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**APPROVED**  
TOWN OF PELHAM  
BUDGET COMMITTEE - MEETING MINUTES  
Monday, September 14, 2015  
APPROVED – September 17, 2015

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

PRESENT: Mr. Daniel Guimond, Mr. David Cate, Mr. Bob Sherman, Ms. Daryle Hillsgrove,  
Mr. Leo Rush, Ms. Donna Dube, Selectmen Representative Doug Viger

EXCUSED: Mr. Michael Bilby, School Board Representative Megan Larson

10 Also present: Town Administrator Brian McCarthy and Finance Director Cindy Kelley.

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13  
14 **PLEDGE OF ALLEGIANCE**

15  
16 **2016 BUDGET PRESENTATION**

17  
18 Town Administrator Brian McCarthy and Finance Director Cindy Kelley introduced themselves.

19  
20 ***Budget Committee - \$4,180 requested - level funded from 2015 budget.***

21  
22 Mr. Sherman confirmed that the recording secretary's salary would be considered for an increase  
23 with other secretaries when the Selectmen's budget is reviewed. Mr. McCarthy answered yes. Mr.  
24 Cate recalled the Selectmen having a non-union wage pool. Ms. Kelley said an increase would be  
25 considered from the non-union wage increases line (in the Selectmen's budget).

26  
27 ***Debt Service Interest - \$133,490 requested – an increase of \$5,999 over 2015 budget.***

28 *That figure includes TAN Interest of \$5,000, which has not been used in several years.*

29  
30 Ms. Kelley explained TAN as being a tax anticipation note which could be borrowed from in the  
31 event the Town had a cash flow problem between June and December. If those funds were  
32 needed it would usually be no longer than a one-month loan. She reiterated they had not used  
33 those funds in the time she had been employed.

34  
35 Mr. Rush saw there was a balance of \$635,220 for the fire truck, and wanted to know the original  
36 cost. Ms. Kelley explained the figure was made up of the total cost for both the fire truck  
37 (\$620,000) and the Planning Department's Ford Focus (\$15,000). Mr. Rush confirmed the  
38 legality of the manner in which the vehicles were included in the budget. Mr. McCarthy stated  
39 any contract entered into by the Town was vetted by Town Counsel (John Ratigan). All of the  
40 necessary contract language, such as an escape clause were contained within the contract to  
41 protect the Town's interest. Mr. Viger spoke to Mr. Rush's question. He said during a recent  
42 Selectmen meeting he questioned the legality of entering into a contract of replacing the highway  
43 building and transfer station building, which was reinforced by saying as long as the Town has  
44 the 'loophole' to terminate the lease in the event it was not funded (voters don't approve).  
45 Having such protects the Town by having it in the budget. Mr. Rush wanted to know specifically  
46 if the fire truck was purchased legally because it was put through as a replacement vehicle. He  
47 recalled there was some question as to whether it was a replacement or a new vehicle. Mr. Viger

48 replied there was never a question about it being a replacement vehicle; it was always a  
49 replacement. Mr. Guimond noted if it was a new vehicle it would have to go into a warrant article  
50 according to the Board's By Laws.

51

52 Mr. Rush saw there may be a warrant article for compactor at the Transfer Station, and  
53 questioned why that was since it was a replacement. Mr. Viger clarified it was currently  
54 compactor for trash, the new compactor would be for recyclables. However, he felt discussion  
55 regarding such should occur when the Board was reviewing the Transfer Station budget. Mr.  
56 Guimond noted the Transfer Station budget would be reviewed on October 1.

57

58 ***Debt Service Principal - \$678,875 requested – a decrease of \$8,305 from the 2015 budget.***  
59 Expenses were broken out to show the increases/decreases from the previous year.

60

61 Mr. Guimond asked how many years were left on the municipal building bond. Ms. Kelley  
62 replied it was up in the year 2022.

63

64 ***Health Services - \$60,180 requested – an increase of \$1,005 over 2015 budget.***

65

66 Ms. Kelley explained the increase was from St. Joseph's requesting more money. She pointed out  
67 the amount for the Red Cross had been split in half, so half could be designated to the Salvation  
68 Army. The Town stopped giving to the Salvation Army two years ago. Mr. Guimond noted each  
69 of the organizations assisted the taxpaying public.

70

71 Mr. Rush recalled there had been in addition to the list last year. Mr. Guimond replied the Pelham  
72 Food Pantry had been added two years ago. The Budget Committee made the request and the  
73 Selectmen approved, given that the food pantry went directly to Pelham's residents. Ms. Kelley  
74 stated it was included in this year's budget as well.

75

76 ***Health Officer - \$43,766 requested – level funded from 2015 budget.***

77 Mr. Guimond confirmed that the Health Officer was Dr. Srilatha Kodali. Mr. McCarthy  
78 answered yes.

79

80 Mr. Cate indicated Mr. Bilby submitted three questions regarding the mosquito borne disease  
81 program.

82 1) Have we had previous cases of mosquito borne illness in Pelham? If so have further cases  
83 been eliminated by the program?

84 2) Have we found mosquitoes in Pelham to be carrying these diseases in recent testing  
85 years?

86 3) Do we have data showing that mosquito borne illness will be an issue in the Pelham area  
87 in 2016, and if so where does that information come from?

88

89 Mr. McCarthy will research and provide the Board with information.

90

91 Mr. Guimond asked if the \$37,000 figure was standard for the Town. From what Mr. Viger  
92 understood there were two certified companies within the State, each having their own territory  
93 and not bidding against each other. Mr. McCarthy informed there had been no mosquito borne  
94 illness last year or to date this year. Mr. Guimond question the contract language regarding  
95 procedures.

96

97 Mr. Rush questioned if anyone reported Lyme disease. Mr. McCarthy believed that would be  
98 reported to the Health Officer first and then the Town would be notified. The Town would in turn

99 do a public service announcement to inform residents of what precautions to take to keep them  
100 safe.

101

102 **Human Services - \$88,040 requested – an increase of \$1,560 over 2015 budget.**

103 Human Services Administrator Dawn Holdsworth came forward to discuss the proposed budget.  
104 She stated she had worked for the Town for seven years. She summarized her credentials for the  
105 new Board members.

106

107 Mr. Cate said in previous years a former Board member would always ask how many hours Ms.  
108 Holdsworth worked and if she was paid enough. Ms. Holdsworth replied everything was fine. Her  
109 hours fluctuate up and down throughout the year. Ms. Kelley pointed out Ms. Holdsworth was  
110 paid by the hour, and not by stipend. Mr. Guimond saw that Ms. Holdsworth received a raise this  
111 year. Mr. McCarthy stated her ability to do the job was beyond words. He said she did a very  
112 good job and was very vigilant. That vigilance saves the taxpayers a lot of money. He noted  
113 some people used health services as a business in other states. He stated Ms. Holdsworth was  
114 very good at determining if people were truly in need of services, and what type of services  
115 would be beneficial for their situation.

116

117 Ms. Dube wanted to know if there was an addendum for the \$75,000 expense line. Ms.  
118 Holdsworth explained people came in to see her when they were in an emergency situation. Per  
119 RSA 165 the Town had to make sure people within the Town had a roof over their head, have  
120 food and have utilities. She discussed the various scenarios for which people met with her, which  
121 was not always from monetary purposes; often she assists people with creating and maintaining a  
122 budget. Ms. Dube questioned what happened when the money was exhausted. Ms. Holdsworth  
123 replied that hasn't happened in the time she is been in the position. Ms. Kelley commented the  
124 Town was required to help residents, and had the authority to overspend the budget if needed.  
125 Ms. Dube asked if the budget was kept in escrow if not spent during the year. Ms. Kelley replied  
126 anything not spent would roll back into the general fund. Ms. Dube inquired if there was a  
127 validation process for receiving assistance. Ms. Holdsworth answered yes. She noted they were  
128 many people in need and unfortunately for many people it was a career to receive assistance. She  
129 stated she was very good at getting proper verification to ensure it's a legitimate need. Mr. Viger  
130 added during the initial meeting Ms. Holdsworth creates financial baselines and sets goals so a  
131 person can get back to being self-sufficient. They make sure that people don't come in for one  
132 time payouts again and again.

133

134 Mr. Sherman questioned if the Town was able to recoup money given out. Ms. Holdsworth  
135 answered yes, and explained if someone owned a home a welfare lean would be placed on their  
136 property.

137

138 **Legal - \$95,000 requested – a decrease of \$5,000 from the 2015 budget.**

139 Mr. McCarthy provided the Board with a brief summary of recent cases and their status.

140

141 Mr. Rush understood it would possibly be a warrant article for legal fees and questioned if it  
142 would be in addition to the budget. Mr. McCarthy replied that warrant article would be with  
143 regard to the Kinder Morgan Pipeline Project defense. Mr. Viger asked that discussion regarding  
144 warrant articles be deferred until later time. He stated the Selectmen haven't had the opportunity  
145 to discuss warrant articles and what would be submitted to the Budget Committee. Mr. Guimond  
146 answered yes and noted warrant articles would be reviewed on November 5. Mr. McCarthy said  
147 he provided the Budget Committee with a preliminary list for information purposes only.

148

149 Mr. Guimond reviewed the actual amount spent from the budget during the past few years and  
150 inquired if the requested amount would be adequate. Based on the averages, Mr. McCarthy  
151 answered no. He said they consistently overspend by at least \$20,000-\$25,000 or more.  
152 Originally he requested \$100,000 with the goal of sticking to that figure as best he could. He  
153 pointed out he could not foresee what legal matters would come forward, and although they've  
154 worked hard to use alternate legal services such as the New Hampshire Municipal Association  
155 ('NHMA'), land issues often required Town Counsel review. He noted NHMA would not  
156 represent the Town in court. Mr. Viger stated the Selectmen made the decision to decrease the  
157 budget.

158  
159 Ms. Dube asked if the Town had contracts with certain attorneys for representation in different  
160 areas. Mr. McCarthy stated the Town did business with two law firms. DTC lawyers out of  
161 Portsmouth New Hampshire handle all of the land issues. Upton and Hatfield out of Concord  
162 represent the Town issues. Ms. Dube inquired the criteria used to select a firm and wanted to  
163 know if there was much competition. She was interested to know if the Town was getting the  
164 most from the dollar. Mr. McCarthy replied the law firms were in place at the time he came on  
165 board. He noted often Hatfield was renowned in the State for handling employment issues. He  
166 said Attorney Ratigan was outstanding and spoke of his professionalism during the recent trial  
167 involving the fire station. He would gather information about how the firms were determined. Ms.  
168 Dube wanted to see more competition and perhaps get a better price. Mr. Viger said the Town  
169 had created long-term relationships with the firms who knew their background. He said perhaps  
170 the Selectmen could review law firms and review their rates.

171  
172 Mr. Sherman asked if labor contract negotiation came out of the legal budget. Mr. McCarthy said  
173 the Town used Atty. Ratigan for labor issues and contracts. There were no contracts ending in this  
174 budget. Mr. Rush wanted to know if legal fees were recoverable by the insurance company. Mr.  
175 McCarthy answered no. He noted there are a couple land issues during the past year, as part of  
176 stipulation he made sure that the people who were purchasing property from the Town paid the  
177 legal fees.

178  
179 ***Town Celebrations - \$9,452 requested – and increase of \$1,000 from the 2015 budget.***

180 The increase was attributed to the cost of fireworks.

181  
182 ***Treasurer - \$11,113 requested – an increase of \$172 over 2015 budget.***

183 The increase was in salaries and in postage.

184  
185 Mr. Rush asked what bank was being used. Ms. Kelley replied Enterprise Bank.

186  
187 Ms. Dube wanted to know what "specials" were. Ms. Kelley explained it was a term used by the  
188 Department of Revenue Administration "DRA" for the budget line 690. That line was used for  
189 different items in different departments. In the Treasurer budget, the specials line was used for  
190 bank fees. Mr. Guimond questioned if the Town was able to stay within the \$4500 line for  
191 specials. Ms. Kelley answered yes. Ms. Dube inquired if there was an opportunity to decrease that  
192 line. Ms. Kelley will speak to the Treasurer. Mr. Guimond asked if the Board could be provided  
193 with a breakdown of the bank fees for the last few years to compare.

194  
195 ***Trust Funds - \$70 requested – level funded from 2015 budget.***

196 There were no questions or comments at this time.

197  
198  
199

200 **General Discussion**

201

202 Mr. Rush questioned how much remained in the emergency fund in Concord. Ms. Kelley  
203 believed the fund balance contained approximately \$3.2 million.

204

205 Mr. Sherman requested that an updated copy of the Capital Improvement Plan be provided to the  
206 Board for review.

207

208 **MEETING MINUTES**

209

210 **April 20, 2015**

**MOTION:** (Sherman/Cate) To approve the April 20, 2015 meeting minutes as written.

**VOTE:** (7-0-0) The motion carried.

211

212

213 **ADJOURNMENT**

214

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

**VOTE:** (7-0-0) The motion carried.

215

216 The meeting was adjourned at approximately 8:20 pm.

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218

219

220

Respectfully submitted,  
Charity A. Landry  
Recording Secretary