

**MINUTES OF MEETING
MUNICIPAL BUDGET COMMITTEE
February 13, 2013**

A meeting of the Municipal Budget Committee was called to order at 6:03 PM in the Auditorium at Kennett High School with the following members present: Chairman Joe Mosca, Maureen Seavey, Steven Steiner, Peter Donohoe, Maury McKinney, Bill Marvel, Karen Milford, Mark Hounsell, Doug Swett, Michael Fougere (arriving at 6:15 PM), Brian Charles, Danielle Santuccio, Mike DiGregorio, Greydon Turner and Syndi White. Excused: Karen Umberger and John Edgerton.

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

PUBLIC HEARING - PRECINCTS

CENTER CONWAY FIRE PRECINCT

Nancy Leavitt, Treasurer, stated the proposed Budget for 2013 was \$188,775.00 which includes \$30,000.00 for their Capital Reserve fund. At the last meeting she was asked for the balance in the Capital Reserve Fund and she did not have it then. The present balance in the Capital Reserve Fund is \$93,072.00.

There being no questions, comments or concerns the hearing was closed with the proposed budget of \$188,775.00.

REDSTONE FIRE PRECINCT

Ann Michelle Ames, Commissioner, stated the proposed Budget for 2013 was \$58,700.00.

There being no questions, comments or concerns the hearing was closed with the proposed budget of \$58,700.00.

EAST CONWAY FIRE PRECINCT

Doug Swett stated the proposed Budget for 2013 was \$57,870.00.

There being no questions, comments or concerns the hearing was closed with the proposed budget of \$57,870.00.

PUBLIC HEARING - TOWN

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

Earl Sires stated he wanted to start by noting to the members of the Budget Committee that since the last Budget meeting a number of things have changed and some were based on the discussions Earl had with the Committee the other night. Lucy (Philbrick) handed out some update sheets to the members so that they could put them in their notebook. Earl proceeded to state what these sheets show, as we talked the other night, the scanning Warrant Article has been deleted. The Selectmen chose to remove that and add \$3,000.00 to the Executive Budget to bring in a

temporary person to start on the scanning project. We talked about that approach the other night and it seems that's what the staff thinks will work best and the Selectmen support that. The Executive Budget goes up by \$3,000.00 and that brings in a person for 1 day a week for 5 months out of the year. The idea is to get going on it and see how it develops and see how much they can get done. That will give them a gauge of how they will proceed in the future.

Earl Sires stated the Assessor feels that he has settled the abatement case, the large commercial tax abatement case. He is confident enough that they are recommending reducing \$16,000.00 from the Assessing Department which was going to go for hiring an outside appraiser for that case. Likewise in the Legal Department they can recommend reducing \$9,000.00 there because they won't have to have Town Counsel represent us in those abatement cases.

Earl Sires stated the Police Department has also looked at their benefits and have reduced their Budget by \$7,000.00. The net change in that with the reductions and the one addition is \$29,000.00 less in the Operating Budget. As he mentioned, they had eliminated the scanning Warrant Article and the Police have, again based on our discussions the other night, reduced their Capital Reserve Fund for equipment to \$21,000.00. Also, based on discussions and some of the comments that Karen Milford made the other night about Revenue, Lucy (Philbrick) and I looked at the Revenue projections and those have increased by \$25,000.00 for Vehicle Registration and \$50,000.00 in income from departments. As we talked about the other night, this is the first time they have estimated Revenue and will be doing it a couple more times, but when they looked at the situation based on the Committee's comments, it made sense to do that at this point. Later on, if we get to it, we'll talk about the impact of all of this and the existing Budget number on the Tax Rate. The things we've talked about reduced the Tax Rate by about \$.07 or \$.08. That is the update.

Earl Sires stated now for the overview. This is the Operating Budget, the packet you have is two different things. One is a detailed Budget which has every line item in it, so those of you who want to see the detail information can look at that. We are going to work largely tonight from the Public Information packet and that contains information on the Operating Budget, a Narrative that summarizes the changes and there is important information by each individual department. On Page 9 there is a summary Budget which he finds helpful in that it shows each department's total and how that's changed from the prior year. It also shows the Operating Budget total and changes from the prior year.

Earl Sires stated Page 10 has the Default Budget calculation which Lucy (Philbrick) has compiled and is being recommended as appropriate to the Budget Committee, but you all have the statutory authority to approve it. So that will be up to you to look at and we'll certainly be available to answer any questions you may have on that.

Earl Sires stated on Page 11 we start with the Conway Town Warrant. All of the Warrant Articles that have been proposed and submitted so far are included in this packet along with, in some cases, some explanatory information that talks about general things like how Capital Reserve

Funds work and it also describes the individual Funds and their intent as well.

Earl Sires stated on Page 28 is another sheet that he likes which is the Warrant Article study sheet and that looks at all of the Warrant Articles that the Town is proposing, totals those and also shows the Tax Rate impact of each of these Articles and also the total Tax Rate impact of the proposed Articles. One of the tools that they use is any change in Revenue or the expenditures of \$100,000.00 means the Tax Rate changes by \$.07. If you reduce the Budget by \$100,000.00, it reduces the Tax Rate by \$.07. If you up Revenue by \$100,000.00 that also reduces the Tax Rate as well.

Earl Sires stated this Budget totals \$9,686,674.00. In dollars that's an increase of just over \$394,000.00 over the prior year or 4.2%. The Default Budget is proposed to be \$9,618,344.00 which is just over \$68,000.00 less than the Operating Budget. Again, for those that haven't tuned in to some of the stuff in the past, the Default Budget is a budget that is adopted by the Town if the voters choose to turn down the proposed Operating Budget. Its shortest definition would be a cost-of-living type budget. In other words, the State law says if the voters don't like the Budget being proposed, you get to vote it down, then you get the Default Budget which is basically last year's Budget adjusted by Contract commitments and one-time expenditures, plus or minus, that kind of thing.

Earl Sires stated this Budget is made up basically of three components: the Police Department and the Library are both overseen by individually elected Boards, the Police Commission and the Library Trustees. Then there is what we call the Administrative Departments or the Town Budget per se under the Board of Selectmen and the Town Manager. The Police Department Budget is up by about 7.5% or \$231,000.00 due largely to costs associated with staff salaries and benefits. The Library Budget in this presentation is level funded over the prior year. The Trustees did submit a Budget that increased by 4% or about \$19,000.00 and this was not supported by the Selectmen. What we are talking about tonight is a level funded Budget.

Earl Sires stated the Town Budget, Board of Selectmen/Town Manager increases by 2.8% or \$163,000.00. That's the overview, do you want to go into individual departments at this point. Chairman Mosca asked Earl to proceed however he wanted.

Earl Sires stated Page 30 has a projected Tax Rate for 2013 and he always starts this discussion by saying this is not going to be the Tax Rate, but it's their best guess at this point. The Tax Rate depends on what Operating Budget is adopted, what Warrant Articles are approved or not approved, both the non-profit Articles and the other money Articles, how much Revenue we are going to have and how much money the Selectmen decide next year, in October, to use from Reserves of 2012 as Revenue towards the 2013 Revenue Budget. We are holding assessed values at this point and that will probably change one way or another, but the Assessor doesn't think it is going to change a whole lot so we're just using that as a level number at this point. If all of these things were to come out the way they are list here which they won't, the Tax Rate would be \$5.41

based on this Budget. We think we are pretty close, but these things change so you never know how it is going to work out.

Chairman Mosca asked if everyone had a copy of the handout. He was not going to read the whole thing as it had been done in the past, but it is not necessary and it will save a lot of time if we don't read the whole thing. The first Article we are going to discuss we are going to take it out of order.

Article 16: On Page 17, the Emergency Shelter Generator with a dollar value of \$50,000.00.

Chief Steve Soloman, Town Emergency Management Director and he is speaking tonight in that capacity. He understands that there were some questions regarding this Article and felt maybe he could shed a little light on it. He thought he would start with what the purpose of the Article is. In each town and State nationwide, one of the things they're required to do is to provide Emergency Shelter for our residents if they were in need of it. In Tropical Storm Irene about a year and a half ago, we had an Emergency Shelter open for 11 days, actually longer than anyone else in the State in that storm. Fortunately, power wasn't knocked out for that area of the town and they were able to use the Rec Center for their shelter. We did not have a generator and it wasn't an issue. However, we can't rely on that. We have to take into account other things that could cause us to open a Shelter.

Chief Solomon stated the number one reason to open a Shelter nationally is the loss of power. An ice storm, a major event, a major hurricane that wipes out power or takes down a portion of the power grid entirely, you're not going to have power and you can't operate a Shelter without it. They have been struggling with this for a number of years. He has been before the Selectmen four times now asking to do something about this and it's finally come to you guys this year.

Chief Solomon stated they have looked at other options; this wasn't they're first choice actually. They looked at the use of a portable generator, not a little portable like you would see at home, but the big one you rent from Coleman's that you tow around, plug in and run the building that way. It's going to cost about \$12,000.00 to rewire the building to accept one of those generators, then you actually have to have one available to use. Right now there are probably two of them sitting in Albany that we could get if we needed to. During construction season, there are probably none available and you couldn't have one no matter what the need was.

Chief Solomon stated we looked at other locations. We have very few buildings that are large enough to use as a Shelter in town that have backup power. This is actually the only one, the one that we are in right now. There are several issues with using the School as a Shelter; one of them was highlighted around the State a couple of years ago in a big ice storm and that's you can't run a Shelter and the School at the same time. In our case when we had Irene, we had the Shelter running and the School running, but the Shelter was in the Rec Center and it was not an issue. Had the Shelter had been in the School, we would have had a problem having school start. The other problem with this particular location is

if you want to think about an ice storm or a major wind event, he didn't think anyone would get there, he thought you'd have to cut your way into it, so it's not an ideal location to place a shelter either.

Chief Solomon stated we came up with the cost based on a number of different estimates that they worked with. They have gone back and forth; last year it never reached this level because they had some question on how big the generator was going to need to be. They wanted to run a much smaller generator. There was an actual Electric Code change that requires a generator to be able to run the entire building simultaneously. They don't feel that's realistic, however they are kind of bound by it because it is a law. They had to go back to the larger generator, it's a 100 Kilowatt Generator, that's a ton of power, it will more than run that building but it's also more expensive.

Chief Solomon stated we looked at a less expensive option which would be putting in a diesel generator instead of a propane fired generator; however, they have an issue there with storage of the fuel and use of the fuel. We had a great idea: let's convert the diesel generator to run on #2 fuel oil, increase what's already being stored for fuel oil so that we don't have a large quantity of fuel just sitting around, that would be burned in boilers when you share the expense with the Rec Center over taking care of it. Then we find out that the generator companies won't let you do that; you immediately void the warranty on the generator by making the change. When it comes back to it, we come back to the Town needs to do something about having a Shelter available 24/7, 365 whether there's power or not and this is how much money it takes to have that happen.

Chief Solomon stated there are two different Grants he could apply for; those all have strings attached. One of them would pay for half the cost of the generator, however the cost to obtain the Grant would actually outweigh its benefit, it would require that they do an environmental study, a historic study and an archeological study of the property before we can place a generator on it. He thought some may be familiar with those particular items that are not cheap and are not easy to do. We may run into a problem with the historic nature too where part of the building is as old as it is. The other one requires us to perform a benefit cost analysis showing the frequency the power goes out there and that the cost to install the generator is less expensive than the cost to operating without power. He asked FEMA how they do that and they are going to get back to him once they figure it out. He was not sure that Grant was going to work for us either. He further stated that he would be happy to answer any questions members of the Committee may have.

Robert Barriault stated he thought it realistic to ask if we have any historical data on how often we have had a power loss in Center Conway. He has lived in Center Conway for 17 years and frankly he didn't remember twice that he had power failure at his house. The only one of any length was that ice storm we had. He thought when they're asking for this study to get a Grant, having to take the historical thing into it, he thought that was the realistic thing to do.

Chief Solomon stated Mr. Barriault was correct that the 113 corridor and the 302 corridor does not lose power very often. When it does, it's

typically for a very short period of time. The problem is we are most likely going to need the Shelter at the same time when most likely we will not have power. As the Emergency Management Director, he can't go with "we'll probably have power and that'll be okay". He has to come up with a way to make it so that if we need to open a Shelter we can open a Shelter whether we have power or not.

Chief Solomon stated they were trying to get Red Cross to make it a Red Cross Shelter. There's a distinctive advantage to the Town to have this be a Red Cross Shelter. They pay all of the expenses, they also staff it. We would be required to have one person there from the Town as a liaison to help them with any building issues and things like that, coordinate with the rest of the Town staff, but otherwise they handle all of the expenses, including they will actually go and read the electric meter and pay the bill for the time the Shelter is open. They will not sign on to the agreement on a building that doesn't have power. At the moment it's a Town run Shelter and the Town has to foot the bill for the expenses if and when we open it.

Chief Solomon stated the other thing he would note is the climatologists are telling us that we should expect more of this, more severe weather, bigger storms, more powerful storms, more powerful winter storms, more frequent hurricanes coming our way and things along those lines. He has been doing this for 23 years and in his first 15 years the State of New Hampshire had 5 declared disasters and in the last 7 years, they've had 15. He thought that was a pretty telling story right there.

Amy Snow asked if the Town was going to be subjected to any kind of fines or anything if this Article fails and we don't get that Generator in our Shelter. Chief Solomon stated the Federal Government does not fine us for not having a Shelter with a Generator. It leaves us trying to fill the gap. If we never need it, we will never have a problem; but if next week we have some type of storm event that takes out power and causes us to open a Shelter and we don't have backup power, we're going to be scrambling trying to figure out what to do with the people that are in need.

Mike Fougere asked what is the yearly expense for something like this. Chief Solomon stated they were actually just discussing that at the Selectmen's Meeting. The Generator that they have at the Fire Station in Conway Village costs about \$300.00 a year; however, the Town has mechanical staff that could potentially maintain the Generator making the expense much less than that. You are probably looking at a couple hundred dollars a year in fuel expenses. If the Shelter isn't open, the Generator will start itself once a week and run just to maintain itself.

Mike Fougere asked if we were buying the tank; what size tank are we talking about. Chief Solomon stated they actually have to do the math based on what Generator is put in so he can't tell Mike for sure. Typically with the standby Generators the gas companies will place the tank there at no expense. You do have to buy the fuel that goes into it and that's included in that price.

Mike Fougere stated just a word of suggestion, he would opt for the 1,000 tank, maybe underground and the reason being is because it's an Emergency

Shelter and you're going to be running more than 4 or 5 days. You want a tank that's not going to have to be filled for at least 5 days. Those are things to think about. Chief Solomon stated he would agree, the actual national standard is that you have to be able to run your Shelter completely independent for 3 days. We in the Emergency Management field don't believe that's adequate any more. We've seen this time and time again that 3 days is not adequate. We want to plan at least a week without having to be refilled and he would definitely go with an underground tank. With his fire hat on, he could say that the underground tank is a lot safer than the above ground tank.

Mike Fougere stated that's just my propane license coming to light and having installed maybe 40 Generators for Y2K back in the day, he learned a lot about Generators. Thank you.

Bill Marvel stated his first question was if the microphone had been sanitized. The mention of Y2K by Mike (Fougere) makes him wonder just how many of those Generators were necessary, probably none and he was wondering during that 11 day power outage back in '98, where did those hordes of people go that were fleeing their homes if we didn't have a Generator some where. He stayed at home.

Chief Solomon stated obviously actually he wasn't in Conway in '98, he was down in Hillsborough so he doesn't know what happened here or if a Shelter was set up here or not. He could tell the members that being a long time New Hampshire resident that old Yankees aren't coming to a Shelter, they're going to be okay at home, whether it's 2 days or 3 weeks. We tend to see the more urban population that transplant to these areas and have a lower tolerance at being at their houses without power and needing sheltering. Then there's the lower income bracket that tends to need sheltering.

Bill Marvel stated the first half of that population perhaps illustrates his lack of sympathy. Do you know if there are any other similar Generators in Center Conway. Chief Solomon stated there are a few facilities that have Generators: Center Conway Fire has a Generator, his Fire Station and North Conway Fire have Generators and this building here has a Generator and that's about the inventory.

Bill Marvel stated basically the Red Cross Association seems to be the impetus for this. Chief Solomon stated no, when he took over as Emergency Management Director not quite 5 years ago and the Town Shelter Plan says if we need to open a Shelter contact Red Cross and they're going to the Middle School. We actually didn't have an agreement with the Middle School to make that happen, nor did they have an agreement with Red Cross. He kind of scratched his head and since then has been trying to come up with a Sheltering Plan for the Town.

Chief Solomon stated they've started looking at buildings. He won't pick the Middle School, not only is the physical plant layout of the Middle School not conducive for operating a Shelter, but it got pretty close to getting wet in Irene. The last thing you want to do is move people once you've stuck them in a Shelter to a new location because their Shelter is getting flooded. He has looked at this facility (Kennett High School) and it is much more conducive to operating as a Shelter except for the issues

of the mile long road to get up to it and the fact that in the latest ice storm in 2009 there were multiple schools all over the State that had an issue with Shelters being opened because then they couldn't operate School and that makes him try to find a different facility. He actually worked with River Church who is interested in working with us, tried to come up with a way to get a Generator installed there and had the same problem. There was no money available that didn't have strings attached that made it more difficult to actually use that Grant money. He came back to, from the stand point of the Town, the best thing we can do is place it in a building that we already own, we control and don't impact other services by having a Shelter open. He can't place it at his Fire Station, that's the Town's Emergency Operation Center and you can't put all your eggs in one basket. You also don't want the people you move to a Shelter to be interfering with the Emergency Operations going on within the Town. Center Conway Fire just barely got a Generator and he didn't believe that they had a shower in the building which would be required and they would have to look at some other things to find out: can they move their fire trucks out to a new location and use that and would they even be amenable to something like that. Again, it's not Town property. Bill stated it's Center Conway, we don't need a Shelter.

Mark Hounsell asked how many people can you have at a Shelter at the Rec Center at any given time. Chief Solomon stated by Red Cross calculation 60 people in the Gymnasium. Mark stated so basically this Generator would service the needs of 60 people by Red Cross. Chief Solomon stated correct.

Evan Lucy stated his question to Steve (Solomon) is kind of two-fold. First of all the cost of the Generator, would that include a pad to put the Generator on and also will this Generator require re-wiring of the building to accept it and would that be part of the \$50,000.00. Secondly, are we really talking about just a Generator here or are we talking about the overall cost to open an Emergency Shelter which would then require a Generator.

Chief Solomon stated that Warrant Article is actually just for installing the Generator, includes a concrete pad, underground propane line to the tank, the gas work and the electrical work necessary. It would not require the re-wiring of the building. If you are familiar with the building, it's really two buildings that have been tied together and there's two large services in it which both will have to be picked up by the Generator. The way it is wired and cross-wired, you can't pick up one side or the other, you've got to pick them both up. It includes a double transfer switch to pick up both those services, but not any actual re-wiring of the building. Incidentally, we did look at re-wiring the building to be able to operate just a portion of the building with a smaller Generator and it's had so much work done over the years by various people that it would be probably more money to have somebody come in and wire to run the Gymnasium, Kitchen and Bathrooms and things like that than it would be to just pick up and run the whole building. It does not include the cost to actually open and operate a Shelter. There are a lot of variables involved in what that will cost.

Pat Swett stated she would just like to make the comment that hopefully you will stay away from anything that needs an archeological dig. We ran

into that with the School and, believe me, you'll spend more money than what you get for a Grant because they will find something. Chief Solomon stated he had some experience with that himself from other projects and he would agree that if we have to do an archeological dig we probably don't want the Grant unless you're talking hundreds of thousands or millions of dollars.

Mike Fougere stated he was thinking about what Chief Solomon said about usage being about 300 gallons a year. Mike thought that Chief Solomon would find that they're going to want you to buy the tank with that low of a usage. It might be in the Town's best interest to buy the tank. Chief Solomon stated it's possible, they haven't talked with all of the gas companies about this. Some of the Generator companies have preferred gas companies that they like to do business with when they are installing, some don't. Typically when they are dealing with Town Government for Emergency Shelters, they're a little more lenient than they would be with the regular commercial customer on whether they make you buy the tank or not.

Greydon Turner stated he couldn't believe we were spending this much time on a Generator. He was curious if you're running the Emergency Management Plan for the Town, how many people would you, or should you be prepared to provide for in the state of an emergency. Chief Solomon stated there's no hard number on that. When we did our calculations a few years ago and we were shooting for 50 to be able to place in a Shelter. As we've seen bigger storms, fortunately it's all been south of us, that number may not be sufficient and what happens if we get to the point where our Shelter reaches capacity, we would have to reach out to the State of New Hampshire through their Emergency Operation Center and say "we have more people than we are capable of sheltering; now you guys need to step in and take over".

Article 3: Chairman Mosca stated Earl (Sires) has discussed the Budget. Does anyone have any questions. There were no questions, comments or concerns.

Article 4: Three-Year Collective Bargaining Agreement Between the Town of Conway Police Commission and AFSCME Local 3657, Police Department. There were no questions, comments or concerns.

Article 5: Infrastructure Reconstruction Capital Reserve Fund in amount \$325,000.00. There were no questions, comments or concerns.

Article 6: Highway Equipment Capital Reserve Fund in amount \$195,000.00. There were no questions, comments or concerns.

Article 7: Solid Waste Equipment Capital Reserve Fund in amount \$75,000.00. There were no questions, comments or concerns.

Article 8: Landfill Closure Capital Reserve Fund in amount \$1.00. There were no questions, comments or concerns.

Article 9: Landfill Expansion Capital Reserve Fund in amount \$50,000.00.

Robert Barriault stated he approached Earl Sires about this last night. He thought we should reconsider whether we should put any funding into this Capital Reserve Fund. He would recommend that we reduce it to \$1.00. His reason is that the Fund currently has over \$1.74 Million in the Fund and, from what he understands, the estimated cost for expansion of the next cell is well below that. To him it seems senseless to be putting \$50,000.00 in this year and recommends that it be reduced to \$1.00.

Earl Sires stated Bob (Barriault) did mention last night and Paul DegliAngeli, the Town's Public Works Director, talked about this this morning and there is about \$1.7 Million in the Capital Reserve Fund for the expansion project. The construction award is going to be about \$1.4 Million, but then there is some engineering and project management monitoring costs that is going to get us pretty close, it's actually \$1.69 Million. There may be a little bit left over, but at this point they don't want to say that there is. However, they did talk about the idea of foregoing contributions into the Fund because contributions hence forth are going to be for the next cell which will happen in 16 years he thought.

Earl Sires further stated that Bob's (Barriault) point was that we're adding money into the Buildings Fund to work on the Transfer Station for the next year or two; doesn't make sense to back off on this and sort of blunt the impact. We certainly can do that; he did talk with the Selectmen today and sort of gave them a heads up on this. The 100% prudent thing would be to keep putting money away for the future. On the other hand, as long as we're all understanding that we're going to have a conversation in a year or two about starting to save for the next cell and how much that is going to be and obviously we will have to put more away if we forego contributions for a year or two. As long as everybody is on the same page, it certainly could work. We'll throw that out and let the Budget Committee and the Selectmen decide what they want to do about that. Earl thanked Bob for the idea.

Article 10: Maintenance of Town Buildings and Facilities Capital Reserve Fund in amount \$150,000.00. There were no questions, comments or concerns.

Article 11: Parks Department Vehicles and Equipment Capital Reserve Fund in amount \$20,000.00. There were no questions, comments or concerns.

Article 12: Capital Reserve fund For Police Vehicles in amount \$60,000.00.

Amy Snow stated her question was a clarification and asked if this \$60,000.00 to get 2 new cruisers or is this to keep the cars they have now running. Theresa Kennett, Police Commissioner, stated two new. Amy stated she has always been in support of the Police and would love to see our Police Department fully staffed, have all the guns and stuff that they need to keep our Town safe, but her personal opinion is that she has one 8 year old car and she would like to get one new car every 5 years. Personally, she can't afford 2 new cruisers every year and this is what she has been hearing that the Police want 2 new cruisers every year forever. How many years are we going to buy 2 new cruisers. She thought that we needed dependable vehicles for our Police Department, but

personally she thought that 2 new cruisers every year indefinitely is just more than this Town can bear financially.

Theresa Kennett stated our cars run 24/7. They have been in a cycle of running their cars until they are no longer useful as a Police car and passing them on to the Town; however, the cars they are now passing on to the Town can't even be used by the Town. A Police Cruiser is a tool. Police can not run after criminals, they have to have their cars. They know because of the wear and tear on the cars that if they don't get 2 new cruisers each year, they are not going to be able to cover the service area for the Town of Conway. This isn't something that they are asking for because the Police want new cars; this is something they are asking for because they absolutely need it. She invited either the Lieutenant (Perley) or the Chief (Wagner) to add to this to tell about how they happened to get into this situation and what would happen if they did not get 2 cars every year.

Chief Wagner stated they currently have a fleet of 9 cruisers; actually it's 8 now because they just lost the transmission in one. When they run cruisers to 160,000, 170,000, 180,000, 190,000, they tend to break. It's costing them more to fix the cars. He is not a mechanic and didn't know how much it costs for a new transmission. Chairman Mosca stated it cost him approximately \$3,400.00. Chief Wagner stated he was going to say about \$4,000.00. They have junked that car, they are not going to use it any more, they are not going to spend \$4,000.00 on a car that has 180,000 miles on it. Theresa (Kennett) is correct; they can't hope that their cruisers are going to get to your house when somebody is breaking in. They have to know for sure that their cruisers are going to get us where they need to go, when they need to get there and, more than likely, quickly. They are at a point now where they are putting more miles on cruisers. They have more calls, there's more people in the Town and, like he said, it's difficult to run a cruiser to 170,000, 180,000, 190,000 miles and hope it gets you to where you need to go.

Evan Lucy stated he thought we had been through this before as a town and agreed that the vehicles do need to be replaced on a regular budget and yes, they are driven into the ground. If the Town can't use them, if you've seen any of the Town cars as he has down at Town Hall, you would realize that if you were a Town employee there would be some days you wouldn't want to have to drive those cars somewhere during a storm or what have you. His question is with the \$60,000.00, assuming this is for 2 cars and he didn't care about the price, but does that include the light bars and all of the modifications that have been discussed in the past to put them on the road ready to go with the paint job, decals and what have you. Chief Wagner stated yes. Mr. Lucy stated the other thing he was curious about is how much is currently in this Reserve Fund for cruisers or is there not much as this has been a relatively new fund established he believed in the last two or three years. Lucy Philbrick stated there was a balance of \$8,100.00.

Article 13: PEG Expendable Trust Fund in amount \$130,000.00. There were no questions, comments or concerns.

Article 14: Expendable Trust Fund for the Purpose of Police Department Equipment in amount \$21,000.00.

Amy Snow stated she was hoping that they could follow her problems with this. When she was at the Budget Committee meeting a few weeks ago, we were talking about this Expendable Trust Fund for equipment and when she read in the paper just last week, the article was about how you had an unexpected retirement and you had to pay \$20,000.00. Theresa Kennett stated different Article. Ms. Snow stated let me finish, this article is saying that you had that unexpected retirement of \$20,000.00 to buy back their vacation and sick time and in that article it was stated "and this is why we need this Expendable Trust Fund for expenditures such as this" and she got a little upset about that because that was never mentioned at the Budget Committee meeting about unexpected personnel expenses because this is strictly for equipment and that article specifically said "this is why we need that Expendable Trust Fund". The other thing that bothered her was it was mentioned that you (the Police) buy all of your light bars at once and that the warranty is up in 5 years. She was under the impression that every 5 years you buy new light bars, but just because the warranty is up doesn't mean that something stops working. Do we have to buy new light bars every 5 years. She understands that they want to have a light bar in reserve in case one breaks and she is fine with that, but she is getting mixed messages and that's why this is bothering her.

Theresa Kennett stated in answer to your first question Amy (Snow), the Article that you read about in the newspaper is Article 15. Right now we are talking about Article 14 which is for equipment and we buy new light bars when we buy new cars and at one point in time, she thought 3 years ago, they bought 3 light bars because one broke and they had two new cars that year. So, they do not buy light bars and leave them sitting around.

Chairman Mosca stated according to the spreadsheet, there's a \$10,000.00 line item for light bars in 2015 and another \$10,000.00 in 2016 and again in 2020 and 2021. Theresa Kennett stated she actually did not have the sheet that the Chairman had and you may not have the newest sheet. Earl Sires stated he thought there were 3 versions and he may have gotten the second one instead of the third. Chairman stated the one that he has was handed out to everyone in this Auditorium, that's what the Committee has.

Chief Wagner stated he can answer that. It's sort of like with the cruisers; if a light bar goes down, that cruiser is inoperable. When it came to the Budget Committee the first time, they asked us to look at reducing that line item and purchasing those big items over several years. He stated a light bar is \$3,500.00 to \$4,000.00. What they did was move that out to cover maybe a 3 year period where they buy 2, 2, 2 and the same thing with the weapons as well. That's the reason you see it spread out so far.

Janine Bean stated she was a little confused now; are you saying we have in the line item Operating Budget 2, 2 and 2 over the next few years and we have it in the Expendable Trust Warrant Article to buy the same items. Chief Wagner stated no. Ms. Bean stated so it's just in the Operating Budget and not in this Article. Chief Wagner stated no, it's in the Article; it's not in the Operating Budget to purchase those items, it's in the Article.

Chairman Mosca stated if the Article were to pass, they would start funding certain items through this. Janine Bean stated so you have a chart that says we are going to buy this. Chief Wagner stated yes.

Greydon Turner stated didn't you say that the cars are fully equipped with light bars and so forth for the \$30,000.00 a piece. Chief Wagner stated no, the cruisers are \$28,000.00 a piece and we rotate the light bars and all of the equipment that's inside to the next cruiser until we get a new one.

Article 15: Expendable Trust Fund for the Purpose of Police Department Earned Benefit Payments in amount \$30,000.00. There were no questions, comments or concerns.

Article 17: Software for the Town Clerk/Tax Collector Office in amount \$12,000.00. There were no questions, comments or concerns.

Article 18: Re-Codification of Town Ordinances in amount \$15,000.00. There were no questions, comments or concerns.

Article 19: Police Drug Evidence Terminator Equipment in amount \$6,000.00.

Amy Snow stated when she watched the Selectmen's Meeting on Channel 3 when this was first brought up and it was mentioned that maybe we could charge other towns to come and use it. Then at the Budget Committee meeting it was said "we don't know if it's legal to do that". Do you know if we get this drug incinerator which she thought was a good idea, if other towns come to use that, can we charge them and offset the cost.

Lt. Chris Perley stated there was a comment about, maybe conceptually we could charge other people to use the incinerator or to incinerate their drugs. He didn't think that was a realistic expectation for any significant cost savings and he'll give a couple of reasons why. First of all, we have a rule and regulation in the Police Department that says we will cooperate fully with other law enforcement agencies when they ask for help. Makes a lot of sense, when someone is asking for help, you help them; it's the same reason why we help the Secret Service when they come to Town with the President, the FBI when they have an investigation. He thought that if a town came to them and said "we have these drugs, we need to get them destroyed" and it's within the Department's capability to do it, he didn't think the Department could charge them, nor did he think they would pay because they would tell the people in their community "hey, wait until Conway does a drug drop off at Wal-Mart and take all of your stuff down there and dump it in their box" and we'll end up destroying it any way.

Lt. Perley stated that the benefit of the Drug Terminator is that it ties into what the Department wants to develop as a comprehensive ongoing program of the reduction of divertible dangerous narcotics. Right now the Department does it twice a year and it was a program that was instituted by the DEA and the Department has a drug take back, it's a coordinated effort throughout the State and it has always been done at Wal-Mart because it's a very good location which has been very popular, but it's only twice a year which means if people are committed to it, they have to

hold on to those drugs for quite a period of time. The Department would like to have a drop off box in the Police Station, secured in the Lobby, a reinforced box that is monitored 24/7 where they would have a regular drop off and still have those coordinated efforts with the DEA because there is a lot of marketing and enlightenment by the DEA that goes along with those major events. That's one benefit.

Lt. Perley further stated we could reduce the potential for the diversion of dangerous narcotics which is right now a significant problem. New Hampshire last year had more deaths by drug overdose than they did by highway death. We are, sadly, number one in the country in that inverse relationship. This problem will only become greater as the aging of America, New Hampshire included, himself included, and you need more drugs for cancer patients, hospice care, pain management, those drugs are going to be in the field and they will be more easily diverted. When those people pass away or they have surplus drugs, you have to have some safe and manageable and lawful way to get rid of them. The EPA doesn't allow them to flush them down the toilet or throw them away, you can't throw drugs away. The Terminator is a device that is EPA compliant, incinerates any substance, you know drugs or whatever is put in there, at extremely high heat and there's no dangerous exhaust which is the byproduct. It's like a huge blast propane furnace, not really huge but really hot. That's a component of what the Department wants to do.

Lt. Perley stated the ancillary benefit of the Drug Terminator is it will allow the Department to destroy evidence drugs, illicit drugs, not pharmaceuticals that people turn in, without having to go through the process that they go through now and that is going to Penacook, that's the only place you can burn the drugs, the State Lab is not taking them because they are inundated, it's done by schedule, it's a very narrow window, it's a very restrictive process: you have to go into a certain area, bring in your drugs, climb a number of stairs and dump them into their furnace. It's a trash energy plant he thought. If you miss your appointment, too bad; it's not like you can pop in and state you have a bag of junk that you want to burn up. That's becoming more restrictive and as more people turn in drugs, more departments are going to need to access that service and it will become even more coordination wise difficult. There is also a cost to send somebody who we are paying to patrol the streets all the way to Penacook. Kids nowadays don't have to buy those dangerous drugs from a drug dealer on the street corner, they can go to grandma and grandpa's medicine cabinet and pinch some pills and sometimes with fatal consequences. That's what the Department wants to try to reduce the opportunity for. That's it in a nutshell.

Amy Snow asked about yearly maintenance and how long this thing would last. Lt. Chris Perley stated they have talked to a couple of Departments that have them and they said that there's little to no expense using it because you start the fire with combustibles and then the propane and fans burn it up, very cheap. He thought Londonderry has one and they use it all of the time. He thought there was at least a 5 year Warranty any way. There's nothing really mechanical to it that's going to significantly break down. How long will it last, he doesn't know, but Londonderry has had one for a number of years and it's one of those things that he wishes they'd had a long time ago.

Steven Steiner stated it's kind of funny the day after your presentation before the Budget Committee he was called down to the Laconia PD to do a speaking event and he walks into the Lobby and there's a prescription drug container system that was donated by the hospital. He was told that it cost about \$600.00 and what they are doing is taking the collection of their prescription drugs, and they took him back to the Evidence Room. Retired Chief Moyer showed him thousands and thousands of dollars of prescription medications that were dropped off there. He was telling Steven that twice a year when the DEA has their pick up, that they drop it off at that point. Again, there is no one in this room that has been impacted with the loss of a son from a prescription drug overdose so he knows what it's like. He's just trying to keep the Budget down and trying to reduce it. He's just saying there is an avenue here that's a little bit less expensive and virtually no maintenance. He actually has a picture of it and a picture of the prescription medications too.

Chief Wagner stated the Department also has thousands and thousands of dollars of drug evidence in their Drug Evidence Room. As Lt. Perley said, we can certainly drop it off with the DEA twice a year, but he thought it was said very eloquently, the Department is trying to get into a program where people feel comfortable coming into the Police Station and dropping off every day of the week, 365 days a year and just dropping their drugs off because, as you know, you may go to the doctor and get a prescription for 30 whatever pills and you might use 2 or 3 of them and then they are sitting in your drug cabinet for 6 months and somebody breaks into your home and steals them, so on and so forth. The Department is getting more and more of that every year. The elderly, their homes are getting broken into, the drug cabinets are raided. The Department is trying to get to the point of where people can just drop them off any day of the week. If they are done using them, go down to the Police Station and drop them off and we'll take care of them from there.

Steven Steiner stated here is a picture of it just so you can see, but what he would like to do is make a couple of phone calls tomorrow and maybe he can get one donated to the Police Department and save the taxpayer \$6,000.00. That's all he is really trying to do. Chief Wagner stated we certainly can do that, but like he said, the Department is just trying to get to the point where people can drop off 365 days a year.

Donna Dolan stated she wanted to applaud the Police Department for all of the work that they do during the year. She thought this was a wonderful idea because she knows that at times when she is holding a drug that she doesn't need anymore and she has to wait a year for recycling, there's a part of you that just wants to get rid of it. Isn't this wonderful. She thought it was great and she was sure there were a lot people present that have things in their own homes. The particular day for recycling for toxic waste for the Town for instance where you can actually drop off drugs on that day too, she is always down for a family event in Massachusetts so she's never around for that. It's a service for the people who are elderly and on drugs. Number one is the convenience; number two for someone even her age and she doesn't take that many drugs but sometimes she will clean her cabinet and go "hey, this has expired" and she still has aspirin in there. There is a concern about drug use and overdose. There are certain drugs that kids are trying to get because of the content and what better way than to drop it off at a Police Station

and for people to feel comfortable going to a Police Station for that reason. She is hoping that her say has an impact on that.

Evan Lucy stated as an aside, take care of your health and don't have a stroke, it sucks. What he wanted to say was that it is a h**l of an idea personally and it sounds like it will be minimal annual cost to maintain the Terminator plus this \$6,000.00, albeit a chunk of money to spend, he thought was offset by the fact that during some of the early deliberations, Article 14 started out at \$35,000.00 and the Police Commission and the Police Department have been able to bring that Expendable Trust Fund for Equipment down to \$21,000.00 and the \$6,000.00 has remained the same. He thought in a way are we trading a \$14,000.00 reduction for a \$6,000.00, in his opinion, more necessary tool. He was not saying that the \$14,000.00 worth of tools or whatever they were aren't necessary, apparently the Police Department felt they could live without it for a year.

Article 20: White Mountain Community Health Center in amount \$35,565.00. There were no questions, comments or concerns.

Article 21: The Gibson Center for Senior Services, Inc. in amount \$35,000.00.

Robert Barriault stated that he noticed that all of the non-profits were basically level funded with the exception of this Article. Mr. Barriault asked what the explanation was for their increase because he thought they were \$32,000.00 last year.

Chairman Mosca stated the cost of doing business basically. They've opened up a new retail center that they're hoping will help them in the future. It's a bigger space and they are hoping to get more money through that, but at this point in time it's just the cost of doing business. It has dramatically gone up and their increase was minimal.

Article 22: Tri-County Community Action in amount \$13,000.00. There were no questions, comments or concerns.

Article 23: Children Unlimited, Inc. in amount \$12,000.00. There were no questions, comments or concerns.

Article 24: North Conway Community Center in amount \$75,000.00. There were no questions, comments or concerns.

Article 25: Carroll County Transit's Senior Transportation in amount \$3,000.00.

Evan Lucy stated he appreciated the politeness, but Mr. Lucy is his father. First of all, unfortunately this is titled the Carroll County Transit's Senior Transportation. The Dial-A-Ride Blue Loon Service is not just for seniors. Otherwise this sounds like it is a redundancy over and above what George Cleveland's group is doing at The Gibson Center. This is actually a bus service available to everybody. He certainly took advantage when he was recovering from his stroke and needed, not that he's over it, to get up to the hospital. He couldn't expect his 80 year old father to run down to the West Side to pick him up or his wife to

continually take time off from work so the bus service worked for him quite well.

Mr. Lucy stated there's a \$4.00 cost one way, so it's \$8.00 per trip. You can not hire a taxi for that kind of money of which there is only one taxi service now he believes in town. He does know that there are some that feel that the idea of, it's actually public transportation, we're not charging, he shouldn't say that, he's on their little committee by default he guesses because he showed up too often, but it's public transportation for the public and the charges being charged the riders may not be enough. It's not looking to turn a profit. There are no stockholders involved, there is no bureaucracy to support other than the general position of someone to coordinate and someone to answer the phone and schedule the buses and the drivers. Yes, it all adds up, but he thought \$3,000.00 for the Town of Conway to participate in a public transportation system of which we have had little to none in the past few years and that's certainly probably the direction that the entire country is going to as far as trying to use less fossil fuels, etc.

Mr. Lucy further stated that Theresa Kennett was one of the largest instigators, probably wrong choice as he didn't mean it that way, but she was one of the ones that got this thing going. He thinks it is a wonderful service and if we buy Lt. Perley's Drug Terminator and support his Blue Loon, we'll still save \$5,000.00 from the original \$35,000.00 that the Police Department asked for in the Expendable Trust.

Chairman Mosca stated for those that may not have seen the Budget hearing on the non-profits or weren't available that evening, the gentleman who spoke on behalf of the Transportation said that there were 3,000 round trips the past year so it comes out to \$1.00 per trip is what they are looking for. Just to put that in perspective.

Article 26: Starting Point in amount \$6,935.00. There were no questions, comments or concerns.

Article 27: Vaughan Community Service, Inc. in amount \$5,000.00. There were no questions, comments or concerns.

Article 28: North Conway Day Care in amount \$3,000.00. There were no questions, comments or concerns.

Article 29: Northern Human Services; The Mental Health Center in amount \$10,115.00.

Robert Barriault stated he was not familiar with this; is this a new non-profit. Have they ever requested before. Chairman Mosca stated they requested in the past. They have been denied in the past and they haven't requested in several years. They have a new Director who is trying to get active and get the community more active and she came before us and pleaded her case for about 30 minutes.

Robert Barriault asked what was their source of revenue previously. Chairman Mosca stated he did not have all of that information in front of him, sorry.

Robert Barriault asked if the Committee was provided that information. Chairman Mosca stated yes, but he just doesn't have that in front of him. Bill Marvel stated he did, he had their 2012 Revenues.

Robert Barriault stated the only reason he asked is because he was kind of questioning as to whether or not they were coming to the Town now asking for funds because of either a reduction or a loss of funding from either the State or Federal or wherever else they were getting funds from.

Chairman Mosca stated it's more that they do a lot of work in Conway and they don't get any funding from the Town of Conway. They are just trying to see if the Town will make up some of their deficits basically because they do a lot for the community.

Bill Marvel stated this used to be Carroll County Mental Health and they changed their name. He did a little research on this himself. He has more negative notes about this organization than any of the other non-profits. They last were given \$7,600.00 in 2000; 2001 they weren't recommended and in 2000 there weren't recommended he believes but they got by. They were defeated in 2001, 2002; 2003 and 2004 they got the picture and didn't submit; 2005 they dropped their recommendation but they weren't recommended, they were defeated by nearly 3:1; 2006, 2007, 2008, 2009, 2010 and 2011 they didn't submit. Bill didn't think they submitted in 2012.

Bill Marvel stated they lost their first request not long after they refused to supply anyone to help with a suicidal person here in town and the Police basically begged them to give them some help, at least some advice and they refused and for the first time in the history of this town, the Conway Police had to kill one of our citizens. A lot of people were rankled by that, he among them, and he suspects that had something to do with the down fall of the organization.

Bill Marvel further stated they haven't really done that badly. Their Executive Director and their Area Director who are married take salaries of \$215,000.00 so he guesses they aren't suffering too badly and he doubts they will be closing down their organization because they don't get this \$10,000.00. By the way, we give them more than that, there is \$12,000.00 and something in tax exemptions and they don't indicate what other towns they get money from. That's his view on it.

Stacy Sand stated to Bill Marvel, in his research when did they change from being Carroll County Mental Health to being under the auspices of Northern Human Services. Bill stated that he didn't know because 2005 was the last year they showed up in the Town Report and they were still Carroll County Mental Health. Ms. Sand stated she believed their administration has changed since that time, so there's probably been a lot of changes amongst the staff in the mental health services for probably a good reason from what you say. Bill stated as he said, they aren't doing that poorly.

Syndi White stated mental health services in the State of New Hampshire are in a crisis state. The State has cut funding year after year after year, it's almost non-existent now. There are several lawsuits against

the State because of this. This money is really severely needed by this Agency, they have hardly anything to run on and it's not just this Agency. The mental health services are provided by the 10 Area Agencies throughout the State. Northern Human Services is one of them and it's a needed amount of money. It's not some kind of fluff money for extra; they are really, really in a crisis situation.

Stacy Sand stated she believes they said at the meeting also that this money was in relationship to the people who were not able to pay for their services and that they service a number of people that have no insurance or have no money to even pay on a sliding scale. That's what this money is for. In terms of their salaries, she believes they are in charge of more than just the mental health services. She believes their salary is spread off of other services. Bill Marvel stated the Executive Director is spread across all of them; the Area Director, his wife, gets \$85,000.00 in Conway alone.

Stacy Sand asked if they were administering just the mental health services or are they administering all of the Northern Human Services for this area. Bill Marvel stated according to the Budget they gave us which is supposed to be for the Conway area. Ms. Sand stated she didn't believe that to be the case. She believes the person that came before us is also doing some of the other services that we have through Northern Human Services. Bill stated if they pro-rate their salaries across those services, they didn't in this case. Ms. Sand stated she believes that to be the case and that this is the first time this Director came before us. She was pretty sure that they are administering other things besides just the Mental Health Division of Northern Human Services.

Seth Rosen stated he was a product of Northern Human Services. Yes, they've helped him out a lot and God forbid it happen to anybody else. Just in case you guys develop any issues with Alzheimer's or any issues, they have helped us. He didn't think that it should be taken for granted to oversee their helping and he would give them money to help out in the future. He would not take them for granted at all.

Article 30: Public Skating Rink in Schouler Park in amount \$5,000.00.

Mary Seavey stated unfortunately she was not at the Selectmen's Meeting last night and she was not talking as a Selectman, but as a voter and resident of the Town of Conway. Also a member of the Celebration Committee that came forth, a bunch of us, caring about the town, to support activities in this town that the Town was finding hard to support. Be it the parade, be it the Fireworks, be it lighting the tree, be it helping to support the great effort that we do at the Town, the Community Center for the parade and the activities for the 4th of July. Thanks to our great Police Department that sets up and helps. Everybody came into the picture to help.

Mary Seavey stated it was late in the game that the Skating Rink came up. People voice opinions in the paper and all that we can't let this skating rink die. All of us, as a group, said let's see what we can do this year and then get it on as a Warrant Article for years to come. We raised the money with the help of the Town to not only get the rink going, do the building, there were many, many things. She was kind of emotional about

this thing right now. It took a lot of money to get the building up to standards and the skating rink up to standards so that the skating rink could open. That's what was a dream of their little group to just get it together, get it open and then put it into a Warrant Article for the Town to come forth and say this is a community skating rink and we need it to be a community skating rink.

Mary Seavey stated the North Conway Water Precinct said "okay, we'll step up and we'll still do the support of the \$6,700.00 that is needed". It was calculated out that the additional cost would probably be \$5,000.00 to keep the skating rink going at this point.

Mary Seavey stated she wanted to back up a bit with the Fireworks. They were very lucky in having the people that came forth to give us to keep the activities going that the community wanted. We can not look to those people that are going to give us \$7,000.00 to make the fireworks happen this year. So we, as a committee, said that is what we will support, we'll support those endeavors that we signed up for, but the skating rink was not. It was only because we wanted to see that skating rink there. Personally she, having been in the community and her family for a long time, we wanted it there. We are asking the voters now to come forth and support this \$5,000.00 needed to keep the skating rink open to the capacity that it's open this year. That is not on the agenda of the Celebration Committee and that was not their original mission to do. It was just a group that was there that said okay, let's do it. It's not something that they want to take on this year. They want to take on the mission that they started to do, those activities that everybody could enjoy, like the fireworks, the parades, making the parade in Conway for the 4th of July better; the Christmas parade; the lights; the decorations in the Town; Schouler Park decorations and that's their mission.

Mary Seavey stated hopefully the town will see it in their hearts to come forward with the \$5,000.00 that's needed to keep our icon in the North Conway Village alive. That belongs to her who lives in Conway also because she skates there and she skated there as a kid. It is the Conways and she thought this also shows a community effort and they aren't the North Conway, we aren't the Conways, we aren't the Center Conway, we are a Town of Conway and she hoped that everybody supports it.

Amy Snow stated she had a question for Earl Sires. If we raise and appropriate this money as a Warrant Article, what does that do to the liability of the Town now at this skating rink. She knows that was an issue. She thought it was a great idea, we need the skating rink and she wished we still had one in Conway like we did years ago. Also, if we start putting it into a Warrant Article, how long before it becomes part of the Budget.

Earl Sires stated beginning this year the arrangement was that the Town would run and operate the rink, including providing their liability insurance. The Selectmen voted in the Fall that they would undertake that responsibility provided that it was funded by outside funding. The liability issue doesn't change from this year to the next if this Warrant Article passes. If the Warrant Article passes, it becomes part of the Budget but it does not automatically get included in the Budget year-to-

year unless the Selectmen at some point decide to make it part of the Budget.

Mary Seavey stated she just wanted to say one more thing and she believes she is correct, but correct her if she is wrong. With the Celebration Committee, they did raise the funds also. John Eastman was part of the Town, but the other people that worked there, manned it and all she believes the Celebration Committee raised the money to pay for that and that's all included in this \$5,000.00 for next year. The biggest part of the Budget that went and she didn't have the figures here, but the biggest part of the budget went to getting the skating rink ready so that it could be used. Everybody knows the things that happened and we can't take those things away. It was a voluntary thing that you had to do these things if you wanted to get the skating rink up and running.

Mary Seavey stated there was not really a committee or anything ever associated with the skating rink. There is a non-profit, Johnny Cannell and she didn't know who else was on it, but it was never really officially anybody really supporting it. There was never anybody there manning that. People just went and skated and there was no control. It was just there, it was flooded and people would go and use it. This year part of the budget did go to making sure that at all times it was manned with somebody that was there to make sure that things were done right, to make sure to greet people and whatever. That was part of the money raised and that is also part of the \$5,000.00. The North Conway Water Precinct, all of the water, that's not part of the \$6,700.00 they had given, that is what they have given to make it run.

Stacy Sand stated her only concern with this \$5,000.00 being a separate part is that it does not cost \$5,000.00 to run it this year, it cost \$11,000.00. Thanks to the North Conway Water Precinct and if the North Conway Water Precinct decides next year not to fund it, then it's not going to happen or the hours will be severely reduced for \$5,000.00. Her take on it is that she wishes that this had been discussed during the Operating Budget because she agrees that the skating rink should be there and thought we should be looking at it as a Town and being a year ahead of time with the Water Precinct so that we know that money is coming as we are forming our budgets or not. Her concern is: we pass the \$5,000.00 which would be great as long as North Conway Water Precinct donates their \$6,100.00. It's just a concern and she would love to see it in the Operating Budget herself, but it's not there.

Mary Seavey stated there has been a very big endorsement by the North Conway Water Precinct and she knows that it has to go to a vote, but it's something that they have said they are in there to support 100% with what they have been giving and she did not see that going away. If it does, then it will have to be addressed, but she really didn't see that money going away.

Maureen Seavey stated she was on the Budget Committee for the North Conway Water Precinct and she hasn't seen one when this hasn't passed. She would support this.

Amy Snow stated if this Warrant Article passes and the \$5,000.00 and for some whatever reason North Conway Water Precinct says "no, we can't give

you the water this year", what happens to that Warrant Article. Does it go away because it's not getting spent or does that \$5,000.00 have to sit in an account some where. What happens if we need \$11,000.00 and we only have \$5,000.00.

Earl Sires stated if just \$5,000.00 is available, we would have a couple of options. Certainly the Selectmen could decide not to operate the skating rink in which case it would just revert at the end of the year to the Fund Balance he presumed as unspent funds. They could shorten the hours and shorten the season and run it for a more limited period of time or they could reach out and appeal to the private sector again to fundraise and see if the total amount of \$11,000.00 could be raised. He guessed his answer would be we'd have to see what we could do at that point.

Robert Barriault asked Mary Seavey if this Warrant Article was approved and also the \$6,000.00 from the North Conway Water Precinct, as he understands, it would cover all of the operating costs. Would you still be seeking private sponsorships and having plaques on the building and so forth or could that all be taken off.

Mary Seavey stated she was a big advocate of sponsorships and getting recognition. What they did this year was part of their ability to raise the funds that were needed to do all of the repairs at the skating rink and to get it up and operating and having the coverage there for it. Thanks to those wonderful people that have their names up there and she thought more of this Town should have their names up there for credit of things done. They were able to do all of that work which will not have to be repeated, it will be a minimum of work repeated for the next year. They would really step back from it. That would not be anything the Celebration Committee would endeavor to do.

Mary Seavey further stated if the Town looked at it, she didn't know their sponsorship or the Sign Ordinance which she felt needed to be revisited, they might look at that to see if that was what they needed to give and be recognized. Like what we have inside the Ham Arena, like what is inside the Community Center, not the Community Center but the Conway Rec. She thought we have to look at that. We have to look at that if we are individuals here saying "if I can't get the money, where am I going to get the money" and we're not going to have the big companies like Fair Point and all donate money unless they are getting some type of recognition. It's not the old folks here that have been here for years that are not going to tell if they give a cent and don't care to get any recognition. That's not the way the world functions here any more. You really need support like that. Your answer to that even though she has gone too far, your answer would be we wouldn't go there because we wouldn't be there, but that's how they raised the money.

Chairman Mosca asked why this wasn't part of the North Conway Community Center or done as something through the Rec Center. Earl Sires stated good question. He wouldn't go into the whole history of the skating rink, but Mary (Seavey) kind of alluded to it. It's been run he thought since after the first World War and over the last many years it was run through the auspices of the North Conway Outing Club which really ultimately became John Cannell and his efforts to keep it going and his commitment

to do that. It was put on like in the old days when everybody got together and did their part, didn't really think about liability insurance and legal issues and all of that kind of stuff. Over the years it has become clear that it needed a new approach for all of the reasons he just mentioned and John was not in a position to start a non-profit with a Board and get liability insurance and all that kind of stuff.

Earl Sires stated that in all of these discussions, North Conway Community Center had pitched in, in the past and written checks on behalf of the Outing Club, but there really wasn't a financial relationship and their staff would help put the boards up even though they weren't legally or technically involved. When all of these things happened and the Town started sorting things out, the Community Center said they couldn't be the sponsor because their liability insurance carrier wouldn't cover that risk any more. For a lot of different reasons, it made sense to have the Town step in and manage as the lead agency. He guessed you could say that there was great community effort, but it got to the point where it had to be run with a different approach because of the way the world is these days.

Chairman Mosca closed the Town portion of the Public Hearing at 8:10 PM.

PUBLIC HEARING - SCHOOL

Chairman Mosca opened the School portion of the Public Hearing at 8:15 PM.

Dr. Carl Nelson stated he was going to review a couple of things real quickly and then Joe (Mosca) can go through each of the Warrant Articles as he did with the Town. The first page is a summary of the Budget up on top and the Warrant Articles and how the recommendations of the School Board went. The last one, Tin Mountain, the Board voted tonight just before this meeting not to recommend by a 0-4-1 vote.

Dr. Nelson stated the second page is a Summary of the Budget. The task of the Principals and the directors and his task was to complete a Budget as requested by the Board that was a flat line Budget with no increases, with the exception of the items such as Health Insurance which in this Budget is an 8.7% increase or over \$500,000.00; the 3% that they have to contribute additionally to the Retirement System as mandated by the State which is in excess of \$300,000.00; the second year of both the AFSCME Contract and the CESP Contract, AFSCME is about \$50,000.00 and CESP is about \$54,000.00. If you total those up, you're at \$950,000.00 plus. Where you do see in each of the Units a slight increase, it represents the things he was just talking about. The Budget also contains a 1.7% increase for all non-Union personnel, that's the Administrators and all other non-Union personnel.

Dr. Nelson stated that page 3 was a Summary by function which is just for your information. Page 4 is the Revenue page and right now they are estimating a Fund Balance of zero balance. They have a Special Education deficit of in excess of \$230,000.00 right now. When they built this Budget it was closer to \$315,000.00, it's come down some. Currently Conway is on a budget freeze and any items that need to be paid are approved on an individual basis and they are hoping that they can

accumulate some money to use to offset the taxes. You will note under the Tuition Section which is about in the middle of the page that in applying the formula in the Tuition Contracts, we are receiving \$633,000.00 less in tuition from the sending towns than we did the past year.

Dr. Nelson proceeded with Page 5 and stated that they were going to give an estimated Tax Rate impact. If the Budget alone were to pass, it would be a \$.70 per thousand or a 6% increase in the Tax Rate. Adding all of the items, the other Warrant Articles, if they were to pass you can see the numbers there and it would add \$.63 to the total Budget and it would have a net result of \$1.33 per thousand or approximately an 11.6% increase.

Dr. Nelson proceeded with Page 6, the Default Budget, and the Default Budget is actually composed of this current year's Budget less any one-time items, one-time purchase items, plus any contractual obligations: the increase in the Retirement that he mentioned earlier is a contractual obligation, the Health Insurance is a contractual obligation and those have to be added. Therefore, the net result when they have zero increase in everything else except those items that are required, is that the Default Budget is \$125,000.00 greater than the proposed Budget. So the proposed Budget is less than the Default Budget.

Dr. Nelson proceeded with Page 7 which is a brief description of the Teacher Contract, a 2 year agreement which has been reached between the CEA and the School Board. The first year represents a 1.7% across the board increase which is the Social Security increase for this year. The second year is a 2.5% across the board increase. He says "across the board" because in the past the pay increases were based on performance. That is not true in this 2 year Contract; that doesn't mean the evaluation system doesn't take place, it does but it just doesn't reflect in the increases.

Dr. Nelson stated those are the real big items. The first year of the Teacher Contract is \$230,000.00 plus increase which represents 1.65% and the second year would be \$267,000.00 increase for a 1.88% over the previous year.

Article 2: Kennett High School Facilities Maintenance Fund in amount \$54,443.00. There were no questions, comments or concerns.

Article 3: Kennett Middle School Facilities Maintenance Fund in amount \$17,086.00. There were no questions, comments or concerns.

Article 4: Elementary Schools Facilities Maintenance Fund in amount \$9,900.00

Robert Barriault asked a question to Dr. Nelson on all three of the Maintenance Fund Articles. Have any of the funds been expended out of any of these Funds to date. Dr. Nelson stated only the Elementary School at this point, the fuel tank at the Conway Elementary School.

Article 5: The Operating Budget in amount \$33,509,885.00.

Robert Barriault requested an explanation of the reason for the significant reduction in the Tuition Revenue. Is that because fewer students are being sent to Conway Schools from the sending towns. Dr. Nelson stated there were two things: fewer students is one of them and the second part, probably the biggest reason, is there is an inflation factor clause in those Contracts that says beyond what they calculate the costs to be we'll add 2.5% plus the CPI for that year. The year before the CPI was at 3.6%, add the 2.5%, you are over 6%. In addition, what we charged the sending towns this year is down and that's a credit.

Article 6: The establishment of a Fund Balance Retention Fund which would be set at 2.5% of the current fiscal year's net assessment. There were no questions, comments or concerns.

Article 7: Conway Education Association Contract with a total value of \$497,101.00; the first year \$230,371.00, the second year \$266,740.00.

Pat Swett asked why they did away with the merit pay. Dr. Nelson stated it was the agreement that was reached between the two negotiating teams. There was a lot of discussion going back and forth between the two negotiating teams. At this point until the Town either ratifies it or doesn't ratify it, we can't go into any more depth but that was the arrangement that was reached. Mrs. Swett stated all she could think of in the 10 years she was on the School Board the hours and hours they put into that merit pay system and it just amazed her that they have done away with that. Dr. Nelson stated he didn't disagree with her, there were hours and hours spent. The evaluation system is still in place, it just isn't reflected in this Contract.

Article 8: Project SUCCEED in amount \$44,305.00. There were no questions, comments or concerns.

Article 9: School Buildings Maintenance Fund in amount \$100,000.00. There were no questions, comments or concerns.

Article 10: Capital Reserve Fund for the School Buses in amount \$174,000.00.

Robert Barriault requested an explanation for the increase amount in this Warrant Article. Jim Hill stated that several years ago there was a discussion about moving to purchasing 1.5 buses essentially a year. At the time, it was stated that they would take a look at that but they were going to have increased bus breakdowns and increased bus maintenance costs and that actually came very much to fruition. With that 1.5 bus, it went from 10 years/150,000 miles replacement to 12 years/200,000 miles replacement. Since that time, the number of breakdowns have increased, the costs have increased and we are going back to the 10 years/150,000 miles replacement threshold and that's what this is reflected on.

Amy Snow asked Jim Hill how much is in the Fund now. Dr. Nelson stated \$22,000.00. Ms. Snow asked how much was in the School Buildings Maintenance Fund. Dr. Nelson stated \$196,259.00.

Robert Barriault stated he thought there was a Transportation Committee; has that Committee looked at other approaches to extend the life of the

buses, reducing the mileage that is being put on them because the buses are used for so many other things besides transporting students to class and home. Seems like we ought to be looking at both sides of the picture.

Jim Hill stated the answer is yes. He thought that one simple thing that they have done is they are going to be making sure that there are hour meters in all of these buses to give a better idea. Every time you are at a bus stop the engines running, but the odometer isn't, so these should give a better idea of where they actually are in terms of the actual use of these buses in addition to the mileage. The other thing is that the Transportation Committee, as well as the Board, has been much more diligent at looking at some of the extra trips that go out of town and are there ways to have those services provided without having to travel such distances.

Article 11: Maintenance Technology Plan in amount \$75,000.00. There were no questions, comments or concerns.

Article 12: Special Education Expendable Trust Fund in amount \$100,000.00.

Chairman Mosca asked Dr. Nelson how much was in that Fund. Dr. Nelson stated \$300,850.00.

Article 13: Replacement of a portion of the roof at Conway Elementary School in amount \$95,700.00.

Amy Snow stated she was sure everyone has heard this question a million times, but we have a Building Maintenance Trust Fund, so why do we need another Article, can't we take the money from that to use to replace the roof. Jim Hill stated yes, you could. The Building Maintenance Trust Funds are more of a savings account so that when we have a fuel tank, as an example, that money was there to replace that \$100,000.00+ fuel tank. This is a planned scheduled replacement and that's why it is being put on as a Warrant Article and not taken out of the Maintenance Trust Fund.

Amy Snow stated being a Warrant Article, if this does not pass, you can not fix that roof. Jim Hill stated that is correct, he can not replace it.

Article 14: Tin Mountain Conservation Center in amount \$12,000.00.

Mike Kline, Director of Tin Mountain Conservation Center, stated he would like to just provide a little brief information about the programs being talked about in this particular Warrant Article. We've done programs in the Conway Elementary Schools since 1982 and they've had strong community support for those schools, from those schools and the teachers. He turned in 161 signatures on the Petition and he now has 200 and believes there may be more coming in.

Mr. Kline stated these programs are really important he thought at this point. There's a lot of emphasis on Science, Technology, Engineering and Math skills and these are the things that are taught in the Tin Mountain Programs in Grades 3 through 6 in the three Elementary Schools.

Mark Hounsell asked what the School Board's position was. Dr. Nelson stated the School Board voted to not recommend by a vote of 0-4-1. Mark asked if the Article should actually read "To see if the School District" instead of "the residents of the Town of Conway". Dr. Nelson stated this is a petitioned Warrant Article; the School did not write it. Mark stated on the School District Warrant they are asking the Town of Conway. There is an organizational difference; do you know if this passes muster or if it's just a minor thing. He was just pointing it out. Dr. Nelson stated they received it on Monday and, as a matter of fact, the Supervisors haven't gotten back to the School yet to make sure, and he is sure, that all the names are registered and they double check it for the School.

Mr. Kline stated when they ran the petitioned Warrant Article in 2000 and 2010 it was the same language. Whether that makes any difference right now, that's just a point for you.

Stacy Sand stated she would like to reiterate the value and the importance of Tin Mountain as part of the School system in that we live in a truly unique area and to have them give us a connection between our youth and the outdoors in the way they do is truly amazing. She has heard \$12,000.00 and she thought we were getting a pretty valuable thing. She has worked with a lot of kids in the past and some kids don't learn so well in the classroom, but you get them outside or you get them in connection with wildlife animals, insects and all of a sudden they make the connection between nature and Science and their brains. She thought it was important that we have this alternative way to learn in our School system.

Sarah Charles stated she also agreed that bringing nature into the Schools is priceless. Children's worlds are becoming more two dimensional and just bringing nature there because we are in this gorgeous place, \$12,000.00 is a bargain. She was looking at all of the other numbers and it just seems like a drop in the bucket. Tin Mountain is a wonderful organization and they have a lot to offer and to teach and she thought it was a very valuable offering that they are giving us for a real bargain.

Evan Lucy stated he agreed with Mr. Hounsell, is this in the correct form or will that get straightened out. Chairman Mosca stated we will make sure that somebody reviews it and let's us know about the legality, given the wording.

Chairman Mosca closed the School portion of the Public Hearing at 8:43 PM.

BUDGET COMMITTEE

Chairman Mosca stated to the members that tomorrow night we are going to vote on the Minutes of January 23rd, we are going to set the Town Default Budget if we think it needs to be changed and we are going to vote on everything else.

Sarah Charles, Trustee for the Conway Library stated she wanted the Budget Committee to be aware that they have 2 boilers in the Library and right now they are taking parts from both of them to try to make one of them a working one. The chance that they will need a new boiler this year

is very high. The Trustees just found this out and have no idea what the cost is, but she is sure that it is not cheap. She doesn't even know what to ask for, but that is something that this Committee needs to know.

Sarah Charles stated the lights on the flag pole, it's illegal to have them off at night if your flag is up, were vandalized and they need to get new ones. They are working with the VA and it is going to cost approximately \$2,000.00. Just letting you know that. They were hoping that instead of restoring the \$18,712.00 and that was ideally to cover a new Director from April 1st, they won't need about \$1,400.00 because they are not adding any hours. That cuts it back to \$17,312.00 and they are going to cut another month off with the Committee's blessing hopefully and to hire somebody by May 1st which means they would ask for \$12,800.00 rather than \$18,000.00 to be restored. Without that, if they have to cut programs, it would gut the Library and it would just strip them of the services that they provide. Thank you and thanks for considering this.

Mark Hounsell stated on the issue of the boiler which is news, he thought the Trustees should look into it to see what the real damage is and need is and be prepared to make an amendment on the floor at the Deliberative Meeting. He talked with Earl (Sires) about our options and just running out of time, not knowing the cost and not knowing the need, he thought they had between now and Town Meeting to address the issue. He thought it would be too bad for the Library to have to cut into it's already lean Operating Budget for a \$10,000.00 to \$20,000.00 potential boiler replacement. It may or may not even be that.

Bill Marvel stated Earl (Sires) also said that there is a substantial amount in a Trust Fund for maintenance of town buildings and it might apply to that, so the boiler issue may not be a problem at all really. As for the other things, like the flag pole, it's not illegal to keep a flag up over night; there's no statute on that, it's a simple matter of flag etiquette. It's not the VA working on this, it will be the American Legion and the way to solve that is to just put the flag up in the morning and then bring it down just as the Post Office does at night, not spend a couple thousand dollars more on fixing the lights so that someone can vandalize it again. Probably none of this has to be brought up except if the Trustees want to bring up an amendment to the amount they want to spend and want to add to delay the hiring of a Director. If they were to drop it a little more and extend it a little more, they might find less resistance. The obvious reason that he doesn't want to hire a Director on April 1st or even May 1st is because he didn't want the current Chair of the Trustees having a significant impact on the decision. If that's delayed until about May 15th or June 1st that would be less of a problem.

Sarah Charles stated in response to that, she understands that Bill (Marvel) has a personal agenda not wanting Linda (Fox-Phillips) to have a say, however the staff is stretched really thin and they would have loved to have a new Director as soon as possible. They do have a Search Committee, as you know, and she didn't think they were going to be able to hire anybody before May 1st and that will be the new Board that will give approval. That doesn't mean that we definitely will, maybe they won't until May 15th, we'll have to see what the Search Committee comes up with and who applies, they would like to be able to, without rushing, but as soon as possible for the sake of the Library.

Bill Marvel stated it's not that he didn't want Linda (Fox-Phillips) in the decision, he didn't want her nominating the decision as he feels she had a large hand in doing last time.

Brian Charles moved, seconded by Greydon Turner, to adjourn the meeting at 8:55 PM. Motion carried unanimously.

Respectfully Submitted,

Iris A. Bowden, Recording Secretary