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**APPROVED**  
**TOWN OF PELHAM**  
**BUDGET COMMITTEE - MEETING MINUTES**  
Thursday, November 7, 2019

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

PRESENT: Ms. Amber Capone, Mr. Bob Sherman, Mr. Dave Cate, Ms. Daryle Hillsgrove, Ms. Meg Bressette, 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. Jas Moorjani (excused)

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**PLEDGE OF ALLEGIANCE**

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**MEETING MINUTES**

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**November 7, 2019**

**MOTION:** (Sherman/Cate) To approve the November 7, 2019 meeting minutes as written.

**VOTE:** (8-0-1) The motion carried. Mr. Moorjani abstained.

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**NEW BUSINESS / OLD BUSINESS**

There was no new or old business discussed.

**Fiscal Year 2021 SCHOOL DISTRICT OPERATING BUDGET VOTE**

Present was Superintendent of Schools Bill Furbush and Business Administrator Deb Mahoney.

The Board then reviewed the proposed budgets.

***Pelham Elementary School***

2019/2020 Adopted Budget: \$6,932,457

FY2021 School Board Recommended: \$7,252,852

Mr. Sherman questioned if the major increase was for contracted salaries. Mr. Furbush replied that was accurate (contracted salaries and benefits).

***Pelham Memorial School***

2019/2020 Adopted Budget: \$5,016,942

FY2021 School Board Recommended: \$5,217,918

Under professional services – architectural fees (\$50,000), Mr. Cate said he previously asked the question if the School Board would promise to return the fees in the event the renovation project

42 was approved (through warrant article). He understood the feedback was the figure shouldn't be  
43 adjusted because the School Board may need it for another catastrophic item. He wanted to have  
44 a discussion as to why the money shouldn't be returned to the general fund. Ms. Hillsgrove  
45 stated she agreed with Mr. Cate; if the funding was designated for architectural fees and the  
46 warrant article passes, she felt the cost should be absorbed into the article. She would be okay if  
47 there was an agreement the money wouldn't be spent for something else; however, since the  
48 warrant article would include such a large amount, she felt it was almost a 'double-dip' on the  
49 taxpayer.

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51 Ms. Ryan stated they had a discussion at the board level. They initially discussed not returning it;  
52 not because they didn't want to return it, but because they already return substantial amounts of  
53 money every year to the taxpayer. She said every year (during the last five) they return between  
54 \$1.2 million and \$1.5 million to the taxpayers. She explained the reason for returning money was  
55 due to the budget being based on many variable projections. They feel they've been fiscally  
56 prudent and responsible with the taxpayer's money by returning it to them. Ms. Ryan said it  
57 seemed a little difficult to start requesting specific line items to be returned, since they work with  
58 a bottom-line budget. She understood they return special education money; however, that is a  
59 segment of the budget and a unique situation because those budget lines can fluctuate by  
60 hundreds to thousands of dollars. She didn't understand why they would start picking out  
61 specific line items.

62  
63 Mr. Cate replied he wasn't looking to cut or adjust the budget. He would like a simple  
64 agreement, similar to what they had for the other budget lines. He didn't want the Committee to  
65 be put in a difficult position of adjusting it and later finding out the school needed the funding.  
66 He understood if the warrant article didn't pass the school would need the funds; this is why he  
67 wanted to have an agreement ('gentleman's agreement') with the School Board that says if the  
68 article passes the money won't be spent and will go back to the taxpayers. Ms. Ryan stated they  
69 honored the agreement and had a proven track record of returning money. With that, Mr. Cate  
70 didn't feel the School Board should have a problem saying yes. Ms. Ryan replied the School  
71 Board was nervous about picking individual line items every year to make the guarantee. Mr.  
72 Cate replied it was an exception. Ms. Ryan stated the other reason for not having an agreement to  
73 return the money was the Committee would be making a commitment for a future committee,  
74 which she didn't think was a fair thing to do. In comparison to the overall budget amount, Mr.  
75 Cate didn't feel his request was a lot. Ms. Ryan commented she was the School Board's  
76 representative and had to stay with their position on the subject. She said the decision was up to  
77 the Budget Committee and wanted them to know the School Board could be trusted with the  
78 budget.

79  
80 Mr. Sherman commented the first time anything comes before the voters from the school (for  
81 building) it's been turned down, which was a reason to not cut the architectural fees. If the Town  
82 turns the article down, he believed modifications, or an alternative plan would be needed. He  
83 trusted the School Board would return the \$50,000 (if the article passes) and if they didn't the  
84 Committee could be put the School Board on notice that amount would be taken out of next  
85 year's budget. Mr. Cate felt that was a reasonable compromise.

86  
87 Ms. Hillsgrove spoke about the amount of money returned by the School Board each year. She  
88 stated the reality was checks were not being returned to the taxpayers, it went into a fund. She  
89 commented that the residents hold the tax burden. She said her comments were the result of a  
90 conversation with a resident who raised questions about the budget. Ms. Hillsgrove understood  
91 Ms. Ryan couldn't make an understanding with the Committee based on the School Board's  
92 decision. She felt the School Board should look at the situation from the other side.

93  
94 Ms. Mahoney explained the majority of the budget return was not necessarily related to any  
95 grants; sometimes it was, but not in relation to the grant fund. She said it was related to  
96 underspends in the general fund as well as receipt of unanticipated revenues. She noted they  
97 allocate the \$700,000, which is the amount that they can receive and spend. Beyond that, the  
98 money is returned as it was in addition to what was anticipated. She spoke about the tax rate and  
99 how budget returns are used to offset that rate.

100  
101 Ms. Forde arrived.  
102

103 Mr. Sherman pointed out the tax bill is broken out between the Town and the School. He noted  
104 unlike the Town, the School District didn't have the ability to carry funds over into a reserve  
105 fund. He said budget returns would be used to reduce the proposed budget (going forward).  
106

107 Ms. Ryan understood the dollar amounts seemed to be a high amount of money being returned to  
108 the taxpayer. She stated a lot of it was due to 'projections' and unanticipated revenue. Ms.  
109 Mahoney added the return included special education funds. Ms. Ryan said they request the  
110 money because its what they think they're going to need to run the School District. In the end if  
111 they don't need it, they give it back. She believed they had been good stewards. Mr. Cate stated  
112 he wouldn't make the adjustment because he feared the warrant article wouldn't pass; although he  
113 felt the school needed the renovation.  
114

115 Ms. Capone questioned if the schools had to go to the School Board to get approval to spend  
116 budget lines on something else. Ms. Mahoney replied they could do budget transfers within the  
117 budget; the School Board has to approve all expenditures. They review a manifest at each board  
118 meeting to authorize payments. Ms. Capone asked if the School Board approves pre- or post-  
119 payment. Ms. Mahoney replied when the check is cut, they have to approve the payment before  
120 the treasurer will release the checks.  
121

122 ***Pelham High School***

123 2019/2020 Adopted Budget: \$8,182,642  
124 FY2021 School Board Recommended: \$8,567,874  
125

126 Mr. Cate saw a line for new chairs and desks for room 106. He questioned what room 106 was  
127 and if it was a new or old classroom. Mr. Furbush replied it was a new classroom with old  
128 furniture. To cut cost during the high school building project cost were reduced by cutting some  
129 of the furniture costs for other choices. Several of the classrooms still have furniture from the old  
130 high school that are being reused. Mr. Cate asked if they anticipated a similar amount in next  
131 year's budget to replace more furniture. Mr. Furbush said they were close to being done  
132 (approximately 2.5 classrooms remain). The proposed budget will allow for the purchase of  
133 approximately 48 desks and 53 chairs (to outfit two classrooms). They are in the process of  
134 creating a furniture replacement schedule.  
135

136 ***District***

137 2019/2020 Adopted Budget: \$10,861,803  
138 FY2021 School Board Recommended: \$11,120,289  
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141 ***Food Service***

142 2019/2020 Adopted Budget: \$1,211,209  
143 FY2021 School Board Recommended: \$1,092,288

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146 ***Grants Funds***

147 2019/2020 Adopted Budget: \$700,000

148 FY2021 School Board Recommended: \$700,000

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151 ***Other Special Fund***

152 2019/2020 Adopted Budget: \$52,000

153 FY2021 School Board Recommended: \$52,000

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155 The Budget Committee will vote during their November 21<sup>st</sup> meeting.

156

157 Ms. Capone told the Committee she would forward warrant articles for review. She then thanked  
158 Mr. Furbush and Ms. Mahoney for their time and attention to answering the Committee's  
159 questions.

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161 **ADJOURNMENT**

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

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

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164 The meeting was adjourned at approximately 8:05pm.

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Respectfully submitted,  
Charity Landry  
Recording Secretary