

At a Special meeting of the Town Council in and for the Town of Gloucester on April 20, 2026:

I. Call to Order

Councilor W. Worthy called the meeting to order at 7:00 p.m.

II. Will the Clerk Call the Roll:

Members present: Jonathan E. Burlingame; Stephanie L. Westgate; Cheryl A. Greathouse; Walter M. O. Steere, III, Vice- President; William A. Worthy, Jr., President

Also Present: Jean Fecteau, Town Clerk; Christine Mathieu, Deputy Town Clerk; Elizabeth Beltram, Finance Director; Gary Trembl, DPW Director; Dennis Begin, Building/Zoning Official; Melissa Bouvier, Senior Center Director

III. Pledge of Allegiance

Councilor W. Worthy asked, Isaac Andrews, member of Boy Scout Troop 44, to lead the Pledge of Allegiance. Councilor W. Worthy asked all to stand for the Pledge of Allegiance.

Councilor W. Worthy stated that we are here tonight for a Town Council Public Hearing on the proposed Budget.

Councilor W. Worthy stated that members of our Budget Board are here to give an overview of the proposed budget, Council will speak regarding the budget and then there will be time for questions and discussion with the public.

Councilor W. Worthy stated that when it is time, we will ask if anyone wants to speak, to raise your hand and when called on you to step to the podium, state your name for the record, and address the Council.

Councilor W. Worthy stated that everyone will be given the opportunity to speak.

IV. Public Hearing

- A. Proposed budget for Fiscal Year 2026/2027-Discussion and/or Action
  - 1. Review of proposed budget (as needed)
  - 2. Public Discussion

Councilor W. Worthy stated that this Public Hearing was advertised in the Valley Breeze Observer on 4/02/2026 and in the Bargain Buyer on 4/01/2026.

Councilor W. Worthy DECLARED the Public Hearing OPEN.

Councilor W. Worthy stated that first we will have a review of the budget under item #1, Council will speak and then questions can be asked under item #2.

1. Review of proposed budget (as needed)

Councilor W. Worthy introduced the Budget Board Chair, Maureen McNamara and Budget Board member, Dave Steere. Councilor W. Worthy stated that Dave Steere will give an overview of the budget.

D. Steere stated that the budget process this year has been long and challenging. D. Steere stated that by state law, the amount to be raised by taxes cannot exceed 4% of the current year tax levy. D. Steere stated that this means the amount to be raised by taxes for the FY27 budget is capped at an increase of \$1,079,983. D. Steere stated that the requests exceeded these available funds so not all requests were met.

D. Steere stated he would start with the Gloucester School budget. D. Steere stated the school budget is a product of the school committee and the superintendent. D. Steere stated that state law requires the school budget propose an appropriation not to exceed 4% of the municipal funds from the previous year.

D. Steere stated a review of the FY25 school budget. D. Steere stated that the school was ended the year with a deficit because they were overbudget by over \$627,032 in expenses and received less revenue than budgeted.

D. Steere stated that the school is overbudget in expenses and underbudget in revenue so far this year so may end up in a deficit again.

D. Steere stated that for FY27 the total operating expenses shows a significant increase over last year. D. Steere stated the proposed school budget from the school committee shows a request increase of 7.5 % over last year. D. Steere stated that state law requires a not to exceed a 4% increase over the prior year. D. Steere asked if anyone from the audience was from the school committee and would like to speak.

B. Keeling, School Comm. Member, stated that the proposed budget includes a 2% increase for all teachers, that health costs increased and that the School Comm. has historically underbudgeted out of district transportation.

D. Steere stated that it is a tough budget and recognized that the state imposes mandates on the school which are unfunded. D. Steere stated the School Committee has work to do. Councilor W. Worthy asked if the School Committee would be revising their budget to reflect a 4% increase. Councilor J. Burlingame stated that the proposed budget by the Budget Board shows a 1% increase for the school.

D. Steere stated that the capital budget is provided by charter to be 2% of the operating expenses. D. Steere stated that the amount for the FY27 budget for capital expenses would be \$ 677,298. D. Steere stated that the Budget Board requested the status of prior capital projects from the Finance Dept. D. Steere stated that after this review, there was \$ 195,820 in the capital account for project funds remaining after completion or funds for projects never started. D. Steere stated that the budget Board repurposed those funds with the 2% so that the total available capital is \$ 873,119.

D. Steere reviewed the proposed capital projects applying the recommendations of the Budget Board to utilize the 2% operating amount and the \$195,820 amount.

D. Steere stated he would now look at the municipal expenses. D. Steere stated that would speak to salaries first. D. Steere stated that DPW will have a 4% increase in accord with their contract. D. Steere stated that the Budget Board included a proposal of 3.5 % for non union employees . D. Steere stated that the union contracts for the police, dispatchers and clerks are in the process of negotiations so funds have been set aside in the budget to address the contracts are completed. D. Steere stated that health care costs are increasing by 16.2 % and dental is increasing by 9.2%. D. Steere stated these expenses are included in the budget.

D. Steere stated that the Budget Board reviewed the past two fiscal years and the year to date amounts in making any adjustments to the individual department budgets.

D. Steere stated that the Budget Board reduced the town council miscellaneous account , contingency account and advertising expenses.

D. Steere stated that the Budget Board reduced Purchased Services by \$2000 based on review of the past years and current year to date.

D. Steere, p 7, stated that the Board of Canvassers budget goes up one year and comes down in another based on the number of elections. D. Steere stated that the many state requirements cause an increase in this budget. D. Steere high lighted one expense that is state mandated and that is poll workers due to the early voting requirement.

D. Steere, p.11, stated that Land Trust has been underfunded in the budget every year which creates a deficit. D. Steere stated that Land Trust receives 75% of the tax conveyance stamp money. D. Steere stated that the stamp amount has increased from \$2.30 per \$500 to \$3.75 per \$500 . D. Steere stated that the house valuations have also increased. D. Steere stated that the audit as of 6/30/2025 shows funds of \$654,000 of unrestricted funds in the Land Trust account. D. Steere stated a suggestion that the percent amount could be reduced to 46% and the Land Trust would still get the same amount. Councilor J. Burlingame asked if the percentage was based on the Charter or state law. D. Steere stated the Charter.

D. Steere, p.15, stated that the Budget Board reduced the tax sale fees and the tax collection fees in the Tax collector's office based on prior years and year to date.

D. Steere, p17, stated that the Budget Board increased the police department line item of vacation/illness based on actual amounts from past years.

D. Steere, p.18, stated that the Budget Board increased the electricity/propane amounts based on year to date usage and also increased the service contracts amount.

D. Steere stated that the police department budget is heavily loaded by salaries and fringe benefits. D. Steere stated that in FY26 the salaries and fringe benefits made up 96% of the budget. D. Steere

stated that in the proposed FY 27 budget that salaries and fringe benefits make up 95% of the budget.

D. Steere, p.22, stated that the Dept. of Public Works (DPW) is not top loaded with salaries and benefits but rather is heavily loaded on operation costs due to the nature of the business. D. Steere stated that the Budget Board tried to balance the budget using decreases and increases. D. Steere stated that propane and miscellaneous expenses were increased but that purchased services and road signs were decreased.

D. Steere,p.23, stated that salt is currently way over budget due to the weather this year. D. Steere stated that there should not be a deficit because there is a restricted account that can be used to help with the cost. D. Steere stated that the Budget Board increased the amount for salt in FY27 budget.

D. Steere, p. 24, stated that the Buildings and Grounds proposed budget was increased in the following line items: other purchased services, miscellaneous expense, repair/maintenance, janitorial supplies and electricity.

D. Steere, p. 25, stated that the proposed budget for vehicles/equipment was decreased in purchased services and diesel fuel but increased in spare parts and tires. D. Steere noted that the proposed decrease in diesel was made before events going on in the world.

D. Steere, p. 26, stated that increases were to tipping fees and that the transfer station license renewal is not an annual expense.

D. Steere , p. 29, stated that the janitorial supplies and repairs/maintenance were reduced at the Senior Center.

D. Steere, p.31, stated that electricity was increased based on use and insurance was increased based on increasing costs of coverage and deductibles. D. Steere stated that the negotiations/salary line item is funds used when the three union contracts negotiations are settled.

D. Steere, p.32, stated that the line item for an IT assistant is now shown as a separate item instead of being incorporated into the IT Director salary line.

D. Steere, p. 33, stated that he does not know how the \$1000 for the Gloucester Light Infantry was included as there was no request and it was not an adjustment by the Budget Board. D. Steere stated that the \$3500 line item for the Gloucester Heritage Society is a grant match item so they will only receive this money if they receive the grant.

D. Steere, p.3. stated that revenues for FY27 have decreased from FY26.

D. Steere, P.4, stated that there are two adjustments; one for abatements /additions for uncollected taxes and two, the proposal to move money from one assigned account to another to reduce a line item expense. D. Steere stated that the Budget Board felt that \$10,000 could be moved from the

comp plan assigned account to the revaluation reserve account as the comp plan account has not been used in the past 5 fiscal years.

D. Steere stated that the amount to be raised by taxes shows a 3.987% increase and is within the amount he stated at the beginning of the review . D. Steere stated that this concludes his presentation.

Councilor W. Worthy asked if anyone would like to speak.

1. G. Treml, DPW Director, stated that he learned of an unexpected expense for the Senior Center after the budget was done. G. Treml stated that the current cleaning company is proposing a \$1000 per month increase over their current monthly amount which would result in an additional cost of \$12,000 to the current contract.

G. Treml stated he is trying to figure out a solution for this year and suggested to use money earned from the metals recycling that nets about \$17,000 per year which goes into the general fund.

E. Beltram stated that this money is already shown in the revenues. G. Treml stated that the expense may be higher if the town has to go out to bid especially if it is not resolved before the contract ends.

2. W. Steere, resident, asked when the budget would be revised to reflect the vote from the Regional school meeting. Councilor W. Worthy stated that the voters spoke and plan on respecting that vote. W. Steere stated that whatever the amount it should be a plus and could be used for the senior center or for additional money to the Gloucester schools. Councilor J. Burlingame stated that he is hesitant to take the money out of the budget and would prefer to put it in a reserve account until it is known that it can be used. Councilor W. Steere stated that no official communication has been received. Councilor W. Worthy stated that the motion was clear.

3. B. Kelly, Country Meadow Lane, stated his opinion that Council validates the vote that was approved by the voters at the Regional school meeting. B. Kelly asked that amount of money that would be raised if there was a \$1 increase to the residential tax rate. B. Kelly stated a suggestion for Council to create a restricted account for paving.

4. K. Bertram, resident, stated a request for the Town Council to reduce the proposed percent increase to 2.5% based on the effect of the increase to the projected median household income and inflation. K. Bertram also suggested that the budget process be revised so that Council would set a projected rate that departments then must work within.

5. A. Gaudreau stated that she wanted to address the debt service reduction that was voted on at the Regional meeting. A. Gaudreau stated that the funds were voted by bond resolution to be taken from their general fund at a special meeting in 2021. A. Gaudreau stated that by cutting the debt service amount, there will not be enough to pay the debt service amount this year.

Councilor W. Worthy asked if anyone else or Council would like to speak.

6. Councilor W. Steere stated a suggestion to establish a reserve fund to address future building maintenance issues by using \$25,000 from the general fund this year and then hopefully add to it each year.

7. Councilor J. Burlingame stated a suggestion to establish a similar reserve account for paving.

8. Councilor W. Steere stated a suggestion to increase the salary for the animal control officer to be more in line with surrounding communities.

9. Councilor W. Worthy stated that council received a request from the Building Official for an increase in salary from \$73,055 to \$90,000. Councilor W. Worthy stated the history of the building official employment.

10. Councilor W. Worthy stated Council received a request from the Finance Director to promote three clerks in the Finance Department which he read as follows:

Memo: Honorable Town Council

From: Elizabeth A. Beltram, Finance Director

Re: Employee Step Increases

Date: April 20, 2026

I would like to request permission to include step increases for three of the clerks within the Finance Department in the FY 2027 proposed budget. Due to numerous departmental and personnel changes over the past few years they have all taken on additional duties and assignments with skill and professionalism. This well-deserved change would move two Clerk II positions to that of Senior Clerk and one Senior Clerk position to that of Financial Clerk. The resulting budget impact would be an approximately \$7,100.00 increase.

Respectfully,

Elizabeth A. Beltram

(end of memo)

Councilors discussed that cuts would need to be made in order to do these requests.

Councilor W. Steere stated that money would need to be found for the cleaning contract.

Councilor J. Burlingame asked how to handle the voter change in the Region budget. E. Beltram, Finance Director, stated a suggestion to reduce the appropriation by the Gloucester share and put that money in the already established set aside fund for proration.

Councilor C. Greathouse asked how many clerks does the salary on p 13 apply to. E. Beltram stated that is for 2 clerks.

Councilor J. Burlingame asked about the increase in FICA and fringe benefits in the Finance Director's office. E. Beltram stated that the amount is a correction from a prior incorrect posting but that the totals remain the same.

11. D. Desautel, Elbow Rock Road, asked why the Land Trust is getting an increase if they have surplus. D. Steere stated that Land Trust has caused a deficit in the budget every year because the town has under budgeted them. D. Steere stated that the \$654,000 is Land Trust money. Councilor W. Steere stated that no taxpayer money goes to Land Trust. Councilor W. Steere stated that a percentage of the tax stamp money goes to Land Trust.

D. Desautel asked about the corporate rate. Councilor J. Burlingame stated that the commercial rate is set at \$17.11 and that the residential rate has not been set. D. Desautel stated his opinion that FM has a substantial amount of residential and commercial property that would be a significant.

12. "Unknown speaker" asked why the district school budget that was approved is not being recognized. Councilor J. Burlingame stated that a revised official budget has not been received and it is being contested. Councilor W. Steere stated the vote is being contested. Unknown speaker stated the vote is not being contested but that it was debt service versus fund balance. Unknown speaker stated the motion did not reference the fund balance. Councilor J. Burlingame stated that Council can address by reducing the appropriation and placing that amount in the set aside account for proration.

13. O. McMahon, resident, asked the status of the FM court case. Councilor J. Burlingame stated that FM is appealing their value and the case should be heard within a year as we are two years into the case. Councilor S. Westgate stated that FM is paying their taxes. O. McMahon stated that taxpayers have paid the taxes FM didn't pay. D. Steere asked if FM has paid what they have been billed. Councilor J. Burlingame stated yes.

14. G. Steere, resident, stated a suggestion to reduce the proposed line item for the police chief as it reflects the current chief. G. Steere stated that the amount could be reduced to reflect a new chief who would then work his way up like other department heads.

15. Councilor J. Burlingame stated his opinion that need to find \$12,000 for the cleaning company and could take \$4000 from police chief salary. Councilor W. Steere stated that the budget is lean and we won't find tonight so maybe continue to Thursday.

J. Fecteau, Town Clerk, stated that if the public hearing is continued then then only night available is Thursday but if the public hearing is closed then Council could hold a special meeting next week to make any motions. Councilor W. Steere stated that even if the public hearing is closed Council typically always lets the public speak at their meetings.

Councilor J. Burlingame stated that the major increase is due to salaries and fringe benefits so in order to give some employees a raise you would have to take from other employees. Councilor W. Steere stated that Council needs to find money for the Animal Control Officer; Building Official ; and cleaning contract (\$12,000) for a total to find of \$35,000.

Councilor W. Worthy asked if anyone else would like to speak.

16. W. Steere, resident, stated his opinion that the budget may be cut because each year it seems the max is proposed and salaries have not gone up but taxes have gone up.

Councilor C. Greathouse stated that last year all employees received a 2% increase and this year's budget has a 3.5 % increase so she asked E. Beltram to run the budget at 2% increase for all. E. Beltram stated that she could only do for non union employees.

17. Unknown speaker asked if there was cost sharing by unions of the health care increase. Councilor J. Burlingame stated no. Unknown speaker asked if that could be added to the new union contracts. Councilor J. Burlingame stated it could be negotiated but they are all in the middle of negotiations.

18. E. Beltram stated that she will contact the Trust to get the new health rate based on the motion by Council at the last meeting.

19. Councilor J. Burlingame requested E. Beltram to run the budget with a 2% increase for non union employees .

20. D. Amaral Lake Drive, stated the reasons she should be promoted from Senior Clerk to a Financial Clerk in the Finance Dept.

21. D. Steere stated a suggestion that the budgeted amount for the reserve account for revaluation may be able to be reduced which would free up some funds. E. Beltram stated she would need to look into the cost and the potential reimbursement that the state may give.

Councilor W. Worthy asked if anyone else would like to speak.

None

Councilor W. Worthy CLOSED the public hearing.

V. Town Council Discussion and/or Action

A. Amendments, Additions, Changes to proposed budget - Discussion and/or Action  
No Action Taken

MOTION was made by Councilor W. Steere to schedule a special town council meeting on April 27, 2026 at 7:00 p.m.; seconded by Councilor J. Burlingame

Discussion: None

VOTE: AYES- Burlingame, Westgate, Greathouse, Steere, Worthy  
NAYS-0

MOTION PASSED

VI. Adjourn

MOTION was made by Councilor W. Steere to ADJOURN at 9:20 p.m.; seconded by Councilor J. Burlingame

Discussion: None

VOTE: AYES- Burlingame, Westgate, Greathouse, Steere, Worthy  
NAYS-0

MOTION PASSED