



Budget Committee Meeting
Town of Gorham
Gorham Town Hall
CONFERENCE ROOM

MINUTES OF JANUARY 21, 2020

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

Absent: Mary White, Lee Carroll, Judith Leblanc

Town Staff Present: Denise Vallee, Town Manager; Kathy Frenette, Finance Director; Jeff Stewart, Recreation Department

Minutes Taker: Shelli Fortin

1. Call to order: 6:03 PM

2. Approve Minutes 1/16/2019:

Kathy Frenette asked that it be added that Denise Vallee advised that the OHRV case could not be discussed. **Motion to approve as amended from Dan McCrum with a second from Diane Bouthot. Voted in the affirmative.**

3. Old Business

Doug Gralenski reminded members that some terms will be expiring in March and shared his hope that they will consider running again. Gralenski shared his appreciation for the work the Committee does, and noted how well this year has gone with the experience the Committee has. The filing period opens tomorrow.

Kathy Frenette advised that she checked with Primex to see if the Police Department using body cameras would reduce the cost of the insurance, and was advised it would not. However, it does reduce risk and liability for the town and the officer.

Denise Vallee advised that the estimate for the radios for the Police Department is \$23,500.

Denise Vallee advised that the cost for the grant writer for the Fire Department was paid from the Fire Truck CRF and the Ambulance Equipment CRF.

Diane Bouthot asked if the purpose for the Fire Truck CRF was researched for the purchase of the UTV. Kathy Frenette advised that she has contacted Paula at the Chamber of Commerce as Polaris does have grants available. They also have a contact at Absolute Power Sports. Frenette advised that Prudential Insurance also has a foundation which provides grants for EMS, and they have donated an AED in the past. This information has been sent to Chief Cloutier.

4. New Business

a. Review of Recreation Department proposed budget

Jeff Stewart advised the phone budget is up, as it is in every department. Cost of heat is up \$500, as it is budgeted based on the average of the last few years, and gas is down for the same reason. Maintenance and Repair is up due to the increased cost of IT support. Kathy Frenette explained that the current IT support company has not been reliable, and they have many items that have not been addressed. The new company will be coming on a monthly basis, and may be able to come quarterly after the first year to reduce cost. Jessica McCreedy asked if the phone system has been paid for and Frenette advised the phones will not be paid for until installed. Diane Bouthot asked if computer equipment was up-to-date, and Stewart advised he replaced his computer this year to update to Windows 10. The other computer in the office can be updated, and the one in the Information Booth can as well. Equipment and Machinery is down \$2,000, as they purchased the mower deck that was needed last year. Bob Demers asked about the cost of Workmen's Compensation, and was advised that last year they received a premium holiday, but it is budgeted at the regular cost this year. It may be less, however they will not know until July.

The review of the Recreation Revolving Fund showed an increase in fundraising of \$2,000, and Building Maintenance down \$3,000. The Beautification Program was moved into a different line. The Fountain Fundraiser is funded by advertisements sold for the kiosk on the common. The ads were sold in 1 year, 2 year, and 3 year increments, and the 1 year ads are up for renewal this year. The quote they received about 8 years ago to fix the fountain was approximately \$40,000. Moose tour expenses were up \$2,000, and revenues also increased to offset this expense. The Festival of Trees raised over \$7,000. Bouthot asked about the Farmer's Market and was advised the revenue was \$3,552, and expenses were \$5,763. There was a loss of about \$2,000, but some of the expenditures were one time, such as the tokens, credit card machine, and signs. The revenues showed an increase from \$9,000 to \$32,000, this was due to several events, including the Pond Hockey Tournament, two softball tournaments, the Festival of Trees, and sale of calendars. Moose Tours had a 96% success rate this year. Abby Evankow asked about the Medallion Opera House, and was advised revenues are from ticket sales, donations, and two grants.

5. Review of FY2019 Revenue and Expenses Report

In reviewing the expenses for 2019, Denise Vallee advised there will be a cross charge between Finance and Town Clerk for supplies, they are going to start having each office order supplies independently to better track use. Maintenance and Repair was up for IT support. The Property Assessment line will have money transferred from the Assessing CRF to cover the amount that is over. The \$474.75 in the Pe Benefits line will have a cross charge that will bring this to zero. They will be working with NH Saves to reduce the Town Hall electricity usage this year. There was \$3,000 left in the Property and Liability section. The PD budget had already been reviewed, but Vallee noted that the uniform line was up due to outfitting the new officer and changing the style of the uniforms. The Fire Department electricity was over budget by \$1,115, but the Ambulance electricity still had \$1,217 left. Bob Demers asked if pellets were still used at the Fire Department, and Vallee advised there is \$3,750 budgeted for this. Vallee advised that Building Inspection was under budgeted for

Social Security, but this has been adjusted for 2020. This position is hourly and less than 20 hours per week. Jessica McCreedy asked about Dispatch OT, as they said last year that this would be less with the four full-time positions. Vallee advised that the Dispatch Supervisor left this year, which was not anticipated. The Permanent Position line was also over, as there was a salary adjustment per the union contract. The highway budget also included a part-time person to help plow, and lighting was reduced too much last year and will be adjusted in the new budget. Solid Waste now has two part-time employees instead of one full-time. Welfare expenses are under due to Sue Bolash's knowledge of resources available. Vallee advised that Cates Hill Landfill and East Milan Monitoring will come from the fund balance. Diane Bouthot asked about the July 4th part-time line, and was advised they had difficulty finding people to work this year and the Fire Department assisted with traffic. Road Improvements were over by \$4,187.36, but money will be transferred from the CRF to cover it. The Phone System upgrade was encumbered, and will be paid soon. The total unexpended amount with the Cates Hill and East Milan amounts is \$183,789.37. Bouthot asked if a financial report was received from the Fourth of July Committee and Vallee advised it is in the Town Report each year.

In reviewing Revenues, the motor vehicle registrations were up again this year, by \$49,489.04. Municipal Aid was received from the state in the amount of \$43,221.99. This will be received again in 2020. This was used for the energy audit and the cost of the structural assessment for the solar project, which was \$6,800. Property taxes are up a little bit, and collection is on par with last year. The mill is still making payments of \$10,000 per week. Vallee will get information on the balance owed to the Committee. Evankow asked about Timber Tax and was advised it is for anything cut within the town boundaries, not just town forest. Ambulance revenue is up \$37,000 over what was budgeted, as they now have a coding clerk who files the claims. The Ambulance Write-Off line is for money collected from a collection agency. The school gas line may not have been applied for December yet. Tipping fees were over budget, and investment interest earned just over \$25,000. Town Hall rental was \$2,870 from rentals and shows, and this amount will be requested for the CRF. Michael Waddell advised that cemetery rates were raised last year and are now a little above average. There were small transfers from the Cemetery and Longevity accounts this year. Vallee advised that if the property taxes are transferred out, \$116,540 is left from last year.

Dan McCrum asked about the Fund Balance Retained, which is much higher this year. Vallee advised that the state recommends a Fund Balance between 5% and 17%, and we are now at 11%. Waddell advised that although they have made a lot of progress, there is a certain level of risk with the mill, which is the reason for a higher fund balance. Bob Demers asked if anything was planned to be done with the sidewalks, which are in need of repair. Vallee advised she will be looking into grants. Waddell advised with the Master Plan being finished, the EPA expertise that Jessica McCreedy helped with, and the relicensing of the hydros, we should be seeing some infrastructure grants. Doug Gralenski pointed out that repairing the sidewalks is an important part of the business district revitalization. The Committee asked if a separate CRF could be created for just sidewalk repair and was advised that it is already part of the Highway Improvement CRF. McCreedy advised that she has compiled a list of possible funding sources. Projects that have been completed are Spring Road and Stony Brook Road, in which the town was able to do an extra 750' in addition to the FEMA work.

5. Review of Capital Reserve Funds

Denise Vallee reviewed the Capital Reserve accounts. Ones not previously discussed in prior meetings included the Cates Hill Landfill and East Milan Monitoring Trusts, which were recently created. The have deposits of \$3,600 and \$3,500 respectively. The Assessment CRF is up \$10,000 due to the BTLA cases that Skip Sansoucy will represent the town for. River Maintenance is down \$10,000 and is only used for the 25% match when needed. The Emergency Access Route CRF was closed. The Emergency Disaster CRF is at a level at which it should be maintained, so nothing will be added this year. The Emergency Energy CRF is to cover any budget shortfalls if the cost was to rise significantly. The Information Technology CRF is up \$10,000, as they are saving for a new server. The Special Insurance Trust covers the deductible for property and liability claims, or any claims under \$1,000. The Library Maintenance/Repairs CRF is down \$5,000. The Library trust fund money is in the NH PDIP and earned \$1,812.17 in interest this year. The Longevity Expendable Trust was increased by \$3,000 due to potential retirements. The Committee noted that the Police Cruiser CRF will still be short \$2,000-\$3,000, which will need to be added in order to purchase a new cruiser. The Road Resurfacing and Reconstruction CRF will have another \$71,000 transferred to cover the town's portion of the Stony Brook project. The Street Light LED upgrade can still be used to repair any defective fixtures or replace lights. Eversource still maintains the lights, even though they are owned by the town. The Town Building Purchase and Repairs CRF was used for the snow dump expenditures, which is done except for fine grading in the spring and making sure the seed took. Building maintenance for the town this year includes a floor drain system at the Fire Department, sealing the brick at the Town Hall, and replacing the faces on the clock tower, which were damaged. Vallee advised they have also obtained a quote to repaint offices at the Town Hall, which were last done in 2006.

6. Date of Next Meeting: Wednesday, January 22, 2020 at 5:00 pm

Kathy Frenette advised that the agency funding information was emailed to all Committee members. Frenette provided one hard copy to Doug Gralenski.

The GRS Budget Hearing will be held on Thursday, January 23, 2020 at GMHS. Bob Demers shared his concern about the teacher's contract, which includes a 4.75% raise the first year. Michael Waddell advised that we need to have a competitive school district to increase the valuation of the town and attract new businesses and families. Demers stated the population is decreasing, the GRS Budget is approximately \$9 million, and last year the graduating class was only 33 students. Waddell stated that mandated services by the state and federal government are driving up the cost of education. Waddell advised the original school budget was going to raise the taxes in Gorham by \$2.37, but they were able to reduce that amount to \$0.48 by reducing expenses.

7. Adjournment – Robert Demers made a motion to adjourn at 8:00 PM, seconded by Diane Bouthot. Voted in the affirmative.

Respectfully Submitted
Shelli Fortin