

Town of Sullivan, NH
Minutes of the Sullivan Budget Committee
January 7, 2020

Present: John Bolles, Dave Jakway, Gary Patnode, BJ Wahl, Mike Blanchard and Alfred Merrifield, Chairman
Representatives: Marsha Cook, Board of Selectmen and Paul Bolduc, School Board
Others: Chris Pratt, Wendy Pelletier, Leslie Casey, James Casey, Todd Smith and Joe Lewandowski, and Laura Merrifield

1. The meeting was called to order at 6:30 PM by Chairman Alfred Merrifield. A motion was made by Dave Jakway and seconded by Marsha Cook to approve the minutes as submitted. All in favor.

The Chairman explained that the expense report included expenses to the end of December however the Town continues to pay 2019 bills. The final expenses numbers should be available late January.

2. Budget Discussions:

Chris Pratt representing the **Library** reviewed the 2020 proposed budget. Mr. Pratt explained the reason the Library budget was greater than last year (from \$20,273 to \$21,323) is due to the need to replace a window at the rear of the library, fixing of a leak and minor interior painting. As a result the Library is budgeting about \$1,500 for this work.

The wage line includes a 1.5% wage increase as recommended by the Board of Selectmen.

It was noted that the 2019 budget column was missing the amount of \$130 in the subscription line. It will be corrected for the next rendition of the expense report.

Wendy Pelletier representing the **Conservation Commission** noted the 2020 proposed budget is nearly the same as last year (\$1,968 versus \$1,945) and includes expenses like the contribution toward the Harris Center instructor at the Nelson School, Town clean up/recycling and Ashuelot River water testing.

Ms. Pelletier noted the \$1,000 capital reserve request for **Land Conservation** is intended for purchasing land or land rights.

Leslie Casey representing the **Planning Board** 2020 proposed budget (which includes some costs for Zoning) noted the request was down from \$1,565 to \$1,432. She noted the printing and publishing line item was slightly overspent in 2019 due to the unexpected expense of producing flood maps.

The capital reserve request of \$1,500 for the **Master Plan** is the same. This is a long term project scheduled for 2025.

James Casey representing the **Cemetery** 2020 proposed budget of \$12,500, up from \$10,900. Mr. Casey explained the lion's share of the budget is attributable to contract services. This year, in addition to regular mowing, there is a need to repair the stone wall at the Four Corners Cemetery, estimated at \$6,600. On a question from Chairman Merrifield, Mr. Casey explained there are no headstone restorations or tree work expected this year. Mr. Patnode asked who provides the mowing services. Mrs. Merrifield explained the Town changed service providers after it was learned the former contractor did not have adequate staff to cover Sullivan. The Selectmen went out for bids and awarded a contract to Ryan Huntoon Landscaping Services. Mr. Casey also explained that the Perpetual Care Funds contribute about \$1,000 a year toward the mowing expense; and that the Cemetery Maintenance Expendable Trust balance results from the sale of cemetery lots. Mr. Casey indicated the Cemetery trustees may be looking at cemetery capacity with an eye toward future expansion.

Laura Merrifield reported on the **Recreation** budget. The Christmas potluck was held in December with a total of 47 people in attendance (22 children). The cost was \$632.97. Mrs. Merrifield reported the Town did obtain a credit card for use by the Recreation Committee and it seems to have simplified how the Town handles the accounting for this expense.

Highway Road Agent Todd Smith reviewed the **Highway Department** 2020 proposed budget. He noted the first several lines involving personnel costs are completed by the Selectmen. The 2020 proposed budget is \$288,875, up slightly from the 2019 appropriation of \$282,039. The Road Agent highlighted several budget lines. Most notably are:

Phone expense is up due to an upgrade in the internet speed at the garage.

Contracted Services is for crack filling on Valley and Boulder Roads and tree work.

Building Maintenance includes exterior siding and trim on the garage addition and if possible taping and mudding a ceiling.

Equipment Rental is down this year because there are not any expected rentals in 2020.

Publish/Printing is for standard required road weight postings.

Safety Supplies includes items like rain or reflective gear, gloves, helmets, etc.

Diesel cost is based on annual usage multiplied by the quoted price of 15 cents per gallon over the vendor's final cost. Based on discussions with the vendor, \$2.27 per gallon was expected to be the price per gallon. Diesel expense is shared by Highway and Fire.

Vehicle Repair anticipates changing the existing body on the F550 which is expected to cost around \$4,000. The balance is reserved for other unanticipated repairs.

Culverts cost is down from last year because there is no expected wetland permits.

Roadpatch in the amount of \$15,000 is the same as last year. When asked why the line item was significantly under spent in the prior year, the Road Agent said the highway division was being mindful of the budget because there were overages in other line items.

Gravel line item is for replacing what gravel gets lost every year due to plowing, traffic and weather conditions. The line item covers 59 loads or 1,360 tons at \$12.50 a ton.

Salt line item is up from \$22,000 in 2019 to \$26,000 in 2020. 568 tons were used in 2019. Present State bid pricing is \$56.25/ton from Granite State Minerals and \$64.25/ton from Morton Salt. Salt is applied only to paved roads and there seems to be a change in the weather pattern - more ice, less snow. Marsha Cook asked if the \$26,000 was sufficient. The Road Agent replied based on historical usage, it should be, recognizing usage was weather dependent.

Calcium line item will be used to set up the tank. The tank needs to be inside so they are planning on using the old salt shed for calcium tank storage, grader, etc. The calcium supplier delivers in loads of 3,000 gallons and the cost is \$1.40/gallon. Calcium is used on gravel roads to keep down the dust.

Sand was overspent in 2019 but is dependent on need. Sand cost is \$14.00/yard. The 2019 appropriation was \$15,000 and the 2020 request is \$17,000.

New Equipment request anticipates a purchase of an 8' to 10' York rake with wheels (for balance) and a 65 inch rock bucket. Estimated cost is \$4,200 - \$5,000 and \$1,700 (plus shipping) respectively.

While there is no request for **Special Projects** this year, there always exists the possibility of starting a project if time and money allows. Future special projects may include Apple Hill or Gilsum Road.

Capital Reserves:

There are no foreseeable **Major Highway Equipment** purchases and as a result, no request for a capital appropriation was requested.

There is the standard request for \$10,000 to the **Reconstruction/Resurfacing Roads** reserve account which could be used in conjunction with other available operating funds.

A \$5,000 request to the **Town Bridges** reserve account. No known repairs at this time and town bridges are in good condition.

Discussion ensued relative to the **Sand/Salt Storage Building**. The Road Agent had requested \$105,000 in the capital reserve. The Road Agent has obtained very rough estimates for the construction of a Quonset style building at a cost of \$57,000. Other expenses include paving \$13,200, electrical \$6,905, gravel \$11,200, sand \$10,080; separation wall \$3,960 for a total of \$102,300. The total price includes a small overrun because the estimates are so preliminary.

Laura Merrifield explained the Selectmen are recommending the use of fund balance to cover the \$105,000 expense of completing the storage facility. Using fund balance does not impact the tax rate because the money is already available. The Department of Revenue has recommended the Town use some fund balance for capital or other projects.

Returning to the highway operating budget personnel costs, Laura Merrifield explained that when all of the 2019 expenses are in (expected to be mid January) the possibility exists that the highway wage line may be over expended. The appropriation of \$112,000 has been the same for many years and covers both regular wages (\$95,975 in 2019) and overtime (\$16,025 in 2019). It is possible that some amendment to the Selectmen's recommendation should be made during the budget committee deliberations.

3. Other: The next meeting will be on January 14 at 6:30 PM and will include Fire/Emergency Management, Selectmen and associated capital reserves.
4. Adjournment:

Dave Jakway made a motion, seconded by Gary Patnode, to adjourn the meeting at 7:50 PM. All in favor.

Respectfully submitted,


Laura J. Merrifield