



Budget Committee Meeting
Town of Gorham
Gorham Town Hall
Medallion Opera House

Minutes of February 9, 2017

Members Present: Michael Waddell, Chairman; Diane Bouthot, Vice Chairman; Reuben Rajala, Secretary; Robert Demers; Lee Carroll; Doug Gralenski; Dan McCrum; Todd Lamarque; Patrick Lefebvre, Selectmen's Rep

Town Staff Present: Robin Frost, Town Manager; Denise Vallee, Director of Finance & Administration; PJ Cyr, Police Chief; Jay Watkins, Fire Chief; Grace LaPierre, Board of Selectman; Michelle Lutz, Assessor; Jeff Stewart, Recreation Department; Buddy Holmes, Public Works Director; Jeff Tennis, Water and Sewer Department; Jessica Jacques; Shawn Costine; Elizabeth Thompson, Librarian; Aaron Gorban, Library Trustee; Ted Miller, Water and Sewer Commission

Others present: Judy LeBlanc, Glen Eastman, Sue Demers, Terri Letarte, Patti Stolte, Charlie Cotton, Mark Belanger, Paula Kinney, Pauline Tibbetts, Sue Shevlin, Dennis Wade, Melinda Beaulieu, Raylene Beaulieu; Wallace Corrigan; Pam Couture

Minutes Taker: Shelli Fortin

1. Call to order: 6:31 PM

2. Public Hearing of 2017 Budgets

Mike Waddell presented the PowerPoint with information on the 2017 budget. Other than a question from Sue Demers about the labeling of a column on Sheet 3, there were no questions from the public.

Waddell read the legal opinion of Article 8. The letter from Brenda Keith of Boutin Altieri, PLLC, states that "there is no statutory authority to amend or restrict the current revolving fund pursuant to RSA 35-B. A proper warrant article would propose to rescind the fund pursuant to RSA 35-B:2, II, and another article would be needed to establish a new fund." Waddell explained that all the money in the current revolving fund would go to the general fund and a new revolving fund would start at a zero balance. Sue Demers asked if a motion could be made at the town meeting to abolish it on the floor. TM Frost advised that you could not do that without a warrant article. Reuben Rajala advised the Selectmen could bring it up. Doug Gralenski stated that they negotiated in good faith and an 11th hour interpretation does not sit well with him. Diane Bouthot agreed with Gralenski. Lee Carroll suggested letting the warrant article go, and allowing the DRA to decide the legality after the vote. Waddell advised that you can't throw out a petitioned article, but the DRA could. Gralenski agreed that it should be kept as written to keep the conversation about the fund alive into the coming year. Sue Demers spoke about the original intent of the revolving fund, which she interpreted to be to make the Recreation Department self-sufficient after a number of years, but since the department is still supported by the general fund, it would at least restrict its use. Demers again mentioned the truck that the Recreation Department wants to purchase, stating that one of the reasons mentioned as to its need was to pick up garbage at the parks. Buddy Holmes stated that the Public Works Department picks up garbage at the parks. Jeff Stewart advised that the recreation department picks up Libby Pool. Demers asked why the town could not pick up all of it, as they pick up the school's garbage for free, and that is a

cooperative district between the three towns. Demers stated that Fred Corrigan is employed 20 hours per week in the summer for the Recreation Department and has a truck from the town. Buddy Holmes stated that there is a Recreation Department employee who uses his own vehicle in the summer for work, and it is not right.

Article 9. Glen Eastman asked if the town manager form of government is eliminated, is there a contingency fund. Eastman further asked if it would be lawful to take money out of appropriated funds in the budget to pay for a severance package, or should there be money set aside for it. Eastman stated that he is concerned about an unfunded liability. Selectman Lefebvre agreed with Eastman. Eastman asked if the money would be in the legal line item. Denise Vallee stated it should be in the wage line, not the legal line. Pat Lefebvre suggested that the cost to buy out the current manager's contract and hire a new town administrator would probably be six figures by the time it was done. Eastman stated that it was not too late to make changes and Waddell advised that the Selectmen would have to meet. Selectman Lefebvre also suggested that the Budget Committee could make recommendations to solve that. Todd Lamarque commented that it was funny that the Selectmen would want the Budget Committee to get involved in personnel issues, since they did not want them involved before now. Chief Cyr suggested that if the warrant article was to pass, they could call a special town meeting to take the money from the undesignated fund balance. Waddell suggested that the amount needed would not be six figures, but closer to \$30,000 for a 45 day notice and 3 month severance, and that it would be prudent to add it to the budget for this year. Lee Carroll suggested that the Selectman add an extra warrant article with money for the contingency and Waddell stated that if it was not needed, it could be passed over. TM Frost advised that if it was a warrant article dealing with money, they would have to hold another public meeting. Denise Vallee advised they would have until February 22 to do this.

There were no questions on Articles 10-12.

Waddell read Article 13 to raise money for the Library CRF. Sue Demers asked how much is currently in this fund and was advised it was almost nothing. Judy Leblanc asked what projects were planned for this year and Elizabeth Thompson advised that railings, the overhang on the porch, improvements to the roof, and water damage to the emergency exits were all scheduled to be repaired this year. Sue Demers asked about the Murphy Fund and why that is not being used for the work on the building. Aaron Gorban responded, saying that they have already used about 50% of this gift and are concerned about the pace that it is being spent. Gorban advised that last year was the first year that they asked for Capital Reserve funds from the town, and the \$10,000 last year was used toward the siding project, along with \$20,000 from the Murphy Fund. Gorban advised the current balance in the Murphy Fund is \$114,000. Demers asked about grants available to the library and Gorban advised that the grants available to them are to do with programming and not capital improvements.

There were no questions on Articles 14-16.

Article 17. Sue Demers inquired about Mutual Aid agreements with other towns and if Gorham is the only town with equipment. Chief Watkins advised that Randolph and Shelburne both have equipment available as well. Demers asked about Berlin and if they are paid to respond. Watkins advised that has happened in the past that Berlin has billed for services, and Gorham has billed them as well. Watkins stated that Berlin is considering joining the mutual aid agreement.

There were no questions on Articles 18-32.

Article 33. Sue Demers asked what the Special Insurance Trust Fund is used for. Denise Vallee advised it is to cover deductibles on insurance and for pre-employment physicals.

On Article 34, Sue Demers asked if the Longevity/Severance Trust Fund was used when someone retires. Denise Vallee advised employees are given \$2 for each month they were employed by the town. The police department also gets 75% of their sick pay, capped at 30 days. Demers advised

that even though this is in the school contract, if it is not funded, they don't receive it. Todd Lamarque asked if the town manager form of government was changed, if the money could come from this fund. Vallee advised that it could be added there, but if it was not needed, it would have to stay there.

Article 35. Doug Gralenski asked if the \$17,500 requested by Androscoggin Valley Home Care is an annual appropriation. Pauline Tibbetts advised it is a level request.

Article 36. Charlie Cotton spoke on behalf of the Mental Health Center. Doug Gralenski stated that the \$2895.00 requested is a small amount for a big problem. Cotton advised that they ask for appropriations from dozens of towns, and a small amount from each town makes a significant impact when added together. Cotton advised that the money is used for patients without insurance or with a high deductible, and also to match funds for grants. Cotton stated that the amount requested from each town is based on population at \$1 per citizen.

Article 37. Nobody was present from Tri-County CAP. Doug Gralenski asked if the amount requested of \$13,200 was consistent with previous years. Glen Eastman stated that is was about the same, they just added in an extra \$3500 for Service link. Todd Lamarque asked how many Gorham residents use their services. Diane Bouthot read from their letter that Senior Wheels served 99 in 2016 and anticipate to serve 125 in 2017, the Community Contact office served 292 in 2016 and anticipate 304 in 2017, and Service Link helped 331 in 2016 and anticipate 19 in 2017. Diane asked why the numbers for Service Link were down so much this year and why they needed an extra \$3500.

Article 38. Melinda Beaulieu was present to answer questions about the Gorham Community Learning Center. Diane Bouthot asked what the \$4500 is used for. Beaulieu stated that it helps with the general operating fund and also will be used to help purchase a new van. Beaulieu stated that they are also looking for grants to help with purchasing the van. Bouthot asked what the van will be used for and Beaulieu stated it is to transport children to and from the Ed Fenn School, to go on field trips, and to transport special needs children.

There were no questions on Article 39.

Article 40. Patti Stolte was present to answer questions about the Family Resource Center. Sue Demers asked about the \$90,000 they just received from the Tillotson Foundation. Stolte advised that it is over two years and that they have received money from them every year since they began in 1997. Demers asked about the ownership of the building and Stolte advised that the town owns the building but the FRC pays for all of the maintenance and management. Sue asked if the SAU pays rent and Stolte advised they pay 11% of the cost, and also advised the Learning Center pays rent. Stolte advised that the programs have grown substantially and provide learning enrichment, a safe place for children, and volunteerism for Middle School and Ed Fenn students. Demers asked if it should be included in the school budget and not the town budget, and Stolte advised that many of the grants they apply for require matching funds from the town. Demers asked if other communities help to support it as well, and Stolte advised that Randolph gives \$3000 per year, and Shelburne \$1500. Bob Demers asked who pays the building expenses, and Denise Vallee advised they pay their own heat and electricity and reimburse the town for the insurance. Diane Bouthot asked about the possibility of the Learning Center moving out of the building and Stolte assured that they do have other tenants interested if that was to happen. Doug Gralenski asked about the 20-year agreement with the town and who would be re-negotiating this year. TM Frost advised it would be the Town Manager and the Selectmen. Stolte stated that it has been a great collaboration between the FRC and the town and she is hoping it will continue.

Article 41. Pam Couture was present from the Androscoggin River Athletes.

Article 42. Mark Belanger and Paula Kinney were present from the AV Chamber of Commerce.

Article 42. Sue Shevlin was present from Northwoods Home Health & Hospice. Sue Demers asked if they were combining with NC Home Health and Shevlin advised they were. Shevlin stated that four area hospitals have combined, including Weeks Memorial, AVH, UCVH, and Littleton, all under the same umbrella.

Bob Demers suggested that Article 4 be read. Reuben Rajala asked if this applies only to the renovations and TM Frost advised it does, it would just be on the increased value of the property. Lee Carroll pointed out that the wording does not say just the value of the renovation and TM Frost advised that the RSA dictates it. Sue Demers asked what if the property owner was already delinquent on their taxes, would they still get the discount. TM Frost advised that they would, on the new construction. Selectman Lefebvre advised that the exemption would have to be approved by the Board and if they were behind on taxes, the Board may not approve it.

Article 2 was mentioned, and if it would say on the ballot what yes and no votes would mean, as that is how it was presented. TM Frost advised it is by statute and you would only see what is on the ballot, with no explanation of the yes and no votes.

Article 3. Reuben Rajala asked if there have been problems with housing standards. TM Frost advised some complaints have been received, and this would give the Code Enforcement Officer some authority and procedure to handle them. Todd Lamarque asked if there was a Code Enforcement Officer and was advised it was John Scarinza.

Article 5. Aaron Gorban asked if there was a price for the study. TM Frost advised there is no cost, as we will be doing it ourselves.

Article 6. Sue Demers asked if some towns are getting free dispatch services from DOT, why Gorham cannot do the same. Waddell advised it is not available to us, and those towns may be losing that service from the State soon.

Article 7. Michelle Lutz advised that this article changes the Veteran credit to include anyone who served 90 days in active service. The prior credit only allowed for specific dates of service. Selectman LaPierre asked what impact this would have on the budget and Lutz advised she did not know, as she is not sure how many would apply. Diane Bouthot advised that the state has approved this credit, but it is optional, not mandatory, and is up to the town to adopt. Sue Demers asked how much the credit was and was advised it is \$200. Demers asked if it was also available to widows and Lutz advised it was.

Mike Waddell ended the public meeting at 7:56 pm.

Mike Waddell called the work session to order at 8:00 pm.

3. Approve Minutes 2/7/2017: Motion to approve from Lee Carroll with a second from Diane Bouthot. Voted in the affirmative.

4. Work Session on Budget Recommendations:

Todd Lamarque asked about the severance package and was advised it was her salary, he also asked if it could be taken from the pay line item. Mike Waddell advised the article is to change the form of government, not the person. Waddell advised that in the Town Manager form of government, the responsibilities of the manager are spelled out by statute and there is a line between what the Manager does and the Selectmen do. If the town chooses to change the form of government, the selectmen would need to hire an administrator and the selectmen could delegate responsibilities to that person. Waddell suggested that funds need to be available for the town to move forward if this happens. If the position is eliminated, that would take place on the second Tuesday of April. Waddell advised that the current town manager could be re-hired as the Administrative Assistant. Denise Vallee advised that the amount needed for the severance package would be just under \$37,000. **Dan McCrum made a motion to add a contingency**

article to raise and appropriate the money. Diane Bouthot asked what would happen if the town manager form of government was changed and then the article to appropriate the money did not pass. She was advised it would be taken out of the salary line and would restrict what the selectmen could do to hire someone else. Selectman Lefebvre pointed out that it would make more sense for the town to ride out the contract and Waddell responded that it depends who you ask. Lefebvre also stated that you would need money to hire someone like MRI for the hiring process and would also need wages for the new administrator. Lee Carroll asked if the Budget Committee or the Selectmen would do the article and Lefebvre stated the Selectmen had not discussed it. **Lee Carroll seconded the motion made by McCrum.** TM Frost advised the committee that they would have to hold a public meeting either way and Waddell suggested that the money could be put into the wage line. **Both McCrum and Carroll withdrew their motions. Diane Bouthot made a motion to increase the executive office line to \$104,665. Todd Lamarque seconded the motion. All in favor, except Selectman Lefebvre who is opposed. No abstentions. Motion passed.**

Doug Gralenski said that in reference to Article 8, we should just stay with what is there. Lee Carroll advised that a motion could be made on the floor to pass over it if it has been deemed illegal, or if it passes, then the DRA can decide whether it is legal or not. Waddell agreed that allowing the vote would send a message to the administration about the voters' opinion. **Doug Gralenski made a motion to leave Article 8 in the warrant as it is. Seconded by Lee Carroll. All were in favor. Motion passes.**

Lee Carroll made a motion to accept the rest of the warrant as presented, including Article 9 as amended by the previous action. Seconded by Doug Gralenski. Todd Lamarque asked to discuss the Recreation Budget and the Revolving Fund. TM Frost advised that they have slowly moved things that generate revenue into the revolving fund. Frost advised that you can move revenues and expenditures, but that you cannot restrict the fund. Lamarque stated that the operating budget is larger, and that as more of the revenues go into the revolving fund, that fund will grow without as many expenditures coming out. Lamarque suggested that \$70,000 be cut from the recreation budget and that the revolving fund be used to make up the difference. Dan McCrum suggested that the town administration could follow the public's wishes for the fund, even if the article is deemed illegal. TM Frost advised that the DRA will let them know if the article can even stay on the warrant or if it will have to be removed. Lee Carroll stated that the article, since it is petitioned, may need to stay regardless of its legality. Mike Waddell cautioned the committee about cutting the recreation budget, as some of the money in the revolving fund comes from donations and can only be used for certain purposes. Bob Demers suggested that the budget be left as it is, and the committee can come back next year with something better. **Todd Lamarque made a motion to cut the Recreation Department budget by \$30,000, seconded by Diane Bouthot. Vote was 4 in favor, including Waddell, Lamarque, Rajala, and Bouthot. All others were opposed. No abstentions. Motion fails.**

Doug Gralenski made a motion to accept the balance of the warrant articles, with the exception of Article 8 and Article 9. Seconded by Robert Demers. All in favor.

5. Old Business

6. New Business

7. Date of Next Meeting: Town Meeting on Tuesday, March 14

8. Diane Bouthot made a motion to adjourn at 8:44 PM, seconded by Pat Lefebvre. Voted in the affirmative.

Respectfully Submitted
Shelli Fortin