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**APPROVED**  
TOWN OF PELHAM  
BUDGET COMMITTEE - MEETING MINUTES  
Monday, September 12, 2016

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

PRESENT: Mr. Daniel Guimond, Mr. David Cate, Mr. David Cronin, Mr. Bob Sherman, Ms. Daryle Hillsgrove, Mr. Michael Bilby, Ms. Donna Dube, Mr. Michael Bailey, School Board Representative Megan Larson, Board of Selectmen Representative Amy Spencer. Also present was Town Administrator Brian McCarthy and Finance Director Dayanand Ramgopaul

ABSENT: None.

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**PLEDGE OF ALLEGIANCE**

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**NEW MEMBER APPOINTMENT(S)**

MOTION: (Cate/Larson) To appoint Michael Bailey as a member of the Budget Committee.

VOTE: (8-0-0) The motion carried.  
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MOTION: (Sherman/Cate) To appoint Donna Dube as a member of the Budget Committee.

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

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**MEETING MINUTES**

21 Mr. Cronin questioned if an answer had been received from the New Hampshire Municipal  
22 Association ('NHMA') regarding budget committee quorum membership and if alternate  
23 members were allowed. Mr. McCarthy told the Board he spoke with an attorney at NHMA who  
24 informed there was no provision in the statute that allowed a budget committee to have alternate  
25 members. He noted that the Pelham Budget Committee was voted in by Town Meeting, therefore  
26 to change the membership (regarding quorum) would require a vote at Town Meeting.

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**August 22, 2016**

MOTION: (Cate/Sherman) To approve the August 22, 2016 meeting minutes as written.

VOTE: (10-0-0) The motion carried.

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31  
32 There was a brief discussion regarding the proposed meeting schedule. There were no changes  
33 made. *(Full Schedule posted on [www.pelhamweb.com/budget-committee](http://www.pelhamweb.com/budget-committee))*

36 **Capital Improvement Plan Presentation**

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38 Planning Director Jeff Gowan came forward to present the 2017-2023 Capital Improvement Plan.  
39 Each submission item has been assigned a priority ranking: *Urgent, Committed, Necessary,*  
40 *Desirable, Deferrable, Research, Inconsistent.* He discussed the importance of having an active  
41 and comprehensive plan with a seven year forecast of capital expenditures to flatten out budget  
42 peaks and valleys. The CIP is an advisory document for the Board of Selectmen and Budget  
43 Committee. Mr. Gowan noted that the Transfer Station project was not reflected in the CIP  
44 because the figures were not available when the plan was being compiled. The Board discussed  
45 some of the items on the plan and when they would be completed.

46

47 **2015 Town Accounting Audit**

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49 Mr. McCarthy provided the Board with a summary result of the 2015 Town Accounting Audit.  
50 He noted for the first time in 20 years, the Town received no significant deficiencies and no  
51 management corrections, there were only minor changes/corrections. He stated that the Town  
52 Treasurer and Finance Director were instrumental in the process. Ms. Spencer stated that the  
53 Selectmen recognized how much Mr. McCarthy had done (since being hired) to move things in  
54 the right direction. They appreciate Mr. McCarthy and all the department heads.

55

56 **2017 TOWN BUDGET REVIEW**

57

58 **Elections** - presented by Town Clerk/Tax Collector Dorothy Marsden and Deputy Town  
59 Clerk/Tax Collector Linda Newcomb.

60 2017 Budget request: \$10,243 a reduction of 55.9% from last year

61 2016 Operating Budget: \$23,227

62

63 Ms. Marsden pointed out that the budget was decreased since there would only be one election in  
64 2017 compared to four elections in 2016.

65

66 **Town Clerk/Tax Collector** – presented by Town Clerk/Tax Collector Dorothy Marsden and  
67 Deputy Town Clerk/Tax Collector Linda Newcomb.

68 2017 Budget request: \$233,821 an increase of 1.71% over last year.

69 2016 Operating Budget: \$229,900

70

71 Salaries – Contractual increase (2% increase). Mr. Guimond questioned what percent of taxes  
72 were delinquent. Ms. Marsden replied they had 96% collected.

73

74 *Supplies* – Postage rate decreased. Miscellaneous supplies (general office supplies) showed an  
75 increase.

76

77 *Expenses* – Mr. McCarthy provided a brief explanation of the MuniSmart system, which is the  
78 software used for accounting in the Finance and Town Clerk/Tax Collector offices. There is an  
79 annual fee that has not increased during the last few years. He told the Board that they were  
80 informed the company may be going out of business/taken over, resulting in the software being  
81 discontinued. He was working with the Town Treasurer and IT Specialist to research other  
82 software companies. Mr. McCarthy explained because MuniSmart doesn't update their system  
83 and their customer service was terrible. There is a compatibility problem with the Town's  
84 computer running system causing difficulty with the payroll process. He warned that the cost of  
85 using a new software may be significant, but necessary. He believed the cost of using a new  
86 software would be included in the 2018 budget.

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**Assessing** – presented by Assessing Technician Susan Snide.  
2017 Budget request: \$173,263 an increase of 5.1% over last year.  
2016 Operating Budget: \$164,874

Ms. Snide told the Board with the recent revaluation the Town’s value went up, which should result in a reduced tax rate. Mr. Sherman questioned if the rate would differ between residential and commercial. Ms. Snide answered no; the tax rate is uniform across the board.

*Salaries* – Contractual increase.  
*Supplies* – Increase for laser printer cartridges.

*Expenses* – Increase for Vision Maintenance (Assessing data base) due to support of additional computers and more users. Contractual increase for consulting fees. Ms. Snide noted there were a lot of new properties that needed review.

**Budget Committee**  
2017 Budget request: \$162 a reduction of 96.1% from last year  
2016 Operating Budget: \$4,180

Mr. Guimond explained that the budget decrease was due to the Recording Secretary salary being moved into the Selectmen’s budget.

**Debt Service Interest** – presented by Finance Director Dayanand Ramgopaul and Town Administrator Brian McCarthy  
2017 Budget request: \$135,519 an increase of 1.5% over last year  
2016 Operating Budget: \$133,490

Mr. McCarthy explained that the ‘TAN’ Interest is the Tax Anticipation Note (similar to a short-term loan against taxes) used to cover expenses. This has not been used in several years.

**Debt Service Principal** – presented by Finance Director Dayanand Ramgopaul and Town Administrator Brian McCarthy  
2017 Budget request: \$711,632 an increase of 4.8% over last year  
2016 Operating Budget: \$678,875

Mr. McCarthy spoke to the increase due to the purchase of a six-wheel dump truck and (Pine Valley) Golf Course (excluding the club house). Ms. Dube questioned why the Town was purchasing property. Mr. McCarthy explained the Town and the Conservation Commission had a goal of preserving open space. Mr. Cate noted the voters approved a warrant article for \$3 million to purchase open space. The Town has been purchasing various parcels to maintain its rural character. Ms. Dube questioned if there were any plans to develop the open space. Mr. McCarthy answered no. Mr. McCarthy pointed out that there were approximately 42 acres at the rear of the golf course previously slated for development, which had not come to fruition. He said that particular area connected with other Town parcels and trail systems. Mr. Bailey asked if the Town owned the golf course land. Mr. McCarthy answered yes; the Town owned just the course and leased the business. He noted there was a provision in the (conservation) warrant article that didn’t allow the Town to purchase commercial property; therefore the parcel containing the club house was not purchased. Mr. Bailey questioned if there was any provision to require the owner to maintain the golf course. Mr. McCarthy answered yes; the lease agreement

138 stipulates a standard for which the course is to be maintained so it doesn't fall into disrepair. Ms.  
139 Dube asked if the Town had traded tax revenue for open space. Mr. McCarthy replied there  
140 would still be some tax revenue. Mr. Guimond noted by having open space, houses wouldn't be  
141 built, therefore school population wouldn't increase. Ms. Spencer discussed the benefits of  
142 having open space and preventing over development (over use) of strategic areas to preserve  
143 nature.

144  
145 Mr. Guimond questioned what was remaining in the conservation fund. The Board will ask the  
146 Conservation Commission during their budget review.

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148 **Health Services** - presented by Finance Director Dayanand Ramgopaul and Town Administrator  
149 Brian McCarthy

150 2017 Budget request: \$73,000 an increase of 4.0% over last year

151 2016 Operating Budget: \$70,180

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153 Mr. McCarthy discussed the addition of Pelham Community Coalition ('PCC'), which is a group  
154 of community members working on programs, such as the heroin addiction problem in the  
155 community. They were working to assist residents who struggle with addiction and support their  
156 families. Mr. Cate questioned if Hope for New Hampshire Recovery ('HNHR') worked in  
157 conjunction with PCC. Mr. McCarthy answered yes; they assisted individuals to enter into  
158 recovery facilities.

159  
160 Mr. Guimond asked if the Town's drug problem was getting better. Mr. McCarthy believed it  
161 was. He said there was a decrease in State-wide deaths and believed the programs were making a  
162 difference. Mr. Cate questioned if \$10,000 was adequate for HNHR. Mr. McCarthy believed  
163 they needed three years to measure a program. Mr. Cate asked for actual figures in the next  
164 budget cycle. Ms. Spencer said she would bring information back to the Board regarding what  
165 had been accomplished. She noted PCC provided outreach and information in terms of what  
166 resources are available. They help connect people with those resources. She stated HNHR was  
167 one of those resources.

168  
169 Mr. Bailey questioned how PCC was currently funded. Mr. McCarthy replied they were funded  
170 by donations. Mr. Bailey asked if the budget request of \$3,000 would be a significant amount, or  
171 if it would represent a small amount to assist them in their work. Mr. McCarthy believed it was a  
172 good number to start with. They could assess the figure as the year progressed. Ms. Dube  
173 understood that both PCC and HNHR targeted a certain addiction problem. She questioned if  
174 there was State funding for a solution. Mr. McCarthy replied at present there was no State  
175 funding. Ms. Spencer stated it was not just young people who suffered from addiction, there was  
176 no specific age, gender or social status demographic; addiction is indiscriminant.

177  
178 Mr. Sherman questioned if the increase for St. Joseph's was for the seniors. Mr. McCarthy  
179 replied the increase was for the Meals on Wheels program who projected additional customers for  
180 the coming year. Mr. Sherman wanted to know why there was a decrease for the Pelham Food  
181 Pantry. Mr. McCarthy replied the budget reflected the request of the program.

182  
183 Mr. Bailey wanted to know if the PCC had investigated the availability of grants or programs to  
184 help support them. Ms. Spencer had spoken with the leaders of the PCC who were constantly  
185 seeking available grant money. She said since they provide a service to the community the  
186 Selectmen felt it was prudent and useful to help support their effort. Ms. Hillsgrove noted the  
187 people being helped by the services were not using emergency services that would be a cost to the  
188 community.

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**Health Officer** – presented by Town Administrator Brian McCarthy

2017 Budget request: \$45,766

2016 Operating Budget: \$43,766

Increase of \$2,000 to conduct a fall spraying for Tick Control. A yearly analysis will be done. Spraying is done at the Schools, Parks and Playgrounds.

**Human Services** – presented by Town Administrator Brian McCarthy

2017 Budget request: \$88,040 level funded

2016 Operating Budget: \$88,040

Mr. Cronin noticed that the budget was a flat request. He wanted to know if they were budgeting enough time for the administrator. Mr. McCarthy answered yes. Mr. Cronin requested an average (3-5 year) figure relative to the number of residents using the service. Mr. McCarthy noted during the past couple years they haven't used the complete budget. He noted that the Human Services budget was one that the Town could legally over expend. He personally felt the Town was in good shape and well prepared; the department had coverage in the event the administrator wasn't available.

Mr. Guimond noted the administrator worked with people to create a budget and effectively manage their money. Mr. Bailey questioned if there were any formal welfare activities that were performed by the department. Mr. McCarthy replied the administrator worked with a group that helped people find jobs and connect with counseling services.

Ms. Dube asked if the program was also available for people who were on fixed incomes and having difficulty paying property taxes. Mr. McCarthy said the program helped people on a fixed income that may need assistance with heat, electric, food etc., not to pay property taxes. Mr. Sherman note that the Town had an abatement program. Tax abatement was not part of general assistance.

**Legal** – presented by Town Administrator Brian McCarthy

2017 Budget request: \$85,000 a decrease of 10.5% from last year

2016 Operating Budget: \$95,000

Mr. Guimond questioned if the Town had any outstanding cases. Mr. McCarthy replied they had a couple pending cases and one new case that just came in. He felt the budget should be okay. At present (year to date) the budget was 45% expended. Mr. McCarthy told the Board they had been utilizing the free legal services of the New Hampshire Municipal Association. He recently learned that the Town's new insurance company (Primex) offered a free attorney that will assist with employee matters.

Mr. McCarthy discussed the legal funds expended for the Kinder Morgan project that had been cancelled and the remaining funds approved by warrant article. He recently received a check back for \$9,000; that \$9,000 and the remaining money in the warrant article will be returned to the general fund.

Mr. Sherman asked if there were any contracts that needed to be negotiated in 2017. Mr. McCarthy answered no.

Police – 2018

Fire – 2019

240 Support – 2020

241

242 **Town Celebrations** – presented by Town Administrator Brian McCarthy.

243 2017 Budget request: \$9,260 a decrease of 2% from last year

244 2016 Operating Budget: \$9,452

245

246 Decrease reflected in the Independence Day lines. Mr. McCarthy explained that the Town's new  
247 insurance company (Primex) will not insure the Town if they have any kind of a rebounding  
248 device on their premises (i.e. diving board, bounce house). Mr. Bilby questioned if there was any  
249 replacement activity. Mr. McCarthy said a suggestion was mentioned to have a ball pit.

250

251 **Treasurer** – presented by Town Administrator Brian McCarthy and Finance Director Dayanand  
252 Ramgopaul.

253 2017 Budget request: \$15,176 an increase of 36.57%

254 2016 Operating Budget: \$11,113

255

256 Increase in the Specials line due to bank fees. Mr. McCarthy stated that there had been additional  
257 transactions. He also spoke to the fact that the Town had a credit card policy; each department  
258 has a credit card (with a specific limit) for Town business purchases rather than employees using  
259 personal cards and receiving credit points. The cards are paid off and don't carry a balance. Mr.  
260 Ramgopaul noted in the past the debt line item wasn't budgeted and had come from other areas in  
261 the budget. The proposed budget reflects actual expenditures.

262

263 Ms. Dube questioned if the credit card program would be consolidated with the Schools. Ms.  
264 Larson stated that the School used a different purchasing program. Mr. McCarthy believed it  
265 would be beneficial in the future to work with the School to purchase things such as oil, fuel etc.  
266 The difficulty was the School working in one fiscal year ahead of the Town. He said discussions  
267 had commenced and it was a goal to work together.

268

269 **Trust Funds** – presented by Town Administrator Brian McCarthy.

270 2017 Budget request: \$1,070 an increase of 1428.57% over last year.

271 2016 Operating Budget: \$70

272

273 Mr. Guimond understood that the State was requiring the Town to upload the perpetual care  
274 information to their website.

275

276

277 **Fire Department** - presented by Fire Chief James Midgley and Deputy Chief Paul Leischner

278 2017 Budget request: \$2,030,441

279 2016 Operating Budget: \$2,012,976

280

281 *Salaries* – Contractual increases. The decrease for emergency coverage was due to a shift in  
282 employees. Chief Midgley explained the U.S. switched the requirements for recertification,  
283 which had been done through refresher courses. They now do the National Continuing  
284 Competency Program ('NCCP') which contains three separate programs. The first program is for  
285 national hours, the second is the state hours, and third is the individual hours. The department  
286 tries to off-set EMT and paramedic training occur in alternating years, they are attempting to do  
287 the same with the three sections in NCCP.

288

289 Mr. Cate recognized Chief Midgley worked with the Board regarding the cost for the Cooper's  
290 Test. Chief Midgley explained that the Cooper's Test was an agility test based on an age

291 category. It is the same test standards used by the Police Department, which would decrease the  
292 potential for workman's compensation situations.

293

294 Mr. Guimond questioned how many call firefighters the department had. Chief Midgley replied  
295 they had eleven with a couple more in the 'pipeline'. He said retaining call firefighters was an  
296 ongoing challenge.

297

298 *Ambulance Supplies* – Mr. Cate questioned if there was enough money for Narcan. Chief Midgley  
299 replied there had been an outrageous national increase; the drug companies were gouging the  
300 country. There had been a similar increase for Epipens. He told the Board the department had a  
301 good relationship with their medical control facility (Southern New Hampshire Medical Center)  
302 who had a good supply stream. Chief Midgley spoke about the cost for the SCBA's, which had  
303 been reaching the end of their lifespan. He said they had applied for and received a grant  
304 (\$152,000 Federal money / \$8,000 Fire budget) to replace all the SCBA equipment, which was  
305 expected to last for approximately 15 years. The timing of the grant allowed the department to  
306 update their CIP submissions.

307

308 *Gas & Oil* – New line for Ethanol Free Small Engine Fuel. Chief Midgley discussed Ethanol  
309 fuel, which was costly, decayed hoses and silicon parts within engines and if it sits for an amount  
310 of time it draws moisture allowing for fuel contamination. He discussed the issues they had with  
311 equipment not starting. He said they switched to Ethanol free fuel which was expensive; however  
312 the payout was not having to cycle it out of equipment because it had a three-year shelf life. Mr.  
313 Cate questioned if using the fuel would save in repair costs. Chief Midgley answered yes; it  
314 would keep equipment in service. Mr. Bilby asked if they had numbers for the amount of fuel  
315 that had been wasted. Chief Midgley believed they wasted approximately 150 gallons of fuel.  
316 Given recent gas prices at \$2.50 per gallon, Mr. Bilby noted they lost approximately \$375 in fuel.

317

318 There was a brief discussion regarding ambulance calls. Last year the Fire Department saw 1,052  
319 patients, they had 652 transports of which there were 277 advanced life support.

320

321 *Computer System* – Increase for annual service contract for Public Eye, which is the mobile data  
322 platform used in their shop. They are currently using laptops and are in the process of switching  
323 over to using tablets.

324

325 *Equipment Rental* – Chief Midgley discussed the Maintenance Pro Web which tracks vehicles  
326 and allows better control and cost projections for equipment, parts, labor etc. There's an annual  
327 cost that will increase approximately 3%-4%. The software has the possibility of also being  
328 beneficial for the Highway Department.

329

330 *Fire New Equipment* – Chief Midgley explained they use the previous year's figure as a starting  
331 point and they list out all the new equipment to purchase throughout the year. He noted they  
332 included a line for a snow blower, which will replace an old snow blower. He summarized the  
333 other items contained on the list.

334

335 *Expenses General* – Chief Midgley discussed the new line for Target Solutions Software which  
336 will allow the department to integrate their policies and track training (National, Local and  
337 Individual hours) for each user. He discussed the importance of tracking education for the  
338 Town's ISO training. He also spoke of the insurance savings to taxpayers for the Town having a  
339 low ISO rating.

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344 **Emergency Management** – presented by Fire Chief James Midgley and Deputy Chief Paul  
345 Leischner

346 2017 Budget request: \$8,429

347 2016 Operating Budget: \$8,296

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349 Chief Midgley explained that the budget was only used during major incidents, which allows the  
350 Town to recoup the costs (75%) if an emergency is declared.

351

352 **ADJOURNMENT**

353

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

**VOTE:** (10-0-0) The motion carried.

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355 The meeting was adjourned at approximately 10:00pm.

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Respectfully submitted,

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Charity A. Landry

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Recording Secretary