

# Municipal Budget Committee - Town of Conway

Monday, February 3, 2020

Professional Development Room  
Kennett Middle School, Conway, NH

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## Present:

James LeFebvre, John Edgerton, Michael Fougere, Diane Ryan, Mike Laracy, Dave Jensen, Ellin Leonard, Frank Jost, Ted Sares, John Colbath, Mike Tetreault, Cheri Sullivan, also present, recording Secretary Nadine Armstrong

**Absent:** Greydon Turner, Terri McCarthy

**Excused:** Sarah Frechette, Eric Dziedzic

Meeting called to order at 18:30 by James LeFebvre; Mike Laracy led pledge of allegiance

**James:** Next meeting on the 12th at the high school for deliberative session starting at 6pm. Chairman of the school board to brief us on CEA negotiations.

**Joe Lentini:** look at packet, highlights of agreement; negotiations started in September and finished before Christmas; 3 year contract as last time; problem going in was we had a step program that only went up ten steps, or 12 with a masters there were various fill ins for how longevity pay, for how your increases would go beyond that, one of the disadvantages was hiring new teachers, out of district with say 18 years' experience and a masters or even a bachelor's degree could only be hired at the tenth level; was a total disincentive. Because the steps stopped at ten or twelve depending on bachelors or masters, we lost teachers because no progression for experience; to change that and to put people on the correct steps that reflect their level of service, that was going to cost money but they way to achieve that was one, removal of longevity pay. Starting in 2023, starting salary level 1 b1, \$40,321 which brings us close to the median for comparable districts.

**James:** Still using 30 town average?

**Joe:** We are using two different, comp 1 and comp 2. One is the comparable size districts and one is the group of 30. Because of increase in total number of sports and co-curricular we have increased amounts going into reimbursement fund from \$50 to \$75k with a 3% increase each year. Similarly, with the steps, starting with B1, there will be a 3% increase each year for each of those steps. We also have, if no sick time taken or personal days taken, would receive check \$150 for one or the other. We changed to \$100 for missing one, 2 days off you'd get \$50. The rationale, we didn't want to incentivize people to come into work when they were sick. Changed so that it is now by day, not for the entire 3 day. New hires 13 sic, days to 12 sick days and can accumulate up to 120 days, currently is 150 days. There is a CEA sick bank for members that is handled by the CEA and members interested in participating will donate a day of sick day to put in to the bank and then people with catastrophic illnesses or people who have given birth and do not have enough extra time left over will be able to petition to get additional time through the sick bank.

**Ted:** What did you say about longevity pay?

**Joe:** Longevity pay factored in multiple ways. Depending on how many years you'd been there...

**Ted:** Did you get rid of it? Using that to finance this?

**Joe:** It is being eliminated. Yes, part of the way to finance it. More significantly we have gone from a \$500 deductible plan where the district gave a \$500 card to the teachers to a \$1500 deductible and at the end of the third year there is no more contribution from the district. Because we shopped around, you will see a \$500k reduction in school health insurance in school budget and if you see in the 1st year of warrant article, I believe we have the increase as \$133,498 because we have already reduced it an additional 400 over that. That is why when you look at year 2022 it says it is a \$600k increase that doesn't factor in how much lower health insurance will be because we are on this \$1500 deductible plan. District cannot contribute into it, lowers rate because more consumer driven; when people have more skin in the game so to say, they tend to use less. Point out, this is not something that school board said would do, we used interest-based negotiation and why we met for so

long. We wanted to change the system by which teachers are rewarded for their years of service, but we needed to pay for it. Teachers were fully aware of that and worked to accomplish it. There was a lot of restrictive language that was removed/changed/updated. The goal is, to bring teachers with 12 years plus and masters up to the median. It is still going to take a number of years, but this is putting us on the right track to get there.

**Ted:** 3-year agreement? In terms of percentage increase, is it front loaded or back loaded?

**Joe:** From warrant article can't calculate; first year is a negative increase; the contract itself is a negative increase because the insurance is \$500k lower cost

**Ted:** You've decreased insurance. Has that decrease in insurance been the trigger for the decrease in the budget for the school?

**Joe:** that is part of it; other positions that have been eliminated, etc but this is the major way we've reduced costs.

**Ted:** First deduction we've had in years. You made comment about a different way of negotiating not sure that it's possible to do with board that changes all the time...

**Joe:** Same method we used three years ago. We have literature on it that we work with when we go into it.

**Ted:** Yes, it is the same method, I don't necessarily agree with that method. By the way, it's a European model.

**James:** Second year goes up \$600k?

**Joe:** That is because of the moving people on steps but doesn't take into account is how much lower the insurance will be at that point because we can't factor in insurance in second year. Already this year we've lowered the rates a little under \$1mil. Whereas we expect insurance will go up a certain degree, there are other unions that we are looking at negotiating with to bring into, this is the only union using this program right now.

**Ted:** Who is on negotiating team for school?

**Joe:** Joe Mosca, Jessica Whitelaw, self

**John Colbath:** With the extracurricular, what is the criteria for bracketing?

**Joe:** There is a whole chart for it. For how many years of service and for what programs...it is in the contract, because underfunded for a while and some people did not hadn't received any increases in a number of years, the cocurricular committee came to us and asked us to raise that.

**John:** From time to time you have difficulty filling positions?

**Joe:** Yes. We have the students who want to do the programs but don't always have the staffing to handle it.

**James:** if you have more questions, read at home and email to James to email to Superintendent to get answers in writing.

**Joe:** In copy you have you will see eliminated language

**John:** So, you said who negotiated for the faculty?

**Joe:** Chris Bailey, Sean Littelfield, Kim Mattherson, Darcy Caine

**James:** after school board, Town Manager and staff ready; here to finish town issues, default budget and town warrant articles

**Joe:**

**Tom Holmes:** Government buildings down 2%

**James:** page 4 government buildings; any questions, moving to highway, page 7 toward bottom

**Tom:** Another decrease 1.4%

**James:** anything much different than last year?

**Tom:** Radios

**Paul:** Decrease in the ask

**James:** Salt and calcium down this year?

**Paul:** Budgets set in October and then during deliberative, we adjust if need be ie: over time, salt, fuel. Last year was a big winter. Going into this year, looking at average; better to ask for an increase and conservative on onset.

**Dave:** Have heard a bit about it but don't think whole board has heard what are possible ramifications of the new radio system is for you folks? The police is getting a new system and that may require you folks to replace your radios, is that correct?

**James:**

**Tom:**

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**Paul:**

**James:**

**Paul:** No, our radios are fine; our antenna is on top of our garage which means we have a very difficult time communicating around town; our new antenna is on top of the police's new tower and in budget there is money for equipment to drive that new antenna but radios stay the same.

**Tom:** Solid waste

**James:** How much has bottom fallen out of recycling industry?

**Paul:** Two things that are measurable are the amount of revenue paid for recyclables (down) or items that we can no longer move or have to pay to have moved; annual report will show you graph which show you that recycling quantity is down but on a percentage basis it's not down but not as much down as what we hear in the news. We are still doing great deal of recycling. 2 years ago, had been at 60% of our total waste stream, not achieved anywhere else in NH; last year we dropped to 56% and this year dropping again to 54%. On a percentage basis, we are off on volume and solely attributed to some products like low grade paper that we can't move; we had to landfill it. People still separating it in their stream. We made a business decision to landfill it. Our landfill space, being that we own and operate one of 3 municipally owned sanitary landfills in NH, our landfill space costs us about \$22/ton. It would cost us far more to move it than landfill it. We are told mills for that paper product are in development within driving distance from us but that remains to be seen and even though they are in development, we wouldn't realize that for two years. You can see on revenue side; we report to Albany and Eaton how much our revenues are off but didn't have question ahead of time and I would have given you an exact number

**James:** Does this indicate that we would have to open different section of landfill sooner than we anticipated?

**Paul:** Not at all. Our landfill is done in phases, there are five of them. We began operating phase 3 this year, 2019; began phase 1 in fall of 1992; 1992 - 2019.... 17 years. Designed to last ten years each so we've well exceeded that. They were designed for 10k tons of trash per year; up until we had been doing 2500 tons of trash, this year 3200 tons. That's trash, so the amount of recyclable that changed is we are not planning for differently, not affecting our projected life.

**John Colbath:** You were called to a meeting by a county commissioner looking at a county wide initiative for solid waste disposal. Where do we stand on that?

**Paul:** The issue is that there are lots of small towns in north country; Conway is an anomaly in the North Country. You have folks that are asking for help because they don't own their own landfill, their transfer station are nothing more than drop off points, they don't have loading docks, they don't have tractor trailers, they don't have our operation. They are reeling from changes in recycling markets. When there was plenty of margin for everyone, their collectors could come and get it and take it to markets through brokers and they could take it to landfills. Then landfill portion doesn't change, it's the recycling portion that they are struggling with and they are right to call for study but the fact is that NH's model of solid waste is inefficient, the model of letting every municipality fend for itself is not the way to do it. It's not how Vermont is doing it, it's not how Portland and 37 towns surrounding Portland are doing it, it's just not the way it should be done. In recycling, economy to scale is a big deal. So my predecessor was forward thinking in developing solid waste district in the late 80's, early 90's and they reached out to communities around us saying we'd like to form this solid waste district so we can take advantage, strength in numbers, economy to scale and only 3 towns participated because those were good times, the hay day of recycling, and the smaller towns were able to do it less expensively than buying into a land purchase and building a landfill and expanding a transfer station. Now that there isn't a lot of gravy, they are not able to do it. Short of them buying in, short of the governor enacting laws like have been done in MA, ME, and VT, short of that, short of stemming the 53% of the trash that comes in to NH; 53% of what gets landfilled in NH doesn't originate in NH. Turnkey, Waste Management, Rochester, NH, the majority of those trucks have to cross border, pay toll and come North. Trying to deal with transportation issues, and brokers, etc. and in Conway we don't have to do that. How do you make a cooperative? How do you aggregate all these folks? There is NRRRA (NH Resource Recovery Association), although we were a member and, on the board, they are unable to do anything for us because of location. You can't get away from transportation. Whether it is recyclables or trash, it has to be moved from A to B; short of facility or governor changing the law, then it's free market enterprise and it's this.

**James:** any other questions at this point on solid waste

**Paul:** operating budget done

**Tom:** Capital reserve funds; passed out a list of warrant articles

**Diane:** Give a summary of Main Street Project?

**Paul:** Main Street Project is Main Street, Conway Village, from railroad tracks to first light at Washington Street and Pleasant Street. It is a complete road reconstruction including utility relocation. The utility relocation is complete except for one pole. We are still waiting for Spectrum to take care of that. It is a back of sidewalk to back of sidewalk reconstruction, new sidewalks, new water main, new drainage, new roadbed, new pavement

**John Colbath:** in cooperation with the precinct.

**Paul:** It is an LPA project (local public agency) in cooperation with the State of NH DOT and with the Conway Village Fire District. So the Conway Village Fire district is a utility and in construction we have a term and we call it a force account...we are going to fix the road but utility is in it, do you want to change it, okay, you have to come up with the money and give it to us. Conway Village's portion is budgeted at \$700k (estimated to be a little under that so that's good, contingency), State of NH outside of the \$6-700k for the water main, will pay 90% of the construction costs because it's their road and town will pay 10% because it's our sidewalk but we the town design it, bid it, and administer it. And we the town finance it. We pay for the cost of financing and DOT reimburses us. Main Street Project also called the Western Project. There is another project with a different DOT/LPA number which starts at Washington Street and goes easterly and improves the intersections. The third LPA project is the multi-use recreational pathway (running from Cranmore to Walmart).

**Tom:** 1st warrant article is article 8, capital reserve fund for infrastructure, reconstruction (backup data on page 9 of handout)

**Paul:** 1st project is Main Street project: \$200k because in 2019 we budgeted \$200k which is our ten percent (10%)

**James:** any questions

**Tom:** article 9, capital reserve fund for highway equipment (backup data page 14)

**James:** questions, seeing none

**Tom:** article 10, capital reserve fund for solid waste equipment (backup page 15)

**John Colbath:** Go back to #9, 2020 expend \$165k for a wheeler, can you explain what a wheeler is?

**Paul:** Wheeler, is dump truck in summer and plow truck in winter: dual axle in back, 4x4 represent 3 categories of large plow trucks we have

**John Colbath:** Is new or replacement?

**Paul:** New item. You can see we list the life expectancy of our vehicles and we have their last purchase year and their replacement year.

**John Colbath:** So, it's new? Do we have one reaching its life expectancy?

**Paul:** Yes, the one we are replacing was purchased in 2007. We are not increasing the number of vehicles. It is on maintenance schedule.

**Diane:** Article 10 says \$160k but backup says \$180k

**Tom:** Will have to look back and let you know.

**Paul:** We would just have to make it up in following year, if we have to leave it at \$160k we can make it up next year

**James:** Please let us know.

**Paul:** Intended to be \$180k

**Tom:** Selectman will re-vote on it tomorrow night.

**Paul:** I had \$180k on my sheet

**Tom:** Article 11, capital reserve fund for landfill expansion (backup on page 13). This is the thing we put in every year to maintain openings and closings, even \$80k across board going out forever.

**Tom:** Article 12 (backup data page 100, capital reserve fund for maintenance of town buildings and facilities, does not include new recreation center and prospective new town hall; includes expansion of public highway garage. We've gone out to bid on that?

**Paul:** bids are due Friday, we bid it last year, and only over budget by 100%

**Tom:** Went from \$400 to \$785

**John:** Do you know how many bidders?

**Paul:** Bids aren't in. We did have a mandatory pre-bid meeting that means if you didn't attend, you can't bid. We know that there are no more than 3 bidders. There has been activity across all 3 bidders, and we've issued two addendums, so we know they're looking at it and asking detailed questions.

**James:** any other questions?

**Tom:** article 13, maintenance of town buildings leased by the town, back up on page 11, recreation center not asking for anything except for AC for gym and that's what this warrant article for \$95k is for. It's the one thing couldn't get done last year; not a lot of sponsors wanted to do. You will see \$160k proposed and that is in a different warrant article for moving costs and remodeling costs associated with the move to the new town hall which looks like is on track to happen sometime this summer. That money not to be raised from taxes. We already had that money; we already voted that money. It took two years for this project to get close to sealing the deal and we can't keep the money for more than two years. The first year it's voted and the second year the selectmen encumber it and after that it falls back into the general fund and we have to revote it to appropriate it. Again, it's not new money, it's sitting in our bank account, we just need permission to spend it this year.

**John:** The air conditioning...we had fiduciary responsibility; we didn't jump into it. We studied for a year to see what was needed, hoping there was an alternative. Studies showed we need to do it.

**Mike T:** Was old recreation center air conditioned?

**Tom:** No. And most of the new recreation center is air conditioned currently, this is just for gym.

**James:** Any other questions, seeing none.

**Tom:** Article 14, emergency generator for police department. This is at the selectmen's wish; they wanted the warrant articles broken out so the people would have the opportunity to vote on each individual one rather than one lump sum.

**Paul:** Have an old generator from when police department was built in 1988, it needs to be replaced. It is 175 under what should be for current codes; we got three prices and have budget number we feel is good.

**Chief:** \$41,250 will be funded from state by a grant.

**Mike Fougere:** Generator for just PD or for court too?

**Chief:** Just the police department but it runs fire suppression for court.

**Paul:** So, there is an example Mike, the old generator ran the radios and lights in some of the offices. If you lost power and you had a fire in the court or PD, she was going to go up in smoke because it wouldn't run the fire pump.

**James:** any other questions?

**Tom:** article 15, capital reserve fund for parks department vehicles and equipment. Small amount of money \$7k, back up on page 16; actually, not buying anything this year but saving for future

**James:** Questions, seeing none

**Tom:** Article 16, backup data on page 17. Rotating fund we have for the periodic replacement of our police vehicles.

**James:** Chief, what is average life expectancy of vehicles?

**Chief:** I think they are going to be replaced every 3-4 years; they pretty much run 24 hours per day; try to get them 75k-100k miles and get rid of them

**Tom:** Not true-life expectancy, then the town gets them and drives them for another 5-6 years. We use them for around town.

**Tom:** Next article is article 17, backup on page 18; annual funding of our peg channel, Valley Vision, under threat by new FCC rulings; close eye on that in regard to if we are going to receive franchise money in the same amount going forward. New FCC rule says cable company can deduct the fair market value of any non-franchise fee services that they give the town such as, the peg channel. So, we are interested in seeing what the cable company feels that it is worth as well as the requirement in our contract to leave an office open 5 days per week in Conway, which is not a legal requirement. We are in negotiations this year and if they cut us tens of thousands of dollars because we have an office open, I am going to call their bluff and say go ahead and do it, we are not going to require it anymore; where are you going to open up? You're going to have to open

somewhere. The latest advice from attorney is not to sign anything until this FCC ruling is cleared up. Being litigated right now.

**James:** Channel 1301 vs channel 3, what is happening between Spectrum, Maine and ourselves?

**Tom:** My understanding that Maine has passed legislation to require their peg channels to be at a lower tier than the thousands. We are hoping that or speculating that because we share a peg channel with Maine that they will have to lower it down to accommodate Maine law. Maine law is being litigated so we don't know.

**James:** any questions?

**Tom:** Article 18; collective bargaining agreement for the Calendar years 2020-2022 between Town of Conway, and Conway Police Department, no backup data

**Lt. Mattei:** We proposed 2- and 3-year contract and selectman liked 3 year; 1st year contract cost would be \$8,708; cost would be a 3% increase in wages and \$1000 fee for incentives. We incentivize our instructors. We recently received tasers and we have two officers that are certified as taser instructors. They get a \$250 year stipend to keep that certification up. That saves us on back end and do training in house; second year \$46,206 for salaries and wages; third year \$47,593. Way we compound that to get \$166,129 is take first \$8700 x3, the second \$46,206 x2 and then one time the \$47,593 which gets you the \$166k

**James:** showing compounded cost

**Lt. Mattei:** For a three-year contract going to take that first year of \$8700 x 3; second year of \$46,206 gets compounded one time for the second year, second time for the third year and that third-year cost is just a one year add on.

**Ted:** Police has been good at compounding cost and last year tried to get other entities to do the same, for some reason the school won't. People in the room should understand that if you compound the cost, the importance of front loading vs. back loading. Front loading of course compounds to a greater amount. If you come in low in the front, and backload you're going to end up with less, fewer costs. So important to understand compounding: school calls it voodoo numbers

**James:** Is there a preferred method from the DRA for multiyear contracts?

**Tom:** Not aware of any preference; more transparency in compounding. Believe there was a court case, a town, Sanborn...they call it Sanbornizing.

**James:** It's interesting two groups we oversee, have two different methods of doing the same thing. Why can't we standardize for both town and school district, any other questions?

**Tom:** After first warrant article for union contracts, there is always a second failsafe warrant article to authorize the government body to call a special meeting, just in case the article fails. My warrant article for DPW union contract after the police's warrant article, hadn't done it before, hadn't been on a negotiation team before, article 20, 3 year contract, compounded costs disclosed, annual costs in the middle and the failsafe warrant article to follow that up; very happy with results, focus was to try to...having trouble attracting people, people that we do attract at our current policy level of 87.5% of the 30 town average don't catch up fast; ten years to get to average. If you are a good performer, that's not right. We have put some acceleration in the contract grid so some of the newer hires that were sitting below the 100% of the average salary will reach a little quicker. No increases, no extra vacation, both sides thought was necessary change, we highly endorse.

**James:** Questions, seeing none

**Tom:** Eastern Slope airport authority, annual article, asking for \$10k per year and gives us skin in the game, gives us a couple voting members on the board and myself as an ex officio member. Hope is airport is going to expand into the future and become an economic player in the MWV to the benefit of both sides of the state line.

**Ted:** Did someone abstain?

**Tom:** On the airport? No, 5-0-0

**Dave:** That's not what the airport is called? Eastern Slope Regional Airport.

**Tom:** Article 23; short term rental inventory. This is new, special, not including the budget appropriation: To see if the town will vote to raise the sum of \$25,000 for the purpose of performing an inventory of properties being advertised for short term rentals. We got quote for this service in the fall for \$19k and price wouldn't hold and to plan on an increase if we waited too long. It is a company that scrapes all of websites and Craigslist

and gives inventory of everything for rent at a particular point in time. It gives us a starting database should we be moving forward to develop regulations for these places in a residential zone.

**James:** Care to address anything you know coming from state legislature?

**Tom:** Wednesday morning, a bill sponsored by Bradley and Delesandro going to senate which would disallow towns to do anything from zoning perspective in regulating short term rentals. In addition, in my opinion, they severely limit what the police can do or the fire department inspectors can do. I am told going to be fought vehemently. Going before the selectmen tomorrow to ask for a letter from Conway stating their opposition and that will be faxed, Wednesday morning in time for the hearing. We will see how far bills get, 90 out of 100 bills don't see light; hoping bill doesn't go anywhere.

**John:** Represented town last year at a NH Municipal Association conference to discuss legislative issues for the coming year and they were done by committees who looked at different areas such as infrastructure, new budget articles and classified them as A, B and C and things related to short term rental were C but there were so many towns that had issues like Hampton, Gilford, Lebanon, Conway with short term rentals that legislation related to those rentals rose to top for municipal association to look at because it is a state wide issue.

**James:** Questions...

**Ted:** prior item, do you know who the chair of airport is?

**Tom:** Don Thibodeau, no relation to Carl; Carl's seat on the board of directors is the selectmen's representative from the selectmen's board to the airport board so he has every right to vote on that board.

**James:** Any other comments? Modify the elderly exemptions is up next

**Tom:** Just had a revaluation and caused drastic increase in most residential property values around town. There are 80 people receiving elderly exemptions. They saw a drastic increase in their tax bills because the exemptions weren't changed proactively. We don't know where the new values are going to end up, so we take a look and see how many people saw a drastic increase and tried to work some median increase in the assessed value deduction to ameliorate that. Then went whole hog, since only 80 people receiving, got to 78 people and they will see zero increase; they have very limited economic means, basically a situation where you have to choose between property taxes, food and medicine. Glad to be able to do this and because we are a billion-and-a-half-dollar community, the effect on tax rate is zero, fraction of a penny.

**Frank:** What is total cost for current exemption level?

**Tom:** Amount off assessed value: 80 people x \$105k would be the maximum, off a billion and a half

**James:** Any other questions? Its cousin is the disabled modification

**Tom:** Disabled modification, same or similar, \$75k off, same reasoning, can't tell you off the top of my head how many people are receiving it, but less than the 80 receiving the elderly. You can't receive both. If you're getting the disabled you have to be on SSI and as soon as you qualify for the elderly, you move into the elderly (generally a better deal)

**James:** questions

**Mike Fougere:** Do they both have to be 65?

**James:** I don't think disabled has to be 65, it is when became disabled.

**Tom:** I'll look it up. You don't have to be 65, tax deferral is 65 years old.

**John Colbath:** If there are two names on property do both people have to meet requirements?

**Tom:** It's based on household income, only one eligible person in the house.

**James:** Questions...transfer town hall money from fund balance to CRF.

**Tom:** Discussed previously. Have money already, lapsed into general fund that was appropriated for moving town hall, looks like it's going to happen this year; highly endorse this, please vote for this. We have measured out - cubicles removed and carpet in good shape; room should be able to fit 50 people comfortably in a selectmen's meeting; great improvement

**James:** Any questions on that article, seeing none.

**Tom:** Article 27 is an additional fee for auto registrations; all neutral on this; Louise went to conference and brought back, allows town to charge \$5 per registration and go to a fund dedicated to road projects; presumably, would replace other money being raised from taxes on homes; makes more sense.

**Frank:** Has there been a rough estimate for revenue from this?

**Tom:** \$65k roughly

**James:** Questions, seeing none

**Tom:** Article 28, 3rd year in a row, see if voters in Conway would consider Keno; lottery commission pushes us for this.

**James:** Three strikes and out?

**Tom:** can't encumber future boards

**Ted:** who voted against and who abstained?

**John:** Mrs. Seavy voted against maybe, we will have to check and Mr. Weathers abstained

**Tom:** Article 29, deed from school board which will give selectman authority to sell old Pine Tree School. Although the selectmen have the authority to sell town property there is one exception and that is if the property was a gift to the town and according to our lawyer, Peter Malia, \$1 is a gift. It has to go before the voters and be approved by the Conservation Commission and the Planning Board before we can put it on the market.

**James:** Article 30,

**Tom:** Warrant article to raise and appropriate \$750k. We are, the LPA town on hook for financing this project and the state sends us reimbursement checks. State promises that we are going to get reimbursed within sixty (60) days; we are have come up with this warrant article to finance the float between the time we have to pay the contractors and state reimbursing us; alternative is bank and short term loan; we are going to finance ourselves.

**John:** Article had a lot of legal input for the wording to make sure was done legally.

**Dave:** Historically, but not always, and we get to article 30 and voters become less enthusiastic about saying yes to one more thing, it strikes me that this, being located at #30, runs some risk for people to react negatively to it, especially because of its size. Although it says 90 % of cost is born by the DOT, if legal, it might be prudent to say, actual cost to town is only \$75k and not \$750k.

**Tom:** I'm not sure that's the same number. The 10% of our cost is not included in the \$750k. This \$750k is like a bank account that we can move money in and out of.

**Dave:** strikes me as running up against the "I'm ready to say no to everything from here on in, regardless of what it says because I'm not going to read it"

**Tom:** I will make sure we drive home the fact that no money is being raised from property taxes on this warrant article.

**John Colbath:** Can we reorder it?

**Tom:** We will stick up to top and do what you want

**John Colbath:** Who gets to be last?

**Dave:** nonprofits will be after that, correct?

**James:** All of the nonprofits which we've already discussed with exception of Northern Human Services which did not show up that evening will be following all of these. Last thing, default budget - in the past we did not actually develop the default budget but this year we did. The good news is that both the town manager and the new finance director along with the 4 people who sat on the default budget committee sub group, myself, Diane, Terry, Frank and Dave came up with number and balanced out which is great since this is the first time we did it; actual shortfall after select board was difference of \$191,981 between select board budget of \$11,753,889 and default of \$11,561,908. Reasonable, 2% differential overall.

**John:** Thanks for people on board,

**James:** Yes, thank you. Diane got stuck doing paperwork; Frank and Dave both beneficial, town administrators, and went very well.

**Ted:** So, default budget is lower than regular budget?

**James:** Yes. \$191,981 lower.

**John Colbath:** Point of order, do we need to make a motion to vote on it...

**Dave:** motion to approve default budget at \$191,981 less. Seconded by John Edgerton; all in favor to approve budget, unanimous

**James:** Minutes from January 15, motion to approve: Ted motion to approve, Dave seconded; Diane abstaining;

January 22 minutes: John Colbath motion to accept; Dave second; Diane abstaining



**Diane:** Old business...did you call northern human services?

**James:** Haven't gotten hold of anyone who can answer my questions. Going to go down to office in town to see if someone can answer questions.

**Diane:** How are we supposed to vote, just on packet that was submitted?

**James:** Last year, did not get paperwork in on time, by RSA could not consider their money; this year, didn't show up to talk to us about it, personal opinion is if they didn't show up they don't show much interest but that's personal opinion.

**John Edgerton:** Agree with the footnote, new administrator less than 30 day on job.

**James:** Going to try to get answer as to why they didn't have anyone there.

**Ted:** Once again, risk of already being discussed, have you tried calling?

**James:** I have and cannot reach anyone to get an answer as to why they weren't there.

**Mike Fougere:** Where it is a vital program, they did submit their paperwork this year, is there a way to take some off the top for disapproval at least that way the organization gets the funding.

**James:** Surplus every year \$500k, do they really need our money?

**John Colbath:** If you do reach them, are we going to allocate time to listen to them? And the selectmen would need to do the same.

**James:** Going to be difficult to do that given our current status. See what I can find and go from there.

**John Colbath:** They have a lot of unfilled positions that may account for that excess.

**James:** reminder, new business...

**Ted:** Every year, it seems we don't give the nonprofits any discussion, doesn't seem right to me; have already changed my mind on one. Any way to make it more meaningful?

**James:** We will talk to people, vice chair and see what we can come up with.

**Diane:** I would find it beneficial to get other people's opinion on what was presented for the nonprofits. Hear lots of stuff from people in town that we may want to share with group. I don't know what to do with that info. Should I use it for how I vote, or I'm just supposed to base it on what they present at the meeting. We don't have any conversation about it from committee.

**James:** True, raise a good point.

**John Colbath:** Last year's calendars had on it when we were going to vote. Are we going to vote on the nonprofits on February 12th when we vote?

**James:** Okay, on February 12, public hearings and budget committee vote on town, schools, and precincts. Include nonprofits on that.

**Ted:** Public hearing at town hall?

**James:** Public hearing is at the high school, at 6pm. Deliberative session on the 2nd of March for the school and on the 4th of March for the town. That's in schedule. Other new business, no meeting Wednesday, next meeting on 12th, should be voting on 11th at Conway Elementary; don't meet again after 12th until the 2nd of March; high school February 12th, 6pm.

**John Colbath:** March 2, deliberative session

**James:** Yes, March 2 is deliberative, also at the high school starting at 7pm; same for the 4th of March, also at 7pm. No public, no comments

**John Edgerton,** motion to adjourn, Dave seconded, All in favor. 19:58 meeting adjourned.