

**APPROVED**

TOWN OF PELHAM  
BUDGET COMMITTEE – MEETING MINUTES  
Thursday, September 30, 2021

**CALL TO ORDER** – Amber Capone opened the meeting at approximately 7:05 pm.

**PLEDGE OF ALLEGIANCE**

**PRESENT:**

Amber Capone (Chair)  
Meg Bressette (Vice Chair)  
Philip Haberlen  
Bob Sherman  
Brian Demers  
Brian McCarthy  
Eduardo Martony  
Bob Haverty  
Deb Padykula  
Jennifer Castles

**ABSENT:**

Kannan Sasi  
Thomas Gellar  
Paul Grant  
Jason Croteau

**MINUTES REVIEW:**

**MOTION:** (Mr. Sherman/Mr. Haverty) To place the September 23, 2021 meeting minutes on file.

**ROLL CALL VOTE:** Bob Sherman – yes  
Meg Bressette – yes  
Edwardo Martony - yes  
Philip Haberlen – yes  
Bob Haverty - yes  
Amber Capone - yes

(6-0-0) The motion passed.

**OLD BUSINESS:**

Ms. Capone said they are continuing their review of the by-laws.

**NEW BUSINESS:**

**REVIEW OF TOWN BUDGET**

**CIP Budget**

The 2022 Municipal CIP amount is 3,478,301.00. The school is \$4,754,995.00 for a total of 2022 amount of \$8,223,296.00. Mr. Samuel Thomas introduced himself as an appointed member of the planning board and is the Chair of the CIP and Master Plan. Mr. Thomas will review the CIP for the 2022 and answer any questions regarding the Master Plan. Ms. Beauregard, Ms. Masse-Quinn and Mr. Bergeron were introduced as members of the Planning Board and on the CIP Committee. Mr. Thomas stated all departments submit their budget for capital improvement and then as a team, review those and he presented Appendix A. All departments are listed and all projects within those departments are listed. They are ranked by priority, and this is a seven year plan that is regulated by RSA 674:21.V(b). Mr. Thomas walked through each project highlighting each one. The first one is the municipal building 20-year bond, and this is a carry over from year to year. The second is the Main Street sidewalk expansion along the bridge and this is a carry-over from 2020. He noted that the background colors are different, the light green shading is for this year's request and the white is a carry-over. The third is the \$1.3 million for the COVID remediation project and Mr. McCarthy has been working on this and we received this from the federal government. We've already received \$700,000.00. The name of the Act is, The American Recue Plan Act and this is federal funding from COVID, and this money will be used for renovation of offices in this building and associated buildings for air filtration and air conditioning. This money will be spent in 2022. The fourth is the Planning Department renovation amount of \$325,000.00 to upscale and build a second floor with offices in the Planning Department. Mr. Sherman asked if this was part of the remediation plan and Mr. Thomas said it is not. Ms. Beauregard said this is in the budget under town buildings. Both the COVID remediation project and the Planning Department renovation are both classified as necessary for 2022. The fifth one is the Police Department, regarding the animal shelter in the amount of \$274,000.00. This still needs some refinements and further research. The other two new items are remodeling and expansion of the police department's evidence room and expand their lockers and their gym, which is \$82,628.00. The radio infrastructure is also necessary, and it is \$496,000.00. This is urgent as they cannot get parts for their current system now. The Fire Department also needs an upgrade to their communication system, which was a carry-over from last year and they also need a new ambulance. The amount is \$500,000.00 for 2024 and replace Engine #3 in 2027. Mr. Martony said the previous estimate was \$300,000.00 and Mr. Thomas said that was a placeholder and they now have firm quotes. Mr. Thomas can provide the quotes to the board for both the Police and Fire Department. For the Highway department, there was nothing new, except for the 4-wheel loader and 10-wheeler dump truck that's requested for 2022. For solid waste, there was a carry-over for \$90,000.00 for the transfer trailer with the live floor. The Parks and Recreation will be upgrading the playground at Muldoon Park and this estimate is \$78,495.00. Mr. Sherman noted that \$20,000.00 of that was for rope climbing and asked if this can this be gradually funded into their budget. Mr. Sherman said they did talk about that, but as of now they've requested the full number as the equipment is old and they are concerned about safety. Ms. Bressette asked for the quote for Muldoon Park and asked if that includes the structures there as well. Ms. Beauregard thinks so and believes that covers the labor, but she will check. The library is a carry-over from last year. For the cemetery, there was no CIP. The Senior Center had no CIP and the Planning Department did not have any CIP. The \$3,478,301.00 takes care of everything through 2022, less the school. The schools are listed below and the High School bond was a carry over. The Memorial School upgrade is being taken care of this year in 2021. The new items are for air conditioning on the second floor in the Elementary School which is \$895,000.00 and they are expecting federal funding of \$810,000.00, so the cost would be \$89,992.00. Then there is Phase II of the air conditioning system for the first floor and cafeteria and that is set for 2024. The office and Library are out to 2025 and the parking lot asphalt road is in 2024 and student parking lot replacement is out to 2025. A total of \$8,233,296.00 is the total municipality with the schools combined. Mr. Thomas said it is very

critical to take care of the Police and Fire Department and the Planning Department. This has been endorsed by the Planning Department and the Board of Selectmen and now they are coming to the Budget Committee with their recommendations. Mr. Sherman noted the bonding on Memorial School is so high is because that's a year and a half of payments. Ms. Bressette asked about Line C, for \$1,325,000.00 covering the entire project. Mr. Thomas said yes, it will be federal funding. Ms. Bressette said it seems like a lot of big chunks of money that wasn't planned for in the recent years. Mr. Thomas asked if the Budget Committee can let the CIP know which projects, they are putting into the town vote to be helpful. Mr. Haverly said the Selectmen will put the warrant together and present it to the Budget Committee.

Mr. Thomas spoke as the chair for the master plan and also Ms. Masse-Quinn and Mr. Bergeron worked on the master plan committee. The Planning Board decided our master plan needed to be upgraded and re-written. This is covered under RSA 674.1,3,4, which requires it to be updated every 10 years and our last plan was updated in 2002. A request for proposals were sent out and five companies responded. They reviewed all of their data, examples and information on each of these companies. Once a firm is hired, they will then form a committee of about 10 to 12 people and work through it together to generate the master plan. The purpose of this plan is for the next ten years, to see where Pelham is going to be and how we are going to get there. They also plan on having a couple of students to be a part of this plan. The Planning Board did an assessment and took a vote to hire a company called Resilience, which is based in Providence, RI and Plymouth, NH. Ms. Masse-Quinn reviewed their master plan they did for Wolfeboro, NH. Ms. Masse-Quinn discussed her reasons for selecting this company and read a letter she wrote to the board. She discussed how the plan describes the future growth of a community. It provides guidance to officials, ordinances, capital improvements, zoning, subdivision and site plan regulations. This plan gives a vision for positive community outcomes. According to RSA 674:2, a master plan must have two sections, a vision chapter and a land use chapter. This plan provides the legal basis for land use ordinances and zoning. The court systems rely on a town's master plan content to make many decisions. Our master plan is currently 19 years old and outdated. Ms. Masse-Quinn wanted to make sure the plan is understandable and easy to read, explain in details the town's story and provides guidance for a town's future vision and development. She found that the example she read was easy to read, understand and broken down into sections. They detailed population percentages, housing stock, transportation and wildlife habitat. Resilience has a great process of meeting with the community and going over lots of details within the town. Mr. Thomas stated that the Planning Board and Board of Selectmen have endorsed this company and now wish to get the Budget Committee's endorsement for the Resilience company. Our work with them would begin in April of 2022 and they would like to assemble a committee this fall to work on this. Ms. Bressette asked how long it takes to draft this plan. Mr. Thomas said it takes 14 months to complete their work. Mr. Sherman asked if it should be labeled 2022-2023. Mr. Thomas said it got pushed out from February of 2021. This will start in April of 2022 and go through to June of 2023. Mr. Sherman asked if they would charge extra for their mileage. Mr. Thomas said they were given a breakdown with a total number, but he will check and clarify this. Mr. Thomas said there is no inflation, and this is the quote they gave us. Mr. Sherman asked if the story map is extra cost. Mr. Thomas will check on this also, but believes it is part of it. Mr. Sherman asked if this will be done as a warrant article. He also stated he only saw a \$5000.00 request for a master plan update and a NARPC in the Planning Department's budget. Mr. Thomas will send the quotes for the fire and police department for the radio system for the CIP and also the quote for Muldoon Park. Mr. Thomas will also check with Resilience on whether they charge for mileage and the story map.

**Fire Department (Chief Midgley, Pelham Fire Chief and Management Director)**

The 2022 Board of Selectmen approved amount of \$2,875,451.00, an increase of \$229,141.00 approximately 8.7%.

Salaries: He said how they come up with these numbers are that any employee left is zeroed out and new employees have a new line created and then they add that person. All of his employees are at different steps. This allows them to create averages for overtime and straight time used to create the budget for

salaries. All salaries are contractual. Mr. Sherman asked if there are any vacancies. Chief Midgley said they currently have two long term injuries and one of these vacancies is filled with a temporary employee now. This is saving about \$20,000.00 a year with the temporary employee including benefits

Supplies: No increase in medical supplies. They received a lot of COVID funding and were able to stock up. He is seeing between 5% and 7 % increases in medical equipment costs. They are using the COVID funds to offset these increases. Fire supplies are level funded. There was a slight decrease in face masks. Office supplies are level funded. Slight increase in calibrating gas meters and have no control over what MSA charges them.

Telephone: Level funded and there were some changes due to the radio infrastructure and he can foresee there will be a decrease with the telephone lines. The old system used old circuits and they were unreliable. They are switching to a microwave back bone for police and fire. This will eliminate paying the phone company. Chief Midgley explained that within the police and fire, the communication system is very convoluted, complex and difficult to explain. He explained there is a police dispatch center and there is public safety communications system. They are not separate systems, and they are integrated together. Mr. Haverly noted that is a very long, technical discussion and stated that one needs to be familiar with digital radio systems and trunking sites and it is extremely detailed. Mr. Sherman noted that there is a million dollars between the fire and police radio systems. Chief Midgely said his project was put forward two years ago but allowed the police to take care of theirs first, as theirs went out completely. The fire stations went down, but their dispatch center is in Londonderry NH. The police numbers impact the fire department numbers. Chief Midgely said the cost should go lower, for example, if they merge the engineering costs, it will lower the total.

Gas and Oil: Prices are fixed by the board and there were no increases on his end. Vehicle maintenance is fixed, and it has done well with what's been given. They are getting a new truck coming in, but this should offset any future costs. Stretcher and stair chair certifications have increased by about \$1600.00. These all need to be maintained and certified to keep using them. Every other year their portable batteries need to be replaced and this year they do. They are up for their DOT hydro certification on the bower air compressor. This is a five-year certification, so this is why there is an increase. There is an annual service contract for Crew Sense that has been moved and they are trying to merge this with Mr. Demers. Defibrillation maintenance increased for the contract with ZOLL Defibrillation, and they now have three cardiac defibrillators that need to be serviced. The oxygen company they were dealing with had a state contract, which was very good, however the contract has been eliminated and the costs have gone up very high. Hydrant fees are not in their control and have gone up about 9%. The fire department owns every water line that is put into new developments and these costs have gone up. The dispatch contract with Londonderry has been going on for five years now and it's been going very well.

Ambulance equipment: They fixed the cost and they do pretty good with their leads. The monitors get more complicated and then becomes more leads. Regarding new fire equipment, a list is generated for the following year and take the number allocated, then zero out all of the other things and repopulate a new list. The top number is from last year and the new number is underneath. This year the Board of Selectmen approved a new inspector's vehicle, which is new equipment. Mr. Sherman asked if they need a ladder truck. Chief Midgley said they are between \$1.2 and \$1.5 million dollars and really doesn't think this town needs one. He can get one from a surrounding town immediately on the call. There are many additional costs associated with a ladder truck as well and don't think we are there yet.

Expenses: Uniforms are not increased and are contractual. General expenses have no increases. Hazardous materials district was going to be increased however, they took money out of the undesignated funds balance. Increase in brush permits and these are offset by costs that come back from the State. Professional development and travel costs are increasing. Vector solutions, the training and scheduling software is back in the budget for a \$4,300.00 increase. This software is very time saving for the officers. Full time physicals, EMS recertifications and fire course costs have gone up. No one has applied for tuition reimbursement, so this cost has dropped, and it is contractual.

### **Emergency Services (Chief Midgely)**

The 2022 Board of Selectmen approved budget is \$9,041.00, an increase of \$128.00, approximately 1.4%. There is an increase in new wage numbers and keeping the hours the same. This is where the money flowed in and out during COVID and now. This helped keep their books straight as far as what came from the federal government.

**Town Buildings (Mr. McCarthy)**

The 2022 Board of Selectmen approved budget is \$994,121.00, an increase of \$368,784.00, approximately 59%.

Salaries: The handyman's hours, an increase from 10 to 20 and increased the rate from \$25.00 to \$30.00 an hour.

Supplies: Level funded.

Electricity: Level funded.

Telephone: Level funded.

Pennichuck Water: Most likely will go up, but not sure how much.

Line 255: Heat, which is comprised of oil, natural gas and propane. They've seen contractual increases on those. Ms. Capone asked what Monadnock Spring is. Mr. McCarthy said this is the water they use in the offices.

Repairs and Projects: Increases these lines after doing some research and have not been changed in at least 8-10 years. This year, he decided to forecast this out. The biggest item here is the Planning Department renovation and he spoke of the site walk and how everyone saw this department. Currently this is an open concept space and doesn't allow privacy and was problematic during COVID. This space hasn't been renovated since 2003 and it is a complex space. They are adding a second floor with private offices and a meeting room. Downstairs will be a larger area for storage, as they need to keep hard copies of their documents and they are running out of space. This project will include IT improvements and air flow and will cost \$325,000.00. Currently they are in the design phase and have a contractor, EEI, that will be doing managing this project. He foresees this as the biggest project currently and in the future. Also, there are some empty classrooms at the back of this building, and they may plan to make that space into permanent meeting rooms for the boards to meet in. This is something way off in the future. Ms. Bressette asked about the irrigation upgrade for \$10,000.00. Mr. McCarthy said the current irrigation system is very old, outdated and does not always work correctly. Over the years they have been repaired and expanded, however, even though well intended have made more issues to the systems. They need upgrading with new technology, especially when it rains (looking into a system called Rain Bird, this requires internet). Currently the rain sensors don't always work correctly. Mr. McCarthy said that this water that is used for irrigation is NOT Pennichuck water and this water comes from private re-built wells.

Expenses: Level funded. He had one decrease with the HVAC maintenance at the library due to a new boiler, which is still under warranty for one more year.

Cleaning and Maintenance went up due to a contractual increase and the addition of the highway department building. Ms. Bressette asked who we contract this with. Mr. McCarthy said it's CCS Cleaning Services. Ms. Bressette asked if we get bids every few years and Mr. McCarthy said he does not, as he states they are very good and even do extra things for them for free. He feels we receive a lot of value from this relationship. Ms. Bressette asked if the snow removal and landscaping are contractual. Mr. McCarthy said these are staying the same and we go year by year with them.

**Debt Service - 2 Categories (Mr. McCarthy)**

**1. Interest**

2022 Board of Selectmen approved amount is \$46,767.00, a decrease of \$24,215.00, approximately 34.1%

**2. Principle**

2022 Board of Selectmen approved amount is \$640,095.00, an increase of \$99,453.00, approximately 18.4%

Mr. McCarthy said that with the interest, we are paying things off. The 2002 bond is paid off. We are seeing a savings in interest. Chief Roark decided last year we could go another year with our current fleet

of police cruisers, so this saved us one more year. This fall they will be purchasing new cruisers. With principle there are small increases and decreases. Mr. Sherman asked if the two new police hires will affect the automobiles and Mr. McCarthy said it will not.

**Legal (Mr. McCarthy)**

The 2022 Board of Selectmen approved budget is \$106,000.00, an increase of \$10,000.00, approximately 10.4%.

Mr. McCarthy said our legal budget for town counsel is level funded at \$96,000.00. This year, there was a request from the Planning Board to add an additional \$10,000.00. This was decided to be put into the legal budget. They wanted this in case they needed to seek additional guidance. Mr. Haverty stated the primary objective of this was in case the town found themselves in court against themselves. DTC is our current legal counsel, and we get all of our legal advice under the retainer we currently have with them. The Board of Selectmen voted 4:1 to approve this item and they support it. Ms. Capone asked what the likelihood is for us suing ourselves. Mr. Haverty said it's happened once in about 20 years. Mr. Sherman noted they also have free access to our legal counsel, and he can't see them suing other internal departments and he can't see that occurring. Ms. Capone noted we get guidance from the NHMA and would this help us in this situation. Mr. Haverty said they will give their advice, but still need to talk with our own legal counsel. Ms. Capone asked if this gets added to it every year or does it go into an unassigned balance. Mr. Haverty said he thinks it will become the base budget and is there every year. If it doesn't get spent, it will go into a balance, and this will become a charge to the Pelham taxpayers every year for this \$10,000.00 as the extra legal line. Ms. Capone asked if this \$10,000.00 is a retainer. Mr. Haverty said it is not a retainer, it's a hold for legal.

**Treasurer (Mr. McCarthy)**

The 2022 Board of Selectmen approved amount is \$15,249.00 and this is a level funded account.

Salaries: Level funded.

Supplies: Level funded.

Expenses: Level funded.

Specials: Level funded.

Mr. Sherman asked if there was talk of having an assistant to the Treasurer. Mr. McCarthy said this is on the back burner for now.

**Trust Funds (Mr. McCarthy)**

The 2022 requested amount is \$335.00, this is an increase of \$185.00, approximately 123.3%.

There is an increase for printer toner cartridges for \$45.00.

The big-ticket item is training. They are trying to get all their boards more training to avoid lawsuits and many of these trainings are on-line and easily accessible. These trust funds also handle the library trust funds.

**Selectmen (Mr. McCarthy)**

The 2022 Board of Selectmen approved amount is \$598,742.00, increase of \$68,418.00, approximately 12.9%

Salaries: Increases are contractual. Noted that there are now two recording secretaries, so this is now divided and split into two positions. Regarding the administrative assistants, there were two at 16 hours each and now there is one full-time person. It is broken up 13/39 for one person, but the hours reflected 16 instead of 40. Mr. McCarthy will go back before the board and address this, as the hours per week were incorrect, but have since corrected them.

Supplies: Level funded.

Telephone: Level funded.

Repairs: Level funded.

Equipment rentals: Level funded, and new equipment is \$1.00 and the same with the accounting software.

Expenses: Level funded and the number for mileage could change in January.  
Specials is at \$1.00.  
Therefore, the new requested amount will be \$635,032.00.

Mr. McCarthy wanted to share good news as far as having insurance numbers shortly. They are voting this week or next, but our medical insurance number will go up by about 5%. Dental will decrease by 1.5% and life insurance will be level funded. HealthTrust forecasts what our numbers will be for the year based on the previous year. If we don't use the forecasted numbers, we will be given a return back to the town and the members. Last year we received a return of \$97,000.00 and this is typically taken off the last bill. This year we may get \$192,812.46 back. Mr. McCarthy thinks there is a big jump due to our wellness programs that they participate in and pursue more actively now. Our employees are becoming more active and healthier. This money is given back to the town. Mr. McCarthy gave credit to Diane for helping to implement these programs. In the next week or so he will confirm these numbers. Mr. Sherman asked if this includes dental and if this includes the police department. Mr. McCarthy said dental is decreasing and this includes all town employees. Mr. McCarthy said the police department are a very fit group of officers. Ms. Bressette asked if we've ever gone over the legal retainer we have. Mr. McCarthy said no and that's the number. It covers a certain number of trials and litigation. There is data at the bottom of the page showing when they went to a retainer. The current retainer is \$96,000.00 and this is a great deal for the town. John Rattigan and Eric Maher are the attorneys that work for us and give us good guidance. Ms. Capone asked what would happen if the Planning Board didn't get the \$10,000.00. Mr. McCarthy doesn't know the answer but trusts that our Attorneys would make sure that wouldn't happen. Mr. Haverty said we would just overspend the legal line. Ms. Capone noted the Selectman budget committee request is \$630,532.00.

**NEW BUSINESS:**

This committee has a vacancy with a term expiring in 2022. Ms. Capone asked Mr. McCarthy to post this vacancy. Mr. Haverty noted that last meeting there was a motion and vote to call a member back to service and he responded with an email indicated he would not return. This is deemed as an official resignation and to please post the vacancy.

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

**ROLL CALL VOTE:**

Bob Sherman – yes  
Meg Bressette – yes  
Philip Haberlen – yes  
Bob Haverty – yes  
Edwardo Martony – yes  
Amber Capone – yes

(6-0-0) Motion passes.

The meeting was adjourned at approximately 9:00 pm.

Respectfully submitted,  
Jennifer Castles  
Recording Secretary