

## **Budget Committee Meeting Minutes of January 17, 2013**

**Members Present:** David Graham, Michael Waddell, Reuben Rajala, Terry Oliver, Terry Rhoderick

**Excused:** Jeff Schall, Glen Eastman, Bob Demers, Lisa Kardell

**Other:** Robin Frost, Denise Vallee, Jessica Jacques, Ted Miller, Roger Goulet, David Patry, Rufus Ansley, & Elizabeth Thompson

It was noted that Debra Ackerman was not present to take minutes as she was home sick.

**Call to order** by Jeff Schall at 6:40 pm

**Approve Minutes** The minutes of the January 15<sup>h</sup> meeting were not completed and will be voted on at the next meeting.

**Water & Sewer Department:** Roger Goulet presented the 2013 Water & Sewer Department budget to the Budget Committee. He stated that there was a 1.3% increase in the operating budget of \$4,716.00, of the Water Department, mostly due to the 2% wage increase and benefits. The Long Term Debt portion of the budget decreased by \$42,133.07.

Mike Waddell asked if there were any projects planned for 2013. David Patry responded that the State is planning to do the Main Street overlay in the spring and that W & S would be busy raising the water main gate valve covers and assisting with the 40 manhole covers. The water valve covers will be done by the Town alone. Corbin Avenue will be the next job done in collaboration with the Highway Department. Mike Waddell then asked what the results of the Leak Study were? David Patry responded that they are losing 2-3% while the normal rate is 15-20%. There is a record-low flow out of the Water Treatment Plant which is running at 199 gallons per minute to supply the entire Town and the system is very tight. Sewer flow is at a record low. The department was recognized by EPA and the Department of Environmental Services with the Waste Water Plant Award of Excellence for Region I, which is the entire Northeast. Roger Goulet commented that money is spent wisely out of the Capital Reserve Fund to maintain the plant and to buy new equipment. Any major improvements would have to be bonded. Terry Rhoderick asked if the Water Department was adequately staffed. David Patry replied that it is. There is some overtime as the Waste Water Treatment Plant needs to be checked on weekends and the employee with weekend coverage makes the rounds. Terry Rhoderick asked if adding another person would cut overtime. Ted Miller responded that they provide 24/7 coverage and that alarms need to be responded to, the lab needs to be checked and observations need to be made. He also stated that they have a hardworking, dedicated crew.

David Graham asked if any work was planned in the Cascade area. David Patry responded that Third St. Extension would need lots of blasting and Public Works to do drain work. David Graham asked how much the Water Testing done in the Lab brings in. David Patry responded that it brings in approximately \$16,000 per year. David Graham then asked if the Water rates would be increasing. David Patry responded that they were trying not to raise the rates, but that they would continue to evaluate it during the year. He also stated that there was a possibility of the Sewer rates increasing since they finished 2012 with just \$295. Terry Rhoderick asked if there was a rate sheet for charges for the lab. David Patry responded yes and that testing was only done during the week. The samples are brought in by the public; they are tested and left to incubate for 24 hours. The results are given to the person the next day. They are the only NELAC lab in the North Country. There is our lab and the one in Concord.

Roger Goulet then reviewed the Sewer Department budget with the committee. He said there is a 1.2% increase in the Sewer budget, mostly due to the 2% wage increase and benefits. He informed the committee that the infiltration has been substantially reduced. They found that most of the infiltration came from the McFarland Street and Willis Place area. There was also some in the upper Dublin Street area. With the reduced infiltration, the plant capacity is now way below design criteria.

**Gorham Public Library:** The Library Treasurer, Rufus Ansley, reviewed the Library Budget line by line. He stated that there is a 5.2% increase overall. There is a 3% increase in tax-raised funds of \$3,563. The Trustees voted to give a 3% wage increase. They are still working on an increase for the Director as she is below the lowest paid Department Head and other librarians. They have the same number of employees 2.75 total and use a lot of part time help.

The benefits have increased 1.8%. The utilities are down 16% as they are expecting to use less oil. A major amount of insulation work has been done. The insurance is up 5% and the Maintenance and Repair line had some unanticipated costs. They had repairs to an alarm system, exterior doors and emergency lighting.

He also commented that there has been a constant increase in the usage of equipment and computers. There has been a 8.3% rate increase in the downloadable book program and there is a constantly increasing demand for A/V materials.

The computer services line is down 6.5%. They replaced the oldest computer and will hold down costs. The office operation line is up 27% in order to send the Director and Assistant to conferences for training and information and to do some lobbying as the State programs keep going up. The costs are being dominated by large libraries in southern NH.

Over the last four years, the Library Trustees have had one tax increase of 3.2% in 2010, level funded one year and had 4.6% and 3% cuts in two years.

In 2013, the tax funding is at the same level as 2010. Rufus Ansley then stated that the Trustees felt the 3% wage increase was appropriate and reasonable.

A discussion then occurred about the salary level of the Director as compared to the average of 12 other library directors from similar-size communities and the Berlin Library Director. Other department heads are making between \$38,000 and \$59,000, with the exception of the Water & Sewer Superintendent. Mike Waddell commented that the replacement cost of a Library Director has to be considered. David Graham commented that the library is important along with good schools when people want to move here. The technical updates like being able to renew book online, all of the insulation work and the services provided are excellent. Reuben stated that there have been many improvements over the past four years. The transition, changes and growth are pretty amazing. He felt that the trustees should ask for a modest increase for the Director.

Terry Oliver suggested a 4.5% increase for the Library Director for this year (3% plus 1.5% this year and then ask for 1.5% next year).

Mike Waddell asked what the general sense of the committee is with the Library Budget. The Committee was good with it as presented.

**Next meeting:** January 22, 2013 at 6:30 pm in the Public Meeting Room to review the entire Budget and to discuss the semantics of the Public Hearing for the Budget.

**Adjournment:** Motion made by Terry Oliver, seconded by Reuben Rajala; all were in favor. Meeting adjourned at 8:40 pm.