

1 **APPROVED**
2 TOWN OF PELHAM
3 BUDGET COMMITTEE - MEETING MINUTES
4 Thursday, September 24, 2015
5 APPROVED – September 28, 2015
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7 **CALL TO ORDER** – at approximately 7:30pm
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PRESENT: Mr. Daniel Guimond, Mr. David Cate, Mr. Bob Sherman, Ms. Daryle Hillsgrove,
Mr. Leo Rush, Mr. Michael Bilby, Ms. Donna Dube, Selectmen Representative
Doug Viger

EXCUSED: School Board Representative Megan Larson

10 Also present: Town Administrator Brian McCarthy and Finance Director Cindy Kelley, Planning
11 Director Jeff Gowan
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14 **PLEDGE OF ALLEGIANCE**
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17 **MEETING MINUTES**
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19 **September 17, 2015**

MOTION: (Cate/Sherman) To approve the September 17, 2015 meeting minutes as amended.

VOTE: (8-0-0) The motion carried.

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21 **September 21, 2015**

MOTION: (Cate/Sherman) To approve the September 21, 2015 meeting minutes as amended.

VOTE: (7-0-1) The motion carried. Mr. Rush abstained.

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23 **2016 BUDGET PRESENTATION**
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25 ***Insurance - \$2,102,981 requested – (2015 budget number used as placeholder)***

26 Ms. Kelley indicated the figure was a placeholder. The updated rates would be received in late
27 October and available for review at reconsideration.
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29 ***Retirement - \$1,452,133 requested – an increase of \$60,777 over 2015 budget.***

30 Ms. Kelley reviewed the 2015 rates and noted the percentage increase shown in the proposed
31 budget.
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33 Mr. Sherman saw there was one individual listed, and questioned when their last increase had
34 occurred. Ms. Kelley believed it was in 2010. She explained when their income was increased
35 their rent was increased by the same amount. The individual had come into the finance office to
36 discuss their circumstances, and from that point forward had not received an increase.
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38 ***Planning Department - \$302,870 requested – a decrease of \$1,567 from the 2015 budget.***

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Planning Director Jeff Gowan came forward to review the proposed budget.

Salaries - other than the contractual increases, Mr. Gowan, with support of the Selectmen, had included a 2% increase for the electrical, plumbing, and building inspectors. He noted they had not received an increase in a couple of years. He didn't know of any other town having licensed masters performing inspections for a stipend. He commented Pelham was busier than they had been in the last decade and the inspectors were doing a tremendous amount for the Town. The total combined increase for the three inspectors was approximately \$500 for the year.

Ms. Hillsgrove understood there was a lot of development going on, and wanted to know how it had increased from last year. Mr. Gowan replied with three months remaining in the year, they were ahead of where they were at the end of last year. There is a lot of construction in progress and a lot more coming forward.

Mr. Guimond asked for an explanation of revenues taken in by the Planning Department. Mr. Gowan explained they collected fees for building permits, electrical and plumbing permits, certain fines, re-inspections and they charged for copies. There was also a per lot charge for subdivision applications. He will provide the Board with a breakdown of the fee and fine schedule for which the department collects funds. At the end of last year they were at approximately \$88,000 and expected to break \$90,000 this year. Ms. Hillsgrove asked that a chart be provided to show the number of building permits issued during the past few years. Mr. Gowan had the requested information, and said he would forward a copy to the Board

Ms. Dube thought the good land within the Town had been exhausted, and questioned how much building was actually occurring. Mr. Gowan replied the Town was nowhere near buildout. He said as long as an applicant could meet the regulations or receive relief from the Zoning and or Planning Boards, there was still a lot of approvable land. He noted that the Nashua Regional Planning Commission ('NRPC') periodically provided the Town with the buildout analysis. The analysis was always based on current zoning, which periodically changed. He said 30 to 50 building permits per year were healthy for Pelham. To date there were 38 single-family house permits issued; last year there was a total of 31 single-family houses. Mr. Gowan commented there were a lot of projects coming forward which would result in additional houses in the future. Ms. Dube questioned how many inspections were conducted for each permit. Mr. Gowan outlined the types of permits that happened with new construction and said the building inspector alone conducted approximately 6 inspections for each permit. Ms. Dube asked if people paid a fee for inspections. Mr. Gowan replied they paid a fee for their permits and not a separate fee each time the inspector visited. He believed the Town's fees were fair, but not burdensome. Ms. Dube wanted to know the cost of fees. Mr. Gowan said he would provide the Board with an outline of the fees associated with building permits.

Mr. Bilby asked what the average salary would be for a full-time building inspector. Mr. Gowan believed the typical salary was between \$80,000-\$100,000. Mr. Bilby pointed out that the stipend paid to the inspectors didn't total the salary for one full-time inspector. Mr. Gowan stated at some point the inspectors may retire and the Town would need to pay the going rate for an inspector. Ms. Hillsgrove noted doing inspections was not their only employment. She simply wanted backup data to support the increase. Mr. Viger reiterated the inspectors were being paid a stipend; the Town was not responsible for paying retirement, health care, etc. He said the inspectors were basically volunteers and the stipend was a small amount of money for the services they provide. Mr. Gowan felt the inspectors had the Town's best interest at heart, and

89 they enjoyed offering their services. Mr. Sherman confirmed that commercial property fees were
90 higher. Mr. Gowan answered yes.

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92 Mr. Rush wanted to know how much the Town paid NRPC. Mr. Gowan replied their budget was
93 \$10,508; a \$50 increase from last year. Mr. Guimond held discussion until the appropriate
94 section of the budget was being reviewed.

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96 *Telephone* – Only increase due to Code Officer contractual obligation as negotiated with the
97 Selectmen. Ms. Hillsgrove asked if Code Compliance was a full-time position. Mr. Gowan
98 answered no, it was a 20 hour per week position.

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100 Mr. Guimond asked how the new car was running. Mr. Gowan replied it was great and felt it
101 would continue running long after it was fully paid for. He could foresee the car lasting at least a
102 decade.

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104 *Expenses* – Only increase was for NRPC. Mr. Rush felt their fee (\$10,508) was a lot of money to
105 spend. Mr. Gowan believed without their services the Town would spend at least three times the
106 amount on its own. He noted the Chairman of the Selectmen was an NRPC Commissioner and
107 the Chair of the Zoning Board was the head of the NRPC Commission.

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109 Mr. Cate saw a line for NRPC assistance with CIP and wanted to know without being a member,
110 if NRPC would still assist. Mr. Gowan replied they may offer assistance but not at the same cost
111 for member communities. He said they did a lot of special projects for Pelham because of its
112 membership. He noted it was more than just a place that did things for the Town, NRPC gave
113 Pelham a bigger voice in the State. Mr. McCarthy told the Board that because of Pelham's
114 involvement and membership with NRPC, the Town was able to negotiate their electricity
115 contracts at a much lower/competitive rate.

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117 Having worked with a lot of different environmental firms and consultants, Ms. Hillsgrove stated
118 there was no way the Town could get close to the services NRPC provided with the amount of
119 money listed in the budget. The information they provide is considered to be professional and
120 highly skilled. Between the services, opportunity to group buy, and have a voice for projects at
121 the State level, Pelham would not be able to replace services on its own.

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123 Mr. Bilby asked what GIS stood for. Mr. Gowan replied GIS, was geographic information
124 services that systems such as Tom-Tom relied upon.

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126 Mr. Sherman saw that the mileage reimbursement rate was \$.44 per mile. Mr. Gowan replied
127 they were using the standard rate given by the Town. Mr. Guimond said the Board was told (at a
128 previous meeting) that the IRS mileage rate was \$.58 and understood that the Selectmen would
129 review the policy by the end of the year and increase to the IRS rate. Mr. McCarthy came
130 forward to confirm that the Town would have a new employee policy book drafted by the end of
131 the year, which would address the mileage to reflect the current IRS rate. Mr. Guimond
132 questioned if adjustments to mileage could be made at reconsideration. Mr. McCarthy believed
133 they would be able to do so at that time.

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135 Mr. Rush questioned how many towns belonged to NRPC. Mr. Gowan believed there were seven
136 communities with NRPC and a total of nine regional planning commissions within the State.

137

138 *Miscellaneous (Specials)* - Mr. Gowan spoke about the Master Plan update line. He noted last
139 year there was a one time \$10,000 figure for NRPC to do a Master Plan update; however once

140 they began, it was realized that the process would take more than one year. To date, Town hasn't
141 been billed more than half the budgeted amount (from 2015). Mr. Gowan told the Board that the
142 Selectmen made it clear they would like the Planning Board to pursue a new impact fee for the
143 high school. It would cost approximately \$13,500 to put together a fee analysis. The majority of
144 the Selectmen voted to allow him to overspend his 2015 budget, if necessary, to accommodate for
145 the unplanned \$13,500. Given that Mr. Gowan didn't feel they would use all of the \$10,000
146 budgeted last year for the Master Plan update, he would use it toward the impact fee analysis so
147 his 2015 budget would not go over budget.

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149 Ms. Hillsgrove questioned what anticipated revenue would come from having the impact fee.
150 Mr. Gowan stated there was enough future need space built into the high school renovation that
151 the early numbers suggested the impact fee could possibly be between \$2,000 and \$4,000. When
152 collected the money would go directly to help pay off the bond for the school. He noted the
153 current market was strong and things that were being built would sell right away. Mr. Rush
154 questioned why the NRPC fee under miscellaneous was not included in the NRPC line under
155 expenses. Mr. Guimond explained the expense line was for the NRPC annual assessment, and the
156 miscellaneous line was for a specific project. Mr. Sherman called attention to a backup page that
157 broke out the assessment for the other towns; NRPC assisted 13 communities.

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159 Mr. Guimond thanked Mr. Gowan for his presentation.

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161 **ADJOURNMENT**

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163 Mr. Guimond reviewed the upcoming meeting schedule.

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

VOTE: (8-0-0) The motion carried.

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166 The meeting was adjourned at approximately 8:10pm.

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168 Respectfully submitted,
169 Charity A. Landry
170 Recording Secretary