



Budget Committee Meeting  
Town of Gorham  
Gorham Town Hall  
CONFERENCE ROOM

MINUTES OF JANUARY 22, 2020

Members Present: Diane Bouthot, Douglas Gralenski, Abigail Evankow, Robert Demers, Mary White, Lee Carroll, Judith Leblanc, Selectmen's Representative

Absent: Dan McCrum, Jessica McCreedy

Town Staff Present: Denise Vallee, Town Manager; Kathy Frenette, Finance Director; Shannon Buteau, Library Director; Paul Bousquet, Library Trustee; David Backler, Superintendent SAU20; Jessica Jacques; Jeff Tennis, Water & Sewer Superintendent; Roger Goulet, Water Commissioner; Ted Miller, Water Commissioner

Minutes Taker: Shelli Fortin

1. Call to order: 5:04 PM

2. Approve Minutes 1/21/2019: **Motion to postpone until 1/28/2020 to allow all members to review by Douglas Gralenski, seconded by Lee Carroll. Voted in the affirmative.**

3. Old Business

Doug Gralenski advised that the Committee delegated the agency applications to be reviewed before next week's meetings.

4. New Business

- a. Shannon Buteau provided the Committee with a copy of the proposed Library budget, which is flat. Buteau explained that some lines were more than planned, but others were adjusted in order to keep it level. Buteau advised they are only asking for \$5,000 this year for the Capital Reserve Fund, instead of \$10,000. The roof project was about \$1,000 more than anticipated, due to an old drainage system that had to be covered. Bob Demers asked about the balance in the CRF and Buteau advised it is currently zero, but will be \$5,000 if this budget passes. The next item for the CRF will be the furnace, which will need to be replaced in several years, and will cost about \$10,000. Buteau advised they are hoping to cover this with the CRF and interest from the investment pool. Doug Gralenski noted that the library is operating with good fiscal responsibility. Mary White noted that last year's budget was \$161,895, and this year it is \$161,930. White asked about the hours, which are 10am-6pm all year, and also Saturdays 10am-1pm in the summer. Personnel includes 1 full-time director, 1 part-time assistant, who works 32 hours per week at \$13.00 an hour, along with 5 on-call, of which 3 work one 4-hour shift per week, and the other two as fill-in. The custodian works 10 hours at \$7.25 per hour. Buteau advised there is currently \$91,713 in the Murphy Fund. White asked about Audit Services, which Denise

Vallee advised is the Library portion of the annual town audit. Buteau advised the Conference line will be used to send the Assistant Director to the NH Library Association Conference this year, which is in Meredith for two days. Buteau will also attend if they can find another town to share a room with. White asked about the cost to the public of programs that are offered and Buteau advised presentations are free, but if materials are needed they ask for donations to cover the cost. The number of programs offered has decreased from last year, but attendance has increased. White asked about the number of patrons and Buteau advised there are 1,054 active cardholders who are residents, active meaning they have taken materials from the library in the last three years. There is a \$20 non-resident fee charged, however this does not apply to Randolph or Shelburne. There are 176 cardholders from Randolph and Shelburne. White expressed her disappointment that the Assistant Director position was not kept below 30 hours to avoid the cost of benefits and Buteau explained that the Trustees decided to offer a position with benefits to attract a qualified individual who will put the time and effort into the position. Abby Evankow stated that if you want to keep good people who are loyal and committed, you need to find a balance. If benefits are not offered, whoever is hired will continue to look for another position that does offer benefits, and the position will become a revolving door. White stated that she appreciates Buteau's professionalism, and the Trustees' dedication, but questions whether the Library we have is what we need. White compared the hours and budget to surrounding communities and to the Fire Department, which has a budget only \$10,000 more than the Library and is a safety need. Buteau advised that the Library is available to everyone, every day, and operates more hours and on a smaller budget than Colebrook. Bob Demers advised that he feels the obligation for insurance should just be to the employee and not their family members. White stated she feels that more cuts could be made to the Library and offered to come up with a new budget showing these, however the Town and Board of Selectman have no authority how the budget for the Library, Water and Sewer, or the school is spent. Denise Vallee advised that the Budget Committee can simply recommend or not recommend the budget to the voters. White asked for clarification on this. Lee Carroll advised that the voters have the oversight for the town and can amend on the floor at the town meeting. Abby Evankow asked about the elevator expense and Buteau advised this is for the inspection and the service contract. The second floor is currently only used for storage, but the elevator inspection is still required. Diane Bouthot asked about book purchases and Buteau advised these are done throughout the year after researching book reviews, and considering suggestions from patrons. Judy LeBlanc asked about Trustee meetings, which Buteau advised are once per month and minutes are available online.

b. Review of Water & Sewer Department budget

Judy LeBlanc asked if the minutes from the Water & Sewer Commission meetings are available online and Ted Miller advised they were not, they are available by request.

Ted Miller reviewed the Water budget, which this year is up 5.05%. The operating budget increase is \$22,204.00, which is mainly due to a new line item

for a competitive wage adjustment. After checking with other communities, it was noted that our employees are making less than other departments with similar experience and skills. There are currently 6 full-time employees and the superintendent for both water and sewer. The wage adjustment is separate from the COLA, which is included under payroll at 2%. It will take time to bring the pay up to what towns with a similar size and operation are paying, and another wage increase will be considered for next year. Miller advised there is tremendous experience and qualifications in the department, and they would hate to lose employees and have to train someone new. The increase in professional services is for the phone and internet upgrade.

In reviewing the Sewer budget, Miller pointed out that \$9,700 was included for the competitive wage increase. The budget is up \$23,478, which is 4.95%. The price of chemicals is still increasing, and Jeff Tennis advised they do compare prices with three vendors each time they purchase. Judy Leblanc asked how the wage increases were split and was advised that all employees are cross-trained for both water and sewer and licensed for both, so they are split either 60/40, 80/20, or 75/25 between the departments, other than Brian Rivard who is just sewer. Leblanc asked about increases in the water and sewer bills and was advised they may need to be adjusted to reflect the increase in the budget. Leblanc noted that the increase for 7 employees at the water and sewer department is over \$21,000, and the town has only budgeted \$10,000 for wage increases for 39 employees. Denise Vallee advised that last year the \$10,000 was used just for department heads, and this year part of it will also be. The committee noted that salaries need to be reviewed across the board.

c. Review of School Department budget

David Backler advised that the two things the School Board is focusing on is making sure the students have what they need to be successful and being as fiscally responsible as they can be. This year's budget is up 2.1%, which is mostly due to the salaries with the new contract. Backler advised that they looked at salaries in every school district in the North Country to get the median rate. In 2008-2009, we were in that median range, and over the last 10 years, other school districts have increased, and we have not. Backler advised that health insurance is up 11% in the budget. They did not have to reduce personnel. The teacher contract is usually for three years but with the uncertainty over the state budget they decided to do two. It includes a 4.25% raise the first year, and 2.75% the second year. The contract will be a separate warrant article, and the budget increase would be 0.9% without the contract. Mary White asked about the graduation rate, which Backler advised has been 100% for the last seven years. White asked about opportunities for advanced classes and Backler advised they have been working with Berlin to offer classes at both schools to all students. This is the first year they have done this, and so far it is very successful. More students are participating in the early college credit courses every year. Backler advised that State Aid was almost \$200,000 more this year than last, and will be again next year. After that it is uncertain. Judy Leblanc asked about Capital Expenses and Backler advised they will be doing an LED lighting project at both schools to decrease their energy use. Eversource will fund 50% of the project, and they are hoping for a grant from

the USDA to fund the other half. They are also planning work to the EFS kitchen. Bob Demers asked how much was currently in the Building Maintenance CRF and Backler advised there is about \$300,000 now, with an additional \$100,000 added this year. Backler advised they have been spending about \$100,000 per year from this fund. Backler advised they will be researching the solar project over the next year, and are working on grants for that. Leblanc noted the contract cost for the teachers is \$187,800 with insurance. The support staff had a new 3-year contract last year. Leblanc asked about the health reimbursement and was advised what is not spent goes back into the budget. Leblanc stated that she has heard of some abuses of this benefit and Denise Vallee advised the town does not get a list of items that are purchased, just a monthly report of the amounts. Mary White asked about dental insurance, which is just for the school, and is \$42,933 for the year. This is just for employees, not family members. Leblanc asked if the school has researched a Site of Service plan, and Backler advised they just met and discussed options last week. Diane Bouthot asked about the \$3,000 included in the FY21 budget for the School Board and Backler advised it may be for legal expenses. Mary White asked if they used mail order prescriptions to reduce cost and Backler advised they do. Bouthot asked about a new bus and Backler advised they are not buying one this year. The 2006 will be removed from the fleet, but they need one less due to the new bus schedule with only one run morning and afternoon. Bob Demers asked how many small buses the school operates and Backler advised one 25-passenger bus which is wheelchair accessible, and one 9 or 10-passenger van. Abby Evankow asked about Special Education costs and if there was state or federal funding available. Backler advised that it is not funded, but they try to be creative and are required by law to provide special education services. The current out-of-district costs are down, and they do not currently have the transportation costs that were a concern a few years ago. Mary White asked if Special Education includes 504's, and Backler advised it is just IEP's.

5. Date of Next Meeting: Tuesday, January 28, 2020

8. Adjournment – **Robert Demers made a motion to adjourn at 6:24 PM, seconded by Diane Bouthot. Voted in the affirmative.**

Respectfully Submitted  
Shelli Fortin