

# CONWAY MUNICIPAL BUDGET COMMITTEE

## PUBLIC HEARING

Wednesday, February 15, 2023  
Loynd Auditorium  
Kennett High School, Conway, NH

Chairman Peter Donohoe called the meeting to order at 6:08 PM. The following Budget Committee members were present: Vice Chair, Frank Jost; Bill Marvel, Jim LeFebvre, John Colbath, Stacy Sand, Bob Drinkall, Dave Jensen (arrived at 6:26 p.m.), Kit Hickey, Randy Davison, Terry McCarthy, Ellin Leonard, and Quentin Lewis. Also present, Lisa Towle, Recording Secretary.

Pledge of Allegiance.

**Mr. LeFebvre moved, seconded by Mr. Drinkhall to remove item 8m - Paid Parking from the agenda. Motion Carried (13-0-0)**

Minutes: January 18, 2023, and January 30, 2023.

**Ms. Sand moved, seconded by Mr. LeFebvre to approve the meeting minutes from January 18 and 30, 2023 as written. Motion Carried (12-0-1[Mr. Drinkhall])**

**Public Hearing: 6:11 p.m.**

Precincts:

**1. Center Conway; Chief Glen Merrill**

The proposed operating budget is \$328,155, which includes a special warrant article in the amount of \$60,000 for capital reserve, and \$4,000 for new that will come out of surplus funds.

**2. East Conway**

The proposed operating budget is \$61,490.

**3. Red Stone; Tom Caughey, Fire Commissioner**

The proposed operating budget is \$118,700, which includes a \$10,000 special article for air packs, \$10,000 special article for the legal capital reserve, and \$35,000 special article for the equipment capital reserve.

Although, everything in place to bring forward the merger with the Center Conway Fire Department this budget is necessary as changes would not take place until January 1, 2024. If both warrant articles pass, the next step is to petition the selectmen for a boundary change.

School Articles:

Article 2, 3, & 4: Expendable Trust Funds

- KHS - \$54,443; KMS - \$17,086; and Elementary Schools - \$9,900
- **Karen Umberger** - If Albany leaves Conway will that affect the trust funds for next year. **Mr. Richard** stated they are bound by Tuition Contracts for the next three years.

Article 5: CEA Contract

- Three-year agreement from 2023 - 2026.
- Wage increases to bring salaries into a competitive and comparable range
- Includes: co-curricular increases, paid time off, health insurance, and some language changes.

Article 6: Operating Budget

- \$40,254,150 with a \$40,121,558 default budget.
- Does not include any appropriations approved as special warrant articles.
  - **Karen Umberger** - I think the Federal money received, such as ESSER funds has been well spent, but I want to make sure none of the one-time expenses was carried over into this budget. **Mr. Richard** stated there is no carry over; however, they do still have funds available for programming.

Article 7: Equipment / Bus Capital Reserve

- Consistent \$250,000; used for annual bus purchases and heavy equipment in accordance with the 5-year replacement plan.

Article 8: Building Maintenance Fund

- \$200,000
- Fund was established in 1995.
- Capped at \$500,000
- **Karen Umberger** - Inquired if there are plans for the money or is it there just in case. **Mr. Hill** stated there is a five-year plan, with approximately \$15 million worth of short-term and long-term projects. **Mr. Davison** stated this fund will need to be increased based on the upcoming cost to maintain the facilities.

Article 9: Petitioned Warrant Article to Close one of Conway's Three Elementary School by 2024 - 2025 School Year

- **Vice-Chair Jost** - The language is odd and doesn't require any action, where did the wording come from and what are you required to do. **Mr. Richard** stated upon speaking with legal counsel, only the School Board has the authority to close a school, therefore, this is more of an advisory article.

Questions:

- In response to questions asked by Lisa Towle, Center Conway, **Mr. Richard** stated they have approximately 500 employees. The SAU 9 Report Card reflects the number of students who attended post-secondary schools which is 60% and 86% stayed for a second year and the persistence goes on from there. **Ms. Stimpson** stated an out of district placement for a student cost the district approximately \$100,000 - \$300,000.
- **Ms. Towle** noted the district opted to fund Project SUCCEED for the rest of this year and next year utilizing ESSER funds.
- **Mr. Marvel** stated in his opinion using the statistics from SAU9 and calculated backwards from the percentage of students cited against the number of graduates last year and came up with only 42% of students attend their second year of post-secondary education.

Town Articles: (Opened at 6:36 p.m.)

Article 14: Operating Budget

- \$14,325,657 with a \$12,918.097 default budget.
  - **Karen Umberger** - With the parking program removed, someone will take the money out of the budget. Where is the town's share of the boat ramp money going to come from. **Mr. Eastman** confirmed \$241,915 will be coming out of the budget either this evening or at the town meeting. In addition, the budget will be reduced by \$8,000 as a contract was signed for a lesser price on utilities. The Selectmen opted to use ARPA funds to cover the town's 25% of the boat ramp repair cost.
  - **Mr. Marvel** - What kind of hit will homeowners suffer if the revaluation is done now when the prices are so high. **Mr. Eastman** stated the approximate \$300,000 that comes from the utility tax is

not additional revenue. Home values will go up, but it doesn't mean the taxes will go up. Currently, homeowners are at 55% with commercial at 45% and the goal of the revaluation is to get to 95-100% for both. Ms. Sand stated property values will go up and taxes will go up if the budget increases. A discussion ensued.

- A discussion ensued pertaining to when a motion would be made to reduce the budget, which will occur during the Budget Committee's voting session after the public hearing.
- **Karen Umberger** - What is the cost of the revaluation. **Chair Donohoe** stated it was \$81,000.

Article 15: AFSCME #93 CBA for Highway Department

- \$28,259 for a one-year agreement that includes a 4% COLA wage increase.
  - **Lisa Towle** - Inquired of the COLA increase for non-union town employees. **Mr. Eastman** stated if the contract goes through the town employees will receive the same 4%. **Ms. Towle** inquired why Mr. Smolen stated library staff are getting an 8.5% COLA in line with the town. **Mr. Eastman** replied that is not what was stated, and it could be up to that percentage with merit increases. **Mr. Smolen** stated the salaries are increasing by 8%. **Ms. Towle** expressed concern for the lack of support for the Highway Department.

Article 17: Conway Police Department CBA

- \$111,635 for one year contract with a 6% COLA and up to 3% merit pay increases.
  - **Chief Mattei** - Decreased the CBA to \$105,920 due to changes in positioning.
  - **Karen Umberger** - Stated the warrant articles should be written and described consistently.
  - **Mr. Davison** - Stated the various entities should communicate so everyone is getting the same COLA increase.

Article 19: Capital Reserve for Infrastructure Reconstruction (\$500,000)

- **Mr. LeFebvre** - Inquired of the current balance of the fund. **Mr. Smith** stated it was \$415,125

Article 20: Capital Reserve for Highway Equipment (\$425,000)

- **Mr. LeFebvre** - Inquired of the current balance of the fund. **Mr. Smith** stated it was \$62,159
- **Karen Umberger** - Inquired where the money from the state for road and bridge work can be found. **Mr. Smith** stated the Highway Block Grant does not show up in the Capital Reserve accounts but there are plans to use the funds to offset projects. The bridge money will be used on the Washington Street Bridge project. **Ms. Golding** stated the funds are unanticipated revenue and are in a deferred revenue account which can only be used for highway or bridge projects.
- **Unknown Speaker** - Inquired if the \$650,000 was only for bridge projects or is it combined with the highway. **Mr. Smith** stated the town received \$240,000 for highways and \$216,000 for bridges. The \$650,000 is the cost of the rehab on the Swift River Bridge.

Article 21: Capital Reserve for Solid Waste Equipment (\$225,000)

- **Mr. LeFebvre** - Inquired of the current balance of the fund. **Mr. Smith** stated it was \$194,764

Article 22: Capital Reserve for Landfill Expansion (\$100,000)

- **Mr. LeFebvre** - Inquired of the current balance of the fund. **Mr. Smith** stated it was \$514,335

Article 23: Capital Reserve for Maintenance for Town Buildings and Facilities (\$125,000)

- **Mr. LeFebvre** - Inquired of the current balance of the fund. **Mr. Smith** stated it was \$167,397

Article 24: Capital Reserve Fund for Maintenance of Leased Buildings and Facilities (\$75,000)

- **Mr. LeFebvre** - Inquired of the current balance of the fund. **Mr. Smith** stated it was \$50,469

Article 25: Capital Reserve Fund for Parks Department Vehicles and Equipment (\$25,000)

- **Mr. LeFebvre** - Inquired of the current balance of the fund. **Mr. Smith** stated it was \$73,523

Article 26: Capital Reserve Fund for Police Vehicles (\$74,000)

Article 27: Public Educational / Government Cable Television (PEG) Trust Fund (\$119,359)

Article 28: Eastern Slope Regional Airport (\$12,000)

Article 29: All Veteran's Property Tax Credit (non-monetary)

- **Ms. Sand** - Inquired why there is a minimum of 90 days of active service. **Mr. Eastman** stated it is based on the law. **Mr. Colbath** stated this has been on the books but had to be reaffirmed by the voters.
- **Vice-Chair Jost** - Inquired of the effect this credit has on the town's revenue. **Mr. Eastman** stated it is approximately \$219,000.

Article 30: Optional Veteran Property Tax Credit (non-monetary)

Article 31: Hardware and Software for a Public Computing System for Conway Public Library (\$12,140)

- **Karen Umberger** - Inquired if the total cost is \$22,140 less the \$10,000 grant. **Chair Donohoe** stated that is correct. **Amy Snow** stated the article should be written to raise and appropriate the \$22,000 to be offset by the grant. **Mr. Smolen** confirmed the actual cost is \$22,140 with grant money coming in from the Friends of the Conway Public Library. **Mr. Eastman** stated the grant is from a non-profit and can issue payment directly to the vendor leaving the \$12,140 to be raised by taxation.

Article 32: Communications District

Article 33: Appointment of Fire Chief

- **Karen Umberger** - Sought clarification on the meaning of this article and how it is related to the potential dissolution of Conway Village Fire Department. **Chief Solomon** explained this article is statutory requirement for the town to adopt a method for organizing the fire department.
- **Karen Umberger** - Inquired if this will affect current contracts with other towns. **Chief Solomon** stated the Conway Village Fire Department has many contracts, which will be maintained as status quo when absorbed by the town.

Article 34: Authorizing Fire Department to aid another city, town, village, or fire district

- **Chief Solomon** explained state law requires the legislative body to authorize the fire department to provide mutual aid

Article 35: Accept Royal View Drive, Camelot Court, Regal Circle, and Palace Court as town roads

- **Mr. LeFebvre** - This warrant article is noted as non-monetary but there would be a cost associated with it.
- **Karen Umberger** - Inquired of the effect on the highway department with the acceptance of Article 325 - 37. **Mr. Smith** stated they would need to hire a new driver and purchase a new truck in addition to the increased maintenance cost.
- **Ms. Sand** inquired all or part of the roads needed to be accepted to meet the threshold of needing a new driver / truck. **Mr. Smith** stated Royal View on its own would prompt the hiring of a new driver.

- **Lisa Towle** -Inquired of the cost of the new driver and truck. **Mr. Smith** stated it would be new driver wages, benefits, and possibly paying for that person to obtain their CDL, which cost \$5-6,000. **Ms. Sand** noted the cost of the driver is \$21/ hour plus benefits equal to \$93,000. **Mr. Smith** noted the cost of the is estimated at \$200,000.
- **Lisa Towle** - Inquired how the voters would know that a new driver is needed. **Mr. Smith** stated an advertisement would be placed in the paper the next day if required by the vote.
- **Lisa Towle** - Stated this is not non-monetary and in fact will cost approximately \$293,000 for the first year.
- **Ms. Leonard** stated the homeowners have done due diligence and brought the roads to town standards they should be accepted. Do they pay less taxes if the streets are not getting plowed. **Mr. DegliAngeli** stated taxes are based on property values. Further commenting on past practices regarding accepting roads.
- **Mr. Drinkhall** suggested contracting out as needed, such as for snow removal. **Mr. DegliAngeli** stated it is a balancing act and would depend on various factors including what services would need to be covered if the town absorbs Conway Fire Department. Further commenting on the 1972 photo of the highway department. **Lisa Towle** questioned Mr. DegliAngeli's analogy in stating there are the same number of people in that there has been the same number of people in the highway department. A discussion ensued. **Mr. Smith** noted in response to a prior question from Mr. Marvel that the town has taken over 25 miles of roads since 1970.

Article 36: Accept Sargent Road and Nickelback Road as town roads

- **Mr. LeFebvre** stated the article's wording is incorrect. Chair Donohoe stated the word "accept" is missing.

Article 37: Accept Barnes Road Extension as a town road

Article 38: Accept Settlers Green Drive and private portions of Common Court as public rights-of-way

- **Karen Umberger** - Sought clarification of what road(s) would be taken over by the town. **Mr. Smith** explained it would consist of the circle around Settlers Green, the entrance from Route 16, and Barnes Road is behind Market Basket. There are two abutters to Common Court being Settlers Green and a vacant lot that would be affected by the betterment cost. **Mr. DiGregorio** inquired if an analysis had been done on the cost to the taxpayers. **Mr. Smith** stated they knew this petition was coming and is part of the budget for the new driver and truck. **Amy Snow** inquired if the town swapped McMillan way for Barnes Road Ext. **Mr. Smith** stated that was the intention, but the town must accept it.

Article 39: Operation of Keno

**Petitioned Articles (Non-Profits):**

**Mr. LeFebvre** stated the non-profits also receive a tax abatement. **Ms. Leonard** stated there is a history of supporting these organizations and if they didn't exist it would cost the town a lot more money.

Article 40: North Conway Community Center (\$65,000)

Article 41: Tri-County Community Action Program (\$22,100)

Article 42: Gibson Center for Senior Services (\$36,500)

Article 43: Children Unlimited (\$14,000)

Article 44: Vaughn Community Service (\$17,000)

Article 45: Vaughn Learning Center (\$5,000)

Article 46: Starting Point (\$17,804)

Article 47: Mount Washington Valley Adult Day Center (\$12,500)

- **Mr. Davison** noted this entity receives a \$82,000 tax abatement and 42% of their clients are from Conway. A discussion ensued.

Article 48: Conway Area Humane Society (\$10,000)

Article 49: White Mountain Community Health (\$35,600)

**Questions:**

- **Karen UMBERGER** - Stated the revenues were not included in the packet and they are just as important as the expenditures.
- **Mark GUERRINGUE** - Stated the petitioned article for a Charter Commission is not listed. Mr. Eastman noted it was a clerical error as the proper number of signatures had been acquired. This article will be added to the warrant accordingly.
- **Lisa TOWLE** - Inquired how many town employees there are and for an explanation for the public regarding new employees for the building department. **Mr. Eastman** stated he did not know but had if information to the Budget Committee. **Ms. Sand** was able to provide the answer, noting there were 53 employees. **Mr. DegliAngeli** was unable to provide the information related to the new positions within the building department. **Ms. Sand** again answered the question noting a receptionist at \$80,000 and a zoning enforcement for STRs at \$83,000 would be hired. In addition, Mr. Pandora would stay on part-time at \$25,000 for the year.
- **Lisa TOWLE** - Sought clarification of the 6–18-month training for a new engineer as it would appear the town would have two engineers at that time. **Mr. DegliAngeli** stated it is not in this year's budget; however, the plan is he would train and mentor the engineer while performing the duties of his newly accepted position as Deputy Town Manager.

**Chair Donohoe** stated no submission has been received from Northern Human Services, therefore 8ii will be stricken from the warrant.

**Chair Donohoe closed the public hearing at 8:28 p.m.**

Respectfully Submitted,

*Lisa E. Towle,*

Recording Secretary