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APPROVED
TOWN OF PELHAM
BUDGET COMMITTEE - MEETING MINUTES
Monday, September 29, 2014
APPROVED – October 2, 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,
Mr. Greg Smith, Ms. Daryle Hillsgrove, Mr. Leo Rush, Ms. Amy Spencer (arrived
after the meeting commenced), Selectmen Representative Doug Viger

ABSENT: School Board Representative Megan Larson (excused),
Mr. Everett Gibbons (not excused)

Also present: Town Administrator Brian McCarthy, Finance Director Cindy Kelley, Highway Road Agent Don Foss, Senior Center Director Sara Landry

PLEDGE OF ALLEGIANCE

Mr. Guimond opened the meeting. The Board members were provided with a copy of the Budget Committee By-Laws, Section V, B – Responsibilities and Duties of the Committee that reads as follows:

All members shall make every effort to attend each scheduled meeting. Unexcused absences from three (3) consecutive regularly scheduled meetings shall be just cause for the committee, by majority vote, to request the member's return to elected duties. A member-at-large shall cease to hold office immediately upon missing four (4) consecutive scheduled or announced meetings of which that member received reasonable notice, without being excused by the Chair as provided in RSA 32:15, VI.

Ms. Spencer arrived.

Mr. Guimond stated Mr. Gibbons had not attended a Budget Committee meeting since September 15, 2014 and had not been excused from three physical meetings and the recent site walk of the schools. Over the weekend he sent Mr. Gibbons an e-mail requesting his immediate irrevocable resignation from the Pelham Budget Committee in accordance with the By-Laws and citing his absence from four scheduled meetings. Mr. Guimond had not received a response from Mr. Gibbons and he was not in attendance at the present meeting. Mr. Gibbons' absence was taken as his resignation. Mr. Cate made a motion to accept Mr. Gibbons' resignation. Mr. Viger seconded for discussion.

Mr. Viger clarified that Mr. Guimond had made every attempt to contact Mr. Gibbons. Mr. Gibbons hasn't responded in any manner, either by e-mail, phone or conversation otherwise. Mr. Guimond said that was correct.

Mr. Rush asked if anyone knew if Mr. Gibbons was around or ill. Mr. Guimond replied there had been no response by Mr. Gibbons to correspondence sent to him.

Mr. Sherman suggested rephrasing the proposed motion to simply cite the By-Laws.

A formal motion was made as follows:

MOTION: (Cate/Cronin) Everett Gibbons will no longer be a member of the Pelham Budget Committee in accordance with Budget Committee By-Laws, Section V, B – “*A member-at-large shall cease to hold office immediately upon missing four (4) consecutive scheduled or announced meetings of which that member received reasonable notice, without being excused by the Chair as provided in RSA 32:15, VI*”

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

Mr. Guimond announced if anyone would like to be a member of the Budget Committee they should send correspondence of interest to the Town Clerk, who will forward it to the Board.

MEETING MINUTES

September 22, 2014

MOTION: (Sherman/Cronin) To approved the September 22, 2014 meeting minutes as written.

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

September 25, 2014

MOTION: (Spencer/Cate) To approve the September 25, 2014 meeting minutes as amended.

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

2015 BUDGET PRESENTATION

Finance Director Cindy Kelley came forward for budget presentation/review.

Mr. Cronin thanked Ms. Kelley for her promptness and diligence at responding to questions. Mr. Guimond stated that the Board appreciated her dedication; she's been a tremendous help to the Budget Committee.

Mr. McCarthy stated that Ms. Kelley had been instrumental during his transition into his role as Town Administrator. He thanked her for her due diligence and excellent job with the budget. He said she'd done a great job at acclimating him with the budget process.

Mr. Viger commented prior to Mr. McCarthy beginning as Town Administrator, the Selectmen told Ms. Kelley it was her opportunity to take control of the budget. He said she took charge and had been wonderful.

The Board was provided with the Verizon Wireless Federal Government Contract Summary, which related to the Town's cell phone discount program for minutes and equipment.

Mr. Sherman gave the Board members a copy of an e-mail titled: *New Hampshire Retirement System Realizes 17.6% Return on Investments in Fiscal Year 2014*, and includes information regarding the subject.

Town Buildings - \$630,088 requested – an increase of \$33,625 over 2014 budget.

Town Administrator Brian McCarthy and Finance Director Cindy Kelley came forward to present the budget.

Salaries – Mr. McCarthy explained in the past (approximately 3 years ago) there had been a dedicated maintenance person; they are reinstituting the position as on-call at a rate of \$20/hour. To date the average has been 17 hours per week. Mr. McCarthy will use this year to measure what time is actually used. Ms. Kelley explained they'd been using the repair line during the past few years because they would contact a specific vendor to perform services. It would be difficult to break out the small jobs.

Mr. Sherman asked which buildings the maintenance person would assist with. Mr. McCarthy said technically he was responsible for six buildings. However, the maintenance person was available to work in other locations as requested, such as one of the parks.

Utilities – Mr. McCarthy told the Board he secured an eight month contract with Nashua Regional Planning Commission during the first week in September for electricity. Pelham was able to get a rate usually designated for a small town, which has worked in Pelham's favor. Pelham is technically too big to be considered a small town.

Facility / Equipment Repairs – Mr. McCarthy noted in the past the budget line carried one number. In an effort to better understand how the budget was spent, the lines were now broken out into specific categories for general repair and projects. Mr. Viger said in the past it was difficult to track what was being spent for specific buildings and as it turned out there were a lot of general repairs that should be broken out in a better manner. Mr. McCarthy told the Board as the year progressed they would have more accurate numbers and will be able to strategize and plan for the coming year.

Mr. Guimond saw there was \$40,000 projected for the Police roof in 2015 and questioned how many additional years would include funding for roofs. Mr. McCarthy explained the roof project was broken into three sections; the first section was in the process of being completed, the second section is the Police roof and the last section is the area over the Planning Department and old classrooms, which will complete the roof on the municipal building. Mr. Viger noted there were never projects identified within previous budgets. The Selectmen tasked Mr. McCarthy to identify the objectives for the year. They asked him to define 4-5 projects and determine the associated cost to be outlined in the budget. He said the Selectmen had never identified specific projects and were trying to list routine maintenance so situations don't lead to something bigger in the future.

Mr. Guimond understood there were some problems at the Library, but didn't see anything listed within the proposed budget. Mr. McCarthy replied he was trying to take care of the problems in the current year. He said he was working with a roofing contractor and had come up with a plan to keep snow off the roof. The other issues (with rotting wood) have been reviewed and Mr. McCarthy was waiting for estimates to determine what could be afforded from the current budget. He will evaluate the Library in 2015 for the 2016 budget.

Ms. Hillsgrove questioned if the project cost for the Historical Society included taking care of mold found in the building. Mr. McCarthy answered yes. He said they installed an air conditioning system, but it had not been completely hooked up. He noted money had been allocated for the work, but when other situations came up the money was reallocated. He said the air quality situations would be taken care of right away.

Mr. Sherman asked when the Senior Center paving would be addressed. Based on the projected cost, Mr. McCarthy stated the paving was included on the Capital Improvement Plan. He said he would like to do the paving as quickly as possible, but the parking lot wasn't determined to be a critical need.

Mr. Rush wanted to know if there was a repair line for the Town owned clock (located within the Congregational Church). He understood there was someone taking care of it, but that individual wasn't getting paid. Mr. Viger said Don Sturtevant of D.E.M. Electric was taking care of the clock. He provided a brief history. The clock stopped working within the past two years and Mr. Sturtevant was able to find replacement parts and got the clock to work. It was then realized that the clock would require a major overhaul at some point, but for the time being they were able to piece the clock together from month to month. Mr. Viger said as of yet, the Selectmen haven't addressed the situation. Mr. McCarthy said he would follow up with Mr. Sturtevant and provide the Board with a response. Ms. Kelley believed any cost would probably come out from the general building repairs line.

Mr. Rush suggested when looking at paving the Senior Center, they should review the material being used with the high school addition project. Mr. McCarthy said either he or the Senior Center Director would research options.

New Equipment /Technology Plan – Budget showed a decrease based on cost for new phone system. At present, a determination was being made which system would be best to replace the existing.

Expenses – Mr. McCarthy said the categories had been shifted, specifically landscaping/snow removal now included the line previously designated for snow shoveling/removal. The same company (Boyden Landscaping) provides both services. He discussed the type of maintenance required with roundabouts and new sidewalks.

In reviewing historic budget data, Mr. Cronin found Town Buildings had been underfunded. He asked Mr. McCarthy if he was comfortable that the proposed budget. Mr. McCarthy answered yes; and added this coming year would be a learning year. He would have better numbers next year.

Highway Department - \$1,401,460 requested – an increase of \$27,689 over 2014 budget.

Highway Road Agent Don Foss came forward to present the budget.

Mr. Guimond asked how many miles of road the Town maintained. Mr. Foss replied there were 107 miles of Town road (and increase of 3.39 miles of new subdivision roads). He expected an additional 1.5 miles before winter.

Salaries – Mr. Foss noted two employees had left; one long time and one short time. Mr. Guimond wanted to know if the pay was competitive. Mr. Foss said the short time employee had returned to their previous job because it paid more.

Ms. Spencer questioned the purpose of dividing the salary for Laborer #8 into two 6-month increments. Mr. Foss said the break out was due to union step increases. Ms. Kelley noted that the other employees were at the top of the scale.

Supplies - Increase primarily due to the cost and increased use of sand and salt. Mr. Cate asked if there was a scarcity of salt. Mr. Foss answered no; they didn't have any trouble obtaining salt. The Town receives the State bid price.

Equipment Repairs – Increase for miscellaneous repairs. Mr. Foss told the Board they had spent (to date) approximately \$45,358. He said he had a request for a replacement truck in 2015. Ms. Hillsgrove questioned if Mr. Foss would need to spend more than the budgeted amount for repairs. Mr. Foss replied it was difficult to predict.

Mr. Sherman saw bridge repair was listed. He asked if there was a set date the State would begin work on the Main Street Bridge. Mr. Foss believed Main Street Bridge was scheduled for 2017. He said Willow Street Bridge needed engineering, but he wasn't sure of the status. Mr. Viger informed that the Selectmen took the approach to pay the engineering fees up front for Willow Street Bridge to try to move up on the (State's) replacement list. He believed the engineering had been approved by the State and the State was now determining where the bridge would fit into the schedule. Mr. McCarthy added that the Town was in the State's 'pipeline' to get the bridge started. He said the quicker the study was done the State might start the bridge earlier than anticipated.

Mr. Sherman believed the Highway Department needed a garage to house their vehicles and have at least one heated bay. Mr. Foss replied he tried several times without success. Ms. Spencer questioned where the Highway vehicles were currently stored. Mr. Foss explained Raytheon donated a 'tent' approximately three years ago which housed two big trucks and a pick up. They parked four big trucks outside. Two backhoes and a small dump truck are parked in the salt shed.

Expenses - Increase to Street Lighting. Mr. Foss indicated there were no new lights; Liberty had increased their rate. Mr. Guimond asked how many lights were in Town. Mr. Foss said there were approximately 350. Mr. Smith questioned if the Town owned the lights. Mr. Foss answered no; the electric company owned them. Mr. Smith understood some towns were switching over to LED lighting for better efficiency. Mr. Foss noted some of the lights in Town were already LED. He commented that the cost was not based on the amount of electricity; it was based on the unit.

Mr. Guimond asked if the Highway trucks had any problems with the roundabouts. Mr. Foss replied they didn't have a problem going around them, but they weren't the easiest thing to plow.

Mr. Cate questioned why there were two prices listed for paving; one was listed under Specials, but the backup information had a different figure. Mr. Foss said a portion of the cost came from the State Highway Block Grant.

Senior Center - \$101,527 requested – an increase of \$1,793 over 2014 budget.

Senior Center Director Sara Landry came forward to review the proposed budget.

Salaries – Contractual increase for Director. 3% increase (\$.33/hour) for administrative support. Mr. Viger said based on the position being non-union/no benefits, the Selectmen didn't object to the proposed salary increase. Ms. Landry told the Board that her assistant hadn't received an increase in a couple years.

Mr. Rush believed the salary was above minimum wage, but if the new government program goes through it might not be. He said minimum wage may be raised to \$11.25. It was noted that the administrative position's new rate would be \$11.33, which was higher than the government's proposed minimum wage rate.

Telephone - Ms. Landry said the budget line was adjusted to reflect actual use. Mr. Smith felt the per telephone line cost was a bit high. Ms. Landry said she could verify the amount by pulling the bills. She said there were four phone lines; two telephone lines, one fax line and one emergency monitor line.

Mr. Guimond asked how many people used the Senior Center. There are approximately 550 registered with Senior Center. Ms. Landry said on average they had approximately 50 seniors per day; the number varies depending upon the program being offered. Mr. Cate wanted to know the age requirement. Ms. Landry said the Senior Center was open to older adults aged 50+. They found a lot of the younger seniors liked the opportunity to volunteer. Lunches are served Tuesday through Friday with a suggested donation of \$2. Ms. Landry discussed the variety of programs/trips that are offered. Membership is \$10 for residents and \$15 for non-residents. If needed, daily transportation to the Senior Center and local shopping is available. Program lists and information is available on-line: <http://pelhamseniorsblog.wordpress.com>

Equipment Repairs - Slight increase to bus repair/maintenance. Mr. Guimond asked when the bus was expected to be replaced. Mr. McCarthy stated the Selectmen were reviewing possible warrant articles, one of which was for a capital reserve to set aside funds toward the purchase of a new bus. He's reviewed busses and felt the replacement would need to be bigger. They hoped to maintain the current bus for at least 3 -4 additional years. A new bus will cost approximately \$75,000.

Equipment Rentals - Trash Dumpster cost decreased. They are using a smaller dumpster and have a successful recycling program in conjunction with the Transfer Station.

***Conservation Commission* - \$3,747 requested – level funded from 2014 budget.**

Ms. Kelley was present for the budget discussion.

Mr. Guimond and Mr. Smith questioned what the dues were attributed to. Ms. Kelley believed the board members attended conferences. She said she would get additional information.

217 Mr. Rush saw that the water testing line was zero and questioned if they still conducted water samples/testing. Ms. Kelley said they didn't do the
218 water testing. The expense is located in the Town Building's budget. Mr. Sherman noted Parks & Recreation also had a budget line for water
219 testing.

220
221 The Board concluded their budget review.

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224 **ADJOURNMENT**

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

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

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227 The meeting was adjourned at approximately 8:42 pm.

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229 Respectfully submitted,
230 Charity A. Landry
231 Recording Secretary