



BUDGET COMMITTEE MEETING  
TOWN OF GORHAM  
GORHAM TOWN HALL  
PUBLIC MEETING ROOM

MINUTES OF JANUARY 24, 2019

Members Present: Diane Bouthot, Co-Chairman; Douglas Gralenski, Co-Chairman; Robert Demers; Lee Carroll; Abigail Evankow; Mary White; Dan McCrum; Jessica McCreedy; Judith LeBlanc, Selectmen's Representative

Absent:

Town Staff Present: Denise Vallee, Finance Director; Shannon Buteau, Library Director; Jeff Tennis, Gorham Water Department

Others present: Roger Goulet; Ted Miller; Clare Fox; Nicole Eastman; Paul Bousquet; David Backler; Pauline Plourde

Minutes Taker: Shelli Fortin

AGENDA ITEMS & DISCUSSION

1. Call to order: 5:00 PM

2. Approve Minutes 1/22/2019: **Motion to approve from Diane Bouthot with a second from Abby Evankow. Voted in the affirmative.**

3. Old Business

Diane Bouthot read the ordinance reference to the Fourth of July police coverage, which states that the town will provide police coverage for the annual Fourth of July event at no charge to the event organizer. The ordinance is Chapter 34, Article 37 from March 13, 1979.

4. New Business

a. Review of Water & Sewer Department Budget

Ted Miller advised that the water budget is up 1.7% and the sewer budget is up 1.4%, however there will be no increase in user fees at this time. Miller stated that the increase in the budget is almost all due an increase in the cost of chemicals used for water and wastewater treatment. Doug Gralenski asked if these were purchased in bulk and was advised they are, either once or twice a year. The department does have \$30,000 budgeted for water main replacement and \$7,000 for sewer line replacement, and they are keeping costs down by working with the highway department on projects. This year they are planning to do Corbin Street, and possibly Spruce Street, too. Judy LeBlanc asked about charges for dumping septic waste. Jeff Tennis advised they do accept some, but can only take a minimal amount compared to Berlin. The rate has not changed for dumping fees this year. Lee Carroll stated that they do look at what other towns charge, but do not want to be the highest. Judy LeBlanc asked if the personnel policy was the same at the water department as the town and was advised that although they are autonomous, they policy does parallel the town's policy. Dan McCrum asked about Capital Reserve Funds and Lee Carroll advised he could get that information, but did not have it available now. Carroll advised that Capital Reserves could only be used for repairs/replacement, but not for new projects. Abby Evankow asked about fringe benefits and was advised they are FICA, Workmen's

Comp and other salary related expenses. Judy LeBlanc asked if there was also a 2.5% COLA increase included for employees and was advised there is.

#### b. Review of Library Budget

Shannon Buteau advised that the budget is flat this year. They are asking for another \$10,000 for their Capital Reserve Fund, which will be used to replace the roof. They have \$10,000 from the town from last year, and the rest of the money for the roof will come from the Murphy fund. Clare Fox advised that a \$1000 increase is included for the Library Director. The on-call librarian's hourly wage was raised from \$8.91 to \$10.00 per hour, as the current rate was low compared to other libraries in the state. Buteau advised the six on-call librarians usually work one 4-hr shift each week, but sometimes work more during vacations or for special events. There are two full-time positions at the library and Judy LeBlanc requested that both be included in the full-time line item. Fox advised that they are hoping to be good stewards of the Murphy Fund and Buteau advised they have invested some of the money into the NHPDIP. They can withdraw the money at any time if needed. Fox advised that they are hoping to become more financially independent and are looking to set up a "Friends of the Library" group and to complete renovations on the second floor of the building to be utilized as rental space. Lee Carroll advised they should check with the Code Enforcement officer before beginning to see what is required. Mary White advised that she did some research on how many hours libraries are open in this area, and found that Gorham was the highest at 40 hours in the winter and 43 in the summer. White suggested that cutting the number of hours that they are open to the public might help to reduce cost. Buteau advised she did look at reducing the hours 25%, but found this would only save about \$7,000 per year. Buteau advised that she feels that the town is maximizing its value for their investment by making the library available. Buteau shared that there are currently 2,178 card holders, of which 2,089 are residents. An estimated \$318,343 was saved by the library patrons in the use of borrowed items. There were 1,118 patrons who used ILL, which is available through a grant, and 2,876 uses of the computers. The library received 4 NH Humanities grants at \$250 each this year, along with a NH Charitable Foundation grant of \$1500, and a CLiF Summer Readers Grant which consisted of 2 free books for each of the 56 children who participated. Buteau advised that the trustees removed the fee of \$20 per year for non-residents, hoping that Berlin would reciprocate, which they have not. The trustees will be looking at this again. Bob Demers asked about heating costs and if the \$4000 budgeted would be enough. Buteau advised that it has been enough in previous years and she felt this year would be the same. The library is on the same heating contract as the town. Denise Vallee advised that she has been in contact about the energy audit, and this will be scheduled sometime after the town meeting.

#### c. Superintendent of Schools

Dave Backler advised that there are two pieces to the school budget, first that we want world class schools, as it is important for people moving in to an area, and second to be fiscally responsible for the taxpayers. Backler advised that the tax rate for Gorham decreased this year from \$17.87 to \$17.80. The budget that is being presented had an impact on the bottom line, but not on the programs and education available to the students. Judy LeBlanc asked when the teacher contract would be negotiated again, and Backler advised it would be next year. The committee asked about the average number of students per class and advised there are in the mid 30's. The graduating class this year is 35. Doug Gralenski asked if they would be able to absorb an influx of additional children and Backler advised they could. Mary White asked about the per student cost and Backler advised it is about \$16,000, which is in the middle of the North Country average cost and is close to the state average. Diane asked about out-of-district placements and was advised that the town is required to pay for any placements needed. This can be catastrophic for a town as they could cost \$250,000 per student. Jesse McCreedy asked about the number of students in each classroom at the elementary level and if there is a maximum. Backler advised that there is a state maximum, but there is also a best practice, which is about 16. Bob Demers asked about the number of students in the school. There are currently 160 at the Ed Fenn, 110 in the middle school, and 140 at the high school. In 2018 there were 343 students from Gorham, 16 from Randolph, and 33 from Shelburne. Gorham makes up about 88% of the school population. Bob

Demers asked if the numbers are declining and Plourde advised that they have been steady the last several years. Diane Bouthot asked about regionalization and Backler advised they are looking to provide the best education at the best cost. They are currently concerned about the loss of stabilization aid and would have concerns about regionalizing at this time. They are collaborating with Berlin to provide additional educational opportunities for the students, and looking at ways to save money through the SAU services. Backer advised that we all want to make a stronger valley, but have to be responsible to ourselves as well. Mary White stated that after all the work put into our schools, she would not want to see us regionalize and then have to contribute again to work on other buildings. Mary White asked about school security and if an SRO was considered. Backler advised they work closely with the Gorham PD and officers are often in the school community policing. DARE is also being offered in 5<sup>th</sup> grade this year. Mary White suggested that grants may be available to the school for students affected by the opioid crisis. Backler advised they do work with the FRC, who receives grant money, as a wraparound support system for children who not only need assistance at school, but also in their home life. Backler advised they currently have 90% of the graduating seniors going on to meaningful postsecondary education and a 100% graduation rate.

#### d. Approval of Budget

Denise Vallee advised that she added \$3,000 to the Warner Cable Franchise Fee line, along with the \$29,500 that was added to the MV Registration revenue line.

Doug Gralenski advised that he will be writing a synopsis for next year's annual report, and if anyone has anything to add to please let him know.

Bob Demers asked if the contracts for ambulance and dispatch had been discussed by the selectmen and was advised it will be at the next meeting on January 28.

Dan McCrum asked about the fund balance. Vallee advised it has not changed much, and she will get the information. Jesse McCreedy also asked about the fund balance and pointed out that in the town report it was at its lowest last year. Vallee advised that the state recommends 5-17% of the operating budget be set aside in fund balance. They have been trying to build it back up. Vallee advised that there are payments for grants for Spring Road that have not been received yet, but everything has been submitted.

**On a motion by Doug Gralenski, seconded by Lee Carroll, the committee voted unanimously to accept the budget with no changes in expenses and two changes to the revenue, an increase of \$3,000 to Warner Cable Franchise Fee and an increase of \$29,500 to MV Registration, which brings the budget to \$30,850 less than the 2018 budget.**

**On a motion by Doug Gralenski, seconded by Diane Bouthot, the committee voted to accept the Library and Water and Sewer budgets as presented.**

Denise Vallee will send last year's PowerPoint from the budget hearing to the committee members to review.

Filing period for members up for re-election is January 23- February 1. Robert Demers and Lee Carroll are up for re-election this year.

Doug Gralenski advised that TM Shea has some ideas to streamline the process next year, which will hopefully require fewer hours.

Diane Bouthot suggested that each member take a department to ask questions that they can bring back to the board. Bob Demers also mentioned that several years ago, the committee visited each department to see what they are doing.

**5.** Date of Next Meeting: February 12, 2019 for the Public Budget Hearing (Snow date, February 14, 2019)

**6.** Adjournment – **Diane Bouthot made a motion to adjourn at 6:51 PM, seconded by Bob Demers. Voted in the affirmative.**

Respectfully Submitted  
Shelli Fortin

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