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APPROVED
TOWN OF PELHAM
BUDGET COMMITTEE - MEETING MINUTES
Thursday, September 26, 2019

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CALL TO ORDER – at approximately 7:30pm

PRESENT: Ms. Amber Capone, Ms. Daryle Hillsgrove, Mr. Dave Cate, Ms. Meg Bressette, Mr. Jas Moorjani, Mr. Eduardo Martony, Mr. Kannan Sasi, Selectmen Representative Heather Forde (arrived after the meeting commenced), School Board Representative Deb Ryan

ABSENT: Mr. David Cronin (excused), Mr. Bob Sherman (excused)

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PLEDGE OF ALLEGIANCE

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MEETING MINUTES

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September 19, 2019

MOTION: (Martony/Cate) To approve the September 19, 2019 meeting minutes as amended.

VOTE: (7-0-1) The motion carried. Mr. Cate abstained.

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NEW BUSINESS / OLD BUSINESS

Nothing was brought forward. *(additional discussion at the end of the meeting)*

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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.

Town Buildings – Town Administrator Brian McCarthy presented.

2019 Operating Budget: \$717,578

2020 Request: \$649,758

Mr. McCarthy noted the maintenance/handyman (Mark Carter) would receive an increase to their hourly wage. He spoke very highly about the quality work performed by Mr. Carter and discussed the manner in which his expertise was beneficial to the Town.

Electricity was increased based on notification of increasing rates. Telephone also showed an increase based on rising costs.

Under the line for water, Mr. McCarthy noted he broke out Monadnock Spring (bubbler water in the building) from Pennichuck so the actual costs were clarified. He was informed by Pennichuck there would be a rate increase forthcoming, although they didn't inform of the exact

41 amount. The heat line has been broken up into the appropriate categories: oil, natural gas,
42 propane. The line for oil decreased based on usage and the Town's transition to natural gas.

43
44 Mr. Cate asked if using natural gas would save the Town in the long run. Mr. McCarthy
45 answered yes; it would be more efficient. He noted the Cemetery building, Highway Department,
46 Transfer Station and Senior Center all used propane. Mr. Cate wanted to know the status of the
47 new Highway building. Mr. McCarthy replied the process was slow, but it was moving forward.
48 They were presently getting designs and cost and meeting with the engineer and general
49 contractor. The Town would do as much work as possible to keep costs down.

50
51 Mr. Capone inquired which buildings were still running on oil. Mr. McCarthy started to discuss
52 the facilities and informed he would forward the information.

53
54 Mr. McCarthy noted the Board would review the technology budget later in the meeting, which
55 was a culmination of items from other budgets that had computer related expenses. He noted the
56 only project listed for 2020 was to replace the Library heating system with a natural gas system.
57 He explained it was nineteen years old experiencing break downs. He told the Board he started
58 the process of applying for grants through the New Hampshire Saves program; they offer money
59 to municipalities who want to renovate/update equipment to be more efficient. A thermal
60 evaluation will be done for the municipal building (including Police Department), Library and
61 Hobbs Center, after which they will determine the best measures.

62
63 Mr. McCarthy completed the budget review.

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66
67 *Debt Service Interest – Town Administrator Brian McCarthy presented.*
68 2019 Operating Budget: \$113,477
69 2020 Request: \$96,999

70
71 Mr. McCarthy summarized the payments that would be ending. He pointed out leasing the Police
72 fleet helps to keep repair costs down and vehicles running efficiently. Next year the Police
73 Department will cycle out their current cars and have their fleet renewed.

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77 *Debt Service Principle – Town Administrator Brian McCarthy presented.*
78 2019 Operating Budget: \$710,714
79 2020 Request: \$649,037

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81 Mr. McCarthy discussed the items that were being paid off. He noted the municipal building bond
82 would be paid off next year.

83
84 Mr. Sasi asked about the golf course. Mr. McCarthy replied the Town purchased the golf course
85 land to be able to stop development and preserve open space; the Town leases the golf course to
86 the former owner to run. He noted the Town didn't own or run the golf course. Mr. Cate noted the
87 purchase was made with the conservation bond warrant article. Mr. McCarthy spoke about the land
88 that had been purchased by the Town for conservation land.

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92 *Health Services – Town Administrator Brian McCarthy presented.*

93 2019 Operating Budget: \$73,500

94 2020 Request: \$73,500 (*level funded*)

95

96 Ms. Capone asked that the Board receive a copy of the donation request letters from the various
97 organizations. Ms. Olsen will forward the letters to the Board.

98

99 Mr. Cate inquired about Hope for New Hampshire Recovery. Mr. McCarthy replied they had gone
100 out of business; therefore, the budget line was recategorized ‘Substance Abuse’ so the Town would
101 have the ability to give funds to an appropriate organization that assisted residents. He pointed out
102 they added a line for ‘The Upper Room’ in Derry. Ms. Hillsgrove asked how much was spent for
103 substance abuse during the last three years. Mr. McCarthy didn’t believe any money was used out
104 of the account last year.

105

106 Mr. Sasi questioned if the organizations listed assisted people Pelham. Mr. McCarthy answered
107 yes. Mr. Sasi wanted to know if the Town tracked the number of people being assisted. Mr.
108 McCarthy believed some of the programs forwarded letters indicating the number of residents
109 they’ve assisted. Mr. Sasi asked if the donations/assistance were mandated by the State. Mr.
110 McCarthy answered no; the Town supported the organizations because they support its citizens.

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114 *Health Officer – Town Administrator Brian McCarthy presented.*

115 2019 Operating Budget: \$45,766

116 2020 Request: \$45,766 (*level funded*)

117

118 Mr. McCarthy summarized the work performed by the Health Officer. The budget included
119 funding for water testing, which was mandatory for facilities still on well water. It also funded tick
120 and mosquito control. He reported the latest mosquito batches did not detect EEE or West Nile
121 Virus. The Town is still being vigilant and asking people to cover up at dusk.

122

123 Mr. Sasi inquired if the salary was payment per incident. Mr. McCarthy answered no; the Health
124 Officer receives a stipend every quarter.

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128 *Human Services – Town Administrator Brian McCarthy presented.*

129 2019 Operating Budget: \$93,040

130 2020 Request: \$93,290

131

132 Mr. McCarthy explained the increase was due to there being 53 pay periods in budget year 2020.
133 Mr. Cate asked if other budgets had already been updated to reflect 53 pay periods. Mr. McCarthy
134 replied everything presented during the current meeting reflected 53 pay periods, with the exception
135 of the Fire Department because the contract was currently in negotiation.

136

137 Ms. Capone explained there had been an error in the initial budgets. Usually they are based on a
138 52-week year; however, because 2020 is a leap year it shifted the pay days to create 53 pay periods.
139 The figures being reviewed during the current meeting have been updated to reflect the 53 weeks.
140 The Board will receive updated figures for budgets previously reviewed.

141

142 Mr. McCarthy spoke about how residents are assisted and the process of assessing actual needs.
143 Mr. Cate pointed out the Human Services line was the only line in the budget that could be
144 overspent (per Statute). Ms. Capone reviewed the historical figure for general assistance (since
145 2016) and saw they had never gone over \$60,000. She questioned if that line (\$80,000) could be
146 reduced by \$20,000. Mr. McCarthy answered yes.

147

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149

150 *Legal– Town Administrator Brian McCarthy presented.*

151 2019 Operating Budget: \$97,500

152 2020 Request: \$96,000

153

154 Mr. McCarthy stated the legal budget was a flat payment for Town Counsel; included were three
155 Planning Board and three Zoning Board Superior Court cases. The figure also includes labor and
156 collective bargaining negotiations. Mr. Cate inquired if the Town had any pending litigation.
157 Mr. McCarthy answered yes; mainly telephone pole tax lawsuits. He said utility companies are
158 trying to set their own rate for what they think the value of the poles are.

159

160 Ms. Forde arrived.

161

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164 *Treasurer – Town Administrator Brian McCarthy presented.*

165 2019 Operating Budget: \$21,176

166 2020 Request: \$15,249

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168 Mr. McCarthy told the Board the Treasurer had spoken to one of the banks and was able to
169 receive a reduction in bank fees. He noted the Town had just completed the 2018 audit and
170 everything was looking good.

171

172 Mr. Cate questioned if the Treasurer was happy with their salary. Mr. McCarthy replied the
173 Treasurer hadn't expressed the desire for an increase. Ms. Capone wanted to know how the pay
174 was comparatively to other Treasurers. Mr. McCarthy replied the pay was reviewed last year and
175 within the compatible range.

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179 *Trust Funds – Town Administrator Brian McCarthy presented.*

180 2019 Operating Budget: \$150

181 2020 Request: \$150 (*level funded*)

182

183 Mr. McCarthy stated the Trustees of the Trust Funds managed all the Town's trusts. The budget
184 was funding for supplies.

185

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187

188 *Selectmen – Town Administrator Brian McCarthy presented.*

189 2019 Operating Budget: \$520,366

190 2020 Request: \$524,699

191

192 Mr. McCarthy reflected contractual obligations. The finance overtime was reduced. He
193 explained the restructure of positions to create the IT position. He continued to review the budget
194 lines.

195

196 Ms. Ryan asked for an explanation regarding the salary increase for the Human Resources
197 Coordinator. Mr. McCarthy replied the increase was part of the contract agreed to by the Board
198 of Selectmen.

199

200 Ms. Bressette noticed not all the budgets have funding for the FLSA. Ms. Olsen explained if an
201 employee had overtime, the figure needed to be considered. Ms. Capone confirmed the FLSA
202 was based on overtime. Ms. Olsen answered yes. Mr. McCarthy noted budgets that don't have
203 overtime won't have anything listed.

204

205 *Fire Department – Fire Chief James Midgley presented.*

206 2019 Operating Budget: \$2,353,040

207 2020 Request: \$2,401,014

208

209 Salaries – increase was virtually contractual. He noted there were four employees listed that
210 appeared to be drastically underpaid; the FEMA grant pays a percentage for three years and the
211 Town will pick up the whole amount in the fourth year. He discussed the disability line and the
212 changes that had occurred during the last year within the department. Ms. Capone asked if there
213 were any expected situations. Chief Midgley replied it was unknown. He noted the money that
214 was put into the budget last year would carry them through to the point of an employee returning.
215 Mr. Sasi wanted to know if the job didn't have disability insurance. Ms. Hillsgrove replied the
216 'disability' was workman's compensation for someone hurt on the job. Ms. Capone asked for the
217 disability figures from the last five years to ensure there was adequate funding.

218

219 Chief Midgley discussed the Cooper's Test, a series of physical abilities that have to be performed.
220 If an employee passes, they receive a stipend of \$800. He noted in 2019 there were twelve.
221 Statistically, those who are involved with the program are less likely to be injured. Mr. Cate asked
222 if the budget was adequate. Chief Midgley believed if they budgeted for eleven, they would be
223 okay.

224

225 Chief Midgley noted the money allocated to the call fire department was reallocated to other
226 portions of the budget to cover the contractual increases and overtime backfill from earned time for
227 the new employees. Doing this limited the impact from the SAFER Grant, which doesn't pay for
228 backfill of employees who go out on vacation.

229

230 Ambulance supplies were virtually level funded. Regarding Narcan, Mr. Cate questioned if they
231 needed to replace a lot. Chief Midgley replied they got a lot of their drugs from the hospital at a
232 good cost. Mr. Cate asked if there was a decrease. Chief Midgley replied they were seeing a
233 decrease in fatalities. He believed families and users were being educated. Ms. Hillsgrove asked
234 how bad Narcan hit the budget. Chief Midgley stated it wasn't too bad. Ms. Hillsgrove asked if
235 other areas of the budget were affected because of the costs. Chief Midgley replied they generally
236 had enough funding. Ms. Ryan agreed with the Chief's statement that the number of overdoses
237 wasn't necessarily going down, but lives were being saved by Narcan, which gives people another
238 chance at recovery.

239

240 Chief Midgley continued to review the budget lines. He spoke about the numerous repair costs that
241 they experienced during the past year. He told the Board they had started to transition vehicles

242 from aluminum to stainless steel, which were more money, but saved in the long run. He described
243 the problems with Engine 3 and the needed overhaul to the vehicle.

244

245 Mr. Cate inquired how the department was doing with the transition to having dispatch in
246 Londonderry. Chief Midgley replied it was great; they were very receptive to listening to any
247 issues. Communications were also very good; Londonderry is in the process of a \$9 million fire
248 station construction and emergency dispatch center rebuild. Mr. Cate asked if the contract was
249 remaining relatively stable. Chief Midgley replied there was a built-in accelerator of approximately
250 2%; however. He stated it was a benefit to the Town. Mr. Cate inquired how they were doing with
251 mapping cisterns. Chief Midgley stated there were approximately eighty cisterns in Town; two
252 have failed, one of which was still under bond. Mr. Cate questioned if builders were required to
253 install cisterns in new developments. Chief Midgley explained every new development was
254 required to install a cistern; however, understanding that over time there would be problems with
255 cisterns, builders are told they can forego having a cistern if they install sprinkler systems within
256 the homes.

257

258 Mr. Cate wanted to know the department's retention rate for employees. Chief Midgley replied
259 they were doing well and spoke about the recent changes within the department. He briefly spoke
260 about tuition reimbursement and how it had paid off for the employees and the department.

261

262 Mr. Capone noted the budget line for Cooper's Test would increase by two. She asked that the
263 rates for disability be forwarded to the Board.

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267 *Emergency Management – Fire Chief James Midgley presented.*

268 2019 Operating Budget: \$8,644

269 2020 Request: \$8,644 (*level funded*)

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271 Chief Midgley discussed how emergency management was activated in the event of an emergency;
272 however, during a declared emergency there is a tremendous amount of work that needs to get done
273 for FEMA. He discussed some of the things the department performed under the budget.

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277 *Technology – IT Administrator Brian Demers presented.*

278 2020 Request: \$151,912 (*newly created budget*)

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280 Ms. Capone explained the budget was new and most of the lines were items that had been moved
281 from other areas of the Town's budgets. He told the Board there was a refresh cycle for
282 computers. There were currently approximately 115 computers in the Town with most being
283 over five years old. During the refresh cycle they would purchase approximately 40 computers
284 each year for three years; in the fourth year, the budget would be put toward network equipment.
285 He spoke about the current data storage method and noted he is currently reviewing cloud-based
286 storage.

287

288 Mr. Demers summarized the products that were licensed. He then spoke about a malware product
289 that would be used in addition to the protection currently being utilized. All Town computers are
290 currently being protected by anti-virus filters. Mr. Sasi noted it was also important to keep
291 software up to date. Mr. Demers understood and would ensure everything was current.

292

293 On behalf of the Budget Committee, Ms. Capone thanked Mr. Demers for his patience, hard work
294 and time he committed to all the committees/boards/departments within the Town.

295

296 **NEW BUSINESS / OLD BUSINESS**

297

298 Ms. Capone stated the Board would address the 53-week pay period during their next meeting.
299 They will receive updated figures to review.

300

301 **ADJOURNMENT**

302

MOTION: (Hillsgrove/Bressette) To adjourn the meeting.

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

303

304 The meeting was adjourned at approximately 9:25pm.

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306

Respectfully submitted,

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Charity Landry

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Recording Secretary