

B U D G E T C O M M I T T E E
P U B L I C M E E T I N G M I N U T E S
December 10, 2008

A business meeting of the New Durham Budget Committee was called to order at 6:36 p.m. in the Town Hall located off Main Street.

Present:

Cecile Chase, Budget Committee Chairperson
David Curry, Budget Committee Co-Chairman
Tom Goss, Budget Committee member
Peter Rhoades, Selectmen's Representative to the Committee
Dean Stimpson, Budget Committee member
Ann Brady, Budget Committee member

Excused Absences:

Lois Parker, Budget Committee member

Also Present:

April Whitaker, Town Administrator
Vickie Blackden, Financial Assistant
David Valladares, Fleet Manager
Mark Fuller, Road Agent
Cathy Orlowicz, Office Administrator

Approval of Minutes:

Motion David Curry, second Dean Stimpson to accept the minutes of November 19th, 2008 as amended. Vote was unanimous. Ann Brady abstained due to absence from the last meeting.

It was noted that Joe Blosey was unable to present his budget but Town Administrator April Whittaker and Board of Selectman Peter Rhoades would deputize.

Acct 4319 Equipment Mechanic Department:

David Valladares presented the Equipment Mechanic Department budget requests to the committee.

Before the EM Budget was presented the Budget Committee inquired as to the status of wage line decision, is any, by the Board of Selectmen. Representative Rhoades advised that there would be no changes in the pay plan. Positions would be level-funded except for a separate review for those positions reported per the Local Government Center's Pay Study being cited as below average. Mrs. Whittaker will work on those numbers.

EM lines with significant overages in 2008 were reviewed. It was noted the part time wage line overage was offset by less hours used in the Highway Department Budget. The contracted service line still does not reflect an invoice that remains in dispute,

approximately \$1900. Unforeseen repairs on a highway vehicle transmission amounting to \$3000, an injection pump on the Sterling and higher oil prices than anticipated contributed to over-budget expense lines.

When presenting the 2009 budget it was noted that contracted services line was up \$2100.00 from last year to cover repairs on an increasingly older fleet of Highway Vehicles. It was noted strongly that this also does not cover a new transmission for the grader, which will cost approximately \$20,000. Mr. Valladares informed the Budget Committee that a lease/purchase option might be more economical for the Town, noting that another \$10,000 in tire replacement would also be required on the same grader with transmission problems, thus the combined repairs already equaled the first year payment for a proposed lease/purchase option of a new grader. The Budget Committee felt it was important that he work initially on this subject with the Board of Selectmen, although concurring that the numbers at this stage appeared to make financial sense.

The supply line increase was driven by the need for 55 gallon drums of motor oil which still have not decreased significantly in price. Mr. Valladares then provided a lively explanation about the benefits of conventional motor oil versus synthetic.

The Highway Vehicle maintenance line has increased \$21,000. This spike was due to the need to replace tires on the John Deere Loader & Grader, and the Cat Backhoe. It was discussed as to whether or not to have an Equipment Maintenance CRF established which would even out the spikes in years where equipment needed costly tire replacement or other repairs above the norm thus preventing the current spiking occurrences.

Motion David Curry, seconded Tom Goss to table Acct 4319 Equipment Mechanic Budget until further review of the Grader repair/purchase is completed by Mr. Valladares and the BOS. Vote was unanimous. Selectman Peter Rhoades abstained from voting.

Acct 4312 Highway Department:

Road Agent Mark Fuller presented the Highway Department requests to the committee. Mr. Fuller focused on the lines he wished to increase. This included an increase of office hours for his part time Office Administrator from ten hours a week to sixteen. David Curry noted that it was his understanding that all pay lines were frozen. RA Fuller advised that he was requesting an increase in hours only.

Equipment Rental increased due to the need to crush 7000 tons of gravel and a week of tree removal service.

Gas & Diesel request were reviewed, but Mrs. Whittaker requested to hold setting a price per gallon until she has one more discussion with the Board; she queried whether the current number recommendation of \$2.25 per gallon for gasoline, and \$2.50 per gallon for diesel were low given the announcement that the OPEC head advised in a TV

program that the organization was looking at a \$70 - \$80 per oil barrel price in the summer.

The per ton increases on salt, sand and calcium chloride were discussed. It was debated whether or not the sand/salt available for town residents was being abused.

Mr. Fuller asked to increase his Tar Line \$15,000.00, but cautioning to the Budget Committee that this has not yet been discussed with the Board. He feels this additional money for crack sealing would be necessary to keep the roads in better repair while he & the BOS formulated a plan to catch up on overall road maintenance.

Tom Goss queried about the Davis Crossing Road Project. Mrs. Whittaker and Mr. Fuller explained that this was a big issue and that the Road Agent and herself were working on a variety of plans some involving grant funding to cover all contingencies. This is a capital item and would fall under 4901 and 4915 in the Budget.

Motion David Curry, seconded by Dean Stimpson to approve Acct 4312 Highway Department in the amount of \$563,600 with wages flat, a 15K increase for road repairs, 2600 gallons of gas and 21000 gallons of Diesel Fuel. Vote was unanimous.

Mr. Fuller also presented his requests under capital items:~

- **Account 4901 Road reconstruction:** He explained that he needed to shim & overlay Ridge Road for 1.42 miles. South Shore needs a thick shim for 1 mile. Based on the \$80.00 per ton price this would total \$200,000.00. He expects approximately \$96,000.00 to be funded by a Highway Block Grant but has not heard definitively from the State at this time.

Motion Dean Stimpson, seconded by Tom, Goss to approve Acct 4901 Land & Improvements – Road Reconstruction in the amount of \$200,000. Vote was unanimous

- **Account 4902-10-077 Equipment :** He is requesting a new Plow Truck to replace the 1994 L8000. Of the \$118,000.00 request approximately 80K would come from a CRF & approximately 40K from general taxation. If the 1994 L8000 was kept an additional year it would need a new dump body at the cost of 10K. It was noted that the BOS had not reviewed capital outlay. Mr. Fuller opined that if the 1994 is not replaced, then consideration be given to replacing a pick up truck next scheduled for 2010, although when calculating the effect on the tax rate, it was noted that both acquisition came to the same number in terms of taxable rate.

No action was taken by the Budget Committee.

Account 4909-50-000 Other : Mr. Fuller is looking for \$12,000 to purchase a remanufactured fuel pump with a key system. He is still waiting for 2 more quotes on the electrical installation. This, he feels, would greatly improve accountability.

Account 4194-40-430 General Government Buildings: Mr. Fuller has included 10,250 for a Salt Shed Overhang. The current overhang is too small and is not protecting the building from storm splash back which is damaging the siding.

Account 4324 Solid Waste

April Whittaker and Peter Rhoades presented the SWF budget requests to the committee. Demo Line 420 was reviewed as being a calculation of 2008 usage at the new rate. Discussion ensued concerning the purchase of a Freon recovery unit for \$1245.00 –v- an annual payment of \$500 arguing that the acquisition pays for itself in three years. Ms. Whittaker informed the BC that a neighboring Town has acquired this machine and been advised that it has an easy payback period with minimal maintenance. Wood Chipping monies have been allocated to this line as there is no more burning of the brush pile.

Under line 421 it was noted that Mr. Blosek would need to confirm the figure for Hazardous waste day. Line 422 landfill monitoring was questioned as to why 2008 charges were so low and will need to be checked into with the engineering company. Line 610 was dropped to \$2500.00 by BC recommendation. Line 635 will need Mr. Blosek to provide an estimate of gallons as 2008 figures are skewed due to the usage of diesel in the waste oil burner. It was asked if the New Durham News might “promote” the turn in of waste oil for burning.

Motion by Cecile Chase, Seconded by David Curry that the Solid Waste budget needed more work before voting, table it. Vote was unanimous.

Any Other Business

Mrs. Whittaker relayed the new Health Insurance pricing with the slightly different prescription plan 10/20/45 - vs - the previous 10/20/30 payment prescription place has saved the Town approximately \$7000.00.

It was decided that Tom Goss would contact David Allen concerning the Arc View GIS system and report back to the budget committee on his findings.

Mrs. Whittaker apprised the BC of current slate of meetings she has undertaken. Union Telephone was in and will be preparing a Municipal Rate Package. A FEMA meeting with Julia Chase on Monday concerning NIMS testing & certification is necessary to be applicable for future grants. Current dental insurance has spiked 13% and Mrs. Whittaker has requested a quote from Delta Dental ~ comparisons being prepared. Revenue projections for 2009 will be presented after fiscal year end 2008.

Mr. Goss made further inquiries re the GIS software acquisition proposal and was referred to the memorandum in his budget package from the Town Planner. It was suggested that any further questions would probably be better served directly with Mr. Allen, Town Planner.

Motion by David Curry, second by Ann Brady to adjourn. Vote was unanimous

The meeting was adjourned at 8:45PM.

Respectfully submitted,

Vickie Blackden

***Next Meeting: 6:30 PM Wednesday, December 17, 2008
at the Town Hall.***

A video recording of this meeting is on file with the Office of the Town Clerk, is available for public viewing during normal business hours, and will be retained in accordance with the New Hampshire Municipal Records Board rules established under RSA 33-4:4, or for a minimum of 24 months.