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APPROVED
TOWN OF PELHAM
BUDGET COMMITTEE - MEETING MINUTES
Monday, October 3, 2016

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 Brian Carton, Board of Selectmen Representative Amy Spencer. Also present was Town Administrator Brian McCarthy and Finance Director Dayanand Ramgopaul

ABSENT: None.

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10 **PLEDGE OF ALLEGIANCE**

11
12 **MEETING MINUTES**

13
14 **September 26, 2016**

MOTION: (Sherman/Cate) To approve the September 26, 2016 meeting minutes as written.

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

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16
17 **2017 TOWN BUDGET REVIEW**

18 **Assessor** – No questions raised.

19 **Budget Committee** – No questions raised.

20 **Cable** – No questions raised.

21 **Cemetery** – No questions raised.

22 **Conservation Commission** – Recording Secretary position remained in the budget as they are a member of the committee and volunteer most of their hours.

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26 **Debt Service Interest / Principle** – No questions raised.

27 **Elections** – No questions raised.

28 **Emergency Management** – No questions raised.

29 **Fire Department** – No questions raised.

30 **Health Officer** – No questions raised.

31 **Health Services** – Mr. Cate wanted to know if the line for Hope for NH Recovery was adequate. Mr. McCarthy replied they felt comfortable with the request. Mr. Cronin asked if it was required for each of the beneficiaries to submit a letter. Mr. McCarthy believed it was; however some may have been carried over from previous years. Ms. Spencer noted the Selectmen voted to support Pelham Community Coalition last year. During budget review this year she requested they be renewed and will make a note for them to submit a letter in the future. Mr. Cronin wanted to know if it was mandatory for letters to be submitted. Mr. McCarthy didn't believe it was mandatory, but it was good practice to do so.

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40 **Highway** – It was noted that there was an increase for DEF fluid due to having a new truck. Mr. McCarthy understood the fluid was necessary for diesel trucks to run. Mr. Guimond confirmed

42 that the hot patch/reclaimer, which would have a payback within approximately 5-6 years. Mr.
43 McCarthy discussed the benefits to having the reclaimer, which would allow the department to
44 reuse asphalt year round to allow road maintenance. The method they had been using is cold
45 patching, a temporary fix. The Highway Department will be able to set up an area for contractors
46 to leave asphalt for the Town to recycle. The specific details of having contractors donate extra
47 asphalt at the Highway Department has yet to be determined.

48
49 Mr. Cronin questioned the increased cost for the front end loader. Ms. Spencer believed the
50 increase was due to additional rental time for snow removal at the schools. The new parking lot
51 configuration made snow removal difficult, and the Highway Department had to push snow into
52 piles and push it into the football field. Mr. McCarthy believed the additional rental would also
53 assist the Town with snow removal in the event of heavy snowfall.

54
55 **Human Services** – Mr. Guimond confirmed this was the only budget line that could be overspent
56 if needed. Mr. McCarthy answered yes. Mr. Guimond questioned what percent of the budget
57 had been spent year to date. Mr. Ramgopaul replied 49% had been spent through the end of
58 August.

59
60 **Insurance** - No questions raised.

61 **Legal** - No questions raised.

62 **Library** – Mr. Cronin wanted to know the cost of new chairs versus reupholstered chairs. Mr.
63 Guimond replied the cost would double to approximately \$200 each. Mr. Cronin understood the
64 chairs were 10 years old. Mr. Guimond asked if the chairs were in good structural condition. Mr.
65 Cate, who met with the Trustees, said the chairs were sturdy; however, they were in dire need of
66 reupholstering. Mr. Guimond requested that the Library be present for voting night.

67
68 **Parks & Recreation** – Mr. Guimond noted the increase was mainly due to a salary increase for
69 an employee currently working 20 hours per week that would increase to 32 hours per week and
70 receive medical benefits. He said later in the meeting the Board would discuss a possible By-
71 Law change. Ms. Spencer believed based on the current By-Laws the employee wouldn't fall
72 under a requirement for a warrant article because they are still part-time. Mr. Guimond noted the
73 Board would need to discuss when an employee received benefits. To that point, Ms. Spencer
74 didn't believe it was the Budget Committee that determines what is part-time or full-time; it was
75 set by the Town and Board of Selectmen. She believed the conversation was what position would
76 need to go to a warrant article. Mr. Guimond wanted the Board to discuss at what point a
77 position was put into a warrant article.

78
79 **Planning Department** – No questions raised.

80 **Police Department** – Mr. Cronin understood there were certain items (communication console in
81 communication center) previously covered by FEMA and questioned if the grant had expired.
82 Mr. McCarthy understood that the first three years of the purchase was covered under some left
83 over FEMA money, when they hit year four there was a gap that needed to be filled. Mr. Cronin
84 asked if it was known that FEMA would cover three years and after have the Town responsible.
85 Mr. McCarthy believed there was an expectation of a fourth year, but somewhere along the lines
86 it fell through the cracks. Mr. Cronin questioned if the equipment would be fully paid during the
87 fourth year. Mr. McCarthy answered yes. It was noted that the Watch Guard Cruiser Video and
88 Patrol PC Cruiser MDTS were also moved from FEMA into the budget (4 year of 5 year lease)

89
90 **Retirement** – No questions raised.

91 **Selectmen** – Mr. Guimond noted the Board would discuss the Human Resources Coordinator
92 position when they discussed the By-Laws. Mr. McCarthy noted the position would be
93 increasing from 32 hours to 40 hours.

94 **Senior Center** – Mr. McCarthy provided a brief update regarding the status of the parking lot
95 project, which was expected to be completed by the end of the year.

96 **Town Buildings** – Mr. McCarthy summarized the proposed projects: 1) Sherburne Hall Roof
97 Replace, 2) Upgrade lights to LED in municipal building, and 3) A/C – heat for Sherburne Hall.
98 Mr. Cate asked if the budget would increase next year. Mr. McCarthy said in the past two years
99 they had accomplished a lot and believed the buildings were in pretty good shape. Mr. Sherman
100 reviewed the Capital Improvement Plan items for next year. It was noted that the figure for the
101 animal control shelter was a placeholder figure. Mr. McCarthy stated they had done some
102 cursory review with a couple contractors and believed the figure could be reduced. Mr. Guimond
103 asked if the existing structure would be removed. Mr. McCarthy said there had been discussions,
104 but no final decision had been made. One possibility would be to allow the Animal Rescue
105 (volunteer organization) to continue using the building. Another possibility is to locate a shelter
106 closer to the Town center.

107
108 Mr. Sherman asked Mr. McCarthy if he had any discussions with the School regarding the gas
109 line project. Mr. McCarthy said he hadn't had recent conversations. Through previous
110 discussions he knew the School had a gas conversion ready to go. The ground break for the
111 project is Spring, 2017. Mr. Guimond believed the School had a deadline they had to meet to
112 remove equipment. Mr. McCarthy said he would speak with School Superintendent Amanda
113 Lecaroz. Mr. Carton believed the School had until April to remove the equipment; however, if
114 they had the date for groundbreaking they could request an extension from the State. Mr.
115 McCarthy said he would also contact the gas line representative to find out if they had a more
116 direct date for the project to begin.

117

118 **Town Celebrations** – No questions raised.

119 **Town Clerk / Tax Collector** – No questions raised.

120 **Transfer Station** – Mr. McCarthy provided the Board with an update regarding the compactor
121 building project status. Mr. Sherman questioned the figure listed for the tire trailer. Mr.
122 Ramgopaul replied there had been a \$1 placeholder in 2016, the actual figure is listed in the 2017
123 line.

124 **Treasurer** – No questions raised.

125 **Trust Funds** – Mr. McCarthy spoke to the increase. He stated that the New Hampshire
126 Department of Justice, Charitable Trust Division now qualifies graves as a trust and as such they
127 want every grave uploaded onto their website. The Town needs to provide someone and pay
128 them to upload the information. Mr. Guimond asked if there was a deadline. Mr. McCarthy will
129 contact Trustee Edmund Gleason to understand the deadline.

130

131 **DISCUSSION of By-Laws: Section VII – Procedure for Review of Budgets**

132

133 The Board discussed Section VII – B – 2: *Any new personnel or change from part-time to full-*
134 *time will be set forth in a warrant article.*

135

136 Mr. Bailey submitted a proposal to remove Section VII-B-2 and insert new verbiage under
137 Section VII-C-1 and 2 (remaining subsections would be re-lettered/re-numbered accordingly)

138

139 **C. TOWN PERSONNEL**

140

- 141 1. *Staffing changes shall be managed by the departments through the normal budget*
142 *process with the exception of any personnel where the total compensation (salary*
143 *plus estimated town portion of benefits and retirement) exceeds \$85k. In cases where*
144 *the total compensation exceeds \$85k, the addition of new staff or transition from*
145 *part-time to full-time shall be set forth in a warrant article.*
146
147 2. *At the discretion of the Budget Committee, under special circumstances, the*
148 *committee can recommend any addition of new staff or transition from part-time to*
149 *full-time regardless of base pay be set forth in a warrant article.*
150

151 Mr. Bailey also provided the Board with a chart showing the mandatory retirement contributions
152 by type of employee by fiscal year beginning July 1 of each year from fiscal year 2016 & 2017
153 through fiscal year 2018 & 2019. He then noted assuming that the benefits cost is \$26k
154 maximum per year across the board, it would mean the base pay plus the town portion of
155 retirement would need to be below \$59k in order for the addition of a new staff or transition from
156 part-time to full-time to be done without a warrant. He provided a chart showing the base pay
157 threshold for regular employees, police and fire.
158

159 Mr. Bailey made a motion to implement the proposed language change. Mr. Cate seconded for
160 discussion.
161

162 Ms. Spencer stated her reading of the By-Laws was done as a Selectman and a member of the
163 Budget Committee, and not read as an attorney. She said it seemed that an 'ordinary' By-Law
164 change could be made by the Budget Committee if raised at a regular meeting, discussed at that
165 meeting and voted on at a subsequent meeting by simple majority vote.
166

167 Mr. Guimond understood ever since the institution of the Affordable Care Act, employees need to
168 start health benefits at thirty hours. It was noted that health benefits begin at 30 hours;
169 Retirement begins at 35 hours; and an employee is considered full-time at 37.5 hours. Mr.
170 Guimond believed the insertion of Section VII-B-2 was due to departments increasing employee
171 hours. At the time there was a contentious relationship between the Town and the Budget
172 Committee, which was not the case at present. Mr. Guimond noted there were three positions to
173 consider: 1) Human Resources Coordinator going from 32 hours to 40 hours, 2) Park
174 & Recreation office assistant going from 20 hours to 32 hours, and 3) Highway Department new
175 employee. He asked that the Board discuss at what point a warrant article should be submitted.
176 Mr. Bailey noted he intentionally left employee hours out of the submitted proposal. He didn't
177 want to consider at what number of hours an employee became eligible for benefits, he wanted to
178 focus on the overall cost to the taxpayer to have the additional staff.
179

180 Ms. Spencer agreed with the proposal. She suggested adding an inflationary number to the
181 figures.
182

183 Mr. Cate questioned who would determine the need for a part-time versus full-time employee.
184 Ms. Spencer said initially a department head would meet with the Town Administrator, then both
185 the department head and the Town Administrator would go in front of the Board of Selectmen.
186 Once the Selectmen reviewed the request it would go in front of the Budget Committee for
187 discussion and review. Mr. Bailey said transparency would remain; positions would be listed in
188 the budgets. Taxpayers can review the budgets on-line and express concerns to the Selectmen or
189 the Budget Committee. He said the language would simply set precedence for when a warrant
190 article should be submitted.
191

192 Mr. Sherman reviewed the wording contained in C-1 and was concerned it would allow for an
193 unspecified number of part-time employees to be hired. He felt the School should be exempt and
194 believed the language should be re-worded accordingly. Mr. Guimond replied at present the
195 Budget Committee had no say, other than through checks and balances, whether part-time
196 employees are included in the budget. Mr. Carton felt by the time a budget is submitted to the
197 Budget Committee it had been fairly well vetted. He'd like to see decisions in more cases than
198 not be in line with the proposed C-2. He stated the School District was the second largest
199 employer in Pelham. They had not requested any new positions since Ms. Lecaroz became the
200 Superintendent; instead they had repurposed positions from one job title to another.

201
202 Ms. Hillsgrove believed with the verbiage in C-2 allowing any position to be set forth in a warrant
203 reserved the Budget Committee's right to make a recommendation.

204
205 Mr. Bailey told the Board he was willing to contact the School to understand how their benefits
206 and retirement was set up and set up a chart similar to the one he created for the Town. This
207 would allow the By-Laws to have a separate section for Town and School employees. He said
208 the Board would have time to consider an amendment prior to warrant articles being submitted.
209 Ms. Spencer felt it was important to have both C-1 to give guidance and structure to C-2, as
210 section C-2 was too vague to stand alone.

211
212 Mr. McCarthy spoke to the need for Parks & Recreation to hire additional part-time help (summer
213 camp counselors) for the summer program. He was concerned that the proposed language would
214 not allow them to do so. Mr. Bailey said the purpose of the proposal was to address positions that
215 the Board felt the voters should be aware of. He didn't intend for the language to stop the
216 managers from working within their budgets. Ms. Spencer reviewed the current language (B-2)
217 and believed the intent of the amendment (C-2) was to make the language 'permissive' instead
218 of 'mandatory' (B-2) for a position to be submitted as a warrant. It was believed that the intent of
219 the existing language was to cover any 'new' employee.

220
221 Ms. Dube wanted to know if a department head could hire a new employee without having to
222 submit a warrant if the language in C-1 was adopted and section B-2 was omitted. Mr. McCarthy
223 answered yes. Mr. Bailey said they were only removing the requirement for a warrant if a
224 position fell below the threshold; the position would still be in the budget and visible to voters.
225 Mr. Bilby pointed out that the language in C-2 would allow the Budget Committee to still send a
226 position to warrant.

227
228 Mr. Cate said even with the Board tabling the discussion for a later time, they should make a
229 determination about the Human Resources position. Ms. Spencer believed the position could
230 remain in the budget as it was currently a part-time 32 hour position. Mr. McCarthy said the
231 Town defines a full-time position as being 37.5 hours. Ms. Spencer noted the current position
232 could be adjusted to 37 hours in the budget and remain classified as part-time position based on
233 the present definition and existing By-Laws. There was no objection by the Board to adjust the
234 hours of the Human Services position to 37 hours.

235

MOTION: (Sherman/Hillsgrove) To table the discussion of the By-Laws.

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

236

237 The Board tabled the discussion to allow the language to be re-written. Mr. Guimond thanked
238 Mr. Bailey for taking on the task of amending the language.

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241 **ADJOURNMENT**

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

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

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244 The meeting was adjourned at approximately 8:55pm.

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Respectfully submitted,
Charity A. Landry
Recording Secretary