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**NOT APPROVED**  
TOWN OF PELHAM  
BUDGET COMMITTEE - MEETING MINUTES  
Thursday, October 2, 2014

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

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PRESENT: Mr. Daniel Guimond, Mr. David Cate, Mr. Bob Sherman, Mr. Dave Cronin,  
Mr. Greg Smith, Ms. Daryle Hillsgrove, Ms. Amy Spencer, Selectmen  
Representative Doug Viger, School Board Representative Brian Carton

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ABSENT: Mr. Leo Rush (not excused)

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Also present: Town Administrator Brian McCarthy, Finance Director Cindy Kelley, Transfer Station Director Stan Walczak and Transfer Station Foreman Larry Neskey.

**PLEDGE OF ALLEGIANCE**

**MEETING MINUTES**

**September 29, 2014**

**MOTION:** (Cronin/Sherman) To approved the September 29, 2014 meeting minutes as written.

**VOTE:** (8-0-1) The motion carried. Mr. Carton abstained (he was not present during the meeting being reviewed).

**MEMBER APPOINTMENT**

25  
26 The Board received a resume from a resident interested in filling the vacant position on the Board. The Board reviewed the resume. Mr. Guimond  
27 suggested if the applicant was appointed that they abstain from the Town budget vote. Mr. Smith confirmed that the Board had the ability to  
28 appoint a member given that they had a vacant position. Mr. Guimond informed he spoke with the Town Clerk who advised the Board had the  
29 ability to make an appointment. The Board made the following motion to fill the vacant position.  
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**MOTION:** (Sherman/Cate) To appoint Mr. Michael Bilby as a member of the Budget  
Committee until Town Meeting, 2015.

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

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34 **2015 BUDGET PRESENTATION**

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

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38 ***Transfer Station - \$589,319 requested – an increase of \$20,061 over 2014 budget.***

39 Transfer Station Director Stan Walczak along with Transfer Station Foreman Larry Neskey came forward to present the budget.

40  
41 *Salaries* – Contractual increases. Reduction for part-time employees; they aren't being used as often.

42  
43 *Equipment Repairs* - Mr. Walczak provided the Board with back up information. He said the compactor trailers were roughly thirteen years old.  
44 He discussed the problems occurring with rusting. They've tried to patch portions of the floor; however, they need replacement. Mr. Cate  
45 questioned the expected life of the floor after repair. Mr. Walczak said they usually got 10-12 years. He called attention to the photographs  
46 included with the backup information, which showed the problems with the compactors rusting out. The last issue is the rear suspension on the  
47 trailers wearing out. Mr. Cate noted if the trailers weren't fixed the replacement cost was approximately \$55,000. Mr. Walczak cautioned if the  
48 repairs weren't made, there was a risk for needing new equipment. Mr. Cate asked if there were any additional repairs anticipated. Mr. Walczak  
49 answered no.

50  
51 Mr. Sherman questioned if there was a line for the purchase of the yard tractor. Mr. Walczak explained through discussion with the Selectmen he  
52 was told to evaluate the present year's budget in late November and determine if the expense would be approved this year.

53  
54 ***Cemetery - \$142,826 requested – a decrease of \$654 from the 2014 budget.***

55 Mr. Viger noted that they could speak to the budget; however, the Selectmen didn't have purview over the budget as it was submitted by the  
56 Cemetery Trustees. Finance Director Cindy Kelley and Town Administrator Brian McCarthy came forward for budget discussion.

57  
58 The Board requested information regarding:

- 59 1) Is there enough open space within the cemetery for expansion?
- 60 2) Amount due from last phone bill to understand the cost associated with the telephone line.
- 61 3) Depending upon the cost for internet, they may want to consider using a hot spot.
- 62 4) Amount spent year to date on truck repair (2014 budget).
- 63 5) Money available in Trust Fund.

64  
65 Mr. Guimond asked what advertising was done. Mr. Viger believed the budget line for advertising related to signage within the cemetery.

66  
67 **Insurance - \$2,240,341 requested – level funded from the 2014 budget (placeholder).**

68 Ms. Kelley noted that the health insurance and property insurance numbers would come later in the month for review during budget  
69 reconsideration.

70  
71 Mr. Cronin asked for the total number of Town employees that were covered under the insurance. Mr. Smith asked that the numbers be broken  
72 out by the number of employees enrolled in each insurance plan. Mr. Guimond wanted to know the number of people enrolled in dental insurance.

73  
74 With regard to the New Hampshire Municipal Association, Mr. Sherman questioned what remained in reserve. He understood the State  
75 recommended a certain amount to be held. Ms. Kelley will get the figure to the Board. Mr. Viger spoke about the Fund Balance and believed  
76 Pelham was below the required amount. He said they tried to hold close, but the Town had expenditures and unfunded liabilities. Ms. Spencer  
77 questioned if there was a penalty for being under the State's required amount. Mr. Viger said it wasn't a penalty; it was more of a guideline. Ms.  
78 Kelley believed the town of Windham turned their entire balance back to the tax rate.

79  
80 **Selectmen - \$504,432 requested – an increase of \$45,219 over 2014 budget.**

81 Finance Director Cindy Kelley and Town Administrator Brian McCarthy presented the budget.

82  
83 *Salaries* – Overall showed a decrease. Salary adjustment for new Town Administrator. Executive Secretary position was restructured to  
84 Administrative Assistant, Director of Special Projects; budget line adjusted to reflect salary adjustment. Mr. McCarthy summarized the special  
85 projects delegated to the Administrative Asst. position. Mr. Cate noticed the previous position (Executive Secretary) had an overtime salary line  
86 and questioned if the restructured position would receive overtime pay. Mr. McCarthy said the overtime line was removed when the position was  
87 restructured and had a salary increase. Technically the position wasn't slated to have overtime. Mr. Guimond asked how the new rate was  
88 determined. Mr. McCarthy said they researched other communities and determined the average salary to remain competitive. Mr. Guimond

89 suggested leaving a \$1 placeholder for the overtime line. Mr. Sherman warned that hourly positions received time and a half if they worked over  
90 40 hours. Ms. Kelley commented that the line was a salary line; if the person worked overtime, they would be paid. Additional pay could come  
91 from another line, such as Additional Administrative Coverage or the Non-Union Wage Increase lines. She said they had money in the budget to  
92 cover additional hours. She said if the person puts in overtime they will either receive pay or comp time.

93  
94 Mr. Guimond asked why there was a new line for Additional Administrative Coverage. Mr. McCarthy explained when the Administrative  
95 Assistant is working on special projects it's difficult for them to handle the everyday office duties. He said he added the budget line for  
96 Additional Administrative Coverage to assist during times of special projects to allow the Administrative Assistant to complete tasks  
97 uninterrupted. The additional office help is a part-time, non-union position. Mr. Viger said the Selectmen were trying to put the Administrative  
98 Assistant in a position of not having to work overtime by bringing in office assistance.

99  
100 Ms. Spencer asked if the Administrative Assistant was someone in-house, or if someone would be brought in from outside. Mr. McCarthy  
101 considered the person in-house; they work well with the public and have assisted in various Town departments. Ms. Kelley said they had worked  
102 for the Town for seven years. Mr. McCarthy said the coming year would be used as a test. The budget may increase/decrease depending upon  
103 what help was needed.

104  
105 Mr. Guimond asked how much was used from the Non-Union Wage Increase line in the past year. Mr. Viger believed they used a good portion of  
106 the budget because they paid out healthy bonuses for unexpected coverages. Mr. Sherman confirmed that the bonuses were considered a one-time  
107 bonus and not included in the salary going forward. Mr. Viger stated it was a one-time bonus.

108  
109 *Telephone* – Decrease in budget line; Mr. McCarthy uses his personal phone and receives a stipend. The budget line is comprised of phones and  
110 hot spots. Ms. Kelley will update the telephone budget.

111  
112 Mr. Guimond asked for a list of all Town employees who received a stipend for telephone.

113  
114 *Equipment Repairs* – Increase for copier service contract.

115  
116 *Expenses* – MuniSmart support contract increase.

117  
118 *Compensated Absence* – Mr. McCarthy said they were running on the low end for compensated absence, so the budget line was increased to build  
119 a better buffer. It was noted if the money isn't spent it goes back into the general fund.

120

121 Mr. Guimond asked what the Town's unfunded liability currently was. Ms. Kelley said it was approximately \$600,000. She said there was a  
122 compensated absence trust fund that contained approximately \$161,000. The budget line request was \$125,000. There are two employees that  
123 could possibly retire, which combined would be over \$220,000.

124  
125 The Board concluded their budget review.

126  
127 Mr. Guimond asked if the Fire union contract had begun. Mr. McCarthy said negotiations had not commenced, but was hopeful it would begin  
128 soon.

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130 **ADJOURNMENT**

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

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

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133 The meeting was adjourned at approximately 8:30 pm.

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135 Respectfully submitted,  
136 Charity A. Landry  
137 Recording Secretary