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APPROVED
TOWN OF PELHAM
BUDGET COMMITTEE - MEETING MINUTES
Thursday, November 6, 2014
APPROVED – November 13, 2014

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CALL TO ORDER – at approximately 7:30pm

PRESENT: Mr. Daniel Guimond, Mr. David Cate, Mr. Bob Sherman, Mr. Dave Cronin,
Ms. Daryle Hillsgrove, Ms. Amy Spencer, Mr. Leo Rush, Mr. Michael Bilby,
Selectmen Representative Edmund Gleason, School Board Representative Brian
Carton

ABSENT: Mr. Greg Smith (excused)

Also present: Town Administrator Brian McCarthy

PLEDGE OF ALLEGIANCE

The Board was provided with a breakdown of the School budget vote. The School default budget calculation was provided by School Business Agent Steve Martin for review. The School also provided the Board with the list of proposed warrant articles that were scheduled for review/vote November 13, 2014.

Mr. Guimond informed at Town Meeting there will be Budget Committee positions opening. Three positions with three year terms and two positions with two-year terms.

MEETING MINUTES

November 3, 2014

MOTION: (Cate/Cronin) To approve the November 3, 2014 meeting minutes as amended.

VOTE: (8-0-2) The motion carried. Mr. Carton and Mr. Gleason abstained (they were not

present during the meeting being reviewed).

TOWN WARRANT ARTICLE REVIEW / VOTE

Town Administrator Brian McCarthy came forward for warrant article review/vote. *(Article language has been summarized for the purpose of meeting minutes; full versions of each article available through the Selectmen's Office)*

Article A – Town Operating Budget. Budget Committee has already voted on their recommended figure. No further action taken. The default budget figure is the Selectmen's purview.

Article B – Support Union Contract – Still in negotiations. Action deferred to reconsideration

Article C – Firefighter Union Contract – Still in negotiations – Action deferred to reconsideration.

Article D – Highway Block Grant. Placeholder figure of \$266,100 contained within article represents the 2014 amount. Final amount will be received from the State by reconsideration. Motion to discuss made by Mr. Cate; second by Mr. Sherman. Mr. Cate noted that there would be no tax impact. Mr. Gleason received recommended wording and will ask the Department of Revenue Administration ('DRA') if the proposed verbiage for 'no tax impact' was acceptable.

MOTION: (Cate/Sherman) To recommend Article D – Highway Block Grant.

VOTE: (10-0-0) The motion carried.

Article E – Senior Center Bus Capital Reserve Fund. To raise and appropriate \$25,000 to be placed in the Senior Center Capital Reserve Fund. Motion to discuss made by Mr. Cate; second by Mr. Sherman. Mr. Cate questioned the cost for a new bus. Mr. McCarthy replied they priced in the range of \$70,000. The final price will depend on the final bus set up. It's recognized there are more people participating at the Senior Center that require additional bus trips. Mr. McCarthy believed any new bus would have to accommodate more passengers as well as have additional areas for wheelchairs. Mr. Cate asked if a similar article would be on the ballot for the next 2-3 years. Mr. McCarthy answered yes; the intention was to raise funds over the next few years.

Mr. Guimond inquired if there were funds currently in the capital reserve. Mr. Gleason replied the fund for the purchase of a senior center bus contained \$3,206.

Mr. Cronin questioned why some of the warrants required a majority vote and some did not. Mr. Gleason explained some were considered special warrant articles; the vote depended upon the nature of the article.

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MOTION: (Cate/Sherman) To recommend Article E – Senior Center Bus Capital Reserve Fund -\$25,000.

VOTE: (10-0-0) The motion carried.

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Article F – Compensated Absence. To raise and appropriate \$30,000 to be placed in the Compensated Absence Trust Fund. Motion to discuss made by Mr. Cronin; second by Mr. Sherman.

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61 Mr. Bilby asked for clarification of the proposed article. Mr. McCarthy replied if the Town went out of business, the payout figure would come from the fund. Mr. Bilby inquired how much the Town paid out each year. Mr. Gleason explained originally the Town had an unfunded liability in excess of \$800,000 until they negotiated individual contracts with the department heads. Employees are entitled to a maximum of 800 hours per year; the liability comes from the possible event of an employee leaving part way through the year. The figures are calculated out by the number of employees and the amount of exposure from compensated absence. The Town started placing money in the operating budget to cover short-term exposure and going forward the Town is requesting money to be placed in the capital reserve to cover the liability of a long standing employee's departure.

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64 This year alone, Mr. McCarthy pointed out the Town had spent \$94,495.00 and had a remaining balance of \$4,128.78. Each year the Town's exposure grows as employees add years of service and their salaries increase.

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67 Ms. Spencer recalled the School having a two-year lookout period and wanted to know if the Town had a similar requirement for employees to provide notice. With respect to the Police and Fire Departments, Mr. McCarthy stated they were required to give no less than 30 days notice and no more than 90 days notice to file retirement paperwork. Ms. Spencer questioned the typical amount spent each year. Mr. Gleason replied they run pretty close to what is projected. He will ask the Finance Director to forward exact figures/historical data.

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71 **MOTION:** (Cronin/Sherman) To recommend Article F – Compensated Absence Trust Fund - \$30,000.

VOTE: (9-1-0) The motion carried. Mr. Rush voted no.

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Article G – Police Department Communications Center Supervisor. To raise and appropriate \$65,016 to hire and equip (salary of \$38,485 plus benefits and equipment) a Communications Center Supervisor. Motion to discuss made by Mr. Cate; second by Mr. Bilby.

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Mr. McCarthy provided the Board with a brief job description and explained that the person hired would run the communication center, which dispatches both Police and Fire. The position is civilian, not law enforcement and would have the ability to be a secondary dispatcher in the event of emergency situations. They will be responsible for the supervision of the communication center including all administrative duties.

MOTION: (Cate/Bilby) To recommend Article G – Police Department Communications Center Supervisor.

VOTE: (9-1-0) The motion carried. Mr. Rush voted no.

Article H – Forest Maintenance Fund, Forest Management. To raise and appropriate \$36,000 for the Forest Maintenance Fund for the purpose of forest management, stewardship, security, public education and other costs associated with maintenance and care of Town Forest land. Motion to discuss Mr. Cate; second by Mr. Cronin.

Mr. Cate noted the article would have ‘no tax impact’ and asked that appropriate wording be added to the article.

Mr. Guimond asked how much revenue was generated by timber harvesting. Mr. Gleason explained harvesting revenues sit in a trust fund, which had a current balance of \$113,500. The article asks permission to withdraw funds for forest maintenance and management.

Ms. Spencer inquired where the trees were being harvested. Mr. McCarthy replied timber harvesting was done within the Town owned forests and conservation lands. Mr. Gleason added there was a management plan for the Town; the timber company follows that plan to promote the health of the forest and new growth. Also, trails and lands are maintained for use public use.

MOTION: (Cate/Cronin) To recommend Article H – Forest Maintenance Fund, Forest Management - \$36,000.

VOTE: (10-0-0) The motion carried.

Article I – Raymond Park Capital Reserve Fund, Forest Management. To raise and appropriate \$21,000 from the Raymond Park Capital Reserve for the purpose of forest management, trail maintenance, security and other costs associated with the maintenance and care of Raymond Park. Motion to discuss made by Mr. Cate; seconded by Mr. Bilby.

Mr. Gleason noted the Selectmen voted on the \$21,000 figure; however, there has been an additional request to increase the figure to \$27,000. Once the Selectmen vote, the revised article will be submitted for vote by the Budget Committee during reconsideration.

Mr. Guimond questioned the current fund balance. Mr. McCarthy replied the account currently had \$13,949. Checks in the amount of \$34,000 have been received and will be deposited. Mr. Bilby questioned what would occur in the event the checks were insufficient. Mr. Gleason answered that the funds had been received from the harvesting company (Baystate Harvesting) and would be deposited into the capital reserve. The company was reputable and had been approved through a selection process.

Mr. Rush asked for an example of security at Raymond Park. Mr. Sherman replied the lodge building had security lights and alarm system. Mr. McCarthy added because the area had no cell service, a land line call box was located in the parking lot with a direct connection to emergency dispatch.

MOTION: (Cate/Bilby) To recommend Article I – Raymond Park Capital Reserve Fund, Forest Management - \$21,000.

VOTE: (10-0-0) The motion carried.

Article J – Willow Street Bridge Replacement. To raise and appropriate \$275,000 for the purpose of municipally managing a New Hampshire Department of Transportation (NHDOT) State Bridge Aid grant for engineering design and permitting for the replacement of the Willow Street Bridge. Motion to discuss made by Mr. Cate; second by Mr. Sherman.

Mr. Guimond questioned what would happen if the Town didn't raise \$275,000. Mr. Gleason replied the Town would be reimbursed 80% from the State of the final cost.

Mr. Sherman wanted to know what was being review and what action would be taken. Mr. Gleason explained a flood study had been commissioned to review the length of Beaver Brook down to the Collinsville Dam in Dracut, MA. The three issues being reviewed were the Main Street Bridge, Abbott Bridge and Willow Street Bridge. Work was initiated on the Willow Street Bridge because of safety concern and the Town telling the State they wanted to move faster than the State slated date of 2020. The State indicated the bridge might be able to move up in line if preliminary work was done. At that same time the State told the Town the Abbott Bridge had been added to the red list because of the scouring. Further conversation with State brought out their plans to address the Main Street Bridge; however, with the three bridges being inter-related, the Abbott and Willow bridges were being reviewed to correlate between them. Mr. McCarthy described the proposed work in each of the areas so the Board could better understand the purpose and importance of the proposed article. The flood study being conducted by VHB will reveal crucial information that will allow for future plans.

Once the VHB study has been completed and engineering designs are drafted, Mr. Gleason expected to come back in 2016 with a warrant article for full replacement of the bridge. The Main Street Bridge is totally under the auspices of the State; the Town has no money and no issue involved.

Mr. Rush questioned if the Town had any idea of the replacement cost for the bridge. Mr. Gleason replied in the past there were numbers in excess of one million dollars. With inflation he expected the number to remain higher than one million, but less than two million dollars. Mr. Rush recalled the Abbott Bridge was addressed approximately 10 years ago. Mr. Gleason stated the Abbott Bridge was addressed; however, the State had red listed the bridge because of the scouring that had occurred underneath the bridge. He believed the engineering study would suggest having a bypass for water flow to alleviate the scouring effect on the main structure. Mr. Rush understood the Abbott Bridge had historic significance. He asked if an additional bridge or culvert would be installed. Mr. Gleason explained the bridge itself wouldn't be affected, there would be an additional culvert installed to redirect water flow. The State recognizes that the Abbott Bridge was a historic structure.

MOTION: (Cate/Sherman) To recommend Article J – Willow Street Bridge Replacement - \$275,000.

VOTE: (10-0-0) The motion carried.

Article K – Abbott Bridge Engineering Study. To raise and appropriate \$190,000 for the purpose of municipally managing a New Hampshire Department of Transportation (NHDOT) State Bridge Aid grant for engineering design and permitting for scour protection and hydraulic improvements to Old Bridge Street (Abbott) Bridge. Motion to discuss made by Mr. Rush; seconded by Mr. Bilby.

Mr. Rush wanted to know if the money raised for the Abbott Bridge would solve the problem of the bridge. Mr. Gleason replied the money would solve the scouring problem and include hydraulic improvements. He added none of the work would be done without State oversight and approval.

MOTION: (Rush/Bilby) To recommend Article K – Abbott Bridge Engineering Study - \$190,000.

VOTE: (10-0-0) The motion carried.

ADJOURNMENT

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

VOTE: (10-0-0) The motion carried.

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The meeting was adjourned at approximately 8:43pm.

Respectfully submitted,
Charity A. Landry
Recording Secretary

DRAFT