Frank stated it might be this year, but it hasn't been historically over the last 10 to 15 years. Stacy Sand stated it's under Tab K and it shows that it has been pretty steady. Dr. Nelson stated he knew it was in there some where. Frank asked for how many years. Chairman Mosca stated from 1984 on.

Christopher DeVries asked if the new bus was going to have seat belts and, if not, why and are we looking into equipping any of the buses with seat belts. Dr. Nelson stated they have not done that. There have been some studies done and it's split both ways and they haven't put seat belts in them. Christopher stated he would like to know why. Dr. Nelson stated he doesn't make those decisions.

Peter Donohoe stated he had a follow up on the buses and that the chart is confusing to him because it shows all of these 100,000+ mile buses, estimated miles in 2015 aren't changing, does that mean those buses are mothballed. Dr. Nelson stated some are spares and didn't know which ones Peter was talking about. Peter stated it's under the Warrant Articles tab, the very last page, the colors. Estimated miles on virtually all of these buses are the same. Dr. Nelson stated #1 goes and there are some changes. Peter stated 14 to 15, there's no change on any of them and then on 15 to 16 they all go up by the estimated miles per year. He is confused by that. Dr. Nelson stated some of them are spares and they would have little or no mileage estimated on them. They're just kept as spares. Peter stated he would just make the observation that it seems like we have a lot of spare

buses, a lot of buses that sit at the Town Garage that don't get used and there's costs associated in keeping them while we are spending \$90,000.00 for a new bus which he has no issue with whatsoever. Dr. Nelson stated he would have Jim (Hill) respond to that because he would be able to give the breakdown.

Chairman Mosca stated on the Engineering Design Services for \$287,000.00, if that gets cut is the Board prepared to put that out as a Warrant Article. Dr. Nelson stated he couldn't answer that. Chairman stated he can't see supporting it in the Budget because he didn't believe it belongs in the Budget, that's him personally. It obviously hasn't been discussed as a Board yet. He thought it should be a Warrant Article and that given the enrollment and given some of the discussions over the last couple of years to do a Study on all three schools may not be necessary. To him, he thought that was something the voters should vote on, separate from the Budget. That's something he will discuss and you can go back to the Board with it. It's definitely a recommendation that he's going to make. He didn't know whether the Board was prepared to put that on as a Warrant Article or not. Dr. Nelson stated again, they would have to vote on that to see where they are going.

Chairman Mosca stated the Warrant Articles, the Teachers' Contract, has the Wednesday before Thanksgiving always been a non-work day or has that always been a half a day. Dr. Nelson stated it has been a non-work day for the last couple of years.

Chairman Mosca stated the new Article to pay off Student Loans up to \$5,000.00 over 5 years, why was that put in there. Dr. Nelson stated it was part of the negotiated agreement. That's all he could say, he didn't negotiate the agreement. Chairman stated he understood that. Dr. Nelson stated he thought it was put in there to attract younger teachers and to keep them here for at least a 5 year period. That's part of the philosophy behind it.

Dr. Nelson asked Chairman Mosca if he would have questions for him before the next go around. Chairman stated he would have as many as he could; he believed he got most of Stacy's (Sand), but he didn't think he got them all. If members could e-mail the Chairman with any questions, he will see that Dr. Nelson gets everything before we meet again in 2 weeks. Chairman further stated he was sure that the members would have answers to their questions at that time.

Dr. Nelson stated if there was any body in particular that the Committee would like to see, let him know. Chairman Mosca stated he thought Buildings definitely and maybe Special Ed and maybe Technology.

Chairman Mosca thanked Dr. Nelson for coming in.

Stacy Sand asked if the Chairman could take her questions from the Minutes because she didn't keep track of them. Chairman Mosca stated he marked a lot down as she went on. Stacy stated some of her questions got asked and answered by other members and she didn't know which was which because she went in order. Chairman asked that Stacy shoot him an e-mail with some of

the line items; he believed he marked most of them, but he may not have gotten them all.

#### OLD BUSINESS

Chairman Mosca stated at the last meeting, we spoke about using the overhead projector and putting the Budgets on the screen behind us. What he is told by Valley Vision is that it doesn't project to the home audience as clearly as we think it would. He thought the members would try it with the Town and see what happens, but he doesn't know if it's actually going to work or not. To Dick's (Klement) point, if we have a different background color for what was projected up there might help. He is not the technology guru. He will talk with the Town Manager before the next meeting and see what he thinks.

Stacy Sand stated you could probably take it and put it on a different colored background with the projector because she's sure it's in the computer because every time they play with it, they do something. Chairman Mosca stated he just didn't know what was going to work best for the audience at home, so we're going to try it and see what happens and we might have to work it over a couple of meetings. Michael Fougere stated work in progress. Chairman agreed. Dick Klement stated could use some of the \$1 Million in Technology.

Frank McCarthy stated he didn't have any Old Business, but if you look at what he was talking about on the enrollments, if you look at 1984 to 2003, it went up. From 2004 to 2015, every one of them has gone down precipitously. One hundred students in the High School, 90 students in the Kennett Middle School, 30 students in Conway Elementary, 50 students down in John Fuller, and Pine Tree is the only one that has gone up by 20 students. The total went from 2,088 to 1,860. Chairman Mosca stated there's no argument there, he thought and he wouldn't speak for most of the Board, but he believes that a Study needs to be done and whether it didn't get approved by the voters or whatever it was last year and he knows it was reworked and was going to be more of an in-house thing, and he knows they have a Committee that's working on a long-range plan right now, but if the numbers keep going the way they're going and the sending towns numbers keep going in the same direction, the portion of the Budget that the Conway taxpayers are paying now is up over 50% and it's only going to keep going up. It's something the town is going to have to make a decision on as to what they want to do because some people aren't going to be able to afford their taxes soon, some people can't already and he thought that's what the Board of Selectmen do when doing their Budget in trying to keep everything tight. He thought the School Board does the same thing and he thought this Committee was here to oversee it to see what the members think as elected officials and to report back to the Selectmen and the School Board our feelings. We can't keep going the way we're going and we all know that, but what do you do, where do you cut is what it comes down to.

Steven Steiner stated he just wanted to add that he really remembers the \$250,000.00 was passed by the voters and it went to the School Board and they felt it was too expensive to have this done. He's (Dr. Nelson) not serious; no one's serious in the School system. They are not willing to spend \$250,000.00 to close a school, but they sure as he\*\* willing to pay

\$287,000.00 to keep 3 open. He goes out and lists homes almost every day, talking to people, especially in this town, he just came from another gentleman who said he's selling his house because he can't afford to live here. It's just not fair to the taxpayers to get snowballed, with all due respect, by the Superintendent. He just finds it so wrong to see these people in dire straits.

Dick Klement stated he happened to be on the School Board at the time when John Skelton left the School Board table, moved over into the audience and he was told he had to stay in the audience because he had absconded, at any rate, he wanted to change it, they wanted a Warrant Article to go do the Study and they asked "do you want us to do the Study". Mark Hounsell got up and said "no, I want to change the Warrant Article" and everybody agreed with it. The School Board then came up and asked the question "how much is this going to cost", separately at meetings later on and it came up to \$235,000.00 and Dick said they needed to throw another \$15,000.00 in there because there's questions that have to be answered. The sitting School Board at that time said they did not want to put a \$250,000.00 Warrant Article out to the voter. They lost, 5 to 2 or they won 5 to 2. That's where that's at and there is nothing you can do about it. That's what a democracy is all about.

Dick Klement stated on this long-term strategic study, he has been attending the meetings and only the first meeting had any discussion on facilities. It happened to have a representative from Eaton, Joe Voci was there and he headed the group, Jim Hill was there, himself and a couple of other teachers. Every time they brought up the subject of looking at the facilities to determine which ones are counted for survival and which ones are headed for closure, he got shut down. There is no ongoing talk, to his knowledge, in this long-term strategic study of about any kind of facilities. It's all cumbaya.

Frank McCarthy stated he had a question. He remembers last year this Committee was discussing, the School Board was discussing a \$500,000.00 or \$600,000.00 cost for an air conditioning and heating system. We haven't heard a word on that this year. Dick Klement stated it passed. Chairman Mosca stated that passed. Dick stated they put it in the Budget at \$100,000.00 a year for 5 years. Chairman stated it's part of the Maintenance Priorities, Tab J. Frank stated he thought they dropped it. Chairman stated it was put in, it's in there going forward for the next 4 years. It was part of the actual Budget and he didn't agree with that being part of the Budget and he definitely doesn't agree with this Study being put in the Budget and that's him personally. We, as a Board, will have to discuss and figure out what number we're going to come up with for a Budget for the School Department.

Dick Klement stated he understood, but the previous Boards that sat here beat up Jim Hill for putting out Warrant Articles that said that's a maintenance issue and should be in the Budget and we've beat him up for a couple of years over it, so he went out and said he was going to put it in the Budget. Chairman Mosca stated he understood that, but the problem with some of that is with a bottom line Budget, what's the first money they're going to take. If it's a Warrant Article and it passes, you can't take the money, it has to go directly to that and he agrees with that and believes

that's the way it should be done. Putting things in and taking things out and moving things around, it's not the right way to do things and that's personally his opinion.

Stacy Sand stated just so you know, the Air Handler is on page 39 under the Middle School and they paid \$128,665.00 this year and next year it's budgeted at \$118,000.00. We're doing a lease to own program which means it will decrease a little bit each year, but it's around \$100,000.00.

Christopher DeVries stated he wanted to go on record saying that he was pretty disappointed that there was no School Board representative here and he felt they could have helped this process. Chairman Mosca stated so noted.

#### NEW BUSINESS

Steven Steiner stated we were talking about audited financials for not-for-profits and he would really love to see a Warrant Article for an audited financial and overseeing of what they are doing with the money. Talking about technology, he doesn't even know what the mindset is of everyone at this table is. What do you mean by technology? Are we just talking computers or are we talking about Broadband? Are we talking about overhead projection? We don't even know what "technology" is and that's what he's saying. We can go line by line asking "why is this up" and "why is this down". Unless it's audited by someone who is totally independent, that's out there really going through the books, he thought they'd find out how much waste and it would look over the whole picture of the Administration. Are all of these positions needed? Again, the taxpayers of this town, a majority of them, can't afford to live in this town.

Chairman Mosca stated he guessed that some place in the RSA's it states they have to be audited every year or every so often. Most entities need to be, but he will ask about audited financials. Steven Steiner stated he's been here 3 years and he hasn't heard anything about it.

Stacy Sand stated in terms of reducing Administration, she knows on this Board last year we tried to reduce an administrative position and they added it, they had it the previous year and they added it back in as a staff position. You take that money out, and even when you take that money out, they still find a way to finance it. We don't know where the extra is. You can say "I'm taking out \$40,000.00 here for this position", "I'm taking out \$50,000.00 here for this equipment", but the bottom line is if they have an extra \$16,000.00 some place else, they can match the \$16,000.00 you take out, they're just going to do it anyway. They have control of the lines, we don't. We need to look at overall goals as well as if you think the Administration is too high, then you should figure out how high is too high in your estimation. If you think they have too many Administrators, 2 too many, reduce the Budget by 2 Administrators because they all kind of have an average cost.

Chairman Mosca stated to the whole line item issue and he was sure most people around the table aren't aware that in Belknap County the County Commissioner's Budget was taken to Court and the judge ruled that they could not move money between line items, more than \$300.00 between any

single line item. That was on a County level. He didn't know about the RSA's for County versus Town, but he is assuming they are pretty close the way they talk about budgeting. Again that was Belknap County and who knows what's going to happen if it gets pushed forward to Supreme Court. Danielle Santuccio stated she believed the Supreme Court has accepted it. Chairman stated it's going to the Supreme Court of this State for them to rule on whether the judge's interpretation of the RSA was correct or not. If it's upheld by the Supreme Court, it's going to change the way everybody in the State does business. Steven Steiner stated and Mr. McCarthy called it first. Chairman agreed.

Frank McCarthy stated he was just going to ask if there was some where, because they have to follow the rules of budgeting just like everybody else does including the movement of appropriations from line item to line item and he would like to see, and maybe the Chairman can tell him where to find one, a copy of the Budget that shows how much was budgeted and how much was spent and what is left over or not left over or whatever at the end of the year. He would just like to count up how many line items, or appropriations, that they moved from one line item to another without the Board actually approving it. Chairman Mosca stated there are hundreds of line items in the School Budget, probably thousands of line items, but he can ask Dr. Nelson for copies of the previous and how money is moved between the line items. He is not guaranteeing that we will get it, but he can ask for it.

Frank McCarthy asked if he could add just one thing about the Belknap suit. What it was all about was the Belknap County Commissioners said the bottom line is the appropriation and it's not. The bottom line is the Budget, the sum total of all appropriations. Every single appropriation in the Budget, when they say you can't move funds from one appropriation to the next, that's what they're talking about. That 50, 60, 70, 80 appropriations, the bottom line has nothing to do with it. The Belknap County Commissioners said they didn't have to go by this \$300.00 limit because they hadn't moved anything on the bottom line, they didn't go over the bottom line so they weren't going to obey it. They spent thousands of dollars before they finally got into Court and the Court judged the Temporary Injunction, as a matter of fact, that no, the bottom line is not an appropriation, it's the sum total of all appropriations and you have to go along with what the County Convention told you to do.

Stacy Sand stated in terms of what was budgeted and what was spent, we have that for the last year's Budget for the School right here in front of you. Frank McCarthy asked line item by line item. Chairman Mosca stated we don't have where they've moved money between line items to cover overages or where they took money from to cover things and what the balances are. Chairman thought that was what Frank was looking for.

Dick Klement stated the School Board receives a request to transfer monies from A to B if it's over a certain amount. He doesn't remember what that amount was; he thought it may be \$500.00. The School Board has to approve that and, as far as, he didn't know what the Town does. One of the reasons he asked the supervisory question for the School was to say okay how many supervisors do they really have and how many people do they have. They have 15 Supervisors and 360 supervised; that's one Supervisor for every

24. He would wonder how many the Police Department has as Supervisors to people supervised. This works both ways; if we're going to call out one organization, we need to look at the other. The same as the pay raise for these people. Stacy Sand stated then you need to call the Police Commissioners in here because the Selectmen don't have control of that Budget. Chairman Mosca stated the Police Department did answer that question. Dick stated no, they haven't answered it currently. Chairman stated yes, they did and he has the answer, but he hasn't distributed it.

Dick Klement further stated that the reason he asked the question so specifically to the Town on how much of a raise were they going to get was because if the Town is getting 3% and the School's getting 1.7%, he didn't want to hear anybody in this group say the School's getting too much money because it works both ways, they're public employees. We'll see what happens.

Christopher DeVries asked if the members ever get an actual detailed Budget for the SAU 9 Office, the Superintendent's Office. Chairman Mosca stated no, we don't. Christopher asked if we could. Dick Klement stated they'll give us one if we ask for it. Christopher stated he would like one; that's the one thing he didn't see in the book.

Chairman Mosca stated to Dick Klement, if he understood what Dick said correctly, every time money is over a certain threshold and Dick believed it to be \$500.00+/-, he wasn't going to hold Dick to it, but the School Board votes on everything that needs to be reallocated. Dick stated they did, but he didn't know what they were doing today.

Frank McCarthy stated if it's a \$500.00 threshold, it's in violation of State law. The State law says not one penny can be moved without the approval of either the School Board or the governing body which is the Board of Selectmen and that includes the Police Department.

Chairman Mosca stated we're talking about the School Board actually voting on moving money. Frank McCarthy stated he knew, but they can't. They vote to move it and you're saying it's okay to move it from zero to \$300.00 or zero and \$500.00, no. They can't move a single penny.

Dick Klement stated he hasn't been there for 2 years, so he can't speak to today.

Stacy Sand stated she will agree to disagree. It's still in Court, the final line, but she will also say a very important point. This School Budget is projecting to the year 2015/16. It doesn't even start until July of this year, so what we're doing is total prediction. We don't know what the price of gas is going to be, we don't know the price of heating oil, we don't know the cost of landscaping. We don't know how much it will cost. The most we can determine is if the cost, kind of, of what it's going to cost for employees except if they change to a Family Plan because they have a child or we replace somebody whose single or they get married over the summer, that's going to affect the Budget. We can not constrict the Administration of a Budget to lines that are way off in the future because life changes/circumstances change. Frank McCarthy stated you can change the State law. Stacy stated it's ridiculous, you're trying to run a

town in the future with information that's a best guess, an educated guess and that's all you can do.

Chairman Mosca stated that's all a Budget is, is best guess. If the RSA's are interpreted as the one judge has and the Supreme Court agrees with him, it's going to change the way everyone does work. Stacy Sand stated roads won't get plowed and people won't get assessed, whatever it takes. Danielle Santuccio stated they will have to re-write the Statute. Chairman stated they will re-write the Statute, right.

Frank McCarthy stated he would also like to add that there are ways of doing that. You can move it if it is approved. He wasn't saying you can't, but it has to be approved by the governing body, that's all. If you don't have enough money, there are other options open, supplemental appropriations, emergency appropriations, etc., etc. You're not stepping on anyone's head, you're just making them follow the rules and the laws.

**Michael Fougere moved, seconded by Steven Steiner, to adjourn the meeting at 8:00 PM. Motion carried unanimously.**

Respectfully Submitted,

Iris A. Bowden, Recording Secretary