

APPROVED
TOWN OF PELHAM
BUDGET COMMITTEE - MEETING MINUTES
Thursday, September 12, 2019
APPROVED – September 19, 2019

CALL TO ORDER – at approximately 7:30pm

PRESENT: Mr. David Cronin, Ms. Daryle Hillsgrove, Mr. Bob Sherman, Ms. Meg Bressette, Ms. Amber Capone, Mr. Jas Moorjani, Mr. Eduardo Martony, Mr. Kannan Sasi, Selectmen Representative Heather Forde

ABSENT: Dave Cate (excused), School Board Representative Deb Ryan (excused)

PLEDGE OF ALLEGIANCE

MEETING MINUTES

April 11, 2019

MOTION: (Sherman/Hillsgrove) To approve the April 11, 2019 meeting minutes as submitted.

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

Mr. Cronin explained the process the Board would take while reviewing the budgets. He welcomed members to ask questions at any time.

2020 BUDGET REVIEW

Town Administrator Brian McCarthy, Town Accountant Jean Olsen and IT Administrator Brian Demers came forward for the discussion and to answer questions.

Elections – Town Clerk Dorothy Marsden and Deputy Town Clerk Linda Newcomb presented.

2019 Operating Budget: \$11,427

2020 Request: \$30,779

The increase to the budget was due to having four elections.

Town Clerk/Tax Collector–Town Clerk Dorothy Marsden and Deputy Town Clerk Linda Newcomb presented.

2019 Operating Budget: \$247,981

2020 Request: \$262,961

Ms. Marsden noted the salary increase was contractual. Overtime increase was due to the extra elections.

Supplies – Ms. Marsden reviewed the lines that had increased that were mainly due to the increased costs of such supplies. There were increases to the cost of certain notices due to the increased number being sent out.

Mr. Sherman understood individuals were charged for dog tags (registrations) and wanted to know if the revenue made up for the associated expenses. Ms. Marsden answered yes.

Ms. Capone asked for an explanation of the Fair Labor Standards Act ('FLSA') which was a new line in the Town budgets. Ms. Olsen explained the FLSA had to do with overtime. She said if an employee was performing a different service (from their defined position) they would be paid a different rate for doing so. The FLSA rate is added to the employee's salary and goes into their overtime. It's federally mandated for the employee to be paid at a new rate because it qualifies as an 'extra' hourly rate. Ms. Capone inquired how the rate was calculated. Mr. McCarthy replied in the past the Town calculated it under one lump sum typically paid out in February. However, this past February Ms. Olsen (who was new in the position at that time) contacted the Labor Board and received a map of how the FLSA was to be calculated and found the Town hadn't been doing it appropriately. Mr. McCarthy stated they decided to add the line item to the budgets so they could track the payouts and better explain them in the budget process.

Ms. Capone questioned the decrease for notary renewal. Ms. Marsden stated the four employees in the Town Clerk's office were all notaries; there is only one renewal in 2020.

Mr. Moorjani asked for the total tax revenue figure. Mr. Sherman explained when Board members have questions and the department representative doesn't have the answer in front of them during the meeting, the department representative sends a response email to the Board (after the meeting) with the requested information. At the Board's next meeting they review/discuss email responses for public information. Ms. Marsden stated she would provide the requested figure to the Board.

Assessor – Assessing Assistant Susan Snide presented.

2019 Operating Budget: \$224,647

2020 Request: \$205,848

Ms. Snide spoke about the reduction in expenses because the department's Computer Assisted Mass Appraisal ('CAMA') system was previously updated. The CAMA is the database of all Town properties. She noted the system wouldn't need to be updated for approximately ten years.

Mr. Sasi questioned the figure for consulting fees. Ms. Snide explained the Town has a consulting/assessing firm that performs all the data collection (for every property) and an assessing agent (Monica Hurley) who advises the Board of Selectmen on assessing issues that arise. Recently, the Town required a statistical update (for 2019); Ms. Hurley worked extensively with the system and brought information and recommendations forward to the Selectmen. Mr. Sasi inquired if that practice was also followed by other towns. Ms. Snide answered yes. She said larger cities would have a relatively full staff but always hire out with a consulting firm. Mr. Sasi wanted to know how the consultant was selected. Ms. Snide replied they hadn't done an RFP since the Town's revaluation in 2006.

Ms. Hillsgrove inquired how many properties the Town had. Ms. Snide stated Pelham currently had approximately 5,600; that number is increasing.

Ms. Capone saw there was a 'wish list' (priority supplemental request) for document storage. She understood the Town currently used Share Point and asked if they could explore getting it Town-wide for departments. Mr. Demers replied they started to look storage early in the budget process.

93 He said the Selectmen asked that he review storage that all the departments could utilize. He
94 informed they continue to explore the subject but were still in the discovery phase. Ms. Capone
95 felt the Assessor's budget line (\$10,000) was a lot for storage and felt it may be cost effective if
96 they could get something Town-wide. Mr. Sasi asked what type of storage was being used. Mr.
97 Demers replied it was a cloud-based document storage and management system. Mr. Sasi agreed
98 with Ms. Capone that the budget line was a lot for one department. Mr. Demers stated they received
99 two quotes; the proposed budget figure was the cheaper of the two. Ms. Snide pointed out that the
100 quote included a component where the company would scan all the documents because she didn't
101 have the staffing for doing so. Ms. Capone said it may be less expensive to hire an intern. Mr.
102 Demers added the \$10,000 figure was for the initial set up; each year thereafter would be less
103 expensive.

104
105 Ms. Bressette saw an increase in the consulting fees last year and this year. She asked if there
106 would be an increase every year. Ms. Snide replied there would be an increase through 2021, which
107 was the time the contract ended. At that time, they would need to do an RFP or renew the contract.
108 She added the same firm also performs the cyclical revaluation.

109
110 Mr. Moorjani wanted to know if there were assessed values for all properties such as residential,
111 commercial and Town buildings. Ms. Snide answered yes. Mr. Moorjani asked if the assessed
112 value for the Town buildings was increasing. Ms. Snide answered yes; everything was going up
113 based on the adjustments made this year.

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117 *Budget Committee – Town Administrator Brian McCarthy presented.*

118 2019 Operating Budget: \$162

119 2020 Request: \$1

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121 Mr. McCarthy explained with the implementation of the tablets the budget line wasn't needed. He
122 said in previous years it covered the supplies to provide members with budget binders. They left
123 \$1 in the budget for 2020; however, it will be removed in subsequent years.

124
125 Mr. Sherman asked if there was a budget line to cover Board member training. Mr. McCarthy
126 replied it would come out of the Selectmen's budget.

127
128 Mr. Cronin wanted to know when the line item was removed if it could return in the future (if
129 needed). Mr. McCarthy replied it could be added back in.

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133 *Conservation Commission – Conservation Commission Chairman Paul Gagnon presented.*

134 2019 Operating Budget: \$7,947

135 2020 Request: \$5,989

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137 Mr. Gagnon explained the budget broke down into three relatively small pieces: 1) salary for
138 secretary (also a member), 2) supplies and 3) expenses (dues and prime wetland study). He said
139 \$2,000 was included for the prime wetland study in the event they overran the line (this year). He
140 noted at present the study was still ongoing. Mr. Gagnon provided the Board with a brief history
141 of the Town's wetlands. He explained the State changed their requirements for how a prime
142 wetland was defined. The Town's studies done in 1987 and 2000 were deemed to not meet the
143 current requirements even though it contained prime wetlands that were previously declared by the

State. He stated they have now hired a wetland scientist to go back through approximately seventeen prime wetlands and redefining the perimeters that were poorly defined in the older studies.

Ms. Capone asked when the study would be completed. Mr. Gagnon expected it to be completed by the end of the year. He didn't believe they needed to go to the voters to define the prime wetlands because they previously were. He said they were only defining the perimeters.

Mr. Sherman wanted to know if the new mapping would be online. Mr. Gagnon expected the new mapping would be provided to the Nashua Regional Planning Commission ('NRPC') to update the online links.

Ms. Hillsgrove offered congratulations for having the map link on the NRPC website for Town lands. Mr. Gagnon informed there was an app called 'Explorer' that used GPS so people could walk trails and not become lost.

Mr. Sherman inquired if a connection has been made from Pelham Veterans Memorial Park and the Merriam-Cutter conservation land. Mr. Gagnon answered yes. The conservation subdivision that was developed across from the conservation land included open space to put a trail in.

Parks & Recreation – Parks and Recreation Director Brian Johnson presented.

2019 Operating Budget: \$252,775

2020 Request: \$259,971

Mr. Johnson explained a majority of the department's increase was contractual. He noted the office assistant would receive a 2% increase and the lifeguards show a \$1/hour increase to stay competitive with surrounding communities.

Ms. Capone thought it was important to note for new Board members that Parks and Recreation was a self-funded department. Mr. Johnson explained all programs were self-funded. There was nothing in the budget for things such as re-seeding fields, team jerseys, equipment etc.

Mr. Sherman saw nothing listed under water or heat and wanted to know if it was now under Town Buildings. Mr. Johnson believed those lines were part of the software template; his budget never budgeted for water and heat. Mr. Demers said he would hide those fields.

Mr. Sasi questioned the Comcast line for \$150/month. Mr. Johnson replied it was recently increased. He said they had internet at Pelham Veterans Memorial Park that controlled the security cameras and provided internet access for their computers during summer camp.

Mr. Cronin inquired how many residents availed themselves of services. Mr. Johnson replied they had over 11,000 registrations last year, although that number includes multiple registrations by an individual. There are approximately sixty programs. Ms. Capone asked if they track the out-of-town registrations. She was curious how many children came from neighboring towns. Mr. Johnson recalled it was nearly 10% a few years ago. He spoke about the adult programs and their success. He also spoke about the fields and how they maintained them for all the programs.

Mr. Sasi confirmed the tennis courts were owned by the school. Mr. Johnson answered yes. Mr. Sasi saw each Town department had a budget line for phone, internet and cell phone. He said he

195 expected those line to be listed under IT so the contracts might be negotiated better. Ms. Capone
196 understood there was a Town contract that was split among the various departments.

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200 *Highway – Road Agent Frank Ferreira presented.*

201 2019 Operating Budget: \$1,553,814

202 2020 Request: \$1,696,756

203
204 Mr. Cronin saw the largest increase was under salaries, which was all contractual. Mr. Sasi asked
205 if the overtime figure was common. Mr. Ferreira replied overtime was weather related.

206
207 Mr. Ferreira spoke about Specials, which were all contractual increases. Regarding plowing private
208 roads, he stated the Selectmen asked for the budget line to show the offset revenue received. Mr.
209 McCarthy noted the Selectmen were assessing whether or not to continue to plow private roads.
210 Ms. Capone questioned why the Town was plowing private roads. Mr. McCarthy replied the Town
211 had been doing it for a long time but recently began to review the associated costs. Through
212 discussion with the Selectmen, they decided to continue to plow the private roads (within new
213 developments and roads near the ponds) this winter season; however, the subject will be revisited
214 after the first of the year. Ms. Capone said as the Town explores not plowing private roads, they
215 should send letters to the residents that may be affected.

216
217 Mr. Sasi reviewed the rental line and asked if the Town only rents trucks for the (winter) season.
218 Mr. Ferreira replied the rental line was for the extra trucks (to plow) in addition to what they owned.
219 Mr. McCarthy discussed the State's Highway Block Grant that allowed to be used for road repairs
220 and equipment; it was recently amended (by voters at Town Meeting) to allow the purchase of
221 vehicles related to the Highway Department.

222
223 Mr. Sherman asked for a status update regarding the garage building. Mr. McCarthy explained
224 they were starting to clear the land. They were awaiting designs from the contractor. He said they
225 would like to get as much done as possible before winter sets in.

226
227 Mr. Sasi questioned if the new employee was a refill of someone who retired. Mr. Ferreira
228 answered no; it was new position. He said he asked for two employees and the Selectmen agreed
229 to one. He commented that he may ask for one next year. He explained the Town was growing so
230 big they were having a hard time keeping up with their regular schedule. They are falling behind
231 schedule every year because of being short-handed. Mr. Sasi asked if the position would be
232 included on the Town warrant. Mr. Ferreira answered no. Mr. McCarthy explained in past years
233 any new employee would have to be in a warrant article; however, the Budget Committee has re-
234 written their ByLaws to allow new employees as long as the cost didn't exceed a certain threshold
235 of funds for salary and benefits. Mr. Cronin stated the 2019 threshold is \$89,024. Mr. McCarthy
236 said if someone was hired for less than that figure they could be included in the budget and not
237 submitted as a warrant article. Ms. Hillsgrove discussed the process and pointed out that any new
238 employee had to be justified.

239
240 Mr. Sasi asked what the Highway Department did in summer months. Mr. Ferreira replied they
241 were busier in the summer months than in the winter. They paved roads, built roads, worked on
242 drainage, cut brush and conducted other necessary duties. Mr. Sasi questioned the length of Town
243 roads. Mr. Ferreira replied there were currently approximately 107 miles with plenty more in the
244 process of being accepted. Mr. Sasi wanted to know if seven employees and two supervisors were
245 normal for the amount of roads Pelham had in comparison to other towns. Mr. Ferreira replied

other towns had a lot more employees. Mr. McCarthy pointed out prior to the new hire a few years ago the Highway Department hadn't hired anybody in sixteen years. He said the Town and road lengths grew that entire time with the same number of employees and they remain behind with the number of people needed in the department. There was a brief discussion regarding the difficulty in finding and retaining employees. Mr. McCarthy told the Board Mr. Ferreira had been very progressive with the department and done a great job managing both the Highway and Transfer departments; they both ran better and were more efficient.

Mr. Sasi questioned what line #260 – Specials was used for. Mr. Ferreira replied it was for paving the roads. He puts out a bid each year and contracts the work. When the department paves, they purchase hot top out of line #225 – Supplies or use some of the Block Grant money. Mr. McCarthy noted the Town's social media announces where paving will be occurring. He provided a brief update on the Willow Street Bridge project.

Under supplies, Ms. Bressette saw increases for sand and crack seal. Mr. Ferreira noted the cost was contractual. He said he hadn't received the State bid price for salt; therefore, the budget figure may change.

Transfer Station – Road Agent Frank Ferreira presented.

2019 Operating Budget: \$721,233

2020 Request: \$856,591

Mr. Cronin saw there were increases to salaries, telephone and expenses.

Mr. Ferreira told the Board the administrative assistant's hours were increased from 32/week to 40/week. The position already receives benefits. He said when the new garage is built there will be a Department of Public Works office. The assistant currently works four days per week splitting the time between both the Highway Department and Transfer Station.

Ms. Hillsgrove asked about the hazardous household waste collection day. Mr. Ferreira replied it went really well; he received the breakdown report yesterday. Mr. McCarthy said the next collection day will be located at the new highway building and not at the Municipal Building. He explained the event caused a traffic problem; there were too many cars and too many people.

Mr. Sasi wanted to know how the line for electronics disposal was used. Mr. Ferreira replied they paid for disposal of items. He said they charged people for the disposal; the revenue is put into the General Fund. He said iron was the only thing they got paid for. Ms. Bressette asked if it was more difficult with the rising costs for recycling. Mr. Ferreira answered yes. He said the biggest increase was trash hauling; the first two years of the contract were level but this year and next year the costs would rise.

Library – (Independently elected body; the Selectmen don't vote regarding their budget)

Director Irja Finn, Trustee Chairwoman Rose Ann Cares presented.

2019 Operating Budget: \$443,838

2020 Request: \$521,710

Mr. Cronin said it appeared the renovations were taken out of a warrant article and included in the operating budget. Ms. Cares explained they did one part of the renovations focusing on their immediate need to sound-proof the stair area. She said they received a lot of complaints about noise in the afternoon when school children come. Last year their renovation warrant failed by eight votes. Based on the advice from different groups in Town, they are focusing on soundproofing. They will take small warrant articles next year and the year after to do the remaining work; particularly closing in the Molly Hobbs room. Being a Capital Improvement Committee member, Mr. Sherman noted anything costing over \$75,000 had to be included on the plan. The committee urged the Library to break out their renovations to focus on the noise.

Ms. Finn provided a brief overview of the Library. Currently they have 6,000 active card members of which approximately 25 were from out of Town. They are open 55 hours per week; 7 days per week during the school year. She then reviewed the budget.

Ms. Finn reviewed the budget beginning with the salary lines. She spoke about the difficulty they had retaining employees after they were trained because of the pay rates. They have implemented a multi-year matrix to increase salaries so employees will get closer to the New Hampshire average. Ms. Cares noted their turnover during the past two years has been over 200%. Ms. Capone wanted to know the morale of employees now that the plan was in place. Ms. Cares replied it was much better and gave people something to look forward to.

Ms. Hillsgrove inquired how the flood affected the Library. Mr. McCarthy explained that the flood happened because of the heating system that was improperly installed. He stated the insurance companies had been working with them and the carpet would be replaced. Ms. Capone asked if they would be using carpet squares. She didn't want to run into a problem with staining and not being able to pull up a carpet square to fix it. Ms. Finn replied the existing carpet is original. She agreed that the children's area upstairs should be carpet squares; however, the area at the front entrance would be replaced with carpet, not squares. Mr. McCarthy told the Board they were almost done with the project; the Town's maintenance man will be completing items soon. He said next year's Town Building budget included approximately \$5,500 for the replacement (natural gas) heating unit.

Ms. Bressette questioned if the mezzanine would be enclosed with the 2020 budget. Ms. Finn answered no; the budget figure (\$56,000) would be used for noise abatement. They will enclose the sides of the stairway to the youth section and install sound attenuation panels. Ms. Cares noted if the budget is approved, they will use a couple thousand to have an architect review the building to ensure they will be able to enclose the room upstairs.

Ms. Sasi asked if the number of employees working at the Library was on par with other libraries of similar sizes. Ms. Finn replied they had twelve employees. She said Windham, who had a lot of other programs, had twenty-three employees. She noted Pelham was most comparable to Somersworth who had a similar population and budget; however, Somersworth had fourteen employees. She suggested next year they consider making one of the library assistant positions full-time. This may help the problem with turnover and provide flexibility on the weekend.

Cemetery – (Independently elected body; the Selectmen don't vote regarding their budget)

Cemetery Trustee Chairman Nate Boutwell presented.

2019 Operating Budget: \$147,863

2020 Request: \$152,979

Mr. Boutwell explained the department was run by a 5-member Trustee Committee. He said they were reviewing sustainability; providing for the needs of today without jeopardizing the needs for future generations. They are looking at innovative ways to get people into the cemetery's boundaries. The Town has five cemeteries that are active and maintained. He discussed the types of burial services they provided. Mr. Boutwell explained a situation about available graves that family members would like to sell back to the Town; however, there is an RSA that indicates the Town can only give back the amount of money the sites were originally purchased for. He said because in some cases it wasn't a lot of money families decide to keep the sites. He informed they were working with the New Hampshire Cemetery Trustees Committee in hopes of changing the RSA so lots could be purchased back at a percentage of today's market value. This would open graves sites for people. In some instances, there are grave sites and no remaining family members. Mr. Boutwell said they would like to reclaim those sites and sell them. They are also working to upload all information about grave sites and historical names so people can easily do online research.

Mr. Boutwell told the Board they had two part-time employees and one full-time employee. He believed they were doing a good job and good team of people to continue to provide for the residents of Pelham.

Town Celebrations –
2019 Operating Budget: \$9,261
2020 Request: \$9,260

Ms. Capone questioned if the Vietnam Moving Wall effected the fireworks budget. Mr. McCarthy answered no; the budget was over expended by \$5,500 the remaining amount for the wall was raised by donations. There was a brief discussion regarding the moving wall event. Mr. Boutwell came forward again. He spoke about how grateful he was to be involved in the process of bringing the wall Pelham. He said everyone came together for an amazing event. Mr. Cronin thanked Mr. Boutwell for spearheading the entire event which the Town would never forget.

NEW BUSINESS / OLD BUSINESS

Mr. Cronin provided the Board with a section of the ByLaws pertaining to personnel and explained the threshold and set the numbers for 2018-2025 (salary and benefits). He said the figures had been set as a guideline for how the Town could proceed with hiring personnel. He asked Mr. McCarthy if he could provide the Board with the average benefit package figure. Mr. McCarthy replied that figure was dependent upon the specific employee's salary figure and rate of pay. He offered to provide the Board with the figure for the Highway Department's new employee. He noted they calculate the highest number for insurance.

ADJOURNMENT

MOTION: (Sherman/Capone) To adjourn the meeting.

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

The meeting was adjourned at approximately 9:25pm.

BUDGET COMMITTEE MEETING Thursday, September 12, 2019

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Respectfully submitted,
Charity Landry
Recording Secretary