

**APPROVED**  
**TOWN OF PELHAM**  
**BUDGET COMMITTEE - MEETING MINUTES**  
Thursday, September 20, 2018  
APPROVED – September 27, 2018

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

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

**ABSENT:** Selectmen Representative Doug Viger (excused), Mr. Dave Cronin (excused),  
Ms. Deborah Gibbons (not excused)

**MEETING MINUTES**

**September 13, 2018**

**MOTION:** (Sherman/Hillsgrove) To approve the September 13, 2018 meeting minutes as written and place on file.

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

Mr. Bailey confirmed that Board members received an email that answered questions brought up at the previous meeting regarding the Conservation Commission and Treasurer's salary. There were no follow up questions.

**2019 BUDGET REVIEW**

Cable Television – \$136,837 proposed.  
Presented by Cable Coordinator/Manager Jim Greenwood

Mr. Greenwood provided the Board with a summary sheet of the budget lines increased over last year and the reason for the increase. He explained the Cable Department was funded 100% by revenues received from cable subscriber franchise fees and not from local taxes. Half the revenues were put into the General Fund to offset taxes.

Mr. Greenwood stated there were contractual salary increases for the Manager and Production Assistant. He noted there were some productions/functions that were previously underfunded because those activities had increased. Ms. Hillsgrove asked if he had been provided with information to help him plan the upcoming year. Mr. Greenwood replied that the children's and adult theater had notified him. Mr. Cate asked if the experienced cable operators received a higher rate. Mr. Greenwood replied he tried to increase the more experienced operators. He pointed out that in the next year he would be losing three employees because they were seniors in high school, therefore he would be hiring/training younger employees. Mr. Cate asked if the budget contained enough money to cover the salaries. Mr. Greenwood believed it would be.

Mr. Sherman recalled the original design of Sherburne Hall was keep it free for use and board meetings would be in another area of the municipal building. Mr. McCarthy stated they would

41 start the project in 2020; the quotes received were expensive. The goal is to move the Planning  
42 Department into the last three classrooms and use their existing space as a Town meeting room  
43 for all boards.

44  
45 Ms. Capone questioned if ‘miscellaneous cables/connectors’ was due to items breaking. Mr.  
46 Greenwood answered yes; it was for items that were lost or broken. Ms. Capone wanted to know  
47 if the equipment repairs line also included replacements. Mr. Greenwood answered yes.

48  
49 Mr. Greenwood provided the Board with a summary sheet showing subscriber numbers for the  
50 last five years and revenue amounts for the last 10 years. He projected receiving \$274,000 in  
51 2019. He also noted the equipment grant had \$12,442.92 remaining until the next contract is  
52 negotiated for 2021. Mr. Cate asked if the grant money could be used toward creating the new  
53 town meeting room. Mr. Greenwood said it could be used for facilities, such as wiring, but not  
54 for outfitting a room for meetings. Mr. McCarthy preferred to leave the money for the Cable  
55 department because they had a lot of expensive equipment. They used some of the money to  
56 move the studio from the Annex to the Municipal Building.

57  
58 In looking at mileage under expenses, Ms. Capone felt 1,000 miles seemed high. Mr. Greenwood  
59 replied he made trips outside of Town (i.e. Hudson, Concord) relating to equipment. Mr.  
60 McCarthy pointed out that Mr. Greenwood had gone to the State House to record award  
61 ceremonies involving Town Officers. Mr. Greenwood told the Board that he used his own  
62 personal truck to move equipment when recording events within the Town and outside of Town.

63  
64 Mr. Bailey reiterated that Cable was self-funded and didn’t come from tax dollars. He said it  
65 more than paid for itself and any extra money generated went into the General Fund. He  
66 applauded the department for being cash positive.

67  
68 Library - \$474,848 proposed.

69 Presented by Library Trustee President Rose Cares and Library Director Rita Gavelis.

70  
71 Ms. Gavelis noted when the budget information was transferred into the new software program  
72 not all figures migrated properly. The Board was asked to reference the budget handout provided  
73 at the meeting. She began by reviewing the salary lines and told the Board they were trying to  
74 catch up to other New Hampshire libraries similar to Pelham in size, demographic, collection size  
75 etc. She said they tended to lag very far behind and called attention to a document (attached to  
76 the budget) that compared salaries and showed Pelham as the lowest (in 2016-most recent data).  
77 Ms. Gavelis explained they had lost staff and as a result rearranged job positions/responsibilities.  
78 She discussed the difficulties they have faced hiring people with not much experience. The  
79 situation was very difficult, and they were trying to become more competitive in a responsible  
80 way and keep up with other similar libraries and continue to provide their services. Ms. Cares  
81 stated she conducted exit interviews with employees and they all referenced the same thing  
82 (salary).

83  
84 Mr. Cate stated they had been trying to address the issue since 2015; two people were added last  
85 year. He said they shouldn’t just look at last year’s salary and this year’s salary; they should look  
86 at what it was a few years ago. Ms. Cares spoke about the changes they had made to try to retain  
87 employees and believed this year they would reach a point of having a full and talented staff. Mr.  
88 Cate said if they approve the proposal he would like to limit the increases next year. Ms. Cares  
89 replied they would be reasonable with increases. She pointed out that the biggest salary jump  
90 was the Director’s salary. Ms. Gavelis spoke about the opportunities the employees experienced

91 while job descriptions were being rearranged, which allowed management to recognize and  
92 utilize their staff's talents. She believed this would help them to retain staff.

93  
94 Ms. Hillsgrove wanted the Board to be able to look at the Library's growth. She recalled the  
95 Trustees provided a 3-4 year plan and the noted that they had worked to bring the salaries up.  
96 She wanted to see which positions were added over the last four years and the changes in the  
97 salary lines, so the Board could see the growth of the Library in general. Ms. Gavelis replied they  
98 provided a breakdown of salaries from 2015 – 2018. Ms. Hillsgrove asked for the information to  
99 be put into a graph to make it easier to understand. Ms. Gavelis also included information about  
100 the dollar value of Library services to the public, which were well beyond their budget. Ms.  
101 Cares spoke about the expanded Library hours and programs they provided.

102  
103 Mr. Sherman pointed out for the public that the Library Trustees proposed the budget, and not the  
104 Selectmen. He questioned the changes in the Director's salary over the past few years. Ms.  
105 Cares replied the Director had left and the Assistant Director had stepped in for a trial period. If  
106 things had worked out the salary after the trial period would have been increased; however, they  
107 ended up hiring another Director. They had to increase the amount of money being offered to  
108 attract the right candidates.

109  
110 Ms. Capone wanted to know what portion of the proposed salary increase was contractual. Ms.  
111 Gavelis explained that the Library budget begins annually on June 1<sup>st</sup>, so the budget shows an  
112 adjustment for the difference between the current rate and the higher rate. Ms. Cares stated that  
113 the contracts indicate that raises are determined by the Trustees with approval by the Town. She  
114 noted that the part-time employee raises are determined by the Town budget operational vote.  
115 Ms. Capone would like to see the salary ranges for each position. Ms. Gavelis replied they had  
116 provided range information (ending in 2016) in the budget backup. Ms. Cares noted the figures  
117 needed to be updated.

118  
119 Mr. Bailey asked for an update regarding the grandfather clock. Ms. Gavelis replied the clock  
120 was found to be pre-civil war and worth a significant amount of money. She stated the budget  
121 line was decreased because work had been done on the clock. Mr. Bailey asked for information  
122 regarding security updates. Ms. Gavelis replied they would like to add two new cameras upstairs  
123 to cover blind spots. There was a brief discussion about security updates and the future  
124 expansion project.

125  
126 Ms. Capone asked for information about staff training. Ms. Cares said the line would allow each  
127 of the staff employees to attend one session. She said it was critical for staff to stay abreast of  
128 their jobs.

129  
130 Ms. Bressette inquired if there was information about the number of children that went to the  
131 Library after school. Ms. Gavelis didn't have last year's numbers for how many children came to  
132 Library versus attended programs. She commented that the tables and chairs were usually filled  
133 and noted that the Library was halfway between the schools and skateboard park, so children  
134 come in and out of the building. She said the new study room was also getting a lot of usage.

135  
136 Ms. Hillsgrove questioned what things the Library would do with trust fund money during the  
137 year. Ms. Cares replied there was trust fund money, but they couldn't spend it. She explained  
138 that last year the Town Trustees of the Trust Funds met with State and learned that they had  
139 incorrectly spent some of the money from the trusts. The situation was recognized and corrected.

Mr. Sherman pointed out that the budget figures previously provided to the Board and the information provided at the meeting during the meeting didn't match up. Ms. Gavelis explained that the information migrated incorrectly from one software to another. She will update the information and provide it to the Board.

Planning Department - \$409,593 proposed.  
Presented by Planning Director Jeff Gowan

Mr. Gowan explained to the Board that the department was currently looking to fill the Office Manager position; that person will be hired at a less rate than the person who just left. He noted they had recently hired a part-time administrative assistant.

Mr. Cate asked about the inspector's salaries. Mr. Gowan spoke about the inspector positions, which were paid by stipend. He said each inspector (Building Inspector, Electric, Plumbing) worked approximately twenty hours per week. He explained that last year he had done an exhaustive research to see how inspectors were paid in the region. Currently, the inspectors were collectively paid \$26,497, which equates (based on the hours they worked to less than the high school students working for the cable department. He made a proposal last year to increase the salary line by \$48,000; the increase would have brought them up to a moderate comparison. The decision was to spread the total increase over a three-year period; last year they received 45% of the proposed \$48,000 increase. This year the Selectmen approved a 35% increase of that \$48,000. If the process holds through, next year the inspectors would receive the last 20%. Mr. Cate asked if the Town was on the same building schedule as it had been experiencing. Mr. Gowan replied no one could predict the market but he wasn't seeing any change. He then discussed the inspection process and noted each new building permit had roughly ten inspections per house. He commented it wasn't only new homes that are inspected, everything (that pulls a permit) gets inspected.

Mr. Bailey questioned why the estimated revenue had gone down for this year. Mr. Gowan replied he provided an estimated revenue. He said he didn't estimate high but at the same time didn't see any trend that suggests building will slow down. Ms. Hillsgrove inquired when the inspection fees were evaluated. Mr. Gowan replied he brought a proposal to increase fees to the Selectmen a few years ago; they were not interested in increasing residential permit fees, but they did raise the commercial inspection fees. Ms. Hillsgrove felt the Selectmen should review the fees since an increase would offset the requested salary increase.

Ms. Capone asked if the office hours would increase or the salary rate would increase. Mr. Gowan replied the number of hours would increase for the part-time administrative person. Ms. Capone questioned if there was increase for the contracted staff from April through December. Mr. Gowan informed that their contract didn't receive an increase this year, it was in negotiation.

Mr. Gowan continued to review the proposed budget. There was a discussion regarding the MS4 process, requirements and budget requirements. If the Town doesn't comply with the requirements it will be fined tens of thousands of dollars. It was noted the MS4 requirements were an unfunded mandate by the Federal Government. Mr. McCarthy believed the Town would ultimately end up hiring someone to handle the MS4, either by an additional person in the Planning Department or have a separate division. He said the process is very new and they didn't have a clear indication as to how it would affect the Town going forward. Ms. Hillsgrove questioned if new developments were required to map out the items on their plans. Mr. Gowan answered yes; anything new is required to have GIS coordinates for structures. Ms. Hillsgrove asked if the Planning Board was planning on hiring interns. Mr. Gowan replied he wasn't sure. I

asked if the money would only be used for interns and he indicated it could be used for the Consultant but he might need an intern. We discussed if the money was not specifically for the interns it might be better to put it into the consulting line.

The Board then reviewed the Capital Improvements Plan. Mr. Gowan noted that the threshold for CIP items is (infrastructure) \$75,000 with a useful life of three years. Ms. Hillsgrove inquired who made the submissions to the CIP. Mr. Gowan replied department heads submitted the requests. Ms. Hillsgrove questioned when the Library project was proposed. Mr. Gowan replied it was the first year the CIP programmed it with a better number (listed as 'Desirable'). Mr. Sherman had the previous CIP and noted it was previously scheduled for 2019. Ms. Hillsgrove asked for the status of the elementary school air conditioning. Mr. Sherman stated it was 'to be determined' in 2019. This is the first year it had an associated number. Ms. Ryan informed the number on the CIP was irrelevant because the School Board had a new discussion and made no decisions. The figure listed in the CIP was an initial quote. She explained that they hired EEI and charged them with coming back in front of the School Board with three options. Mr. Bailey asked if it was the School Board's intention to put something forward this year. Ms. Ryan replied a decision has not been made. Mr. Gowan pointed out the difficulty with school items on the CIP was the Town followed a calendar year, but the school worked under a different fiscal year (they were currently working under their FY2019 budget).

Fire Department - \$2,259,025 proposed.  
Presented by Fire Chief James Midgley

Chief Midgley provided the Board with statistics. They currently had \$219,000 in ambulance revenues, which put them at a projected amount of \$420,000 for the year (approximately \$40,000-\$50,000 above the previous year). He explained that the salary for firefighters was split into two numbers because their contract year triggered at April 1<sup>st</sup>. They are currently under a five-year contract with one year remaining. All salary changes are contractual. He then provided the Board with an update on the SAFER Grant (approved by voters at 2018 Town Meeting to accept). FEMA has indicated that Pelham made the list for funding; however, if a town (on the list above Pelham) is awarded funding their amount could be increased based on current figures so when it gets down the list to Pelham there may not be any funding remaining. Chief Midgley explained if Pelham didn't receive the grant they could hire one person a year over a four-year period. Another option is to wait and re-file next year for the grant. Mr. Sherman questioned if it would have to go back to voters. Mr. McCarthy answered no; as long as the salary range remained within the amount stipulated by the Budget Committee.

Ms. Hillsgrove asked for statistics on the types of calls and number of calls, so the Board could see the growth rate when discussing new employees. Chief Midgley replied since they switched to the new dispatch system they could generate a multitude of reports. Mr. McCarthy suggested providing the Board with the presentation given to the Selectmen since it included a chart of the various calls. Chief Midgley described mutual aid and Pelham's involvement with surrounding communities; they have a formed group and drafted bylaws the annual fee is \$35. He provided a brief update on dispatch going through Londonderry noting that they were approved and would start construction of a new central fire station that would have a state-of-the-art four-station communication center.

Ms. Hillsgrove reviewed the disability line and questioned if it needed to be increased. Chief Midgley replied his idea would be to take all Town disability lines and place it into an established pool. He said he couldn't predict a long-term disability. Ms. Capone asked if the union contract would support a 'pool'. Chief Midgley replied the union had no bearing on it, as long as

employees were paid. Ms. Hillsgrove asked Mr. McCarthy for information on the disability costs (across the departments) over the past 3-4 years. Mr. McCarthy answered yes and noted the disability liability had dropped during the last two years because they moved to Primex. The Board discussed the line and wanted to review averages over time. Chief Midgley said he had information regarding the trend over seven years and would forward it to the Board.

Ms. Capone asked for an explanation of FLSA. Chief Midgley explained the Fair Labor Standards Act; overtime rate is based on regular (straight) hours. He said if hours are added (i.e. overtime, stipends etc.) which are contractual, the overtime rate calculation is then changed across the board. So, at the end of the year each employee receives a check for the FLSA calculated amount based on the additional work they performed.

Ms. Hillsgrove confirmed that there were charges that went back to a person who has a medical call. Chief Midgley explained there were call 'levels' for service, not a la carte. He noted the Fire Department's ambulance fees were far less than the charges of a private company. Mr. Sherman questioned if the Fire Station was considered a 'safe' station (regarding Narcan). Chief Midgley replied they weren't a 'safe' station; Manchester and Nashua are the only 'safe' stations in New Hampshire. He said it was a very specific criteria that required specific resources through hospitals and addiction centers. They've looked at setting it up but realized they wouldn't have access to those resources. Mr. Sherman asked if all the Nashua stations were equipped. Chief Midgley believed Nashua Central Station was equipped. He explained that 'safe' station was a way of intake connected to a hospital and facility for addiction/recovery.

The Chief continued the budget review. Ms. Capone commented on preventative maintenance within staff cars under vehicle maintenance & repairs. Chief Midgley explained preventative maintenance included oil and safety inspections; any needed repairs were included in this budget line. It was noted that the line was previously underfunded. Ms. Hillsgrove asked about the cost for a new stretcher and the length of certification. Chief Midgley replied a new 'base' stretcher was \$12,000 and a stretcher with lift bars were \$16,000; certifications were two years. Ms. Hillsgrove asked if they should review a stretcher replacement plan and wanted to know if moving stretchers were part of any disability cases. Mr. McCarthy answered yes (to disability). Chief Midgley added the stretcher injuries were from normal use, not a failure of the stretcher.

Chief Midgley pointed out there was a decrease in the radio tower rental line based on a court case and verbiage included in a Planning Board decision regarding the Town's ability to utilize space on the tower. The Town now has no fees associated with tower. Mr. Sherman saw earlier that AT&T had a problem in Town. Mr. McCarthy summarized that AT&T had upgraded their system which knocked the Town's alarm system off. AT&T has acknowledged that their system changes negatively impacted the Town; they've since made corrections and brought locations within the Town center back on line. He said they anticipated the Municipal Building and Fire Station would be back on-line tomorrow.

Chief Midgley discussed the fire supplies and training increase that helped the department reduce their ISO rating. Currently it's a 4 and they were trying to get down to a 3 to help reduce homeowner insurance rates. He explained they would use Nashua fire grounds to conduct necessary training. He told the Board they were also trying to send two officers to fire rescue international training conference to learn new skills and technologies. Once they return home they teach courses within the department on the information learned. The increase in the 'physicals' line was because they require all employees (full-time and call department) are tested at the same level. He noted that the Fire Academy budget was decreased, which related to a slight increase in their course costs.

Chief Midgley summarized that the increase in the department budget was \$80,730; the non-contractual increase is \$8,888 representing a 0.39%.

Emergency Management - \$8,644 proposed.

Presented by Fire Chief James Midgley

The emergency management budget is used for situations related to large scale events. As an example, Chief Midgley discussed the problems that arose from last winter's the ice storm. The budget is used to receive reimbursement through FEMA.

Town Insurance - \$2,410,396 proposed.

Presented by Town Administrator Brian McCarthy

The figure is a placeholder/projected increase. Final figures are received in late October/early November.

Mr. Bailey noted that Mr. Cronin wanted information for the number of employees who avail themselves of the dental insurance, individual family plan and health insurance individual family plan. Mr. Ramgopaul replied there are 36 members in the family plan, 17 employees in the 2-person plan and 14 single plans for both health and dental. There are 7-8 employees that opt out.

Retirement - \$1,757,918 proposed.

Presented by Town Administrator Brian McCarthy

Mr. McCarthy summarized the changes.

### **BUSINESS / DISCUSSION**

Per the State RSA and the Board's ByLaw, Mr. Bailey stated if a member misses four meetings in a row they are dismissed from public duties. He asked for a formal motion to remove Deborah Gibbons from the Budget Committee; she's missed four meetings in a row and was informed by (hand-delivered) letter last week if she missed tonight's meeting she would be removed from office.

**MOTION:** (Bailey/Cate) To remove Deborah Gibbons from office on the Budget Committee.

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

Mr. Bailey informed that he provided the Board with verbiage that should be included in the ByLaws that had been voted in for the threshold of what would have to be submitted as a warrant article. He explained the numbers were originally compiled two years ago. He asked the Board to move the number from \$85,000 to \$89,000 based on new figures (a copy of which will be provided to the Board). Mr. Cate seconded for discussion. Mr. Bailey noted the motion would be tabled to the next meeting after the Board had their discussion.

Mr. Bailey explained that he reviewed the statistics from the Bureau of Labor for the Boston, Manchester, Worcester area and found information on total salary increase for twelve months to determine the averages over each quarter. He also found the average over the last five years. He's updated the figures to determine the new 2019 number. He said the Board didn't have to change the figure every year but designed the change to be periodically reviewed.

341  
342 Ms. Hillsgrove questioned if the new figure would be applicable to the current budget being  
343 reviewed. Mr. Bailey believed it would be because it would account for any 2019 warrant articles.  
344 Ms. Hillsgrove suggested that the ByLaw indicate that the Board would set a review period, such  
345 as every three years. Mr. Bailey said they could include the schedule into the ByLaws. Mr.  
346 McCarthy liked that idea so when the Selectmen were reviewing budgets they would have the  
347 ability to see what the Budget Committee would allow. Ms. Hillsgrove wanted to ensure that the  
348 Board could periodically review the figures. Ms. Capone suggested adding that the figures could  
349 also decrease.

350  
351 Mr. Sherman said the wording of the ByLaws would need to be reviewed, because he recalled that  
352 the Board was supposed to propose changes during the first meetings. Mr. Bailey recalled a  
353 discussion about making changes during the organizational meeting but was unsure if a requirement  
354 to do so was written into the ByLaws. He will find out.

355 **MOTION:** (Cate/Sherman) To table the motion (ByLaw amendment) to the next meeting.

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

356  
357 **ADJOURNMENT**

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

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

359  
360 The meeting was adjourned at approximately 10:48pm.

361  
362 Respectfully submitted,  
363 Charity Landry  
364 Recording Secretary