

**PRELIMINARY MINUTES OF MEETING  
MUNICIPAL BUDGET COMMITTEE  
October 21, 2015**

A meeting of the Municipal Budget Committee was called to order at 6:32 PM in the Professional Development Room at Kennett Middle School with the following members present: Chairman Joe Mosca, Doug Swett, Dick Klement, Danielle Santuccio, Pat Swett, Bill Marvel, Bill Masters, Greydon Turner, Peter Donohoe. Excused: Mark Hounsell, Pat Kittle, Jim LeFebvre, John Colbath and Christopher DeVries. Absent: John Edgerton, Frank McCarthy and Terry McCarthy. Also present: Jim Hill; Lilli Gilligan, Town Finance Director; and Earl Sires, Town Manager.

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

TOWN REVIEW

Chairman Mosca turned the meeting over to Earl Sires and thanked him for coming to the meeting. Earl stated he was looking forward to seeing more of the members in the next 4 or 5 months. Earl advised that Lilli Gilligan was going to give the 3<sup>rd</sup> Quarter Report and that he was at the meeting to answer any questions that may come up concerning the 3<sup>rd</sup> Quarter Report.

Lilli Gilligan stated she was going to cover the Expenditure Report first. The expenditures thus far if they were right on track with spending the percentage equally distributed throughout the year the Town would be at 23% left. The Town is presently at 25% left. The Executive Budget is right on track; Elections is right on track; Finance has a little bit more money right now because the tax billing is in that account and, as the members know, tax bills have not gone out and the Tax Rate has not yet been set. The Town expects that the Tax Rate will be set within the next week and a half.

Lilli Gilligan proceeded with the Assessing Budget is tracking as overspent by just a tad and that is due to additional mapping requirements for the additional subdivisions that have gone into the Town and, as Tom Holmes would say, it's a good thing because that means more money futurally for the Town taxes.

Lilli Gilligan proceeded with Legal Budget has over 54% left; the Employee Benefits is tracking right on target with two more payments for New Hampshire Retirement and two more payments for Health Insurance for the year. Planning and Zoning is right on track. Government Buildings has a little bit more than expected, 33% is left right now, which is due to the fact that the majority of repairs that occur at Town Hall happen between the end of paving and before snow plowing begins, so those types of fixes and purchases will be happening in the next 6 weeks.

Lilli Gilligan proceeded with overspending at the Recreation is primarily due to a massive break of the toilets the first week of Summer Camp she believed which needed immediate attention. Whitaker Maintenance is overspent by \$245.00 which is due to needing a new door that needed to be replaced at the Whitaker Building. Cemeteries had the Town actually

spending money out of there and the Town is immediately reimbursed by an insurance claim. There was a car accident that resulted in damage to a cemetery on the West Side Road and the Town was able to recover all of the monies needed to repair all of the granite columns that were broken in half.

Lilli Gilligan proceeded with Insurance will end with that balance for the year as that has been paid for the year which results in almost \$7,300.00 left there. The Police are right on track. The Ambulances are paid quarterly so that is right on track. The Non-Precinct Fire Budget is fully paid for the year as their Contract requires three payments during the year: May, June and October and that's obviously a very large bill, almost \$313,000.00.

Lilli Gilligan proceeded with Building Inspections is right on track. The Highway Department has several large looming bills for pavement coming in; it's at 29% left, but that is tracking right on track as well. Solid Waste is also tracking to have a little bit extra in the balance at the end of the year. The Welfare Budget is tracking far below the expected spending at this time of year and the Welfare Officer has identified several reasons for this and many of them are due to the fact that she works very closely with several of the non-profits in town that we, as Town taxpayers, support through the Warrants and makes sure that they are doing their part in covering the services that their organizations provide and in addition to Fuel Assistance being far down and then assistance in general requests are far down as well.

Lilli Gilligan proceeded with the Parks and Recreation Budget is slightly over spent which is due primarily to a \$3,000.00 need to budget for cross country grooming at the Whitaker Trails for the 2016 Budget. The Library is tracking to have money at the end of the year at this stage. The Patriotic Purposes: the fireworks display and entertainment cost more than was budgeted; the 4<sup>th</sup> of July celebration was much larger than what it has been in the past. Those lines are all paid for the year. The Veterans Day payment has already been made so that will end with an over spent line of \$3,826.00.

Lilli Gilligan proceeded with Conservation Commission has a few bills that are expected to come in within the next few months, one was actually received today, so that is dramatically under spent, but it's only an \$11,000.00 Budget. She will talk more about the Conservation Commission when discussing Revenues.

Lilli Gilligan advised that the debt has been paid for the Library Bond and there will be no TANS pulled for the second half of the tax year and that is thanks primarily to Jim Hill finding it in his abilities to push several payments on the School payment schedule so that cash flow can be met. Right now there is approximately \$2 Million left to pay bills for the next several weeks until the Tax Rate is set and tax bills go out. Half of that is already allocated to the School to be received in two and half weeks, so things get very tight at this time of year.

Lilli Gilligan asked the members if there were any questions about the Expenditures and that the Town is tracking to have some money left at the end of the year to put towards the Fund Balance.

Dick Klement stated in Highway Inventory the Town is about 600% over spent. Lilli Gilligan stated Highway Inventory is a fluid inventory. The items that are needed in order for the Service Garage and the Highway Inventory are purchased and then the Town gets reports at the end of the month where the Town then allocates that back out to "that's owed by the Police Department", "that's owed by the Rec", "that's owed by the School" and that sort of thing, so that is a very fluid line up until the end of the year. Earl Sires stated we know there is a School Bus sitting there with no engine in it, so there is something going back to the School.

Dick Klement further stated under Solid Waste, page 5, under Solid Waste Landfill Engineer, the Town allocated \$8,000.00 and it looks like the Town has expended \$12,000.00 and change; was that kind of a place marker put in for \$8,000.00 and then found out what the real job was. Lilli Gilligan stated that is mostly due for testing of the landfill and the landfill Phase 2 is at a stage where additional testing is required to determine if the Town can keep piling on there or start digging for Phase 3. Paul (DegliAngeli) would be better to answer that than she is.

Dick Klement further stated we sat here last year and talked about, and at the Deliberative, we talked about reducing the anticipated charge for fuels and the Town said "okay, we're going to bring it down some, but we don't want to go crazy about this thing because it could just as well go up as go down". It appears that fuels have stayed down and even gone lower, so he guessed what his question is: is the Town going to use that money to kind of fill in around the edges for things that have been over spent, for example one idea being the Landfill Engineer or is the Town going to say "no, this is separate because we talked about this before; that money is going back and is not even going to be counted as a surplus to be used". Dick stated he was probably saying it wrong, but did Earl Sires and Lilli Gilligan get his drift.

Earl Sires stated in any Budget you are above in some things and below in others and what really happens at the end of the year for the way the Town is obligated to manage these budgets, the Town is obligated to not over spend the appropriated amount and so, from a legal perspective, as long as the Town doesn't do that, the Town is okay. Now from a practical perspective, the Town doesn't spend money that they don't need to spend, so if the Town had to spend \$12,000.00 in engineering there was a good reason for it and the Town did it. If the Town saves money some where else, they don't then say "hey, we've got some money here let's go spend it on something that we don't necessarily need". The best thing he can say to Dick (Klement) is they manage the Budget closely and they keep a tight rein on it, but at the same time they are aware that they never nail it 100% in any year and their goal is always to be slightly under spent by being as economical as they can. The best answer he can give is that they don't spend money just because it's there.

Dick Klement stated he could appreciate that, but it was just the question of since we've had the discussion several times during the past Budget

Cycle, he was hoping that we could say that the money remaining for fuels would be taken out of the pot, so to speak, in arriving at your year end calculation for spending. Earl Sires stated he would like to say it is, but it's not. Basically it's a plus or minus in the net at the end of the year is what you've got. They had to spend more in some areas, spend less in some areas and their aim is whatever those tally up to be because they are being conscientious in spending that it is always below what they are asking for. The Legal Budget is well under this year and that's good because the Town may have some areas where they run over, so that nets out and that's how it works.

Earl Sires stated he had a couple of comments before reviewing Revenue. Good news is that they have projected the Tax Rate for 2015 to be level with last year, so no increase, it may vary by pennies or something like that, but they are looking at a flat Tax Rate for the Town. One of the good signs that the Town is seeing is that the non-tax revenue is starting to creep up. During the middle 2000's, 2006, 2007, 2008, 2009, 2010 and the last few years they were seeing a decrease in the non-tax revenue which meant increase pressure on the amount to be raised by taxes, so they are seeing that going the other way and hoping that is the beginning of a trend that will give them a little bit of breathing year over the next few years.

Earl Sires stated the not so good news is that the Town has its insurance rates and they are 9.5%. What he can tell the members is that we will get more into it as we get into the Budget, but the practice from their insurance company for the last 3 years any way has been they give us the rate increase and if they find that was high, they will rebate the money to the Town during the year. They have received tens of thousands of dollars over each year. As members may remember, two years ago the Town had a 10% projected premium increase and everyone was concerned about that, we had the Health Care Committee and we spent the whole year working on it. By the time they looked at the rebates they got, the effective increase was zero in their premium. All he was saying is that 9.5% at this point, they won't know what their real increase was until they get through the year and see if they got any money back, so we'll see. More about that later. Lilli (Gilligan) has kind of trend information on that, we can look at it and talk about it then.

Bill Marvel asked if the increase was for this year or for 2016. Earl Sires stated the 9.5% is what the insurance company is telling them it will be for 2016. Bill stated that was what he was afraid of. Earl stated that's why he said they will really know what it was in a year.

Lilli Gilligan proceeded with Revenue. Lilli stated that most of the Revenues are tracking very close to what was projected during the Budget proposal. When you look at a negative number in the balance remaining, that's actually a good thing, that's more money than was projected to be received. For example, in Boat Registrations which is a little more than half way down on the first page of Revenues, the Town budgeted \$4,500.00 and they have received \$5,253.00, so that negative is \$753.00 more dollars than was anticipated to be received for Boat Registrations. Similarly Building Permits are up higher than was anticipated. The negative figures in Abatements are actually are refunds that go out for when people ask for

an abatement and are then reviewed by the Assessing Department and determined that the amount of money set for taxes should be lowered on some level, so the amount of money anticipated requiring for the abatement process was \$150,000.00 and the Town is at about \$45,000.00 returned or abated for future bills on citizens or businesses tax bills.

Lilli Gilligan proceeded with the reason there are so many different lines for Interest, that's interest owed on tax payments that were paid late and the DRA requires that they track which year the interest was owed by so the members are seeing that there's Interest from 2007 through this year on whatever tax bill is being paid late by that individual. The amount of money anticipated was \$280,000.00 between three separate lines there and that is tracking and trending right on point for that as well.

Lilli Gilligan proceeded with Income from the Police Department. Lilli stated she was jumping around where there's more money that's been received than expected. Income from the Police Department: they have received over \$6,000.00 more than expected on \$60,000.00 and that is primarily due to reports being requested on traffic accidents.

Earl Sires stated the other thing he wanted to point out was that they had discussions during last year's Budget Cycle or maybe the year before about fees and Bob Barriault stated the Town had to look at fees. The Town did do an exercise where they went through adjusting fees and the Police adjusted theirs so this extra \$6,000.00 is in part related to that.

Lilli Gilligan directed the members to the second page on Revenues, third from the top, is one of the new fees that the Town is charging at Town Hall for Notary services. They are charging \$5.00 per notarized document and they have received \$455.00 in fees for that line.

Lilli Gilligan proceeded with the recycling costs are down in terms of what the value of recyclables are so when the Town is selling newspaper, tin, metal and that sort of thing, the expected payments per ton on those have decreased so that's why the amount of money that will be seen in there will probably not net \$210,000.00, it will probably be closer to \$90,000.00.

Lilli Gilligan proceeded with the Income from the Highway, they've booked almost \$50,000.00 more than expected, \$37,000.00 approximately is due to forfeited monies through the Driveway Permit process from many, many years ago that were left in the escrow accounts and not transferred into the Revenue lines and through an extensive amount of research and identifying which projects they were and whether they were projects that had followed all of the rules and that sort of thing, there was over \$37,000.00 that was recovered through that process and booked to the Income from Highway. The other reason: approximately \$10,000.00 more was received due to snowplowing the Courthouse, the School and that sort of thing, more than was anticipated in the Budget process.

Lilli Gilligan proceeded with the Health Insurance dividend, as the members could see, they wouldn't tell the Town how much they might get back so based off what their refund in 2014, she anticipated receiving only \$15,000.00. Lo and behold the Town received \$85,225.00 and the amount

of money received in September of 2014 was in the \$200,000.00 range. It's disappointing to receive a 9.5% premium increase only to know that at some point they're going to say "oops". The good thing is that they are actually returning it as opposed to keeping it. Earl Sires stated they thought about asking them to stop doing that, but then the Town thought they probably then just won't return the money.

Lilli Gilligan proceeded with last, but not least, Conservation Commission's entire Budget, per the Selectmen's policy, is given to Conservation Funds on the Revenue side if there are timber sales in any given year. There were timber sales off of the Marshall property that the \$12,056.00 that was the expected Budget line for the Expenditures in Conservation goes in as Revenues here and the balance of those timber revenues went into the Conservation Funds for future conservation work.

Bill Marvel stated he thought he had asked this before, at least he feels like it, but he didn't remember the answer. How can there be an odd number for the total Revenue from Pistol Permits if it's \$10.00 a Permit, is there a family plan, it's \$1,365.00, but they are \$10.00 a piece. Lilli Gilligan stated it's based on the money collected and reported on the Police Ledger that's received. She was not sure if somebody got half a Pistol Permit (laughter). Perhaps there was a donation, she was not sure. Earl Sires stated they would ask. Lilli stated it is the same number as the previous year; the column Bill was looking at was for 2014. Bill stated it was the 5 that caught his eye.

Chairman Mosca asked if there were any further questions for Lilli Gilligan and Earl Sires; there being none, Chairman thanked both Lilli and Earl for coming in.

#### SCHOOL REVIEW

Jim Hill updated the members on the School Budget. Jim stated obviously other people couldn't be here tonight so the members were lucky to have him.

Jim Hill stated the first thing presented is the Conway School District Budget Function Summary. As the members know, the School's fiscal year is from July 1<sup>st</sup> through June 30<sup>th</sup>. The good news is that everything is doing fine and he is just going to hit the high points and if members have specific questions, he'll get answers back to the members if he can't answer them.

Jim Hill further stated he thought the big thing is, and asked the members to turn to the back page, 4 of 4, the Unencumbered Balance is about \$7,300,000.00 and the reason that number is relatively high is because the School has not encumbered the Health Insurance yet. Generally what Becky (Jefferson) will do is as we get Contracts signed, etc., she will go in and encumber those costs as soon as the School knows what they are. The School is, and it doesn't really show up well here and he thought it may be an internal piece that they're aware of, he did know that the School was in the hole by at least \$200,000.00 in the Special Education Department. There is a Reserve, a Trust Fund, that exists and/or savings in other areas that will need to be addressed at some point in time.

Jim Hill stated that if members had any questions looking at the Function Summary, he would try to answer them or, if not, put it in the Minutes.

Peter Donohoe stated he had a request, not about the specifics here, and actually Lilli (Gilligan) on the other side of the equation emailed this, and he would like to ask that the Committee get these things ahead of the meetings as much as that can be afforded. It's great that Jim came, but is this Committee going to see our Superintendent, is he going to be attending these meetings and answering these questions. Jim Hill stated yes. Chairman Mosca stated Kevin Richard could not make it this evening; he did contact the Chairman and the Chairman stated it was the first quarter review and that the Chairman didn't think that it would be that crazy, but that we would like to have a representation and that's why Jim is here. Jim stated absolutely. Peter stated he thought it was great that Jim was here, but he was speaking to earlier concerns during Budget deliberations last year when we had nobody from the School Board here. Chairman stated his gut feeling is, and he was going with his gut feeling, Kevin is going to be at as many meetings as possible and, if not, someone else will be here. Chairman thought it was going to be a change of pace from what this Committee is accustomed to. Jim stated he knew that Mark (Hounsell) had another personal conflict tonight. Chairman stated he did. Peter stated it's understandable, but he is kind of wary.

Dick Klement stated we really appreciate that the Superintendent or his representative comes to tell us what is going on; however, the Superintendent or his representative speaks for the SAU principally. The School Board is the Conway Board that we deal with. He would really like to see the School Board show up so we could ask questions directly. The School Board sets the direction for the Superintendent to go out and speak with the Administrators. He thought it would very helpful to have those School Board members here, it is their Budget rather than relying upon the services of the Superintendent.

Chairman Mosca stated he thought that was what Mark's (Hounsell) position on this Board representing the School Board. Dick Klement stated he would disagree; he would say he's the representative, but there's a Chair, there are Committee Heads who have the expertise specific to each area. He would hope that they would come. Chairman stated if we asked he was sure that the word would get down to those that we want to be here to be at the meetings. You (Dick) tell the Chairman who he wants to be here and the Chairman will make sure Kevin Richard knows who we want to have here. Dick stated he was not suggesting that we send a request to the School Board, he was suggesting that it's in their best interest to be here because we might make an assumption that's not correct. Chairman stated duly noted.

Jim Hill stated he had to counter what Dick (Klement) was saying and support what the Chairman said. Mark Hounsell is the Conway School Board's representative to this Committee and he can't be here tonight. If we were going to ask additional School Board members to attend for whatever reason, he would presume that you are going to ask for additional representatives from the Selectmen's Office or additional representatives from the Conway Precincts.

Chairman Mosca stated let's put it this way, when we do the Town Budget, there's a representative from every single department that shows up. When we do the School Budget, in the past it was Dr. Nelson and no one else. Jim Hill stated whenever you guys have asked for it and he thought he was hearing what Dick (Klement) was saying is that when you are having a kind of rank and file meeting, not a specific, you know, let's get into the nitty gritty of how we're coming up with the Budget, he's expecting more members from the Conway School Board to be here. Dick stated no, during the Budget process. Jim stated all right, that's noted.

Jim Hill proceeded with the documents handed out of a Memo from Becky Jefferson, the Finance Director, to Kevin (Richard) and he was, once again, just going to hit the highlights. The first paragraph: last year they told the Committee at about this time in December that we had anticipated a Fund Balance of approximately \$1 Million. In the next paragraph, you will see that they actually ended up with a Fund Balance of \$2.1 Million and of that, and which is reflected in the next piece of paper is that there was actually, the School Board retained, the new law that allowed them to retain some of their Fund Balance much like the Town is allowed to do, the School Board retained of that \$2.1 Million, they retained \$411,328.00. The School District will be returning to the Town basically \$1.7 Million to offset taxes for this Fall.

Jim Hill further stated that the School was in the same boat as the Town as it relates to the Health Insurance piece. They are going to be budgeting 10% and have a similar suggestion from their insurance people that they can't come out and tell the School what it is going to be yet, but for budgeting purposes, that is what the School is doing.

Jim Hill further stated the members could go through what he passed out and if there were specific questions, the School can get back to this Committee.

Jim Hill proceeded with the final piece of paper showing what the School Board adopted as was allowed under the RSA and adopted by the Town that the School Board chose to retain that \$411,000.00 which, as you folks know, to tap into that money is a multi-step process and one of those steps of which involves bringing it to the Municipal Budget Committee, so it's a good basically Emergency Fund specifically for those types of things.

Bill Masters asked if he understood Jim (Hill) correctly that the estimate was that the School was going to return \$1.7 Million to the Town. Jim stated yes. Bill further asked if the School was going to identify that \$1.7 Million on your DRA MS-7 or its equivalent to show that is to be applied to the Tax Rate for the School. Jim stated he was sure whatever form it goes on, Becky (Jefferson) will be certain to put it on there. What will happen is that when the Town is setting this next Tax Rate, is that the \$1.7 Million, instead of raising \$50 Million, they only have to raise \$48 Million. Jim asked Bill if he followed what he was saying. Chairman Mosca stated that's the way it has been done in the past. Jim stated he thought by law that's how it's done.

Dick Klement stated under the Warrant Article that passed to retain a certain amount of money, the \$411,000.00. Let's assume the School doesn't use that money, next year do you get more money or do you hold at that \$411,000.00. Jim Hill stated every year it starts over and every year the School Board can make that decision of whether or not they even want to keep it. The Board can say they don't want to keep the 2.5%. They can keep up to 2.5% each year. The Board can say they want to keep \$1.00. Dick stated in other words if the School opts to keep the money and go ahead and get it again, this could go up to \$800,000.00. Jim stated no; it starts all over and if there is no surplus money at the end of the year, then it's a moot question because then the answer is zero.

Dick Klement asked Jim Hill if he could take a question back. Jim agreed. Dick stated about a month ago, we asked for a copy of the statement read into the Minutes regarding our request to the School Board that had to do with the CEA negotiations. Cindy read from a piece of paper and we would like a copy of that, please. Jim stated he didn't understand; this Board made a statement. Chairman Mosca stated this Board made a recommendation to the School Board. Cindy White read a statement during a School Board meeting with comments about this Board's recommendations and we've never had the full text of those comments. Chairman was sure they were in the meeting Minutes somewhere, but we would like a copy of that statement. Jim stated he did remember at that meeting Cindy saying something, so you would like a copy of that statement. Chairman stated yes; we asked Mark (Hounsell) to do it and he didn't know whether Mark would have had it with him tonight or not, but we don't have it and would like to have it if possible. Jim stated absolutely.

Chairman Mosca thanked Jim Hill for coming to the meeting and for his presentation.

#### APPROVAL OF MINUTES

**Pat Swett moved, seconded by Dick Klement, to accept the Minutes of September 23, 2015, as amended. In favor: 7; Opposed: 0; Abstain: 2 - Peter Donohoe and Greydon Turner.**

Chairman Mosca stated that Christopher DeVries needed to be changed to "Excused" instead of "Absent" as he had actually sent the Chairman an email that he didn't get because the Chairman was already here at the meeting.

#### OLD BUSINESS

Chairman Mosca stated in looking at the schedule, there is a meeting on December 16<sup>th</sup> to come up with a final list of questions that we want to give the Town and the School. In the past few years what we have done is come up with a list of questions based on previous Budgets or previous meetings. If any member has any questions that they want to submit to the Town or to the School Department, he would like to start compiling that list now so that we can have it altogether by that meeting on the 16<sup>th</sup>.

## NEW BUSINESS

Chairman Mosca stated he wanted to proceed with Budget Committee Rules and Procedures, the document that he sent to everybody and if any member present didn't have a copy, he did have a few copies with him tonight. Chairman stated because half of the Committee is not present, he didn't think tonight was the night to go over the whole thing. He would like to discuss it briefly tonight.

Chairman Mosca stated there were a couple of changes that already been made to the Rules and Procedures. Under 2 - Members, it says "members must reside in the Community" which has been changed to read "members must be registered voters in the Town of Conway" which obviously makes more sense. Also, under B of Members, it said "12 members elected, 1 member appointed from each of the 3 Fire Precincts" has been changed to "12 members elected, 1 member appointed from Center Conway Fire Precinct, East Conway Fire Precinct and Redstone Fire District". This is just listing out the Fire Precincts and/or Districts. That is really the only changes he has made at this point in time.

Bill Marvel stated he made a lot of proposed changes that are stylistic and he supposed mostly what he was trying to do is make it gender free so that we don't have all of the he/she/her/his. There was one major question he had: he didn't understand whether item 3.d. was duplication of 7.b. Chairman Mosca stated he thought it was. Bill asked if the Chairman meant to duplicate it. Chairman stated no, like he said, he took three different documents and cut and pasted what he thought was necessary and he was reading through them earlier today and he believes that is a duplication and one of the two needs to come out. Bill stated so you want to blend those. Chairman stated they could be blended. Bill stated he had an editing program where one can see all of the changes. Chairman stated that's fine and asked Bill to send it to him.

Pat Swett stated under Business, she thought it was a little backwards; shouldn't Old Business come before New Business and then Other Business after that. Chairman Mosca stated he had it in there as Other Business being the Town coming before us, the School Department coming before us instead of listing them all out because every meeting is different. That's his terminology and that can be changed to whatever. Iris (Bowden) had the same comment as Old Business and New Business being switched. Again, he didn't want to put School Board, Town or whatever, Budget process as that could all be lumped as Other and then do Old Business, New Business and Public Comment.

Dick Klement stated going back to 3.d., in the last paragraph on the page, the statement that the disqualified member shall absent himself from the Board table during the Public Hearing and during the Deliberation, isn't that a bit harsh. He could understand the statement to say will not participate in the discussion or vote, but to say "get out", "go to the back of the room".

Chairman Mosca stated he actually went to a Seminar on Municipal Budgets after our last meeting, September 24<sup>th</sup>, and he asked a lot of questions and that's what they told him should happen. The member should not be at

the table to discuss and he discussed what happened here last year with a member voting for the Teacher's Contract that probably should not have and there was a lot of discussion at the meeting about that. Basically they said the member should not be sitting at the table, should not be discussing it at all.

Bill Marvel stated that's the way it was viewed on the Planning Board 30 years ago because there's such a tendency if you are there with everybody to jump in or for people to turn to you and ask you a question. Whereas if you are out with the audience, the distinction is a little more obvious.

Chairman Mosca asked if any other member had a comment and that he didn't want to stay on this all night, but Bill Masters has a couple of comments that the Chairman was going to pass out so that everybody could look at them. What he thought he might like to do is have a meeting just to discuss this. We don't have anything in November and he was wondering if November 18<sup>th</sup>, the week before Thanksgiving. He did not know how that works with people or doesn't work with people. He will be out of state for the first part of November, from the 1<sup>st</sup> to the 15<sup>th</sup> he is out of state. We can also do it in early December. Chairman suggested the members look at their calendars and see what was available. Chairman suggested December 2<sup>nd</sup> for a meeting, a Wednesday, and asked if that worked for everybody. Since no member had an objection, Chairman Mosca stated that the Committee would meet on December 2<sup>nd</sup> to discuss and/or vote on the Rules and Procedures. He was sure there was going to be a lot of discussion. He will get the edits from Bill (Marvel) hopefully.

Bill Marvel stated those two duplicated and somewhat contradictory paragraphs; one says basically the member himself will decide whether or not he should recuse himself or will ask the Board to decide it. The other says that it is the presiding officers' decision. Which would the Chairman prefer. Chairman Mosca stated he thought we should go with it being the president officers' decision because that's in the Selectmen's Rules. Bill asked if it should be a tier, like the member or do you want the Committee to vote on it at all.

Danielle Santuccio stated it was her understanding that they are two different things. Paragraph 7 is a violation and paragraph 3 is whether there's a conflict, so you (Chairman) would decide a violation or whoever is in your seat which is what 7 is and 3 is different. Bill Marvel stated you mean after the fact. Danielle right. Chairman Mosca stated to Danielle that she was looking at it as two different entities and Danielle agreed. Bill stated he would keep that in mind.

Bill Marvel stated so the potential violation doesn't exist, it took place. Danielle Santuccio stated right, that's how she reads it. Bill stated he read it in the present tense as though it were potential if someone voted. That's under 7.a. Danielle asked which 7.a. as she had two of them. Bill stated he only had one. Danielle stated she had a 7.a. after 7.d. Chairman Mosca stated that should be 7.e.

Bill Marvel stated "prior to any vote each Budget Committee member shall consider whether a potential violation of the Town Ethics Policy exists". He took that as an awkward way of saying whether someone had a conflict to

reveal. Danielle Santuccio stated she agreed with that; she was talking about the latter paragraphs under 7. Bill asked 7.e; Danielle stated and 7.d. Chairman Mosca stated that was taken directly from the Board of Selectmen's and he was not saying it is correct, but that language was taken directly from what they had in their packet. Bill stated presumably the Town Attorney looked at it. Danielle stated she still stood by what she said. She still thought the violation exists because there was a violation; she didn't see how there could be a violation if nothing had occurred yet. Bill stated remember when Pat Kittle asked "what if" and he set up a hypothetical scenario. What if we were going into that question, wouldn't you say "I think I might have a conflict of interest here", a potential violation exists. Danielle stated she would probably say a potential conflict exists, but there hadn't been a violation. Bill stated he guessed he could see that. Danielle stated she could be wrong.

Chairman Mosca stated now that you've brought Pat Kittle's name up, he did email the Chairman stating he had read it and was on board with it. He's the only one that had that comment of the four people that said they couldn't make it tonight. Jim LeFebvre stated to the Chairman the he (Jim) hoped that we would have another meeting to discuss it more and not just vote on it tonight. As the Chairman said, with half of the Board or nearly half the Board not being here tonight, he was hoping that at the December 2<sup>nd</sup> meeting there would be more members present and this can be put this to bed at that time. If members had any edits or suggestions, Chairman was more than happy to take them.

**Dick Klement moved, seconded by Bill Marvel, to adjourn the meeting at 7:27 PM. Motion carried unanimously.**

Respectfully Submitted,

Iris A. Bowden, Recording Secretary