

**MINUTES OF MEETING
MUNICIPAL BUDGET COMMITTEE
February 12, 2015**

A meeting of the Municipal Budget Committee was called to order at 6:30 PM in the Conference Room at the Conway Police Department with the following members present: Chairman Joe Mosca, Maureen Seavey, Doug Swett, Michael Fougere, Dick Klement, Bill Masters, Christopher DeVries, Danielle Santuccio, Terry McCarthy, Peter Donohoe, Steven Steiner, Stacy Sand, Mark Hounsell, Greydon Turner and John Edgerton. Excused: Frank McCarthy.

Michael Fougere led those present in the Pledge of Allegiance.

Chairman Mosca stated every table has a mike so we will have to pass them around so that all of the voices get picked up, so please when you are going to speak, get a mike and pass it around so it can be picked up by the cameras and the listening audience at home, when they do watch us, will understand everything that went on. Chairman believed that if any one in the back speaks, Laura's mike will be able to pick them up.

APPROVAL OF MINUTES

John Edgerton moved, seconded by Steven Steiner, that the Minutes of January 17, 2015 be accepted. In favor: 15; Opposed: 0; Abstain: 0.

TOWN VOTE

Chairman Mosca began with the Default Budget of \$10,282,000. Chairman asked Lilli Gilligan to discuss that a little bit for us before the Committee votes on it.

Lilli Gilligan stated the Default Budget is a statutory figure based on last year's approved expenditures in the Budget adjusted for anything that is under contract now, whether it goes up or down, and then also minuses out any one-time expenditures from last year. The Default Budget with those considerations would be \$10,282,000.00 which is \$73,207.00 less than the Selectmen's proposed Operating Budget. The decreases are due to the Health Insurance decreasing, and she is using the Memo on page 40 of the packet, which is the very last page of the packet. The Health Insurance has declined premium pricing by 10% which results in a \$95,000.00 savings; property, auto and liability insurance premiums had a net decrease of \$1,500.00; the request for a Highway Inspector is not included in the Default Budget because it's a new proposal for this year, so that's a reduction of \$54,000.00; Bond Debt decreases \$3,500.00; the Audit firm had a renegotiated Contract and they do not need the single Audit this year as well so the total savings there is a \$7,000.00 savings.

Lilli Gilligan proceeded with the increases are due to the Non-Precinct Fire Contract of \$35,000.00 and that's, as you know, only assessed to property taxpayers that are in the non-Precinct areas; New Hampshire

Retirement System is increasing its rates for both Group I and Group II starting July 1st and the net increase will be approximately \$27,000.00; the July 4th Fireworks is an increase of \$4,000.00 and that's due to the 250th Celebration, bigger, better and it's under contract; the Salary Merit Matrix is approved through December 31, 2016 which results in a \$95,000.00 increase; and finally those increases in salaries also affect the New Hampshire Retirement rate, Social Security and Medicare contributions to the tune of \$22,000.00.

Lilli Gilligan stated she had given out the Department of Revenue's version of how the Default Budget is presented in the Warrant posting as well as to the Department of Revenue a couple of weeks ago at a meeting and she would be happy to go through that if anybody wants to take a look at that, if that would be helpful at all.

Chairman Mosca asked if there were any questions on the Default Budget. There being none, a vote was taken on the Default Budget.

Stacy Sand moved, seconded by Maureen Seavey, to recommend a Default Budget of \$10,282,000.00. In favor: 15; Opposed: 0; Abstain: 0.

Chairman Mosca asked the members if they would like to skip the Operating Budget and come back to that last. He thought that is probably going to take the longest and go through the other Articles a little bit quicker. Chairman asked if that made sense to the members.

Chairman Mosca proceeded with the **Article - Capital Reserve Fund For Infrastructure Reconstruction** in amount \$500,000.00.

Peter Donohoe moved, seconded by Michael Fougere, to recommend the Article - Capital Reserve Fund For Infrastructure Reconstruction in amount \$500,000.00. In favor: 15; Opposed: 0; Abstain: 0.

Chairman Mosca proceeded with the **Article - Capital Reserve Fund For Highway Equipment** in amount \$300,000.00.

Dick Klement moved, seconded by Peter Donohoe, to recommend the Article - Capital Reserve Fund For Highway Equipment in amount \$300,000.00. In favor: 15; Opposed: 0; Abstain: 0.

Chairman Mosca proceeded with the **Article - Capital Reserve Fund For Solid Waste Equipment** in amount \$105,000.00.

Dick Klement moved, seconded by Michael Fougere, to recommend the Article - Capital Reserve Fund For Solid Waste Equipment in amount \$105,000.00. In favor: 15; Opposed: 0; Abstain: 0.

Chairman Mosca proceeded with the **Article - Capital Reserve Fund For Landfill Expansion** in amount \$110,000.00.

Michael Fougere moved, seconded by Steven Steiner, to recommend the Article - Capital Reserve Fund For Landfill Expansion in amount \$110,000.00. In favor: 15; Opposed: 0; Abstain: 0.

Chairman Mosca proceeded with the **Article - Capital Reserve Fund For Maintenance of Town Buildings and Facilities** in amount \$325,000.00.

Michael Fougere moved, seconded by Dick Klement, to recommend the **Article - Capital Reserve Fund For Maintenance of Town Buildings and Facilities** in amount \$325,000.00. In favor: 15; Opposed: 0; Abstain: 0.

Chairman Mosca proceeded with the **Article - Capital Reserve Fund For Parks Department Vehicles and Equipment** in amount \$20,000.00.

Michael Fougere moved, seconded by Stacy Sand, to recommend the **Article - Capital Reserve Fund For Parks Department Vehicles and Equipment** in amount \$20,000.00. In favor: 15; Opposed: 0; Abstain: 0.

Chairman Mosca proceeded with the **Article - Capital Reserve Fund For Police Vehicles** in amount \$60,000.00.

Peter Donohoe moved, seconded by Michael Fougere, to recommend the **Article - Capital Reserve Fund For Police Vehicles** in amount \$60,000.00. In favor: 15; Opposed: 0; Abstain: 0.

Chairman Mosca proceeded with the **Article - Town Employee Earned Benefits Expendable Trust Fund** in amount \$30,000.00.

John Edgerton moved, seconded by Michael Fougere, to recommend the **Article - Town Employee Earned Benefits Expendable Trust Fund** in amount \$30,000.00. In favor: 9; Opposed: Steven Steiner, Peter Donohoe, Joe Mosca, Danielle Santuccio, Dick Klement and Michael Fougere; Abstain: 0.

Danielle Santuccio asked Stacy Sand as the Selectmen's representative to explain the Article. Stacy stated the Earned Benefits Expendable Trust is what they use when somebody retires early or an unplanned leaving of a Department. Unfortunately, it's mostly been used by the Police Department and what they would like to do instead of having it on a yearly budget basis, turn it into a Capital Reserve Fund so that there is an amount in there every year so that they're not having to basically go over their Budget. If this gets established, that will come out of the Police Budget, a good chunk of it will come out of the Police Budget, the \$30,000.00 will come out so that they'll have it just in case. That's what that's for: those unplanned or sudden departures or early retirements.

Lilli Gilligan stated it's used primarily for the payment of owed vacation days and sick days based off of the Contracts in place. The Town had 3 people leave last year that were unplanned leaves that were quite expensive and unplanned to the Budget and affected those Budget areas significantly last year.

Dick Klement stated we can expect, if this Article passes, that next year that Police line will be zero. Lilli Gilligan stated yes because any planned uses would be in there, but there also needs to be a balance for

those unplanned. That was their problem with the unplanned use of time. Yes, you will see monies being requested will be placed into that Fund.

Dick Klement stated if we're going to go and do this, why are we going to have several buckets available; why don't we just put it in one place, be it a Police Officer that leaves or a Landfill Operator that leaves, and then zero out everybody else. This is going to be in two places, guaranteed.

Stacy Sand stated the planned ones will be in the Budget and this allows for any unplanned ones. Yes, it will be in two places. If there are no planned retirements or planned leaves when they make up the Budget then it will be zero, but if they know somebody's retiring, they're planning on it, they let people know "next year I'm retiring", then there will be something in that line.

Maureen Seavey asked if it was only for the Police Department. Stacy Sand stated no, this is for everybody, but they're the ones that have carried the bulk of it over the years. This seems to affect them the most.

Peter Donohoe asked what was the background for the \$30,000.00; how was that arrived at. Lilli Gilligan stated the Police Chief's original request for that line was, she believed, \$70,000.00. His request for Earned Benefits was \$111,525.00 for this year. What he put in there was the possibility of anybody in the Police Department that was old enough with enough service to retire, which includes all of the higher level positions within the Police Department. They've already seen one person in the Police Department leave in January and utilize those funds that are there. Earl (Sires) negotiated in the process of discussing the Police Department's Budget to reduce his line to \$40,000.00 with the caveat that a new Warrant Article would be placed out there for consideration and start that Fund with \$30,000.00. That's what the discussion was, that's where they arrived to that, but also as Earl discussed earlier in Budget discussions, many people in town have many years of service and are getting very close to retirement in the next 5 years. They see a greater need for it right now.

Peter Donohoe asked how has the Town made up the shortfall in past Budget cycles. Lilli Gilligan stated as you saw in the spending of the Police Department's Overtime line after Lt. Perley left, unplanned, so there was a double hit to that Budget with regards to more money than expected being used out of the Earned Benefits line and then making up those shifts with overtime, there was a great discussion of the Regular Officers' overtime spending was budgeted at \$63,000.00, \$94,889.00 was spent this past year and then in the Earned Benefits line \$35,000.00 was budgeted and \$52,908.00 was paid out. She would say that through a lot of hard work by the Chief, the bottom line of the Police Department's Budget was not overspent. He ended up not spending, she believed, approximately \$125,000.00 less than what was budgeted for the Police overall. There were things that were not purchased in order to control that spending because that hit early on in the year as you know and it made them all very nervous and controlling of "if you can wait, please wait" kind of thing.

Danielle Santuccio stated she was going to ask a question along the same line of Peter (Donohoe) which might have already been answered, but everybody under spent last year even though there were these alleged significant over expenditures of the Retirement line, so she is kind of having trouble wrapping her head around why it's needed.

Lilli Gilligan stated this year was unique in the fact that a great amount of money was not spent and leaving us with a Fund Balance at the end of the year. They were very fortunate considering that even though when they went to Deliberative last year they asked for an increase for Highway Labor, Salt and Fuel to the tune of \$50,000.00 was approved at Deliberative and in those three lines combined they spent over \$92,000.00 in those three lines. When you look at that, there was controlled thinking of trying to control other areas. This is a very unique year. She remembers Lucy (Philbrick) telling her that there was a year that they came down to only having approximately \$12,000.00 left at the end of the year and that was rather recent. They try to be very good about budgeting in anticipating how much things are going to cost and in some years it comes awful close to the bottom line.

Stacy Sand stated another thing with the Police Department, she knows they didn't have a full staff most of the year as well, so some of that overtime cost was balanced with the fact that they didn't have people on payroll. She knows that one of the areas where they saved, not because they wanted to, but because they didn't have people ready to go or they were at the Academy or whatever. So that's another place where that money was made up inadvertently.

Danielle Santuccio stated she thought it was the opposite of that because they had to over spend on overtime because of that. Stacy Sand stated they had to spend on overtime, but she was saying that some of that was balanced if you look at salaries, it was under spent because it goes into overtime if people are having to work overtime. She's not saying that it balanced it all the way, but that's one area where he was able to save to make up some of that difference.

Mark Hounsell stated he understood the logic and need for something like this. He does have a little concern about it because it seems open ended. In the past we've had experiences where accounts like this have been set up with caps on it. This one doesn't, so he guesses it's up to future eyes to make sure that this thing doesn't become too full of money. It's better to leave as much money as we can in the taxpayers' pockets. He has no problem with \$30,000.00 this year, but he would have preferred to see this account with a cap of \$150,000.00 so that in 5 years you could maybe build it up. He does support it and he will be voting for it.

Lilli Gilligan stated just to give you a sense of how much \$30,000.00 covers, somebody with 25 years of service and carrying the max sick time and max vacation time into the next year and leaves without any planning, that would cover less than two people doing so in one year.

Chairman Mosca stated he would say to that: we can't change what's there, but we can change the future and Contract language can be changed and not having impact on current employees but on future employees because we need to eliminate some of that stuff.

Chairman Mosca asked if there was any further discussion. There was none and a vote was taken.

Chairman Mosca proceeded with the **Article - Public Educational/Government Cable Television (PEG) Trust Fund** in amount \$110,000.00 which comes from the franchise fees, not from the tax base.

John Edgerton moved, seconded by Steven Steiner, to recommend the Article - Public Educational/Government Cable Telephone (PEG) Trust Fund in amount \$110,000.00. In favor: 15; Opposed: 0; Abstain: 0.

Mark Hounsell asked Chairman Mosca if he could ask a question as he was curious as to why, it's just his curiosity, but the Article on the Expendable Trust Fund is listed as a Capital Reserve Fund and then we go into Trust Funds. He was wondering why that break wasn't a Trust Fund.

Lilli Gilligan stated she saw what Mark (Hounsell) was saying and thanked him. Lilli asked Mark if he was just talking about the header and Mark stated he was.

Chairman Mosca proceeded with the next **Article** which was to expand the purpose of the previously established **Public Educational/ Government Cable Television (PEG) Trust Fund** and when it goes to vote it needs to pass by two-thirds. On election day, it needs two-thirds to change the purpose.

John Edgerton moved, seconded by Michael Fougere, to recommend the Article - Public Educational/Government Cable Television (PEG) Trust Fund to expand the purpose as previously established. In favor: Stacy Sand, Christopher DeVries, Peter Donohoe, Greydon Turner, Maureen Seavey, Danielle Santuccio and John Edgerton; Opposed: 8; Abstain: 0.

Dick Klement stated this appears to be open ended with an example of the Internet, but that doesn't define what the monies would be used for. It's saying the Selectmen shall be authorized to withdraw without speaking to the voters. He just has a problem with that because it is open ended.

Lilli Gilligan stated the verb is broadcasting. The broadcasting hasn't changed, it's just the medium as to how it could be broadcast. Right now it's only on cable television and there's a great number of individuals in the Town of Conway that don't have cable television so this would allow broadcasting on the Internet or other mediums that present themselves in the future.

Dick Klement stated yet at the same time, it's people with cable that are paying for this. You're saying that cable operators or his family will be paying for this and someone that doesn't have cable but has the Internet can go see something. He just has a problem with this because it is

giving something to people who aren't paying for it. He thought the Town was wrong on this and he will vote against it.

Stacy Sand stated the whole goal of Public Access Television is for as many people as possible to see what the public body is doing and if you don't have cable, you may be the only ones paying for it, but the reality is the goal of Public Education Television is to educate the public. She does not and has never had children in school, yet she pays for the school because she believes it's for the public good. She thought this was another one of those things that even if you are not a direct user, it's something for the public good and that could change down the road. She has no cable, but gets her Internet through Time Warner and she might be paying this fee as well down the road because the fee is determined by them. They have to put this money into public funds because they use our public space, so how they charge for that is up to Time Warner, it's not up to the Town. It might be down the road that the law changes, the Internet people might be paying for it as well, but right now the law doesn't allow for that.

Mark Hounsell stated unless something has changed and he didn't catch it, it is most definitely determined by the Selectmen, they get to pick between 3% and as much as 5% of the television portion which is what is charged to the cable rate payer. The Selectmen have a big say in how much is charged to the rate payer. He agrees with Stacy (Sand) as far as access and being able to have more people watch, but he agrees with Dick (Klement) and let them come up with the funding. The money that allows Laura (of Valley Vision) to be here tonight and to have people watch this, the money for that comes from people who have bought, purchased cable television through Time Warner, they pay a fee and that provides the means by which we can broadcast Public Educational/Government shows. He does think to use that money for someone who is just going to come along with another way of doing it is a little careless. He thought if someone's got a better idea or another way of doing it, they should also promote a funding mechanism in which they can do that.

Chairman Mosca asked if there was any more discussion on this Article.

Michael Fougere stated last year on the cable, were they not stepping up to help us intergrade our system to maybe use the above screen and a few other things. He has never heard anything more besides that one time last year that they were talking about it. Does anybody else remember that last year that they had the cable matter come up and we were talking about it and they said they'd step up and do something about that for you. Chairman Mosca stated that was at the Deliberative Session, you are right. They said that they would try to put something out there. Mike stated he was kind of curious because it's been a year and we haven't heard anything that they offered to step up and do something about. Just a side note on the cable.

Steven Steiner stated he didn't have cable, he had Dish, but he does have cable Internet, does he pay that fee. Stacy Sand stated no.

Chairman Mosca asked if there was any further discussion on this Article. There being none, a vote was taken on the Article.

Chairman Mosca proceeded with the next **Article** of expanding the purpose of the previously established **Police Commercial Duty Revolving Fund**.

Stacy Sand moved, seconded by John Edgerton, to recommend expanding the purpose of the previously established Police Commercial Duty Revolving Fund. In favor: 6 - Stacy Sand, Terry McCarthy, Mark Hounsell, Maureen Seavey, Bill Masters and John Edgerton; Opposed: 9; Abstain: 0.

Chairman Mosca stated he thought people were going to find the same issues with this one as they did with the last one.

Maureen Seavey stated this is going to be paid by a separate account and not out of the regular General Fund. Lilli Gilligan stated this already is a Revolving Fund that's paid in total by commercial entities that hire the Town's Police Officers for commercial details. This Fund already exists, it's just an expansion of the Fund. The commercial duty is scheduled, the Officer goes and does his job, a bill goes out to the entity and the entity doesn't pay it right away, but the Officer expects to be paid that payroll. The Town pays them in payroll and when the monies come in they then adjust and reimburse the Town payrolls from these monies. Right now that's the only thing that's reimbursed: their salary that's paid at a flat rate and any FICA or New Hampshire Retirement System monies that are owed because of the work that they did there. What they would like to be able to do is expand the use and use it for upgrading vehicles with flashing lights or light bars or any other equipment needed inside the cruiser, that sort of thing. Everything's listed here of what they want to expand the uses for. They set the fees and everything is agreed upon and paid by the entity that hires them for these duties.

Maureen Seavey stated so the money is going to be deposited in the Trust Fund, taken back out to cover whatever it's for, but do we see in the Budget whether it was spent for commercial duty. Lilli Gilligan stated no. Maureen stated so we never see that. Lilli stated no, it's not the General Fund. It is it's own separate Fund, the Commercial Duty Revolving Fund.

Maureen Seavey asked if the Town was charging more an hour for this Fund. Before it used to be \$35.00 that covered all of the Police Officer's benefits. Now that you're buying all of this other stuff for the cruisers, do you have to charge a higher rate. Lilli Gilligan stated the Chief of Police certainly could increase the rates, but that's not something that they've discussed as part of this situation right now. There is a balance in the account of about \$10,000.00 that he would have liked to have used it for light bars on one of the vehicles and was unable to because the establishment of this Fund was for salaries and benefits only. Maureen stated she just thought this was a way for hiding funds.

Dick Klement stated if they have a cruiser and they're at the construction site and for some reason the light bar breaks, this Fund would cover that light bar or alternatively if there's a new cruiser and they need a light bar for the cruiser that has never been used before, can they go to this Fund and get the light bar. Lilli Gilligan stated yes because all cruisers are available for commercial duty.

Mark Hounsell stated he liked this Fund because he believes what it does is identifies and allows the Town to recoup actual costs, whatever they might be. We seem to be using the Fund for trying to cover labor costs, but there are other costs associated with putting a man or a woman on detail work.

Danielle Santuccio stated it was her understanding with details, and she could be wrong because she's just kind of trying to understand what's going on, is that the amount that's paid by whomever needs a detail is actually a significant amount over what would be the actual cost of whoever is performing the detail. Correct or not. Lilli Gilligan stated some Officers, based on the number of years of service that they have, their commercial duty is subject to New Hampshire Retirement, whereas the newer Officers are not subject to New Hampshire Retirement, it's a flat fee that's assessed, so those Officers that are working details and those monies are not going into those have been growing. There's about \$10,000.00 in the account right now because of that situation. It is a flat rate no matter how many years of service you have as an Officer that's assessed for the hourly rate.

Danielle Santuccio stated she might have been unclear in her question or maybe she's just completely wrong, but she really thinks it is her understanding or maybe it's just the State Police and it's not with the Town, is that the money that is paid whatever that flat rate is, is significantly over what it actually would cost to have the Officer out there doing it already for these reasons.

Lilli Gilligan stated she didn't know what the State rate is. Danielle Santuccio stated that Lilli might not know the answer. Lilli stated every town can charge different amounts of money. You'll find in some areas there is a desire to use a certain town's Police commercial duty because their rates are less expensive and if a tree cutting company wants to do work in an area of town where they can't get an Officer or they can get a better rate from Bartlett or Madison, it creates competition that way, too.

Danielle Santuccio stated it doesn't, it's actually costing the Department money. Wouldn't it make more sense to go with whatever the highest rate in the area is because if it's costing the Department money, as is being claimed here, then it wouldn't create competition because the Police Department would actually lose if they bid on those details.

Lilli Gilligan stated she thought she was just misunderstood. There's greater competition for the people hiring. Danielle Santuccio stated but it doesn't make economic sense. Lilli stated she did not know what the

State rate is, so there might be higher charges assessed by the State or lower fees, she did not know.

Danielle Santuccio stated she just didn't understand why the Town just doesn't charge more if there's another entity that's charging more rather than charging less and losing money because something breaks. Lilli Gilligan stated this is a question for the Chief because she doesn't set rates. Danielle stated she felt bad that Lilli had to come here and answer all of these questions.

John Edgerton stated his problem is that all money coming into the Town should be on the Budget, should be accountable. This is only another example, and he didn't realize until he went back and read the book, that the Recreation Department has about \$150,000.00 that doesn't show up on the Budget. We need total transparency; he wants everything in there.

Stacy Sand stated the point of this Article is that this Fund exists now and it has money that wasn't needed to pay the Officers; therefore, the Town has money that is just sitting on the books. Why not reduce what the Town is spending in tax money by maybe not paying for a light bar or a piece of equipment that would be used in the detail any way. She didn't see any disadvantage to this. If you want to do away with the Revolving Fund, that's another issue for another Article. This Article is strictly to give the Police Chief the ability to use all the money that's in this Fund for the benefit of this Town.

Mark Hounsell stated it actually is more than that; what it really is if we get right down to it, there's \$10,000.00 in Revenue that we're not taking advantage of unless we do this. There's \$10,000.00 sitting there that we can't get our hands on that we should be able to and there's a rationale called real costs and all we have to do is approve this and it's like we have additional non-taxpayer Revenue available to us to use. Right now it's not available to us to use. He wished the Police Chief was here because Mark was often frequently amazed to see the Brookfield Police Department doing detail work in Conway and he was wondering why that is. How does that work.

Chairman Mosca asked if the members had any other comments on this Article. There being none, a vote was taken on the Article.

Chairman Mosca proceeded with the next **Article - Eastern Slope Airport** in amount \$10,000.00.

Michael Fougere moved, seconded by Steven Steiner, to recommend the Article - Eastern Slope Airport in amount \$10,000.00. In favor: 14; Opposed: 1 - Dick Klement; Abstain: 0.

Christopher DeVries stated he had a question for anybody who could tell him how this was beneficial to the Town last year.

John Edgerton stated these funds go to the capital improvement of the Airport. How does it affect the Town? The very high end wealthy people that come to this place, come by air and spend a lot of money. They don't

come by car. They rent a car and spend their money in North Conway. What does this money do? This is 95% to 5% backed by Federal funds, so for \$10,000.00 you get a \$200,000.00 worth of capital improvements at the Airport and it includes an upgrade lately of jet fuel now so that the jets don't have to go to Portland to pick up gas and come back to pick up the people they dropped off.

Chairman Mosca stated to add to that, it helps with Med Flight and things of that nature. That's what got a lot of people last year. Christopher DeVries stated Med Flights go out of other areas as well. John Edgerton stated as far as donor organs are concerned, it's impossible unless you have air transportation.

Dick Klement stated if he recalls last year the impassioned plea was that if we didn't give this money not one person would be able to be flown out of Fryeburg. John Edgerton stated no. Dick stated that was the impression and you (John) know it was. They needed to build a new terminal, so we gave \$10,000.00 so that Fryeburg Airport could have a new terminal and supported that. Of course the Federal funding kicked in and we don't pay for that of course. He has a problem with providing money to an out of state organization that has an Airport and that's fine. That Airport is still going to be there whether we give them \$10,000.00 or \$1 Million or a nickel or nothing. He was not going to support this and the Selectmen's vote of 5-0, there should have been somebody that abstained from the vote because of their affiliation with Fryeburg Airport. He thought we need to look at that and the Town needs to be more transparent as to who is doing what to whom and how they approach this.

Steven Steiner stated to Dick Klement that he totally supported this and was sorry that Dick did not. It creates a lot of economic development. Being that he is in real estate now, it definitely helps the real estate high-end homes. It's something that this community needs. If the School wants more money, we're going to have to grow this town a little bit and bring in better jobs. The key to that is having that Airport. Route 16 can't bring the economic development that we need.

Michael Fougere stated the Airport allows a lot more than just Med Flights or bringing in the wealthy, it's actually turning into a commercial hub where they're transporting machine parts from most of the machine shops in this town that won't go out over the rail, that won't go out over the tires, so you better start looking at all of the machine shops that are doing rifle barrels and intricate parts that don't weigh a lot, but they're high-end parts and they're being flown out all over the world. The Med Flight, you may say out of state organizations may have that, but unfortunately he wouldn't be here without the Med Flight, so he will always support the Airport.

Stacy Sand stated first of all it's the Fryeburg Regional Airport and we are part of that organization. Just because it's located in Fryeburg, it's not the Fryeburg Airport, it's the Fryeburg Regional Airport, including Conway. She thought that Dick (Klement) needed to apologize to the Selectmen, she assumed he was talking about Carl Thibodeau, who just happens to own an airplane, he is not making money off of the fact that

we are supporting the matching of Federal funds to make improvements to our Airport. She didn't think there was any reason for him to have to abstain just because he happens to own a plane. If she had a vending machine at the Airport, would she have to abstain from voting for us to support our Regional Airport, she thought Dick owed Mr. Thibodeau an apology.

John Edgerton stated the technical name of the Airport is the Eastern Slope Regional Airport and it is supported by the State of New Hampshire and the State of Maine. When the North Conway Airport closed, all of the that activity went to Fryeburg. We can't build a runway here.

Bill Masters stated from his perspective it's a fairly important part of our infrastructure. We have only one way of getting anything into this Town. The rail system is not really functioning, although there has been some of that. The Airport offers an ability to get people, substances, materials in and out of this area in the event the infrastructure or the roads prohibited anything from coming in using the existing highway system. From his perspective it is a really important part of the overall scheme of things in terms of broadening ways to bring the public merchandise into this area. He really has no problem in supporting that in the broad sense of the word and the overall long range scheme.

Chairman Mosca asked if there were any further comments. There being none, a vote was taken on the Article.

Chairman Mosca proceeded with the next **Article - Town Hall Water System** in amount \$30,000.00.

Stacy Sand moved, seconded by Peter Donohoe, to recommend the Article - Town Hall Water System in amount \$30,000.00. In favor: 15; Opposed: 0; Abstain: 0.

Peter Donohoe asked have the subscribers all been finalized with regard to the new system, that is, the people who have been getting water, have the deliberations finished from the last time we spoke about that.

Stacy Sand stated they have been presented with a Contract and she didn't believe they've all had signed it yet. Stacy asked Lilli Gilligan if that was correct. Lilli stated she didn't know who has and who has not signed it. Stacy stated the rate of payment will change if less people sign the Contract. That's what will happen which means that there would be more burden on the Town for its share, but all of this is going to be covered by the users, which does include three Town entities as well as the Precinct. There's three Town buildings plus the Center Conway Fire District. The other one she thought was the Church and four residences, there's nine altogether. If they don't sign up, it just means that everybody pays more.

Dick Klement asked if the explanation underneath the Article is wrong. The last sentence of the explanation states "The users of the system have all signed an Agreement that they will repay their proportionate share of the new well and pay quarterly operating expenses as well". Stacy Sand

stated no because people who have not paid their fair share will not get to use this, they will stay on the old system. Dick stated so they haven't all signed an Agreement. Stacy stated she didn't know the answer to that for sure. Lilli Gilligan stated this was written by Earl Sires and he's the one that's been negotiating, so if this was written in this way she would say that they all have signed the Agreement.

Dick Klement asked if that was worth a check. Stacy Sand stated the point is it doesn't matter because if you don't sign the Agreement, you're no longer a user. Technically, this is correct.

Dick Klement stated he understood, but when the voters sit down to vote on this thing and they see an explanation that everybody has signed up for it, they're assuming that all of the people agree with what's happening. If that's not accurate, he's just suggesting that the last sentence may or may not be accurate.

Stacy Sand stated she disagrees, it says what the truth is which is the users of the system. There are 9 potential users; if one of them doesn't sign the Contract, there are 8 users. If 8 sign and one doesn't, there are still the only people using it are the ones paying for it. Technically, there is nothing wrong with this sentence if nobody signs up but the Town because they don't get to use it.

Chairman Mosca stated his question is, and he didn't know if either one of you (Stacy Sand or Lilli Gilligan) will be able to answer it, but if the 4 residences don't sign, do they have legal rights back against the Town because of what was said years ago of them being supplied with water. Stacy Sand stated they are now being supplied with water. Chairman stated but once we get the new Well on line, will they still be supplied. Stacy stated they still can be supplied, the Town will hook them up, but they will have to pay for it. Chairman stated that's his point. Stacy stated the Selectmen have spent a lot of time with this issue because they would like them to have water that is more palatable to use because right now it's not dangerous, it's just not palatable. She was not saying it couldn't turn into that, but at this point in time DES says it's okay to use and drink. The original Agreement does not say that the Town must provide water to them indefinitely, it doesn't say that or that would have been a consideration and it certainly doesn't say that the Town has to provide it for free. The Town is doing that because it's the right thing to do to give them an opportunity. No where does it say the Town has to do it and no where does it say the Town has to do it for free.

John Edgerton stated he thought what he just heard Stacy (Sand) say is those 4 units, or whatever units, if they don't sign up, the Town will have two water systems. Lilli Gilligan stated she didn't believe that that Well would stay maintained. If they do not sign up, they will have to drill a Well on their property. John stated the 4 houses can't.

Chairman Mosca stated that was the impression he got when we were going through the Budget process. If they didn't sign up, they would be on their own, but if they can't drill their own, there was some agreement in

the past. Anybody can sue anybody at any time. What could the legal costs be versus not and that's a consideration that we all have to take in.

Stacy Sand stated everybody else in this town pays for their water, either through their own Wells or through a water system and the Town is not asking them to pay more than their fair share. They are actually paying less than almost everybody in Conway Village District and everybody in Birch Hill. They could take it to court any way; they could take it to court now because it's a little salty, but she thought they were doing what's right for the town and what's right for everybody with this.

Greydon Turner stated he was curious, can they put in their own filtration system and continue with the water the way it is without paying for anything. Stacy Sand stated she didn't know; she thought the Town was going to take the water system that exists to the individual, and use the existing water system, so that now it will be hooked up to the new Well if this passes and if not to the old system, so they can't use the existing system. Lilli Gilligan stated if they don't sign up, the existing Well will be shut down, their line would be capped - the one that goes from the current Well to their home and they would not be then hooked into the new line.

John Edgerton stated he thought it opens a can of worms because the residences all had shallow Wells that were destroyed by negligence of the Town.

Chairman Mosca thanked both Stacy Sand and Lilli Gilligan for their answers and he agrees that everybody else in town pays for water and there is nothing in the Agreement that says the Town can't charge them. Again, he just knows there are lawyers around and he will leave it at that.

Chairman Mosca asked if there were any further questions. There being none, a vote was taken on the Article.

Chairman Mosca proceeded with the next **Article - Victim Witness Advocate/Prosecutor Position in the Police Department** in amount \$21,000.00.

Stacy Sand moved, seconded by Michael Fougere, to recommend the Article - Victim Witness Advocate/Prosecutor Position in the Police Department in amount \$21,000.00. In favor: 8; Opposed: 7 - Doug Swett, Christopher DeVries, Steven Steiner, Peter Donohoe, Danielle Santuccio, Dick Klement and Michael Fougere; Abstain: 0.

Stacy Sand stated the reason this is an Article is because they took it out of the Budget because they thought the voters should have a chance to hear the discussions and also to make their decision on it. She will further say that she has learned a lot about this position since the Selectmen did allow it to be put on the Warrant and she has talked to a number of Police Officers that are not even in this town and who feel that definitely there is gap between the victims, the time that a Police

Officer has for these victims until they maybe move on to Superior Court and that this would be a very valuable position to a lot of victims.

Steven Steiner stated he is really totally against it and he will tell the members why. He just can't see how one Officer or one person can handle 1,500 cases. He didn't think they even had the infrastructure in the Police Department to contact management system they are going to need to run this thing. There may be a gap, but it's a task that's impossible for one person to do, so why waste the money.

Chairman Mosca stated his two cents worth: his problem with this is it morphing into a full-time position and he has discussed that and the members have been given all kinds of assurances that it would go back to the voters before that happened. Talking around, he has to disagree with Steven (Steiner) because he thought that it is something that is needed. Again, his issue is what's going to happen in the future and hopefully it will come back before the people before it gets to a full-time position.

John Edgerton stated he thought it is needed. Starting Point only handles domestic cases and sexual abuse and there are a lot of other crimes being committed that aren't covered.

Mark Hounsell stated the Article states that if it is approved by the voters this position will be included in Operating Budgets for future years. So we are, in affect, establishing a new position and he thought it is a great opportunity to establish a needed position and he didn't think, if he recalled right, the 1,500 cases that come forward will be any where near the demand on this position. He thought it may be 150, but be that as it may there is a need and he thought this was a good way to address a need and he commends the Department for doing it.

Dick Klement stated by reading this, it's stating that the total burden rate of this individual in 2016 would be \$44,515.00, that's Retirement, it's everything. Is this a full-time position. Lilli Gilligan stated it's 32 hours per week. Dick stated so help me out with the Obama Care stuff, at 32 hours per week is that a full-time job. Lilli stated they would receive full benefits, but they would have to pay 80% and their benefits would be more expensive because they're only an 80% employee.

Doug Swett stated all he wanted to mention was that if money is no object, how many should be in this position. We're looking at one, but let's say money is no object, to really handle the case load, how many would they need. Danielle Santuccio asked who do you want to answer that. Doug stated the lawyer (laughter). Danielle stated she was going to vote against this Article and that's all she was going to say about it. Doug stated right now there's a Police Officer trying to do it, right. Danielle stated right now there is a full-time lawyer who prosecutes for the Department and the Police Officers, she thought, deal with the individuals, depending on which cases they are working on. Lt. Perley used to kind of do all of this.

Peter Donohoe stated his concern with this is, and he believes if he heard the Chief correctly in his presentation or maybe Sgt. Matte, that

there was going to be certain criteria for this person to be qualified for this position. A retired Police Officer or a lawyer and he was not sure if the Town has fielded or done any survey work, but it seems odd to him that for 32 hours a week, \$44,515.00 all in, that such a person exists. He likes the idea and he thought it was a needed position, but he's not sure if the \$44,515.00 is truly realistic for the full Operating Budget impact in 2016. He didn't know if there had been any survey work done to see if people like this exist because in his math, the dollar per hour figure is pretty low.

Lilli Gilligan stated she thought the dollar per hour figure was pretty low considering that this person would have many, many years of training, Law School under their belt, the presentation that is here for this year is the \$21,000.00 which would cover the person working 32 hours per week, starting on July 1st, qualifying for a 2-Person Health Care Plan, \$17.50 an hour. The position for 2016 she used an expectation that the person would receive a potential of a 3% raise at the \$17.50, she was not sure if that would happen, but she wanted to be able to predict the possible costs and a 10% increase to the Health Insurance rate that's currently being done. She wanted to give a fair representation of what the possible cost in 2016 is. She didn't know if a certain person exists.

Peter Donohoe stated again, he has to believe that there are other towns that have Victim Witness Advocates and he has to believe that there is some history on what the pay scale has been like and what impacts there are to the taxpayers or to the Budget. He just wondered if there was any work done or a survey to see how much those positions pay, how easy it is to fill those positions, etc.

Lilli Gilligan stated she believed that the presentation that Lt. Matte gave was that they had done some looking around, that they did have somebody that was interested in this position who is no longer interested in this position, but it is possible that if they thought that this person would be interested at \$17.50 an hour, and that such a person did exist. She didn't know how much further salary surveying they did or position surveying they did of other local communities. She is unclear on that. Peter Donohoe thanked Lilli for her response.

Chairman Mosca stated he thought the person that was interested was a retired Police Officer who would already be collecting a pension, so money isn't as much of an object when you have other income. Lilli Gilligan stated and that person already has Health Insurance. Chairman stated correct.

Bill Masters stated he was kind of in favor of this in terms of knowing the number of man hours that an individual can put into this. Generally speaking, a Police Officer is the first contact in most anything from a burglary to an accident or what have you. The individual that he contacts can always say "if you have any additional information, you can pass it on to me; you can give me a call at ...". This individual would take the responsibility of referring those calls or taking those calls and referring the individuals to the appropriate channel, for example: Starting Point. In many instances the Police Officer may be called for a

domestic problem, asks a number of questions and based upon those questions may make a referral directly to. It frees up the Police Officer from having to take those calls constantly. It's really frustrating for individuals and he knows because he's been on the receiving end of some of those calls to be told "we're working on it" and "we'll try to get back to you" and "we're looking for answers", that ties up your professional resources who are designed to be out on patrol so on and so forth, then they can't get on to doing the investigating that they really need to do simply because of that.

Dick Klement stated he thought the Police Officers gave a good presentation of what this is for. Remember if they go to Superior Court, this position would not be used once a person got to the Superior Court phase. There's not 1,500 cases as time goes by, but he is going to vote against it and he's going to vote against it because he thought the salary included here is just not realistic and we're putting out a Warrant Article that many people, himself included, would say "you're not going to get somebody whose responsible for \$17.50 an hour". He didn't think the math is there for the job and it's senseless for him to vote for something that is going to go to the voter that isn't doable.

Chairman Mosca asked the members if there was any further discussion. There being none, a vote was taken on the Article.

Chairman Mosca proceeded with the next **Article - Whitaker Woods Multi-Purpose Trail** in amount \$825,000.00. No funds shall be raised by local property taxes. That doesn't mean you're not paying for it. Federal Grant money is not free.

Stacy Sand moved, seconded by Michael Fougere, to recommend the Article - Whitaker Woods Multi-Purpose Trail in amount \$825,000.00. In favor: 2 - Stacy Sand and Greydon Turner; Opposed: 13; Abstain: 0.

Dick Klement stated it was his understanding that this will not be paved. Stacy Sand stated that decision hasn't been made yet. Dick stated as a note, this is a 1.5 mile multi-use recreational trail for \$825,000.00. Does the Town pay that much money to pave a road for 1.5 miles. It just seems to be expensive. Stacy stated the Budget is based on pavement though on the more expensive surface, but it hasn't been decided for sure that it will be paved.

Christopher DeVries stated he was against this because he feels that Whitaker Woods is fine the way it is. He feels that it is accessible; there are areas of it that are quite accessible and there are other paved areas to be and that is a lot money for what you're getting, paved or not paved, and any amount of trail work that you're going to be doing down there is not worth that dollar figure whether it's coming from Town taxes or Federal taxes. He just doesn't see it; doesn't see the use.

Mark Hounsell stated the part of the world that we live in is resplendent with trails, hiking, opportunity to go boating, bi-planes and do all kinds of things and to spend almost \$1 Million for a mile and a half worth of multi-use purpose trail he thought was foolish. We have

infrastructure needs that if this money was available for would come in handy and he's looking to make sure that we have adequate schools and adequate water and sewer for our community and to be able to look at someone and say "oh yea, I'm in favor of using \$825,000.00 from wherever it might come from to do this" when we live in the area he just described he thought was ridiculous. He also thought even given the explanation that we had from Earl (Sires) last night that the organization has pledged or has said that they would do future maintenance, he didn't know how long we can force them and eventually something like this would come before the voters to maintain some fashion. He thought it was a bad use of money and there's such other needs that he can't in good conscience support it.

Chairman Mosca stated even though he opened his remarks by saying it's not being raised by local taxes, most of us are still paying for it through Federal taxes somehow and he thought we have to look at it, and he was not for it, but if we don't use the money then someone else is going to get it because it's not going to go into roads. It's set aside for something else.

Stacy Sand stated a little background on this trail. The goal of this trail committee was to create a multi-purpose trail or bike trail that takes bikers off of the roadways and eventually to connect to the trail in Fryeburg. She asked them why they weren't starting at that end because to her that made sense because you've already got the trail over there, why not connect. The reason being is because the construction and right-of-ways on that would be a lot more expensive and so they thought they would at least get a trail started on an area that will be a little easier to get. This Grant was available so they thought at least let's get started. The goal is to have a trail that will connect basically from the trail that we see in Fryeburg presently all the way to Intervale and to give bicyclists, wheelchairs, walkers, you know all the people that you see over in Fryeburg using that trail to be doing the same thing over here off of our highways. That's the goal. Is this the best way to reach that goal, maybe; it's a start is how they see it. To also give you more information is it probably won't even happen this year because we're like #15 out of projects that they only have money for 12, so we're kind of down the road and this Grant won't even happen. If it does, this would allow the Town to accept that money.

Peter Donohoe stated was there any vision involved in this and you (Stacy Sand) used the word goal which is fine too, but he was curious as to why was Whitaker Woods chosen as the site for the first so-called Grant chunk. Was there any rationale behind that. Stacy Sand stated she didn't necessarily agree with this rationale, but it was explained to the Selectmen that because it would be enough money to do that trail this distance. Instead of just having it let's say in the middle of the rail trail down by Pudding Pond or something like that, this way at least it connects to the parking lot at Whitaker Woods or something like so that there would be access. So it was a matter of where do you start. They started at the other end because it's going to be an even more expensive proposition there because of drop offs, the bridge and that aspect, so do

you start somewhere in the middle or do you start at the other end. She thought their object was to start at the other end.

Dick Klement stated so somehow they have to get across the river to make this thing work to get to Fryeburg, so we're spending essentially in excess of \$500,000.00 a mile or the Federal Government is making free money available to us at \$500,000.00 a mile on land that we already own. If this thing goes forward and gets expanded out, the Federal Government will purchase property, at no expense to us, and they'll build a bridge across the Saco. This just appears to be "wow" to quote Bill Marvel.

Stacy Sand stated first of all there is a bridge there. The snowmobilers use it now and you don't have to purchase property because all of the railways have a right-of-way that's public property already.

Mark Hounsell stated a lot has been said that this is all Federal money and they're going to go after Grants as it says that in the last sentence, but the very first words, the very first thing it says "To see if the municipality" which means the Town of Conway "will vote to raise and appropriate the sum of \$825,000.00". This is a very poorly written Article because on one hand it's saying we're not raising it, but the very first opening is to see if we will vote to raise and appropriate. There is a typo, it should say \$825,000.00. Be that as it may, this is a poorly written Article and it does in fact ask the voters to raise and appropriate \$825,000.00.

Lilli Gilligan stated this poorly written Article was provided to the Town by DRA. It's DRA language. Mark Hounsell stated that doesn't surprise him. John Edgerton stated that doesn't mean it's good.

Doug Swett stated for as long as he can remember, everybody in this country has grabbed money because the next guy's going to grab it if you don't. If you read the Federal Balance Sheet, you can see the result. Thank you.

Chairman Mosca asked the members if there were any further comments.

Greydon Turner asked if the trail was also intended for purposes of other recreation like snowmobiles. He knows there was talk about that, but he didn't remember what the resolution was.

Stacy Sand stated there are parts of Whitaker Woods that she didn't believe snowmobiles are allowed, but this trail is designed for it eventually. The goal was to have, actually by law snowmobiles are considered non-motorized, they are not considered motorized, so snowmobiles would be allowed on this trail according to the definition by the State.

Christopher DeVries stated if we were to pave this, we would then allow snowmobilers to drive on it. He has snowmobiled a fair amount growing up and he's never snowmobiled on any pavement with any sort of success to his machine or the pavement so that doesn't make sense to him.

Stacy Sand stated personally she is opposed to it being paved. There is other surfaces that have better drainage and are more apt to keep the snow. Personally she is opposed to pavement and she has made that public comment and she has been told that the surface has not been determined yet. The people who are in favor of pavement believe that it will make it more accessible to people who maybe now lack the confidence to go onto trails that are not paved.

Michael Fougere stated as far as he knows in Maine there are no mechanical vehicles allowed on any of that trail. It's all human power. That's why the big barricades are put on every intersection so that vehicles can't get on there, unless it's an emergency vehicle.

Greydon Turner stated if you go by the definition of what is a motorized vehicle, which Stacy (Sand) pointed out because they certainly do allow snowmobile traffic. The reason he brought it up was because it's another avenue of revenue for some of the businesses in town that can't currently access that forum.

Michael Fougere stated he thought he remembered reading of the Maine branch that it was going to be for foot traffic only, cross country skiing, hand bikes, walking; it was not going to be allowed to have any motorized vehicles on it.

Stacy Sand stated that may be true in Maine, this Grant, this Federal Grant defines snowmobiles as non-motorized and snowmobiles would be allowed on trails that are created by this Grant.

Michael Fougere stated then that would mean that a walking trail would be in direct competition with a mechanical vehicle. Stacy Sand stated just a snowmobile, not an ATV. Michael stated what he is saying is that you are using a motorized vehicle and now it's in competition with a walking trail and you are agreeing that it is going to be allowed for mechanical vehicles. He thought before the Town goes that way, you get a definitive of what it's going to be.

Chairman Mosca asked the members if there were any further comments. There being none, a vote was taken on the Article.

Chairman Mosca proceeded with the next **Article - Reclassification of Henderson Road** from a Class VI road to a Class V road.

Michael Fougere moved, seconded by Peter Donohoe, to recommend the Article - Reclassification of Henderson Road from a Class VI road to a Class V road. In favor: 11; Opposed: 4 - Terry McCarthy, Doug Swett, Joe Mosca and Dick Klement; Abstain: 0.

Lilli Gilligan stated this Article does not require a vote. Chairman Mosca stated we can still discuss it. Dick Klement stated it does require a vote because there's money involved. Chairman stated it does because there is a financial impact because of the plowing and everything else. This Committee voted on Abrams Way last year and we definitely are going to vote on this one tonight.

Dick Klement stated they're asking for an approximate 1,000 foot part of this road to be reclassified as Class V. It's about 300 feet or less to the first intersection to this group of homes. It appears that instead of being 300 feet, we're looking for .2 of a mile which is going to take it just about to the end of where the current road peters off to nothing which would serve more than this. It's a Class VI road, why do we want to upgrade it to a Class V. The implication is that we'll have to maintain it after they put that first coat on. They haven't finished building the houses in there yet, so at that point they're still going to have a lot of heavy traffic going through and he didn't think they were half built. He may be wrong in that, but he didn't think they were half built. Greydon Turner stated pretty close to half built.

Chairman Mosca stated last year we had a road reclassification which he believes is the same type and it wasn't recommended by the Board of Selectmen and he didn't believe it was recommended by this Board either and he didn't know why this road is being recommended.

Stacy Sand stated this section of road is 300 feet, 1,000 feet or whatever that when the development was approved by the Planning Board, they were given conditional approval that this section of road would become a Town road if they brought it up to Town specifications. That's the condition for this to be accepted is that and tell the developer that this connects to puts it up to Town specifications it can not be accepted even if they voters say yes. That's the first condition. This is a section of road where the Town almost plows it now any way because it's a turn around for the Town plows, so there is a plow in the area. It's not like a plow is going to have to go way out of its way to go, so the impact on plowing is going to be fairly minimal. If this road is brought up to Town specifications, it should be good for a very, very long time. It now is up to Town standards except for the top coat according to Paul DegliAngeli.

Mark Hounsell stated he has watched several meetings that the Selectmen have had on this and found them all very interesting and in particular the one where they had the discussion on putting the one and a half inch wear coat. He thought what they've done is they're doing everything they can to make sure that this road is up to Town standards. He is going to support this because he thought it's only fair play to do so, but he would like to have the Planning Board maybe restrain themselves a little bit and not make it sound like they have any authority to grant approval and tie it to something they have no authority over, and that is, accepting a road as a Town road. He thought the Planning Board misstepped, but he did think, and he did take a drive out there to take a look at it and again it's only fair play and he thought the one and a half inches really makes it minimal at least for a while in maintenance costs. Like it has been said, it's pretty well plowed any ways.

Greydon Turner stated he thought the issue last year with the road that was being asked to be done was also pretty significantly out of the way too and this is only a small stretch since we're already up there anyway.

He didn't know if it was a fair comparison, but he does remember fondly General Greeley.

Lilli Gilligan stated in response to that Paul DegliAngeli's description of the cost to the Town for last year's request would be that an additional staff person and truck would have to be purchased to get out there and make that happen. This will be part of somebody's route and, as Stacy (Sand) said, this is already partially being done during the turn around process.

Dick Klement stated so why do they want 1,000 feet to be plowed when the first entrance to the development is at 300 feet or less. Obviously they want to go all the way down the road to the contractor's house who was there previously at the end of the road. If we want to change that to the first entrance to the development at 300 feet, he'll have no problem supporting this, but to go 1,000 feet is more than what's required and they could have built this thing to enter on Davis Hill, but then the developer would have lost a lot. To maintain that extra lot, there's a lot that goes on in this town.

Peter Donohoe stated one inch and a half binder coat that the developer would be required to put down seems thin. That's his concern with this and he is not a paving specialist, but if this accepted, is the Town going to have to go back and put the finish coat on top of that as well. Stacy Sand stated that is the finish coat. Chairman Mosca stated it reads "by adding an additional one and a half" so he didn't know what's already down there. Peter stated he heard someone describe the one inch and a half as an under laying or something like that. Maybe he just misunderstood.

Mark Hounsell stated from what he's heard and he was paying real close attention to the Selectmen on TV on this is that Paul (DegliAngeli) described the wear coat as being something that is between three-quarters of an inch and an inch, but because of the way they are doing it and everything, we could insist on as much as one and one half inch, so one and one half inch for a wear coat, from his understanding in listening to the meeting, is quite a bit. It's a pretty substantial wear coat, it's not the base coat.

Peter Donohoe stated so there's a base coat there now. Mark Hounsell stated yes. Peter stated he was clear.

Chairman Mosca asked the members if there was any further discussion. There being none, a vote was taken on the Article.

Chairman Mosca proceeded with the next **Article - Lien or Tax Deeded Property.**

Mark Hounsell moved, seconded by Michael Fougere, to recommend the Article - Lien or Tax Deeded Property. In favor: 13; Opposed: 0; Abstain: 2 - Doug Swett and Greydon Turner.

Chairman Mosca stated the next one is the Tax Deed Property and asked if the members needed to vote on that one as he was not sure if the members had to or not. Lilli Gilligan stated she didn't think so and she was basing that on the fact that there's no sentence there for the Committee's vote.

Mark Hounsell stated if we were voting for it, he'd say yes because that's a better way to maximize what you'll get on a tax sale. Chairman Mosca stated he thought we should vote on it any way, just in case, better to be safe than sorry.

Dick Klement asked if this meant that the property could just be sold to someone without a prior notification, does the sale become public knowledge. It makes it appear that it may not be totally transparent how this property was gotten rid of and who gets it. He was just confused. He realized that at an auction you may not get what you're looking for, but most of these properties that he's seen are rather small, some so small you can't put anything on it. It just bothers him that there may be a lack of transparency and a lack of fair play in getting someone to purchase the property.

Stacy Sand stated the Selectmen already can sell property. This method actually came from the Town Attorney so that the numbers are in line with the present RSA's if she's not mistaken. That's her understanding of this. The Town did sell a property last year using realtors so they are already doing that and it is public knowledge, the actual transactions are usually in non-public in terms of who bid what, but the actual purchase is always done in public. It really is not changing anything that can't be done now; it's putting the Town's language more in line with what is already being done.

Chairman Mosca stated the RSA's have been modified over the years. Dick stated you mean the RSA has been modified and something has been going on that is not in accordance with the RSA and we're trying to formalize what happened in the past.

Stacy Sand stated no, no, don't take it that way. The Town has had the right to do it before, but the language now matches the changes in the RSA and she thought it was a number change. Chairman Mosca stated that was what his understanding was.

Chairman Mosca asked the members if there was any further discussion. There being none, a vote was taken on the Article.

Chairman Mosca proceeded with the next **Article** - Adoption of the provisions of RSA 40:14-b that would allow the Default Budget to be put together by the Municipal Budget Committee.

Peter Donohoe moved, seconded by Michael Fougere, to recommend the Article - Adoption of the provisions of RSA 40:14-b that would allow the Default Budget to be put together by the Municipal Budget Committee. In favor: 0; Opposed: 14; Abstain: 1 - Doug Swett.

Stacy Sand asked if somebody could explain what this means. The Selectmen had no idea what this meant.

Chairman Mosca stated right now when SB2 was voted in, the option was to either have the Budget Committee do the Default Budget or the Board of Selectmen put it together. What this is asking for is to change the way we do the Default Budget and allow the Budget Committee to actually be the party to put the Default Budget together. He likes the way Lilli (Gilligan) does it.

Stacy stated this doesn't say that, this says and right now the Budget Committee does determine the Default Budget and that's what this language says. That's where the confusion lies because it doesn't say that now the Budget Committee will create the Default Budget, it says it will determine and it already does.

Chairman Mosca stated he agreed with Stacy (Sand) 100%. He believed the intent of the Article was that the Budget Committee would do what Lilli (Gilligan) does so nicely for us now. Lilli stated the Committee had every right to do this themselves and not take any of her advice and it would have saved her a day of work.

Dick Klement stated a number of years ago a number of members from this Committee put forward a petitioned Article for the School to have the Budget Committee perform the Default Budget for the School. In fact, they did it two years in a row and was shot down both times. Personally, he thought there are professionals in the School and in the Town and our job is to check over what they do and not do all the sweat and perspiration to get to determine where this thing comes from.

Doug Swett stated he really didn't understand this thing because the School we tried to do it from the School position and it wasn't voted in and now you're voting for something that we've already got. Chairman Mosca stated he would agree the language is not what he believes the intent of the Article was, but yes, we already have that, we already do it that way. He thought that if you read the RSA, we would be the one doing what Lilli (Gilligan) does.

Chairman Mosca asked the members if there was any further discussion. There being none, a vote was taken on the Article.

Chairman Mosca proceeded with the next **Article** - Shall we adopt the provisions of RSA 32:5-b and implement a tax cap of 2.5%.

Steven Steiner moved, seconded by John Edgerton, to recommend the Article - Shall we adopt the provisions of RSA 32:5-b and implement a tax cap of 2.5%. In favor: 2 - Terry McCarthy and John Edgerton; Opposed: 12; Abstain: 1 - Steven Steiner.

Stacy Sand stated as the Town explained last year, you already have the right to keep the Budget based on last year's expenses at 2.5% as the Budget Committee, if you so desire.

Chairman Mosca stated he was now going to play Devil's Advocate. The problem with that is when you go to the Deliberative Session, he wasn't saying no matter what gets cut, but normally when things get cut, they get put back in at the Deliberative. There isn't really the opportunity.

Stacy Sand stated this doesn't change that, they still have the opportunity to put it in. Chairman Mosca stated right, they can still override it.

Mark Hounsell stated this is definitely not needed and will create more problems than what we need to deal with. The Budgets that we have are coming in are coming in with thoughtfulness and they're coming in with a good intent in mind and it's coming in with the very definitions of what they're suppose to be. This Budget Committee already has the ability to do what this Article says. This is just mischief making. If we really wanted to break this down, what this Article says is "make us do what we can already do" and to sit and say "well we do what we think we want to do to have it overturned by the people" is somewhat disconcerting because it is the people who get to make the decision on what they want to do with the Budget and their money and to put these caps on in this type of manner is political posturing. A lot of people are pretty fed up with it and he knows he is.

John Edgerton stated he can agree with what it says, but what it says is going to be very complicated because it's a 2.5% increase in the tax rate which isn't even determined until October and nobody knows what the income is going to be until October or later. They won't know until the end of the year what the income is going to be. He's in favor of it, but it's extremely complicated. The Town has almost always been less than 2%. They've done a really good job at making sure that the Tax Rate doesn't go out of hand.

Chairman Mosca asked the members if there was any further discussion. There being none, a vote was taken on the Article.

Chairman Mosca proceeded with the next **Article - Operating Budget** in amount \$10,355,207.00.

Steven Steiner moved, seconded by Michael Fougere, to recommend the Operating Budget in amount \$10,355,207.00. (No vote taken as Operating Budget was amended.)

Dick Klement stated just as a point, we've got \$10 Million and change in the base Budget and this Committee has voted to support over \$1.5 Million or so in Warrant Articles, so we're looking at somewhere around \$13 Million. Dick asked Lilli Gilligan if he was close on that. Lilli asked the members to go to page 29. If everything's approved at Town Meeting, and that includes all of the non-profit Articles, \$11,939,514.00. Dick stated that would up 4.5% over the previous year, if it's all approved. Lilli stated not the Operating Budget. All of the Warrant Articles drive up the cost. The Operating Budget that you're talking about right now is only a 1.6% increase.

Dick Klement stated he understood, but from a taxpayer perspective, if the Warrant Articles get passed, they're going to pay for it. Lilli Gilligan stated yes. Dick stated so we're talking about somewhere around a 4.5% increase if everything is passed. Lilli stated 4.5% increase in dollars to be raised, yes, which using the assumptions on page 29 affects the Tax Rate \$.07 because of the projected increase in Revenues and the assumption that the Fund Balance that they wanted to use for this Tax Rate Calculation was \$400,000.00 and the Warrant Article for Infrastructure is using \$100,000.00 of the Fund Balance as well the way the Warrant Article is written.

Bill Masters asked if the rationale for this was on page 31. Lilli Gilligan stated page 29 is the Summary and the Tax Rate Calculation is on page 31. Bill stated he did a brief computation and he took a figure of \$170,000.00 in valuation and that came out to \$11.00 or roughly \$12.00 increase based on \$.07 per thousand. That's not too bad.

Chairman Mosca asked if any member had any cuts that they wanted to offer.

Peter Donohoe stated he would jump in. He would like to make the symbolic gesture that the Fuel lines are overstated in every Fuel line of the Town's Departments and that a \$50,000.00 reduction could be had.

Peter Donohoe moved, seconded by Steven Steiner, to reduce the Town's Fuel lines by \$50,000.00. In favor: 11; Opposed: 3 - Stacy Sand, Mark Hounsell and Maureen Seavey; Abstain: 1 - Christopher DeVries.

Chairman Mosca stated there is a motion on the floor to reduce the Operating Budget by \$50,000.00 and that would be through all of the line items throughout all of the Departments on Fuel. That would bring the Budget down to \$10,305,207.00.

Stacy Sand stated she could see reducing the fuel costs a small bit, but we've already gone up \$.10 just in the past week at the pumps and she knows that the Town fuel bill hasn't necessarily gone down because the Town doesn't fill on a monthly fill like everybody else, they try to buy it when it's low and try to watch the cash flow and such like that. Lilli Gilligan stated that yesterday's Conway Daily Sun: "Wholesale Gasoline Spike Hikes Pump Price". The article reads that the drop in prices in December were because of EPA mandates. Chairman Mosca stated you don't go from \$120.00 a barrel to \$45.00 a barrel because of EPA mandates. Lilli stated that Earl (Sires) had offered to reassess this and drop pricing if necessary at the Deliberative.

Peter Donohoe stated he just wanted to add to something that Stacy (Sand) said. From a budgetary standpoint, the Town has the ability as other entities do to fix the price of said fuel. Whether you fix it high or you fix it low, that's not the point, timing the market is virtually impossible. The point is to fix it and identify the dollar cost for that line item and put that Budget item to bed. He submits that this \$50,000.00 that could be saved, returned or saved, by practicing that

mechanism, especially in light of the lowest prices we have seen in 8 years.

Lilli Gilligan stated the Town does do a Fuel RFP that is bid out in August and agreed upon in October for price over rack; it's the rack that you're not able to control. They are fix pricing, but they can't control the rack.

Peter Donohoe stated that's correct; however, fixed over rack simply means that you're paying a variable price, so you're following the market either up or down. There is a mechanism that does exist that the Town has not used before and other entities do, again he was not suggesting it's the right call or the wrong call, all he was saying is that the fixed mechanism would simply fix the price for a period of time. It would not go up and it would not go down and given the lowest prices in 8 years, it just seems like there would be an opportunity for the Town to put the line items to bed and not worry about reducing them and then prices go higher and then having to find money to cover that. He sees budgeting differently; he thought you identify it and if it can be identified absolutely then there's some value in doing that.

Mark Hounsell stated he wanted to address it as it pertains to the Library. He understands what Peter (Donohoe) is saying and he thought there's merit to this motion except that he is concerned about the wide statement of "we're going to take \$50,000.00 from all Departments" and how that would impact the Library. He wanted to point out that at the next meeting of the Trustee which is on the 24th, they are going to have a discussion about perhaps making a motion at the Deliberative meeting to reduce the Library's fuel line a little bit, not a lot, because it isn't that much. He is concerned about the motion how Peter stated it how that will affect the Library because they don't have a lot of money. He thought they had \$13,500.00 is what they are carrying in their Budget and they couldn't take a big hit. If there's a \$50,000.00 reduction and someone says "your share of that is \$6,000.00" or whatever it might be, the Library can't absorb that.

Lilli Gilligan stated she just wanted to let everybody know that the price of the Contracts are in place until September 30, 2015.

Chairman Mosca asked if the members had any further discussion on the motion. There being none, a vote was taken on the motion.

Mark Hounsell stated if this recommendation was to go forward, it calls for a \$50,000.00 reduction in the Fuel lines and he's assuming that means all fuels: gasoline, heat and oil; how will the Selectmen allocate that \$50,000.00 reduction. Stacy Sand stated the Selectmen are meeting tomorrow and she would get back to Mark. Lilli Gilligan stated she would recommend the fairest way to do that is to take all of the Fuel lines, total it up and pro-rate the \$50,000.00 across. If your line represents 2% of that, then your \$13,500.00 would go down 2%. Does that sound like a fair way to approach it.

Dick Klement stated that would be except some organizations have already reduced their fuel and others have not. Lilli Gilligan asked who has reduced. Dick stated the Library reduced theirs by \$1,500.00 if he remembers that correctly. He thought Lilli would have to look at if someone has already bit the bullet and gone forward, you can't hit them again, he guessed the Town could, but that's not fair.

Lilli Gilligan stated she thought that decision needed to be made now. Chairman Mosca stated we can't make that decision. The Budget is bottom line and no matter what the Committee recommends it can be changed at any point by the Board of Selectmen or, in the School instance, by the School. We can recommend reducing all Fuel lines by \$50,000.00, but when it's all said and done and if this passes and \$50,000.00 is out of the Budget, then the \$50,000.00 can come from any where, not necessarily out of Fuel. That's just this Budget Committee's recommendation.

Lilli Gilligan stated just for a point of clarification, Dick (Klement) is not correct; \$13,500.00 was presented by the Library for Heat and Oil and \$13,500.00 is still in there. Mark Hounsell stated that's the \$1,500.00 that the Library Trustees were going to vote on. Lilli stated it hasn't happened yet. Mark stated it probably won't happen now.

Chairman Mosca asked the members if there were any other suggested modifications to the Operating Budget.

Dick Klement asked Lilli Gilligan to take a look at Highway Vehicle Fuel and they're down almost \$14,000.00. He thought it has to be looked at as those that already gave, shouldn't be asked to give the same percentage again. He thought the Selectmen needed to take a good look at this thing and figure what to do.

Chairman Mosca stated again this is a recommendation of this Board at this time. Between now and Deliberative and between now and what gets voted on in April, the numbers could change everywhere. The Fuel lines could all go up and other lines could go down. It's a recommendation by this Board and it's not etched in stone unfortunately. If the Committee could do that, they would; but they can't.

Chairman Mosca asked if there were any further suggested modifications to the Operating Budget and there were none. The recommended Budget right now is \$10,305,207.00.

Dick Klement stated where would we be in the Default Budget. Chairman Mosca stated it doesn't impact the Default Budget. Dick stated so that \$50,000.00 in the Default Budget for Fuel can be spent anywhere they want to spend it. The difference between the Default Budget and the recommended Operating Budget is now really skinny. Chairman Mosca stated correct.

Chairman Mosca stated there was a motion to accept the Budget; there was a motion to amend the Budget and we're on the amended Budget right now of \$10,305,207.00.

John Edgerton moved, seconded by Michael Fougere, to recommend the Article - Operating Budget, as amended, in amount \$10,305,207.00. In favor: 12; Opposed: 3 - Stacy Sand, Mark Hounsell and Maureen Seavey; Abstain: 0.

Chairman Mosca stated that wraps up the Town Warrant Articles. Lilli Gilligan stated you have to vote on the Warrant Article. Chairman Mosca and John Edgerton both stated we just did. Lilli stated no, you separately voted for the Operating Budget, the Default Budget and then you have to vote on the Warrant Article. Chairman Mosca stated we just did that. Lilli stated no, you didn't; you voted on the Operating Budget to go down to \$10,305,207.00; now you have to vote on the Warrant Article and whether you recommend the Warrant Article as it's written. Chairman stated he understood what Lilli was saying.

John Edgerton moved, seconded by Michael Fougere, to accept the amended Warrant Article. In favor: 12; Opposed: 3 - Stacy Sand, Mark Hounsell and Maureen Seavey; Abstain: 0.

Lilli Gilligan apologized and asked if she could torture the Committee one more vote. Chairman Mosca stated for Lilli to go for it. Lilli stated the Budget Posting requires that the Revenues be voted on by the Budget Committee as well. You post the Revenues with the Expenditures on the MS-7 that's posted with the Warrant. Lilli asked the members to look at pages 38 and 39. Chairman stated we've never done this before. Lilli stated she knew that and nor did the Selectmen. New Finance Director, so please vote for this so that she may post it.

Mark Hounsell stated he had a question when it comes time. Lilli Gilligan stated MS-7 says Revenues as voted; there's a column "As Voted By the Selectmen" and there's a column "As Voted by the Budget Committee". Mark asked if someone could explain to him how this Committee can vote on Revenue we don't know for sure is coming. Lilli stated you don't know what's going to spent either. Mark stated sure we do, we just voted on a Budget. What we did was raise and appropriate for payment by the taxpayers, but we don't know what we are getting for Motor Vehicle Registrations. If you're asking him to vote that we are getting this much money in Revenue. Lilli stated she would be happy to leave that column at "0" then.

Stacy Sand stated it's a Budget item. When you're determining the overall Budget, you have expected Income and expected outgoing and this is what we, as a Town, and the Selectmen have voted on what they think is going to be coming in. It's a Budget, you can go over budget on this and you can go under budget, unlike the expense account which you can't go over.

John Edgerton moved, seconded by Danielle Santuccio, to accept the proposed income stated to be on pages 38 and 39. In favor: 14; Opposed: 0; Abstain: 1 - Christopher DeVries.

Dick Klement stated he was looking at the line on Motor Vehicle Registrations and for some inexplicable reason we figure we're going to get an extra \$200,000.00, so a lot of people have a lot of money to go

buy new cars this year. Is that what you're saying. Lilli Gilligan stated her prediction is actually that the Town is going to collect another \$125,000.00 because last year's Revenues collected was \$1,575,068.00. Last year's Budget was \$1,500,000.00, so \$200,000.00 more than budgeted. Dick stated but those people that bought new vehicles last year are going to pay less money this year than they paid last year. Lilli stated when setting Revenues and looking as assumptions, she speaks to all Department Heads responsible for those areas, Rhoda Quint feels that this is a very fair number to set as the expected Revenues. Revenues are re-assessed and re-voted and re-presented to the Department of Revenue Administration on September 1st of every year before setting the Tax Rate.

Maureen Seavey stated how come they (DRA) haven't told us that we weren't doing it right. Lilli Gilligan stated she didn't know. She started here on January 2nd of last year and what she does know is that the MS-7 lists Expenditures and Revenues as voted in separate columns for the Board of Selectmen and in separate columns for the Budget Committee. She would like to be able to be in compliance with this form that's posted with the Warrant. It's the overall Budget that's submitted to the Department of Revenue Administration.

Chairman Mosca asked if this was the new form and not the same as what was used in the past. Lilli Gilligan stated it is called the MS-737. It's the exact same information that's been on the MS-7 in the past 3 years as she has been filling them out.

Chairman Mosca stated a motion had been made and seconded and asked if there was any more discussion on same. There being none, a vote was taken on the motion.

Chairman Mosca concluded the Town portion of the meeting at 8:37 PM.

SCHOOL VOTE

Chairman Mosca asked the members if they were in agreement to do the same as the Town and wait on the Operating Budget until the last Article to be discussed. All members agreed.

Chairman Mosca began 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.

Peter Donohoe moved, seconded by Michael Fougere, to recommend Article 2: Kennett High School Facilities Maintenance Fund in amount \$54,443.00 to be offset in part by sending towns of \$35,512.00. In favor: 15; Opposed: 0; Abstain: 0.

Chairman Mosca asked the members if there was any discussion on this Article. There being none, a vote was taken on the Article.

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.

John Edgerton moved, seconded by Michael Fougere, to recommend Article 3: Kennett Middle School Facilities Maintenance Fund seeing \$17,086.00 to be offset in part by sending towns of \$7,340.00. In favor: 15; Opposed: 0; Abstain: 0.

Chairman Mosca asked the members if there was any discussion on this Article. There being none, a vote was taken on the Article.

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.

Michael Fougere moved, seconded by Terry McCarthy, to recommend Article 4: Elementary Schools Facilities Maintenance Fund seeking \$9,900.00 to be offset in part by sending towns of \$1,192.00. In favor: 15; Opposed: 0; Abstain: 0.

Chairman Mosca asked the members if there was any discussion on this Article. There being none, a vote was taken on the Article.

Chairman Mosca proceeded with **Article 5: Conway Education Association Contract** which has an estimated increase of \$447,953.00 for school year 2015/16.

Mark Hounsell moved, seconded by Steven Steiner, to recommend Article 5: Conway Education Association Contract which has an estimated increase of \$447,953.00 for school year 2015/16. In favor: 6 - Stacy Sand, Christopher DeVries, Greydon Turner, Mark Hounsell, Maureen Seavey and John Edgerton; Opposed: 9; Abstain: 0.

Chairman Mosca asked the members if there was any discussion on this Article.

Dick Klement stated he raised the point last night that during the negotiations a Salary Schedule was arrived at, a brand new Salary Schedule, and he gave the example last night of an individual at Step 12 with a Masters +30 credits, the Step 12 cap if you would or number they provided was \$44,145.00. There is more than one, but the one teacher he was looking at has a current salary of \$60,000.00 which is \$1,500.00 above the cap and that individual is still getting a \$1,500.00 raise. He feels that this Salary Schedule was ill conceived. How can you come up with and establish a brand new Salary Schedule that doesn't accommodate what you have right now. If it was the thought of the negotiating team that once you reached the cap, you no longer got any raises or if you did get a raise it would be the Social Security Index at 1.7% instead of what turns out to be a 2.4% raise. He can't vote for this because he didn't think it was done correctly and he has a problem with it.

Mark Hounsell stated he wanted to ask if it would be all right with the Chair if a member of the negotiating team for the School Board District, School Board member Michelle Cappozolli might be able to speak to us regarding this Article. Chairman Mosca stated if she wanted to answer

questions that are brought up because it was discussed by a member of the negotiating team last evening, he didn't think we needed to go through the whole thing again. If she wanted to answer specific questions that are brought up, he had no problem with that.

Michelle Cappozolli stated she was willing to take any questions that the members may have and she will answer them to the best of her ability. She may defer, because of history wise, to Kevin (Richard) if there is anything she can't answer.

Chairman Mosca asked if any other member had any comments on this. There being none, Chairman stated he couldn't support this for the same reason Dick (Klement) came up with. The longevity pay bothers him because he didn't think that should be in there. If you get a pay raise, you get a pay raise. Just because you're there for so many years and the Student Loan of \$1,000.00 a year bothers him. It bothers him because there's no guarantee that in 5 years somebody is going to leave. That was one of the topic brought up by Syndi (White) last night as she was describing that teachers leave after a few years. If we're paying for the Student Loans and then they still leave, we have no guarantee to get the money back, he thought that was ill conceived. He thought if there was language in there that said if you leave in a certain time frame, then you have to pay back the money, he's all for that, but that wasn't done and it's not in the language, so for those three reasons he can not support this Contract.

Michelle Cappozolli stated one thing that needs to be clarified is that it is not a Salary Schedule, it's a Hiring Schedule so that's a little bit different. That's one clarification. You (Chairman Mosca) stated for the \$1,000.00 and she believes it is that they get \$1,000.00 per year, but she believed there was certain language in the Contract that they had to pay some things back. Ms. Cappozoli deferred to Kevin Richard. Mr. Richard stated there is a clause that even for now if the School District paid for a course and somebody leaves, they are obligated to the District if they don't stay for a following year. They wouldn't pay all of it back, they would pay the segment that they used.

Chairman Mosca stated to him you go to college, and he's going to assume, and he shouldn't assume, but a lot of us in the room went to college and a lot of us went to Grad School. We assumed loans when we did that. We had to pay back our loans, it's part of growing up, it's part of learning, it's a responsibility. For someone else to pay off someone's Student Loans he disagrees with, especially when there's nothing in there to say "if you leave, you don't pay us back", if that language were in there he would be more apt to go for it, but again, if we're losing teachers after 4 or 5 years because they're getting their experience and then going out the door and we're helping them pay off their Student Loans in the meantime, to him it's not right, it's just not. He looks at the Contract as the teachers and the teachers' Union got a lot, he didn't see what the taxpayers got, he just didn't. In a Contract negotiation both sides either have to feel like they won or both sides have to feel like they lost. He's negotiated several Contracts himself and if one side feels great and the other side says "what did we get", and that's what he's reading from this, he just can't support it personally.

Dick Klement stated Appendix B of the Agreement states that Conway School District 2015 and 2016 Salary Schedule, not Hiring Schedule. So it is a Salary Schedule or you guys say it's a Salary Schedule. Michelle Cappozolli stated it should say Hiring Schedule.

Mark Hounsell stated he guessed the way you want to do this is to phrase with questions. Mark asked Michelle Cappozolli if she believed that this Article addresses a real need in this District and that is hiring and retaining good teachers and could she expound on that.

Michelle Cappozolli stated before the negotiating team went into negotiations, they did some research on salaries, not only State averages but also surrounding towns and Conway is well below those averages. They need to retain and attract our teachers; they have some great teachers and they want to keep them here. Not only that, but as with any system you have natural attrition and people move on and retire and they need to be able to attract those teachers. What's happened in the past, and she can speak to the Committee on 5 or 6 years just from her experience, they are having a high turn over and because of that they are getting a lot of new teachers and they need to be able to attract them and keep them here. They need to: 1) pay them - they need to have a competitive salary and they need to have some incentive. She does feel that they took a big step in trying to level their ability to retain our great teachers and recruit.

Michelle Cappozolli further stated she understood what Chairman Mosca was saying regarding the loan repayment. It is an added incentive; it is something that Bartlett has; it is the same language that Bartlett has; and she thought with Student Loans payments that are current, \$1,000.00 really, actually is not a lot of money. They have a lot of teachers, especially young teachers, who are trying to work two jobs in order to survive to pay their bills. She personally feels that there was a lot of gain on the District's part in order to really try to be competitive. She thought that was their primary goal.

Chairman Mosca stated he understood her point about some teachers working two jobs, but a lot of the citizens of the Valley work two or three jobs.

Michelle Cappozolli stated that the salaries that these teachers are coming in with are substantially lower and they are trying to even the playing field.

Chairman Mosca asked how many teachers did Bartlett reduce their staff by this year. He wanted to say 5 or 6. Kevin Richard stated 2 teachers and an Aide. Chairman Mosca stated and we are reducing 1.5. Kevin Richard stated 2.5. Chairman Mosca stated Syndi (White) stated 1.5 last night. Michelle Cappozolli stated 2.5 at the High School, but it was proposed to add a Music teacher at the Elementary level, so there is a trade off. There is a need at the Elementary level and the numbers at the Elementary level are actually the same, they are not decreasing and they are actually seeing increases in certain schools, so they do have that need

at the Elementary level and they have actually tried to be creative and try to work with other Districts in order to try to retain and get them.

Chairman Mosca asked what did the taxpayers get out of this Contract. Michelle Cappozolli stated she felt that the taxpayers got a Contract that will give the District the ability to hire, attract and retain teachers and to provide the students and the community with a solid faculty base.

Chairman Mosca asked how is the person who makes \$20,000.00 a year supposed to vote for this when some teachers are getting raises of \$5,000.00 which is 25% of what they make for their whole year. Michelle Cappozolli stated she believed there was only two teachers that are in that; 35% are in the \$2,000.00 to \$2,500.00 range and those are the teachers that are in the 1 to 10 year range that need the bump, they are the ones that really need it; and 52% are only getting \$1,500.00 so there are only two in that particular category.

Maureen Seavey stated the ones that got the large raises, that will probably be a one year thing because you brought them up to level what they should be making. This wouldn't be happening a second year in a row. Is that right?

Michelle Cappozolli stated there's a little bit of history there and she's going to speak to it and have Kevin (Richard) correct her if she's incorrect because obviously she only has a certain amount of history. Basically, there's 2 years where they did not have a Contract so in order to get them all up to level, there will be that one year bump.

Dick Klement asked if he heard correctly where Ms. Cappozolli said because the Contract wasn't passed, we need to give them a double bump so that they get back in line again. Ms. Cappozolli stated in order to get everybody on the Salary Schedule, the Hiring Schedule. Dick stated it is a Salary Schedule by the way and it states in here that if you are at the top step of your column for one or more years, you only get \$1,500.00. This is a Salary Schedule that is out of line. Please understand that from his perspective any way because it says Salary Schedule on it rather than Hiring Schedule, but he doesn't understand how you're in a Union, you go forward with a Contract, the Contract gets defeated, so the next time around you have to get a double hit because that's fair.

Michelle Cappozolli stated she was sorry if she misspoke, she was sorry if Dick (Klement) was not in agreement and if that is a typo, she apologizes, it is suppose to be a Hiring Schedule. This is a one year Contract and they needed to get everybody onto this Schedule so that they can move forward and they can make changes. Again, in that particular category there are only two, and she can't speak to exactly because there are a lot of variables that do go into that, there's seniority and what have you and she can not exactly speak to what those two particular individuals do and she would have to defer to Kevin (Richard) on that particular piece, but in general, this is benefiting those who need it.

Peter Donohoe stated last night, he just wants to clarify something, but Syndi White made reference to what we're talking about here, this adjustment he guessed he would say broadly, and that it was something like \$95,000.00 or \$100,000.00 figure to bring things into alignment if he understood it correctly. Michelle Cappozolli stated \$95,000.00 just to get everybody on. Peter stated and that occurs when. Ms. Cappozolli stated it will occur with this Contract.

Chairman Mosca asked why does everybody need to be paid the same. John Edgerton stated Union. Chairman stated no, trust him because he's run a Labor Union and not everybody with the same job title had the same pay rate. Why does the Board feel that everybody has to be paid the same. Kevin Richard stated that he didn't understand the question. Chairman stated you're saying that you're bringing everybody up to the same levels, he's assuming that people are all being paid the same for years of service or whatever.

Kevin Richard stated for years of experience and evaluation, so to place somebody who has 4 years of experience onto the Hiring Schedule, people who may have been here for 4 years are actually making less money than somebody with 4 years of experience. Chairman Mosca stated he understood what Mr. Richard was saying, but he doesn't necessarily agree that people have to be the same. Mr. Richard stated when you start off, you start off at a beginning salary and he thought it was unfair to hire somebody as an Apprentice and not have any expectation that you're getting better and to be evaluated and have some type of raise associated with it. In other Districts, that's how this discrepancy came about and that's why you'll see even Berlin, they went up \$6,000.00 over a period of 10 years, but in Berlin and Gorham, they did 20 not just statewide, but they took regionally 50 miles within and we're talking about Governor Wentworth, Plymouth, Lincoln, Laconia, and the discrepancy is between \$10,000.00 and \$12,000.00 difference. That was really the motivation he believes as he is speaking for the Board here, but that's what they wanted to do.

Kevin Richard further stated the District had a turnover of 30 teachers this year, so it's kind of this rule of three that they have been living with: some attrition is good; 5% would be a good turnover rate, you have people who retire and they have 8 people coming out next year and that's not bad. They have 30, so they hire 30 people this year and out of the 30 that they hire probably 10 won't be a good fit for their District, 10 will probably leave to go some place else as this has been a historical pattern and then 10 they'll keep for a couple of years because they like it here, they work well, they keep them because they are doing a good job and then over a few years they have to make that determination of is this the place where we are going to raise kids and family or not. So that 3:1 is okay if you're only hiring 7 or 8 people a year, but when you have 30, that's a big deal.

Chairman Mosca stated he was not opposed to having increases and there should be something. He would personally like to see a Chart that goes from Year #1 to Year #30 and saying that if you do the right things you can go from here to here to here in 30 years. You might start at \$30,000.00 but you could end up at \$70,000.00. He doesn't have a problem

with that, but that's not what we're getting and to say that everybody is going to be because they have 4 years of experience, they're all going to get paid the same, he just doesn't agree with it. That's a personal thing. He's said it a thousand times, he's all for paying more, but it has to be done right and he just doesn't see this.

Mark Hounsell stated he sits on the Public Employee Labor Relations Board and he sees a lot of this stuff going on. When he says that you have to pay them all the same, he doesn't mean legally you have to pay them all the same. What he is saying is that the practices of Unions in the public sector, they insist that they get paid the same. One of the things that he thought is lost in this discussion about who's going to make an astronomical pay raise and whether or not somebody making \$20,000.00 should be expected to pay for a professional educator who has put time into their craft.

Mark Hounsell further state he thought lost in all of this is the change that was made in Article 26.1 which was a Hiring Schedule which said in one of the sentences, and he will paraphrase it, but he thinks it is fairly accurate, that no one will be hired coming in more than this person that's already making it and that became in itself a barrier from previous Contracts. No one can negotiate a contract in a vacuum because the other side is in the room. He thought that the common ground that this Contract represents is that the School Board and the School District sees a need for them to address the problem that they have because they do not meet the market conditions, they do not pay teachers any where near the State average and we're going actually backwards and that this common goal of the teachers wanting to be paid more and the teachers wanting to be able to stay is reflected in this Contract. He thought that this is lost that this change in 26.1 is a big change and it's expensive, but if we're going to educate our children don't we want to have the best that we can get in the room or are we just going to take anyone that can breathe on the mirror and say they're hired if it fogs up.

Chairman Mosca stated a couple of points: if you're a blue collar labor Union where people are all making hourly wages, that's one thing. When you're a white collar Union where people are professionals and are salaried, it's completely different. They don't have to be paid the same. He understands that a Truck Driver is going to be starting at one rate and is going to be brought up to the max, it is what it is; but professionals don't have to be done that way and the good teachers should have incentives. If they're excellent, they should get a little bit more money. If they get a higher education, a Masters Degree or a PhD or whatever it is, they should get more money for that. As he has said, he is not opposed to doing it the right way, he just doesn't think this is the right way. He said it last year and he'll say it again this year, he thinks there are too many Administrators, he thought there were too many Aides and he thought if they could cut, not classroom, but the other stuff, the money that could be saved from that could be put into the Contract. He's not saying if you cut \$500,000.00 in salaries, not from teachers but from other places, he's not saying that money is coming back, he's saying that's the money you use to reassess the pool. There are ways to do things and he doesn't see the District doing it. Again, he

agrees we need to pay our teachers more and we need to keep our teachers here, but there's a way to do it and he doesn't see it in this Contract personally.

Chairman Mosca asked the members if they had any further questions or comments on this Article. There being none, a vote was taken on the Article.

Chairman Mosca stated he was going to skip over the Operating Budget and proceed with **Article 7: Engineering Study** with a request for \$287,500.00 for a mechanical and electrical design for the Elementary Schools.

Stacy Sand moved, seconded by Dick Klement, to recommend Article 7: Engineering Study with a request for \$287,500.00 for a mechanical and electrical design for the Elementary Schools. In favor: 14; Opposed: 1 - Steven Steiner; Abstain: 0.

Chairman Mosca asked the members if there was any discussion on this Article.

Dick Klement stated he wanted to emphasize to the School folks that they are really going to have to say what this so that people can understand. This is the design and specifications of the systems and by doing this it will reduce the final contracts. This is the first step in the process. If you say "study", it's going to go down in flames.

Peter Donohoe stated he was glad to see it as a Warrant Article. He is concerned though that it's #7 and he's afraid to find out what would happen after folks are going through the Warrant Articles that they get to this Article and if it's poorly understood that they may not vote for it because he does see the need for it and he thought we are beholden to get this done and get the work done.

Chairman Mosca stated all he was going to say is that our friend Damon (Steere) is going to write one heck of an article explaining everything so that the voters are well apprised of what needs to be done and we get an affirmative vote on it.

Mark Hounsell stated he understood exactly what Peter (Donohoe) said and he was pushing to have this as Article #2, but he found out that by Tuition Contracts Articles 2, 3 and 4 are required to go and then it's always the Operating Budget. This is as high up as they could get it. Peter stated that's unfortunate.

John Edgerton stated the engineering needs to be done and he just hoped that this could be done in time before a boiler fails.

Maureen Seavey stated she thought if people look at the vote of the School Board and the Budget Committee and she thought if we have a good vote on this that there is a possibility that it will pass. She knows you look at that, the votes.

Chairman Mosca asked the members if there was any further comments or discussion on this Article. There being none, a vote was taken on the Article.

Chairman Mosca proceeded with **Article 8: Project SUCCEED** in amount \$38,077.00.

Chairman Mosca asked the members if there was any discussion on this Article.

Mark Hounsell moved, seconded by Maureen Seavey, to recommend Article 8: Project SUCCEED in amount \$38,077.00. In favor: 15; Opposed: 0; Abstain: 0.

Dick Klement stated isn't there a Grant currently in place for a significant amount of money for Project SUCCEED. Kevin Richard stated there is; this number has been reduced over a number of years and this is almost the same number as what it was last year. Chairman Mosca stated that he believed it was a little bit lower than last year.

Chairman Mosca asked the members if there was any further comments or discussion on this Article. There being none, a vote was taken on the Article.

Chairman Mosca proceeded with **Article 9: School Bus Purchase** in amount \$91,000.00.

Peter Donohoe moved, seconded by Steven Steiner, to recommend Article 9: School Bus Purchase in amount \$91,000.00. In favor: 15; Opposed: 0; Abstain: 0.

Chairman Mosca asked the members if there was any comments or discussion on this Article. There being none, the vote was taken on the Article.

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.

Dick Klement moved, seconded by Mark Hounsell, to recommend Article 10 as written. In favor: 12; Opposed: 3 - Peter Donohoe, Greydon Turner and Terry McCarthy; Abstain: 0.

Chairman Mosca asked the members if there was any comments or discussion on this Article.

Peter Donohoe stated this is the second time we've seen this and he was just wondering if we were seeing it again for any particular reason. Chairman Mosca stated because it didn't pass last year. Peter stated thank you. Chairman stated we did not recommend it last year and it did not pass last year.

Mark Hounsell stated he believed that the members would also find that there's a language change where it talks about the money not being spent without approval from the Municipal Budget Committee. He didn't believe that appeared last year.

Dick Klement stated the Town has a number of Funds, if you will, that they are able to carry over year-to-year. The School on the other hand doesn't unless it's in a Maintenance Trust Fund. We have all been sitting here for the past couple of meetings continuing to give our urgent call, frustration perhaps, to say what if the boiler fails tomorrow, there isn't any money. If this money were put aside and there is a cap on it as he understands it and it's not 2.5% of \$34 Million, it's 2.5% of some District Assessment which is \$15 Million. This gives them the Fund that they would need to deal with that catastrophic problem that we have been talking to them about and telling them to get on the stick about. He would ask and urge the members to vote "yes" this year.

Chairman Mosca stated Devil's Advocate; every year for as long as he's been sitting here, the School Department has not spent all of their money to the tune of any where from \$600,000.00 to \$1 Million which gets used the next year to reduce the Tax Rate, so if this money were to be not there, then the Tax Rate is going to be going up at a higher rate because we're not going to have the funds to offset. Michael Fougere stated for one time. Chairman stated this is not for one time. Michael stated once the Fund is established, it will be only the one time. Chairman stated no, it's going to be 2.5% every year. There is no cap set in this. There is a 2.5% per year, but there's not cap saying it can't go to \$75 Million, not that it ever would.

Dick Klement stated \$1 Million on a \$35 Million Budget, they're coming within 3% of their budgeting which ain't bad. Chairman Mosca stated he didn't disagree with Dick, he thought it was great, but he was just saying that if that money is not there to offset the taxes the following year because it's going into this Fund Balance, then our Tax Rate will be going up every year a little bit higher.

Mark Hounsell stated what we have here though is that this would put the School on parody with the Town which can have a Fund Balance and we just saw an hour ago we saw how the Selectmen were able to use the Fund Balance two different ways which he commends them for it. One was to reduce the taxes, but the other was to offset some increases in Capital Fund needs. This also provides that the School Board can use this Fund Balance or a portion thereof to reduce taxes. Basically what this says is "will you allow the School Board to have the same discretion with a Fund Balance as we allow the Selectmen to have, but they are going to cap it at 2.5% because the Town's Fund Balance can be as much as 15% or more actually, but DRA recommends that they have it between 5% and 15% and this is just a, and he won't use the word "pittance", but it's a small cap, a low cap.

Dick Klement stated 2.5% if his math is right is \$225,000.00. It's far less than \$1 Million which you (Chairman) were talking about and \$225,000.00 won't buy a boiler.

Chairman Mosca stated no, but do we want to establish a Fund that has no cap. Mark Hounsell stated it has as much of a cap as what the Selectmen has, but having served on both the Board of Selectmen and the School Board, when you're on those Boards you look for a way to reduce the taxes and when you start seeing the Fund Balance get too high, you have those discussions and you do use that money to reduce taxes because he learned a long time ago that the taxpayers are watching and if you're storing away money and you don't have a good reason for doing it, they're not happy. When you have a pittance of a Fund Balance against a \$35 Million operation, he thought it was reasonable to expect the same School Board that has been turning it back would continue to turn a portion back, but having established enough of a Fund Balance so that you can take care of emergencies.

Chairman Mosca asked if any of the members had any further questions or comments on this Article. He could back and forth with Mark (Hounsell) all night on this. His only point is that if it were capped at \$1 Million, \$2 Million or whatever that's what he's saying. He understands that nobody is going to keep money squirreled away and they're not going to put things back towards taxpayers. He personally would just like to see a number capping it, that's him personally.

Chairman Mosca asked the members if there was any further discussion on this Article. There being none, a vote was taken.

Chairman Mosca proceeded with **Article 6: Operating Budget** in amount \$34,093,455.00.

Mark Hounsell moved, seconded by Steven Steiner, to recommend Article 6: Operating Budget in amount \$34,093,455.00.

Chairman Mosca asked the members if there was any discussion or comments on this Article.

Dick Klement stated one of the questions we asked of the Elementary Schools was how many Aides they had. Several years ago when the School Board voted to go to all day Kindergarten, the question was posed to them that okay you're going to get a teacher for each session and typically there's two sessions of Kindergarten in each school, you don't need Aides. They replied that they didn't need Aides and he said don't come back with Aides. Well, at Pine Tree there's one full-time Kindergarten Aide that's District funded, at John Fuller there's a half time, full-time person supporting Kindergarten at 3.5 hours a day and there's also a 4.6 hour a day person supporting Grade 1 students, at Conway Elementary all of those Aides are Title I Aides. Title I is not Special Education, that's money they go to the government for and get on an annual basis to help, so he's seeing right here a total of two heads that are Aides that they said 3 years ago that they didn't need. Now, times change but he sees no reason to add these Aides. They're adding a Music Teacher, but he didn't know why they need the Aides.

Dick Klement moved, seconded by Steven Steiner, to delete those two Aides and he would assume their pay is about \$50,000.00 apiece for a total of \$100,000.00. In favor: 6 - Terry McCarthy, Doug Swett, Steven Steiner, Joe Mosca, Danielle Santuccio and Dick Klement; Opposed: 9; Abstain: 0. MOTION FAILED.

Mark Hounsell stated he guessed what he wanted to do is start from what's in front of us, before the motion, he understands Dick's (Klement) rationale for the motion. He wanted everyone to be clear that this Operating Budget is less than last year's, \$176,286.00 less than last year's. The School District has worked with their Administrators to put together an Operating Budget that is needs-based, that does meet the needs and they do need these classroom Aides. They need them in order to do the job that is expected of them to do. He was in the Kindergarten class just a couple of weeks ago with Stacy (Sand) and the enrollments are great, 40 kids enrolled at the Conway Elementary School. You need to have that whole area of that school, and John Fuller and Pine Tree are the same thing, you can't just have the teacher watching all of those kids. Little kids when they're 5, 6, 7, they're apt to be doing things that you need more eyes on. Next year there's going to 44 Kindergarteners that they know of so far that have been identified so there's going to be more children and these children need the adult supervision that the Aides bring and they're called Aides because they are aiding, they're assisting, they're vital to provide the attention that these students need. He would hope that we wouldn't diminish what they're offering the Elementary School students by eliminating \$100,000.00 worth of programming.

Steven Steiner asked Mark Hounsell if the 44 students were split into two classrooms. Mark stated yes. Steven stated so we're talking 21 kids in one class and you need two teachers and two Aides to take care of those many kids, really. Mark stated yes, you take kids being 5 years old and you're going to put one teacher in there and they're going to have their hands full. We're not talking kittens, we're talking children. They're going to need attention and adult supervision.

Stacy Sand stated she was right there with Mark (Hounsell). Five and six year olds need a lot more supervision, adult supervision than 10 and 11 year olds. She thought there was a big difference in Kindergarten versus 5th and 6th graders. She tends to agree with the amount, but for different purposes. She's look at this Budget very carefully and even though she thought there is definitely a need in Technology for improvements, the actual increase over last year is \$220,000.00, she means the actual Budget is \$220,000.00 for new computers and she has a hard time with doing that all at once. She thought they should have been doing it instead of \$6,000.00 a year maybe doing \$10,000.00 a year or even \$20,000.00 for these schools, but to do it all at once like this she thought was not the way to do it. If they are going to do it this way, give us a schedule of how you are going to replace them in the future. Instead of having to replace all of the computers all the time and this isn't replacements, these are new, the replacements is another \$60,000.00 at the High School, or \$31,000.00 at the High School above, a \$31,000.00 increase so it's now \$60,000.00. That's scary to her. Are we going to

have to look at replacing everything every 3 years versus maybe every 2 years doing a portion of those. She didn't see a plan for that and that's kind of scary to her, but let her go through all of the ones or do you want to take them one at a time.

Chairman Mosca stated we have a motion on the floor to reduce by \$100,000.00. Stacy Sand stated she wants that \$100,000.00 and she's going to give the Committee things that will fill that, but it doesn't necessarily have to be for Aides. Chairman stated but we have a motion on the floor to reduce the Budget by \$100,000.00 by taking out 2 Aides. We need to act on that motion and then move forward from there. Stacy stated so then we come back with another motion. Chairman stated yes.

Chairman Mosca stated he's not saying that we don't need the Aides in Kindergarten, but maybe there are other places within the School system that we could cut two Aides. He was not opposed to that.

Mark Hounsell stated this is where it gets a little dicey because Dick's (Klement) motion speaks to specifics and he likes that, he may not like the motion but he likes that it speaks to specifics, but if we're going to use that \$100,000.00 as a bargaining chip between Aides or computers or whatever, each motion needs to stand on its own without thinking whether we should do this or not. He'll be ready when it's time to discuss Stacy's (Sand) comments.

Chairman Mosca stated that's why he asked Stacy (Sand) to hold off because we are going to do each one individually.

Dick Klement stated he does recognize that whatever we propose in terms of him proposing 2 Aides full-time positions if you will for \$100,000.00, but we need to recognize that if the School Board, if it's accepted, can take that \$100,000.00 and delete it wherever they want to delete it because they don't have to listen to what we propose. There are examples of that in the past where they have done something different to achieve the deletion that we had asked for. He's using this \$100,000.00 arena because they said they did not need Kindergarten Aides and yet they have them. From his way of thinking they are not needed because they said they didn't need them.

Mark Hounsell stated whoever said they didn't need them didn't have a very good crystal ball and he won't blame them because he's had his share of mistakes and blunders as well. The fact is is that they do need them, so whatever someone said 3 years ago or 30 years ago, they missed that one because they need those Aides.

Bill Masters stated just a point that he would like to make. He thought the \$100,000.00 reduction is fine, but to designate that as the Aides is, he's a very strong proponent of the Elementary system because it's a foundation for everything beyond that. What the evaluation Title I came out was the SES which is the Supplementary Educational Services that are provided was extremely effective in producing academic performance far above those that didn't have that. At the very Elementary level getting them started first that's fine, he has no objection to reducing

\$100,000.00, but let's not put it into the Aides or the Elementary system. They've taken a hit for a long time.

Chairman Mosca stated again, no matter what this Board comes up with, the School Board has the final say on how their money is spent. It's been the practice of this Board for the last couple of years to try to identify areas that we feel we could make some reductions in and that's why, to Dick's (Klement) point, the Principals did say they didn't need Aides and now there are Aides. He was not saying whether we need them or not, he thought overall throughout the whole School system if we eliminated 2 Aides not necessarily in the Kindergarten, but he thought 2 Aides could be eliminated overall.

Chairman Mosca asked if the members had any further discussion or comments on the motion to reduce.

Mark Hounsell stated he has to fight for these Aides even though it looks like they are making \$50,000.00 a year or they're costing us \$50,000.00 a year each, he didn't think that was a real number, he thought it's a number that's rounded off, but if we're going to cut teacher's Aides, he would like to know what that real number is. He understands we're going to have rationale behind each proposal and he likes that, he accepts that, but this is not the place to find a \$100,000.00 cut by cutting these people out of the classroom. He doesn't care who said what 3 years ago or 30 years ago, he's talking about 2015/16. We need these Aides.

Chairman Mosca asked if there was any further discussion on the motion on the floor. There being none, a vote was taken on the motion.

Chairman Mosca asked if there was any further discussion on this Article.

Dick Klement moved, seconded by Steven Steiner, that we decrease in Unit 10 the Legal Professional which Actual Expenses in 2013/14 of \$16,700.00, Adopted Budget for 2014/15 of \$50,000.00 and proposed Budget for 2015/16 of \$70,000.00, he would like to reduce that by \$20,000.00. In favor: 10; Opposed: 5 - Peter Donohoe, Greydon Turner, Mark Hounsell, Maureen Seavey and John Edgerton; Abstain: 0.

Stacy Sand stated that was one of the items on her list and the reason being she would like to explain is that if we're paying all of this additional money for a new Superintendent that has been approved by the School Board, then she thought that person should have the qualifications that they're going to need maybe less legal assistance because the reason given for that was that the new Superintendent might need more assistance. Her feeling is that if they're getting that much more money, they should be a little better prepared for knowing the laws to run a School system.

Mark Hounsell stated he hoped that's the case, but didn't know that it would be. The reason for the \$20,000.00 is to have enough support for whoever the new Superintendent might be. That is the rationale behind it and that's the reason that \$20,000.00 is in there. Hopefully they can

find someone so they won't need to spend this type of money on, but he's not so sure that's going to happen.

Dick Klement stated Unit 10 is a Conway paid Unit. The Superintendent's legal expenses should be covered under the SAU Budget. Mark Hounsell stated they're not. They're charged back to the District who needs it. He checked it out today. If Jackson needs to have a legal, they're charged by the SAU for that and it comes out of the Jackson Budget if it's a Jackson issue and that's what he was told today. If Conway has a whole bunch of stuff that it needs to have answered for Conway, Conway gets charged. Dick stated we're going to hire a lawyer for \$17.50 a hour at the Town for 32 hours a week, maybe we could come up with 8 hours for the School.

Chairman Mosca asked if there was any further discussion on the motion that is on the floor. If passed, that would bring the Operating Budget down to \$34,073,455.00. There being none, a vote was taken.

Chairman Mosca stated motion passed so we are now working on an Operating Budget of \$34,073,455.00.

John Edgerton moved, seconded by Danielle Santuccio, to limit that amount and that Article as it stands. MOTION WITHDRAWN.

Chairman Mosca asked for an explanation of the motion. John Edgerton stated we just changed the amount and wishes to move the Article. Chairman stated no, because you have other people that have proposals. You can make a motion and see if somebody seconds it. He thought the motion was premature and he asked John to withdraw the motion because not everybody has had the opportunity to present their proposals. John agreed to withdraw the motion.

Stacy Sand moved, seconded by Dick Klement, to recommend a reduction in the Operating Budget as follows: \$3,000.00 in the Professional Development which went up \$18,000.00; \$3,300.00 for Health Equipment; \$10,000.00 in the Concussion Program; the Trash Budget for the High School and Middle School by \$2,000.00; \$1,000.00 for the Safety Coordinator; \$6,000.00 for the Telephone and Internet at the High School, for a total reduction of \$25,300.00. In favor: 9; Opposed: 6 - Christopher DeVries, Peter Donohoe, Mark Hounsell, Greydon Turner, John Edgerton and Michael Fougere; Abstain: 0.

Stacy Sand stated she didn't know where to start because they are kind of all over the map. Stacy asked if she should do them all at once. Chairman Mosca stated do them all at once and we'll come up with one grand total.

Stacy Sand stated she would like to recommend that we decrease the Budget \$3,000.00 in the Professional Development line and she didn't have the exact line, but it is for Professional Development. It went up \$18,000.00 this year which she thought was a bit of an extreme jump for one year. She would like to reduce the Budget an additional \$3,300.00 for Health Equipment, it was audio and she forgot the name of the other testing equipment, but she thought that equipment was surely available at one of

the schools and should be shared amongst the schools instead of just having it located in just one location saving the District money. She would like to reduce the Concussion Program Budget which went up \$19,420.00 because she just can't believe it would cost that much to get a base line test for our athletes and would like to reduce that by \$10,000.00. She would like to reduce the Trash Budget for the High School and the Middle School by \$2,000.00. The Elementary School Trash Budget stayed the same and she didn't know why the High School and the Middle School had to go up. She didn't understand it, it's not like they should be generating more trash than last year.

Stacy Sand further started talking about the Technology Budget; she knows the need to have more computers in our kids' hands, so she's really torn on this. She is just afraid that they are going to spend the \$220,000.00 this year and then 5 years down the road have to go through the whole thing again. She wished that someone had presented a time fashion so that we could get up to speed and have a replacement plan and she didn't see that in any of the reports or plans or goals that she's been given from the Technology Director or the Superintendent, so she's tempted to lower it but she's not going to, but she thought it's unfair to ask the voters to do it all at once all the time. With a Plan, we could do a replacement Plan that makes sense for this town. She's going to leave that one off for now and let somebody else do it. She would like to firmly recommend the reduction of \$1,000.00, we had first reduced the Budget by \$35,000.00 for a Safety Coordinator last year and they went and hired that person any way at \$1,000.00 more, so she definitely thinks they went over budget and that \$1,000.00 is a protest on her part to say that she thought they could have found somebody qualified at \$35,000.00 which was their budget which we had asked them to remove any way. There were a couple more, but she hadn't figured them out yet.

Chairman Mosca stated the total is \$19,300.00; \$3,000.00 for Professional Development, \$3,300.00 for Health Equipment, \$10,000.00 for the Concussion Program, \$2,000.00 for Trash and \$1,000.00 Safety Coordinator.

Stacy Sand stated she had more to add, we saw a major, major increase in Telephone and Internet at the High School, well over \$12,000.00 increase, and she would like to reduce that by \$6,000.00.

Chairman Mosca stated that brings the total to \$25,300.00.

Mark Hounsell stated he was going to have to do the company line if you will, but he's going to be real soft in his objection to this motion and commend Selectman Sand for taking a lot of time to find these and doing a good job. He stands by them and he doesn't know enough about them to argue with her about it. That little bit of money he was not going to spend a lot of time, but he did want to speak to the one thing that she left off and he appreciates her leaving it off and that is the Technology. He is going to ask Kevin (Richard) if it's all right to give a little briefing that we do have a Plan, but before we do that, there's some past mistakes that they are still paying dearly for and they're going to pay dearly for for another 10 years and that is when they built the High School and the Middle School, they bonded computers that are

long gone in the junk pile and they are still making Bond payments on them. It hasn't always been pretty, but he thought they were getting better at it. Kevin (Richard) can explain that they do have a Plan and that the State requires that they have a Plan.

Dick Klement stated Point of Order. She didn't discuss computers for a reduction, did she. Chairman Mosca stated she did not. Dick stated they haven't been discussed, so why are we opening up a discussion on this subject. Chairman stated the Point of Order is well taken. If the Board wants to hear about the Plan, then that's the Board's privilege. Chairman asked the members if they wanted to hear about the Plan for Technology.

Peter Donohoe stated he thought it was a little late to hear about this Plan. He felt there were a lot of opportunities to hear about the Plan, but the School Board members weren't present at our meetings. He thought it was too late.

Chairman Mosca stated we have a motion specific on the floor that does not include Technology. The motion on the floor is to reduce the overall Budget by \$25,300.00, so the total Budget figure would be with the reductions \$34,048,155.00. Chairman asked if there was any further discussion on this motion. There was none, a vote was taken on the motion.

Chairman Mosca stated the motion passed 9 to 6 and the current Budget that we will be voting on shortly, if there are no other changes, is \$34,048,155.00.

Dick Klement moved, seconded by Joe Mosca, to reduce 2 people from this Budget by \$135,000.00 for personnel. In favor: 2 - Doug Swett and Dick Klement; Opposed: 12; Abstain: 1 - Terry McCarthy. MOTION FAILED.

Chairman Mosca asked the members if there was any discussion on the motion.

Dick Klement stated the average salary, average gross salary of an individual is \$67,500.00, so two people would be \$135,000.00.

Stacy Sand asked if this was specific personnel like teachers or Administration or personnel in general. Dick Klement stated heaven forbid he make a recommendation to get rid of an Aide, so he left it as personnel so they can do as they please.

Mark Hounsell stated he thought taking the dart board approach at this late hour is irresponsible. To say \$67,500.00 seems strange to him since he's heard that number from Mr. Klement when he was talking about his objection to the Teachers' Contract. They need to know which teachers, they need to know which personnel, what bus driver, what custodian, which one are they to say "we don't need you". The fact of the matter is this Budget is less than last year, less money by \$176,000.00 before the recommended cuts and it's needs-based and there isn't a person who is on the payroll or the future payroll that is not needed. To sit here and just take a pot shot at it is again irresponsible.

Chairman Mosca stated he was going to play Devil's Advocate again. The Budget's down from last year, but how much of that is Health Insurance. We had over a \$600,000.00 decrease in Health Insurance this year which is great and he's not saying that it's not good, but if the Health Insurance had stayed the same, then the Budget would have been up. Health Insurance doesn't go down all the time. Nine times out of ten it goes up. So we had a great year, both Town and School, but what's going to happen next year if it goes up 10% or 15%, you're going to make the same argument.

Mark Hounsell stated he was going to support what's needed to educate our children. He was sure that the School Board will do the same thing and this Budget that is before you is what is needed to educate the children of the Conway School District. To say that they don't need these personnel without giving some rationale except that you don't like the way they did a reduction, they reduced the Budget, but you didn't like the way they did it because it was through Health Insurance. The fact is that this Budget is less than last year and it meets the needs that they need to move forward to educate our children. To just take \$135,000.00 out of it is irresponsible.

Dick Klement stated thank you to Mark (Hounsell) for him (Dick) being irresponsible and thank you very much for that, Dick appreciates it. Actually, he's sitting here as a member of this Board and he believes we have excess teachers, he believes we have excess Aides, he believes that the School can find a way to cut these people and still provide the quality education that they have been. The School, the High School, was #10 in the State, he believes it was, which is great. We offer an awful lot of courses at the High School. The costs per child from Bartlett is over, he didn't know if it was Bartlett or Jackson, \$35,000.00. It's enough to send a kid to college for a year. The Conway taxpayer is paying an average \$12,000.00 to \$15,000.00 for this. Just because the Budget went down doesn't mean we all pat ourselves on the back and say "okay, we don't need to do anything else; this is great; we're moving forward and we're going to keep the same people we have". Public education is not a jobs program, it's a business and as a business he believes we can afford to reduce this Budget by \$135,000.00 in the area of personnel. He didn't say that is should be a custodian, he didn't say it should be a bus driver, he didn't say it should be a teacher, he just said personnel.

Mark Hounsell stated if, in fact, we are #10, he didn't want to be a part of making it #11 or #12. We have a good School system and it's because the people have recognized that the things that they need to make it happen and things that they need to make it happen are people. People are what we use to educate our children. When you start cutting people, you start cutting programs and you start cutting the effectiveness of the education. He can understand the difference between policy setting and Budget scrutinizing and he thought it was important that this Budget Committee recognize that it does not set policy, it sets Budgets. If there's a need to address the points that Mr. Klement brings up, then that needs to be done at the School Board level and he would encourage people to take that step and to involve themselves in the policy making

side of it. To come in and just cut \$135,000.00 because and he didn't know why, guess he just doesn't like so many people around. No rationale.

Chairman Mosca asked the members if there was any further discussion on the motion that is presently on the floor which would bring the Budget down to \$33,913,155.00. There was none and a vote was taken.

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

Stacy Sand moved, seconded by John Edgerton, to reduce \$30,000.00 in the Technology Budget. In favor: 0; Opposed: 15; Abstain: 0. MOTION FAILED.

Stacy Sand stated she was going to propose this for discussion purposes and because she would like to hear how this laid out so that we're not going to be stuck with \$200,000.00 a year in new computers.

Chairman Mosca stated that at this point in time, Mr. Richard, if he wouldn't mind.

Kevin Richard stated there is a Plan and part of the problem is that they haven't kept up with technology since we built the new High School and the new Middle School. You're probably going to see, and he's going to be all open and honest with the members, that technology is a major priority from the Administration and the teaching staff, the accessibility of it. The good news is that they were purchasing computers at \$1,000.00 apiece and now we're buying Chrome Books at \$250.00 apiece. The life cycle of these computers is typically 3 years, but they're spreading it out over 5 years. They built the High School and the Middle School 7 or 8 years ago and those computers are still in place right now and they aren't able to be functioning at a reliable accessible place. At \$200,000.00 there is a District Plan and he apologized if Mr. Anderson didn't clarify that for the members, but here's where the process goes: 1:1 right now for students at Kennett Middle School, that's where they are; bumping up to the High School, we're getting closer and closer to that, so that each student when they come in ultimately that's where they want to go is to say less exposure to damage if you get a laptop, it's accessible all the time, it's ready to go and they're using the Chrome Books, the Google, the Cloud and that's we're they're going. Again, every 3 years you're going to have to replace 60 or 70 of those computers, just within the Middle School, so there's your cost there.

Kevin Richard further stated then there's the associated costs, that's why you'll see the phone and Internet that you saw, one of the pieces if anybody has a child that goes to Kennett High School, the Internet speed, increasing the band width for the usage and you've probably noticed it at your house, you have different choices as to what band width comes into the building. That's why there was a substantial increase because what they were finding was bogging way down and the kids weren't able to use the accessibility, so that was the Internet usage as well. So, \$200,000.00 today is kind of give that booster shot to get up to where they need to be, on the right track, but he wasn't going to tell the

members that they're not going to come back as a priority with over \$100,000.00 next year. That's the reality of the Plan.

John Edgerton stated as they do for buses and do for trucks and everything else, it would be nice if we could have a chart that shows us for the next 10 years what you expect to do because we get charts for everything else. Kevin Richard asked for 5 years and John agreed.

Dick Klement stated at the High School remember there's about 40% or 50% of that money is spent by the sending towns. If you're going to spend \$200,000.00 at the High School hypothetically, the Conway taxpayer pays \$100,000.00 of that. We have to keep that in mind because it keeps getting confusing. The Middle School and the High School are the big donators, if you would. That's part of the equation and it's hard to factor in.

Chairman Mosca asked if there were any further discussion on the motion that is on the floor. The motion would reduce the current Budget by \$30,000.00 from the Technology Budget which would give us a Budget of \$34,018,155.00. There being no further discussion, a vote was taken on the motion.

Chairman Mosca stated the motion was not recommended unanimously. John Edgerton stated we got what we wanted though. Stacy Sand stated that's right, she got information that she didn't have earlier, we should have had it earlier, but we didn't have it.

Chairman Mosca asked if there were any other motions or discussion on the Budget. There being none, Chairman requested a motion to accept the figure of \$34,048,155.00 would be in order. We would be reducing the overall Budget by \$45,300.00.

John Edgerton moved, seconded by Danielle Santuccio, to recommend an Operating Budget of \$34,048,155.00. In favor: 11; Opposed: 4 - Christopher DeVries, Mark Hounsell, Dick Klement and Greydon Turner; Abstain: 0.

Chairman Mosca stated now we need to vote on Article 6, the Budget, the recommended Budget by the Budget Committee is currently \$34,048,155.00.

Stacy Sand moved, seconded by Bill Masters, to recommend Article 6 using the Budget amount by the Budget Committee of \$34,048,155.00. In favor: 12; Opposed: 3 - Mark Hounsell, Christopher DeVries and Greydon Turner; Abstain: 0.

Mark Hounsell stated he was confused on how he was to vote as the School Board representative. He has been instructed to support the Budget before these cuts, but he didn't necessarily want to be recorded as being opposed to the Budget. Can you tell him which Budget will appear on the Warrant Article? Chairman Mosca stated the Budget that will go to the Deliberative will be ours; however, at the Deliberative Session that number can be changed up or down. Mark stated okay, but the one that goes to the Deliberative is what we vote on tonight. Chairman Mosca stated it

is what we vote on right now. Dick Klement stated he moved that the School Board recommendation be attached. Chairman stated the School Board's recommendation will be attached, but what the voters will be deciding on is the Budget Committee's number. We start with the Budget Committee's number and it can go up or down from there.

Chairman Mosca stated the amended Article 6 reducing the Budget to \$34,048,155.00 is recommended by a vote of 12 to 3.

Chairman Mosca stated he believed that was it for the School Warrant.

OTHER BUSINESS

Chairman Mosca asked if any member had Other Business to discuss.

Dick Klement stated just to recap the next step here. In previous years the School Board has gone back and decided whether they would accept that as the number or reject it. He assumes this will occur again.

Chairman Mosca stated he couldn't speak for the School Board. Mark Hounsell stated at his earliest convenience, he will bring that topic before the School Board to accept or not to accept. That will be done before the Deliberative Meeting.

Chairman Mosca asked if there were any further questions or comments. The next time we meet will be at the Deliberative which is March 2nd for the Town and March 4th for the School District. He believes it will start at 7:00 PM and goes to whenever. If it is something different, he will let everybody know.

Dick Klement moved, seconded by Michael Fougere, to adjourn the meeting at 10:15 PM. Motion carried unanimously.

Respectfully Submitted,

Iris A. Bowden, Recording Secretary