

1 **APPROVED**  
2 TOWN OF PELHAM  
3 BUDGET COMMITTEE - MEETING MINUTES  
4 Thursday, October 8, 2015  
5 APPROVED – November 2, 2015  
6

7 **CALL TO ORDER** – at approximately 7:30pm  
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PRESENT: Mr. Daniel Guimond, Mr. David Cate, Mr. Bob Sherman, Mr. Leo Rush,  
Mr. Michael Bilby, Ms. Daryle Hillsgrove, Ms. Donna Dube, School Board  
Representative Megan Larson, Selectmen Representative Doug Viger

ABSENT: None

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11 Also present: Town Administrator Brian McCarthy and Department Representatives  
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14 **PLEDGE OF ALLEGIANCE**  
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17 **MEETING MINUTES**  
18

19 **October 5, 2015**

**MOTION:** (Cate/Sherman) To approve the October 5, 2015 meeting minutes as amended.

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

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22 **2016 TOWN BUDGET VOTE**  
23

24 Mr. Guimond stated that the Board would review the Selectmen's recommended budget figure of  
25 \$14,104,634. (\* See below for amended final budget figure)  
26

27 Mr. Rush told the Board he would like to see the gas/oil budget lines reduced throughout the  
28 budget based on the 30% drop in price during the past year. Mr. Guimond replied the gas/oil  
29 budget lines remained open using the previous year's figure until firm numbers were received  
30 prior to budget reconsideration. Mr. Rush suggested rather than making individual adjustments,  
31 he would like to make a motion to reduce the total budget by 1%-1.5% and let the departments  
32 utilize their budgets appropriately. Based on past practice, Mr. McCarthy explained they used a  
33 matrix of gas/oil prices and department usage to determine the budget figure. With the significant  
34 drop in fuel costs during the past year, he anticipated a much lower cost than in past years.  
35 Having said that, he would like to wait until reconsideration to have a firm number from the  
36 State.  
37

38 Mr. Guimond told Mr. Rush he could propose an overall reduction, but asked that he wait until  
39 the Board had reviewed the individual budgets.  
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43 **Assessing - \$164,874 proposed.**

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**MOTION:** (Viger/Sherman) To approve \$164,874 as the 2016 Assessing budget.

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

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48 **Budget Committee - \$4,180 proposed.**

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**MOTION:** (Viger/Cate) To approve \$4,180 as the 2016 Budget Committee budget.

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

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52 **Cable - \$112,573 proposed.**

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**MOTION:** (Viger/Hillsgrove) To approve \$112,573 as the 2016 Cable budget.

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

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56 **Cemetery - \$144,521 proposed.**

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**MOTION:** (Viger/Hillsgrove) To approve \$144,521 as the 2016 Cemetery budget.

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

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60 **Conservation Commission - \$3,747 proposed.**

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**MOTION:** (Hillsgrove/Cate) To approve \$3,747 as the 2016 Conservation Commission budget.

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

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64 **Debt Service Interest and Principal - \$812,365 proposed.**

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**MOTION:** (Viger/Cate) To approve \$812,365 as the 2016 Debt Service budget.

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

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68 **Elections - \$23,227 proposed.**

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**MOTION:** (Viger/Cate) To approve \$23,227 as the 2016 Elections budget.

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

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72 **Emergency Management – \$8,296 proposed.**

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**MOTION:** (Cate/Hillsgrove) To approve \$8,296 as the 2016 Emergency Management budget.

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

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76 **Fire Department – \$2,021,002 proposed.**

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**MOTION:** (Viger/Cate) To approve \$2,021,002 as the 2016 Fire Department budget.

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

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80 **Health Officer - \$43,766 proposed.**

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**MOTION:** (Viger/Cate) To approve \$43,766 as the 2016 Health Officer budget.

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

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84 **Health Services - \$60,180 proposed.**

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**MOTION:** (Viger/Cate) To approve \$60,180 as the 2016 Health Services budget.

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

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88 **Highway - \$1,415,572 proposed.**

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**MOTION:** (Viger/Hillsgrove) To approve \$1,415,572 as the 2016 Highway budget.

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

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92 **Human Services - \$88,040 proposed.**

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**MOTION:** (Viger/Cate) To approve \$88,040 as the 2016 Human Services budget.

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

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96 **Insurance - \$2,102,981 proposed.**

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**MOTION:** (Cate/Viger) To approve \$2,102,981 as the 2016 Insurance budget.

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

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101 **Legal - \$95,000 proposed.**

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Mr. McCarthy told the Board he was informed that the Fin-Lyn law suit regarding the fire station would be continuing. Mr. Viger noted they would determine approximate legal costs for the next steps and bring an amended figure back to the Board at reconsideration. Mr. Rush questioned what the legal expenses were for the previous year. Mr. McCarthy replied since the lawsuit was filed in June, 2012 the Town had expended close to \$91,000.

Mr. Rush questioned if the Town would expend the entire legal budget in the next twelve months. Through early discussion with Town Counsel, Mr. McCarthy said the early estimate was \$12,000-\$15,000 for the Supreme Court; however, at present the dollar figure remained unknown. He felt the figure may get tied down closer to reconsideration. Mr. Viger felt comfortable approving the proposed budget and waiting until reconsideration for updated figures based on Town Counsel's opinion. Mr. Rush asked if the figure could be reduced at reconsideration. Mr. Viger replied the proposed budget figure wouldn't be decreased; the budget didn't reflect the additional costs for the lawsuit.

Mr. Rush offered a motion to decrease the legal budget by 50%. Seconded by Ms. Hillsgrove for discussion. Mr. Rush explained his suggestion to reduce was based on the fact that the Town had spent approximately \$90,000 over three years and the budget (\$95,000) was only for the next twelve months. Mr. McCarthy stated the Legal budget encompassed a variety of legal matters (i.e. Planning, Conservation, Board of Adjustment, employment issues). Mr. Viger added that the legal budget (as proposed) didn't include the cost for further action regarding the fire station lawsuit. He said they would need to add money to the budget if the Town was going to continue to fight the case. Mr. McCarthy noted the Legal budget was historically underfunded; last year they were \$51,000 over budget. He said his goal was to better utilize the New Hampshire Municipal Association ('NHMA') in an effort to reduce the budget; however, for cases that require litigation, NHMA will not provide legal advice, the Town needed to utilize Town Counsel.

Mr. Cate noted that the Legal budget was originally put forth for \$100,000 and was reduced by the Board of Selectmen to \$95,000.

**MOTION:** (Rush/Hillsgrove) To reduce the Legal budget by 50%.

**VOTE:** (1-8-0) The motion failed. Mr. Rush voted in the affirmative; the remainder of the Board voted against the motion.

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The number on the floor remained. The Board then voted as follows:

**MOTION:** (Cate/Viger) To approve \$95,000 as the 2016 Legal budget.

**VOTE:** (8-1-0) The motion carried. Mr. Rush voted no.

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**Library - \$291,178 proposed.**

Mr. Bilby made a motion to reduce \$500 under Expenses – Adult programs. Mr. Cate seconded for discussion. Mr. Bilby explained the State had pulled funding from the program and the Library wanted the budget to make up the difference. He said the attendance for those programs was small and felt they could be provided some assistance, but at the same time reduce the

145 budget. He suggested if attendance improved, the Library could request additional funding next  
146 year for consideration.

147  
148 Library Director Irja Finn and Library Trustee Chair Lori Adams came forward to address the  
149 suggested budget reduction. Ms. Finn reviewed the total attendance data since 2011 and found  
150 during the past year the number was at approximately 5,300 and for nine months in 2015 they  
151 were consistent at approximately 5,000. She explained the figures were a conglomerate of adult,  
152 children, young adult and summer reading; they don't have a break out of the State data. She  
153 noted some of the programs were now offered one-on-one, or on a drop-un basis, such as with  
154 electronics. She outlined the additional funding they requested versus what they had been  
155 awarded. Mr. Bilby recalled during budget presentation hearing that most of the money was for  
156 speakers. Ms. Finn replied the people paid to come in for adult programs were speakers,  
157 musicians, CP, technology education, etc. Mr. Bilby questioned how many times per year the  
158 programs were done. Ms. Adams didn't have the numbers in front of her. Ms. Finn estimated ten  
159 per year. Ms. Adams noted if they had more money the Library could hire more popular  
160 speakers, which in turn would increase attendance.

161  
162 Mr. Cate felt the Library did an incredible job. He understood that the budget request for adult  
163 programming was \$1,500, an increase of \$1,000 from last year, and Mr. Bilby's motion would  
164 reduce the line by \$500. The adult programming line would still have \$1,000. Ms. Hillsgrove  
165 stated the loss of funding sources was a factor for the increase. The budget increase would allow  
166 the Library to maintain comparable programming that has been offered. Ms. Adams heard that  
167 the budget cut would be a 'compromise', but in reality it would be a budget cut and decrease in  
168 service, given they had lost State funding. Mr. Viger understood that the proposed budget was  
169 an effort to maintain the service that had been provided based on the loss of funding, the Library  
170 wasn't looking to add to the program.

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172 Mr. Sherman wanted to know what revenues the Library generally had. Ms. Finn said they  
173 received assistance from the Friends of the Library, NH Humanities Council, NH Charitable  
174 Foundation, Pelham Community Spirit and some in-kind donations (cash/product). A breakdown  
175 of the information had been forwarded to the Board via email. Mr. Viger noted any money  
176 received couldn't be spent unless it had been appropriated.

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178 The Board then took action on Mr. Bilby's proposed motion to reduce the Library budget to  
179 \$290,678

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**MOTION:** (Bilby/Hillsgrove) To approve \$290,678 as the 2016 Library budget.

**VOTE:** (1-8-0) The motion failed. Mr. Bilby voted in the affirmative; the remainder of the Board voted against the motion.

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183 The Board then considered the original budget request of \$291,178.

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**MOTION:** (Cate/Viger) To approve \$291,178 as the 2016 Library budget.

**VOTE:** (7-2-0) The motion carried. Mr. Bilby and Mr. Rush voted no.

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189 **Parks & Recreation - \$204,333 proposed.**

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191 Mr. Cate offered a reduction of \$1,000 under Expenses – Disc Golf Course Maintenance.  
192 Seconded by Mr. Bilby for discussion. Mr. Cate referred to discussion during the previous  
193 meeting, during which he brought up the fact that the previous Parks & Recreation Director  
194 Darrin McCarthy received a grant that fully funded the disc golf course, with the stipulation that  
195 it was to provide access to residents and non-residents (at no fee). He felt this fact qualified the  
196 disc golf course as a ‘program’ and the revolving fund (80’s Fund) could help with the cost of the  
197 maintenance as a compromise. Mr. Viger questioned when the grant was received. Mr. Cate  
198 believed it dated back to 2005. Mr. Viger stated they couldn’t take any money from the revolving  
199 fund because they didn’t raise any fees for the use of the course. He noted they were ten years  
200 into the grant and there was a small amount of money being requested for maintenance.

201

202 Mr. Bilby understood that the course was bringing in tourism and suggested if the Board cut the  
203 budget this year they assure Parks & Recreation will receive \$1,000 next year continue with  
204 maintenance.

205

206 Parks & Recreation Director Brian Johnson came forward to speak to the budget request. He  
207 explained the \$2,000 budget request would be used for maintenance to replace four of the  
208 baskets. If the budget was cut it would set them a bit behind; however, they would replace two  
209 baskets next year. He provided a brief description regarding the operation of the revolving fund.  
210 He said it would be unfair to take funds raised by programs and use it in an area that didn’t  
211 contribute to the fund. The money currently in the fund was earmarked for programs that  
212 contributed. Mr. Johnson explained there was an unbelievable group of volunteers that had  
213 maintained the course. He promised them he would put money in the budget to help continue  
214 with improvements.

215

216 Ms. Larson noted that the disc golf course had become popular with children in the Town. She  
217 added that the schools were teaching them to play. Mr. Johnson stated that the improvements  
218 done by the volunteers during the past few years had been amazing. Mr. Cate asked how many  
219 baskets needed repair. Mr. Johnson replied they earmarked four baskets that were at the end of  
220 their life. He said if they have to wait a year, they would do what they had to for them to  
221 function. Ms. Hillsgrove asked about the events at the course. Mr. Johnson spoke about four  
222 tournaments that had occurred, which basically broke even with costs. In general they were  
223 looking to have something in the budget each year to keep up with maintenance.

224

225 Mr. Bilby recalled the course receiving a grade of B+ and wanted to know if that rating would  
226 decrease if the four baskets weren’t all replaced. Mr. Johnson replied the increase in the grade  
227 was mainly associated with the course design and work done by the volunteers. He also noted  
228 that the existing trails continued to have good usage by residents.

229

**MOTION:** (Cate/Bilby) To reduce \$1,000 from the Parks & Recreation budget.

**ROLL CALL** (5-4-0) The motion carried. Mr. Guimond, Mr. Cate, Mr. Sherman, Ms. Dube,  
**VOTE:** Mr. Bilby voted in the affirmative. Voting in opposition was Mr. Rush, Ms.  
Hillgrove, Ms. Larson and Mr. Viger.

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**MOTION:** To approve \$203,333 as the 2016 Parks & Recreation budget.

**VOTE:** (8-1-0) The motion carried. Mr. Rush voted no.

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233 **Planning Department - \$302,870 proposed.**

234 **MOTION:** (Cate/Viger) To approve \$302,870 as the 2016 Planning Department budget.

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

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236 **Police - \$2,575,854 proposed.**

238 **MOTION:** (Viger/Cate) To approve \$2,575,854 as the 2016 Police budget.

**VOTE:** (8-1-0) The motion carried. Mr. Rush voted no.

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240 **Retirement - \$1,452,133 proposed.**

242 **MOTION:** (Cate/Viger) To approve \$1,452,133 as the 2016 Retirement budget.

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

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244 **Selectmen - \$492,733 proposed.**

246 Mr. Rush asked what ‘specials’ were in the budget. Mr. Guimond replied line was related to  
247 Compensated Absence. Currently the Town had an unfunded liability of approximately  
248 \$450,000. Mr. Viger noted any money not used would be returned to the General Fund. Mr.  
249 Guimond added none of the money in the line was allowed to be moved elsewhere in the budget.

251 **MOTION:** (Cate/Bilby) To approve \$492,733 as the 2016 Selectmen budget.

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

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253 **Senior Center - \$111,602 proposed.**

255 **MOTION:** (Cate/Bilby) To approve \$111,602 as the 2016 Senior Center budget.

**VOTE:** (8-1-0) The motion carried. Mr. Rush voted no.

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257 **Town Buildings - \$655,988 proposed.**

259 Mr. Rush asked if anyone had mentioned the repairs needed to the Town clock, located within the  
260 steeple of the First Congregational Church. Mr. Viger believed there was a stipend paid to  
261 D.E.M. Electric for maintenance. Mr. Rush understood there was rot occurring where the church  
262 bell was housed and it was close to falling down from above the clock. Mr. McCarthy believed  
263 D.E.M. Electric had reviewed the clock in the last couple months, and didn’t report any issues.  
264 Mr. Sherman believed the concern was with the stability of the church steeple. It was Mr. Viger’s  
265 understanding that the clock/clock works was supplemented by the Town and the steeple itself  
266

267 was the responsibility of the church. He hadn't heard of any problems. Mr. Sherman questioned  
268 if the clock was insured. Mr. Viger was unsure.

269  
270 Mr. Rush questioned if the line for 'heat' was oil. Mr. Viger believed the line reflected the cost  
271 for heating oil and propane through a contracted price. Mr. McCarthy noted the Town had an  
272 annual contact with the heating oil and propane companies.

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**MOTION:** (Cate/Viger) To approve \$655,988 as the 2016 Town Buildings budget.

**VOTE:** (8-1-0) The motion carried. Mr. Rush voted no.

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**Town Celebrations - \$9,452 proposed.**

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**MOTION:** (Cate/Viger) To approve \$9,452 as the 2016 Town Celebrations budget.

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

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**Town Clerk / Tax Collector - \$228,024 proposed.**

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**MOTION:** (Cate/Viger) To approve \$228,024 as the 2016 Town Clerk / Tax Collector budget.

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

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**Transfer Station - \$668,958 proposed.**

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286 Mr. Viger spoke of the Selectmen's budget review, during which they asked for a comparison  
287 budgets with / without the compactor included. The submitted budget reflected the cost without  
288 the compactor included. The compactor will be put into a warrant article; if it passes, the budget  
289 will be adjusted accordingly to remove the additional cost for hauling.

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291 Mr. Rush felt there were people/equipment currently doing the job to ready trash for shipping that  
292 would be replaced by the proposed compactor. He believed the compactor should be included in  
293 the operating budget. Mr. Guimond pointed out that the Budget Committee's By Laws indicate if  
294 a requested item isn't a 'replacement' and/or if it's more than two times the cost of a police  
295 cruiser it would need to be put into a warrant article.

296

297 Transfer Station Director Stan Walczak came forward for the discussion. To answer Mr. Rush,  
298 he said if the cost was included in the operating budget and the budget was defeated they would  
299 be roughly \$38,000 short on paying for the increase on the hauls. The proposed budget included the  
300 increased cost for hauls and would be adjusted if the warrant article for the compactor passed. He  
301 was comfortable with a warrant article and felt the need for the compactor should be explained to  
302 the voters. The Voter's Guide will contain an explanation.

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304 Mr. Rush propose a motion to increase the proposed budget by \$220,000. Ms. Hillsgrove  
305 seconded the motion for discussion. Mr. Viger stated the Selectmen carefully reviewed the  
306 options and weren't prepared to include the compactor in the budget and risk having a default  
307 budget being passed. He recommended that the Budget Committee pass the budget as presented.

**MOTION:** (Rush/Hillsgrove) To add \$220,000 to the Transfer Station budget.



**VOTE:** (1-8-0) The motion failed. Mr. Rush voted in the affirmative; the remainder of the Board voted in opposition.

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**MOTION:** (Cate/Viger) To approve \$668,958 as the 2016 Transfer Station budget.

**VOTE:** (8-1-0) The motion carried. Mr. Rush voted no.

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**Treasurer - \$11,113 proposed.**

**MOTION:** (Cate/Viger) To approve \$11,113 as the 2016 Treasurer budget.

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

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**Trust Funds - \$70 proposed.**

**MOTION:** (Cate/Viger) To approve \$70 as the 2016 Trust Funds budget.

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

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Mr. Rush made a motion to reduce the total budget by 1.5%, which calculated to \$211,569. There was no second.

Mr. Guimond stated the number on the floor representing the adjusted 2016 Town budget figure was \$14,103,632.

**MOTION:** To approve \$14,103,632 as the 2016 Town budget.

**VOTE:** (8-1-0) The motion carried. Mr. Rush voted no.

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Mr. Guimond noted the three known reconsideration items were: 1) gas / oil, 2) mileage, and 3) insurance.

**ADJOURNMENT**

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Mr. Guimond reviewed the upcoming meeting schedule based on the School budget delay. The Board will be provided with an updated schedule.

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

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

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The meeting was adjourned at approximately 8:58pm.

Respectfully submitted,  
Charity A. Landry - Recording Secretary