

BUDGET COMMITTEE CONTINUED MEETING FEBRUARY 2, 2021

MEMORIAL BUILDING

7:00 P.M.

The following are to be considered draft minutes until approved by the Board.

The meeting was reconvened from January 26 and called to order at 7:00 p.m. Roll was called.

Board members present in the meeting room: Ken Jacques, Darrin Patten, Justin Hastings, Jeff Milne, B. Manning, and Ex-Officio Tamara Butcher. Absent: Bryan O'Day and Tim Cook. Leigh Callaway was present via ZOOM.

Others present in the meeting room: Selectmen Dick Hendl, Ed Abair, and Road Agent Peter Abair.

Present via ZOOM: Whit Smith and Janet Hendl.

Ken had prepared a history of budget activity over a few years and things that have been discussed this year. Ken reviewed that information with the Board. Options discussed this year: a new truck at approximately \$170K, a used truck with 75K appropriated in 2020. Paving on Hogg Hill estimated at 160K for the whole road. Typically, \$80K a year has been put in the highway budget for paving. Estimates from Pike to shim only the hill is \$51K and 80K to shim the entire road. The Gove Brook Culvert project is \$87K. Everyone agrees the project needs to be taken care of. Ken also reviewed the Unreserved Fund Balance currently at \$518,915. A previous article for the sand shed site prep lapsed the end of 2020. He estimates an additional \$89K from budget money not spent in 2020, a small amount left from warrant articles, and possibly some unanticipated revenue. Board has reappropriating the \$100K from fund balance for the sand shed site prep. The previous article lapsed the end of 2020, and the proposed article would not lapse until 2023. Ken stated there is conservatively and safely \$70K to \$75K available in the URFB additional in the unreserved fund balance. B. stated he agrees with Ken's outlook for using the fund balance. Depending on the Selectmen's view on using the fund balance. Using \$72,000 available would keep the remaining balance at about 10%.

Ken asked Peter the difference in the quotes from Pike. The unit price per ton is \$72.00 for an overlay, and \$78.00 per ton for shim. Peter stated there is not as much asphalt and more petroleum in shim material. The more asphalt they put down, the cheaper the rate.

Discussion then followed regarding truck specification between 23,000 lb. 26,000 lb. and 30,000 lb. axles. Peter 23K lbs. is not adequate and increasing the leaf springs does not help because the axle itself would still be 23K lbs. New truck specifications are for 30K lb. axles. The trucks the town has now are 26K lbs. Reducing the size of the axle from 30K to 26K would knock the price down a couple of thousand dollars. Ed stated he spoke with Bill Wiley and the average price to set up a truck is about \$165K to \$168K.

The Board discussed whether the 75K would be enough to buy a suitable used truck. Ed stated you can buy a truck for that but will probably need to put a lot of money and work into it. B.

questioned what would be enough. Peter stated 100K is probably reasonable if you can find one, but it will not have a stainless body. Used trucks Pete has looked into do not meet the needs of the Town.

Hogg Hill:

Tamara asked Peter if it is 51K to shim the hill and 80K to do the whole road, how many years did he think that would hold up. Peter said it should last a few years. Ken mentioned the shimming because of what others have done. Peter stated shimming would fill in the low spots and fill in some holes. Most of the problem with the road is the hill itself. The hill is 3000' and 7900' to do the rest of it. After further discussion, Ken stated the Board has been discussing options at several meetings and asked the Board for their opinion. Tamara stated her vote was to shim the hill. B. agreed it seems reasonable to shim the hill this year. Peter stated after the shimming takes place, it will be like paving. There will be 1.5 inches of overlay on that section. Justin asked if the price would be less when the rest of the road needs paving and is it worth it. Peter said it probably would be. Darrin stated the whole picture needs to be looked at with a new truck purchase and money for the culvert. If shimming the hill will buy some time and be able to spread out paving the road a few years with the hill straightened out, it makes sense. Ken stated Hogg Hill would appear to be a two-year project. Peter stated the other roads left to do is Sanborn Hill, and Fisher Corner Road. He is waiting for the State to do their culvert replacement. Jeff stated it make sense with the other expenses this year to cut back on the paving. It makes the decision for a new truck easier.

Culvert:

The Board discussed the funding for the culvert and the paving budget. B. stated to him it makes sense to keep the money for the culvert in the operating budget as it is now, and 51K for the culvert repair, with an additional 4K for other patch and seal needs. Ken noted the highway budget would increase for 2021.

Truck:

Ken stated the options are trying to find a used truck in good condition or a new truck. It sounds like the red truck needs to go. Peter said he cannot see getting another year out of it. Ken stated taking the 75K from the previous warrant article would leave 95K left to be funded for the truck. He asked if the feeling was to take a little more out of the fund balance toward the so there is less to borrow or take Gove Brook out of the fund balance instead. B. noted there needs to be 2/3 majority vote for the truck. He feels money should be taken out of the fund balance for the truck and leave Gove Brook where it is. Ken stated the Selectmen might still be able to allocate some money from the fund balance at tax time to offset the town tax rate. The Board discussed whether the 75K that has been appropriated for a truck is going to be left in the fund balance, or is it going to be used. Loan rates were reviewed. The rate for a three-year loan is 2.75%. Leigh commented borrowing \$95K and adding to the 75K that is already there is enough to buy a new truck. The debt service for three years would be about 35K per year, and by that time the firetruck will be forthcoming.

Ken extended his appreciation to Peter coming to the meetings and all the time spent researching the trucks. He would like that kind of research to be a yearly thing so at budget time there is not the scramble to pull numbers together. The 75K was available to enable an updated truck to be purchased throughout the year if one became available. Though there might not be any available at that price range. Peter stated he put a lot of work into "Big Red" and then hated to not get another year out of it.

Dick stated he would not like to see the 75K go away in case something happens to one of the used trucks there is no longer any flexibility.

B. stated the 75K is for a truck, and he feels it needs to be used now for a truck. Jeff agreed the money was put there, and then nothing was done. In an emergency there is the ability to act. Justin stated there is still a line item for a truck, and it is possible things may be able to be moved around for that.

The Board reviewed the overall operating budget totals.

The meeting adjourned at 8:05 p.m.

Submitted by,

Janet Roberts,
Administrative Assistant