

Guimond understood if anyone would like to be added to the email alert list they should contact the School District office.

MOTION: (Cate/Sherman) To recommend Article 3 - redesign and construction of security and structural improvements to the entrances of the Pelham Elementary School and Pelham Memorial School.

VOTE: (8-0-0) The motion carried.

Article 4 – To discontinue the following trust funds and transfer those funds and interest to date to the District's General Fund: 1) High School Building Land Purchase approximately \$4,637, and 2) School Facility Land Purchase approximately \$10,050.

MOTION: (Sherman/Cate) To recommend Article 4 – Discontinue trust funds.

VOTE: (8-0-0) The motion carried.

Mr. Bailey arrived.

Article 5 – Appoint the School Board as agents to expend from the Memorial Athletic Field Capital Reserve Fund (approximately \$36,217).

Mr. Cate questioned if the spending would be only for the Memorial athletic fields. Ms. Mahoney replied the purpose of the fund was currently designated for the Memorial athletic field and what it would remain at. Ms. Larson noted the fund was originally set up with Tennessee Gas Line money and no one was ever appointed to expend it. She stated the School Board wasn't going to do anything with it at this point. They had gone through the trust funds in an effort to 'clean them up'. The intended use of the funds would remain.

MOTION: (Sherman/Cate) To recommend Article 5 - Appoint the School Board as agents to expend from the Memorial Athletic Field Capital Reserve Fund

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

Reconsideration – School Operating Budget

Mr. Guimond read aloud a memo (dated January 6, 2017) indicating that the School Board voted to request a reduction of \$64,000 (line 1012264000-738) in the recommended general fund budget. The District has entered into an agreement to repair the current underground fuel oil storage tank at Memorial School and will not need to replace the entire tank as previously expected.

Should the request be approved the budget will be amended as follows:

Memorial School will change from: \$4,564,375 to \$4,500,375

General Fund will change from: \$30,285,588 to \$30,221,588

Total Operating Budget for FY18 will change from: \$32,141,464 to \$32,077,464

Ms. Mahoney explained the State visited the site and reviewed the tank and they also had a new vendor review the tank; they worked together and agreed that a tank top upgrade could be done. The School received a quote and would make the corrections (total cost \$37,000) before their deadline of April during the current fiscal year. Ms. Mahoney noted at the end of the year they

79 had encumbered \$32,000 to fix the compliance issue and would move repair money in the budget
80 to cover the difference.

81
82 Mr. Cate questioned if the school would still go through with a conversion to natural gas. Ms.
83 Mahoney replied they are continuing to pursue a conversion at all the schools to natural gas. She
84 explained during the course of the year, and up to December, they had continued to try and get
85 quotes and understand the full cost of what the conversion would look like. They will continue to
86 work toward the conversion and provide information to the School Board so they might bring an
87 article forward in the future. Mr. Cate understood that the tank conversion would 'buy time' in
88 order to get additional information for the conversion. Ms. Mahoney replied it would buy them
89 time and keep them in compliance with the Department of Environmental Services as needed.
90 Mr. Guimond inquired how long the repair was expected to last. Ms. Mahoney understood it was
91 expected to remain in place for as long as they needed.

92
93 Mr. Sherman wanted to know where the physical tank was located. Ms. Mahoney stated it was
94 located just off a grassy area and part of their plan for the coming spring.

95 **MOTION:** (Cate/Cronin) To reduce the operating budget by \$64,000.

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

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97 **MOTION:** (Sherman/Cate) To approve \$32,077,464 as the School Operating Budget.

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

98
99 The School Operating Budget recommended by the Budget Committee is now: \$32,077,464.

100
101 Mr. Guimond stated that the amount agreed with the MS-27. Ms. Mahoney provided the Board
102 members with a copy of the MS-27 and circulated a set for signature. The Board members signed
103 the MS-27 and gave it back to Ms. Mahoney.

104
105 **Reconsideration – Library**

106
107 Present to discuss the Library budget was Library Director Irja Finn, Assistant Library Director
108 Winifred Flint and Library Trustee Chair Lori Adams.

109
110 **Interlibrary Loan Librarian** – Mr. Guimond stated due to the Board's new By Law, the position
111 could be put into the Library Operating budget. The increase to the Library budget for the
112 position is \$30,509. The benefit portion of the salary (\$21,484) will be added to the Town's
113 insurance budget. Ms. Finn explained that an interlibrary loan was a reciprocal agreement
114 between libraries (college, public and a few private) in New Hampshire to share materials. Over
115 the past three years the Library had seen an increase in the number of requests they were filling
116 and number of requests they were asking. The Board was provided with an activity spreadsheet
117 showing the borrowed/loaned comparisons of 2012-2016. Based on the demand, Ms. Finn stated
118 the requested position would increase a part-time employee to a full-time position, so the work
119 could be done by one dedicated person, rather than splitting the responsibilities between a number
120 of people.

Mr. Guimond clarified that the total requested figure was \$51,993, for salary and benefits; of which \$30,509 would be included in the Library budget and the benefits portion would be added to the Town's budget.

Mr. Sherman questioned if the part-time employee was previously receiving benefits. Ms. Finn answered no.

MOTION: (Sherman/Cate) To add \$51,993 (salary: \$30,509 / benefits: \$21,484) to the 2017 Library and Town budgets respectfully.

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

Emerging Technologies Librarian – Total: \$59,253 representing Library budget increase of \$33,750 for salary and \$25,503 for benefits. Ms. Flint explained the duties of the position and the importance of managing the digital branch of the Library system.

MOTION: (Cate/Bailey) To add \$59,253 (salary: \$33,750 / benefits: \$25,503) to the 2017 Library and Town budgets respectfully.

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

Equipment – Ms. Finn explained that the Library had undergone a security assessment to determine if they were ready for an emergency situation. The Trustees hired Municipal Resources to review policies, procedures and the building layout. She discussed the use of different spaces within the building and the alterations proposed for the Molly Hobbs Meeting Room, Director's office and Staff Room/Kitchen area. The Board was provided with a breakdown of the work to be done.

Mr. Guimond inquired why the funding wasn't being taken from the Library trust funds. Ms. Finn replied most of the trust funds were earmarked for 'books and materials only'. The donor intent was to give something to the Library that wasn't part of the day-to-day operations; but rather to enhance collections and programs. Being that the proposal was for building alteration issues, she felt the funding was more appropriate for the Town budget. Ms. Adams felt the issue of security within a Town building should be everyone's concern. She said people who leave their money to the Library in a trust are looking for them to use it for books or improving programs. Philosophically, she felt it would be wrong to use trust money for something as basic as the security of the patrons.

There was a brief discussion regarding the figure being requested. An adjustment was made and Mr. Sherman moved the corrected figure of \$2,174.

MOTION: (Sherman/Cate) To approve the addition of \$2,174 to the 2017 Library Operating budget.

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

Mr. Guimond calculated the amended Library budget to be \$401,507.

MOTION: (Sherman/Bailey) To approve the new 2017 Library Operating Budget figure of \$401,507.

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

Mr. Guimond indicated the amended Town budget Insurance figure, to include benefits for the Interlibrary Loan Librarian and Emerging Technologies positions, will be \$2,423,715.

MOTION: (Spencer/Cate) To approve the new 2017 Town Insurance budget of \$2,423,715.

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

Reconsideration – Town Operating Budget

Town Administrator Brian McCarthy and Finance Director Dayanand Ramgopaul came forward for the discussion. Mr. McCarthy told the Board that the Town had some unanticipated/unforeseen issues they've had to remedy, which was in part the cause for some of the increases. He stated once they realized the amount of money, they took measures to try to cut budget and warrant article items to offset the increase.

Mr. McCarthy informed that the Board of Selectmen had voted to rescind the municipal building roof replacement project warrant article (\$100,000). The roof has been reevaluated and the project could possibly wait a couple years, and in the meantime maintenance could be performed. He said they were confident the project could be held. Mr. McCarthy noted the Town removed \$15,000 from the budget that had been slated for an energy audit. He stated they had also removed \$25,000 from the Compensated Absence Fund warrant article. The budget increase totals approximately \$161,000; however, Mr. McCarthy pointed out approximately \$135,000 had been removed to offset the increase.

Selectmen's Budget – Town Treasurer Charlene Takesian came forward to discuss the proposal for accounting software. Mr. McCarthy told the Board that the Town had purchased a new software accounting program and would be ending their agreement with MuniSmart. He explained that the MuniSmart systems had significantly deteriorated in the last couple years and their customer service was virtually non-existent and discussed the problems they had encountered. In the past MuniSmart fees were divided into the Selectmen's Office, Planning Department and Town Clerk's Office budgets. Mr. McCarthy indicated the fees would be removed from the individual departments and listed in the Selectmen's budget under a new line for 'software maintenance'. Ms. Takesian discussed the various functions of the MuniSmart system, noting it had worked well for the past 15 years. She noted however, the new company that owns MuniSmart also owns a number of other software products and appears to be placing their efforts into their other products, not MuniSmart. Ms. Takesian then described the new software programs for the Selectmen and Town Clerk offices, which would be department specific, and the additional programs the Town could take advantage of. A final decision has not yet been made with regard to what software would be used in the Planning Department, which would be leased and not purchased. The total cost (of the three softwares) is \$31,794.

Ms. Takesian noted that the approximate annual cost for maintenance fees would be: Town Clerk-\$5,000; Tax Collector-\$2,445; Accounting-\$5,958; credit card swipes-\$125. There would be an additional fee for Planning since that software wouldn't be purchased, it would be rented each year.

Mr. McCarthy spoke to the salary line increase for the Human Resources position. He stated initially the position was listed at 37 hours per week; however, after the Budget Committee's By

205 Law change, it was agreed to list the position as a full-time 40 per week position. The associated
206 increase is \$3,638.

207
208 There was a brief discussion to clarify the figures contained within the spreadsheet provided to
209 the Board so the motion would accurately reflect the requested budget amendments.

210 **MOTION:** (Cate/Sherman) To increase the (new) software maintenance line item and
increase the salary line item in the Selectmen's budget from \$459,290 to
\$490,287.

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

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MOTION: (Spencer/Cate) To decrease the Planning Department budget to \$301,772.

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

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MOTION: (Spencer/Cate) To decrease the Town Clerk budget to \$226,596.

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

213
214 Fire Department – Fire Chief James Midgley and Deputy Fire Chief Paul Leischner came forward
215 to discuss the increase to the rental and repair lines. Mr. McCarthy explained to the Board that
216 the Fire Department would be changing their dispatch center from the Pelham Police Department
217 to Londonderry Fire Department. The Fire and Police Chiefs had reviewed the current
218 communication center and decided in the best interest of efficiency, the Fire Department would
219 dispatch from Londonderry. The Board was provided with the information presented to the
220 Selectmen.

221
222 Chief Midgley told the Board he had asked Deputy Leischner to do an evaluation on how the
223 department could increase their capabilities in dispatch and improve delivery of service. The
224 submitted report is a culmination of information gathered during a nine month review period.
225 During this time there were discussions with the Selectmen, Pelham Police, Londonderry Fire
226 Department and other fire departments in the area. Deputy Leischner gave a brief synopsis of the
227 request. The current combined dispatch center has not kept up with the demand and has
228 outgrown the Police, Fire and EMS services; back up was provided. The goal is to develop and
229 deliver an effective dispatch that meets the Fire Department's needs as well as the financial
230 responsibility to the tax payer. During the last nine months they had worked hard to investigate
231 and analyze solutions to the current combined dispatch. They explored a variety of options, such
232 as increasing Fire Department staffing or moving to other communities (Hudson, Derry, Salem,
233 Londonderry). Chief Leischner noted they all agreed it would be best to have our own fire
234 dispatchers using the combined system; however doubling the dispatch staffing would be
235 impractical and expensive. The conclusion of the Fire and Police Departments was to separate
236 and outsource Fire and EMS. The Fire Department believes that the Londonderry Fire
237 Department is the most economical and comprehensive dispatch system that fits the needs of the
238 Pelham community.

239
240 Mr. Cate inquired how many other towns were with Londonderry and if priority would be given
241 to one town over another. He wanted to know if they had the capacity to handle everyone they
242 were dealing with. Chief Leischner replied they dispatch for themselves and Hampstead. He
243 called attention to the handout that outlined the dispatch coverage. Mr. Cate saw there was a cost

savings by having dispatch through Londonderry versus hiring additional employees at Pelham's dispatch.

Mr. Guimond invited Police Chief Joseph Roark to come forward and provide his view. Chief Roark stated he had been with the Police Department for twenty years and during that time they've always had one dispatcher; staffing had never increased. He stated the call volume and complexity of the job had dramatically increased. Dispatch is very busy and it's a technical job; they handle the walk-ups, take the calls, monitor screens and various other duties. It's an equation of increasing staffing or decreasing the amount of work for a single dispatcher. Chief Roark noted Pelham was the only dispatch center in the area that dispatched both Police and Fire with one dispatcher. The situation has reached the point of concern that calls aren't being handled perfectly. He said through their discussions of various options, he agreed the easiest way to overcome significant staff increases would be to try and regionalize; other fire departments have gone that route. To cover the current dispatch would require five-six employees to cover 24/7. Currently they have four full-time dispatchers, and one part-time dispatcher. To have Fire and Police dispatchers they would virtually double the man power requirement, which between pay, benefits and mandatory training the cost would be approximately \$100,000 per person.

Ms. Hillsgrove believed the report provided to the Board was very well written and informative. She hadn't realized the differences in training between Fire and Police dispatching. She said the report identified the differences in training, computer software and outlined both the training analysis and financial analysis. She felt the case was presented succinctly.

Mr. Sherman questioned if the Fire Department budget contained a dispatch position. Chief Midgley answered no; dispatch was wholly contained in the Police budget. Mr. Sherman inquired if there would be a decrease in the Police salary line. Chief Roark answered no; they needed to retain their dispatch personnel to answer calls and perform their current duties. He noted dispatchers were part of the Police union.

Mr. Cronin found the report to be very thorough and found the request to be a convincing case. On a personal note, during a recent event involving his family, he wanted Pelham citizens to know that the Fire and Police personnel were professional, competent, compassionate, courteous and very caring.

Mr. Cate reviewed the cost and possible tax impact, which calculated out to an annual impact of approximately \$12.00 for a home valuation of \$250,000. Chief Midgley replied they tried to review all options, impacts and cost benefit analysis. He felt having fire dispatchers at the current location would be the best option, but not affordable. The next best option was regionalization.

Ms. Spencer complimented the Police Chief, Fire Chief and Deputy Chief. She told the Board she took convincing and found the investigation process to be thorough and collaborative between departments. The result made clear that the proposal was the best practical option to meet the needs of both the Fire and Police departments.

Mr. Cronin questioned if any additional communication equipment would be necessary. Chief Midgley replied a switch over would have to occur. One aspect discussed during the budget process was the communications infrastructure needing to change due to changes with Motorola switching from tone based to IP based systems. This change was required to occur regardless of relocating dispatch. He mentioned that the existing communications infrastructure would remain in Town, so if a decision was made in the future to sever the agreement with Londonderry, it could easily be done. Ms. Spencer explained that the Selectmen had voted to encumber the cost

(\$136,000) from the 2016 Fire Department budget given that communications were a safety priority.

Mr. Cronin wanted to know if Pelham and Londonderry would enter into a contract and what the term of service would be. Chief Midgley replied Londonderry had recommended a seven year contract, which had been seen by the Town Administrator, Selectmen and Town Counsel. Mr. Cate questioned if there was an opt-out clause. Chief Midgley answered yes; provided a 60-day notice. Mr. Guimond reviewed the annual costs for Londonderry to handle fire dispatch.

Chief Midgley spoke about Public Eye, the department's mobile communication systems. They had just received the cost increase figure of \$1,615 (per year) to increase software to an unlimited license. He then discussed Code Red software used by Londonderry that would interface and push data between dispatch through Public Eye. The increase for this would be \$2,915 per year.

Mr. Bailey questioned how emergency calls would be taken and where they connected to. Chief Midgley replied they researched the sequence of calls and how they would be transferred so there wouldn't be any extra steps. He explained when a citizen calls 911, it goes through Concord, NH who determines the criteria of the call. Simultaneously, information pops up on Pelham's dispatch. This procedure will remain the same, except Londonderry Fire Department will be notified. During a dual-call situation (Police and Fire), both would be notified in the same fashion. Understanding that the Fire Department has its own 'emergency' number, Mr. Sherman wanted to know who would respond to those calls. Chief Midgley replied the emergency number calls would go to Londonderry. The Fire Department business phone line would continue to be received in Pelham.

The current approved Fire Department budget is \$2,030,441 and proposed to increase to \$2,069,971.

MOTION: (Sherman/Cate) To increase the Fire Department budget from \$2,030,441 to \$2,069,971.

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

Transfer Station – Highway Road Agent Frank Ferreira came forward for the discussion. Mr. McCarthy told the Board Mr. Ferreira had done a fantastic job running both departments. He noted that the budget had been put together by Mr. Ferreira's predecessor. When Mr. Ferreira stepped into the position he reviewed the bills and budget and started to notice that going into 2017 the numbers seemed 'light', and as a result broke down the actuals and concluded that a majority of the budget was underfunded.

Mr. Ferreira reviewed the budget lines with recommended changes:

- 1) Supplies – recommended increase of \$1,721;
- 2) Telephone – recommended reduction of \$600;
- 3) Gas/Oil – recommended increase of \$50;
- 4) Equipment Repairs – recommended increase of \$10,000;
- 5) Equipment Rentals – recommended increase of \$1,080;
- 6) New Equipment – recommended increase of \$600;
- 7) Expenses – recommended increase of \$50,436.

Supplies – increase for printer cartridges, paper, labels, vehicle permits, paperclips, safety equipment

Telephone – Mr. Ferreira uses his current phone, so this line will be reduced.

Gas/Oil – Slight increase based on actuals.

Equipment Repairs – Mr. Ferreira noted the 2016 budget was over expended approximately \$13,000. In anticipation, the request is for a 10,000 increase. He explained they were having difficulty with the conveyor, which was not appropriate for handling trash. Mr. Guimond questioned if it would need replacing. Mr. Ferreira answered yes. He received a quote for a heavy duty used belt that could be installed for under \$10,000. Ms. Hillsgrove questioned how much was spent on repairs. Mr. Ferreira replied approximately \$3,000-\$4,000 for repairs and noted the difficulty during down time. He told the Board he was researching the possibility of having a company handle the cardboard, and would possibly bring back the crushed glass operation.

Equipment Rental – Office trailer line was deficient. Street container previously not in the budget.

New Equipment – Requested increase for hand tools.

Expenses – Mr. Ferreira explained they had experienced an increase of trash coming into the facility and reviewed the statistics. It was noted that the compactor project would begin in March. Due to this delay, the cost for six months of trash hauling was added into the budget.

Mr. Guimond questioned if there was still a committee reviewing the combination of the Highway Department and Transfer Station. Ms. Spencer replied the committee wasn't reviewing combining the two departments, the committee is planning the building based on the warrant article passed at 2016 Town Meeting. The Highway Transfer Building Committee will hold their next meeting within the week.

Ms. Dube questioned who oversees the department heads. Mr. McCarthy said he did. Ms. Dube asked if he sat down with them to review the budgets and how the items discussed were missed. Mr. McCarthy replied when a department head meets with him and the Finance Director and states what they need for the coming year they trust the numbers are accurate. When budgets are submitted they review to ensure the budget lines add up and bring it forward for review. Ms. Spencer stated Mr. McCarthy did an excellent job of monitoring the department heads and making sure the Town is running efficiently and transparently. She didn't want anyone to get the misconception that anyone was not performing their duties to the Town. She stated department heads should be the expert in their field; it would be impossible for one individual or the Board to do the leg work for the respective departments. Ms. Spencer felt it was commendable for Mr. Ferreira to have gone through the budget and found the oversights and bring them forward with solutions.

Mr. Guimond also commended everyone for reviewing the budget and coming forward. Mr. Cate commended Mr. Ferreira for taking on the task of both the Highway Road Agent as well as the Transfer Station Director. Mr. McCarthy pointed out there were equipment failures in 2016, that couldn't have been predicted. Ms. Hillsgrove appreciated the detail of the information so the Board could clearly understand the request. She understood there were items Mr. Ferreira was looking into cost savings opportunities and suggested he track those things to show residents.

MOTION: (Cate/Hillsgrove) To increase the Transfer Station budget from \$658,678 to \$721,965.

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

Town Buildings – Mr. McCarthy stated when reviewing the end of year 2016 budget, it was realized that changes should be made. The first was the salary for the handyman. When the budget was done, a place marker figure was used with the intention of reviewing the line at the end of 2016. Upon review, the Town expended over \$11,000 for repairs and proper maintenance. Mr. McCarthy felt a total of \$10,000 for the handyman salary line would be an adequate number. He discussed the amount of work that had been done and the costs the handyman had saved during the past year.

Under Expenses, Mr. McCarthy and Mr. Ramgopaul reviewed the fire/maintenance budget, specifically fire alarm inspections and discovered it was underfunded in 2016 by approximately \$5,000.

Mr. Cate questioned the cost of inspecting each fire alarm. Mr. Ramgopaul replied they cost \$400 each.

Town Buildings approved budget of \$756,354 was proposed to increase to \$765,354.

MOTION: (Sherman/Cate) To increase the Town Buildings budget from \$756,354 to \$765,354.

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

Debt Service Principal – Mr. McCarthy explained one of the Town's plow trucks caught fire and burned to the ground. From what they could determine, the block heater malfunctioned. The Town would receive some money from insurance, which will be turned over to the general fund. The truck will need to be replaced as soon as possible. The expected replacement cost is \$202,164. Finance Director Ramgopaul has recommended a 3-year lease/purchase with the Town's leasing provider (MLC Leasing) with an annual cost of \$67,388. Mr. McCarthy noted that the truck had been the oldest truck in the fleet scheduled for replacement in the Capital Improvement Plan during 2018.

The Debt Service approved budget of \$711,632 was proposed to increase to \$779,020.

MOTION: (Cate/Spencer) To increase the Debt Service budget from \$711,632 to \$779,020.

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

Highway Department – Mr. McCarthy stated during the last Board meeting it was agreed to list the laborer position as a part-time with thirty-seven hours per week. However, with the By Law change, it had been agreed to list the position as full-time with forty hours per week. The increase for the line is \$2,687.

MOTION: (Sherman/Spencer) To increase the Highway Department budget from \$1,493,044 to \$1,495,731.

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

Insurance – Mr. McCarthy told the Board the Town received an insurance estimate for 2017, which showed a savings of \$51,452.

It was noted that the Insurance budget had been increased earlier in the meeting to \$2,423,715.

MOTION: (Cate/Spencer) To decrease the Insurance budget from \$2,423,715 to \$2,372,263.

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

Mr. Sherman raised a question regarding the figures contained on the information provided to the Board versus how the Board had voted, specifically in relation to the Library budget. Mr. Guimond reviewed the figures originally voted/approved by the Board and reiterated the budget figures voted during the present meeting. The Board agreed with the figures voted during the course of the meeting, although the presentation of information was confusing.

Mr. Guimond stated the final Town budget, taking into account the actions of the Board during the meeting: \$15,038,403.

MOTION: (Cate/Hillsgrove) To approve \$15,038,403 as the 2017 Town budget.

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

Mr. Guimond stated the Town Deliberative Session is February 7, 2017 and the School Deliberative Session is February 8, 2017 both will be held at the Pelham High School auditorium beginning at 7pm.

ADJOURNMENT

MOTION: (Cate/Bailey) To adjourn the meeting.

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

The meeting was adjourned at approximately 9:48pm.

Respectfully submitted,
Charity A. Landry
Recording Secretary