

APPROVED

**TOWN OF PELHAM
BUDGET COMMITTEE – MEETING MINUTES
Thursday, November 4, 2021**

CALL TO ORDER – Amber Capone opened the meeting at approximately 7:00 pm.

PLEDGE OF ALLEGIANCE

PRESENT: Amber Capone (Chair)
Meg Bressette (Vice Chair)
Megan Larson
Bob Sherman
Eduardo Martony
Philip Haberlen
Jason Croteau
Jennifer Castles

ABSENT: Kannan Sasi
Bob Havery

MINUTES REVIEW:

MOTION: (Mr. Sherman/Mr. Martony) To place the October 28, 2021, meeting minutes on file. No one had any corrections to be made.

ROLL CALL VOTE: Megan Larson – yes
Eduardo Martony – yes
Bob Sherman - yes
Meg Bressette – yes
Philip Haberlen - abstain
Jason Croteau - yes
Amber Capone - yes

(6-0-1) Motion passes.

OLD BUSINESS:

Ms. Capone said they are continuing to work through the by-laws and have no new updates at this time.

NEW BUSINESS:

PELHAM ELEMENTARY SCHOOL

The 2022 adopted amount was \$7,771,727.00. The 2022 to 2023 recommended amount is \$8,190,174.00. This is an increase of \$418,447.00.

PELHAM MEMORIAL SCHOOL

The 2021-2022 adopted budget was \$5,554,169.00. The 2022-2023 recommended amount is \$5,693,592.00. This is an increase of \$139,423.00. Mr. Sherman asked about the floor being redone and asked if it could be ripped up the following year. The amount is around \$60,000.00. Ms. Bressette said it was on page 89 on the PDF file, or page 25 of the Memorial school budget, for \$1,755.00. Mr. Sherman asked for that to be taken out.

MOTION: (Mr. Sherman/Ms. Bressette) To remove the gym wood floor resurfacing.

Ms. Bressette asked if the floor would be ripped up in the spring. Mr. McGee said yes, in the spring of 2023. Ms. Capone asked when that would be completed. Mr. McGee said it would be completed over the summer of 2022. Ms. Capone said the refinished floor would get an entire year of use. Mr. McGee said the completion of the gym has been delayed and it might be late spring at this point. Ms. Capone said if the gym gets delayed, then the ripping up the floor gets delayed as well. Mr. McGee said they need to continue using the current gym because the new gym has been delayed. Ms. Capone asked what the downside is if they decide not to refinish the floor. Mr. McGee said the wear and tear will make it look not so shiny and there would be an increase in slips and trips, but he would be confident if it gets taken out, they can manage. Mr. Croteau asked when the last time it has been refinished. Ms. Mahoney said it is done every summer and that is for all three schools. She said the process is just sanding and re-waxing.

ROLL CALL VOTE: Megan Larson – no
Eduardo Martony – no
Bob Sherman – yes
Meg Bressette - yes
Philip Haberlen – no
Jason Croteau – no
Amber Capone – no

(2-5-0) Motion is denied.

The line item for the floor refinishing will remain in the budget.

PELHAM HIGH SCHOOL

The 2021-2022 adopted budget was \$8,864,908.00. The 2023 recommended budget is \$9,239,562.00. This is an increase of \$374,654.00.

DISTRICT BUDGET

District wide, the 2021-2022 adopted budget was \$12,329,631.00. The 2022-2023 recommended budget is \$14,904,347.00. This is an increase of \$2,574,716.00. Mr. Sherman asked about out of district tuition being figured at \$492,106.00. He said the district returned money back into the general fund and he asked how much was related to special education. He asked if any of this was related to transportation. He asked if this was being asked to restore this money. Ms. Mahoney said the budget requested is to support current and anticipated needs with current and anticipated expenses. So, the returns from last year were underspends. Mr. Sherman was wondering if this had anything to do with lowering the tax rate in town.

MOTION: (Ms. Capone/Mr. Martony) To remove the full-time speech pathologist and replace it with the contracted same amount. The total pay is above our by-law approval amount.

Ms. Capone believes with the contracted amount; this would save money overall. This is a required bylaw position and if they were not to hire a speech pathologist, they would have to contract that service out. Ms. Mahoney said it would be an even offset and the total cost of the new position is \$116,838.96. She would

remove this from the salary and benefit lines and add it back into the contracted services line so they can still provide the required services. Ms. Capone said it can be discussed at the call to chair meeting on December 16th.

ROLL CALL VOTE: Megan Larson – no
Eduardo Martony – yes
Bob Sherman – yes
Meg Bressette - yes
Philip Haberlen – yes
Jason Croteau – yes
Amber Capone – yes

(6-1-0) The motion passes.

The speech pathologist will be removed, and the contractual amount will be replaced back into the budget having no effect on the bottom-line district wide budget amount. Ms. Bressette said that this can be discussed again on December 16th and then at reconsideration.

FOOD SERVICES

This account is self-funded. The 2021-22 adopted budget was \$1,134,298.00. The 2022-23 recommended budget is \$1,157,875.00. This is an increase of \$20,577.00. Mr. Sherman asked if the new full-day kindergarten had been budgeted for. Ms. Mahoney said they reviewed and found it would be sufficient for full-day kindergarten next year. Mr. Martony asked what the impact is to the budget with the children currently receiving free lunches this year. Ms. Mahoney said they have submitted for a waiver this year and there is free lunch and breakfast. They submit for reimbursement to the federal government through the state and they will receive those funds for this year and that is where the revenue will be coming from. They still provide a la carte sales, so there are some ways to create revenue. Mr. Martony asked if that will go away next year. Ms. Mahoney said they do not have any indication what will happen next year. Ms. Larson said if there is a shortfall, it will get transferred from the general fund to the food service fund. Ms. Larson confirmed that this is the school's general fund and not the lunch portion. Mr. Sherman asked about the \$2,000.00 safety net. Ms. Mahoney said it is a requirement that the district budget will cover those expenses.

GRANTS FUND

The 2021-22 adopted amount was \$705,865.00. The 2022-23 recommended amount is \$705,865.00. There were no changes.

SPECIAL FUND

The 2021-22 adopted amount was \$52,000.00. The 2022-23 recommended amount is \$52,000.00. There were no changes.

MOTION: (Mr. Sherman/Mr. Croteau) \$39,943,415.00 is a total of all funds.

ROLL CALL VOTE: Megan Larson – yes
Eduardo Martony – yes
Bob Sherman – yes
Meg Bressette – yes
Philip Haberlen – yes
Jason Croteau – yes
Amber Capone – yes

(7-0-0) The motion passes.

Ms. Capone read the Warrant articles into the record that will affect this committee. The article that affects the school is Article #2, The Operating Budget, which reads: Shall the Pelham School District raise and appropriate as an operating budget, not including appropriations by special warrant articles and any other appropriations, voted separately the amount set forth on the budget posted with the warrant or as amended by vote the first session of the annual school district meeting, for the purposes set forth herein totaling \$39,943,415.00. Should this article be defeated, the default budget shall be \$38,995,734.00. Which is the same as last year with certain adjustments required by previous action of the Pelham school district by law or the Pelham school board may hold one special meeting in accordance with RSA 40:13X and XVI to take up the issue of a revised operating budget only. Majority vote required, recommended by the school board.

Ms. Capone asked if anyone has any questions to please send them over to her and she can send them to Mr. McGee and Ms. Mahoney for answers. Ms. Capone believes there will be a second article to review at reconsideration, depending on if that position will need to go.

Ms. Capone said that Article #1, is coming up for voting of officers next year. Article #4: shall the town vote to raise and appropriate, the sum of \$2,500,000.00 gross budget to purchase land and easements for conservation purposes and to authorize the Board of Selectmen to issue bonds or notes in compliance with provisions of the municipal finance act RSA 33:1, SEQ as amended. Provided however, notwithstanding anything herein to the contrary, the town shall not issue more than \$1,500,000.00 of bonds or notes in any one calendar year to authorize a selectmen to issue and negotiate such bonds or notes to determine the rate of interest thereon in the maturity in other terms thereof and to take any other action they deem appropriate to effectuate the sale and or issuance of said bonds or notes and additionally to raise and appropriate the sum of \$25,000.00 for the bond's first year interest payments and cost. Land or property interest to be purchased with the bond proceeds shall be acquired in the name of the town by the conservation commission subject to the approval of the selectmen pursuant to RSA 36-A:4. Recommended by the Selectmen, 3/5th vote is required. Article #5: shall the town vote to raise an appropriate as an operating budget not including appropriations by the special warrant articles and other appropriations voted separately the amount set forth on the budget posted with the warrant or as amended by vote of the first session for the purposes set forth herein totaling \$19,817,755.00. Should this article be defeated the default budget shall be \$19,215,595.00 which is the same as last year with certain adjustments required previous action of the town or bylaw or the governing body may hold one special meeting in accordance with RSA 40:13 X and XVI to take up the issue of a revised operating budget only. Recommended by the Selectmen, majority vote required. Below there is a department breakdown, as well as a selectman 2022 approved and the budget committee 2022 approved. Article #6: shall the town vote to raise and appropriate the sum of \$320,372.00 for repair maintenance purchase of equipment and upgrading town roads to be offset by the state highway grant. This is a non-lapsing account per RSA 32:7 IX, no money to be raised by taxation. Recommended by the Selectmen, majority vote required. Article #7: shall the town vote to raise and appropriate the sum of \$200,000.00 to be placed in a compensated absence trust fund for the purpose of distributing accrued time. Annual earned and paid time off, determining employees as required by law or negotiated contracts. Recommended by the Selectmen, majority vote required. Article #10: shall the town vote to place 100% of revenues of all future payments collected from the land use change tax into a conservation fund in accordance with RSA 36-A:5 III, as authorized under the provisions of RSA 79-A:25 II, said monies to be used for the acquisition of conservation land, conservation easements, development rights and the costs associated there within. Currently 75% of the revenues from the land use change tax are placed into the conservation fund. This would increase from 75% to 100%. Recommended by the Selectmen, majority vote required. Article #11: shall the town vote to authorize the conservation commission to purchase for conservation purposes, approximately 36.3 acres of land on tax map 33, lots 11-32, 11-34 and 11-35, in the vicinity of Blueberry Circle which is adjacent to a 20-acre town owned conservation parcel. With said purchase in the amount of \$225,000.00 to be funded by the town's conservation fund. No money to be

raised by taxation. Per the terms of the town's purchase and sales agreement, lot 11-33, 3.7 acres shall be transferred, at no cost to the town for conservation purposes once this lot is no longer used for telecommunications purposes. Subject to the acceptance of the selectmen at that time. Recommended by the Selectmen and majority vote is required. Article #13: shall the town vote to raise and appropriate the sum of \$56,100.00 for the purpose of forest management, stewardship, signage, trail building, maps, parking, etc., security, public education, and other costs associated with the maintenance and care of the town forest land. Said funds to come from the forest maintenance fund, which is funded from revenues produced by timber harvesting and connection with forest management. No amount to be raised through taxation. This is a non-lapsing appropriation per RSA 32:7 and shall not lapse until 12/31/2027 or until the project is completed. No money is to be raised by taxation. This is a special warrant article recommended by the Selectmen and majority vote required. Article #14: shall the town vote to modify the current elderly exemption limits for property tax in the town of Pelham pursuant to RSA 72:39-a, based on the assessed value for qualified taxpayers as follows. For persons aged 65 to include 74 years of age, \$106,000.00. For persons 75 to including 79 years of age, \$152,000.00. For persons 80 years and above, \$196,000.00. To qualify, the persons must meet requirements of state law, as designated in RSA 72:39-a and 72:39-b, in addition a qualified taxpayer must have an annual net income of not more than \$44,000.00 if single and not more than a combined net income of \$54,000.00 if married and own assets excluding the value of the person's residence, not more than \$250,000.00. Recommended by the Selectmen, majority vote required. Mr. Sherman asked if they all will be sent what the elderly exemptions are and can they be estimated. Ms. Capone clarified, he wanted to know what it is now, how many qualify now and what they anticipate the change to be once this is implemented. Ms. Capone will request that. Mr. Sherman asked what the state law is, RSA. Ms. Capone will pull the RSA and send it to everyone. Article #15: shall the town vote to raise and appropriate the additional sum of \$500,000.00 for the purpose of constructing the Old Bridge Street flood relief bridge adjacent to the Old Bridge Street Abbott bridge in response to construction escalation costs of which 80%, \$400,000.00 will be reimbursed by the NH department of transportation, NHDOT, as a state bridge project and \$100,000.00 to be expended from the unassigned fund balance. The total cost of this project is \$2,294,000.00. \$122,805.00 has been expended from the 2015 appropriations for engineering study project. Currently the project is being funded from the 2019 appropriations for design permitting and construction. This appropriation shall not lapse until fulfillment until the purpose or completion of the project and or at the end of the 2027 fiscal year or whichever occurs first. Recommended by the Selectmen, majority vote required. Article #16: shall the town vote to raise and appropriate the sum of \$190,000.00 for the purchasing and equipping of a forestry firefighting vehicle. The vehicle will replace a 2005 forestry vehicle currently in the department. Recommended by the Selectmen, majority vote required. Article #17: shall the town vote to increase the annual contribution to the ambulance replacement revolving fund from \$60,000.00 to \$75,000.00. to be funded from the ambulance fees collected in each calendar year. The fund was established in 2005, pursuant to RSA 31:95-h. These funds are held by the treasurer and may only be expended with town vote approval or the replacement or major refurbishment of an ambulance. No money to be raised by taxation. Recommended by the Selectmen, majority vote required.

Those are the warrant articles that affect this committee. There is no meeting next week, as it is Veteran's Day. If anyone has questions on the warrant articles, please contact Ms. Capone and she will get answers.

ADJOURN

MOTION: (Mr. Martony/Mr. Sherman) To adjourn the meeting.

BUDGET COMMITTEE MEETING/Thursday, November 4, 2021

ROLL CALL VOTE: Megan Larson – yes
Eduardo Martony – yes
Bob Sherman – yes
Meg Bressette - yes
Philip Haberlen – yes
Jason Croteau – yes
Amber Capone – yes

The meeting was adjourned at approximately 7:40 PM.

Respectfully submitted,
Jennifer Castles
Recording Secretary