

Budget Committee
Meeting Minutes
May 19, 2010

MEMBERS PRESENT: John Wilson, Connie Appel, Bob Meck, Kathy Bianchi, Jim Wheeler, Bill Helm, Celeste Cook, Mark Kaplan (Board of Selectmen Representative)

MEMBERS ABSENT: Ann Bedard

OTHERS PRESENT: Tina Helm (Chair, Board of Selectmen), Peter Bianchi (Selectman), Jessie Levine (Town Administrator), Carolyn Fraley (Finance Officer), Richard Lee (Public Works Director), Chad Denning (Recreation Director), Dave Seastrand (Police Chief), Jay Lyon (Fire Chief), Larry Ballin, Bob Bowers (Library Trustee)

John Wilson called the meeting to order at 7:00 PM. He established that a quorum of the Committee and majority would be five members.

Review minutes of February 8, 2010: Ms. Cook complimented Kristy Heath on the quality of her minutes. Others on the Budget Committee agreed. IT WAS MOVED (Bob Meck) AND SECONDED (Celeste Cook) to accept the minutes from February 8, 2010, as circulated. THE MOTION WAS APPROVED UNANIMOUSLY.

Elections for Committee Chairman: John Wilson said he would not be running for reelection as chair. Mr. Meck nominated Jim Wheeler. Ms. Cook nominated Connie Appel, who declined, explaining that she did not have the time.

IT WAS MOVED (Bob Meck) AND SECONDED (Celeste Cook) to elect Jim Wheeler as Chairman of the Budget Committee. THE MOTION WAS APPROVED UNANIMOUSLY.

John Wilson noted that for the three years he has chaired the Budget Committee, he has appreciated working with the group and was glad to be involved in it. The Committee expressed the same in return.

Jim Wheeler said that he would accept the position of Chair under the condition that Mr. Wilson act as chair until adjournment of the present meeting. Mr. Wilson and the committee agreed that this was acceptable.

Discussion and choosing of a candidate to succeed Doug Baxter: John Wilson suggested the following people to take over Mr. Baxter's seat: Ben Cushing, Noel Weinstein, Brian Prescott, Kevin Johnson, Doug Homan, and Michael Doheny. Ms. Cook added David Payne.

Mr. Wilson suggested having everyone vote on the seven people on the list. He felt that in order to appoint someone, a majority vote would be necessary. Another option would be to take the list of names and make formal nominations. He wondered if there was a preference one way or another among the committee members. Ms. Appel suggested nominating Ben Cushing, as he received many votes for a position on the Budget Committee at Town Meeting.

Mr. Helm felt that those whose names had been on the ballot for Town elections should be considered. Chair Wheeler said that he had spoken to Marc Violette, a Budget Committee member from Warner, about how they obtain new members. He was told that they advertise and then interview each interested individual. He did not think that just because someone was on the ballot, that only they would be

considered -- he felt it should be open to others who were interested. Ms. Appel said that she thought it was important for the electorate to have a voice in the matter.

IT WAS MOVED (Connie Appel) AND SECONDED (Kathy Bianchi) to appoint Ben Cushing to fill the vacant seat on the Budget Committee.

Mr. Wilson asked her to amend her motion to explain the rationale behind the nomination. Ms. Appel declined to amend the motion but said that her motive for the motion was that Mr. Cushing had received 432 votes from the citizens of New London for a position on the Budget Committee. She said, however, that she did not want to force this process as a precedent for future citizens. Chair Wheeler said that this would be considered a nomination and they should leave the floor open for other nominations.

Ms. Bianchi suggested putting all seven names on the board and having everyone pick a first and second choice to help pare the list down a bit. She felt that if these people have come forward and indicated an interest, and if there is no law that requires otherwise, they should give each a consideration in some way. Mr. Wilson replied that they should take a vote on the seven individuals.

Mr. Kaplan said that last March they had a vote at Town Meeting and the top vote-getters were sitting there with them at the meeting, whereas the others were not. He said that the Town voted and someone came in fourth, and when a position opens, careful consideration should be given to that fact. Mr. Kaplan believed that by relying on the votes of the public, the public's perception of the committee would vastly improve. Ms. Bianchi agreed with Mr. Kaplan but said that rationale had not been applied when she had the next highest votes and was passed over for the Budget Committee seat. Mr. Wilson said that by each of them voting, their feelings in this regard could be expressed.

Ms. Appel withdrew her motion, and Ms. Bianchi withdrew her second to the motion.

Chair Wheeler asked Ms. Cook if Mr. Payne would take the position if he were nominated. She said that he would serve if nominated.

Chair Wheeler said that an alternative to Mr. Cushing would be to have Noel Weinstein, as he has some experience being on the committee but left last year due to a medical issue. Mr. Meck agreed with Chair Wheeler's point. He also commented that it would be logical to consider those people who didn't make the cut but did run for the position in March.

Ms. Levine reminded those at the meeting that this would only be a one-year term, as it was filling in for Doug Baxter's remaining time on the board. The position would then be on the next election ballot for a one-year term.

Mr. Helm asked if it would be a problem with the perception of Kevin Johnson being affiliated with the Town or as people thinking that he worked for the Town. Mr. Wilson said that he did not think so, as Mr. Johnson did not, in fact, work for the Town, but for the school district.

The Budget Committee proceeded to review the names written on the white board, and Mr. Wilson asked for a vote. The first nominee, Ben Cushing, received five votes. Since this was a majority, it was decided that he would be appointed. Chair Wheeler said that he would contact Mr. Cushing to let him know.

Subcommittees: Ms. Levine said that they have three subcommittees and each year the newly elected people come back to serve on a different subcommittee. After some discussion, Mr. Helm was assigned to

the Public Works subcommittee, Chair Wheeler and Mr. Cushing to the Administration/Recreation subcommittee, and John Wilson would move to the Public Safety subcommittee.

Ms. Levine shared that the CIP committee should have one person from each subcommittee. Mr. Wilson suggested that Chair Wheeler be involved in this CIP committee, as well as Mr. Helm, and himself, which would represent all three subcommittees.

John Wilson's April 28 letter: Mr. Wilson said that the items in his letter included suggestions given to him by committee members.

1. The big item on the agenda for the coming year will be the Town's shift from the calendar year to the new "fiscal year". This will require planning different from anything we have previously experienced. This will be discussed later in this meeting.

2. The economic downturn of the last two years has exposed the weaknesses of the State's finances that will undoubtedly last indefinitely, no matter what type of recovery we experience. These weaknesses have translated into reduced revenue from the State and increased financial responsibilities, such as retirement funding by the town. With this in mind, we need, in concert with the Selectmen and Town Administrator to prioritize town needs. The Committee agreed.

3. The Capital Improvements Program (CIP) should be available prior to our fall meeting schedule. Running this program in house has shown that this can be done. The Committee agreed.

4. We need to visit the various departments. When and how do we want to accomplish this? Previous comments seemed to be leaning toward scheduling these visitations in the fall and not in the summer. Mr. Wilson said that he was contemplating the month of September to get the departmental visits done and felt the early morning meetings worked well in the past. Ms. Bianchi said that September 15 was when all the department heads were due to submit their budgets for the following year. She asked if their proposed budget would be out before the subcommittees conduct their visits. Ms. Levine said that this would not necessarily be the case. She said that probably the department head will have highlighted what the big-need changes were, but their final budgets would not be completed as of yet. Chair Wheeler asked if the department head requests would have been sent in by that point. Ms. Levine said that by that time they would have been sent in but that the tours and the actual budgets didn't have to correlate in time. She added that the tours are broader and more about departmental operations and may hone in on specific budget requests, but she didn't think that at that stage in the budget it would make a difference.

Ms. Appel said that scheduling conflicts seemed to come up the later they go into the fall. Ms. Bianchi said the visits in the summer were very helpful, especially for new people on the board, but she recalled having a hard time remembering how the items on the budget correlated with what she saw on the tour due to there being a long time in-between the visits and the budget hearings. Ms. Appel said that she felt early morning meetings in September would work well.

5. Do we want to continue with the sub-committee format? Chair Wheeler said that from personal experience last year (he was on the Department of Public Works subcommittee), he gained in-depth learning from conversation with those in the department. However, when his committee got to the point of reporting to the Budget Committee, he didn't feel like he could give a thorough report. He opined that they need to do a better job reporting, or suggested that the entire committee should go on the tours. Mr. Meck said he was an advocate for continuing the subcommittees, but as the cycle came to an end last year, they had lost thread because they had more than likely forgot what they heard or had revisited other things. Ms. Levine suggested that perhaps a hybrid would work. She has noticed that when the

subcommittees are used, ultimately the whole Budget Committee wants to have the same conversation with the departments. She suggested that having the subcommittees meeting only if there was a particular issue or request, in which case the subcommittee could work on that to get an answer. Ms. Levine also said that the Budget Committee has to trust the judgment of the subcommittees. Mr. Wilson supported this idea, and everyone felt it was a good idea to have the entire group go on the visits/tours, and the subcommittees could meet with department heads to get more details if and when necessary.

6. *We decided three years ago to determine a total dollar for employee raises using the December CPI as a reference. The total allotted funds were to be distributed among the employees by the Selectmen in a manner they deemed appropriate. We should not put any pay raise amount into the budget before the Budget Committee has had a chance to consider the subject and vote on it.* Mr. Wilson felt it was in the best interest of everyone to not advertise a percentage or pay raise before it has been thoroughly discussed. He said that this can sometimes lead to an awkwardness that doesn't need to be there. Mr. Helm didn't understand how the Board of Selectmen and the Administration could possibly propose a budget without the wages being determined. Ms. Levine agreed. Mr. Helm said that the rationale of the sequence of budgets made sense and followed the process of the 80-page book he had read to prepare for his position on the Budget Committee.

Mr. Wheeler asked if the wages would continue to be a proposal within a line item. Ms. Levine said that in the past, they kept going back and forth because the Budget Committee kept changing the numbers for wages, and it was easier to put it in as one line item. She felt it would be best to put the expenditure for employee wages under each department if the figures are known ahead of time, which should happen because the wage study should be complete before the budget is presented. Ms. Levine noted that the CPI was 2.5 right now, but said to keep in mind that they will be creating an 18-month budget, so things should change. Mr. Meck asked who would perform the salary and wage survey. Ms. Levine said she would be doing it using the Local Government's Center's "big book" of wages that was due out by July. The Board of Selectmen will pick the Towns to survey, and she will create a comparison spreadsheet. Ms. Levine indicated that it will all be factual data used.

Mr. Meck said that in the past (2006) they used the data from that book to come up with figures for cost of living vs. merit raises, and how some decisions regarding wages would be reached. Ms. Levine said that this year she felt it was time to return this duty to the Board of Selectmen, as it was their role. They would determine the compensation for the employees and the Budget Committee's job would be to whether to budget for their suggestions. In the past, in the spirit of collaboration, such as in 2006, they had a joint committee consisting of the Budget Committee and the Board of Selectmen, but this now seems to be blurring the lines of duty. She felt they should go back to basics and that they don't need to form another subcommittee to go through it again.

7. *Hopefully we can continue to have a rolling tax rate with each of our budget packets, thus limiting last minute surprises.* Ms. Levine said this was done last year and there is no reason why it would not continue.

8. *If we are not are dismayed by the tax rate, we should, as we did this year, give the administration and department heads the initial opportunity to make budget changes. Doing this does not preclude the Budget Committee from making further changes.* Ms. Levine said that with her proposed schedule, they would have gone through this process before the Budget Committee even gets the budget. She said that while in the past she and the department heads appreciated the opportunity to have the first stab at revisiting the budget, she thought that there was a feeling that the Budget Committee had made cuts when in fact it was the department heads that had actually done the work. She wanted to see how they end up by having a thorough review earlier where the discussions about what to cut and what to leave in have

already taken place. In the last year during the budget process and in campaign ads, the Board of Selectmen and she were accused of bringing a 10% increase to the Budget Committee. She said that this was not the case; they brought the budget to the committee that had everything included. This led to working backwards from the beginning, and she hope to start working forward with the new process.

9. Should we be considering pay-for-throw trash disposal as a way of reducing the budget? Pay-for-throw ideally entices all to recycle as much as possible, thereby reducing the cost of trash disposal for all. Ms. Levine said that the Board of Selectmen would be considering this.

10. The budgetary process should only speak to budgetary and related issues. Comments that speak to a person, by Committee members, town officials and attending interested parties are irrelevant and should not be acceptable to this committee.

11. Other procedural items suggested by Committee members are that meeting minutes be available within five business days of the meeting, that meeting minutes be edited only by the recording secretary, that only Budget Committee members, the Town Administrator and the Finance Officer shall sit at the meeting table, and that the agenda for meetings be set by the Committee Chairman. Ms. Cook had a concern regarding the minutes being edited only by the recording secretary. She assumed that Ms. Levine looked at them as well as the secretary, and thought another pair of eyes was important. She also thought the chairman and Ms. Levine set the agenda together and not just the chair, alone. Mr. Wilson said that it is done collaboratively sometimes, and that this was best way to do it. Chair Wheeler said he would like to work with Ms. Levine jointly on the agenda when he is chair. Ms. Levine shared that she generally sends a draft of the agenda to the chair, who then edits it and returns it to her so that she can distribute the final version.

Ms. Appel said that she was concerned that the minutes are supposed to be made available within five business days. She noted the time when they didn't have a secretary, and that this wasn't happening. Ms. Levine said that the five business days is the law, but that the law requires minimal minutes that include a list of attendees, decisions made and a brief description of discussion. She said that if that is what the Budget Committee wants, she can get that out within five days. Mr. Wilson said he didn't have a problem with the minutes taking more than five days, but that he would like to have them in time before a meeting to prepare.

Ms. Bianchi asked if Ms. Levine felt pushed to get minutes reviewed. Ms. Levine answered in the affirmative, but said that she felt that if she didn't do it, the part of the meeting where they review of the minutes would take a lot longer. She said that she doesn't change the minutes, but corrects typos or corrects names of people that the secretary does not know. She offered to use the "Track Change" option so that the members of the Budget Committee could see what edits she was making. Ms. Bianchi said this was not necessary.

Mr. Wheeler asked if anyone would like to start meetings earlier than 7 PM. Ms. Appel said that she could not do any earlier than 6:30 PM. She felt that if they can manage to move things along, meetings would not go too late into the evening. It was decided to keep the meetings at 7 PM.

Fiscal year: Ms. Levine handed out a timeline regarding the fiscal year transition. From July 2010 until the public hearing in February, they will be working on an 18-month budget that span January 1, 2011 to July 31, 2012. It will be comprised of a six-month and a 12-month budget. By law, the six month budget applies to the first six months. They will start the new fiscal year on July 1, 2011. She said that for practical purposes, it may be easier to prepare a 12 month budget and then a 6 month budget. Ms. Levine thought that they'll need more time to figure out the budgets. They will need to make decisions such as

funding one year of capital reserves vs. two years. She said that there was a lot to be determined and they will also need to consider when revenues come in. Ms. Levine noted that they will have to educate the public on what they are voting on so they will get approval at Town Meeting.

Ms. Levine explained that in September last year, the Board of Selectmen and the Budget Committee approved changing the fiscal year. At Town Meeting the citizens will vote on the budget itself, on changing to quarterly billing, and on changing the Town Meeting date. The biggest concern is making sure that the budget passes. Ms. Levine said that the 18 month expenditures will be in the committee members' budget packets and that at Town Meeting, the citizens will get an 18-month and a 12-month budget to vote on.

Ms. Levine shared that if quarterly billing is adopted, a statutory change had been made at her request, by Randy Foose, which changes the due-date of the first quarterly bill. RSA 76:16-aa was amended to read that "bills are due 30-45 days from Town Meeting" to give some flexibility. She explained that the tax rate will still be set in October.

Ms. Levine handed out a timeline showing how the quarterly tax bills will work. She explained that the July and October bills are based on the previous year's tax rate and assessed evaluation, divided by four. The third and fourth quarterly bills are set by the tax rate and credited by earlier payments, divided by two. She said they are spreading a year's worth of warrant over four payments instead of two, or in this case, spreading a 16-month budget over five bills instead of three.

Ms. Levine then distributed a time-line showing how the individual bills would be affected by the quarterly collection. It showed that with semi-annual payments, a sample taxpayer with a \$400,000 house would pay \$9,292 during the 18-month time-frame. With quarterly billing, that same sample taxpayer would pay \$9,242. The amounts paid are virtually the same. The goal is to switch from paying in arrears to paying in advance. Ms. Levine said that she has tried to point out that if the taxpayers don't choose quarterly billing and they try to collect everything using the October tax rate, that same homeowner's tax bill would be \$10,200, so it would be another 1000 more. She was open to suggestions for other ways to explain this reasoning and commented that the chart seemed to be helpful in showing that there was no adverse impact to changing the fiscal year or the collection schedule.

Mr. Helm said that while the total paid is sometimes less or the same, it is going to have to be paid sooner, and that this fact needs to be acknowledged. Ms. Levine agreed. She also said that her chart also does not show how the surplus gets taken in as revenue.

Ms. Appel said that there would be a tougher tax cycle to begin with, as the State's budget problems are being passed down to the towns. Ms. Levine said that the beauty of a May Town Meeting is that adjustments could be made at Town Meeting, whereas currently we find out about the state's revenue cuts after our budget has already been approved.

Ms. Appel said that the change of fiscal year is only a temporary inconvenience for a better future, and should use this fact in the education of the taxpayers in regards to the 18-month transition.

Meeting Schedule: Mr. Wilson said that last year towards the end of the process big changes had to take place. He distributed his own version of the meeting schedule, which differed from Ms. Levine's version.

Ms. Levine said that she was proposing a new model that built in some time in the fall to prepare what is going to be a very complicated budget. At the same time, they should put the budget before the proper body at the property time. She didn't think Mr. Wilson's schedule gave enough time on the front end to

get it done, and left two months in the middle of the process. Ms. Levine added that Ms. Fraley was also going to be out of the office for three weeks for knee surgery in the fall. She has put in a lot of thought and method to the schedule she proposed. Mr. Wilson said he was willing to listen to other options. He was concerned with things at the end becoming a real squeeze.

Chair Wheeler was concerned that there would be two months between their meetings in the fall. Ms. Bianchi said she understood that this year was unique with the transition, but didn't want to get into what they did last year to have to throw things back to the department heads and make a lot of changes in the end. Ms. Levine said that Mr. Wilson's schedule has only one more meeting than hers does. She was concerned that taking two months off in the middle of the process, as Mr. Wilson's schedule suggested, was not the best idea.

Ms. Appel said that there was talk of allowing adequate time for department heads to work on their budgets and not wanting to have them take up vacation time to get it ready. Mr. Wilson said that is why he wanted to take off the month of December. Chair Wheeler said they need that extra time to prepare, and was thinking by doing this, Ms. Levine could get a more thorough budget to them. He cautioned that the department heads should still be prepared to scramble in January to make changes, if deemed necessary. Ms. Levine said that is understood.

Ms. Levine said that she has asked to present the budget to the Budget Committee in the past, and was not given the opportunity. If she is given more time on the front end to do the work, the budget can be more thoroughly understood. She didn't think there would be a scramble as was experienced last year and the year before. Chair Wheeler asked Ms. Levine if she didn't believe it was the Budget Committee's job to go through the budget line by line. Ms. Levine said that she didn't see this as a good use of their time. She said that they will certainly get to see and review the budget line by line, but she thought time would be better spent only discussing certain line items if needed.

Mr. Meck asked if the operating and CIP would be presented to the Board of Selectmen line by line. Ms. Levine said that it would not. Everyone will be able to see the line items, but that is not how it would be presented. Mr. Meck asked if there would be any documentation for each of the lines. Ms. Levine answered that there would – the budget would look the same as it has in the past. Mr. Meck said he was trying to accommodate the committee's concerns about not having as much time to review. Since the Board of Selectmen meetings are open to the public, he thought perhaps the Budget Committee could attend the October 4 presentation so they could see the line by line items, which would give them the chance to go to the department heads in their subcommittee, and then ask them for clarification, if needed. Mr. Helm said that this is really the job of the Board of Selectmen.

Ms. Levine said she could try to squeeze another meeting into December or January. She said she waited three weeks between November and December to accommodate for Thanksgiving. They decided to add a meeting on November 29 and move the December 6 meeting to December 13.

Ms. Levine said that on November 15, when the Board of Selectmen bring their budget to the Budget Committee, it would be helpful to hear from the Budget Committee as to where they want to go with the budget. Chair Wheeler requested the Budget Committee get a copy of whatever the Board of Selectmen receives for a preliminary draft. Ms. Levine agreed to get copies to the Budget Committee.

Mr. Helm asked if the dates would remain on Monday nights. It was the consensus that Monday nights were best. Ms. Bianchi noted that there were Board of Selectmen meetings being held prior to the Budget Committee meetings, which they could attend. Chair Wheeler asked if they would be welcomed at the meeting. Ms. Levine said yes, but that they would have to be there as an individual and not as a Budget

Committee member, since the Budget Committee would not have met to take a position on any particular request.

Mr. Meck asked why no one could give budgetary guidance to the department heads in advance. In his experience working for the federal government, he was told what was expected and what the priorities were. He said that he doesn't see any guidance in the process in Town. Ms. Levine said that she gives guidance to start, and when it goes to the Board of Selectmen, they have two work sessions to provide guidance as well. She said that in the ten years that she has been the Town Administrator, the Board of Selectmen and the Budget Committee have always met at a consensus. They all worked together until it was agreeable to both sides. During the last two years there has been a stronger feeling for a need of guidance and she feels that the process she has suggested will change this. Mr. Meck felt the guidance was still happening too late in the budgetary process. The department heads should be given more guidelines before they start their process. Ms. Levine said that time set aside for this sort of guidance was not in the schedule but she felt that it would not be a bad thing to include.

Ms. Bianchi asked who would set guidelines. Chair Wheeler said it should be the Board of Selectmen; the Budget Committee shouldn't be giving the Board of Selectmen guidance. He opined that they should let them work it out and it might be more efficient to give them guidance ahead of time. If they are dismayed by the tax result that comes from their suggestions, they will deliberate. That keeps the duties separated. Mr. Wilson said that they need to have some knowledge from the department heads. They will need to defend their budgets to the Budget Committee, as they do with Ms. Levine.

Chair Wheeler said that they would be able to ask the Budget Committee to deliberate to come up with what their guidelines were. Ms. Bianchi agreed with Mr. Meck on getting guidelines to the Board of Selectmen earlier in the process. They want to avoid burdening people with re-doing things, as we done the past two years. Mr. Helm noted that they are talking about expenses, but not of revenues, which will be one of the major impacts of the budget. Ms. Levine said they should know the revenue information by September.

Mr. Kaplan commented that over the last 10 years they have tried very hard to build a budget from the ground up. They go to the department heads at various times and ask what they need and what they can do, unlike the federal government. He's been comfortable with that. Several things happen when this process is followed. The department heads realize they are an important cog in the machinery; it doesn't work unless they do a good job. It also builds pride and confidence. He felt that it would be a huge mistake if the Board of Selectmen or the Budget Committee tell the department heads how much to spend and no more. Chair Wheeler said that Mr. Kaplan probably just defined the difference between the two committees. Ms. Levine shared that the Board of Selectmen generally has a closer touch to the operations in Town and know what the department heads need and set priorities. Then they get the "reality check" with the Budget Committee. Chair Wheeler said if they had a sense of where the Budget Committee was coming from, it could help the process. Mr. Kaplan said if they all understand where they are all coming from, it would help them get along better.

Selectmen's Report: Mr. Kaplan reported the following:

- Town wide statistical update on property values will be starting later this spring. The assessing department is starting a town-wide update which does not include going inside buildings. The assessing people will have an ID card so there is no mistaking them.
- Wastewater funding/sewer bills: USDA RDA rejected the initial grant application. They have resubmitted the grant request with guidance from the people they are working with, and are still

waiting for an answer. Mr. Kaplan added that the sewer bills were sent out last week and did not increase from the last bill.

- Grants: They have officially received the Elkins Grant. They have also received three energy related grants: Micro Hydro power study, lighting upgrades, and KRSD buildings and upgrades to save energy and money.
- Awards: New London, Newbury and Sunapee were awarded with a profile award in memory of the Old Man of the Mountain. It is in recognition of community spirit and volunteerism in the town. Additionally, the Recreation Department received an outstanding achievement award from the Government Counsel for their involvement in the Winter Wild program. Mr. Kaplan thanked Mr. Denning for his work on this project.
- Legislative activity: Mr. Kaplan said that the State is going to be lacking in revenue. Starting in 2011 the Town will be spending \$1 million more in statewide property tax for education. He added that the majority of money will go outside the area and into two of the largest cities in the State. Mr. Kaplan said that he spoke to Randy Foose the previous night. The House has no intention of maintaining the collar on statewide property tax to allow time to study the formula on education funding. The Senate voted to do it for one year, but the House probably won't go along with it. He said that they will try to create a committee to study the formula by which the towns get the money for education. Manchester and Nashua are going to receive this money. He and Tina Helm have gone to Concord to protest this. If they have to spend \$1 million more next year, it will add \$1 to the tax rate. Mr. Kaplan said that he is in contact with the Portsmouth Coalition, as is Ms. Levine, but they just don't have enough votes in New London or the State to stop this donor town tax from happening. He didn't see anything happening to remedy this in the future. He thought the Governor would set up a commission to study the formula. Private individuals may make up the commission, which would be better than a committee set up by the House, as it would be made up of members of the House only.

Ms. Bianchi asked if there were more than just two receiving towns. Mr. Kaplan said that there were more than two, but that of \$60 million dollars raised, those two cities would receive \$42 million. He said they will keep in contact and will try to do what they can.

Any other business:

Mr. Wilson asked Ms. Levine about single stream recycling and where that was headed. Ms. Levine reported that they were not moving forward at this point, but were just exploring their options.

IT WAS MOVED (Kathy Bianchi) AND SECONDED (Jim Wheeler) to adjourn the meeting of May 19, 2010. THE MOTION WAS APPROVED UNANIMOUSLY.

The meeting adjourned at 9:04pm

Respectfully Submitted,

Kristy Heath, Recording Secretary
Town of New London