

**MINUTES OF MEETING
MUNICIPAL BUDGET COMMITTEE
February 11, 2015**

A meeting of the Municipal Budget Committee was called to order at 6:03 PM in the Auditorium at Kennett High School with the following members present: Chairman Joe Mosca, Maureen Seavey, Doug Swett, Michael Fougere, Dick Klement, Bill Masters, Christopher DeVries, Danielle Santuccio, Frank McCarthy (arriving at 7:35 PM), Terry McCarthy, Peter Donohoe, Steven Steiner, Stacy Sand, Mark Hounsell and John Edgerton. Excused: Greydon Turner.

Steven Steiner led those present in the Pledge of Allegiance.

PUBLIC HEARING - PRECINCTS

REDSTONE FIRE PRECINCT

Ann Michelle Ames, Commissioner, was present to answer any questions there may be on their Budget. Chairman Mosca stated this year's Budget is \$55,762.00; last year's Budget was \$56,500.00. Chairman asked if there was any questions or comments on the Budget.

There being no questions, comments or concerns the hearing was closed with the proposed budget of \$55,762.00.

CENTER CONWAY FIRE PRECINCT

Ray Leavitt, Chief, was present to answer any questions there may be on their Budget. Chairman Mosca stated this year's Budget is \$186,675.00; last year's Budget was \$180,275.00. Chairman asked if there was any questions or comments on the Budget.

There being no questions, comments or concerns the hearing was closed with the proposed budget of \$186,675.00.

EAST CONWAY FIRE PRECINCT

Harry Pendexter was present to answer any questions there may be on their Budget. Chairman Mosca stated this year's Budget is \$57,650.00, exactly the same as last year's. Chairman asked if there was any questions or comments on the Budget.

There being no questions, comments or concerns the hearing was closed with the proposed budget of \$57,650.00.

Chairman Mosca closed the Public Hearing on the Precincts at 6:07 PM.

PUBLIC HEARING - TOWN

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

Earl Sires stated good evening to the members of the Budget Committee and to the members of the public that were present. This is the Public Hearing for the Conway Budget Committee. This is the last stage prior to the Town Meeting Deliberative Session in the Budget preparation process.

Earl Sires stated they have a little bit different presentation this year of the material; they have one packet only so everything's included in one packet. The Budget Committee and other folks have seen a draft version of this, but there are some things different in the packet and he would advise to work from the updated copy tonight. Everything that's going to be considered at this point on the Town Warrant is included in this packet. As you may know, they are required by law to make sure that's all presented at this hearing. It's all in the packet.

Earl Sires stated this has a Budget Narrative section, detailed departmental Budgets, it has all of the Warrant Articles with some explanation for some of the Warrant Articles that they felt needed that. Then it has all of the Capital Reserve Funds in there, Revenue projections are in there, the Default Budget Memo and supporting information that Lilli (Gilligan) has provided to the Budget Committee as the Budget Committee considers setting the Default Budget. Also there is a discussion of the total Budget which is the Operating Budget and all of the capital items and all of the Warrant Articles plus projected Tax Rate summary and the calculation for that as well.

Earl Sires stated he would give an overview of the Operating Budget, of the Capital Budget, of the Warrant Articles, and then talk a little bit about Revenue, Tax Rate and those kinds of things and hopefully this will be about a 5 minute summary of what they are proposing this year and then we can take the lead from the Budget Committee after that.

Earl Sires stated the Operating Budget this year is proposed to be \$10,355,207.00 which is an increase of \$161,000.00 over the prior year. That's a 1.6% increase over last year's appropriations. All of the Budget information by department is summarized on page 9 if people want to look at that. Lilli (Gilligan) has proposed the Default Budget be \$10,282,000.00, that is where the Budget Committee sets the Default Budget, then the Default Budget would be \$73,000.00 less than the proposed Operating Budget.

Earl Sires stated the Operating Budget includes Budgets that are overseen by the Police Commissioners and administered by the Police Department; the Budget is overseen by the Library Trustees and administered by the Library Director; and then a Budget for general Town services is overseen by the Board of Selectmen and Town Manager.

Earl Sires stated the Police Department Budget increases by 1.6% this year which is about \$57,000.00 due largely to employee costs. The Library Budget decreases by 2.6% or just under \$13,000.00. The Town Budget under the Selectmen/Town Manager increases by 1.9% or about \$117,000.00.

Earl Sires stated looking at significant increases, as he said, the Police increased by about \$57,000.00; Fire and Emergency Management is up

\$36,000.00, primarily related to the costs of the Non-Precinct Fire Contract which is actually only paid by people who do not live within a Precinct; Highway is up \$92,000.00; and Parks and Recreation is up \$17,500.00.

Earl Sires stated looking at decreases: Employee Benefits were down by \$30,000.00; Solid Waste was reduced by \$16,000.00; and the Library, as he mentioned just a minute ago, was reduced by almost \$13,000.00.

Earl Sires stated that's the overview of the Operating Budget. Earl asked people to turn to page 30 where there was a summary of the Warrant Articles and he was presuming we would go through those later. He wanted to point out that they included all of the Warrant Articles that have a Tax Rate impact, the amount of the proposed Article and what the actual Tax Rate increase is. They also show the difference over last year. The total tax impact of the Warrant Articles, and that means Warrant Articles that aren't going to be funded by some other funding source, is about \$1.4 Million and that would add about \$.99 to the Tax Rate. One can look at each of the Articles and kind of see how it will play out in terms of taxes. There are two Articles that are here that are going to be funded by other sources, so they don't actually have a Tax Rate impact, that being the PEG Fund for cable television, \$110,000.00, but funded through cable franchise fees. There is also a proposed Article for a trail in here for \$825,000.00 which is to be funded entirely by either a Federal Grant Program and/or local Grant sources and that doesn't happen unless those funds come through, so no funds raised through taxes for that.

Earl Sires stated there is \$1.4 Million in Warrant Articles and so we have the \$10 Million+ Operating Budget and \$1.4 Million in Warrant Articles on page 29. That means the total Budget, the combined Budget of all of the Warrant Articles and the Operating Budget is \$11.9 Million, just under \$12 Million this year. That's an increase of \$539,000.00 over last year, that's a 4.5% increase in total spending. If you look at the source of that increase, the Operating Budget is a 1.6% increase as we talked about with about \$161,000.00. The Warrant Articles primarily are for the Capital Reserve Funds, primarily the ones that fund our roads and streets, increased by \$378,000.00 or 31%. As the Budget Committee will remember, we talked that the Operating Budget was going to have a relatively modest increase, but it was the Capital side of things that they were really going to have to look at. This is the evidence of that. Increase in spending is about \$540,000.00. What does that mean for the Tax Rate? We're fortunate this year that in 2014 they were able to finish the year with a contribution to the Fund Balance of about \$650,000.00; that came from both under spending their budgeted amount by \$280,000.00 or so and the Revenues actually came in higher than projected by about \$350,000.00 to \$400,000.00. The Selectmen have this contribution to Fund Balance to work with as they think of how to offset the Tax Rate for 2015 and they have decided to use \$400,000.00 of that Fund Balance to offset the Tax Rate. This has been a Town practice through the years of using some amount to offset taxes.

Earl Sires further asked that everyone turn to page 31, they have the Tax Rate calculation which summarizes, he backed up to say the Revenues are

in here, the non-tax Revenues for 2015 are in here as well and they do have good news there as well because for the first time in awhile they are seeing an up tick in non-tax Revenue. They are projecting about a 10% increase in non-tax Revenue which is about \$300,000.00, so that also helps as the spending has jumped this year, as he said largely from the capital side, the up tick in Revenue is helping offset that increase a little bit as well. What does that mean for the Tax Rate? If one goes through this calculation, and he won't go through the whole thing unless people really want to talk about it, but using the \$400,000.00 and if all of their assumptions about a variety of different things come true, and he always says at this point that they clearly will not all come true so this is an estimation, it's not a prediction and it's not a 9 or 10 month ahead of time advisory that the Tax Rate is going to be a certain number, but they think that if all these things come to pass, it should be pretty close to what we are talking about here and that is that with the increase in Revenues this year and with the use of the Fund Balance, they're looking at an amount to be raised by taxes of about \$8,041,000.00. That would yield a Tax Rate for 2015 of \$5.79, the tax rate for 2014 was \$5.72. They lucked out in a couple of areas this year and even though spending is increasing, they are able to manage the Tax Rate so that we have at this point and nobody wants any increase in the Tax Rate, but this is a relatively modest \$.07 increase in the Tax Rate that they are predicting. It will probably be a little less or more than that, but that's kind of the basic story of the Budget that they see at this point.

Chairman Mosca introduced himself to those present and stated what he was going to do is not read the whole Article, that's for a couple of weeks. He will say what it is, how much it is and there are representatives here from the Town, the Police, the Library to answer questions. If there are questions, feel free to ask and if there are no questions, he's going to move on to the next Article.

Chairman Mosca stated the first Article is the **Operating Budget** and, as Earl (Sires) said, it's \$10,355,207.00. Chairman asked if there was any discussion on the Operating Budget. There were no questions.

Chairman Mosca proceeded with the next Article - **Capital Reserve Fund For Infrastructure Reconstruction** seeking \$500,000.00 this year. The current balance is \$261,173.00.

Earl Sires stated he wanted to make a comment on this because this is one of the areas where things have changed from the packet received earlier. At the Selectmen's Meeting last night there was a discussion about, and they talked with the Budget Committee, about the schedule for Capital Projects over the next few years, culverts and road work and all of that kind of stuff, and the Selectmen were concerned that the balance being carried in that Infrastructure Fund was too low to deal with any issues that might come up. They've talked about Paul (DegliAngeli) scheduling the culverts and Peter (Donohoe) asked at the last meeting how confident they were, how confident Paul was that there wouldn't be a problem in the meantime. Paul is a confident person, but nonetheless and they think they

are certainly on the idea that they planned these things appropriately, but you never know.

Earl Sires stated the Selectmen decided since there is this healthy Fund Balance at the end of year and they had originally proposed \$400,000.00 for this Fund, they decided to ask the voters if they would contribute \$100,000.00 from the \$650,000.00 in the Fund Balance to this Capital Reserve Fund. The idea being not to increase the projects for the year, but to increase the balance at the end of the year, so there would be about double the reserve in case they did have some sort of problem with the infrastructure. That discussion made him think about the bigger picture with the Fund Balance and he won't go into it in any great detail, but the DRA recommends you have 5% to 15% of your total Budget in reserve. The Town has always been kind of towards the lower end, the lower third of that 5% to 15% in there some where and as they talked about that, he realized that one of the reasons you have Fund Balances is for unexpected things that might happen and they've always carried healthy reserves in the Capital Reserve Funds so they've sort of dealt with uncertainty in those Funds which means, in his mind any way, that the Town doesn't need to carry an overall Fund Balance of 10% to 15% for unexpected things because they are covering that in these other Funds.

Earl Sires stated the other thing, moving the money from the General Fund Balance to the balance of a Capital Reserve Fund is that it makes that money readily available if it's needed. If it's in the Fund Balance, may have to wait a year, go to Town Meeting and appropriate money out of that to deal with something. This way, moving money that from one Fund to the other makes it readily available if needed. That's why that's changed.

Chairman Mosca asked if there were any other questions or comments; there were none.

Chairman Mosca proceeded with the next Article - **Capital Reserve Fund For Highway Equipment** seeking \$300,000.00 this year. The current Fund balance is \$9,208.00. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - **Capital Reserve Fund For Solid Waste Equipment** seeking \$105,000.00 this year. The current Fund balance is \$185,478.00. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - **Capital Reserve Fund For Landfill Expansion** seeking \$110,000.00 this year. The current Fund balance is \$76,015.00. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - **Capital Reserve Fund For Maintenance of Town Buildings and Facilities** seeking \$325,000.00 this year. The current Fund balance is \$30,248.00. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - **Capital Reserve Fund For Parks Department Vehicles and Equipment** seeking \$20,000.00. The current Fund balance is \$28,278.00. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - **Capital Reserve Fund For Police Vehicles** seeking \$60,000.00 this year. The current Fund balance is \$8,300.00. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - **Town Employee Earned Benefits Expendable Trust Fund** to see if the Town will vote to establish same and seeking to put \$30,000.00 in that. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - **Public Educational/Government Cable Television (PEG) Trust Fund** seeking \$110,000.00 and that comes from fees, no tax funds. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - to see if the Town will vote to expand the purpose of the previously established **Public Educational/Government Cable Telephone (PEG) Trust Fund**. Chairman asked if there were any questions or comments on the expansion; there were none.

Chairman Mosca proceeded with the next Article - to see if the Town will vote to expand the purpose of the previously established **Police Commercial Duty Revolving Fund**. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - **Eastern Slope Airport** seeking \$10,000.00, the same as last year. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - **Town Hall Water System** seeking \$30,000.00 for a new Well. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - to see if the Town will vote to raise and appropriate the sum of \$21,000.00 for a **Victim Witness Advocate/Prosecutor Position in the Police Department**. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - to see if the municipality will vote to raise and appropriate the sum of \$825,000.00 for the construction of **Whitaker Woods Multi-Purpose Trail**. This is to be raised by Grants and other contributions; no local taxes. Chairman asked if there were any questions or comments.

Earl Sires stated just to follow up. Mark Hounsell had asked about maintenance costs at the last Budget Committee meeting and one of the things Earl wasn't remembering at the time was that this Grant is in

partnership with a non-profit organization, Mount Washington Valley Trails Association, and they along with some other folks have pledged to do the maintenance on this through volunteer efforts if it is built, much like they do on just about all of the other Town trails that are on Town property. While he wouldn't say there will never be an expense, it isn't something they'll program annually.

John Edgerton stated a question has come up on other Articles and he is going back to the Well. If the Well is turned down and you can't drill the Well, now what. What's the alternative. Earl Sires stated the alternative is sort of to carry on as they have been. They have commercial water available in Town Hall and they have offered that to other folks. He was not sure if anyone has taken advantage of it. The issue is that the water is not necessarily unsafe to drink, it's salty, but it's not above the health level. He looked at Paul (DegliAngeli) to make sure that's correct. They do have lead and copper issues in some of the buildings from leaching. They are hoping that folks see the need for it and approve it. If it doesn't get approved, they'll have to probably look at it again. This proposes some of the long term fix which is drill a new Well on Town property, back in the woods, away from many of the operations in the Highway and so on with a distribution system to get it into the neighborhood there. If this is turned down, they'll probably have to do a sleeve fix to the Well which is less money and, in everybody's opinion pretty much, it's not as good a solution or do nothing for another year and see what happens.

Chairman Mosca asked if there were any further questions or comments; there were none.

Chairman Mosca proceeded with the next Article - to see if the Town of Conway will vote to **Reclassify Henderson Road** from a Class VI to a Class V. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - to see if the Town of Conway will vote to authorize the Board of Selectmen, pursuant to RSA 80:80, III, to dispose of a **Lien or Tax Deeded Property** in a manner otherwise provided in the RSA. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - **Tri-County Community Action** seeking \$13,000.00 for fuel assistance. It is the same as was requested last year. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - **Carroll County Transit Blue Loon Public Bus Service** seeking \$4,000.00. Last year they asked for \$3,000.00. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - Northern Human Services **Mental Health Center** seeking \$10,115.00. It is the same as what they

requested last year. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - **The Gibson Center For Senior Services, Inc.** seeking \$35,000.00. It is the same as what they requested the last 2 years. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - **North Conway Community Center** seeking \$75,000.00. It is the same as what they have requested the last 2 years. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - **Children Unlimited, Inc.** seeking \$13,000.00. It is the same as what they requested last year. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - **Starting Point** seeking \$7,092.00. Last year they requested \$6,935.00. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - **North Conway Day Care** seeking \$3,000.00. It is the same as what they have requested the last 2 years. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - **Vaughan Community Service, Inc.** seeking \$10,000.00. It is the same as what they requested last year. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - **Tri-County Cap Restorative Justice Center** seeking \$3,100.00. They have not asked for money in the past 9 or 10 years. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - shall we adopt the provisions of RSA 40:14-b to delegate the determination of the default budget to the Municipal Budget Committee; submitted by Petition. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with the next Article - shall we adopt the provisions of RSA 32:5-b, and implement a tax cap whereby the Town of Conway Budget Committee shall not submit a recommended budget that increases the amount to be raised by local taxes, based on the prior fiscal year's actual amount of local taxes raised, by more than 2.5%; submitted by Petition; would require a 3/5 majority vote on the ballot. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca stated this has been the easiest Public Hearing he has had since being Chairman.

Chairman Mosca closed the Town portion of the Public Hearing at 6:55 PM.

PUBLIC HEARING - SCHOOL

Chairman Mosca opened the School portion of the Public Hearing at 7:05 PM.

Dr. Nelson stated he just wanted to make one comment. The Budget has changed; the Board had a meeting last night and reduced the Budget by \$287,500.00 which was an Engineering Study. That now makes the Budget a decrease over the previous year of \$177,000.00. They placed that Engineering Study in a Warrant Article, Warrant Article #7, to be considered on election day. He just wanted to bring that to everyone's attention.

Chairman Mosca stated we are going to do this the same way we did the Town.

Chairman Mosca started with **Article 2: Kennett High School Facilities Maintenance Fund** seeking \$54,443.00 to be offset in part by sending towns of \$35,512.00. The current Fund balance is \$428,000.00. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with **Article 3: Kennett Middle School Facilities Maintenance Fund** seeking \$17,086.00 to be offset in part by sending towns of \$7,340.00. The current Fund balance is \$137,500.00. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with **Article 4: Elementary Schools Facilities Maintenance Fund** seeking \$9,900.00 to be offset in part by sending towns of \$1,192.00. The current Fund balance is \$70,000.00. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with **Article 5: Conway Education Association Contract** which has an estimated increase of \$447,953.00 for school year 2015/16. Chairman asked if there were any questions or comments.

Syndi White stated she was the Vice Chair of the Conway School Board and she was the Chief Negotiator for the District with the CEA. She wanted to explain a little bit about the Contract, the Contract negotiations and what they see as the main problems and where they would like to go. They have had a real problem in this District with their very low starting salaries and their low average salaries. They have heard so much from the community, both within their Long Range Planning and from people in general when they talk to the School Board, about the importance of getting those salaries up so that they are competitive so that they can recruit and retain good teachers. They are having problems in both areas and it's becoming really severe. They are seeing the affects of hiring poor quality teachers. They are seeing it in the test scores, they are seeing it in their students' grades, they are seeing it in the frustrations of the students when they can't get the education that they need.

Syndi White stated what people don't see is that they hire people and they're not getting the best and the brightest all the time. She didn't want to insult the teachers that they are hiring, but the truth of the matter is: they are going elsewhere. They can go down to southern New Hampshire, they can go to other places in New Hampshire and they can make \$5,000.00 to \$10,000.00 to \$15,000.00 more than they are making in starting salaries in Conway. Now she has heard people say in the past and she has heard people on the Budget Committee say "yeah, but this is a beautiful area and people come to this area not to make a lot of money, they come because it's such a great place to live". There are a lot of great places to live in New Hampshire that are paying a lot more than what they are paying in Conway.

Syndi White stated the way that they've been paying the teachers, the way they've been structuring how they pay them has really gotten them into a mess. They don't have a Salary Schedule, they had a Hiring Schedule, so teachers would come in, have no knowledge or security or prediction of where they are going to be in 5 years, in 10 years. They had no way to make sure that they could start to increase that salary up to levels, and she wasn't saying that they are going to be the top of the State because they don't want to be at the top of the State, but they don't want to be at the bottom of the State. If you look at what they were paying, \$30,500.00 for a starting salary, well the latest statistics that they could get from the Department of Education which they publish was from 3 years ago and 3 years ago the average starting salary in the State was \$34,000.00. Three years later, we're only \$30,000.00. They've gone up from there.

Syndi White stated every year the disparity gets bigger and bigger and bigger. They keep dropping down and down and down and it's showing with the teachers that they are getting. People don't know this, people don't realize that they hire these teachers and a lot times within the first 2 years those teachers go. They get rid of them because they have to. So they have this revolving door in Conway right now.

Syndi White stated the other problem they are having is retention. They'll get some teachers that are really good. It's a training ground. They'll stay here for 3 years. Whether they stay here for 3 years or 5 years and leave because once you get up to that level and other places that do have that Salary Schedule, they're way up there now, so they're not going at a starting salary, they're leaving here and making \$15,000.00 more going down to southern New Hampshire than they could be making here. So, they have a problem. If they want a quality education, and she wasn't saying the top draw Cadillac education, she's just saying a good quality education for our kids where they have a chance to achieve, a chance to get good grades, to have AP classes, to be able to move on and do well and not just produce students who can barely function and maybe not be able to achieve what they want. Do we want that or do we want these kids to have a chance and the only way they are going to have a chance is if they have good quality teachers.

Syndi White stated that's where they are going, that's when they go into negotiations they think "what is it we want to do". They want to

strengthen their teachers. Their average teachers' salary in the 2013/14 School Year was about \$42,000.00 or a little over that and the State \$54,000.00; \$12,000.00 a year under the State average, so think about that. She knows when one sees an increase they say "what are we doing paying these teachers more", "we can't keep paying them more and more and more", but the reality is that everyone else is paying much more and every year they pay more. Because they don't do that, because they're not increasing like other areas, it's getting wider and wider and harder and harder for them. So that's where they went going into negotiations.

Syndi White stated what they tried to do was develop this Hiring Schedule and it cost money to put people on that Hiring Schedule. It cost \$98,000.00 just to get that schedule up and running and get everyone on it. The reason for that is the way they did it in the past it was stops and starts, they had some people making more than others, they had some people who didn't move up every year, so in order to even everything out, it took a lot of work. They are starting with that Schedule. It's not something that they are paying people a lot of money. If you look at the Schedule, every year they move up \$700.00 on that Schedule, but what they did do was raise the starting salary from \$30,500.00 to \$31,900.00. It's only a \$1,400.00 increase in the starting. What this does is it will help them in recruiting people and it will open the door for them to do better negotiations because they know what they've got, they know what it looks like, they know where everyone's going to be and then they can do some long range planning on how they want to get to a certain point. That's what they did with the Salary Schedule.

Syndi White stated another thing that they did in terms of recruitment is they have another unique kind of incentive program that doesn't annualize. It isn't going to go into increasing their salary or retirement costs, FICA costs or any of the other things that go along that once you increase salary costs them money. It's a program where the District will pay for people coming out of college and have all the college debt which she was sure everyone is aware, you've been reading about it and hearing about it. New Hampshire students have the highest college debt load in the country. When they are recruiting people and paying low, they want to be able to do something to help them out and what they are going to do is pay \$1,000.00 of their loan for 5 years. It's paid not to the student, it's paid directly to the loan company and it's something that is a good incentive, it's something that's a wonderful benefit, but it's something that's not going to cost the District a lot of money because it doesn't annualize. So that's something that they tried to do since they couldn't increase that salary any more, they felt, than they did this year. A lot people have said to them "you need to increase that salary up to \$34,000.00", but she didn't think they realize if they really did that and tried to get it up to State average, the Warrant Article would be out of control and it would raise the Tax Rate too much. They didn't do that, they only raised it a little bit. They made these changes that they think structurally are going to be much better for the District. That's basically where they started and where they ended with the teachers' Contract. Ms. White asked if anybody has any questions for her on any of the other parts of the Contract or what she has presented.

Chairman Mosca stated he would start because he has several. You talk about salaries increasing and the disparity between Conway and other towns, but you can also see where other towns are increasing class sizes and staffing has been decreasing. We don't do that here; we haven't done that here and that's something that really needs to be looked at. He thought that most people, and he wouldn't speak for everybody on the Board, but he thought if we reduce staffing instead of taking the money as savings and put that towards raises, he thought that was the way to go. It's happening everywhere in the State, but it doesn't happen in Conway.

Syndi White stated she just wanted to respond a little bit. It's something that she's heard a lot that the student population is decreasing, decreasing, decreasing, but they're really not seeing that in the Elementary Schools. In fact, next year they are predicting that it is going to go up a little bit. They're really not seeing that kind of a decrease because when they look at and talk about closing a school or talk about consolidating classes, they look at that; they look where the young kids are and how they're coming up and what those classes are going to look like, so that's why you haven't seen that kind of a major change. Where they are seeing a big decrease is in sending towns. The population in those towns of school age kids are really decreasing. So, yes, that's something they really need to look at in terms of where they are going with that if that trend continues.

Chairman Mosca stated it has continued for 20 years. If you look at the numbers that the School has sent us, the numbers have gone down over 20 years, but the number of teachers keep going up, we don't look at cutting anything and we're going to implode eventually because we can't, as a Town, keep paying what we are paying. You talked about student loans and doing \$1,000.00 a year, what's the guarantee after 4 or 5 years that the teacher doesn't leave. Do we get that money back that we paid in.

Syndi White stated there is no guarantee that the teacher won't leave. This is a recruitment and stay for at least 5 years motivation because what they should be doing is paying them a lot more money, but they can't. This is a little tiny bit that moves them a little tiny bit more up to what you would see in terms of what the State average would be. We are still so much lower.

Chairman Mosca stated some of the teachers according to the information we were given with their salary increase and longevity pay will be getting over \$5,000.00 raises. That is 20% to 25% of what most people in this town make. Syndi White stated that's to even it out and to put people on the Hiring Schedule. That's to move people up to be where they should be.

Chairman Mosca stated how can the people in this town who are only making \$20,000.00 to \$25,000.00 vote to give somebody else a \$5,000.00 raise.

Syndi White stated you're talking apples and oranges. You need to look at the teaching profession; you need to look at what's going on throughout

the State and throughout the country. You can't just say we're not going to pay our teachers because we have people that aren't getting those types of raises. They understand this disparity especially because they had to do this Hiring Schedule, but if they don't do this Hiring Schedule they also see what road they are going down. They're seeing it now and for people who have kids in school, they're going to see it, they're going to see kids that aren't going to be able to get into colleges, that aren't going to have the skills that they need and that's what they're really concerned about. She's not just saying this to make it sound good, they're seeing this problem and they need to address it and that's what they did. She guessed what she has to say to the voters is that they have to make that decision. Are they going to say "no" and keep it status quo and keep seeing the education go down or are they going to do something about it and invest in education and invest in the children of the town.

Chairman Mosca stated to his point earlier, if we reduce staffing and use that money to increase, why couldn't we do that. Syndi White stated they did decrease by 1.5 teachers this year. They did make a change and that was at the High School level she believed, but she understands what the Chairman was saying and that's why they have that long range plan.

Chairman Mosca asked who was on that Committee and who goes to the meetings. Syndi White stated they've had several meetings and actually she would let Kevin (Richard) answer that question because Kevin has been facilitating that. There have been so many people involved in that. They've had surveys out from the business community, from teachers, from parents, from anyone in the community that wants to contribute. They've gotten information and feedback from a wide range of people in the community, their opinion on it, and she was sure members of this Committee also if they wanted to could have attended, it's been in the paper and they've had several meetings here.

Mark Hounsell stated Syndi (White) spoke on it, but he just wanted to remind the Committee that the Operating Budget before you includes the reduction or elimination of 2 positions at the High School. To your point about looking at reducing staff, they have, they are, they will where needed.

Patricia Swett stated she just wanted to address the issue of you saying we do not have good teachers. If you're hiring bad teachers, that's your problem because there must be some good teachers that qualify. To say that we are way under paying these people, if they go to southern New Hampshire it's going to cost them a heck of a lot more money to live than what they can live on here. If they want to be in North Conway, that's pretty darn good pay when you figure their benefits on top of their salary.

Dick Klement stated he was all for paying the new folks coming in a living wage that makes sense, but then we received your package here. You've gone to a Salary Schedule and he assumes that is the top of what you will pay that person, but if he looks at a Masters +30, Step 12, the pay for that individual or that class of individuals would be \$44,145.00. There is, in fact, at least one person that's a Masters +30, Step 12, and

this individual receives \$60,000.00 a year. Now something is awry; this is a brand new Salary Schedule and you've got people exceeding it by \$15,000.00, but what caught his eye and raised his ire was the fact that this individual receives a \$1,500.00 raise. You've just established this Schedule and then you go out and have a person that's \$15,000.00 above it and you give them a \$1,500.00 raise. What were you folks thinking.

Syndi White stated she thought they had approximately 80 people that are off the Step, so those 80 people that are off the Steps, which means they have more than 10 years experience, actually more than that, 12 years experience, they got that raise. That's how that works. They were not going to say if we have someone with a PhD who has been here for 25 years, they're not going to say "you're not getting a raise", that's ridiculous. That's not how it works in the real world.

Dick Klement stated you're not answering the question. Syndi White stated that's the truth though, Dick. Dick stated what he was referring to is you just established this Salary Schedule. You just established it and this person is \$15,000.00 over it and this person is not alone, there's a lot of people way over it and then you give them a 2.4% raise when the Cost of Living SSI is 1.7%. What were you positively thinking; what did you do; why did you do this; and why didn't you come when we asked you to come.

Syndi White stated she thought she answered his question. They have 80 people that are over, that have many, many years of experience that are over this and are not on the Schedule, they're off of that because they have so many years experience. She knows that Dick (Klement) is referring to somebody who has a high level of education and many, many years experience and yes, those people do get paid more. They have people with PhD's in the system, they have people with Masters Degrees, they have people that have specific skills that aren't just teachers, she's thinking of all of the other people like that Speech Pathologist, like the School Psychologist, all these people if you look at the market, if you look at people comparatively that have that education and that experience, those degrees, those specializations, what they're making in other schools, they are not paying really high. If you did that and you looked at those, she didn't think Dick would say that to her. You're comparing an entry level teacher and you're upset that somebody with all of this specialization and somebody who has a doctorate is getting more pay, of course they are and yes, of course they're getting an increase and they're not getting a huge increase, they're only getting a small increase.

Bill Masters stated he would just like to say that he has spent some time in Conway Elementary School and Kennett Middle School and he's had a chance, and it has been his pleasure, to sit in on a number of classes and chat with a number of teachers. Let me tell you, he thought they were outstanding and he sees nothing but dedicated teachers in terms of dealing with children. He kind of resents a little bit of what you (Syndi White) said about the quality of these folks.

Syndi White stated they have a lot of really good teachers, but what they're saying is that they've lost a lot of really, really good teachers that they recruit. When they get people in, some of them stay here just to get the experience. They lose those great teachers and that's what they're seeing. In terms of recruiting, if you saw some of the new teachers they get, some of the Resumes they look at and they have to hire because they have nobody else to hire, you would see that they're not hiring the top quality. If you see the kinds of mentoring that has to be done, the kind of supervision that has to be done and how many times those teachers are actually asked to leave after their 1st and 2nd year, you don't hear that, that's personnel and that's not something they stand up in public and say or they would never say names. This is what they're seeing and you're right, they do have a lot of really good teachers here. There are a lot of teachers that have been here for a long time and when you look at that you have to think "well, how about the teachers coming in" and if you look at the number of teachers coming in, and she thought it was something like, they have 189 teachers, there's something like 80 that are only in their first 5 years of teaching. It's a pretty huge percentage and that's where they're having that problem. That's what they are seeing. It's great when they get someone excellent in here and they stay and that's what they want, they want to see more of that.

Bill Masters stated there's a point that he would just like to make on this. He thought last year there was something like 97 kids at Kennett High School and letters were sent home that they were on the borderline of failing a specific subject. It was recommended that they attend Summer School. That letter was sent home to the parents and out of that 97, if his memory serves him correctly, only 14 of those kids enrolled for Summer School. Now that's not a teacher's problem, teachers are identifying a situation, they're recommending and the School Administration is putting it through, he thought there needed to be some parents put in the equation.

Syndi White stated she didn't think that had anything to do with what is being talked about. Chairman Mosca stated exactly, we are on the Contract.

Damon Steer of The Conway Sun stated he was wondering if it would be permissible to ask Dr. Nelson or Mark Hounsell about the educational quality and if they feel there is a problem.

Chairman Mosca stated you will see that in the SAU Report Card. Dr. Nelson stated there is a copy of that in the Budget books. Chairman stated he thought that shows how well they are doing.

Syndi White stated she didn't want to make it sound like, and she knows people are saying that she's really getting down on the teachers, she didn't want to make it sound like that. What she wanted to make the members and public understand the difficulties they are seeing, especially in the teachers that they are hiring in the first couple of years. They do have some that are excellent, but they're really having a problem. She didn't know of any other way to say it.

Chairman Mosca asked if there were any further questions or comments; there were none.

Chairman Mosca proceeded with **Article 6: Operating Budget** for the School. The total number is \$34,093,455.00; the Default Budget is \$33,844,028.00 which is roughly a \$249,000.00 difference between the two of them. Chairman asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with **Article 7: Engineering Study** with a request for \$287,500.00 for a mechanical and electrical design for the Elementary Schools and that's to upgrade the heating plants and all of the electrical and everything that goes along with it. He knows that's kind of condensing it down. Chairman asked if there were any questions or comments.

Bill Marvel asked if this was just for the Study or is this to do the work. Chairman Mosca stated it's just a Study. Dr. Nelson stated just a Study, he's (Chairman) correct. It will also give them specifications to go out to bid on when this is complete. Chairman stated the number that's being floated around now is some where between \$3 Million and \$4 Million to do all the work and that would have to be bonded and would also have to go before the voters. Bill stated he probably can't say what he wants to, but he'll just say "wow". Chairman stated it's unfortunate when you have that many buildings and you have that many boilers and that many systems and things need to be updated. It needs to be done and it is what it is.

Syndi White stated she actually wanted to ask an expert on the Budget Committee about boilers. Chairman Mosca stated we aren't going to go there. We've discussed it in our meetings and he's discussed his theory and if you've watched it like most people have or if you could attend our meetings, you'd know.

Chairman Mosca asked if there was any further discussion or comments on Article 7.

Stacy Sand stated she just wanted to make the comment that her initial reaction to it as a Study, but since has gone on to understand that it's actual engineering and development of the plan of attack. She visited Conway Elementary and looked at their boilers and she's surprise that they are still working based on the condition they are in. It's definitely needed and she just hoped that we get the plans in time to actually fix them or our kids are going to be wearing more than mittens to school. It's unfortunate that we are at this point where so much needs to be done all at once, but she thought once it is done, we're going to have some buildings that are a better environment for our children as well as buildings that we can depend upon. The School System owns these buildings and it's a responsibility to maintain what you own.

Steven Steiner stated his question is directed to Syndi White on this heat plant. Hypothetically, if there was a catastrophic failure either with the heating system or a roof collapse or whatever, and John Fuller

couldn't be used or Pine Tree couldn't be used, where would those kids go.

Chairman Mosca stated that Syndi White could defer the question to Jim (Hill). Syndi White stated she would defer that question.

Jim Hill stated where are we going to send kids. He's maintenance and transportation. Chairman Mosca stated who else is going to answer the question. Jim stated probably the first thing as you guys saw, there are two boilers in each of these buildings. As he explained at a previous meeting, in temperatures like what we are having now, there would be a slow decline, they would not be able to keep up with the temperatures that they need to. There would probably be some type of emergency call to try to get things repaired as well as they could and try to Band-Aid it.

Steven Steiner stated he was saying catastrophic failure, not just on the heating system, let's say a roof collapses, a fire in the school. Chairman Mosca stated we're not talking about that so we're not going to go down that road. You can ask on the heating system because that's what we're talking about. Steven stated if there was a failure, where would the kids go. If you couldn't fix the boiler or whatever part of the school that you couldn't fix, where would you send them, is there a plan. Dr. Nelson stated you'd have to develop a plan based on what's in front of you at the time and there are some areas that you could use in different buildings, i.e. a portion of the Middle School.

Janine MacLachlan stated Point of Order; we're talking about Article 7 which is the Engineering Study. Chairman Mosca stated exactly.

Mark Hounsell stated it just came to him that this is a Public Hearing and it isn't so much for the edification of this Committee although hopefully the Budget Committee will learn something from it. As for the edification of people like Pat Swett and Bill Marvel and he wanted to help Bill with a sticker shock because this is just the first part of it. There was a study done and he was involved with the Study as was other members of the Facilities Committee and they found that there's approximately \$4 Million worth of work that needs to be done on the three Elementary Schools in order for them to function.

Mark Hounsell stated they are in dire straits and he wasn't an alarmist, this is reality, the boilers are shot, the fresh air is nil, the air exchange, the heating apparatus, the ventilation, the boilers efficiency, they have just lived out their life and we're at a point where there could a catastrophic event. He hopes there isn't, but there could be. He was originally for putting a Warrant Article and a Bond for \$4 Million to get this work done, but there is some sense in finding out exactly what it is that needs to be done. In order to do that, they need to have an Engineer come in and design the job. What they will get with this money is a design that can be used for a contractor to do the work should the people pass, and it would have to be by 60%, a Bond Article probably next year in order to get the work. That's when the sticker shock will come, the \$4 Million, but it's a reality and it would be wrong for us not to tell everyone about this reality.

Mark Hounsell stated these boilers, this heating system, this ventilation system is on its last legs and it's limping ever so slowly towards its demise. They just have to do the work; it absolutely has to be done. The Budget Committee had requested that this be put out for the people, apart from the Operating Budget, which makes good sense to him because by putting it out to the people, the people can determine whether to not they want to upkeep, keep up, maintain their own schools. If the people say "no, we don't" then they can join in the catastrophe that will eventually follow should they not do the work. He thinks they will and he thought that this is a needed step forward and he certainly hopes that the entire community can support this.

Chairman Mosca stated just to add to what Mark (Hounsell) said, it's for the people that are here, but it's also for the people at home who can't be here that will watch this hearing on TV.

Bill Marvel stated he agreed it's a good idea to put it into a Warrant Article and he probably agrees that the boilers, at least from Conway Elementary, need work. He thought his father worked on those and he thought that was literally true, but he guessed the question that he was wondering and he suspected that a lot of other people are wondering, if it cost \$287,500.00 and maybe \$4 Million in repairs for the three Elementary Schools, how much would it cost if there were only for two.

Mark Hounsell stated he didn't know; depends on which one you didn't include. Bill Marvel stated that's what we haven't decided yet he guessed.

Mark Hounsell stated if he might that's a separate discussion that is taking place within the community and quite frankly hasn't been seized upon by the vast majority. There are some people that believe it is necessary and should take place, but he thought there's equal number if not more larger numbers of people that don't think that the Elementary School set up of three that any one of them should be eliminated. What they have to do as a Board is say that decision is separate from their decision they have now got these three schools that are functioning and they are obliged to keep them running unless someone says to close them, but that's not going to happen before next winter, it's just not going to happen. The reality is these boilers in these schools that we utilize need to be replaced.

Bill Marvel stated this is an informational hearing, but he thought it would be just a shame to make a decision on whether or not to close a school after you've done all of those repairs. It just seems like it would have been more sensible to do that first.

Syndi White stated she kind of wanted to address what Bill Marvel just said. One of the reasons she voted for moving this Article forward was that she had the same kind of reservations that you had especially when we think about are we eventually going to close one of our schools and if we are going to, then why are we going to spend all of this money. What she got from the discussion around it was that this engineering services

will show us just what is needed and what it is going to cost and it could play into their decisions if they go forward and decide to close a school and which school they might want to close. Just because they're doing this Study doesn't mean they're going to go forward and in all three schools do all this work. What it's going to show us is what it is we need and how much it's going to cost. She thought that was a smart thing to do because you need that information to make good decisions. That's why she voted in favor of it.

Chairman Mosca asked if there were any further questions or comments on Article 7; there were none.

Chairman Mosca proceeded with **Article 8: Project SUCCEED** seeking \$38,077.00. Chairman Mosca asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with **Article 9: School Bus Purchase** seeking \$91,000.00. Chairman Mosca asked if there were any questions or comments; there were none.

Chairman Mosca proceeded with **Article 10:** to see if the School District will vote to authorize, indefinitely until rescinded, to retain year-end unassigned general funds in an amount not to exceed, in any fiscal year, 2.5% of the current fiscal year's net assessment, in accordance with RSA 198:4-b, II. Such fund balance retained may only be used to reduce the tax rate or for emergencies to be approved by the Municipal Budget Committee and the Department of Education under RSA 32:11. Chairman Mosca asked if there were any questions or comments; there were none.

Dick Klement stated this was not on a Warrant Article, but just prior to the School coming in the Town was here and had over \$1 Million in Warrant Articles for Capital Reserve for maintenance, buildings, etc. and the point made by Earl (Sires) if something happens you need to have the money to go fix it, these are for the unforeseen things. We've come here and we see that you're performing an engineering design and he thought they should get that out to the public as an engineering design, it's not a Study. If you say it's a Study, it's not going any where, but you don't have any extra money to go into the maintenance. If that boiler at Conway Elementary or at John Fuller elects not to work tonight and the temperature is below freezing for the next week, you have probably 3 days to figure out what your plan is because one boiler is not going to hack it. Why didn't you consider putting more money in that Maintenance Trust Fund so you might have an opportunity to fix one of those boilers. Right now you're going to 2016 to get a 60% vote to get a Bond and if a boiler dies tonight, you don't have the money to fix it. He doesn't understand the thought process and that's something for you guys to figure out. Thank you.

Pat Swett stated it's more or less on the boiler Article and she didn't know if it was feasible or legal or whatever, but is there any way you can add an Article to have a figure in there if this Article 7 passes so that you can go on and do the work. Dr. Nelson stated that would be a separate Bond vote. The way they are thinking about structuring it, it

would be a separate Bond vote. What he would say though about the \$287,000.00 is if this passes and they go ahead with these services, that amount will be reduced from the fee of the company that is performing the services for us. They will give us credit for that.

Pat Swett stated her concern though is if this is approved this year then we go into another winter and still no money to fix those boilers and she thought we're playing with the devil.

Frank McCarthy stated he just wanted to apologize to Chairman Mosca, to Dr. Nelson and in particular to you folks. He got stuck in Concord later than he thought. They had a session today and he didn't get out of there until 5:30 PM and he left at 7:00 AM this morning, so he apologized for being late and missing most of the meeting.

Mark Hounsell stated he just wanted to address the point that Dick (Klement) brought that they have no money. He believes they have \$258,000.00 currently in the Trust Fund, so if they did have a boiler go down they would have that to deal with it. It may not be enough, but it might get them by. He has faith that the people will see the need for this and he struggled with this. If it isn't in the Operating Budget and if it fails here, then they can't do the work like John Edgerton has reminded us "no means no". He thought once the information is out there and once the people see the urgency of it, it will be a "yes". Next year he thought when they start talking about the particular work, he thought that may spur on the discussion about closing a school or not, but first things first.

Chairman Mosca closed the School portion of the Public Hearing at 7:50 PM.

BUDGET COMMITTEE

Chairman Mosca called the meeting to order at 7:55 PM.

PRECINCTS VOTE

Chairman Mosca began with the Redstone Fire Department with a total budget request of \$55,762.00.

Steven Steiner moved, seconded by Stacy Sand, to recommend and accept the Budget of \$55,762.00. In favor: 15; Opposed: 0; Abstain: 0.

Chairman Mosca proceeded with the Center Conway Fire Precinct with a total budget request of \$186,675.00.

John Edgerton moved, seconded by Steven Steiner, to recommend and accept the Budget of \$186,675.00. In favor: 15; Opposed: 0; Abstain: 0.

Chairman Mosca proceeded with the East Conway Fire Precinct with a total budget request of \$57,650.00.

Steven Steiner moved, seconded by Peter Donohoe, to recommend and accept the Budget of \$57,650.00. In favor: 15; Opposed: 0; Abstain: 0.

NON-PROFIT ARTICLES VOTE

Chairman Mosca proceeded with **Tri-County Community Action Fuel Assistance** in amount \$13,000.00.

Steven Steiner moved, seconded by Peter Donohoe, to recommend Tri-County Community Action Fuel Assistance in amount \$13,000.00. In favor: 15; Opposed: 0; Abstain: 0.

Chairman Mosca proceeded with **Tri-County Transit - Blue Loon** in amount \$4,000.00.

Stacy Sand moved, seconded by Danielle Santuccio, to recommend Tri-County Transit - Blue Loon in amount \$4,000.00. In favor: 5 - Maureen Seavey, Christopher DeVries, Stacy Sand, Bill Masters and John Edgerton; Opposed: 10; Abstain: 0.

Stacy Sand stated she asked this question at the Selectmen's Meeting and she just wanted to be sure, but can this figure be decreased or changed at the Deliberative. Chairman Mosca stated he did not believe that non-profits can be changed. Mark Hounsell stated they can. Stacy Sand stated Mark says they can. Mark stated once the body receives the Article, the body can amend the Article as it deems fit. The Petition is just to get the Article in front of the people, but when the body has the Article, the body can make amendments. Chairman asked Stacy what was she told at the Selectmen's Meeting. Stacy stated the same; she just wanted to verify. Chairman stated he thought they couldn't be and he stands corrected.

Dick Klement stated he was going to vote against this thing and he wanted to say why. It's not that he doesn't believe seniors need help in service transportation, but it's because this organization has no clue how to operate a thing without running a huge deficit and they keep saying that the Government is going to give them the money to buy new vehicles. He can't see where they are coming from. Mark Hounsell asked if Dick was sitting down because he agrees with everything that Dick just said.

Chairman Mosca proceeded with **Northern Human Services/The Mental Health Center** in amount \$10,115.00.

Stacy Sand moved, seconded by Steven Steiner, to recommend Northern Human Services/The Mental Health Center in amount \$10,115.00. In favor: 11; Opposed: 4 - Doug Swett, Joe Mosca, Peter Donohoe and Mark Hounsell; Abstain: 0.

Chairman Mosca proceeded with **The Gibson Center For Senior Services, Inc.** in amount \$35,000.00.

Steven Steiner moved, seconded by Peter Donohoe, to recommend The Gibson Center For Senior Services, Inc. in amount \$35,000.00. In favor: 15; Opposed: 0; Abstain: 0.

Chairman Mosca proceeded with **North Conway Community Center** in amount \$75,000.00.

Steven Steiner moved, seconded by Stacy Sand, to recommend North Conway Community Center in amount \$75,000.00. In favor: 8; Opposed: 6 - Frank McCarthy, Terry McCarthy, Joe Mosca, Bill Masters, John Edgerton and Dick Klement; Abstain: 1 - Peter Donohoe.

Chairman Mosca stated members know his feeling is we can't afford both and he knows that Ryan (Sommer) is doing his best not to ask for as much money and he's all for youth sports, but he can't see funding both Conway and North Conway.

Maureen Seavey stated she does support this. She knows that you think that a lot of the kids go to Center Conway, but you can't take all those kids and fit them in the Conway program for one thing and a lot of kids that go to North Conway, there are a lot of taxpayers in North Conway that pay for the Community Center and also pay for Conway. These kids in North Conway are the kids that live in the Town of Conway, their parents pay taxes to the Town of Conway and now you're cutting out those kids.

Chairman Mosca stated he was not cutting them out. Maureen Seavey stated you are. Another thing too that North Conway you have no health insurance or very little, you have no retirement so you're actually paying less for those 2 people that work there, of course the part-time don't get benefits and they would if they worked for the Town of Conway. She is very much for this because some of her kids went to Conway, but her grandchildren go to North Conway. They lived in Conway, but went to school in North Conway like a lot of the kids that live in a certain area and their parents live in North Conway, some of the kids go to North Conway. They are from every where and she just thinks we should support this; \$75,000.00 is not a lot of money to pay for the North Conway kids.

Steven Steiner stated he agreed with Maureen (Seavey). He thought it was important to give these kids something to do especially coming from him, a father who lost his son to drugs. We need something more, we need to keep them busy and \$75,000.00 is short change.

Stacy Sand stated another thing she wanted to add is that they have privately and fundraised enough to increase their space with the new Center and they haven't asked us for any more money to run that Center and, in fact, she thought they would be asking for less because they will be able to have greater income to be able to offer the programs that they are going to with the new Center. She thought in the long run it's a very good investment in our community.

Chairman Mosca proceeded with **Children Unlimited, Inc.** in amount \$13,000.00.

Steven Steiner moved, seconded by Peter Donohoe, to recommend Children Unlimited, Inc. in amount \$13,000.00. In favor: 11; Opposed: 4 - Mark Hounsell, Bill Masters, John Edgerton and Doug Swett; Abstain: 0.

Chairman Mosca proceeded with **Starting Point** in amount \$7,092.00.

Peter Donohoe moved, seconded by Stacy Sand, to recommend Starting Point in amount \$7,092.00. In favor: 14; Opposed: 1 - Doug Swett; Abstain: 0.

Chairman Mosca proceeded with **North Conway Day Care** in amount \$3,000.00.

Maureen Seavey moved, seconded by Steven Steiner, to recommend North Conway Day Care in amount \$3,000.00. In favor: 13; Opposed: 1 - Doug Swett; Abstain: 1 - Mark Hounsell.

Chairman Mosca proceeded with **Vaughan Community Service, Inc.** in amount \$10,000.00.

Steven Steiner moved, seconded by Peter Donohoe, to recommend Vaughan Community Service, Inc. in amount \$10,000.00. In favor: 11; Opposed: 3 - Doug Swett, John Edgerton and Bill Masters; Abstain: 1 - Terry McCarthy.

Chairman Mosca proceeded with **The Tri-County Restorative Justice Center** in amount \$3,100.00.

Stacy Sand moved, seconded by Maureen Seavey, to recommend The Tri-County Restorative Justice Center in amount \$3,100.00. In favor: 6 - Mark Hounsell, Frank McCarthy, Terry McCarthy, Maureen Seavey, Stacy Sand and Michael Fougere; Opposed: 7; Abstain: 2 - Danielle Santuccio and Christopher DeVries.

Chairman Mosca stated that's all we're voting on tonight. Chairman asked if there was any other business that any member would like to bring up. Chairman reminded the members that tomorrow night at the Police Station members would be voting on the other Town Articles, all of the School Articles. If you have any changes that you anticipate making to either the School Budget or the Town Budget, please be prepared to discuss them.

Dick Klement moved, seconded by Steven Steiner, to adjourn the meeting at 8:15 PM. Motion carried unanimously.

Respectfully Submitted,

Iris A. Bowden, Recording Secretary