



Budget Committee Meeting
Town of Gorham
Gorham Town Hall
CONFERENCE ROOM

MINUTES OF JANUARY 9, 2020

Members Present: Diane Bouthot, Dan McCrum, Abigail Evankow, Robert Demers, Mary White, Jessica McCreedy, Judith LeBlanc, Selectmen's Representative

Absent: Douglas Gralenski, Lee Carroll

Town Staff Present: Denise Vallee, Town Manager; Kathy Frenette, Finance Director; Michelle Lutz, Assessing; Buddy Holmes, Public Works Director

Minutes Taker: Shelli Fortin

1. Call to order: 6:00 PM

2. Approve Minutes 10/9/2019: **Motion to approve as submitted from Diane Bouthot with a second from Robert Demers. Voted in the affirmative.**

3. Old Business

There was not old business to discuss.

4. New Business

a. Review of Assessing Department proposed budget

Michelle Lutz advised that the 140 line is down \$4,000 as only 15 hours of OT is budgeted. There is a new internet line that was not in her budget before, as it used to be included under Finance but this year is broken down to each department. The conference line is up \$10 due to increased cost. Equipment and Machinery is for map racks to organize the plans and maps in the office. Lutz advised she did attend the NHMA conference this year, but stayed with a relative to save money on a hotel.

Kathy Frenette advised the Committee that there are increases in phone and internet this year due to the new service, a 2% COLA for town employees and 2.5% increase for police and dispatch, there is an 11% increase in health insurance, and legal fees are up. Fuel oil also may need to be adjusted due to the current events with Iran.

Denise Vallee advised that the town has its own fiber optic network installed and the new phone system was approximately \$6,000. The internet does provide increased security and enables the department heads to access the accounting program for expenditures to check balances. They will also have the ability to enter their budgets directly into the program next year, streamlining the budget process. Vallee will break down the cost for equipment and the

monthly charges, and find out what the town was paying previously, and email this to the Committee members.

Mary White asked about the assessing cost. Lutz advised that the KRT pickups is \$4,000, the NH certified assessor who comes once per month is \$5,580, the cyclical inspections are \$11,250, and Skip Sancoucy is \$25,000. Money is transferred from the Assessing CRF to cover any overages in this line. White advised that there seemed to be many abatements filed and asked about judgements. Lutz advised they currently have 3 from 2018 that have mediation orders due in February. Lutz will get the information for the worst case scenario on the reduction in value to the committee. Vallee advised that the abatements are considered by the auditor every year and money is reserved to cover anything that is ruled against the town by the BTLA. However, the abatements will affect the town's net value. Lutz explained that there are not many other assessing companies and there were not many bids received when the town put out an Assessing RFP.

In reviewing the Planning and Zoning budget, there is a change in the training line, as they are hoping to get training for more Board members, which will also increase the travel expenses. There is a reduction of \$5,000 in code updates, as they have been working on the Master Plan and have some left in this line that has been encumbered. Lutz advised that her salary covers these duties, and she adjusts her hours in the office to accommodate meetings.

b. Review of Cemetery proposed budget

A list of Public Works employees was passed out to the Committee.

Buddy Holmes reviewed the changes to the Cemetery budget, which are due to the 2% COLA, the cost of gas, and an additional \$500 for equipment and machinery to rent equipment to take down a tree. The quote received to remove the tree was \$1200, but they can do it themselves by renting the equipment, as one of the employees used to work as a logger and has experience. Diane Bouthot asked about the amount of gas used and Holmes advised about 130 gallons, which is for the lawn mowing equipment. Holmes advised they have one full-time employee who is ½ cemetery and ½ highway, and one part-time employee in the summer who works 24 hours per week for 23 weeks. The hourly rate for the part-time cemetery position is \$13.00 per hour.

Holmes advised that they had two full-time employees retire this year, and they were replaced with one full-time and two part-time positions. The part-time positions are 3 8-hour shifts per week, at \$16.00 per hour, and no health insurance or retirement benefits are included.

c. Review of Highway Department proposed budget

Buddy Holmes advised that the 2% COLA is included. There is a reduction in salt, as it went down \$1.00 per ton. There is a new line for software support. The cost of cold patch and gravel is up this year. Holmes advised there are limited sources for cold patch available, and no real difference in price between the options. Telephone and internet are up from last year due to the new system. Denise Vallee advised that Worker's Comp is up from last year, as the last couple of years the town had a premium holiday, and the cost is full price this year. The \$2,677.95 is for someone who plowed part-time last year after a retirement. The change in insurance is due to demographics, and even though the anticipated cost is up 11%, with the

changes in demographics the anticipated cost is down \$4,000. Vallee advised that we are still in a group with the school. Abby Evankow asked if we could combine with the county as well to get better rates, and was advised we could not. Vallee advised we are in an insurance pool, and Healthtrust is probably the largest in the state. Vallee reviewed the insurance rates with the Committee for single, two-person, and family plans. Diane Bouthot asked about the reduction in diesel costs and was advised it is due to the school combining the bus runs. The Committee asked about the number of employees at the Public Works department and Holmes advised there are 11 full-time, 2 part-time, 1 part-time which is covered by the MV Surcharge, and one part-time in the summer. Dan McCrum advised the amount budgeted should be less than in the line item, and Denise Vallee advised she would review it. Mary White stated that she feels the current staff seems like a lot and stated that as people retire, the town should be looking at what we actually need. Diane Bouthot asked why the OT line was budgeted above what was spent last year and Holmes advised it is difficult to predict as it depends on the weather. Mary White asked about plows and Holmes advised there are 6 plows and 2 sidewalk plows. When called out to plow, there are 9 employees, with one in the salt truck. Bob Demers asked about the sidewalks and Denise Vallee advised they are going to apply for a grant again this year. Holmes advised they are hoping to do Pine Street this year, but it will not be with the Water Department as they are not planning any projects this year. They are also hoping to do the entrance to the Town Garage.

d. Review of MSW/Recycling proposed budget

Holmes stated that the budget is down \$36,800. The only increase is a part-time position which was not included before. Holmes advised the diesel is listed at the incorrect price. This will be adjusted. \$250 is budgeted for solid waste certificates which are required by the state. Holmes advised the OT is included for the Fourth of July week, as they pick up trash at the common, there is also some included for the increased amount of trash during the holidays. This does not include picking up Christmas trees, as they do this when they have time during the day. Mary White asked about holiday pay for part-time and was advised it is prorated pay. White also asked how many employees are on the garbage truck and Holmes stated there are two to pick up and one driver. Holmes reviewed the trash and recycling schedule with the Committee, and will also email this. Bob Demers shared a concern that the Gorham taxpayers are paying for garbage pickup at the schools, but Dan McCrum pointed out that if the school was charged, the Public Works budget would not change, and the school budget would go up. Mary White asked about cardboard pickup for businesses and stated that she felt this should be provided for residential as well. Denise Vallee advised that tipping fees went down at the landfill by \$7.00 per ton. Holmes advised that Gorham does well with recycling, bringing just as much as Berlin does to the recycling plant. It was suggested that the town should encourage recycling even more, with a message on the website or a project with the schools, as this keeps the cost for tipping fees down. Vallee stated that the most important thing to be recycling is glass, due to the weight.

Holmes advised that capital expenses this year include a dump truck and a sidewalk blower. The dump truck will be approximately \$140,000-\$150,000. They have budgeted \$40,000 for the sidewalk blower, which will reduce the cost of picking up snow. The current dump truck will be retained to help with hauling snow, which will save on the cost of contract services.

5. Date of Next Meeting: Tuesday, January 14, 2020

8. Adjournment – Robert Demers made a motion to adjourn at 7:41 PM, seconded by Dam McCrum. Voted in the affirmative.

Respectfully Submitted
Shelli Fortin