

CONWAY MUNICIPAL BUDGET COMMITTEE

Monday, January 31, 2022

Professional Development Center

Kennett Middle School, Conway, NH

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6 Jim LeFebvre called the meeting to order at 6:30 PM. The following Budget Committee members were
7 present: Chair Jim LeFebvre, Vice-Chair Peter Donohoe, Randy Davison, Bill Marvel, Bob Drinkhall,
8 John Edgerton, John Colbath, Caitlin Hickey, Frank Jost, Dave Jensen, Terry McCarthy, Ellin Leonard,
9 and Stacy Sand.

10
11 Absent: Erik Corbett

12
13 The pledge of allegiance was led by Mr. Donohoe.

14
15 3. Approval of Outstanding Minutes (1/12/2022)

16 **Mr. Colbath moved, seconded by Mr. Donohoe to approve the meeting minutes as written from**
17 **January 19, 2022. Motion Carries (12-0-1[Ms. McCarthy])**

18
19 4. Default Budget Review – Lead – Town Finance Director and Diane Ryan

20 • **Ms. Ryan** explained the process used to calculate the default budget, being the use of the 2021
21 budget, less any one-time expenses. The proposed 2022 budget is 5% higher and the default
22 budget is 2% higher than the 2021 budget.

23 • **Ms. Golding** noted the 2022 budget amount was used if it was lower than 2021.

24 • **Chair LeFebvre** reminded the committee the default budget would be voted on at the February 9,
25 2022, Public Hearing.

26
27 5. Presentation by White Mt. Community Health Center

28 Kenneth Porter (JR), Director,

29 • WMCHC provides care to patients with and without the ability to pay and 49% of their patients are
30 from Conway. They are asking for the same \$35,600 as last year. Federal and State funds were
31 received last year which covered past losses.

32 ▶ **Chair LeFebvre** inquired if WMCHC receives a tax abatement or exemption from the town.

33 **Mr. Colbath** advised the building is part of Memorial Hospital and leased to WMCHC for \$1.
34

35 6. Detailed Review

36 A. Government Buildings

37 Andrew Smith, Public Works Director

38 • The Town Hall and Town Hall Annex aka Old Town Hall have been separated out.

39 • Custodian position was added. \

40 Questions / Comments:

41 ▶ **Chair LeFebvre** asked for an update on renting of the Town Hall Annex. Mr. Smith stated
42 Valley Vision has been renting the upstairs for year and they have 3 new tenants plus the
43 supervisors of the checklist downstairs.
44

45 B. Solid Waste

46 Andrew Smith, Public Works Director

47 • Increase in wages due to promoting one of the equipment operators to foreman.

48 Questions / Comments:

49 ▶ **Chair LeFebvre** inquired if the 2021 presentation of reducing the staff was activated. **Mr.**
50 **Smith** stated when the foreman retired, they did not replace him, leaving equipment

51 operators and himself (filling the role of foreman). **Chair LeFebvre** noted the salary
52 compilation does not represent that. **Mr. Smith** was adamant that there were only 2
53 employees in Solid Waste.
54

55 C. Highway

56 Andrew Smith Public Works Director

- 57 • The highway garage now has its own budget.
- 58 • Salt increased by 35%.
- 59 • Fuel and pavement cost are up as well due to inflation.

60 Questions / Comments:

- 61 ▶ **Chair LeFebvre** asked what the contingency plan is for higher costs due to inflation. **Mr.**
62 **Smith** stated the biggest cost increase would be for paving, which would mean some roads
63 would get pushed back or use funds from the infrastructure capital reserve.
- 64 ▶ **Mr. Drinkhall** inquired how makes the call of when to do snow removal. **Mr. Smith**
65 advised it is himself and the highway foreman. **Mr. Drinkhall** stated on January 21, 2022,
66 snow was removed yet that night another storm was predicted. **Mr. Smith** stated that storm
67 was not supposed to be what it was, and the call was made based on the forecast of light
68 snow fall.
69

70 D. Garage

71 Andrew Smith, Public Works Director

- 72 • Breaking out the cost related to the garage makes it easier to keep track of what is spent and bill
73 appropriately repair service.
74

75 E. Capital Reserve Funds

76 Andrew Smith, Public Works Director

77 1. Infrastructure

- 78 • Three are 3 years of brick sidewalk replacement scheduled.
- 79 • The big project coming up is the Washington St bridge rehab, it was last done 25 years ago.
80 The hope was to get bridge aid and do a full rebuild; however, the policy changed to needing 2
81 rehabs prior to a rebuild.

82 Questions / Comments:

- 83 ▶ **Chair LeFebvre** inquired if the bridge is in danger of collapsing. **Mr. Smith** stated the
84 bridge is in good shape with little deterioration on the deck and the underneath is in good
85 shape.
- 86 ▶ **Mr. Marvel** inquired where the brick sidewalks would be replaced. **Mr. Smith** stated it
87 would be in the North Conway Village. Nothing the granite pieces would stay, and the
88 pavers would be replaced.
- 89 ▶ **Mr. Marvel** inquired of the lifespan for the pavers. **Mr. Smith** stated he did not have an
90 answer.
- 91 ▶ **Mr. Donohoe** inquired how the \$50,000 per year was arrived at. **Mr. Smith** stated Mr.
92 DegliAngeli received an estimate from Perma-Pave based on the square footage.
- 93 ▶ **Ms. Sand** suggested reaching out to the Chamber to see if there were any grants available
94 to them that could help offset the cost.
95

96 2. Highway Equipment / Solid Waste Equipment / Parks Department Vehicles and Equipment

- 97 ▶ **Mr. Marvel** asked if the highway foreman's truck is being replaced this year. **Mr. Smith**
98 stated it was and it will be traded in towards the new truck.
99

100 3. Landfill Expansion

- 101 • Remains the same as in previous years of preparing for the expansion and capping.

- 102 ▶ **Ms. Sand** stated part of the agreement with the State was to have the money available to
 103 close the landfill and start the new one.
 104
- 105 4. Maintenance of Town Buildings and Facilities
- 106 • An irrigation system needs to be installed at the old Rec Center as it was unable to be
 107 completed last year. The cost represents materials only as the highway department will be
 108 doing the work.
- 109 Questions / Comments:
- 110 ▶ **Chair LeFebvre** asked what the rationale is for installing an irrigation system for what is
 111 essentially a field. **Mr. Smith** stated the baseball field continues to be used and one of the
 112 requirements for money donated was to irrigate and make it a park.
 113
- 114 5. Maintenance for Leased Town Facilities
- 115 • The Town Hall needs windows replaced, heating and air conditioning upgrades, and elevator
 116 work as required by the inspector. The a/c was scheduled to be replaced last year, but the
 117 wrong parts were ordered and unable to be installed.
- 118 Questions / Comments:
- 119 ▶ **Ms. Sand** inquired why the town is responsible for replacing windows in a leased building.
 120 **Mr. Smith** advised part of the lease agreement is the town does all the maintenance.
- 121 ▶ **Mr. Donohoe** inquired if the building on Pine Street is leased. **Mr. Smith** advised it is
 122 leased from SAU 9 for \$1 and used to store sidewalk machines. **Mr. Donohoe** inquired if
 123 this is a long-term lease or if they will move back to the water precinct. **Mr. Smith** stated
 124 it is a long-term lease.
 125
- 126 F. Police Department
- 127 Chief Mattei and Lt. Kelly-Scott
- 128 • Warrant article is consistent with previous years, asking for \$70,000 to be added to the vehicle
 129 capital reserve. Current balance of the capital reserve is \$51,072.
- 130 • \$37, 000 has been planned for replacement cost per vehicle for 2023 and 2024; however, it is
 131 anticipated that the cost will be around \$40,000.
- 132 • The typical process for ordering new cruisers is to put a bid out in March and purchase them in
 133 April. The cruisers that were ordered last April just arrived and have only been on the road for
 134 2 weeks. This year the cruisers had to be ordered by December 14, 2021, to get them for 2022.
 135 Crest has allowed the cruisers (\$37,600 each) to be ordered with no obligation to purchase if
 136 the warrant article doesn't pass.
- 137 • Additionally, in 2023 there will be a need to switch to the Durango as the chargers are no
 138 longer being made.
- 139 Questions / Comments:
- 140 ▶ **Chair LeFebvre** asked if the emphasis on electric vehicles will make it difficult to find gas
 141 powered vehicles. **Chief Mattei** stated electric cars may not be viable for police work.
- 142 ▶ **Mr. Jost** inquired if the \$37,000 includes equipment. **Chief Mattei** stated the vehicles are
 143 ordered with specific packages and the other equipment is repurposed and installed in
 144 house, which provides approximately/ \$7,000-\$10,000 savings.
 145
- 146 G. Planning Department
- 147 Jamel Torres, Planning Director
- 148 • Budget is down \$14,195 (7.6%) due to a decrease in salaries.
 149
- 150 H. All Warrant Articles
- 151 Tom Holmes, Town Manager

- 152 • **Article 1-2** are non-monetary, non-precinct contracts with Conway Village Fire and Water.
153 These will be funded through assessed value to be determined before the end of 2022 with the
154 contracts taking affect in 2023.
- 155 • **Article 3-4** are the Ambulance Contracts with Conway Village Fire and Action Ambulance.
156 The contract is for a subsidy that covers any losses from nonpayment.
- 157 ▶ **Mr. Davison** inquired if the town is required to offer ambulance services. **Mr. Holmes**
158 advised the town is not legally obligated to provide the service, but the voters support it.
- 159 • **Articles 5-11& 13** were previously covered by Mr. Smith.
- 160 • **Article 12** was previously covered by Chief Mattei.
- 161 • **Article 14** is the annual support of the Eastern Slope Regional Airport
- 162 • **Article 15** is a non-monetary modification of the property tax exemption for the disabled
- 163 • **Articles 16-18** are non-monetary modifications to the exemptions for a solar, wood-heating,
164 and wind powered energy systems. The contract assessor requested these modifications based
165 on changes in the RSA where they must be noted even if they don't provide a change in
166 assessed value.
- 167 ▶ **Ms. Sand** stated the purpose of the exemption was to encourage use of solar panels, which
168 is still needed. **Mr. Holmes** noted alternative energy systems are still encouraged, but they
169 can't be ignored even if they don't get an exemption. The exemption would only occur if
170 the alternative energy system added value.
- 171 • **Articles 19-20** are petitioned articles for KENO and Sports Betting.
- 172 ▶ **Mr. Jensen** noted it would be in the publics interest to know who the petitioner is and
173 suggested the petitioners name be included in the warrant article. Mr. Colbath stated the
174 petitioners name and supporters are listed on a worksheet attached to the petition.
- 175 • **Articles 20-30** are petitioned articles.

177 General Questions/ Comments for the Town:

178 **Mr. Holmes** advised the Town Hall Annex is completely rented, which will bring in excess funds over
179 the cost of maintaining the building. These extra funds will be put into a capital improvement reserve
180 account or added back into the general fund to offset the budget.

- 181 ▶ **Mr. Davison** stated he is glad the building was not demolished. **Mr. Holmes** stated there is a
182 deed restriction that prevents it from being sold. **Chair LeFebvre** clarified it must be used for
183 government purposes. **Mr. Holmes** advised with the supervisor of the checklist and the PEG
184 channel in the building it covers that restriction. **Mr. Colbath** stated the selectmen decided to keep
185 the building presentable and rent it so it wasn't just another vacant building.

186
187 **Mr. Donohoe** stated the budget report for actual expenditures as of 12/31/2021 is missing 9+ departments
188 and would like it reproduced including all departments.

- 189 ▶ **Ms. Golding** stated it is a glitch in the new software they are trying to get used to and she will
190 reproduce the report.

191
192 7. Coop School Group Briefing to CMBC – Mark Hounsell (requested)

193 As the tuition contracts come to an end it is my personal believe it would be beneficial to investigate a
194 cooperative school district. In accordance with the RSA each district formed their own committee
195 which then came together to make up the MWC Cooperative District Planning Committee. The
196 questions that needed to be answered were who would own the building, what would the school board
197 look like, what funding formula would be used, and how would capital cost be distributed. Attorney
198 Matt Upton attended the meetings providing expertise and answers to questions. The meetings were
199 productive, efficient, and respectful. The work that was completed in a short period to time is
200 noteworthy and praiseworthy. On January 26, 2022, each town voted unanimously to not go forward
201 with a cooperative school district, but to form another committee to investigate alternative options for

202 school organizations. The successful part of this committee is it took cooperatives off the table. The
203 last vote was to dissolve the committee, which passed unanimously.

204 Questions / Comments

- 205 ▶ **Chair LeFebvre** inquired if there will be a petitioned warrant article for the formation of another
206 committee to investigate alternative options. **Mr. Hounsell** stated that discussion will be held at
207 the local school board level. The RSA only requires a warrant specific to cooperatives so there
208 may not be a requirement for the warrant for joint management, AREA, or tuition agreements.
209 Back in the 80's – 90's, approximately when SAU 13 broke away, the district was in an AREA
210 agreement, and it didn't work as there were still governance issues. Mr. Marvel noted we are in
211 an AREA now. Mr. Hounsell clarified we use tuition contracts where Conway is a receiving
212 town while the others are called sending towns.
- 213 ▶ **Ms. Sand** asked for a synopsis for the reason the cooperative was voted against. **Mr. Hounsell**
214 stated there were concerns on how to get together for an annual meeting and representation. With
215 the cooperative district you must have an odd number between 7-15 representatives for the board
216 and with 8 towns participating it would be one-person one-vote and one person elected at large.
217 The concern remained with governance and having a say over programming and the budget. The
218 funding formula would be combination of ADM and equalized valuation where there would be
219 winners and losers. Unfortunately, the funding formula is restricted by state regulations. Sending
220 towns are faced with inequity in funding and governance and that is what needs to be addressed
221 prior to 2024.
- 222 ▶ **Chair LeFebvre** clarified cooperative districts are for towns building from the ground up. **Mr.**
223 **Hounsell** confirmed that is accurate further noting there are no examples of a cooperative
224 developed after a school was already built. **Mr. Davison** noted sending towns did not want to
225 have to joint ownership or pay for the assessed value of KHS. All towns were amicable in
226 wanting the state-of-the-art vocational center and high school.
- 227 ▶ **Mr. Hounsell** stated in his opinion it would be extremely difficult to have JMA for schools as
228 there would be less oversight and governance. **Mr. Davison** stated there is no annual meeting,
229 the budget is developed like the SAU 9 budget, and board members are elected at large.
- 230 ▶ **Mr. Marvel** noted he understood the complaints of sending towns to be cost and governance at
231 Conway's expense leaving Conway with a liability. **Mr. Hounsell** stated that is a 3rd option,
232 being Conway goes out on their own. This is not a recommended option as it would result in
233 closing of schools, changing curriculum, and decreased staffing.
- 234 ▶ **Ms. Sand** noted not all towns have representation at the State House, but everybody gets a vote.
235 The sending towns are looking at how they maintain their elementary schools without paying for
236 the high school. They need to look at the future education for all students in the area, especially
237 with the shrinking population.
- 238 ▶ **Mr. Davison** noted Conway is in the driver's seat as they possess the property and buildings with
239 the most students. Conway needs to take care of their own community and students, but also
240 need to work with the sending towns to do what is best for everyone.

241
242 8. Old business:

243 **Mr. Davison** provided an update on the suggestion to have the roofs evaluated for repairs. Noting the
244 facilities committee chose to table further discussion until the conclusion of the evaluation for closing
245 a school and the result of the sending town agreements. Additionally, noting it is anticipated between
246 5-10 years it will cost \$1.5 million for each elementary school, \$2 million to complete KMS, and \$5
247 million for KHS and CTC roofs. Gale Associates indicated they have a staff that can conduct an
248 evaluation and prepare a long-term replacement program.

249 Need to get handle on roof/ if comes down take care own enrollment/
250

251 9. New Business: None
252

253 10. Public and Media Questions/Comments: None
254
255 11. Adjournment
256 **There being no further business, the meeting adjourned at 8:18 pm.**
257
258 Respectfully Submitted,
259 *Lisa E. Towle,*
260 Recording Secretary