



TOWN OF DEERING
762 Deering Center Road
Deering, NH 03244

Budget Advisory Committee Meeting
October 27, 2020
AGENDA
6:00pm

BaC MEETING CALL TO ORDER

The meeting was called to order at 1800.

Committee members present, Gale Lalmond, Russell McAllister Stephen Fogelson, Gary Samuels,
Bill Demotta, John Shaw, Allen Belouin, Eric Stauffer

Minutes October 20th, 2020

Mr. Demotta made the motion to approve the meeting minutes from October 20th. Ms. Lalmond seconded the motion.

Review of Highway Department Budget

Road Agent Brian Houghton provided a briefing with respect to his proposed budget for 2021. Several questions regarding increases in electricity. It was noted that the use of electricity had declined, but the town was paying the owner of the solar panels for electricity production. Overall, the budget was down \$4,100.

There being no further business Mr. Fogelson made the motion to adjourn. Mr. Demotta seconded the motion. The vote was unanimous and so moved. The committee adjourned at 1650.

Respectfully Submitted,
/s/ Russell McAllister

Account Number	Description	Budget 2020	Budget 2021	\$ Diff	% Diff
01.4311.40.110	Highway Admin - F/T Wages	255,948.16	264,790.40	8,842.24	3.45%
01.4311.40.111	Highway Admin - P/T Wages	7,500.00	7,500.00	-	0.00%
01.4311.40.130	Highway Admin - Overtime Wages	25,000.00	25,000.00	-	0.00%
01.4311.40.210	Highway Admin - Health Insurance	114,319.89	90,837.78	(23,482.11)	-20.54%
01.4311.40.220	Highway Admin - FICA	17,883.79	18,432.00	548.22	3.07%
01.4311.40.221	Highway Admin - Medicare	4,182.50	4,310.71	128.21	3.07%
01.4311.40.230	Highway Admin - Retirement	15,356.89	15,500.00	143.11	0.93%
01.4311.40.290	Highway Admin - Life/Disability	3,003.99	3,250.00	246.01	8.19%
01.4311.40.350	Highway Admin - Training & Certification	800.00	800.00	-	0.00%
01.4311.40.351	Highway Admin - Drug Testing	1,000.00	1,000.00	-	0.00%
01.4311.40.401	Highway Admin - Heating Fuel	10,000.00	10,000.00	-	0.00%
01.4311.40.405	Highway Admin - Electricity	3,000.00	12,000.00	9,000.00	300.00%
01.4311.40.420	Highway Admin - Telephone	320.00	320.00	-	0.00%
01.4311.40.430	Highway Admin - Mobile Phone	1,956.00	2,000.00	44.00	2.25%
01.4311.40.445	Highway Admin - Uniforms	6,000.00	6,420.00	420.00	7.00%
01.4311.40.470	Highway Admin - Office Supplies	300.00	300.00	-	0.00%
01.4311.40.490	Highway Admin - Public Notices	800.00	800.00	-	0.00%
01.4311.40.655	Highway Admin - Building Maintenance	5,500.00	5,500.00	-	0.00%
01.4311.40.710	Highway Admin - Mileage	250.00	250.00	-	0.00%
	FUNCTION: HIGHWAY AND STREETS ADMINIS	473,121.21	469,010.90	(4,110.31)	-0.87%
01.4312.40.381	Highway Maint - Crack Sealing	7,200.00	7,200.00	-	0.00%
01.4312.40.382	Highway Maint - Roadside Mowing	9,000.00	9,000.00	-	0.00%
01.4312.40.383	Highway Maint - Tree Removal	3,500.00	3,500.00	-	0.00%
01.4312.40.384	Highway Maint - Gravel Crushing	30,000.00	30,000.00	-	0.00%
01.4312.40.399	Highway Maint - Other Professional Services	5,600.00	5,600.00	-	0.00%
01.4312.40.402	Highway Maint - Vehicle Fuel	55,000.00	55,000.00	-	0.00%
01.4312.40.481	Highway Maint - Culverts	3,000.00	3,000.00	-	0.00%
01.4312.40.482	Highway Maint - Salt	59,000.00	59,000.00	-	0.00%
01.4312.40.483	Highway Maint - Cold Patch	2,500.00	2,500.00	-	0.00%
01.4312.40.484	Highway Maint - Dust Control	11,000.00	11,000.00	-	0.00%
01.4312.40.485	Highway Maint - Sand	9,000.00	9,000.00	-	0.00%
01.4312.40.499	Highway Maint - Other Supplies	20,500.00	20,500.00	-	0.00%
01.4312.40.610	Highway Maint - New Equipment	6,000.00	6,000.00	-	0.00%
01.4312.40.620	Highway Maint - Equipment Maintenance	16,000.00	16,000.00	-	0.00%
01.4312.40.630	Highway Maint - Vehicle Maintenance	31,500.00	31,500.00	-	0.00%
	FUNCTION: HIGHWAYS AND STREETS - 4312	268,800.00	268,800.00	-	0.00%
01.4316.40.405	Street Lighting - Electricity	3,500.00	3,500.00	-	0.00%
	FUNCTION: STREET LIGHTING - 4316	3,500.00	3,500.00	-	0.00%
01.4299.40.391	Other Public Safety - Highway Dispatch	2,000.00	2,000.00		



TOWN OF DEERING

Highway Department

762 Deering Center Road

Deering, NH 03244

2021 Budget Narrative

01.4311.40.110 Highway Admin - F/T Wages

The full time wage line has increased by **\$8,846.34** from last year to **\$264,790.40**. This was figured by calculating everyone's current wages for 26 weeks and allowing for a potential pay raise of up to \$.50 per hour next year resulting in higher wages for the next 26 weeks. The exact figure was rounded up \$26.47 to an even amount. The raises would depend on everyone's evaluations next year. The calculations are as follows.

Road Agent- Weeks 1-25 - \$30.40/hour x 40 hours/week=\$1216.x26 weeks=\$31,616.00

2% Raise Weeks 26-52-\$31.01/hour x40 hours/week=\$1240.40x26 weeks=\$32,250.40

Foreman- Weeks 1-25 - \$25.50/hour x 40 hours/week=\$1020.x26 weeks= \$26,520.00

\$1.00/Hour Raise Weeks 26-52- \$26.50/hour x 40 hours/week =\$1060.x26 weeks= \$27,560.00

Mechanic- Weeks 1-25-\$22.35/hour x 40 hours/week=\$894x26 weeks=\$23,244.00

\$.50/Hour Raise Weeks 26-52-\$22.85/hour x 40 hours/week=\$914x26 weeks=\$23,760.00

Operator- Weeks 1-25 - \$25.00/hour x 40 hours/week=\$1000.x26 weeks=\$26,000.00

\$.50/Hour Raise Weeks 26-52 - \$25.50/hourx40 hours/week=\$1020.x26 weeks=\$26,520.00

Operator- Weeks 1-25 - \$22.50/hour x 40 hours/week=\$900.x26 weeks=\$23,400.00

\$.50/Hour Raise Weeks 26-52 - \$23.00/hour x 40 hours/week=\$920.x26 weeks=\$23,920.00

Total= \$264,790.40

01.4311.40.111 Highway Admin - P/T Wages

The part time wage line has stayed the same as last year at **\$7,500**. We use the part timers in the summer when the full time employees are on vacation. By doing this we can keep projects moving along. Using part time help in the winter we not only get the roads cleared more quickly but we also save on overtime as the storm gets cleaned up faster.

01.4311.40.130 Highway Admin - Overtime Wages

The overtime line has stayed the same as last year at **\$25,000**. The severity, length and timing of storms effect this line and we have no control over that. We had a mild warm winter last year and I would not want to cut ourselves short on a regular or hard winter. There is no real way to figure this line out, we are in New England.

01.4311.40.350 Highway Admin - Training & Certification

There is **\$800** budgeted for training, hopefully we will be able to increase this number in the future. Training is important in the development and safety of the crew. There are not any certifications that are mandatory, but continuing education is very important.

01.4311.40.351 Highway Admin - Drug Testing/Background Check

There is **\$1,000** budgeted for this line. This line stayed the same. The Highway Department gets 4 random alcohol tests and 4 random drug tests done a year. The alcohol tests cost \$66 each and Drug tests cost \$107 each totaling \$692. The remaining money is in case we have pre-employment test/background check or something unexpected happens where we have to send someone in.

01.4311.40.401 Highway Admin - Heating Fuel

There is **\$10,000** budgeted for this line. This line will stay the same. We are paying \$1.49 per gallon for propane. We were able to keep the price per gallon the same from last year. Not knowing exactly what the weather will be each year, \$10,000 will give us a little breathing room if we have a cold winter. In the past we use between 4500 and 5500 gallons per year depending on temperature.

01.4311.40.405 Highway Admin - Electricity

There was **\$3,000** budgeted for this line in the past. There is a higher rate charge for our kWh usage from the Solar installation company that is between 400 to 450 percent higher per month. I had to raise this line **\$9,000.00** to **\$12,000.00** to cover this expense.

01.4311.40.420 Highway Admin - Telephone

There is **\$320** budgeted for this line. This line stayed the same as the monthly expense is about \$25.71.

01.4311.40.430 Highway Admin - Mobile Phone

There is **\$2,000** budgeted for the Cell Phone. This ncovers the cell phone and the GPS units in our vehicles.

01.4311.40.445 Highway Admin - Uniforms

The uniform line is **\$6,420.00**. The yearly 7% increase by the uniform company makes it approximately \$4420 for the year. The yearly \$250 boot allowance for each employee comes from this line. I also budgeted \$75 per employee to buy them a retro reflective winter coat. It is tough to put the safety vests on over bulky winter work coats.

01.4311.40.470 Highway Admin - Office Supplies

There is **\$300** budgeted for this line. It is not much but does cover when we need some supplies.

01.4311.40.490 Highway Admin - Public Notices

There is **\$800** budgeted for this line. Local papers are \$45 but when you need to put one in a larger paper it is about \$260.

01.4311.40.655 Highway Admin - Building Maintenance & Repair

There is **\$5,500** budgeted for building maintenance & repairs. This line has stayed the same as previous years. There is an endless amount of repairing that could be done on our building.

01.4311.40.710 Highway Admin - Mileage

We don't do a lot that requires us to use our own vehicles. If something should come up **\$250** will be enough to cover some mileage.

01.4312.40.381 Highway Maintenance - Crack Sealing

There is \$7,200 budgeted for this line. We only would crack seal before installing a chip seal down. We are hoping to do this next year. Due to covid we did not have the extra money this year.

01.4312.40.382 Highway Maintenance - Roadside Mowing

There is \$9,000.00 budgeted for road side mowing. During this time, we feel the quality of work had not been as good as each previous year with using the same company over the years. We were having to send a crew out after the mower every day to throw brush they had cut out of the road. The company that does it now gets the roadside back away from the road way where they should be and the intersections back for better sight distance.

01.4312.40.383 Highway Maintenance - Tree Removal

I left this line the same. Being it is New Hampshire and we have lots of trees there is an endless amount of tree work that could be done but \$3,500 should be enough to keep up with the hazardous and nusense trees.

01.4312.40.384 Highway Maintenance - Gravel Crushing

There is \$30,000 budgeted for this line. The purpose for this money is to crush or buy crush gravel for our dirt roads. Every gravel road we have needs crush gravel on it. By putting good gravel on them makes them easier to maintain. The dirt roads deserve as much attention and care as the paved roads.

01.4312.40.399 Highway Maintenance - Other Professional Service

There is \$3,000 budgeted for this line. This line would cover a company for two days to clean out a few of our 110 catch basins in town. This will not get them all done but would be a good start.

01.4312.40.402 Highway Maintenance - Vehicle Fuel

There is \$55,000 budgeted for fuel. This line stayed the same as last year. We are on track to come in under budget for this line. This line is event driven and with a mild winter last year our usage was down.

01.4312.40.481 Highway Maintenance - Culverts

This line has \$3,000.00 budgeted for it. We will always have culverts to replace as the old metal and concrete ones installed years ago start to fail.

01.4312.40.482 Highway Maintenance - Salt

There is \$59,000 budgeted for salt. We have been buying salt from only venders that honor State bid prices the last two years and saves the town money. Looks like we will be coming in below budget this year. This is event driven and we had a mild winter last year. You never know what winters in New Hampshire will bring.

01.4312.40.483 Highway Maintenance - Cold Patch

There is \$2,500 budgeted for cold patch. We will be coming in under this year. Usually water getting in under the pavement creates pot holes. There is never a shortage of pot holes in West Deering.

01.4312.40.484 Highway Maintenance - Dust Control

There is \$11,000 budgeted for dust control. In the past we had always had a year's supply on hand. It doesn't make sense to keep that many bags on hand and we could use the space in our yard. We did not purchase any this year and only have a couple bags left. We usually put out twenty to twenty-two one ton bags out in a year. The \$11,000 will buy twenty-two bags.

01.4312.40.485 Highway Maintenance - Sand

There is \$9,000 budgeted for winter sand. This line has stayed the same. We screen our own sand at it proves to be a savings over purchasing it elsewhere.

01.4312.40.499 Highway Maintenance - Other Supplies

There is \$20,500 budgeted for this line. This line was not increased. It is on track to be mostly spent for 2020 and previous year's show similar numbers. Everything that doesn't fall under building maintenance, equipment maintenance and vehicle maintenance falls under this line. Things such as shop supplies, oil's and lubricants, tire chains, cutting edges for the plows, PPE, signs, and countless other items.

01.4312.40.610 Highway Maintenance - New Equipment

There is 6,000 budgeted for new equipment. This line has not increased. This is for small equipment like pumps, plows, shop equipment and tools needed.

01.4312.40.620 Highway Maintenance - Equipment Maintenance

There is \$16,000 budgeted for equipment maintenance. This line covers just the equipment repairs. I think this line will be fine for next year.

01.4312.40.630 Highway Maintenance - Vehicle Maint/Repair

There is \$31,500 budgeted for this line. This line covers just the vehicle repairs. We are a bit over budget now but is due to some emission issues with T1.

01.4316.40.405 Street Lighting - Electricity

There is \$3,500 budgeted for street lighting. The average bill is \$291 per month and exactly the same as last year. There are 15 street lights in the town of Deering that we are paying for. The town is billed by burn hours. Burn hours are what the electric company calculates to be the number of hours of darkness per night. They are responsible for repairs but we are responsible for reporting any needed repairs.

01.4299.40.391 Other Public Safety - Highway Dispatch

There is a flat rate of \$2,000 per year for our dispatch service. I have talked with the Hillsboro Chief and this fee will be the same.