

**MINUTES OF MEETING
MUNICIPAL BUDGET COMMITTEE
January 27, 2016**

A meeting of the Municipal Budget Committee was called to order at 6:32 PM in the Professional Development Room at Kennett Middle School with the following members present: Chairman Joe Mosca, Doug Swett, Pat Swett, Bill Marvel, Peter Donohoe, Mark Hounsell, Jim LeFebvre, John Colbath, Christopher DeVries, Terry McCarthy, Dick Klement, John Edgerton, Bill Masters, Pat Kittle (arriving at 6:50 PM) and Frank McCarthy. Excused: Vice Chair Danielle Santuccio. Also present: Iris Bowden, Recording Secretary; Kevin Richard, Superintendent; Katie Wilson, Assistant Superintendent; Randy Davison, School Board member; Jim Hill; Andy Grigel; Becky Jeffers; Pam Stimson and Lloyd Jones of The Conway Daily Sun.

Peter Donohoe led those present in the Pledge of Allegiance.

APPROVAL OF MINUTES

Jim LeFebvre moved, seconded by Peter Donohoe, to accept the Minutes of January 4, 2016. In favor: 12; Opposed: 0; Abstain: 2 - Bill Masters and John Colbath.

SCHOOL BUDGET REVIEW

Chairman Mosca stated the first thing on the Agenda is discussion with the School Board on the Elementary Engineering Study. Chairman asked Mark Hounsell to bring the members up-to-date.

Mark Hounsell stated there's a thousand ways to skin a cat and he was very happy to report to the members with sincere enthusiasm that the School Board was able to pick one way to skin this cat. He says it that way because there's been so much discussion that there's a lot of feeling about how the School Board could do it different or how they might be able to do it better. He thought at this point, this Committee needs to look at whether or not this is a fiscally responsible way to go about a real crisis that they recognized last year which was the need for the Engineering.

Mark Hounsell stated he was proud to present to the members what is now Article 2 that's before the members: To see if the District will vote to raise and appropriate the sum of \$1.7 Million for the purpose of renovations of the heating/electrical upgrades to the John H. Fuller Elementary School and to authorize issuance of \$1.7 Million of Bonds or Notes in accordance with the provision of the Municipal Finance Act, RSA Chapter 33; and to authorize the School Board to issue and negotiate such Bonds or Notes and to determine the rate of interest thereon and to appropriate an additional sum of \$31,387.00 for the first year's interest payment of the Bond.

Mark Hounsell stated it is recommended by the School Board, your School Board, the people's School Board, the policy setting School Board 7-0 and

he is enthusiastically encouraged by this vote because it allows us to finally get into the process of maintaining and fixing our 3 Elementary Schools, one at a time. Thank you.

Chairman Mosca stated for the record, this Board has invited the entire School Board to come tonight and he sees Randy Davison in the back. Chairman thanked Randy for coming out this evening and he appreciated it and Mark as our representative is definitely here.

Bill Masters stated there were two issues that needed to be addressed; one was the flaking tank at John Fuller. Mark Hounsell asked to be recognized by Chairman Mosca. Mark stated might he just say we are talking about not so much all of the different problems because we could be here for another two years about how we could have done it different. He would like to talk about how the School Board has chosen to do it and he would just say that if any one thinks this policy is incorrect, then they should join the Policy Committee and he encourages any one to do that, but this is the one that is before us and he would ask that conversations not be surrounded about some other way we could have done it because we would be here forever.

Bill Masters stated he understood and that then the question is will the \$1.7 Million complete John Fuller. Mark Hounsell stated he believed \$1.7 Million is the most conservative first step towards maintaining our facilities. He believes that to be the case. He personally thinks that there are other things that need to be done. There will be remaining things that need to be done. That is for a future discussion. This one at least gets us moving in the direction that he thought was in the best interest of the community overall.

Bill Masters stated he would like to suggest that the members take a look at the elements on the Siemens Plan which identifies the \$1.5 Million criteria and are you saying it will accomplish all of those items on the \$1.7 Million criteria for John Fuller. Mark Hounsell stated he was saying that seems to be the case yes, but you never know until the bids come in.

Bill Masters asked Superintendent Kevin Richard if that was his understanding that he will take care of all of the items under John Fuller for the \$1.7 Million. Mr. Richard stated on the ones that say \$1.7 Million that's his understanding.

Bill Masters asked if it was permissible for us to get some additional expertise from the building and grounds personnel. Do they have comments. Does anybody object to that. Mark Hounsell stated he did. Bill questioned why. Mark stated he was here representing the District. You put the staff in a very awkward position if you should put them in a discussion about a policy that has been set. The responsibility of this Committee is to talk about the Budget needs, not to second guess whether our decision was made and to put any staff member in a position where they might compromise their interest is unfair and he didn't think it would be appropriate.

Chairman Mosca stated he was going to agree with Mark (Hounsell) on that.

Bill Masters stated this is not a question about that; this is a question is are we getting the biggest bang for the buck for the taxpayers which are really our constituents that we're concerned with. There were two elements that were identified as being problem areas and he wanted to make certain that those problem areas do not cause additional expenditures to the taxpayers period. He is not questioning any one's integrity, he's asking a simple question. If you want to do one at a time, do one at a time. He was just asking do we have it. He looked it over and he believes that the \$1.7 Million wouldn't accomplish all of the items that are listed for John Fuller. He does believe however that the \$1.7 Million would be more than adequate to take the flaking tank out which has been identified as a primary item; replace both boilers; and do the boilers over.

Mark Hounsell stated Point of Order. Chairman Mosca stated to Bill Masters that he was out of order. We're talking about John Fuller, we're talking about what the School Board voted on. We're not trying to set their policy. If you want to be a policymaker for the School Department, then you should run for the School Board. This is the Budget Committee, we are looking at the Budget and it is up to us to decide whether \$1.7 Million is a good number or not. We are being told by the representative from the School Board and from the Superintendent that they believe that the \$1.7 Million is going to cover everything and that's what we have to go with.

Frank McCarthy stated to him this Warrant Article is too vague. It doesn't tell him what's going to be done with that money. He thought that was the same thing Mr. Masters was asking. What are we going to accomplish with this \$1.7 Million. All it says is some upgrades to the electricity or whatever. That's fine if that's the way you want to put the Warrant Article in, he won't vote for it that way until he knows what's going to be done.

Mark Hounsell stated the Warrant Article covers the legal language that's necessary for the voters to understand what we're getting to. Last week you were handed this (holding up sheets of paper) which tells you as a member of the Budget Committee what you're getting for the \$1.7 Million. He thought the voters look towards us to take a look at this. They will certainly share it with any one, but this is the list; the top half of the list has what's included. He wanted to add that when it comes down to it, everyone here knows that his preference is \$4.9 Million to do them all and do them all right. That's his personal preference, but he also understands that when you live in a community, you move to a consensus position and he is happy to do that on this. Does he personally think it could be done a different way? Yes. Is he behind this one? You're darn right because it moves us, it moves us in the right direction instead of standing still. It allows us to move forward. Best way, perfect way? He doesn't know, but it's the way they are going to proceed if the voters support it. It's up to you people to recommend it or not.

Frank McCarthy stated was he to assume that with the \$1.7 Million we are going to expand and upgrade direct digital control for the facility; provide new breakers and emergency power system; provide ventilation for the 1954 classrooms; provide new domestic hot water generation; and all the rest of what is listed for \$1.7 Million for the John Fuller School.

Mark Hounsell stated what you're going to get sir just to be clear because he knows that is what Frank likes and he does too, is John Fuller, under this proposal would get hot water boiler replacement; hot water distribution pumping upgrades, the variable frequency drive pumps. It will be reduced from 9 to 2; 9 pumps that are antiquated to 2 pumps that are efficient. They will get new domestic hot water replacement so they will have good quality hot water. They will convert from oil to gas fuel, that will save a lot of money in energy costs. They will remove that flaking oil tank out of John Fuller. They will put energy recovery units in the classrooms and an emergency power manual transfer switch in the event that we might need to go to a generator. They will do digital controls to the existing systems. They will do digital controls to the new equipment. Because of what they built for a consensus, they won't complete what they believe was originally recommended.

Mark Hounsell stated there's not money to complete the following: there will be no air conditioning to the Administration Office; there will be no Kitchen hood exhaust system which he thinks is unfortunate personally, but in support of this amendment nonetheless; they will not relocate the telephone data system to the data closet, it will remain in the gymnasium subject to an errant basketball; new fire alarm system, they won't be having that, he didn't think that was necessarily a good thing personally, but he supports the amendment; the Electrical System Arc Flash Study, that's a life safety thing and that's not included; Electrical Panel Arc Flash Labeling that's not included; additional outlets in the classrooms is not included, that means there will be the potential for drop cords in our classrooms. Those are not covered in this \$1.7 Million. This is a bare bones minimum of what needs to be done at John Fuller, just to be clear.

Frank McCarthy asked Mark Hounsell if he could answer this for him: what we got last time was \$1.7 Million to do it all. Now you're saying for \$1.7 Million you're only going to do half of it. Chairman Mosca stated there's never been a discussion of \$1.7 Million before this. Frank stated there's a list with an amount on it.

Jim LeFebvre asked Chairman Mosca if he could address the members of the School Board. Chairman agreed he could. Jim stated you folks put together the Warrant Article for this. Mr. Richard stated that was correct. Jim asked if there was some way they could be a little more specific to hit the highlights on what they're getting for the \$1.7 Million. The point being is that a lot of people will be looking at the Warrant Article and saying "what are we getting for the \$1.7 Million". Having played this game before, he knows that to be the case. Mr. Richard stated the Article on Bond language is extremely, extremely ... Jim interrupted Mr. Richard and stated he knows they have to coordinate with the DRA. Mr. Richard stated they have and they actually sent it down yesterday, they've reviewed it; sent it to the School's attorneys as well and this is the language that they have recommended go on the Warrant.

Jim LeFebvre asked if Mr. Richard would consider approaching them again with some additional information so that we can be more specific for the taxpayers, so they know exactly what they are getting for the \$1.7

Million. Chairman Mosca stated if you look at the packet that was handed out by Siemens, Level 1 is \$1.7 Million, Level 2 is \$2 Million, so it's \$300,000.00 to do the additional work at the bottom and that's on the next page, John Fuller \$2 Million, so it's \$300,000.00 to do Level 2 and \$1.7 Million to do Level 1. He thought it was pretty straight forward by this report as to what's what.

Jim LeFebvre stated that's true that it is very clear to us who have this report; however, the taxpayers who will be voting on this Warrant Article will not have this report. Chairman Mosca stated that's up to the School Board to have the materials available for the voters. Jim stated that's why he's asking the question.

Mark Hounsell stated he hasn't been able to find the time to do this, but he wants to convey to his fellow members that it might be appropriate for the School to do what the Town does, and they are allowed to do this, under each Article write an explanation of what that Article means because he thought member LeFebvre does make a valid point. People have some 30 some odd Town Warrant Articles and how ever many are here, they may not understand anything except that \$1.7 Million is a lot of money. They should be expected to have an explanation that the member requests and he will take that to the School Board and see that they will consider doing that. Jim LeFebvre stated he appreciated it.

Frank McCarthy stated Point of Order. He thought Chairman Mosca has misquoted what was said. Nobody went to the second page and #2. The things that he is talking about came off the \$1.7 Million in #1. Chairman stated if you read what it says, the upgrades to the classrooms, electricals and everything else is included in the \$2 Million for John Fuller. The difference between \$1.7 Million and \$2 Million is \$300,000.00. Frank stated you still don't get it. The items that he talked about that are not included now under the \$1.7 Million are included under this \$1.7 Million (holding paper up) not the \$2 Million, the \$1.7 Million.

Dick Klement stated he just wanted to point out that every year the School Board sends out a flyer to all of the taxpayers and they have amplifying data on that flyer.

Jim LeFebvre stated he appreciated Mr. Klement's comment about what the School Board sends out, this is just another chance to reinforce with our taxpayers who might not read what they would consider School propaganda, not that he considers it that way, but they very well may. If they have more additional information or detailed information on the Warrant itself, so that's why he's recommending that approach be attempted.

Mark Hounsell stated as the Town does the School could do as well and that's to just make a sterile explanation without any verbiage that would encourage a voter to go one way or the other, just this is what this means. Jim LeFebvre stated that's his concern that the folks who are going to be voting on this may not have the time to watch us on Channel 3 or the School Board on Channel 3 or the rest of this stuff. The more we can give them at the voting booth, the better off we will be.

John Edgerton stated the way he understands it you've asked to footnote the Warrant Article with that information and that's all we want. Mark Hounsell stated that's right. Jim LeFebvre stated we agree on that, it's just a matter of how we get to it.

John Colbath stated there's also a Deliberative School Meeting where there is opportunity for those taxpayers to show up and discuss all of the issues with this before they make a vote because any decision they make should be done as an informed decision. The other point he wanted to make is that although it was soundly voted down, he did have a motion before this Board to ask the School Board to look at this in incremental levels because if we could not afford to do it all at once, set the priority and do it. That's exactly what they did, so he is very pleased with the Article.

Frank McCarthy stated there was only one question that he has and that is if we are not going to accomplish everything listed in #1 here, we're not going to accomplish all of that on the Siemens Report, #1 not the \$2 Million part, the \$1.7 Million; if we're not going to accomplish all of what is listed, why isn't the price lower. Chairman Mosca asked what is not listed here (showing paper) that's not listed here (showing paper). That's what he is trying to figure out, what's missing. It says upgrade restroom and general space exhaust. It doesn't say upgrade restrooms, it says exhaust which he believes will be covered in the Energy Recovery Rooftop Units which is going to be cleaning the air. He didn't see anything listed under \$1.7 Million that's not listed as \$1.7 Million under #1. He just doesn't see it, so he guessed that he needed from Frank what's not here (showing paper) that isn't here (showing paper). Frank stated he didn't see it either, but Mr. Hounsell read off this isn't going to be done, this isn't going to be done and he didn't know where Mark was reading it from. Chairman stated right here under Level 2. John Colbath stated he's reading it from the first page. Chairman stated right from the very first page, Level #2 is not going to be done. Everything in Level 1 is going to be done and if you cross reference with what's here for \$1.7 Million, that's what's listed here. That's, he guessed, is where his confusion is.

Chairman Mosca asked the members if there was anything else on this Article at this time.

Mark Hounsell stated just one thing; any changes to it will be made at the Deliberative portion of the Town Meeting which is the place where any proposed changes can be made. This Committee will either recommend it or not recommend it at the appropriate time.

Chairman Mosca stated let's get on with discussion on the School Budget and turned the meeting over the Superintendent Kevin Richard.

Mr. Richard stated on the members places where their seats are, he did hand out four different documents, 3 green and 1 white. The green documents are updates; Section H was the updated Warrant Articles, so you have that including the Bond; Section H is the revised Tax Rates according to the addition of the Bond, so please replace those. The other green

sheet is Section B which is the revised Warrant Articles. So with those 3 documents essentially the only difference is the addition of Article 2 which is the Bond.

Mr. Richard stated the white hand out is the questions they recorded the last time he met with this Committee and with that he tried to hopefully be a little bit more organized. They are page numbered and there are essentially 3 different attachments to that; one is staffing reports that were taken out of the past Budgets from 2003 all the way up to current. It was asked for at our last meeting, pages 15 through 19 provide a list of the CEA members and their salaries and benefits, so what you will see on pages 15 through 19 is a list of teachers, currently CEA members, their annual salary and the definition of statutory benefits that go with that and that is your FICA, your Retirement, your Health which is Health, Dental and Life Insurance because privacy is a lump sum at the bottom.

Mr. Richard stated the last pages, pages 20 through 24, if the CEA negotiated Collective Bargaining Agreement is passed, it was requested that you would see what the difference in salary is from the current year to the following year. So that's what those documents are that the members have before them.

Mr. Richard stated there were a couple of other questions regarding the School Resource Officer that you folks had. Then where does the Bond Article appear on the Warrant. If the members had questions related to those, feel free to ask.

Bill Marvel stated the questions he has are related to the schedules this Board was sent a while ago. Bill asked the Chairman if this was an appropriate time and Chairman Mosca told Bill to go for it as we are open to anything related to the School.

Bill Marvel stated he went through them to the best of his ability and calculating the average 80 minutes per class per period. He found, and he thinks this is correct, 29 teachers who teach 3 classes on both Black and White Days, each of them. By the way, he is not counting the Reading period as a class because you don't teach it and you don't have to prepare for it. He then found 24 who alternate between 3 classes on one of those days and 2 the alternating day. Does that sound right. Mr. Richard stated he did not calculate out each one of those staff members.

Bill Marvel stated he vaguely remembers Mr. Richard saying that some Department Heads have a lighter load. Would there be 24 Department Heads. Mr. Richard stated no. Bill stated then the Marketing and SPED teachers teach 4 classes every day. School Psychologist and one other teach 2 classes every day.

Chairman Mosca asked Bill Marvel to speak up because members could not hear him. Bill Marvel stated he was sorry and began using a portable microphone and further stated that at home he is told that he talks too loud and too much. (laughter)

Bill Marvel stated 2 teachers have a single class one day and 2 classes on the alternating day; are those part-timers. Mr. Richard stated they could be. Bill stated you could teach 1 class one day and 2 classes the alternating day and not be considered part-time. Mr. Richard stated he was not exactly sure what question Bill was asking him for each person; if he knew specifically. Bill stated he was trying not to mention names. Mr. Richard stated there are number of part-time teachers at the High School. Bill asked about the one that the cops dragged out of the Fryeburg Fair, is he part-time or full-time. Mr. Richard stated that was inappropriate and he was not going to respond to that. Bill stated then he can't tell. Bill stated that's all of the questions he had about the schedules.

Bill Marvel stated this would probably be actually a question for Neil (Moylan); the Reading time, is that 20 minutes or 25 minutes. Mr. Richard stated he believed it was a 20 minute Reading Block, but it backs up to a Homeroom time where they do the morning announcements and whatever else. He believed it was 5 or 10 minute Homeroom time as well. Bill stated he guessed he wanted to hear some quantitative analysis of how that's going because it seems to be pretty expensive. He calculates 44% of the entire District Budget is the High School, and he just did that because of the enrollment, and when he divides that by the number of minutes in a class day over the course of the year, it comes up to \$37,000.00 plus change per minute and it's about \$750,000.00 for that Reading break, so he is really kind of concerned about whether or not it is being productive. That's all he has.

John Edgerton stated in the past the School Department has given us the Elementary School, by class, by the number of students in each class for each of the three schools and he didn't find that. Chairman Mosca stated to look in Section K and Mr. Richard stated no, it's not in that one; he knows they gave it to the School Board. Mr. Richard stated he could provide that to the Committee. John stated every year before this, it has been in the book. Mr. Richard stated he thought John was talking about specific classes. John stated at each school which class has how many students. Mr. Richard stated at John Fuller 1st Grade had 13/14 and they can get it for the Committee in a snap. John said it gives us some idea about the future.

Jim LeFebvre stated the 5 uncertified teachers, could you describe how they are monitored and how they are assisted, like do you have a senior teacher acting as a mentor. What is happening with these people. Mr. Richard stated in order for a teacher to be employed in the District they have to have what's called a "Statement of Eligibility". If he were to hire a Language Arts teacher, they would typically have to have a Bachelors Degree in a related field, they would have to demonstrate enough of a background that they could apply for what's called a "Statement of Eligibility" at the Department of Education. The only exceptions are Career and Technical Education; for example, in Automotive it would be a different set of criteria, but for all of the academic areas you have to have what's called a "Statement of Eligibility". The District can hire them under that provision. Then they go through what's called an Alternative Certification Plan and there are a number of ways to do that. They set up a Plan that over the course of 3 years, they have to go

through and have to meet all of the certification requirements. Sometimes it's a matter of mentoring, sometimes it's a matter of taking courses at different universities and colleges, sometimes it's development of other competencies as defined by the State. They get 3 years of a Plan to get certified in their field.

Jim LeFebvre stated so someone with a Masters Degree or possibly even a Doctorate in a very specific area who wants to come in and teach let's say Public Administration or History and has not gone through the certification process, would they also be forced to go through this process just described. Mr. Richard stated they would have to get certified, yes. Now their competencies get checked off, checked off, checked off, but if you have somebody who has only done research and they have that Doctorate Degree and all they've done is research, they may be lacking in human development at different stages, so that may be a piece that they would have to take. They may not know how to develop Lesson Plans, that may be something that they may have to demonstrate. Is it a course? It could be through mentoring, they do have a Mentoring Program in place as well where you have a senior teacher, Masters teacher hopefully, that mentors somebody. It may work on those competencies as well. Jim stated thank you to Mr. Richard.

Dick Klement stated his question was in two areas; one is on the Educational Facility Needs Study and the other one is on the CEA Contract.

Mark Hounsell stated Point of Order. He thought we were in the phase of talking about the Operating Budget, not the Warrant Articles. Chairman Mosca stated no, we're open to anything; just the whole School Budget; anything and everything. Mark stated he would have to comment at some point.

Dick Klement stated when he looks at the Appendix B's which is the Salary Schedules from last year and from this year and he is looking at someone with a Masters Degree at Step 12 as an example, last year that was \$42,200.00 and for this coming year under the Warrant Article it's \$44,542.00. Basically that's over a \$2,000.00 increase in the Salary Schedule. Starting there that's fine, but then we see the paperwork that comes down which we just received tonight and he thought a person with a Masters at Step 12, their base salary is \$62,490.00 and the Contract that's under the Warrant Article says since the person is above the salary line, the Salary Schedule, they will only get a raise of \$1,700.00. Mr. Richard stated \$1,700.00 is correct. Dick asked if that was a raise and Mr. Richard stated yes, an increase in their salary. Dick stated he would just like to note that the increase of that person already making \$20,000.00 above salary cap is more than the increase we are asked to vote for, for a brand new teacher whose Salary Schedule went from \$31,900.00 to \$33,300.00. Mr. Richard stated that's not quite correct. Dick stated that's the data that's here that you guys provided. Mr. Richard stated that would be if you are to stay on the same Step, it would only be a \$1,400.00 increase, but somebody this year who is on Step 1 would go to Step 2. Dick stated that's great, but he's talking new hires. Mr. Richard stated correct.

Dick Klement stated a new person coming in is going to get a \$1,400.00 increase over last year. Mr. Richard stated no, they aren't going to get any increase. Dick stated their salary will go from what was \$31,900.00 to \$33,300.00 which is the new starting level on the Salary Schedule, so once again we find that we are short shifting the starting teachers at the expense of somebody who is already making \$20,000.00 over the Salary Schedule. That's all he wanted to say and pass on to Mr. Richard.

Dick Klement stated he would now like to go to the Educational Facility Needs Assessment, if that's possible.

Mark Hounsell asked Dick Klement if he could respond to Dick's earlier comments and Dick agreed. Mark stated you're looking at the financial impact of the District which is a sum total of \$476,301.00 and that's true enough. There are things that are contained in this Contract that are reflective of what this Budget Committee had requested, the biggest of that is longevity. The Budget Committee has expressed to the School Board formally that they would like to see that go away. The nature of public Contracts is that you don't have just one side that says this is going away; you have two sides that are going to negotiate a means by which something is going to be attained. This Contract contains language and this is important that will phase out longevity. Now granted we're going to have a few years with that painful little sting going to be upon us that we don't particularly like, but future generations will reap the benefits of having that clause in the Contract. Dick stated in 20 or 30 years. Mark stated it's harder for an old man to see it.

Jim LeFebvre stated one of the questions is how many positions were unfilled this year because of low wages and the argument coming back from the School Board and the Administration is to "start of the 2015/16 School Year the Conway School District hired 5 uncertified. The turnover rate is what is of concern proving the retention rate of affective teachers is a goal of the Conway Strategic Plan. This past year we had to hire 32 teachers in Conway". That strikes him that the problem, based on what we are hearing, is at your lower echelon of salaries. Mr. Richard stated that's a contributing factor, absolutely.

Mark Hounsell stated again on that point, this Budget Committee said it wanted to see more money put towards beginning teachers and this Contract does that. If it's not enough, remember always there are two sides to negotiating, it is more, it is substantially more, it triggers things along the Step Schedule that may not be as desirable, but that, combined with the language of phasing out longevity, is exactly what the Budget Committee expressed he believes in June or May.

Dick Klement stated not correct. Mark Hounsell stated go ahead and correct me. Dick stated we specifically stated and we sat around this table for an hour playing with words and he won't get the words correct, but what we said was longevity was addressed but what we said was that more attention needs to be placed to the starting teacher rather than the veteran. The wording is different than that because he didn't have it at hand, but that was not done. Mark stated of course it was, just not to the degree you like. Dick stated no it wasn't.

Chairman Mosca stated to Mark Hounsell and Dick Klement that there would be no more going back and forth; go through the Chair, don't go back and forth, please and thank you.

Mr. Richard stated just to point out that it was addressed, if you go to page 20 or 21, either one of those, and where it says Step under 16/17, the lower numbers essentially mean that they have been in the District for 1 or 2 years. If you were to take a look at page 19 and at the top of the page it says "Negotiated CEA Increases for 16/17", you'll see the numbers being \$2,150.00, \$2,200.00, \$2,350.00, \$2,450.00, those are people that are on the Salary Schedule. The same is true if you flip the page and go to Bachelors +6 or Bachelors +12 or +30, those numbers are about \$2,200.00, \$2,300.00, \$2,400.00 so those are the beginning teachers that are here, so they're number is incrementally bigger than somebody who is off of the Schedule who is getting \$1,700.00. That was addressed and he knows the School Board did address that, and as Mark (Hounsell) said, in negotiations that was a priority. For the people who are on the Salary Schedule, those are your first starting teachers up to 10 years of experience, those increases are bigger than somebody who is off of the Salary Schedule.

Dick Klement stated he had a couple more questions for Mr. Richard. The first being: were you given marching orders from the District as to what this Study should encompass. Dick stated he was now talking about the \$15,000.00 Study. Did they give Mr. Richard marching orders; for example, he finds no discussion on the High School in the Study. There are approximately 200 available seats in the High School plus or minus because the School was built for 1,000 and there's about 800 and change there. How can you do a Study when you are in fact ignoring that much of a space issue which is about the same as the space that's available at the Middle School which is one thing.

Dick Klement stated another thing is that when he looked in here, there is no long term discussion. There is no discussion of what happens in 2024. For a long term plan he would have assumed that at least one look would have been taken at what if Conway doesn't renew the Agreement. What will we do then. He doesn't see any look at that at all, no discussion of it and how do you look at if Conway were to state that we want to reduce our facilities so that SAU 13 we are not inviting you back, for example. That would probably free up 300 plus seats. He's not saying to do this, he's saying to not look at it isn't right and there was no discussion of moving the 5th and 6th Grades to the Middle School. That was ignored.

Dick Klement further stated we were told there were 11 empty classrooms at the Middle School right now. You have approximately 250 or so kids total in the 5th and 6th Grades. If you assume that you're going from separate schools with 2 teachers for each grade to one school, you could probably put 5 teachers for 105 or 110 kids, you would only need 10 classrooms. This would be a way, there's been a lot of discussion, and the School Board certainly had much discussion with 3 members saying they wouldn't vote for a Bond because nobody was looking at the Middle School. He finds this Report to be seriously lacking and it's a shame. The School Board

needs to look at 2024; they need to look at it now because if you don't look at it now and you wait for the people to vote "no", what do the sending towns do then. You're basically saying "I'm going to wait until the last moment and then tell you to go find a new High School". That's a crime. This Report, from his perspective, does not fit the bill.

Mark Hounsell stated the Report was meant to satisfy those who insisted on an independent Study of something that's been studied a thousand times in this District, but apparently not by people who know very much. The Study isn't a comprehensive one of every nook and cranny of the District, it has to do with this particular task at hand that some of the people felt was worth \$15,000.00 to get. He, himself, considers the Study to be worth about spit, but he did find something on page 44 or 42, he didn't have a copy with him, but has to do with the subsequent vote from all of this on keeping all 3 Elementary Schools is the best course of action and that is the policy of the District. The District will support 3 Elementary Schools and that was a vote and this is the School Board and he represents that position. A lot of that came from what they found out in this Report. He knew it before, but it's nice to have someone from out of town tell me.

Jim LeFebvre stated it is his understanding and he may be wrong on this because he is not a parliamentarian, but if a body takes a vote and when that body is disbanded with a new election, the previous vote is not necessarily binding on the successor organization. Is that correct.

Mark Hounsell stated in some instances that is correct, but not in this instance. This instance the School District has said it will support maintaining 3 facilities, so any action to change that would require a vote of a future Board to say "we no longer support 3 Elementary Schools" or whatever configuration they might have. A change makes it incumbent upon those who want to close a school to give rationale instead of the School Board having to come up with the rationale of keeping them open. Jim LeFebvre stated so rather than a de facto negative response, they need an affirmative step. Mark stated that is correct.

Dick Klement stated he wouldn't say that the Study isn't worth spit, he wouldn't say that, he would say they probably hired the wrong people to do it, in his opinion, and he would say that the School Board's current position to not close a facility is short sighted. That is just his opinion.

Chairman Mosca asked if any member had anything further on the Budget because he's going back to the Budget.

John Edgerton stated the question was open; for the last 8 years he has brought this up again, when the Junior High School lost the 9th Grade, the 6th Grade should have been moved to the Middle School to make it a Middle School, instead of a Junior High School with 2 Grades. There are 4 Grades in the High School, 2 Grades in the Middle School and 7 in the Elementary Grades. He is going to quote from he believes the School Board wrote this with the reason for 3 schools: "To cultivate the natural inclination to learn and provide an exceptional environment in which the students embrace

excellence in learning for life time success." That absolutely says the 6th Grade goes to the Middle School and that was from the School Board.

Mark Hounsell stated he didn't disagree with that. He just doesn't think it is financially wise for us to do anything such as that or throw out SAU 13 at this time. He does however agree with Mr. Klement that we need to start talking about it. The Contract requires that notice be given 3 years in advance and he thought that was too short. He thought this is such a complex thing that there should be an immediate look at what is the future desire. He does think that there will be a time when the 6th Grade will move in some proximity fashion with the 7th and 8th Grades and make it a true Middle School. He does agree with Mr. Edgerton on that.

John Colbath stated he had a comment on this process because having been on a Facilities and Teacher Planning Committees before, it is an ongoing dynamic process. The minute you get that Report in your hand, it's outdated and that's a given just based on experience. Looking towards 2016, 2017 or 2024, that's got to be an ongoing process.

Frank McCarthy stated he wanted to go back to the lapsing Budget thing because it's on his mind. In Section I, the Budget details, if you look it states less the State of New Hampshire Adequacy Grant - okay; less the State of New Hampshire Education Tax - okay; he sees no where in there, unless it's included in estimated Revenues, he sees no where in there where the excess from a previous year, 2 years ago or 3 years ago has been taken off to decrease the taxes for the coming year.

Mr. Richard stated he thought the page that Frank McCarthy was looking for was in Section G under Revenue. Frank stated he looked at that too. Mr. Richard stated he wanted to give all the members the chance to get to Section G. If you take a look at Section G and where it says, the middle column, the Unencumbered Balance, that was at the end of the year. At the end of the year when the books closed, that's what was left over, that was not spent. In July, the School Board elected to keep 2.5% of that, that is that \$411,000.00.

Frank McCarthy questioned 2.5% of \$750,000.00. Mr. Richard stated no, it's a calculated formula. Frank asked if it was 2.5% of the entire Budget. Mr. Richard stated District Assessment. Mark Hounsell stated it's at the bottom of the page and on the Revenue it says "District Assessment", if you go all the way to the right it says \$13,338,000.00, that's the District Assessment. That's what Conway's taxpayers are on the hook for. Of that, 2.5% is retained under the law and under the permission of the voters by the School Board and it can not be expended without an okay from this Committee.

Frank McCarthy stated he understood that; he didn't know the percentage of what, but now he does. Now that shows what you took out, but it doesn't show what went in. Mr. Richard stated that would have left \$1,100,000.00 and then that would have been used to offset the taxes for this year. Frank asked where is that, what line is that. Becky Jeffers did a 1:1 with Frank to show him the answer he was looking for. Mr. Richard stated it is a complicated piece. Frank thanked Becky and stated he got it.

Dick Klement stated he had a question about the Bond. Since the Albany and Eaton kids are the kids that typically participate in the Elementary School, none of them he believes go to John Fuller. Mr. Richard stated he was not sure because of the School Choice there may be someone. Dick asked if the Conway taxpayers were going to be responsible for 100% of this since there are no Eaton or Albany kids. Mr. Richard stated that's a good question, so the question was who's funding the Bond, is it all Conway because it is John Fuller. No, the Tuition Agreements with Albany and Eaton are such that it's not with an individual school, it's with the Conway Elementary Schools, so they would be providing payment for upgrading the Elementary Schools in Conway.

Chairman Mosca asked if there were any further questions. Pat Kittle asked if there was some where in this document the amount that the School District pays for students that go to the Robert Frost Charter School. Kevin Richard stated the School District doesn't pay for the Charter School kids. That's paid through the State of New Hampshire. Pat stated so it's not through direct school taxes here, it's through the State. Mark Hounsell stated except for some Special Education. Mr. Richard stated Special Education services, the Conway School District is responsible for delivering to the Conway students who go to the Robert Frost Charter School.

Chairman Mosca stated his question is and he was looking at the impact on the Tax Rate, Section H which was handed out earlier tonight. The first year interest payment is only going increase the Tax Rate by \$.02. What's it going to be in future years? Jim Hill stated \$.10 and then it goes down from there to \$.06. Chairman stated so the maximum is \$.10 on per thousand dollars.

Mr. Richard stated one point related to Dick's (Klement) question, if Albany and Eaton choose at the end of their 20 years, they wouldn't continue to contribute to the Bond which would extend beyond the current Tuition Agreement. Does that make sense.

Chairman Mosca asked if there were any further questions on the Budget.

Mark Hounsell stated no one seems to have any questions on the Operating Budget which is good he supposed in one sense, but at the same time in anticipation of a vote to recommend or a vote not to recommend, it just doesn't seem to have been much of a discussion on it. Maybe everyone's happy about the Budget and that's fine. Chairman Mosca stated let sleeping dogs lie, Mark.

Chairman Mosca asked the members if they had any further questions of Superintendent Richard or anyone else that's here right now. We have them coming back Monday night; Monday night is final questions or concerns or anything. Mark Hounsell stated he just thought this was set aside just for the School. Chairman stated this is just for the School tonight, but if there aren't any further questions, he's not going to keep people here.

Frank McCarthy asked what was the point Chairman Mosca was making about the Tax Rate. Chairman stated the overall impact is only \$.02 this year per thousand dollars and he wanted to know what the impact would be in future years when we are actually paying part of the Bond payment and it's only going to be \$.10 at the high and then it will drop down to \$.06 at the low. The overall tax impact is not that extreme. Frank stated fairly negligible. Chairman agreed.

Mr. Richard stated if there are any questions that the members may have in preparation for Monday night, give them to the Chair and he will get them to Mr. Richard.

Chairman Mosca stated last chance for any questions. There being none, Chairman thanked Superintendent Richard and the other School personnel for coming out this evening.

OLD BUSINESS

Chairman Mosca stated if any member did not pick up their Non-Profit packet, they are on the back table. For those that did pick up their Non-Profit packet, there is an Addenda. The small one is the Addenda and the larger one is the whole packet.

Dick Klement asked if Chairman Mosca is going to hold the Non-Profits to 10 minutes. Chairman stated we are going to do our best; we will see what the schedule is and do our best. He thought we did pretty well with it last year.

Mark Hounsell asked if Chairman Mosca was going to chair the Non-Profit meeting. Chairman stated he was the Chair this year; last year it was the Selectmen and this year it is him.

PUBLIC COMMENT

Randy Davison stated he would speak on the Article and he is hoping that the Budget Committee supports it highly. Mark (Hounsell) and he serve on the Facilities Committee and so the improvements that need to take place at John Fuller is one critical step in Conway's planning to move forward.

Randy Davison stated he also served on the Kennett Middle School Facility Use Committee and they are looking at some of the concerns that citizens and your group brought forward in regards to using that space. John Fuller was chosen because of the amount and the need, the critical need of some of what's happening right now, specifically the boiler and the tank. Mark (Hounsell) is 100% correct in that Level 1, and this is to help out some of the Board members, so that we are crystal clear, Level 1 Project is only for the \$1.7 Million. It sounded like there was some confusion here tonight about that. He thought it was a great idea to put an asterisk on the Warrant Article and put what they are actually purchasing for that amount. He thought that was a good suggestion.

Randy Davison stated he also wanted the Board members to know that they are looking into the usage of the space here (Kennett Middle School)

within the District and down the road when Dick (Klement) mentioned what is going to happen when the Area Agreement ends. That is on the School Board's plate and on their Agenda and they have been discussing that with the Facilities Committee on what they are doing with the space here. Hopefully it will help citizens and your group here tonight.

Randy Davison stated hopefully there will be a positive vote on the \$1.7 Million which is much needed.

Chairman Mosca thanked Randy Davison for his comments and asked if there was any further Public Comment. There being no further Public Comment, Chairman asked for a motion to adjourn.

Dick Klement moved, seconded by Jim LeFebvre, to adjourn the meeting at 7:35 PM. Motion carried unanimously.

Respectfully Submitted,

Iris A. Bowden, Recording Secretary