



Budget Committee Meeting
Town of Gorham
Gorham Town Hall
Public Meeting Room

Minutes of February 7, 2017

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

Town Staff Present: Robin Frost, Town Manager; Denise Vallee, Director of Finance & Administration; PJ Cyr, Police Chief; Jay Watkins, Fire Chief; Adam White; Grace LaPierre, Board of Selectman; Pat Lefebvre, Board of Selectman; Michelle Lutz, Assessor

Others present: Judy LeBlanc, Abby Evankow, Barbara Tetreault from Berlin Daily Sun

Minutes Taker: Shelli Fortin

AGENDA ITEMS & DISCUSSION

1. Call to order: 6:01 PM

2. Approve Minutes 1/31/2017: **Motion to approve from Diane Bouthot with a second from Robert Demers. Voted in the affirmative.**

3. Update on Prior Requests:

- a. Terry Oliver updated the committee on the Selectmen's meeting on Monday night. Oliver advised that they voted to support the Warrant Article to change the Recreation Revolving Fund. He also advised that they voted 2-1 to allow Jeff Stewart to purchase a used truck from the Water Department for \$5,000. Repairs for the truck will cost about \$4,000.

4. Revolving Fund and Warrant Articles:

Terry Oliver advised that the Selectmen voted to raise the amount of the Dispatch Equipment CRF to \$76,500 to start saving for the new radio equipment needed.

The Selectmen also decided to include Article 5 and 6, asking the taxpayers to see if the town will vote to study the viability of combining dispatch and/or police services with the City of Berlin.

Oliver also advised that they voted to include the Construction Exemption and the Housing Standards Warrant Articles. The Construction Exemption will hopefully encourage new business to come to town, and the housing standards will allow Code Enforcement to take a look at properties when complaints are received about hazardous conditions or run-down buildings.

Review of Budget:

Mike Waddell advised Denise Vallee that the Planning Board voted to add \$2,500 to their budget for the North Country Council. This will bring the total for their budget to \$10,000.

A discussion was had about the Merit Increases line item. Bob Demers again stated that the raise for all employees could be 3 ½ % if everyone was to receive a merit increase. Terry Oliver stated that he would rather see employees receive bonuses for their work, rather than a salary increase, as this will add up over several years. Diane Bouthot shared some pros and cons of merit increases. She advised the pros are that employees work harder, that it promotes healthy competition, rewards intelligence and creativity, and identifies workers who are underperforming. Bouthot states the cons are that it creates cliques and eliminates the emphasis on teamwork. A major concern of the committee is that there is no real performance based evaluation in place to evaluate the employees. Doug Gralenski asked if this was in the budget in previous years and was advised it was in last year's budget. Todd Lamarque mentioned that including the merit increases was the best of both worlds for town employees, as they benefit from the union negotiations with a 2% raise for everyone, and also could get the merit raise based on their performance. Lamarque felt it should be one or the other, and that maybe instead of the flat 2% for all employees, maybe the raise could be a little higher to reward good employees and give less to employees who do not deserve it. Pat Lefebvre said that if you want an employee to perform above and beyond, there needs to be a reward. If everyone is getting the same regardless of what they do, they will all do the same. Dan McCrum said that it is not a problem that will be solved at the meeting, and suggested that the town come up with a good plan to present to the committee. McCrum is also concerned with the compounded cost of the raises over time, and feels if it is a merit raise it should not be given to everyone. Reuben Rajala agreed with Oliver, stating that they should be given as a bonus. Mike Waddell said that \$12,000 was appropriated last year, and that all of the department heads were given the increase at the end of the year, which was a total of \$631. He said that until he sees evidence of a system in place for evaluations he is not in favor. TM Frost advised that everyone will have an individual review done, as they did last year. Dan McCrum asked if there was a cap and Frost advised there was not. Mike Waddell advised that the town employees following the Police Department for raises was not always how it was done. Waddell stated that they used to follow the mill. Diane Bouthot pointed out that not all departments were notified of the merit increases last year, as the Water and Sewer Commission did not know about it. Bouthot felt that there should have been better communication between the departments. Bob Demers asked if the Head Librarian received a merit increase and TM Frost advised that the Library Trustees are in charge of her salary, not the town. Waddell asked the committee if they would like to make a recommendation to the Selectmen about handing out the merit increases and Oliver advised it was not necessary, as they were aware of the concerns. **Todd Lamarque made a motion to remove the \$12,000 Merit Increase line item from the budget. Seconded by Diane Bouthot. Dan McCrum requested an amendment be added for the town to come back next year with a defined policy on distributing the merit increases. Amendment to the motion was accepted. Motion carried with Waddell, Bouthot, Demers, McCrum, Lamarque, and Rajala voting for the motion, Oliver opposed, and Gralenski and Carroll abstaining.**

A brief discussion was held about the 2% raise for employees. Waddell again expressed concern over using the PD contract as a standard, and that it may be a conflict of interest to be bargaining with the union when you will benefit from the negotiations. Lee Carroll stated that determining raises is really a function of the Board of Selectmen, not the Budget Committee. It was suggested that the discussion be left alone and the members unanimously agreed.

Diane Bouthot asked about the Police Department's request for a fourth full-time dispatcher. Bouthot asked how many calls are received on average in a year and Chief Cyr advised it is about 13,500 per year. Cyr stated that these are not all calls received from the public, as the

computer system is also used for other things the department does, such as cruiser washings. Cyr stated that they currently have 3 full-time and 2 part-time dispatchers. Cyr advised that they have a high turnover for the part-time positions, as 24 hours per week is not enough to survive on, so the employees leave for full-time positions elsewhere. Another concern is that part-time employees also have other jobs, which make scheduling difficult for the dispatch supervisor. Cyr noted that the 2016 overtime budget was overspent due to the problems retaining the part-time help. Cyr advised that at times he has had officers cover dispatch to help with the schedule, which is at their rate of pay rather than dispatch. Cyr also responded to Diane Bouthot about the use of per diem dispatchers saying that they have other jobs and cannot always fill the available shifts. Todd Lamarque asked about Lancaster and how they handle dispatching services. Chief Cyr advised that they only have to pay a minimal amount to the State of NH, as the DOT dispatch covers Lancaster, Whitefield, Groveton, and Dalton. **Lee Carroll made a motion to accept the Police Department's budget as presented to them, including the fourth full-time dispatcher, which was seconded by Terry Oliver. Voted in the affirmative.**

Mike Waddell asked if anyone had any further changes for the budget and nobody responded.

5. New Requests for Information

6. Old Business

Todd Lamarque spoke to Reuben Rajala about a verbal altercation that occurred after the meeting last week between Rajala and Jeff Stewart. Lamarque stated that Stewart's behavior was uncalled for. Other members agreed that it was unprofessional. Diane Bouthot said that department heads need to remember that the members have been asked to serve on the Budget Committee and are doing their jobs. Rajala stated that everyone shares their opinions at the meetings, and he stands by his comments at the meeting and in his letter to the editor.

Bob Demers again asked about the approval for the truck for the Recreation Department, and Waddell advised him that since it has been approved by the Selectman and is coming from the Revolving Fund, the Budget Committee has no say in it. Todd Lamarque asked about the Revolving Fund and if unspecified donations could be used in any way. He was advised that they could.

7. New Business

Mike Waddell shared a few figures with the committee. Waddell stated that if everything in the Road CRF was expended on the Stony Brook project, you could build 1,715 feet of road, only 1/3 of a mile.

Waddell asked for the figures again for the Spring Road project for DOT and FEMA. Denise Vallee advised it is \$47,000 from FEMA and \$362,000 from DOT.

Bob Demers asked about the petitioned warrant article from the Family Resource Center. He asked why they were asking for \$15,000, when they just received a Tillotson Grant for \$90,000. Denise Vallee replied that they have a budget of about \$1 million for services they provide. Mike Waddell advised that they would be going through the petitioned warrant articles on Thursday at the meeting, and there will be representatives available for any questions the committee may have.

8. The Public Meeting of the Budget Committee will be on 2/9/2017. It will be at 6:30 pm in the Medallion Opera House.

9. Diane Bouthot made a motion to adjourn at 7:35 PM, seconded by Todd Lamarque. Voted in the affirmative.

Respectfully Submitted
Shelli Fortin

Approved February 9, 2017