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**APPROVED**  
TOWN OF PELHAM  
BUDGET COMMITTEE - MEETING MINUTES  
Thursday, October 11, 2018  
APPROVED – October 25, 2018

**CALL TO ORDER** – at approximately 7:30pm

PRESENT: Mr. Michael Bailey, Mr. Dave Cate, Mr. Bob Sherman, Ms. Daryle Hillsgrove,  
Mr. Dave Cronin, Ms. Meg Bressette, Ms. Amber Capone, Selectmen  
Representative Doug Viger, School Board Representative Deb Ryan

ABSENT: None

**MEETING MINUTES**

**October 4, 2018**

**MOTION:** (Cate/Sherman) To approve the October 4, 2018 meeting minutes as written.

**VOTE:** (8-0-1) The motion carried. Ms. Ryan abstained.

**ByLaw Amendment Discussion**

Mr. Bailey stated the Board needed to bring the proposed update to the ByLaw off the table.  
Prior to the meeting he provided the Board with the updated verbiage (*See Attachment 1*).

**MOTION:** (Sherman/Cate) To bring the ByLaw update off the table and open for  
discussion.

**VOTE:** (9-0-0) The motion carried.

Mr. Cronin suggested adding the word '*plan*' in the following: "(salary plus estimated town  
portion of family *plan* benefits and retirement)". There was no objection, as it was a clarification.

Mr. Sherman questioned if the Board needed to formally remove Section VII, B,2. Mr. Bailey  
explained that it had already been formally removed by vote; however, the copy online didn't  
reflect the correction. He stated for the record that Section VII,B,2 reading:  
"2. Any new personnel or change from part-time to full-time will be set forth in a warrant  
article." would be removed from the currently published version of the ByLaws.

Mr. Bailey read aloud the proposed ByLaw update (*See Attachment 1*) and supporting back up  
data. He said the intention was to review the information against the current labor statistics and  
adjust accordingly.

Mr. Sherman noted there had been another version of Section VII,C,2 that read '*under special  
circumstances*'. He confirmed that those words would not be contained within the proposed  
language for consideration. Mr. Bailey stated those words had been removed and were not  
contained in the version being considered at this time.

Ms. Ryan confirmed that the ByLaw change related to both Town and School personnel. Mr. Bailey answered yes. Ms. Ryan suggested that the verbiage be clarified. Section C heading was amended from 'Town Personnel' to now read 'Personnel'. There was no objection.

**MOTION:** (Sherman/Viger) To amend Section VII, C heading by eliminating the word 'Town' and have Section VII,C read: 'Personnel'.

**VOTE:** (9-0-0) The motion carried.

The Board then took the following action to update/amend the Budget Committee ByLaws:

**MOTION:** (Viger/Cate) To adopt the ByLaws as amended. *(See Attachment 1)*

**VOTE:** (9-0-0) The motion carried.

### **2019 BUDGET VOTE**

Mr. Viger made a motion that the standing proposed budget is the motion (on the floor) unless the Board makes a separate motion to amend. Mr. Cate seconded.

**MOTION:** (Viger/Cate) The proposed budget figure (for each department) is considered approved, unless the Board takes action to amend the figure. *(note: the Board amended certain budgets, see discussion below. The overall Town budget figure was also amended accordingly)*

**VOTE:** (9-0-0) The motion carried.

### **Cemetery - \$145,470 proposed / approved by Budget Committee**

2018 approved: \$145,196.

Cemetery Trustees Nate Boutwell and Dave Provencher came forward to answer questions.

Mr. Sherman asked for a summary of the services provided by the cemetery. Mr. Boutwell replied they were working to provide expanded services beyond burials, such as internments, cremation burials and have learned about green (natural) burials. He said they try to be innovative with their use of the six Town cemeteries (approximately 50 acres in total). They have on-going progressive maintenance and try to keep each area looking good for the community while remaining fiscally responsible.

Mr. Cate asked for an explanation of 'specials'. Mr. Provencher replied it helped them with new areas for development and on-going projects. He described some of the projects they were currently working on. He discussed the percentage of burials that were cremations and how they were looking to plan locations and create areas for such.

Mr. Sherman asked if the cemetery plot information was computerized. Mr. Provencher replied it was a work in progress. Mr. Boutwell commented that they were working on creating a better layout of new cemetery sections. Mr. Provencher said they had gathered the information, it was just a matter of getting it on-line.

Ms. Capone questioned how much of the cemetery land had already been utilized. Mr. Boutwell believed that Gibson Cemetery (main cemetery on Marsh Road) was close to 50%-60% capacity. Mr. Provencher said they were looking at the layout and trying to become more modern. Mr. Boutwell told the Board they attend the New Hampshire Cemetery Association meetings and continually learn innovative ways to run the cemetery and stay ahead of how things are done.

**Hobbs Community Center - \$136,844 proposed / approved by Budget Committee.**

2018 approved: \$122,872.

**Planning Department - \$409,593 proposed / approved by Budget Committee.**

2018 approved: \$390,287.

**Police Department - \$3,058,247 proposed / approved by Budget Committee.**

2018 approved: \$2,755,256.

**Fire Department - \$2,259,025 proposed. Budget Committee approved \$2,348,320.**

2018 approved: \$2,178,295.

The Board was provided with an updated budget sheet. Ms. Hillsgrove offered an amendment to add funding to disability based on the knowledge it had been underfunded for several years. Mr. Cate seconded. Ms. Hillsgrove understood the department already knew of one expected disability costs for 2019 (based on an employee currently on disability). She looked at the average expenditures over the last five years and wanted to add \$84,295.19 into the disability coverage line so the department could adequately fund the disability they were expecting as well as to bring the figure up to the five-year average, so money doesn't come from other areas of the budget to fund disability costs. She said the Board can review the line each year and make the appropriate adjustments. The disability line was increased to \$104,395.19.

Mr. Ramgopaul informed that the new bottom line figure would be \$2,348,320 (with \$5,000 added in for the SAFER Grant plus \$84,295 for disability).

Mr. Sherman questioned if excess money would be returned at the end of the year. Mr. McCarthy replied surplus is always returned to the General Fund and used to offset taxes.

**MOTION:** (Hillsgrove/Cate) To amend and increase the Fire Department salary/disability budget \$84,295.19.

**VOTE:** (9-0-0) The motion carried.

**Emergency Management - \$8,644 proposed / approved by Budget Committee.**

2018 approved: \$8,548.

Mr. Cronin reviewed the current year-to-day expenditure and questioned if the proposed budget would be adequate. Fire Chief James Midgley explained the budget was used for FEMA reimbursement; the March 2018 snow storm exposed holes in their emergency management system. He spoke about a glitch in their system and how the funds this year were used for information technology. He told the Board typically any surplus is returned to the General Fund. He believed they had enough funding in the proposed budget.

**Highway Department - \$1,530,276 proposed / approved by Budget Committee.**

2018 approved: \$1,535,062.

**Transfer Station - \$711,831 proposed / approved by Budget Committee.**

2018 approved: \$731,122.

**Library - \$450,648 proposed / Budget Committee approved \$443,839**

2018 approved \$420,402.

Library Director Rita Gavelis and Library Trustee Chairman Rose Cares came forward. Ms. Gavelis provided the Board with an information sheet highlighting the amendments they made to the budget that showed their 'rock bottom' figures. She explained the various positions and salary adjustments that had been made. Mr. Cate asked which figure the Library wanted the Board to consider. Ms. Gavelis replied the adjusted figure submitted for consideration is \$443,839.

**MOTION:** (Cate/Sherman) To reduce the Library budget to the adjusted amount of \$443,839.

**VOTE:** (9-0-0) The motion carried.

**Assessor - \$222,212 proposed / Budget Committee approved \$222,213**

2018 approved: \$181,212.

Mr. Sherman asked that \$1 be listed under new equipment to keep the budget line open.

**MOTION:** (Sherman/Cate) To add \$1 to the new equipment line.

**VOTE:** (9-0-0) The motion carried.

**Budget Committee - \$162 proposed / approved by Budget Committee.**

2018 approved: \$162.

Ms. Capone suggested the Board keep an eye on the figure once they receive tablets.

**Cable - \$136,838 proposed / approved by Budget Committee.**

2018 approved \$131,392.

**Conservation Commission - \$7,947 proposed / approved by Budget Committee.**

2018 approved \$3,947.

**Debt Service Interest - \$113,477 proposed / approved by Budget Committee.**

2018 approved \$118,780.

**Debt Service Principal - \$710,714 proposed / approved by Budget Committee.**

2018 approved \$735,672.

**Elections - \$11,427 proposed / approved by Budget Committee.**

2018 approved \$19,631.

**Health Officer - \$45,766 proposed / approved by Budget Committee.**

2018 approved \$45,766.

**Health Services - \$73,500 proposed / approved by Budget Committee.**

2018 approved \$73,500.

**Human Services - \$93,040 proposed / approved by Budget Committee.**

2018 approved \$93,040.

Mr. Cronin made a motion to increase the general assistance line \$1,964 to adjust for cost of living. Mr. Cate seconded for discussion. The figure Mr. Cronin used to calculate the increase was 2.445% as outlined in the new ByLaw amendment for salary. Mr. Cate understood through previous discussion this was the one budget in the Town that by Statute could legally be overspent. Given that information, he saw no reason to adjust the figure. Mr. Viger appreciated the proposal and went on to explain that general assistance weren't salary-type payments; assistance is paid on a case-by-case basis. He stated payouts weren't on-going week-by-week; the case manager evaluates requests and provides what it needed. He said it wasn't a 'cola' situation. Mr. Cronin spoke about the reason for his proposal. He said the extra amount may pay one or two extra electric bills for people and felt it was a gesture.

Ms. Hillsgrove reviewed the amount expended to date and questioned if historically they had come close to the budgeted figure. Mr. McCarthy replied the second year he was Town Manager they came very close; however, in the subsequent years they had not. Mr. Viger commented that during the holiday/winter season requests came in. He reiterated they didn't turn anyone away; if someone needed assistance they could legally over expend the budget. He believed it was a fair budget and people could be accommodated as requests were submitted. Ms. Hillsgrove felt the request was a good direction, especially if money would have to be taken from other areas in the budget. Mr. McCarthy replied he wouldn't take money from somewhere else; he would overspend the line if they got to that point.

Mr. Cronin understood if money wasn't used it would be returned to the General Fund. Mr. McCarthy said that was correct.

Ms. Capone said the Town's population was getting bigger and the Board should think about a possible increase.

Ms. Ryan understood the general assistance portion of the request but wanted clarification about the reference to 'cola'. Mr. Cronin said he used the term because he didn't feel it applied only to salary.

Ms. Bressette questioned if the line had ever been overspent. Mr. McCarthy replied they had come close, but it hadn't since he was Town Administrator. Mr. Cate noted they could legally overspend the line.

If the line remained the same, Ms. Capone asked that they keep an open line of communication. Mr. Viger reiterated if someone came in that was truly in need they would not be turned away. Mr. Sherman suggested waiting on making an adjustment until reconsideration in January. This will allow the Board to have data from November and December.

Mr. Cronin withdrew his motion and Mr. Cate withdrew his second.

**Insurance - \$2,410,396 proposed / approved by Budget Committee.**

2018 approved \$2,377,366.

Mr. McCarthy warned the Board that the Town was informed the cost of insurance would rise 11.1% and dental would be increasing 2.3%. At present he hasn't received an explanation but has set a meeting to discuss. Ms. Bressette questioned if it was the same provider. Mr. McCarthy replied per Statute, Health Trust was the only provider the Town could deal with.

**Legal - \$97,500 proposed / approved by Budget Committee.**

2018 approved \$87,500.

**Parks & Recreation - \$248,850 proposed / approved by Budget Committee.**

2018 approved \$233,615.

**Retirement - \$1,757,918 proposed / approved by Budget Committee.**

2018 approved \$1,674,851.

**Selectmen - \$513,716 proposed / approved by Budget Committee.**

2018 approved \$477,527.

**Town Buildings - \$713,910 proposed / approved by Budget Committee.**

2018 approved \$824,166.

**Town Celebrations - \$9,260 proposed / Budget Committee approved \$9,261**

2018 approved \$9,260.

Mr. Sherman made a motion to add \$1 to the contingency line as a placeholder. Mr. Cate seconded.

**MOTION:** (Sherman/Cate) To add \$1 to the contingency line.

**VOTE:** (9-0-0) The motion carried.

**Town Clerk / Tax Collector - \$240,680 proposed / approved by Budget Committee.**

2018 approved \$233,902.

**Treasurer - \$15,176 proposed / approved by Budget Committee.**

2018 approved \$15,176.

**Trust Funds - \$150 proposed / approved by Budget Committee.**

2018 approved \$70.

Mr. Ramgopaul stated the new bottom line figure was \$16,215,708, representing an increase of \$588,545 (3.77%) over the 2018 budget.

**MOTION:** (Sherman/Cate) To approve \$16,215,708 as the 2019 Town budget.

**VOTE:** (9-0-0) The motion carried.

Mr. Viger stated he was very proud of the department heads and managers for holding their increases. It was noted that a majority of the increase was contractual.

**ADJOURNMENT**

**MOTION:** (Sherman/Cate) To adjourn the meeting.

**VOTE:** (9-0-0) The motion carried.

The meeting was adjourned at approximately 8:49pm.

Respectfully submitted,  
Charity Landry  
Recording Secretary

**ATTACHMENT 1**

**Town of Pelham, Budget Committee By-Laws proposed amendment**

Remove from currently published version: SECTION VII, B, 2 which reads

2. Any new personnel or change from part-time to full-time will be set forth in a warrant article.

Add: NEW SECITON VII, C, 1-3 to currently published version which reads

(Current C, D, & E become D, E, & F respectively)

**C. TOWN PERSONNEL**

1. Staffing changes shall be managed by the departments through the normal budget process with the exception of any personnel where the total compensation (salary plus estimated town portion of family plan benefits and retirement) exceeds the Total Compensation Threshold (TCT) set forth in these by-laws and reviewed at the Budget Committee Organizational meeting each year. In cases where total compensation exceeds TCT, the addition of new staff or transition from part-time to full-time shall be set forth in a warrant article.
2. At the discretion of the Budget Committee, any addition of new staff or transition from part-time to full-time regardless of base pay can be required to be set forth in a warrant article.
3. The inflation factor (Baselined 2018 @ \$86,895.50) shall be 2.445% (based on Bureau of Labor Statistics for the 5 year average of 12 month quarterly averages of Total Compensation Increases for the Boston, Worcester, Manchester Region) resulting in the TCT levels shown below for FY 2018 through FY 2025.

Year	TCT	Year	TCT
2018	\$ 86,895.50	2022	\$ 95,729.36
2019	\$ 89,024.44	2023	\$ 98,074.73
2020	\$ 91,205.54	2024	\$ 100,477.56
2021	\$ 93,440.07	2025	\$ 102,939.26

**Back up data**

Area	Total compensation			
	12-month percent changes for period ended-			
	March	June	Sep.	Dec.
Boston-Worcester-Manchester				
2013			1.9	2
2014	2	2.5	2.5	3.2
2015	3.6	3	3	2.2
2016	2.2	2.2	1.9	2.3



BUDGET COMMITTEE MEETING Thursday, October 11, 2018

<b>2017</b>	2.6	2.7	3	2.4
<b>2018</b>	2	1.7		

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337 5 Year Average Total Comp (Boston Region)

338 2.445% Based on Q2 2018 Data

339 2.23 % Based on Q4 2017 Data

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<b>2018 Based</b>		<b>2017 Based</b>	
		2017	\$ 85,000.00
2018	\$ 86,895.50	2018	\$ 86,895.50
2019	\$ 89,024.44	2019	\$ 88,833.27
2020	\$ 91,205.54	2020	\$ 90,814.25
2021	\$ 93,440.07	2021	\$ 92,839.41
2022	\$ 95,729.36	2022	\$ 94,909.73
2023	\$ 98,074.73	2023	\$ 97,026.22
2024	\$ 100,477.56	2024	\$ 99,189.90
2025	\$ 102,939.26	2025	\$ 101,401.83

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