

MEETING MINUTES
Town of Heath
Finance Committee
December 4, 2018

Called to order 6:30pm by Chair Ned Wolf. Paul Dabrody, Ken Gilbert, Kathy Inman and Jan Carr present.

We briefly discussed Ned's efforts in researching broadband debt borrowing.

Truck Discussion

Truck #1 replacement is \$150,000 over five years at 5%.

Ken said that we can purchase a two-year-old truck at half the price. Also, do we really need a grader?

FinCom joined SB at 7:55 together with Jeff and Mike from the highway department to discuss Robyn's Chart.

(The brush truck is not used after there is snow on the ground.)

Vehicles

1. Truck #1 – Jeff had discussed this and thought it might be more prudent to replace it with a smaller Dodge and use truck #1 as a beater for stumps or sand (less trips). We have put \$15,000 into this vehicle. A small truck will last five to seven years as opposed to a large truck's life span of ten to fifteen years. Additionally, a small truck is less expensive to repair. A smaller truck is \$100,000 (vs \$200,000) and is easier for plowing dirt roads. Drivers do not need a special license with a smaller truck. Mike's preference is a 5500 Dodge.

2. Road boss truck – recommended a ¾ ton truck or above instead of Ford Escape. A truck could accommodate a plow. The Escape did double duty when Mike Smith was both road boss and fire chief. It is better suited for the latter.

3. Backhoe – will not pass inspection. The town paid \$140,000 for it and we have spent \$80,000 on repairs. It was purchased as a new vehicle in 2001 and it has 5,000 hours of use.

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|------------|-----------------------|-----------------------|
| Estimate - | \$115,000 - \$120,000 | new small truck |
| | \$120,000 - | backhoe |
| | <u>\$ 37,000 -</u> | ¾ ton truck with plow |
| | \$262,000 | |

Equipment stabilization is \$83,000. Can use Chapter money for backhoe. Chapter balance is \$251,000 but \$180,000 is assigned for West Branch Road. It is not worth renting a backhoe as we need it when we need it for washouts and plowing plus the cost of renting is prohibitive at \$340.00 hourly.

Kathy stressed the need for a replacement schedule. No decision can be made until overall budget is examined. Robyn and Jeff will go out five years. Email her with any thoughts. She will also include police cruiser and fire equipment.

School

Budge and Bob have been working on regionalization with Hawlemont. If we have no debt to Mohawk, the vote is restricted to Heath. The Capital Improvement debt is \$39,999. If we do not pay this off, all towns in Mohawk District would have to vote for our withdrawal. We could take the money from the school account (\$30,000 balance). Next \$20,000 payment from Mohawk for closure will be in January

2019. We received two payments last year and spent \$70,000 on internet, utilities and insurances. School roof will need replacement within two years at a cost of \$250,000.

\$311,000 in Free Cash has to be designated before next ATM.

We cannot overspend salt and sand. We dropped it down last year.

The present levy limit is \$310,000,

Jan made a motion to adjourn, Paul seconded. Unanimous vote to adjourn at 8:10.

Respectfully submitted, Jan Carr