

1 APPROVED

2 TOWN OF PELHAM  
3 BUDGET COMMITTEE - MEETING MINUTES  
4 Thursday, October 4, 2018  
5 APPROVED – October 11, 2018  
6

7 **CALL TO ORDER** – at approximately 7:30pm  
8

PRESENT: Mr. Michael Bailey, Mr. Dave Cate, Mr. Bob Sherman, Ms. Daryle Hillsgrove,  
Mr. Dave Cronin, Ms. Meg Bressette, Ms. Amber Capone, Selectmen  
Representative Doug Viger

ABSENT: School Board Representative Deb Ryan (excused)

9  
10 **MEETING MINUTES**

11  
12 **September 27, 2018**

13  
MOTION: (Cronin/Capone) To approve the September 27, 2018 meeting minutes as  
written.

VOTE: (5-0-2) The motion carried. Mr. Cate and Mr. Sherman abstained.

14  
15 **ByLaw Amendment Discussion**

16  
17 Mr. Bailey asked if the Board had any discussion on the ByLaw change. Mr. Sherman asked that  
18 the word ‘family’ be added to paragraph C 1 “(salary plus estimated town portion of *family*  
19 benefits and retirement)”. Ms. Capone questioned if the proposed change should be submitted as  
20 a warrant article. Mr. Bailey replied it had always been in the Budget Committee ByLaws to  
21 determine if a new employee, or an employee moving from part-time to full-time should be voted  
22 on by the Town. He said during the initial discussion about the ByLaw change (2016) he updated  
23 the numbers and he had done so again this year to keep the figures current. He added a paragraph  
24 explaining how the figures were reached so the Board in the future could continue to update the  
25 figures in the same manner.

26  
27 Mr. Sherman suggested eliminating paragraph C 2:

28 *“At the discretion of the Budget Committee, under special circumstances, the committee can*  
29 *recommend any addition of new staff or transition from part-time to full-time regardless of base*  
30 *pay be set forth in a warrant article.”* Mr. Bailey explained when they originally discussed the  
31 ByLaw change in 2016, there was some desire to still give the Budget Committee the ability to  
32 override the rule set forth in C1 under special circumstances. He had no objection to removing  
33 the language. He noted if that language was removed it would ‘firm’ up the rules and make it so  
34 there would be no leeway for the Budget Committee to override paragraph C1.

35  
36 Ms. Hillsgrove didn’t support removing paragraph C2. She felt the Board needed the ability to  
37 have leeway. Mr. Cate agreed with Ms. Hillsgrove and noted the Budget Committee was a  
38 checks and balances committee and needed to have the ability to review items. From what Mr.  
39 Viger understood the ByLaws were always a template of what the Town would act on and the  
40 Budget Committee would automatically accept. However, he said the Budget Committee always  
41 had by purview the ability to vote any one of the ByLaws and change it. He said if there was any

42 position (even if it fit in the ByLaws) and the Board decided to not follow the ByLaws and it into  
43 a warrant article. Mr. Viger believe that was still the intent of what they were trying to  
44 accomplish. Ms. Hillsgrove said if the was a highly controversial position, they could push it to a  
45 vote versus being in an operating budget.  
46

**MOTION:** (Sherman/Cate) To amend and approve the insertion of the word ‘family’ into  
paragraph C1 (as indicated above).

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

47  
48 Mr. Sherman made a motion to remove paragraph C2. There was no second to the motion;  
49 therefore, there was no vote.  
50

51 Ms. Capone stated she was hung up on the words ‘special circumstances’ in paragraph C2. She  
52 wanted to know who would define a special circumstance if the current Board members were no  
53 longer on the Board. She wondered if the Board could come up with a different way to say it.  
54 Mr. Bailey replied the wording was intentionally left loose to give the Budget Committee leeway.  
55 There was a brief discussion regarding the language. Mr. Viger suggested removing the words  
56 ‘*under special circumstances*.  
57

**MOTION:** (Viger/Capone) To remove the words ‘under special circumstances’ from  
paragraph C2.

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

58  
59 There was no further discussion. The matter will be tabled to the Board’s next meeting. Mr.  
60 Bailey stated he would update the language and forward to the Board for review prior to the next  
61 meeting.  
62

**MOTION:** (Sherman/Cate) To table the ByLaw document to the Board’s next meeting.

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

63  
64 **2019 BUDGET REVIEW**

65  
66 The Board then went through each of the budgets. The Board had questions on the following:  
67

68 Town Clerk/Tax Collector – No questions were raised.

69 Elections – No questions were raised.  
70

71 Senior Center/Hobbs Community Center - Mr. Cronin questioned if the repairs line would be  
72 enough. Senior Center Director Sara Landry believed it would be.  
73

74 Assessing – Mr. Sherman asked that \$1 be added to the New Equipment line to keep the line  
75 open.  
76

77 Highway – Mr. Sherman understood that they would submit a warrant article for additional  
78 money to get the garage built. He suggested that they have a diagram of the building layout  
79 including the features when the article is submitted for voter consideration. Mr. McCarthy  
80 replied they already had a rendition.  
81

82 Transfer Station – Mr. Sherman understood the Chinese were no longer taking material for  
83 recycling. He asked if the department had a back up plan. Highway Road Agent Frank Ferreira  
84 replied they hadn't had any problems getting rid of anything; they had a five-year contract with  
85 Republic.

86  
87 Police Department – Mr. Bailey called attention to the elections budget which showed three,  
88 when there would only be one in 2019. He understood Police Chief Joseph Roark had no  
89 objection to making the adjustment. Mr. Sherman asked if the new School Resource Officer was  
90 included in the budget. Police Captain Steve Toom answered yes. Mr. Sherman inquired if the  
91 position met the criteria for a new position. Mr. McCarthy answered yes; it met the criteria set  
92 forth by the Budget Committee for the position to be included in the operation budget. He noted  
93 that the position wouldn't technically begin until August 2019.

94  
95 Ms. Bressette asked for confirmation of the correct figure being proposed. She recalled there had  
96 been an error in the office supply number. Mr. McCarthy replied a new budget was forwarded to  
97 the Board. Ms. Capone believed the office supplies line had been reduced by approximately  
98 \$10,000 and there was a change in the line for CALEA. She noted that the Selectmen had  
99 approved the budget prior to the Budget Committee pointing out numbers that needed to be  
100 adjusted. Mr. McCarthy said the lines to be adjusted were 1) elections, 2) equipment and 3)  
101 CALEA. He said he would meet with the Chief and ensure those numbers were updated. The  
102 Board would then be provided with an updated budget. Ms. Hillsgrove asked that the  
103 amendments be highlighted for the Board when the revised version is forwarded.

104  
105 Fire Department – Fire Chief James Midgley came forward and explained how the SAFER Grant  
106 funds would be incorporated into the budget. He explained after the Finance Director spoke to  
107 the auditors, they learned the grant money had to be set up in a separate fund for accountability.  
108 He stated they already had a process in place and summarized the financial structure. FEMA has  
109 assigned a grant specialist to work with the department. He noted there were certain items that  
110 weren't covered under the grant because they weren't classified as pay or benefits. Mr. Bailey  
111 felt it was appropriate to include 'true costs' within the budget. The Board would like the final  
112 budget prior to voting at their next meeting. Chief Midgley believed there would be a surplus at  
113 the end of the three-year grant; at the end of 2021 there would be money going back to the Town.

114  
115 Mr. Sherman reviewed the overtime information, specifically disability coverage. Chief Midgley  
116 replied the Board had a great deal of discussion at their last meeting. They had done a calculation  
117 based on what they believed would occur with a current disability that had another nine months  
118 within 2019 to get that employee to the eighteen-month mark. He explained the make-pay (for  
119 the union contract) and back-fill calculations for the position were listed. Mr. Sherman asked if  
120 the numbers would need to change. Ms. Hillsgrove stated the Board had a long discussion about  
121 disability because it had been underfunded based on how its calculated. Now that the Board had  
122 updated information, she felt they should consider it as they vote. Chief Midgley noted they  
123 couldn't plan for disability. Ms. Capone looked at the average disability from the last three years  
124 and suggested the figure be increased to that average figure, which would be a difference of  
125 \$1,600. Ms. Hillsgrove asked that the department forward information regarding the amounts  
126 they knew they would incur going forward. She was not in favor of taking money away from  
127 training to make up for any shortfall. Ms. Capone agreed. Mr. Bailey also agreed they should  
128 have a buffer in the event something else happens.

129  
130 Mr. Sherman was interested in what the Chief felt would be a good figure going forward. Mr.  
131 McCarthy felt they should establish a definitive number. Ms. Hillsgrove said if they had a similar  
132 situation going on with the Police Department, they should put together figures from the past five

133 years. Mr. Bailey felt the nature of that portion of the budget called for some flexibility each  
134 year. He said if they knew there would be outlays it should be budgeted along with additional  
135 funding.

136

137 Emergency Management – No questions were raised.

138

139 Planning Department – Mr. Cronin recalled they had a discussion last year about the inspector’s  
140 salaries. He couldn’t recall if they agreed to carry the raises over. Planning Director Jeff Gowan  
141 explained the Selectmen had approved a three-year approach breaking up the original figure:  
142 45%/35%/20%. The budget for 2019 was a 35% increase (of the original figure proposed).

143

144 Library – Library Director Rita Gavelis and Library Trustee Chair Rose Cares came forward and  
145 provided the Board with a revised budget. Ms. Hillsgrove asked that they review the items that  
146 had changed.

147

148 Ms. Gavelis spoke about the staff changes that had occurred by promotions, reclassifications and  
149 filling positions that had been vacant. They are trying to keep their salaries competitive to be able  
150 to retain their employees. She said it was difficult as they were trying to keep up with other  
151 libraries using salary data from 2017 in their 2019 budget. Ms. Gavelis commented it was  
152 difficult to try to catch up as they were the lowest paid in the area for their size.

153

154 Ms. Gavelis stated the Board had a discussion at their last meeting about security cameras. They  
155 removed the cameras from this year’s request because they were addressing some of the security  
156 issues in the renovation plan.

157

158 Ms. Gavelis referenced their backup information pertaining to salary comparison/growth and  
159 changes in staff. She said they working to fix the problems to retain their employees. Ms. Cares  
160 stated one of the biggest difficulties was having five directors over the last four years, which  
161 caused vacancies and personnel issues. The Board was provided with information that quantified  
162 the value of the services provided by the Library that benefitted the residents and patrons. Ms.  
163 Gavelis said even though they don’t make money, they provide services that people take  
164 advantage of and enjoy. She hoped the Board would help them continue to provide the services.  
165 There was a brief discussion regarding the salary ranges of the various positions based on  
166 statistical data.

167

168 Mr. Cronin didn’t feel anyone on the Board devalued the library; the Board is the ‘financial  
169 watchdog’ of the Town. When doing a comparison of the last five years he ran into confusion  
170 with the budget containing conflicting figures, which he understood was a computer mistake. To  
171 clarify, he reviewed the salaries from 2015 and compared the figures to the proposed 2019  
172 salaries that showed an increase of 66.92%. He stated this increase was not in line with the rest  
173 of the Town salaries. He asked if the budget provided to the Board was the final version or if  
174 additional changes would be made. Ms. Gavelis replied the proposed budget was final. She said  
175 one reasons their salaries might be higher was because their employees held master’s degrees;  
176 librarians have to hold a master’s in library science. She pointed out that they had added some  
177 professional positions between 2015-2017. Mr. Cronin stated the Board wasn’t comparing  
178 backgrounds, they were comparing dollar figures. He said the figures showed the salaries having  
179 an increase of approximately 67%. He wanted to see more of a measured approach to increases  
180 especially during a year when the Library would be proposing a warrant article that would be  
181 very costly to the Town. At this point Mr. Cronin asked if they would consider going back over  
182 their figures and coming back to the Board with their absolute/bottom-line of what they needed.  
183 He assumed the Board could provide additional time (through reconsideration) and suggested

184 they table the budget. Ms. Hillsgrove believed the Board had to vote on the budget; however, the  
185 Library could come back at reconsideration with new information. Mr. Sherman said the Board  
186 had to approve a figure prior to reconsideration because that was the department's opportunity to  
187 come back with additional information.

188

189 Mr. Cate questioned if the proposed positions and salaries were already committed to the  
190 employees. Ms. Cares answered no; they were proposed raises. The contract ran through June  
191 1<sup>st</sup>. Ms. Gavelis clarified that a portion of the 2019 request incorporated the raises that were  
192 contracted salary from June 1, 2018. Ms. Cares explained that the Library had changed their  
193 policy book and contract dates to commence June 1<sup>st</sup> to be in line with the Town's PTO and sick  
194 time. They now had the Town take care of the calculations for the PTO and sick time. A portion  
195 of the salary figure was contractual; the remaining portion of the year includes the proposed  
196 increases. Mr. Cate asked that the Board be provided with the actual increase figures to  
197 understand what portion is contractual. Ms. Hillsgrove suggested they meet with the Finance  
198 Director to follow the budget template used for the Town.

199

200 Ms. Hillsgrove stated there had been a significant increase from 2015-2019. She said while it's  
201 understood that the Town's salary structure didn't pay the same as other salaries, they weren't  
202 viewing the Library budget as just one department. She said the Board was looking at  
203 Fire/Police, teacher's contracts, etc. When reviewing the Library's information over the last five  
204 years the Town has been generous regarding salaries and added positions. She noted there were  
205 other budget considerations and as a Budget Committee member she felt their job was to be as  
206 fair as possible across the board to everyone. She understood the Library was 'fighting' for their  
207 people, the Budget Committee had to look at the overall impact and consider other departments  
208 were doing the same. She said it wasn't a question of a person's capabilities or qualities because  
209 the Town had a lot of great people and they didn't want to lose any of them. Ms. Gavelis  
210 understood. Ms. Cares commented that the salaries were the major increase; they tried to level  
211 fund everything else. She noted money came into the Library from FLIP and they also tried to  
212 use trust fund money.

213

214 Mr. Cate questioned if the trust funds had recovered from last year. Ms. Cares answered no; in  
215 the past they were spending approximately \$6,000 out of the trust funds, but they didn't have that  
216 ability any longer. She said they weren't asking for that money back and were trying to level  
217 fund purchases/supplies and maintain staff.

218

219 Ms. Capone agreed with the other Board members about the fact that there had been significant  
220 salary increases. She pointed out that employees of the Police and Fire Departments were paid  
221 extra for degrees that they hold and understood master's degrees were required for librarians. She  
222 also understood the expense of replacing people at an increased rate. Since they knew 'salary'  
223 was a reason that people were leaving, Ms. Capone proposed having a 'step' increase over the  
224 next few years rather than taking a big jump in one year, especially when they were also  
225 requesting a big warrant article. Ms. Gavelis understood the point and told the Board that the  
226 new people starting this week would be making more money than the people who left, because  
227 otherwise the people who applied had no qualifications. She discussed the difficulty in finding  
228 the right employee. Ms. Hillsgrove believed the Board was open to the Library coming back with  
229 an adjusted budget. Ms. Gavelis wanted to know what 'ball park' figure the Board was  
230 expecting. Ms. Hillsgrove replied without a vote they couldn't provide a number. Ms. Cares  
231 noted that the Library employees were 'flat salary' and didn't receive any over time, unlike other  
232 departments.

233

234 Mr. Sherman understood that the Library had increased their employees from 8 to 12 and wanted  
235 to know if they would need to add any staff in the future. Ms. Cares explained during the last  
236 three years they had totally changed the hours that they work. She summarized the changes that  
237 had been made. Based on those changes and the staffing, she didn't believe they would need to  
238 add more staff. Mr. Sherman asked if there was any reason their contracts started June 1<sup>st</sup>. Ms.  
239 Cares replied when they hired Ms. Gavelis they went through the process of re-writing their  
240 contracts and policies. When they published the new policies, they had to do new contracts for  
241 the employees. With the Town not voting until March they chose the June date. Mr. Sherman  
242 asked which employees were required to hold a master's degree. Ms. Gavelis replied the  
243 Director, Assistant Director, Emerging Technologies Librarian, Children's Librarian and the  
244 Adult Librarian. There were also two part-time positions that are paid higher because they have  
245 an MLS degree.

246  
247 The Board asked that the Library provide any proposed amendments to their budget request prior  
248 to the Board's next meeting since they would be voting at that time.  
249

250 Budget Committee – Ms. Capone asked if consideration was given to providing tablets. Mr.  
251 McCarthy replied that he was working on getting tablets for the Board prior to the end of the  
252 year.  
253

254 Cable – Mr. Cronin said he had asked for a list of people include in the support staff contract and  
255 noticed under Cable that the Production Assistant there was a 1.5% increase. Mr. McCarthy said  
256 he met with the president of the union and had it confirmed to him that the position wasn't  
257 included in the union. He said they are working on updating the list of employees who are part of  
258 the union.  
259

260 Cemetery – Mr. Sherman asked that the Cemetery have a representative present when their  
261 budget is reviewed. Mr. McCarthy replied they were invited. They had a representative present  
262 when the Selectmen reviewed the budget. Mr. Sherman said he had several questions he would  
263 like them to answer. Mr. McCarthy said he would meet with the Trustee and ask that they have a  
264 representative present for budget vote. Ms. Capone said she also has questions and wanted to  
265 ensure that the budget was still accurate.  
266

267 Conservation Commission – No questions were raised.

268 Debt Service Interest - No questions were raised.

269 Debt Service Principal - No questions were raised.

270 Health Officer - No questions were raised.

271 Health Service - No questions were raised.

272 Human Service - No questions were raised.

273 Insurance - No questions were raised.

274 Legal - No questions were raised.

275 Parks & Recreation - No questions were raised.

276 Retirement - No questions were raised.

277 Selectmen - No questions were raised.

278 Town Buildings - No questions were raised.

279 Town Celebrations – Mr. Sherman asked that \$1 be added to the contingency line.

280 Treasurer - No questions were raised.

281 Trust Funds - No questions were raised.  
282

283 **ADJOURNMENT**  
284

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

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

285

286 The meeting was adjourned at approximately 9:06 pm.

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288

289

290

Respectfully submitted,  
Charity Landry  
Recording Secretary