

**MINUTES OF MEETING
MUNICIPAL BUDGET COMMITTEE
January 13, 2016**

A meeting of the Municipal Budget Committee was called to order at 6:30 PM in the Professional Development Room at Kennett Middle School with the following members present: Chairman Joe Mosca, Doug Swett, Pat Swett, Bill Marvel, Bill Masters, Peter Donohoe, Mark Hounsell, Jim LeFebvre, John Colbath, Christopher DeVries, Terry McCarthy, Dick Klement, Danielle Santuccio and Frank McCarthy. Absent: Pat Kittle and John Edgerton. Also present: Iris A. Bowden, Recording Secretary; Superintendent Kevin Richard; Katie Wilson, Assistant Superintendent; Becky Johnson; Jim Hill; Andy Grigel; Leo Bruyette and Jeff Goranson representing Siemans; Pam Stimson; and Lloyd Jones of The Conway Daily Sun.

Chairman Joe Mosca led those present in the Pledge of Allegiance.

APPROVAL OF MINUTES

Chairman Mosca stated that the Minutes for the December 16, 2015 meeting were from the notes of the Recording Secretary only as the DVD usually provided by Valley Vision could not be located. If any member wanted to add anything to the Minutes, please email Iris (Bowden) with the addition. We will vote on the updated Minutes at the next meeting.

SCHOOL BUDGET REVIEW

ENGINEERING STUDY

Chairman Mosca stated first will be the School Department and he invited Jim Hill and Andy Grigel to come and talk to us about the money, \$287,500.00, that was spent on the Engineering Study. The gentlemen from Siemans are here with a presentation.

Jim Hill introduced Leo Bruyette and Jeff Goranson from Siemans and they have handed out some information to the members. Jim stated Leo (Bruyette) was going to give a general over view of what they've been doing for the past 12 months or so and then we can go into some Q&A and go from there if that works. Chairman Mosca stated perfect.

Leo Bruyette started by thanking Jim Hill and thanking the members for sharing this meeting with them. They've been busy and have been busy with the Facilities Committee and he thought they had a lot of good findings that will help the members understand a little bit more about what they've done and what is next.

Leo Bruyette stated when you do a project like this, you have to start some where and they tried to put together what he calls "guiding principals" and it basically is an evaluation of a school and try to determine what you have, how is it working, are there performance issues; have you covered all Code areas, are you Code compliant and then finally

how is the efficiency of all of those things because obviously you've spent a lot of money and not get a good return for it.

Leo Bruyette stated in the document that was handed out, and it looks like everyone has a copy, he tried to create some color coding because he knows not everyone is technical and has a good understanding of mechanical/electrical systems, but he thought the members would see when Siemans looks at performance, they also look at the liability. Does it heat or cool the space; does it do it year round, in the worst of winter and the heat of summer. Those are things that when they identify deficiencies they put a little "x" there and he put an "x" by the school that they were looking at.

Leo Bruyette stated once they got by that principle, looking at the blue one: is it efficient; is it environmentally friendly. Are you running boilers and oil fire which has an emissions issue. Maybe we want to look at gas because there's certainly an environmental impact there. They look at each of the measures identified by School and put an "x" where they think they should spend some time and money. Finally the red ones: Code Compliance/Safety Issues. You have to employ contractors like Siemans. Andy (Grigel) has a staff; you've got to be able to run these systems and deliver the results that regulatory authorities seem to indicate that you need to do.

Leo Bruyette stated in a way you have to identify all of these issues school by school and then be prepared to talk over dollars. When Siemans were first assigned this project, it was a result of an Engineering Study that was done for the School District's Capital Expenditure Budget and it ended up being about \$4.2 Million and it was a good budget and they are now at that point which he will discuss in a second, but along the way as the engineers went through the buildings, they found other items and that's where that \$700,000.00 is and that's what brings us to the \$4.9 Million. It is an amount that they felt was within the target that the District wanted to spend their money on and if that money was available, this is the areas where it would be spent and the reasons why.

Leo Bruyette stated he would go through it quickly and look for questions at the end, but as the members can see, in the \$4.2 Million numbers 1 through 5 have to do with the boiler system. Now the boiler system has been in the news recently and the members know that there is an issue there. Based on the age of the equipment, there are some significant things that need be done: a complete new boiler room with piping and new heating equipment, new distribution equipment, piping and pumps. They are looking at improving on the domestic hot water situation. If the members have a chance, they do have drawings and can show the members where there is redundancy built into this design so that should there be any kind of failure, you have the ability to maintain the situation in the building with the back up piece of equipment and the same applies with the domestic hot water. A big change from where you are right now where that kind of capacity isn't what you have right now.

Andy Grigel stated the way the boiler plants are set up at the three Elementary Schools presently is that they are set up at a 60%-40%. The

larger of the two boilers will handle 60% of the facility with the idea that the second boiler carries the delta. In the situation they had just the other day, they lost the smaller of the two boilers which was the 40%. So had they had a situation where they back up into a little rewind and had the weather that they had last year with this small little insignificant failure, you would have been out of school and they would have been questioning the ability to keep the building warm enough so that they didn't have a catastrophic freeze up within the facility. The only thing that was saving grace this time around was the fact that it was 40 degrees outside.

Leo Bruyette stated so to the point, the need for redundancy is very much an impact factor on performance and something they are addressing very, very carefully.

Leo Bruyette stated another highlight of this new technology is converting to gas, propane for now and down the road they are hopeful that natural gas will be available in the area; but right off the bat changing from oil to gas the environmental impact is significant as those that have been through this know. Each of the boiler rooms would involve that conversion. John Fuller and Pine Tree have oil tanks that would be removed and that would be the gist of the sum of the project in the boiler room.

Leo Bruyette stated that's the major part of the \$4.2 Million. There's also concerns with the ventilation and space. Code by today's standards indicate that you have to have so much fresh air per occupant in the space, about 15 cubic feet per minute, it's a number. Generally speaking, all of the buildings when they were built didn't have that Code requirement. Over the course of time Code has gone by the building and so you are now at a point in time that in order to be Code compliant you need to introduce mechanical means to pump in fresh air into the space and keep a proper learning environment. The High School is built to those standards, think of it that way if you will, let's bring the Elementary Schools to the standards that are enjoyed in the High School and that would mean putting in some roof top air handling equipment, involve some infrastructure, you have to beef up the steel in order to support that weight and it involves putting in some controls that would allow you to manage the amount of fresh air per occupant, no more no less, with a schedule so that at night you don't bring it in when you don't need it. These are the ideas they talk about in the concept that they are designing.

Leo Bruyette stated there are also some electrical issues and specifically emergency power at John Fuller and Conway Elementary. Mr. Bruyette stated to Andy Grigel when we were talking about emergency power, you wanted a manual transfer switch; what was the need for that. Mr. Grigel stated manual transfer switch, if in the event we were to have a repeat of the ice storm of 1998 which didn't per se happen in the Town of Conway but did happen all around, they would have the ability to go out and independently bring in a wheel generator that could be rented on a moments notice so that they could plug into the electrical system without having to jerry-rig a generator onto the building's electrical grid.

Leo Bruyette stated that was the gist of the original scope of work in which Siemens was identifying things that they knew were wrong and were just working through the design in terms of how to solve the issues. Again, along the way they found some things that they thought needed to be addressed or were brought to their attention. It's unusual for administrative areas not to be air conditioned knowing that they are used throughout the summer in both John Fuller and Conway Elementary and you have the administration office area with roof top units to provide that air conditioning.

Leo Bruyette stated all three schools have Kitchens and exhaust systems which again are a performance liability issue in which you need to exhaust during cooking times and there's technology available to manage that.

Leo Bruyette stated there's some telephone system work because in this one place at John Fuller it is in the stage area and is subject to vandalism and other issues, but let's move it to a Data Closet like it is in all of the other schools.

Leo Bruyette stated the Fire Pump; you have a diesel Fire Pump in Pine Tree. They identified that in particular because there have been complaints about it being noisy and it smells awful. You have to test it once a month, so it's a recurring issue.

Leo Bruyette stated they are also looking at a series of red items now; Code compliance, in two of the buildings, Pine Tree did have an upgrade 10 years ago so it wasn't identified as being a candidate, but new Fire Alarm Systems are definitely needed for John Fuller and Conway Elementary. This would be addressable systems with the state of the art devices that would manage the safety of a building and something that again, let's reach the standard of your High School.

Leo Bruyette stated numbers 6 and 7 have to do with electrical studies and labeling and people need to know what they are working on by law today or by Code today. You need to properly identify high voltage equipment, both in terms of what is the voltages, but from that indirectly service personnel whether it's your staff or ours need to know what they are working on in advance and have the proper protective equipment and the proper safe guards to manage servicing that equipment down the road. Frankly, it is a situation that is a Code compliance issue and needs to be resolved.

Leo Bruyette stated one last item, couldn't help but notice that there were a lot of extension cords in the classrooms. Unfortunately they just didn't put in either the number of outlets for the number of occupants or maybe it's the technology today where there are so many more computers that need power and they're trying to draw that from extension cords which they would fix that problem by putting in the proper amount of outlets.

Leo Bruyette stated in a nut shell, those were the issues. Where are we in the process? You start with these meetings. You identify candidates for investigation and from that we work together. We have been meeting every other week since about May and they've put together some drawings that we

have here showing little areas that identify some of the things just talked about. You come up with a schematic design; so it's a scheme. These are areas we want to look at, we want to look at further, it's going to take some time to just get everybody's buy in and they've gotten to that point.

Leo Bruyette stated design development starts after that. There we have all of the areas identified, all the particular little mini projects identified and more detail is brought to bare. The reason for that is once they get that a little bit more flushed out, they take it out to the contractor community and get some feedback on costs because they kind of have to know what they are talking about, \$1 Million, \$5 Million, \$10 Million and then let's go a little further with it, but not until they have that budget identified do they go to the full extent. So, design development has been done. It's been done for all three schools and from that they have identified John Fuller as the candidate to take all the way to the finish line, meaning to continue engineering that would result in complete construction documents. This would be a full set of plans - mechanical and electrical; this would be a Spec Book the size of an old telephone book and in that you have the makings of a contract scope of work that they would then be ready to hand over to contractors to come in and actually install the project.

Leo Bruyette stated right now they've done the design development which has allowed them to put together these budgets, it has allowed them to create a list; they've begun the process of creating construction documents scheduled to be complete by March 1st and the hope was that they could put that out on the street and develop a project that would begin in June of 2016. Obviously things have changed a little bit and he knows that is something that will be discussed, but that is somewhat the summary of where they are today. Mr. Bruyette stated he would open it up to the floor to answer any questions.

Frank McCarthy stated he had two questions. The first one really isn't a question, it's just some information that he would like to pass out that the House of Representatives and the Senate, as you know the past couple of years the school construction has been zero, nothing. He believes there is a Bill working its way through the Legislature at the present time that will allow school construction money to come back in if there are safety problems involved. He was not sure where it was going to end up, it will be some time this year, it was just passed in the House but he wasn't sure if it was the same Bill, it was a retained Bill and he was not sure if it was a Senate Bill or a House Bill, but he believed last Wednesday or Thursday, they had two days, it was passed. They did 118 Bills that day so he doesn't remember the number. He thought it would be a good idea to look into that to see if any of this project will fit in there as a safety thing.

Frank McCarthy stated the other thing that he had was that he knows the District paid a lot of money to have this Study done, but does that mean that the people doing the Study are actually going to do the work or is there a statutory requirement that the work be put out to bid.

Leo Bruyette stated he couldn't address the statutory requirement, but he could tell the members that it will be put out to bid. They have a list of contractors by trades that they would invite to the process and develop bids so that everyone could see exactly where the costs are coming from and they would manage that activity.

Frank McCarthy stated if that's true and it goes out to bid, how come there are already prices put on everything if we don't know what they are going to charge us because it hasn't been put out to bid yet. We don't know who's going to do it. Leo Bruyette stated understood; the process he just described in which they have documents created, design development documents, they did go out to contractors that they know would bid it, it wasn't a formal bid process, but they took these documents, reviewed the work, the scope and gave us a budget for the mechanical work, Mr. Electrician gives us a budget for the electrical work, Mr. Roofer gives us a budget for the roofing work. While it is not firm pricing, they do feel comfortable with the budget and that it has been vetted properly with people who are experts in that industry.

Jim LeFebvre asked if this would be a firm fixed price contract or a cost plus contract. Leo Bruyette stated it's to be negotiated, but he would expect it would be a firm price contract.

Peter Donohoe stated he was wondering in the analysis what the incremental cost difference was between the LP versus heating oil systems and what were those differences. Were they substantial or were they the same. He didn't know if Mr. Bruyette would be able to describe that.

Leo Bruyette stated he wasn't sure if they had hard numbers. Jeff Goranson stated they looked at the efficiency of the equipment, the technology that was used when the building was built; oil equipment is probably upper 70's, depending on how the equipment is running. The units are running probably on the high 70's. Andy Grigel stated mid 70's. Mr. Goranson stated they looked at the technology to go to propane, a type of technology that's available, and can get up into the mid 90's so you're getting quite a bit of efficiency improvement and what you see is that the cost of oil and natural gas and propane kind of track each other, so if one goes down, the other goes down. Peter Donohoe stated sometimes and that he would disagree some what.

Peter Donohoe stated he was wondering if oil was even vetted as an option versus propane when you did your analysis on the equipment side and then he has a follow up question. Leo Bruyette stated the goal has always been to convert to natural gas and propane is the interim step. That is the thought process as of right now.

Peter Donohoe asked what was behind that thought process other than the efficiency because there is a cost factor with the equipment being on one side versus the other. He was just curious.

Andy Grigel stated their conversation with Dead River, as an example, part of this conversation was Dead River came to them when they first started this process and he wanted a jumping off point as far as what it was going

to take to install and convert from oil tanks to gas. They were coming here and looking at it and again they were using Dead River as a vendor to give them a jumping off point for price and gave them some numbers. Another thing that Dead River said to them was if you are in the process of doing a gas conversion, they (Dead River) was very much interested in wanting to sell gas to the District and they (Dead River) were even willing to do tank installations - your tanks at their expense. If Dead River could get the first basic gas contract and they were willing to do a gas contract with the School District up to 5 years, you could do a lock in price for 5 years. So, they are looking at that and going you know that this is definitely worth looking at. Frankly, he was tired of dealing with the oil; the inconsistencies of the product they receive, it has been and is always a challenge to try to figure out if he was having trouble with a mechanical piece of equipment or is it the product that he is receiving. In some cases, it has been a little bit of everything; it has been the product some times, it has been the equipment and then it has obviously the results of what is going on with one tank that's decomposing internally. So, it's a mix of everything.

Chairman Mosca asked that the gentlemen speak up and project their voices because some of the members could not hear what was being said and that the microphones in front of them were for Valley Vision, the television station only.

Jim Hill stated they obviously did the conversion with efficiencies and they're on-line. Jim stated to Leo Bruyette and Jeff Goranson that Peter Donohoe was in the oil business and they shouldn't try to slip anything past him. (laughter) Jim further stated that they are also looking at the compliance piece. He thought Peter probably knew better than anyone sitting at this table on what they are having to do for their tanks in terms of monitoring, the licensing and Andy (Grigel) is now having to get certified on the #2 Fuel boilers as well as one of his other guys for the tracking and what the emissions are. It seems like it is exponentially the regulations that go along with burning that #2 Fuel is getting more and more and more and more.

Peter Donohoe asked if he could respond. The fuel industry is going through a spec change which is probably going to be pretty soon. To Andy's (Grigel) point about fuel quality and differences from time to time, the spec changes are going to be quite drastic. He thought when they go from the high sulfur product that they currently have had for many years to a low sulfur which every state in New England except for New Hampshire and Maine have mandated, you're going to see huge differences on the maintenance side of things. Backing up to his first question, his only comment, he was not going to say it was a concern, is that he thought it is valuable that this process be looked at both fuel side by side instead of going down a path because of the suggestion of one particular vendor. He understands that there is value in that, but it was interesting to him that there was no real equipment comparison when it comes to the replacement systems for the schools. He further said that propane in New England suffers dislocation price difficulties that made propane at times just as volatile as fuel oil has been. Neither is a perfect fuel when it

comes to pricing and long term guess work of what those prices are going to be.

Dick Klement asked if the system will tie into the existing system that Andy (Grigel) has with monitors. Mr. Grigel stated yes. Dick asked if anybody had looked to see if there is asbestos in those boiler rooms. Mr. Grigel stated yes.

Dick Klement asked why they were not taking the tank out of the ground at Conway Elementary. Andy Grigel stated the tank was installed some 5 years ago, so their thought was it has no value if they pull it out of the ground, so they were thinking of re-purposing it and using it as a fuel source for the School's maintenance fleet and as a back up auxiliary source for the buses in the event of a catastrophic failure at the Town of Conway.

Dick Klement stated we're looking at LPG and the conversion for LPG natural gas is typically just a nozzle change. What about liquefied natural gas, being up here in dog sled country, once a year the dog sleds come up with the fuel, that would seem to be an interesting step forward because unlike propane which is derived from oil, natural gas is Mother Nature's gift to us. It would seem that natural gas would be the cheapest option when all is said and done. Would that also convert, the liquefied natural gas.

Andy Grigel stated it would have to be part of the equipment spec. He would imagine that if it is in the spec, you order it as such.

Jim Hill stated this equipment that they are looking at is basically uniform across all three schools. Jim asked Andy Grigel how many pumps there were. Mr. Grigel stated at John Fuller there are 9 and Conway Elementary there are 6. Jim stated they are getting that down to 2 at each school being a redundancy and so that instead of stocking a variety of different pumps and sizes, etc. on Andy's shelf, he would have to stock literally one, maybe two, pumps on the shelf so that if a pump goes down they don't end up with what they had the other day.

Bill Marvel stated he was wondering at what extent passive solutions were examined for ventilation and air conditioning problems. He was thinking back 10 or 20 years when Andy (Grigel) found a passive ventilation system in the High School that worked quite well he supposed until we started to correct the seal on the building to save fuel. Has anyone thought about installing windows instead of ventilation systems.

Andy Grigel stated the passive ventilation at, and he was going to separate Pine Tree because Pine Tree was built in the early 90's where they used a uni-vent in order to provide the ventilation for that building as a whole. Conway Elementary and John Fuller were built in the 50's and there was no design in those structures for anything like they had here at the old Kennett High School. In order to create a passive ventilation system that worked very similar to this one here, you'd have to basically create it.

Bill Marvel asked about windows, no windows. Andy Grigel stated the windows are there. That's quite apparent, but it becomes a comfort factor in the winter months. The person that has a window open and it's 10 degrees below. Bill stated he was thinking about the air conditioning for instance; he was listening to the comment about the offices being used during the summer, his house is used during the summer and his house isn't air conditioned and it's pretty comfortable. Mr. Grigel stated so noted.

John Colbath stated he would ask the obvious question; alternative energy of gas and LP going off the carbon grid. Andy Grigel stated they are actually working right now for potential photovoltaic systems at the High School and here at the Middle School. They are having a little bit of a disconnect because the vendors that they are talking to want 4 acres dedicated at each location to put in an extremely large photovoltaic system. They are trying to work around that, trying to come up with a creative solution to minimize the footprint in order to achieve what they want which is a very, very large photo array versus what they want which is that they want the large photo array but they do not want to dedicate 8 acres to achieve that. They are kind of negotiating right now on how to go about that. Vendors want them to be on the roofs and the District wants them on the ground because the cost implications of removing a photo array in order to do a re-roof in 5 years and have to pay to put it back up. They would prefer to have it on the ground, but he is choking at the amount of real estate that they want in order to achieve that.

Jim Hill stated in addition to that he and Andy (Grigel) have met with pellet people and similar issue: the geography that it takes to store the material, the equipment that you'd need to burn the material, the capital cost of the equipment as well as the operational expenses both for the pellets and the manpower for disposing of the ash, maintaining the equipment that you have, it wasn't even close. So they have looked at it.

Chairman Mosca asked if there were any questions from the audience. There being no further questions, Chairman thanked everyone for coming out and for enlightening the Committee this evening, it was appreciated greatly.

SCHOOL BUDGET

Superintendent Kevin Richard stated that he did have some handouts for the members and advised that the handouts should go into the 3-ring binders under Section B. The other piece that Mr. Richard was handing out is responses to the Committee's questions that were given to him. The other piece is, and he emailed Chairman Mosca, a few documents. If there is a need for a hard copy of anything, please let him know. One of the documents he gave out was 66 pages long and he does have extra copies with him as well. That was the Kennett High School staffing and he does have that document here and if hard copies are needed, he can do that for any member.

Kevin Richard stated good evening once again. He does have some of the SAU staff here: Assistant Superintendent Katie Wilson; Pam Stimson from Student Services and Becky Jefferson from the Finance Office. They are a resource for you.

Kevin Richard stated what he would like to do is he would like to over view the Budget for the members and then kind of walk the members through some of the bigger pieces. If members have questions, please feel free to ask. If there are specific questions or information that a member may need to move forward, please provide them to him and if a member wants specific people back at this meeting, he can do that as well.

Kevin Richard stated the over view of the Budget process. Just to give you a little background on moving forward, they started this process at the request of himself and some of the School Board members a little bit earlier than normal with the Building Principals and in one of the pieces that they tried to do from an administrative standpoint is what were the areas of concern or direction from the School Board. They had given us a needs-based Budget directive and he thought the Principals did a pretty good job of going with a needs-based Budget. We will talk about that a little bit more in depth and really before it got to the School Board level, there were cuts that were done prior to moving it forward to the Conway School Board and we'll talk about some of the staffing pieces as we move forward.

Kevin Richard stated they also tried to coordinate things looking 2, 3 years down the road. Some things fell the right way this year and they understand that it won't always go that way, but when we talk about the Warrant Articles, talk about the Contract negotiations, one of the pieces that they tried to do was get on a cycle where they don't have all 3 Contracts coming up at the same time and going on the Warrant Article. Unfortunately, this year that is happening, but the members will see the length of the Contracts being a 1, 2 and a 3 year Contract, so that at any given year we don't have all of those pieces competing against each other.

Kevin Richard stated they also tried to take a look at the Conway School District's Strategic Plan when moving forward in taking a look at a historic template. As he said, moving forward from here on out. That really is the background information and what he would like to do is go through the Budget at this point.

Kevin Richard stated the first tab is the red Tab A. This is the summary of the proposed Budget and the members will see that Special Education is right there at \$324,000.00 and that's a 5.29% increase. That's pretty significant. The needs of their students have changed dramatically and the services that they have to provide for these kids and need to provide for these kids has changed as well. He would say more so in the past 10 years than the previous 15 to 20 years. The good news, if you will, is that some of the interventions are taking place at a younger age and that's really an important part to keep in mind. They even have preschool age students who are receiving some services in hopes that they can put some interventions in place, but that is a significant increase in the overall Budget.

Frank McCarthy stated he was more interested in the cause of the increase than anything else. Kevin Richard stated why did Special Education go so high. Frank stated yes. Mr. Richard stated he could defer to Pam

(Stimson), but he would give the short answer of whenever they can't provide the services for those students within their environment and they have to go to an out-of-district placement, those costs are extremely expensive and high. For any student who goes out-of-district, you're talking \$75,000.00 to \$100,000.00 and sometimes even more than that. There are a few of those that ended up happening. Whether they are students who are from elsewhere coming into the District, but those are the bigger ticket items that really pump the Budget up and they can drop lower as well. If a student moves out of the District, they become someone else's obligation for the funding of that.

Jim LeFebvre stated basically you are looking at a projection of a funding increase in the number of students for next year. Kevin Richard stated it's either the number of students or the services. Pam Stimson stated these are real numbers based on students that they currently have and based on their current Individual Education Plans. Much of the increase is due to out-of-district costs with tuition and includes preschoolers through high school level students. The other increase in costs for them are the salaries and benefits of new staff.

Jim LeFebvre stated so if you have two or three new students who live in the District, this number would go into (inaudible). Pam Stimson stated it could, it depends on each individual student's specific needs.

Frank McCarthy asked what circumstance would require us to send a student out-of-district at that additional cost; what circumstance would that be. Pam Stimson stated when our District doesn't have the capability to meet the student's educational needs.

Frank McCarthy asked if it would be easier or less expensive to get those qualifications rather than sending them out. Pam Stimson stated there may be in some cases and they are doing some work in looking at the possibility of creating new programming within the School District over the next several years. She didn't feel like she was prepared to bring those out yet because they are just at the beginning stages, but they are taking a look at how to have a better program for all of their students in a more cost effective way.

Kevin Richard stated again we will touch on a few of these pieces as we move forward. Health Insurance had an 8.4% increase and then when we get to the next page. Frank McCarthy asked where are you. Mr. Richard stated to Frank that he was on the same page and he was just kind of going over the over views and then he will get more specific and point to those.

Kevin Richard stated staffing reductions throughout all of the buildings, Units and additions. If you want to go line by line he could show the members those, but he wanted to show that there were some reductions to the Budget that the members will see. For example, the High School is down \$75,000.00, there was a reduction of a Math teacher within the High School Budget. John Fuller Elementary School had a reduction of a Regular Ed teacher in the Budget. The Middle School had a reduction of a Special Education teacher. There are also some additions. In the Elementary Schools the members will see there was a reorganization, reduced some

Special Education staff and they are going to add a Family Liaison. His point is that they tried to reduce when they are adding as well and he will point that out specifically as he goes through the Budget. The bottom line is that the Fuel costs were dropped down by about \$140,000.00. The overall Budget is increased by \$329,000.00 or 1%.

Chairman Mosca stated really that is the Special Education number. Everything else pretty much washes themselves out. Kevin Richard stated the Health Insurance and Special Education and then there were reductions. Chairman stated when you see all of the reductions, your Special Education number is \$324,000.00 and the bottom line is \$329,000.00 so there are pluses and minuses, but the Special Education is what is really pushing the Budget up this year if you look at all of the pluses and minuses.

Frank McCarthy stated the figure that you were looking at \$34,496,108.00, that was the 2015/16 Budget. His question is was there any excess that was returned to the General Fund out of that Budget.

Kevin Richard asked returned to offset taxes for this year? Out of the surplus from that, yes. He believed that someone had asked that question. Chairman Mosca stated it was #1 on responses, \$1.7 Million used to offset taxes. Frank McCarthy stated he hadn't read that yet. Mr. Richard stated there was a surplus last year of \$2 Million. The School Board decided to retain \$411,000.00 that we will take a look at in a couple of minutes, but \$1.6 Million did go back.

Frank McCarthy asked how was that used to reduce, in other words the Budget remains the same, but the amount to be raised by taxes will be reduced by this amount, correct? Kevin Richard stated when we get to the Tax Rate calculation, and that's coming up, that would be a great time because he thought those pieces will come in. He does have it covered in a couple of minutes.

Kevin Richard asked the members to flip the page where the members would get to the line pieces and this is where members will see, still in the red tab - second page, members will see where Health Insurance is highlighted \$504,000.00. Members will see Salaries; they had quite a few retirees last year. They have reduced some staffing and that's where the salaries will come in. As the members move down the page, they will see that the Special Education tuition line is jumping up, and he was just going over the big numbers, \$221,000.00. Further on down that page, Utilities, Water; the Fuel costs show up if you flip the page one more time, members will see the Fuel costs and that's a cost savings of about \$135,000.00. Members can see the individual lines the rest of the way.

Bill Marvel stated to Kevin Richard that he had mentioned staff reductions and obviously he was interested in that. How many full-time equivalent positions do you have through the District or did you have during the last year and how many will there be under this new Budget.

Kevin Richard asked Bill Marvel if he was referring to teaching positions. Bill stated all; Mr. Richard wasn't talking about teaching in some cases.

Mr. Richard stated correct and he can get exactly those numbers because he will probably break it out a couple of ways.

Kevin Richard stated the Default Budget and asked the members to go to the blue tab and stated this is the Default Budget for this year coming up should the proposed Budget be defeated. Chairman Mosca stated the members did not have what Mr. Richard was talking about; it was in Section C. Mr. Richard apologized for that. Mr. Richard stated Section C, here is the Default Budget. As the members could see, the Default Budget actually comes in \$74,000.00 higher than the proposed Budget. Frank McCarthy stated what else is new. (laughter) Mr. Richard stated part of that is due to the reductions in the staff. That's your contractual obligations as well as your one-time expenses. Mr. Richard asked if there were any questions on the Default Budget.

Kevin Richard instructed the members to go to the Revenue page which is Tab G and this is where Frank (McCarthy) was asking about the taxes and the return. As the members could see under the 2015/16 year there was that unencumbered balance; that \$2 Million that Frank was wondering how that got put in, you will see that there, \$1,516,000.00, and then you will see where they retained that Fund Balance. That shows up as Revenue for this upcoming year. As the members walk down that estimated Revenue for 2016/17, members will see these are estimates, in Revenues and expenses. Mr. Richard asked the members to take a look at the Tuition line, so members could seem from 2014/15 to 2016/17 it's been fairly stable from \$9,374,000.00 in 2014/15 to \$9,317,000.00.

Peter Donohoe asked if that was an estimated Revenue. Kevin Richard stated that was correct. Peter stated this is what the School Board or SAU feels is going to be the sum total Tuition received. Mr. Richard stated because there is a lag between one year to another. These are based upon a year lag numbers; that's the way it's done. At the end of this year, those numbers will go into projecting the Budget two years out. Does that make sense because they don't know if kids are going to move in or out at this point, so at the end of the year the average daily membership numbers are submitted to the Department of Education and that's what they use to bill the other towns for their Revenue. Some towns that lose 4 or 5 kids, they won't see that in their bill or Tax Rate until 2 years out, but those are real numbers.

Dick Klement stated on the Revenue from local sources and tuition, you specify sending District's share of the bonds and trust funds, but you don't break that out for Regular Education. Given the fact that our numbers appear to be going down somewhat, some would say our numbers are down and some would say others are down, is there a way to get that broken out so that the members can see how much a Conway person is on the hook for versus what Madison provides. Kevin Richard asked Dick to help him understand the question. Dick stated you have Regular Education - High School Operations, so that consists of Revenue from taxpayers in Conway plus taxpayers in the sending towns, correct? Mr. Richard stated no; that's only from sending towns. Dick stated that's only from the sending towns and Mr. Richard agreed.

Kevin Richard stated so the Revenue is all coming into the Conway School District from some place else under Tuition. Members will see the other Revenue down the other column right below the Tuition and then members will see the Adequacy Grant, New Hampshire State, projected at 95%; the same with the New Hampshire Education tax. Members will see that the District Assessment is \$13,338,920.00, so the estimated increase is \$106,375.00 in Conway.

Frank McCarthy stated he was lost and asked to please be excused from his naiveté. Under 2015/16 you've got the Unencumbered Balance of \$1,516,000.00 and that was the excess, right? Now that was for the 2015/16 Budget; where does it show in the 2016/17 Budget which is the one that we are working on that the money has been taken off the amount to be raised by taxes.

Becky Jefferson stated the Fund Balance that you have left over from June 30, 2015 is actually applied to the current year's tax bill, so you're not seeing it on next year's bill because you've already seen it in the bills that you just received in November/December that were due. Basically what you are going to do is set a Budget for next year right now, we're working on next year's Budget. They have estimated a Fund Balance in the 2016/17 column and that will get changed to an actual number come June 30th of this year so when you send tax bills in the subsequent years, they will adjust that number and they will be conservative in that number today. The \$1.6 Million that has been talked about, you're already seeing that in your tax bill that you just got this Fall. If you look at it, in the center it says the 2015/16 year, out of the \$35 Million Budget for Conway you, as taxpayers, are paying a little over \$16 Million of that \$35 Million and that \$1.6 Million has been deducted. If you look right in the center, you've got to follow the numbers from the top. Next year you will see that they are estimated \$535,000.00 because they are going to be conservative at this time of year in case they have a Special Ed student come in, they could spend that and they do try to keep a little cushion there. They will estimate that but come June 30th they will have an actual number and then when they file all of their end of the year records, it will adjust.

Kevin Richard stated to Frank McCarthy that what he will see is that \$411,000.00 that the School Board decided to hold on to and that you'll see it in this year's.

John Colbath asked what was Catastrophic Aid and what is Medicaid reimbursement. Kevin Richard stated that those are associated with Special Education so some of those services qualify for reimbursement. John stated so some of the Special Education has medical costs with it. Pam Stimson stated Catastrophic Aid refers to each year the Department of Education sets a number based on cost per pupil and once they cross over that number, they are eligible for Catastrophic Aid. The idea when it was first put together was that they would get 100% back on what they overspent on a student; they always budgeted 60% just to be cautious and this year they received 75.22% back. What happens though is that each year the Cat Aid line goes up so where several years ago it was around \$45,000.00, this year it hit \$50,000.00 and change.

John Colbath stated so both of those lines are related to Special Education. Pam Stimson stated yes, the Catastrophic Aid is. Medicaid to Schools is, yes. John stated so it's for medical needs for Special Education students essentially. Ms. Stimson said that's true, but it's not like regular Medicaid, it's Medicaid to Schools, so it's any kind of services that are provided for students for them to access their education and the services at that point wouldn't be academic, they would be more service provision like Occupational Therapy, Physical Therapy, Speech Therapy. John stated so there's an individual's specific criteria that needs to be met. Ms. Stimson agreed and stated that Medicaid is a 50% reimbursement.

Kevin Richard asked the members to flip to Tab H - the Tax Rate which is the next section. Chairman Mosca stated there was a new handout for that and Mr. Richard agreed. John Colbath asked if the new handout replaced the sheet in the book and Mr. Richard stated yes.

Kevin Richard stated this is the effect on the estimated Tax Rate for this coming year and the members will see that the Operating Budget itself is up \$.08 per thousand or 0.64%. He will be going over the Warrant Articles and the members will see that if all of the proposed Warrant Articles are approved, there will be another \$.66 per thousand which will see an overall increase of 6.15% to the Tax Rate.

Dick Klement stated since you (Kevin Richard) have brought up Warrant Articles, he noticed that one isn't there. Would you care to give us the Conway School Board's rationale and why certain people voted "no". Members just had a presentation from Siemans on a \$287,500.00 contract to provide maintenance to our schools and you, as a former Principal of the Middle School, suffered through a number of years of absence of maintenance which had to be rectified at a fairly significant cost. So he knows Mr. Richard is no stranger to the lack of maintenance and how far that goes to destroying something.

Kevin Richard stated he would not project anybody's thoughts or ideas as to why they voted a certain way.

Dick Klement asked Mark Hounsell as the representative for the School Board. Mark stated he had his ideas of why people did what they did, but those are just his ideas. He would welcome the opportunity for them to explain, for everyone to explain.

Frank McCarthy stated Point of Order. He believes that the, in fact he knows that the School Committee is a separate body, they have certain Rules and Regulations under the laws of this State as we are. He did not think it was proper either legally or morally to question their motivation. They took a vote, they voted. That's like standing down at the voting office asking "who did you vote for and why". He didn't think it was proper, he didn't think it was right and he thought the members shouldn't do it.

Chairman Mosca stated he wanted to agree with Frank (McCarthy) on that because no one in this room can answer why or how someone else voted or why they voted the way they did.

Mark Hounsell stated we have a Point of Order and he just wanted to clarify it. He was in the middle of a sentence and what he was going to say was that he is not qualified, nor does he think it is proper for him to explain why anyone voted for anything. That's up to them. Having said that, he would say it would be nice if they all voted. Chairman Mosca stated and let's leave it at that.

Dick Klement stated notwithstanding your point Frank (McCarthy), normally when a person provides a vote, they also indicate why they are voting for something or why they aren't voting for something and he's seen stuff in the newspaper, he's seen stuff on TV and he doesn't know what the real story is and we're sitting here trying to determine how we are going to go forward with this. We've already experienced in this town what a lack of maintenance can do to a building. The School's valuation, they're Town owned buildings, is somewhere in the vicinity of \$100 Million. For them not to put this bond in there

Chairman Mosca stated he was going to cut Dick off there; members can ask questions about the Study, members can ask questions around the Facility Committee vote, who is on the Facility Committee, what their input may have been, but the only thing he would offer Dick (Klement) is that the Chairman will invite the Conway School Board to come to our next meeting with the School and, if any of them want to come and talk to us and discuss their position, then they're free to do so, but he thought he had to cut Dick off there. Sorry.

Chairman Mosca asked the members if anyone wanted to bring anything up on the presentation that was given earlier tonight. Who is on the Facilities Committee. Kevin Richard stated Mark (Hounsell), Randy Davison, Jim Hill, Andy Grigel, Mr. Richard and Katie Wilson. Chairman stated so there are 6 members on this Committee. Mark Hounsell stated Katie (Wilson) was not on it. Mr. Richard agreed and stated that means 5. Chairman asked how did the Facilities Committee vote on this proposal. Mr. Richard stated it was a 5-0 vote. Chairman stated so the Facilities Committee recommended the Bond Article, but the full Board decided against it from everything he gathered. Mr. Richard stated yes.

Mark Hounsell stated he needed to correct that. The School Board voted 3 to 3 not to recommend. That's not a very decisive position to represent as the School Board rep. He can't really represent a tie. It would have been nice with 7 people on the Board if they all voted given that opportunity. They took a pass on that, so we don't know how the Board feels about the Warrant Article except that a motion to recommend failed for the lack of a majority. Six people voted, one didn't and to this day he didn't know how to report to this Committee or represent to this Committee the School Board's position except to say that they are not recommending a Warrant Article on a 3 to 3 vote.

Jim LeFebvre stated isn't it true that it was put up for reconsideration. Mark Hounsell stated that vote for reconsideration failed on a 3 to 3 vote. The other night, to bring up the discussion again and to record the vote of Michelle Cappazolli, who was not there, not present for the vote of 3 to 3. Jim stated but she was there for the second occasion. Mark stated the second vote when she was there and he thought it was appropriate, and still thinks it was appropriate, for all Board members to express themselves and to vote. In order to do that, they had to suspend the rules. The motion to suspend the rules failed on a 6 to 1 vote including Board member Cappazolli. To this date, they have a 3 to 3 vote and don't know, he doesn't know, the position of the seventh member. That's why it is hard for him to represent a position except that there is not a Warrant Article and, as Representative McCarthy pointed out, it was probably not appropriate for them to discuss a Warrant Article that isn't in front of us, but he did think there were some questions that are appropriate, like what did we get, why did we spend \$287,500.00. That's an appropriate question.

Chairman Mosca stated he had a question and was not sure who to ask it of, so he was going to ask Frank (McCarthy) and maybe Kevin (Richard) or someone from the School Department may know. If there were an initiative Petition to put a Warrant Article on for the Bond, would that still be the first Article on the Warrant because it needs the bonding capacity in the 60%.

Mark Hounsell stated except that, and it was his understanding and he would yield to any one who knows better, but his understanding of it is that all petitioned Articles must follow the regular Warrant. Therefore, if it is a petitioned Article, it's how can you put a petitioned Article first. If it's a Bond Article, it has to be first, but if it's a petitioned Article it has to be last. His feeling is a Bond vote that was put on by Petition would be disallowed by DRA. That's his guess. He was not certain of that.

Dick Klement stated he had a question for Kevin Richard not related to a Bond. What are you going to do when the boilers break. Pat Swett stated you're going to blow hot air. (laughter) Dick further stated you are the Superintendent, the Conway School Board has told you that you are not going to do this, what are you going to do. Mr. Richard stated we are going to fix the boiler. Dick stated if you can find a part. Mr. Richard stated absolutely. Dick stated and if you can't, is there a plan. We're talking about an absence of funds to do some pretty substantial work.

Peter Donohoe stated he had a small point; the \$287,500.00 that was spent for the design steps, the shelf life of that is not one year, that information is good for several years. If it's no this year, it's no this year, there's next year too. Chairman Mosca stated on that point, the costs are going to go up. Peter stated they may. Chairman stated costs don't stay; more than likely the costs are going to go up. It might be minimal, but the costs still could go up.

Jim LeFebvre stated he has had some dealings with the DRA in the past and asked Chairman Mosca if he didn't mind, Jim would be happy to call the DRA

and ask them that question of where a petitioned Warrant Article dealing with a Bond issue is placed. Chairman stated he would appreciate that greatly; thank you.

Frank McCarthy stated he had a couple of things. One: he disagreed with his respective colleague that DRA wouldn't allow it. There are allowances for Warrant Articles that last more than one year and Bonds is one of them. He did not see why DRA would disallow it. Two: talking about the information that we got from the Committee, he didn't have it with him, but there is quite a lengthy write up on what the Committee did and how they did it and blah, blah, blah and at the end they had several charts of School enrollments. This is just his opinion, he knows for a fact that enrollments in the State of New Hampshire have been going down steadily for the last 20 years. If you look at some of those charts, they show it jumping up and staying up for the next millennium. He didn't know where they got the information for those charts.

Bill Marvel stated he hears uncomfortable intimidations that the Budget Committee might be getting active in fixing the apparent problem that the School Board has created. He hoped that was not the case. It's the School Board that created the problem by accommodating a perennially absent Chamber of Commerce representative and also for having a historic record of refusing to consolidate facilities and staff and that is why they are justifiably afraid that they won't be able to pass the Bond and a Teacher's Contract at the same time. He thought a generation that has grown up thinking it can have it all is finally realizing that maybe that's not true and he didn't want to stand in the way of that lesson.

Pat Swett stated she finds it very confusing when she read in the paper, if the paper was correct, that the Board didn't want the Bond done this year because it would come before the Budget and Contracts. Don't they have a Budget every year and a Contract of some sort every year. Somebody's not thinking clearly and she really hates to put it into words, but she thought they needed some mental adjustments.

Chairman Mosca stated he got the same out of the article and yes there is a Budget every year and yes there will be a Teacher's Contract next year because the Contract right now is only a one year Contract. It's their decision and again he wanted to bring Siemens in to hear what the money was spent for, where we are at and he may ask later if people want to take a straw poll or not as to how they feel on supporting if there is a Bond next year. Frank McCarthy stated he couldn't hear what the Chairman was saying. Chairman repeated that he may ask for a straw poll later if anybody wants to do that to see how the Budget Committee feels about spending \$4.9 Million, but it would be something that is non-binding on anybody, it's just a straw poll to see what the feeling of this Committee is.

Pat Swett stated to follow up, her concern is what does the Board think they were going to do with that money they requested for a Study. If they weren't going to do anything with it, why appropriate it for a Study. We should ask the School Board, she would love to get them here.

Chairman Mosca stated again he thought he would ask the School Board to come and if any members of the School Board want to come, we can't force them to come before us, if any one would like to come to speak and answer, that's there prerogative. Pat Swett stated she thought they should be invited.

Frank McCarthy stated in his mind holding a straw poll and letting the results go out to the public, would be a slap in the face to the School Board and it sets a bad precedence. Chairman Mosca stated he heard Frank and he saw a few other members shaking their heads so he will drop the issue at this point in time.

Chairman Mosca apologized to Kevin Richard for the disruption. Mr. Richard stated he's enjoyed it; it takes the heat off of him. (laughter)

Kevin Richard stated he would like to walk through the Warrant Articles with the members and then if there are specific questions within the Budget, we can go back to that or wherever the members would like to go at that point.

Kevin Richard stated the Warrant Articles is the new Section B handed out tonight. John Colbath asked if he was to pull out the white sheet that was already in the book. Mr. Richard stated yes.

Kevin Richard stated as the members will see, these are all of the Articles on the Warrant, the cover page and the total cost of those, but we will flip the page in order to go through the Articles.

Kevin Richard stated Article 2 is part of the Tuition Contract as well and is part of the Expendable Trust Fund for the new High School's Facilities Maintenance Fund. Chairman Mosca stated every year we are asked what the balances are in all of these funds. Mr. Richard stated he did have those for the members. Article 2, right now the total is \$483,127.00. Jim LeFebvre asked to have the total figure repeated. Mr. Richard stated \$483,127.00. This will be needed because it's hard to believe the High School is 12 years old now and he knows there are concerns for the older buildings.

Kevin Richard asked if there were any questions on Article 2. Bill Marvel stated he thought it was opened in 2007. Mr. Richard stated the original construction started in 2005 and he guessed from open door to open door.

Frank McCarthy asked if there was a cap on it. Kevin Richard stated there is no cap on it. It's part of the Tuition Agreement.

Kevin Richard stated Article 3 is for the Middle School and the total dollars in that account right now is \$154,584.00.

Kevin Richard stated Article 4 is for the Elementary Schools and in that account right now is \$79,650.00. Mark Hounsell asked if that means it will increase by \$9,900.00. Mr. Richard stated that is correct. Mark stated that would make it \$89,550.00 and he just wanted to know because we might

be needing that for a boiler. Kevin Richard stated or buy parts for a boiler.

Kevin Richard stated Articles 5, 6 and 7 are the negotiated Agreements with the teachers, the support staff and then AFSCME. He would like to speak to all three of those and then go through those individually. There are some recurring pieces that were part of the negotiations. The School Board did hear what the Budget Committee said. Longevity was addressed in all three Contracts. That was something that was communicated to the School Board and in all three Contracts, should they be approved, there will be no longevity for any new hire. That is a concession negotiated. He thought there were other conversations that were taken a little bit further, but the first step to addressing that longevity was no new longevity for any employee that is hired from here on out. That's one piece that the members will see: in two of the negotiated increases, the Cadillac tax, that's the Health Insurance Tax. The School Board kind of put a line in the sand if you will by saying no way would an excise tax come back on. For those members that are not sure what that is, there are thresholds for Health Insurance Plans and should the premiums go above those thresholds, there would be a 40% tax incurred by somebody. Jim LeFebvre stated this is of course occasioned by the Affordable Care Act. Mr. Richard stated correct. That was a point of negotiation all the way through and there's language in those Contracts that wouldn't put a burden back on to the taxpayer. Those were two important pieces that he knew the Budget Committee paid attention to.

Mark Hounsell stated in the Memorandum of Agreement, he wanted to draw the members attention to that particular language because members may want to spend some time with it to see that it is indeed a shield against that part of the Affordable Care Act. This is the AFSCME Contract that he was looking at, it is on the second page of the one that was just handed out today. What that will result in is if there is an excise tax from the Affordable Care Act that is incurred by the District because they are paying too much for premiums, this will stop that from happening, this will stop that excise tax from reaching the property taxpayers of the Conway School District should that take place. Important language because that could be a significant amount of money.

Bill Marvel asked Mark Hounsell if he meant, because he didn't say it, that it will revert back to the employee. Mark stated he believed it did. He believed it would result in that because it will either do that or there will be a reduction in what's provided. If there is not a reduction, then the cost of that tax will be by the employee. Dick Klement stated he didn't see that in there. Mark stated it doesn't say it out like that, what it does is starts up a process that, read it again and you'll see the end result is just what he said.

Kevin Richard stated either one side, the School District, or the other side has to come back with a plan that is under the threshold. Mark Hounsell stated both parties have to, they both have to bring back a plan that is going to be under the threshold and if it can't be agreed on, then an Arbitrator will pick one, but whichever one is picked will be under the threshold. So it is protection against going over the threshold.

Jim LeFebvre asked if the key sentence here for everyone's edification that the parties acknowledge that benefits available under the plan proposed may modify or reduce coverage and benefits. Dick Klement stated modified doesn't necessarily mean reduce. Mark Hounsell stated it's all part of it. Dick stated he would rather see it in English then he could understand. Mark stated you (Dick) have been in negotiations, it's a two way thing; you can't get everything you want. Chairman Mosca asked that the going back and forth stop.

Bill Marvel stated the last time we brought this up, he heard that very night on NPR that this part of the ACA had either been postponed or actually killed. He didn't remember which it was.

Chairman Mosca stated that he saw it in the AFSCME Contract, but he didn't see it in the CEA Contract. Kevin Richard stated it's only a one year agreement, so during the length of that Agreement the proposed deadline was not in play.

Dick Klement stated he was going to say what he said before again before this makes it to the Town. Social Security is getting zero percent raise this year; Federal Retirees (Civil Service) are getting zero percent; Military Active Duty are getting 1.1% or 1.3% and the Federal Civil Service is getting 1.1% or 1.3% he couldn't remember which was which and here we are sitting here looking at a lot more than 1.3%, certainly a lot more than zero and, once again, it appears that those that have been here for a significant amount of time are getting a hell of a lot more, excuse his language, than those that are just new. He thought in the letter this Committee sent which was responded to and a copy of that letter was circulated to the members, we were told to pound sand with our recommendation that we concentrate on newer employees.

Mark Hounsell stated Point of Order. One member of the School Board made a comment that he (Dick Klement) is referring to. It wasn't anything that came from the School Board. Dick stated exactly right, but it was not rebutted. All he was saying is there is 3% in here. Chairman Mosca asked everyone to hold on and stated if one goes to the CEA Contract which is the big Contract, it's says in Article 26.13: Any individual presently serving a position and is returning to that position in the 2016/17 year will receive a 2% or a Social Security COLA increase in compensation whichever is less. That's in the CEA Contract.

Dick Klement stated right, then look at the Salary Schedule and the longevity. So the longevity for 25 years of service is \$2,800.00. All he was saying is that he has a problem with this. The Town doesn't seem to care. The School Board doesn't seem to care, they just think the money will appear. Mark Hounsell stated that's not true. Dick stated sure they think it is going to appear. Mark stated that's not true at all.

Chairman Mosca stated to Dick Klement and Mark Hounsell that there would be no more going back and forth. They were done. If you have a question, ask the question. No more going back and forth.

Kevin Richard stated he wanted to walk through the CEA Contract. Part of the CEA Contract was to focus on one of the other pieces that they did hear from the Budget Committee was to raise the base salary for starting teachers. Over the past 2 or 3 years it has been raised and this year it jumped from \$31,900.00 to \$33,300.00. One of the pieces that was looked at was comparable Districts, comparable salaries state wide, regionally, as well as comparable Districts. Conway is historic; out of 150 Districts, Conway is 145 as far as the average teacher's salary. They looked at a tremendous amount of comparable data and that's really what the District is running into: not being able to retain and even to get people to apply for these jobs because even the neighboring Districts here, they are substantially below where they are at. He thought that was a focus of negotiations, but in order to do this, you do have to do that as well. Even people who have been here for 15 years are significantly below any other area around here. That was addressed and that's where it's at. Even the top end of their Salary Schedule is significantly low compared to other Districts.

Jim LeFebvre asked if Kevin Richard could tell him or give him data later on how many positions have gone unfilled because of this issue over the course of the last 3 to 5 years. Mr. Richard stated they haven't been unfilled because they have to fill them, but the turn over rate is extremely high. Again, you are talking about 30 hires this year. Jim stated so there is no position going unfilled this year as you stated. Mr. Richard stated they become unfilled because they don't stay in the District. Are they qualified people? No. They have quite a few of those 30 who aren't qualified at this point. They work to get them qualified.

Jim LeFebvre asked how are they unqualified. Kevin Richard stated they are uncertified, so they have people who haven't been through formalized educational programs. Jim asked would someone applying for a position in Conway through the teaching program ... (inaudible). Mr. Richard stated they haven't had one of those for a while. It has probably been 8 to 10 years and that's a different ball game.

Frank McCarthy stated \$58,581.00, Article 6, that's the first year; what does that raise equate to percentage wise. Kevin Richard asked for an individual? Frank stated \$58,581.00, what does it equate to. Chairman Mosca stated we are not on Article 6 yet. We are still on the CEA Contract.

Kevin Richard stated there are salary increases as Dick (Klement) alluded to, \$1,700.00 for people who are off the Salary Schedule, but the bulk of the change went into the base salary.

Jim LeFebvre stated he had a question on the longevity issue. As he understands the process he just read and what Kevin Richard described, it is something that is only applying to new hires, is that correct. Mr. Richard stated in the case of the teachers, anybody who is on the Salary Schedule and right now they have about 90 teachers on the Salary Schedule and about 90 teachers off of the Salary Schedule. In this Contract, anybody that is on the Salary Schedule will not receive longevity from here on. Jim stated so the 90 that are left off the Salary Schedule and

won't receive that until such time as they retire. Mr. Richard stated or it's negotiated into the next Contract.

Dick Klement stated it's a hypothetical; you've got a Masters +60, Step 12, the Schedule caps that at \$48,700.00. Let's take the Masters +60, Step 12 who is making \$65,000.00, is that person going to get longevity. Mr. Richard stated yes. Dick asked if that person was also going to get a raise. Mr. Richard stated correct. Dick stated if he reads Article 26.13, if they are in the same position they get 3% or Social Security COLA whichever is less, so they would not get a raise. He was just trying to figure out how much this is going up. Becky Jefferson stated she thought 26.13 was either referring to Department Heads or co-curricular. It's not referring to the Teacher's Contract.

Dick Klement stated in fact then his hypothetical case of Masters +60, Step 12 making \$65,000.00 which is basically \$20,000.00 above their step is going to get longevity and they are also going to get a raise. Mr. Richard stated \$1,700.00; anybody who is off of that Schedule gets \$1,700.00. Dick stated so that would be it and that's a one year only, correct. Mr. Richard stated that's correct and they still get longevity. Dick stated so the year after that it's not \$20,000.00 plus \$1,700.00 plus another \$1,700.00. Mr. Richard stated not unless there's a new agreement. Dick stated so essentially they are salary capped at that. Mr. Richard stated until there is a new Contract. Dick stated if the new Contract is written the same as this one, they would not get a raise. Becky Jefferson stated if it is identical and nothing changes, they would still get \$1,700.00. Dick stated right, but that \$1,700.00 is based on the base pay. In other words, can one get \$65,000.00 plus \$1,700.00 plus another \$1,700.00 next year. Mr. Richard stated you could. Dick stated the longevity pay in fact is not longevity, it's a pay increase every year. Becky Jefferson stated it does not compound every year; the longevity does not compound. Dick stated that's what he was trying to find out. Mrs. Jefferson stated the only difference is, when you see the different levels going from Year 19 to Year 20, there's an increase in the level and that money is just an add on every year, but it is not \$1,000.00 this year and \$2,000.00 next year.

Dick Klement stated last year the members received a listing of the people covered under this Contract and didn't have the names and he doesn't need the names, but it gave what their salaries were and he was wondering if it would be possible to get those salaries again. Kevin Richard stated yes. Bill Marvel stated you may find it hard to interpret. Dick stated he just wanted to know if somebody is a Masters +60.

Doug Swett stated we've been talking about teacher's pay, starting salary of \$33,000.00, we have never mentioned once here what goes with it, the perks and the value of those perks. You are putting this out to the public and he thought all of the money that a teacher is involved with in the School system should be, if you're going to talk about cash or salary, always mention the perks and that is about \$12,000.00 on top of the \$33,000.00. Bill Marvel stated \$20,000.00. Doug stated he didn't know what it was.

Jim LeFebvre stated he believed some of what Doug (Swett) was looking for is probably addressed by the material that the School has given to us, but we have not had a chance to review because we didn't get it in a timely fashion before this meeting. He didn't mean that as a knock on the School. He is looking for total compensation which includes salary plus benefits. Kevin Richard stated he had the bottom line on the document that you have, but not broken out the way that Doug was asking.

Frank McCarthy stated it states the sum represents the additional costs and he was assuming that they have taken that into account. It says it represents the interest. Kevin Richard stated in the salary cost. The Health Insurance is in the operational costs. You saw that in the operational costs. Frank stated wouldn't you say an increase in salary is attributable to something else as well, that's what it says in here. The Warrant Article states the additional costs attributable to the increase in salaries. Mr. Richard stated that's correct; that includes... Frank stated the costs attributable to the increase in salaries. What are the costs? What are the Health Care costs? What is the dental care cost? What is this cost? This \$476,301.00 is a phony number. Danielle Santuccio stated it does say salaries and benefits. Chairman Mosca stated it says salaries and benefits. Mr. Richard stated the benefits to what they are speaking to here are your Workers Comp, FICA, Retirement, that's what that is. Health Insurance is a different piece. The negotiated agreement with Health Insurance right now is based upon a percentage of a plan.

Becky Jefferson stated there was no negotiated change in Health Insurance; had there been a change in the plan either an increase or a decrease, then that would have been in the cost of this Article. The Health Insurance plans across the board are all the same as are in the current Contracts, so that is a budgeting piece, not a negotiating piece. Had they changed the plan, negotiated a different plan or a different co-pay, then you will see that in the Contract.

Frank McCarthy stated he still says that the Warrant Article is not written properly. It says increase in salaries and benefits, but you're not including the benefits. The money you're talking about is salaries only. The Warrant Article has to be re-written. Chairman Mosca stated to what Becky (Jefferson) just said, it says increase in salaries and benefits required by the new agreement versus current levels. If there is no change in health care then it wouldn't be in there. Frank stated if there was no change. Chairman stated that's what it is, there is no change. Frank stated no change in health, dental or anything else. Chairman stated all of those plans are staying the same. The costs may increase, but that's a result of the health care insurance changing, not the Contract changing anything.

Mark Hounsell stated Representative McCarthy brings up a very good point and he thought the solution to it would be in the future years and it would be emulating what Earl Sires and the Town does, and that is following every Warrant Article is an explanation separate from the Warrant Article that explains exactly what's going on. He thought Frank made a good point that sometimes it's confusing to people when they go in and they see these figures and they see the word "benefits" that it is

hard to ferret out that certain benefits aren't included in it. When it says benefits, the assumption is that it is all benefits. Town Manager Sires some years ago started putting explanations to clarify those points for the voters. He thought the Warrant Article itself is, because it doesn't clarify benefits, and it is somewhat confusing.

Frank McCarthy stated if, as they say, there are no changes in benefits, why is benefits in the Warrant Article. Chairman Mosca stated to Mark's (Hounsell) point, that's where an explanation needs to be to say what's included and what's not included. We can ask the School Board to include a description of what is and what isn't included for the actual Warrant. Mark Hounsell stated on that point, if that was ready for the Public Hearing he thought that would be helpful. Chairman agreed.

Dick Klement stated at 177 teachers, \$476,301.00 breaks down to about \$2,600.00 a person.

Chairman Mosca asked if there were any further questions on Article 6, the CEA Contract. There being none, Chairman asked Kevin Richard to proceed.

Kevin Richard stated the CESP Contract the members will see over a course of 3 years that is pretty stable, but that is 2.5% per year. There was a change in the deductible insurance pool which was a reduction, the Cadillac Tax article and then again the longevity for any new hire was put into place.

Frank McCarthy stated the first figure of the 2016/17 is \$58,581.00 and then you get down to where it says "and to further raise" and it's \$58,581.00 again. Are we talking about the same thing or is this something different. Kevin Richard stated you're raising this year that first figure into the Budget. The \$58,581.00 that's the cost of the first year; the second and third year go into the actual Operating Budget. Frank stated he understood that, but drop down and it says "and further to raise and appropriate" the same sum of \$58,581.00.

Mark Hounsell stated to Frank McCarthy that what you have in that list of figures for 2016/17, 2017/18 and 2018/19, if this passes, that is the commitment that the District has made for the next 3 years for this Contract. Having done that, they also have to "raise and appropriate" the first year's amount this year on this same Warrant Article. It isn't raising it twice, it's saying "yes, we will raise it" and then "by the way we'll raise the first year now". So we'll plan on taxing ourselves now, but we are planning on taxing ourselves next year \$64,631.00 and the year after \$69,446.00.

Frank McCarthy stated that was his question; the first \$58,581.00 and the second are the same thing. We are talking about the same thing. Chairman Mosca and Mark Hounsell both stated yes. Frank stated that was his question.

Chairman Mosca asked if there were any further questions on the CESP Contract. There being none, Chairman asked Kevin Richard to proceed with the AFSCME Contract.

Kevin Richard stated AFSCME are the bus drivers, the maintenance folks, the custodians and food service workers and once again the longevity piece was in there. The Cafeteria workers, there was a \$.50 per hour change to their Salary Schedule. They are, and he could give the dollar amount with that, but they are some of the lowest paid folks in the District. This is a 2 year Agreement, and if the members take a look at 2016/17, their Contract reads that it is a performance based Contract. What happens is there is a number in the Budget they have in there based upon, they could potentially if they are outstanding 3% and then it drops to 2.5%, 2% and 1.5%, so the members will see that number is a little bit low because the School is contractually obligated to pay those folks, or at least budget for that to take place. Mr. Richard wasn't sure if that made any sense. If they didn't have a Contract this year, their Contract would be based upon performance, so the School has to put a number in the Budget for that. It is already in the Operating Budget; the \$10,000.00 is in addition to as a result of the change in the Contract language.

Frank McCarthy asked where does the figure for 2017/18 come from? Kevin Richard stated for the following year obligation to the Contract.

Dick Klement stated his question is the same as Mr. McCarthy's. If it's a 3% block that they have put in of \$10,233.00 and for the following year using the same percentages at most it would be \$20,000.00. He didn't know how it gets to \$45,000.00. Becky Jefferson stated they were showing the entire amount in the subsequent year. Dick questioned the entire amount. Mrs. Jefferson stated you will notice that there is new language being put in the Contract defining if there's no subsequent Contract, that they're going to get the prior amount, but the second year is including the 3% and the subsequent year includes the 3%, the \$45,000.00. Dick stated he thought part of the problem was that the members did not have the full Contract. Mrs. Jefferson agreed. Dick stated so in fact, if they're commendable and if everybody is, there's an increase of \$10,233.00 and one year later with the same 3% increase, there's an increase of \$45,500.00.

Kevin Richard stated right now, because of the language in the current Contract, there's probably \$35,000.00 in the operating costs in the Budget right now, so that \$10,000.00 represents any other changes that were made in the Contract. So, because of the change in the Contract language, you have to include that in the second year obligation. If the Contract expires beyond that and the language stays the same, in 2018/19 there would be \$35,000.00 obligated in the Budget.

Frank McCarthy stated what he understands is both years are actually the same only for the first year there is already \$35,000.00 in there to take care of it and you only need \$10,000.00 more. Kevin Richard stated correct. Frank further stated then for the second year, you need the full \$45,000.00. Mr. Richard stated you've got it.

Chairman Mosca asked if there were any more questions on the AFSCME Contract. There being no more questions, Chairman asked Kevin Richard to proceed with Article 8.

Kevin Richard stated the figure moved forward by the School Board was \$34,825,178.00. Frank McCarthy stated he would like to correct one thing: proposed Budget.

Chairman Mosca asked if there were any questions on the proposed Budget. We will have more time at the next meeting to go line by line. There being no questions, Chairman asked Kevin Richard to proceed with Article 9, Project Succeed.

Kevin Richard stated Article 9, Project Succeed, this number is very consistent and this is for the After School/Before School Program for the Elementary School students and that's \$38,600.00.

Dick Klement stated there was a Grant for Pine Tree he believed and maybe John Fuller, he was not sure; when does that expire. Assistant Superintendent Katie Wilson stated Pine Tree expires this year; the other two she would have to double check on the dates. There's still Grant funding that supplements this and there's also money that comes in from different fees. Dick stated he understood that, but this could go up later on. Mrs. Wilson stated it could, it's usually a 5 year Grant cycle.

Chairman Mosca asked if there were any more questions on Project Succeed. There being no questions, Chairman asked Kevin Richard to proceed with Article 10, School Buses.

Kevin Richard stated School Buses, they need 2 new School Buses this year. This is part of that adoption cycle for the buses and this will get you a full size bus and a handicapped School Bus.

Frank McCarthy stated he thought we had a fund set aside every year to put a little in to take care of buses; is that completely depleted or what? Kevin Richard stated that he would have Jim (Hill) speak to the bus situation.

Jim Hill stated they used to go, and this was a few years ago, they'd put money into, and there is a reserve, that they used to go and put money in if they thought 2 buses were going to cost \$200,000.00, they would have a Warrant Article for \$200,000.00. If he bought those buses for \$190,000.00 that \$10,000.00 unexpended amount would remain in that reserve. There is about \$45,000.00 in there now and the idea was to build that up to a point that if they had a bus that got into a crash or something, they would have enough money to go out and buy a used bus. Now all they are doing is budgeting exactly what they think is going to be needed to buy 2 buses. If it comes in lower, if the price comes in lower, that money is returned to the taxpayers.

Frank McCarthy stated so we are not going to use any of that reserve on this. Jim Hill stated that's correct. Frank stated it's going to stay as a reserve. Jim stated that's correct.

Chairman Mosca asked if there were any further questions on Article 10. There being none, Chairman asked Kevin Richard to proceed with Article 11, School Buildings Maintenance Fund.

Kevin Richard stated Article 11, School Buildings Maintenance Fund. Currently they have \$185,000.00 in there and are looking to put \$100,000.00 in there. Frank McCarthy asked how much is in there now. Mr. Richard stated \$185,000.00.

Mark Hounsell stated he wanted to explain and talk a little bit about Article 11. Mark asked Jim Hill what was used last year for Pine Tree. Becky Jefferson stated \$73,000.00. Mark further stated a year ago they had \$258,000.00 in this Fund. They didn't ask for any additional because they believed that was sufficient. The situation at Pine Tree where they had the breakdown of the piping system came in at \$150,000.00. Half of that was paid from surplus and half of it, or \$73,000.00, was paid from the Maintenance Fund which reduced it to it's current level of \$185,000.00.

Mark Hounsell stated on December 7th, the School Board voted 6-0-1 to put a Warrant Article for the Elementary Schools, a \$4.9 Million Article on the ballot. In doing so, the decision was not to have any increase in the Maintenance Fund; however, when the School Board got around to making its recommendation on the \$4.9 Million, they did not recommend it. At that time the School Board felt that it was necessary to at least put \$100,000.00 in the Maintenance Fund because they could use it if there was another catastrophic event in one of the Elementary Schools. This \$100,000.00 is put in as a reaction to not recommending the Warrant Article. He is here to represent that. He hopes it is enough.

Frank McCarthy stated there's much ado about nothing when they were talking about boilers, and he forgot what school it was in, that went out not too long ago and everybody was crying wolf, "no parts are being made" and "it's going to cost us millions of dollars", but they found the part in Portland (Maine) and they fixed it. Do you know what the cost was to do that? Mark Hounsell asked to do what? Frank stated to fix the boiler. Mark stated no, that was done with maintenance staff and he thought some people from Siemens. He didn't know the final bill on it. Jim Hill stated he didn't know. Mark stated on the point of finding that part, yes, we found one; he didn't know if they would be able to find another one, but they did find one. They're dealing with a system where the parts are no longer available and so you have to dig high and low for them. Maybe not a big deal, but maybe some day it will be a big deal.

Chairman Mosca stated to the point, if we had last year's winter and had that failure, the School would have been shut down because there wouldn't have been any heat. We were lucky this year that we've had mild temperatures. It could have been something.

Bill Marvel stated his father used to take care of the boilers at Conway Elementary in the 60's and he was an awful pack rat. There's a lot of plumbing supplies in the cellar of his house (laughter) and if the District wanted to, they could come take a look.

Mark Hounsell stated he grew up in a house that was full of a cellar with plumbing parts and he doesn't want to go through them. Also those boilers that he (Bill Marvel's father) had are long gone; these are different

boilers. Bill stated he didn't know where they were from, but some of them look like antiques. Chairman Mosca stated they may be worth something. Mark stated he just wondered, but did Bill ever throw anything away. Bill stated he did throw away this OX10 disk for his little 2004 vintage power book and now he needs it.

Jim LeFebvre stated to Mark Hounsell, the \$411,000.00 that the School retained, the 2.5%, does the School Board have any feel for where you see that possibly being used or is this just set aside in case of World War 3 and something gets blown to h*ll. Mark stated he thought it's the second thing. It will set there as a reserve for the District to use in case something does happen that's unexpected, it's a good little cushion. Jim stated so you would anticipate that it will probably end up being used in one of the facilities. Mark stated they can't use it without getting permission from the Department of Education and this Committee. The School Board can not just expend those funds. Chairman Mosca stated they can't expend it without the approval of DRA or this Board. Mark stated "and" not "or", it must be both. Chairman stated correct.

Bill Masters stated he sent a long Memo to Chairman Mosca dealing with the boilers and the situation we just experienced. Where we are dealing with a Warrant Articles, he didn't know whether the Chairman wanted to deal with that now or wait and take it under New Business. Chairman stated he thought it was something that could be given to Mark (Hounsell) to take back to the School Board, but we will take it up under New Business.

Bill Marvel stated he did have two questions about the schedules sent out which seemed to be just about what he was looking for except that he can't interpret when the apparent 5 periods are on the Black and/or White Days. Kevin Richard stated he was going to go through that.

Kevin Richard stated he was going to walk through the responses to the questions from the members. He knew there would be some questions regarding the schedule. He hoped that Question #1 was found to be accurate. Question #2 was the schedules, so some folks have an understanding of what this is. Essentially the High School teachers teach; there are 4 instructional blocks a day plus a Reading block. Bill Marvel asked is that when everything stops and everybody is supposed to read. Mr. Richard stated correct, that's about a 25 minute/30 minute Reading block plus the Homeroom period.

Kevin Richard stated if you were a student with a full schedule, you'd take 4 classes on the Black Day and 4 classes on the White Day. If you were a full-time student, you would be taking potentially 8 classes a week. Bill Marvel stated but one's 2 hours and one's 1 hour. Mr. Richard stated no; on the handouts on the Prep block, let's use 80 minutes because that's kind of a benchmark. Your Prep is 80 minutes; Class 1 is 80 minutes; Class 2 is 80 minutes; Class 3 is 80 minutes. Mr. Richard stated he was referring to the handout that he gave to the members earlier today. If you were a student, you'd be taking a Class during Prep time, Class 1, Class 2, Class 3 and the same would be true for the next day. There are some classes that are double blocked, so if you were to take AP Biology, then that runs on both days. Bill stated you said it was indicated here

that it would be Period 2 and Period 3. Mr. Richard stated it would be more Class 1 and Class 4 would be aligned, so that you would go to that class every single day for 80 minutes. If you were a student, all of those blocks would be full including Reading.

Kevin Richard stated if you are a full-time teacher, and some of the schedules are with part-time teachers with no other outside duties, a full schedule consists of 3 out of those 4. That's why he said during the Prep block, you would have 80 minutes to do your prep work. Bill Marvel asked if the Reading break counted as a class. Mr. Richard stated it counts as instructional duty, yes. Bill stated so let's say if you taught World Cultures, 2 classes, Periods 3 and 4, and a Reading break Period 2. Mr. Richard stated you would have one more class as well. Bill asked if you don't, you're a part-timer. Mr. Richard stated or, that's why he put it with that, if you are a Freshman Team Leader or you are a Department Head, there's additional time built into the Contract for those positions. There are some blanks on here that other teachers may have assigned, there are some directed Study Halls, but there are some other obligations that these people may have as well. Bill stated he may have more questions at a later time. Mr. Richard stated absolutely.

Kevin Richard stated Question #3 didn't give Mr. LeFebvre the answer that he wants, but they will address that. Jim stated thank you. Mr. Richard stated it says what is the total cost for teachers, including salaries, benefits and stipends. Do you want individual teachers. Jim agreed. Mr. Richard stated they would do what they could in the time frame, but it may take some time. Chairman Mosca stated it was his misunderstanding and apologized.

Kevin Richard stated Question #4; somebody had asked about the numbers and the members already have the enrollment numbers in their booklet, but this was without Kindergarten since 2000. That was the question.

Frank McCarthy stated since the time period is from 2001 to 2016, we're only talking 15 years because we just started 2016, we've lost 305 students. As an add-on to that question, he would like to know what the total count of staff, all staff is. Kevin Richard stated Mr. Marvel asked that question. Frank stated from 2001 to 2016, the same time period that you lost 305 students. Mr. Richard stated they will go back as far as they can.

Mark Hounsell stated when we see this list on the answer to #4, are we looking at total enrollment or just Conway enrollment. Kevin Richard stated that's the total enrollment of those schools. Mark stated so would it be advisable to know how it effects the District or perhaps look at the Elementary Schools and recognize that some of these enrollment numbers of the sending Towns is what is driving this number down, but that the Elementary Schools actually represent Conway resident students. Mr. Richard stated that would probably be the safest way to predict enrollment stability within Conway.

Mark stated the reason he was asking that was because he does think, and he thought Dick (Klement) brought it up a few weeks ago, that it is time

to begin looking at life at 2024, whether or not we want or do not want to be a receiving District any longer. He thought these types of numbers may be valuable to us as we go forward. He was not saying should or shouldn't, but he was agreeing with Dick that we should start now planning for 2024 because there are a lot of different things that are tied to that. His observation is that the enrollment numbers are not the result of anything drastic happening in Conway, but more so in the sending Towns. The new normal may be normal for Bartlett, but it's not normal for Conway.

Chairman Mosca stated basically the Conway School Elementary School population is pretty static, it's the sending Towns where the numbers are dropping. Bill Marvel stated if we are looking at the Elementary Schools as Conway representation, they're down 19%. Chairman stated he thought that the numbers that are reflected in this are inclusive of everybody. It is Conway plus the sending towns. In 2015/16, the 630 is Conway plus the sending towns. If we look at the number of Conway students, from what he is understanding, is that the number for the Conway student population for the Elementary Schools is fairly static, whereas the number for the students from the sending towns is what's driving the number lower. Bill stated he guessed he misheard because he thought he heard Kevin (Richard) say that looking at the Elementary Schools was a fair representation of the Conway numbers.

Dick Klement stated there's less of an impact from the sending towns in the Elementary Schools, we've only got two, that's Albany and Eaton. You really need to look at the numbers. He thought you had to look at each town separately and do a lot of "what ifs" because we may stay the same in 2024. Chairman Mosca stated he didn't want to get into the 2024 issue at this time. Dick stated you only need one person to say no and it all falls apart. Chairman stated right, absolutely.

Kevin Richard proceeded with Question #5, those were questions that the members had asked, those are just salary. John Colbath asked if the Career & Technology Center was included. Mr. Richard stated no; he could add it to the list if John would like. John stated he would like that.

Jim LeFebvre asked if the Special Education Director was .70 full-time equivalency; everything else is listed as number of days. Maybe that was something that could be addressed; what is .70 FTE. Kevin Richard stated it's 70% that's administrative and then there is 30% that is teacher. The Contract is actually split that way. She gets paid 30% as a Case Manager and instructional teacher and then 70% administrative. That was part of the separation of the High School and the Middle School way back when where you had one person cover Grades 7 through 12 in this facility and when they split, they changed. Jim stated that person keeps their hand in as a teacher. Mr. Richard stated they do, they do instruction, correct.

Dick Klement stated there is one individual not noted here and kind of conveniently forgotten about at times and that's the Special Resource Officer. The Town pays his salary, or we pay \$50,000.00. Becky Jefferson stated it's in the detail. Dick stated so we pay that to the Town so they reimburse the Police Department for that. The rationale that got done was that the sending towns get charged for a part of that rather than Conway

only, but what we should see on the receiving end which he didn't see, was a receipt from the School of \$50,000.00, \$60,000.00, \$70,000.00 for the School Resource Officer. Mrs. Jefferson stated we pay the Police Department for that, so it would be in the Police Department. Dick stated in their Revenue and Mrs. Jefferson stated she would assume so. Jim LeFebvre stated that would be relevant to the Police Department.

Kevin Richard stated he would add Career/Tech to that.

Kevin Richard proceeded with Question #6 which was the Facilities Study needs. Again, if you need a hard copy of that, an 80 page document, he can make one. He just didn't want to burn off copies; just call the office and let him know or send him an email and he will make that happen. He also included School Board Minutes electronically as well to the members.

Kevin Richard stated on Question #7, he just responded to that.

Chairman Mosca asked if there were any further questions at this time.

Dick Klement stated on this School Board Assessment of Educational Facility, will we be discussing that on another night. Chairman Mosca stated yes; on the 27th we have a meeting to discuss the Budget, why don't we do it on that night and he will put it on the schedule right now and we will go over the Educational Facilities needs.

Kevin Richard stated he has his marching orders from the members and it was his understanding that he was invited back on the 27th. Chairman Mosca stated we have a meeting set for the 27th. We actually have one on the 1st. Frank McCarthy asked what day the 27th fell on. Chairman stated Wednesday. Jim LeFebvre stated two weeks from today. Terry McCarthy stated they are always on Wednesday. Chairman stated there is a meeting on Monday, February 1st which is final questions for the Town and the School and then we go to Public Hearings and so forth.

Chairman Mosca stated if there was anything specific that a member comes up with between now and the 27th, please forward it to the Chairman and he will forward it to the Superintendent.

Frank McCarthy stated he has asked this question before to just the Committee and he was given an answer. The authority for the School to retain money even though the law says it's a lapsing Budget. Chairman Mosca stated it was a Warrant Article last year. Frank stated maybe he is getting too old and asked if he could get a copy of that Warrant Article because he would like to know exactly what it says, how much money they are allowed to take and how it works. Terry McCarthy stated she thought she still had all of that at home. Chairman Mosca stated he thought a copy could be found.

Lloyd Jones asked Chairman Mosca if he was inviting the School Board to come in to meet with the members. Chairman stated we are doing that through Mark (Hounsell). We are going to bring that up under New Business. Mr. Jones stated he thought the meeting was adjourning. Chairman stated under New Business we are going to hit a couple of things.

Chairman Mosca thanked Superintendent Richard for his presentation and thanked everyone else for coming in.

NEW BUSINESS

Bill Masters stated based upon the feedback we got and he came here on the 7th and sat with Andy (Grigel) right up front to find out what the problem was and what he had to say about the input. What it really boils down to is that a safety device which is a low water monitor on the boiler system failed and it shut the boiler down. As he explained, neither boiler is capable of handling the winter weather as we have it now. They are 40/60. They are well beyond their expected life expectancy in terms of efficiency and just plain parts. The issue that we had was that we were very lucky in terms of the warm weather. It had been an issue for a long period of time that these boilers have been deferred year in and year out in terms of replacing and the tragedy of all of this is if we had had last year's weather and that had failed, that boiler would not have been able to maintain the temperature in the school.

Bill Masters further stated secondly, if we had a failure and that froze up and the systems were damaged, we would have had an expensive, a very expensive process and a very extensive process of repairing and replacing a boiler, but also the damage that would have been caused by the internal systems of the school. It would probably of far exceeded the costs that we have on the \$4.9 Million in terms of disruption and in terms of actual repair and replacing those boilers. At that point, we would be responding to a catastrophic event and he thought it is an absolute tragedy to not replace the boilers.

Bill Masters stated he asked Andy (Grigel) several points: could they do this in a phased in process. Andy said absolutely; it could be done by going back into the systems and they could break the boilers out and do that. Bill asked Andy what schools would we do, providing we do Conway Elementary, what other schools are a problem and need attention now. The one school that Andy came up with was John Fuller. There is a tank which is flaking and that is an early warning sign of a potential failure. They've had one experience with that already and they've had to replace the tank.

Bill Masters further stated what he would suggest is that this Committee go back to the School Board and the estimates he could come up with, they could probably replace those boilers in Conway Elementary and Fuller for about \$1.5 Million, that's about a quarter of the \$4.9 Million. We now have boilers in there, two boilers, each one capable of carrying the school, brand new, 30 years, universal parts because the manufacturer would provide a spare part lists as well as the spare parts for known failures that occur as a common factor and they could have them here. These boilers, they had to get the part from Pennsylvania, there was nothing in our area and they just don't manufacture those things. It's like an Easter egg hunt.

Bill Masters stated it seems to him it's a safety and health issue and that it is common sense to him that we need to start taking care of these structures rather than wait for catastrophic events. The point being is that he thinks we should go back, as a group, to the School Board and request that they develop a Warrant Article to replace the boilers in these two schools.

Chairman Mosca stated we can't do that unfortunately; we can't request them to come up with a Warrant Article. Bill Masters stated we can ask them to re-think it. Chairman stated we can ask the representative of the School Department, Mark (Hounsell), to look into doing something on a smaller scale. We can't direct them or request them to put a Warrant Article or anything on.

Mark Hounsell stated he liked what Bill (Masters) is pointing out because what he is talking about is that it is undisputable the list that Siemens gave everyone and the work that took place on a real current need. The question on whether or not we should pursue meeting that need is actually one that needs to take place and will eventually because there is no denying the need. He would say just to do the boilers would be shortsighted because there are more needs than just the boilers. He knows it is talked about the boilers breaking down, but it isn't just the boilers breaking down, it's the complete list that the voters last year wanted them to go forward with and design with. They've done that, but okay, now what and that's where they are at: now what. He didn't care where the leadership comes from, whether it's the Budget Committee or an individual member of the Budget Committee or someone on the street who has an idea. The problem that he has with it is that they are stuck in a limbo situation because the School Board, although it is not recommending it, it is not not recommending it with a 3 to 3 vote. There's a seventh member who has not voted yet and until that takes place, we're stuck.

Mark Hounsell stated he will only take back to the School Board what is voted on by the Budget Committee, so you've got to be clear on what it is members wanted him to take back, if anything.

Frank McCarthy stated relative to what Mr. Masters said, he tends to agree with him that something has to be done, but he has questions. Where did you (Bill Masters) come up with this figure of \$1.5 Million to do both of those schools? Is it a legitimate estimate? Can you guarantee that it can be done? Frank stated he didn't really care about spending \$400,000.00 to move telephones around, he is not worried about that. However, he is worried about the boilers.

Bill Masters stated what he did and he believes that if we had had Andy (Grigel) stay here, he could of verified that it's within a reasonable estimate in terms of what can be done and what we could do is suggest that the School Board re-look at this issue and address it for replacing the boilers. He thought it was really shortsighted of this Committee if we don't do something to move it off from square one. It's gone from year to year to year to year; they keep saying they need to replace it and it never gets done. His point is that as a group this Committee needs to come up and try to force these issues.

Laura of Valley Vision informed Chairman Mosca that he had 5 minutes. Chairman acknowledged the message from Laura. Mark Hounsell stated he didn't need the TV company telling him we only have 5 minutes. Chairman Mosca stated oh, no, Laura is just telling me that she has 5 minutes before she has to change the tape. Mark stated he was sorry.

Chairman Mosca recessed the meeting for 5 minutes.

Chairman Mosca stated we are now back on the record. Chairman stated if somebody wanted to make a motion on something that we want to take to the School Board, we can entertain it, but he just cautions that every time we send anything to the School Board nothing, he shouldn't say nothing, but we are not always received well.

Mark Hounsell stated he thought this Committee is received well and he thought the School Board as a body has responded well and it's a good relationship even with that one member. Chairman Mosca stated he should rephrase it to one member. Mark stated he believed the School Board and the Budget Committee get along well. Chairman stated he thought there has been a good relationship for the past few years, yes.

Bill Masters moved, that we request the School Board to reconsider. Chairman Mosca stated he was already going to rule Bill as being out of order because we can't request them to reconsider anything, sorry.

Peter Donohoe moved, seconded by Jim LeFebvre, to have the School Board consider an alternative to the Bond issue that didn't pass including provisions to replace outdated boilers at Conway Elementary and John Fuller with a Warrant Article. In favor: 4 - Peter Donohoe, Frank McCarthy, Bill Masters and Pat Swett; Opposed: 9; Abstain: 1 - Doug Swett. MOTION FAILED.

Frank McCarthy stated the first thing they will want to do is replace Pine Tree. That's what this is all about, they don't want to close Pine Tree.

Chairman Mosca stated he believed the plan now was to go with Conway Elementary and John Fuller first anyway. The motion is to have the School Board consider an alternative to the Bond issue that didn't pass including the provisions to replace outdated boilers at Conway Elementary and John Fuller with a Warrant Article.

Christopher DeVries stated he was just curious; would it be more effective to replace "consider" with "proposed" alternative. Mark Hounsell asked if that was an amendment. Mr. DeVries stated it was just a question to the Committee, just discussing it because he sees the goal so maybe that would be a step up to put more emphasis on not just considering an alternative, but actually having one and proposing it. Peter Donohoe stated he would agree with "proposed". Chairman Mosca stated but that's almost like directing them. Frank McCarthy stated how about "newly proposed"; that takes the other one out of it because this is something new.

Mark Hounsell stated he was going to make an amendment to the motion and he was going to write it out so that he can say it over and over again the same way.

Bill Masters stated he would like to make certain that we limit this to the two facilities. Chairman Mosca stated it's already limited to the two facilities. That's in the motion.

Frank McCarthy stated not only limited to two, but to the two named in here because that's where we got the costs. Chairman Mosca stated that's the motion.

Dick Klement stated he thought the members needed to be careful because it's not just two boilers; there's a whole bunch of other stuff that has to go on, for example, Asbestos Abatement, monitoring systems and linkages, so you're talking software interactions. He thought there's a lot more than just two boilers involved in this.

Bill Masters stated that was one of the things that we kind of brushed on and talked about in terms of completing the panels with that boiler installation and be progressed on to the air handling systems and so on and so forth. We are trying to limit the work so that it's reasonable in terms of a cost factor, but it addresses the potential for a really catastrophic event. That could give 30 years, would be under warranty and any Bond would carry the facility by itself. It's a win-win type of thing.

Chairman Mosca stated without all of the add-ons, the original Budget is \$4.2 Million. If we're going at \$1.5 Million, we're about 40% of what that number is. Is that going to have any impact? In the grand scheme of things, what's the difference between \$1.5 Million and \$4.2 Million.

Mark Hounsell moved, seconded by Dick Klement, to amend the motion to read as follows: To ask the Conway School Board what changed from last year from the urgency that required the \$287,500.00 expenditure that has resulted so far in no Warrant Article for the mechanical/electrical upgrade. MOTION WITHDRAWN.

Danielle Santuccio stated that's a new motion. Chairman Mosca stated that's a new motion, that's not even an amendment. Mark Hounsell stated it is not, it's an amendment if the Chair will accept the amendment, he would like to speak to it once it has been seconded.

Chairman Mosca stated he was going to rule it as a separate motion, it's not an amendment to the original motion because it has nothing to do with the original motion. If you want to offer another motion, he will let Mark (Hounsell) do that, but we need to continue with the motion that is on the floor.

Mark Hounsell stated the reason he can not support, and he urged the members not to support, this motion is because the Budget Committee should be looking at the budgets. When he hears talks about throwing out \$1.5 Million and this and that, he has spent two years on the Facilities Committee and he has spent two years looking at this thing and he can not

say with any type of certainty that \$1.5 Million would get us what we need or even what it is going to get us. Those numbers are numbers that, in his opinion, are not reliable. We have to get away from doing the work of the School Board and the Facilities Committee and just look at Budgets. He believes that the motion before us falls in line with what Representative McCarthy said earlier about that is not the role of the Budget Committee. However, the role of the Budget Committee would be to ask what about the \$287,500.00 that we spent for nothing apparently. He would urge everyone to vote "no" on this motion.

Peter Donohoe stated in support of his motion, the only thing he keeps hearing is the urgency and we've had a recent event that was a scare. If this Bond issue is a no-go this year and the amount of time when something could happen is going to increase, this would forestall that which is why he thinks it is something to consider.

Bill Marvel stated he also was opposed to the motion because he views, well looking at it historically the School District has always been nickel and dimeing on maintenance, putting Band-Aid patches on repairs because they have too many facilities to take care of and that's why so many facilities are going to h*ll, they have too many facilities. It feels almost as though their studied impotence on this issue this year is designed to blackmail us into taking the lead as the overseers of community finances to try to save the loss of the assets, but he didn't think, even though he thought they should be taking care of what they have and getting rid of some of it, he didn't think it was our role to really save the day for the School Board. He thought it was the School Board's job.

Dick Klement stated earlier on this evening, about 3 hours ago, we discussed sending a Warrant Article back to them to do a Bond. It was said that we couldn't do that. Now we're saying, and he wholeheartedly agrees there is a problem with maintenance, but this is the same thing. We're sending a Warrant Article to them saying you need to do this. Either that's inappropriate to do or it's not; if it's not, then this is over and if it is, let's get on and ask for the whole thing.

Mark Hounsell moved the question. In favor: 13; Opposed: 1 - Doug Swett; Abstain: 0.

Frank McCarthy stated Point of Order. He believes that under Roberts Rules which we are supposed to be working under, you can not move the question in a Committee. Chairman Mosca stated yes you can; why can't you. Frank stated because Roberts Rules say you can't. Chairman stated he was going to disagree with Frank on that because it was just his opinion.

Chairman Mosca called for a 5 minute recess.

Mark Hounsell stated his previous motion was appropriate because we are asking what was the urgency for \$287,500.00 and there now doesn't seem to be the urgency; what changed when there was an urgency. The voters said "yes", yet because of the lack of a Warrant Article from the School Board,

something must have changed. He didn't know what changed. Last Monday, the School Board decided not to.

John Colbath moved, seconded by Jim LeFebvre, to recommend to the School Board to take a pro-active response to the recent Facilities Study and consider incremental funding of said Study based on the urgency of need as determined by the Facilities Committee. In favor: 2 - Mark Hounsell and John Colbath; Opposed: 11; Abstain: 1 - Christopher DeVries. MOTION FAILED.

Frank McCarthy stated it is not our place to tell the School Board what to do.

Christopher DeVries asked about incorporating "to support" and to keep that in the questioning and it would be relevant.

Frank McCarthy suggested having the Selectmen send something to the School Board.

John Colbath stated he would bring the subject up at the next Selectmen's meeting to suggest the replacement of at least two of the boilers and not just replace, but do whatever other work is necessary.

Frank McCarthy stated the Board of Selectmen is the governing body of the Town of Conway. He didn't go along with it.

Dick Klement stated last year when they came forward with a plan, they came to us to get support and we gave that support. He agrees with Mark (Hounsell) that we gave them our support; what happened?

Danielle Santuccio moved, seconded by Mark Hounsell, to ask the Conway School Board what changes occurred between the urgency of last year's request for \$287,500.00 to do a Facilities Study, yet this year there is no Warrant Article addressing the concerns therein. In favor: 13; Opposed: 1 - Frank McCarthy; Abstain: 0.

Danielle Santuccio moved, seconded by Peter Donohoe, to invite the Conway School Board to the Budget Committee meeting on January 27, 2016 to discuss the Facilities Study. In favor: 12; Opposed: 1 - Frank McCarthy; Abstain: 1 - Mark Hounsell.

Jim LeFebvre moved, seconded by Pat Swett, to adjourn the meeting at 9:43 PM. Motion carried unanimously.

Respectfully Submitted,

Iris A. Bowden, Recording Secretary