

ASHLAND BUDGET COMMITTEE MINUTES - Jan 8, 2025

Present: Kendall Hughes, David Ruell, Michelle Roloff, Andy Fitch, David Unangst (phone), Fred Welch

Absent/Excused: Jamie Lyford, Sandra Coleman

The meeting was called to order at 5:10 p.m. in the conference room at 6 Collins Street.

According to the process agreed in April, Budget Committee reviewed the Electric, Water, and Sewer, with department heads in attendance at the meeting to answer any questions on the budgets which had been previously reviewed, and recommended by the BOS.

Dept	2023	2024 Vote	2025 Budget	Increase 2024-25	% 2 Yr Increase
Water	\$ 363,644	\$ 399,381	\$ 403,578	\$ 4197	11%
Sewer	\$ 829,268	\$ 817,689	\$ 877,838	\$ 60,149	5.9%, up \$46.5K
Electric	\$ 3,052,528	\$3,443,990	\$3,508,859	\$ 64,896	15%, up \$456,331

Ashland Electric Dept (AED) discussion, with Superintendent Harry Gaillen, focused on the rate increase, due to the new power purchase contract, \$1,835,000 vs \$1,752,735 in 2023, up \$82,365 or 4.6%, due to increase in power consumption. There are about 800 residential customers.

Discussion noted that AED has faster/better response time to correct power outages, and lower rates for electric customers, vs NH Coop or Eversource.

Superintendent Gaillen provided information to show Ashland Residential Rates have increased 32% to \$99.34/mo up from \$75.27/mo, (example calculated for 500 KWH usage) based on the new 5 year electricity purchase contract. Since the 2021 purchase contract, AED rates have been some of the lowest in NH. As one of only 5 NH towns with its own ED, AED negotiated independently to purchase lower priced power from the electric grid. Gaillen provided data to show the NH state average residential price is lower than the majority of states, \$23.54/KWH (44th out of 50), lower than MA, ME, although higher than VT, for 2023, 2024. NH average monthly bill of \$146.03 (34th), so even with the increase, most Ashland residents will continue to have monthly bills lower than NH average.

Other line items with major increase include \$57.2K for new bucket truck rental, \$20K more for increased tree work, and \$33K increase in substation maintenance, due to increased yearly inspections. AED is planning for capital expenditure for upgrades to the substation in a few years, interest on bond financing will be reflected on future Ashland

electric bills.

The budget committee will ask Supervisor Gaillen to consider providing the average bill for Ashland residents for January, based on the new cost of purchased electricity, and the comparison to NH average residential bill, and the electric rate vs. other suppliers, so the committed can understand the cost savings enjoyed by residents / rate payers.

Water dept discussion, with Superintendent Andy Benton, focused on Discussion of the work completed to replace the motor and pump on well 2 this year, which was about \$20K. Budget includes \$16,700 for Weston Sampson quote for well upgrade, and a \$25K matching grant applied for by the dept.

On a motion by Hughes, seconded by Ruell, it was voted 5 to 0 to recommend Water Budget for \$405,578

On a motion by Hughes, seconded by Ruell, it was voted 5 to 0 recommend Sewer budget for \$877,838

On a motion by Hughes, seconded by Ruell, it was voted 5 to 0 to recommend the Electric budget for \$3,508,859

As a follow up to last meeting, we reviewed selected town budget line items, which were adjusted to reflect appropriate market salaries, based on careful review and consideration from last meeting:

On a motion by Hughes, seconded by Roloff, it was voted 5 to 0 to recommend the salary recommended by the town manager and BOS \$25,000 salary for Tax Collector, with appropriate increases in FICA/Medicaid.

On a motion by Hughes, seconded by Roloff, it was voted 5 to 0 to recommend the salary recommended by the town manager and BOS, \$25,000 salary for Town Clerk with appropriate increases in FICA/Medicaid.

Board had a detailed discussion of Ashland Parks & Recreation Budget, including After-School usage up to 18 – 28 students, and summer camp attendance of 40 campers. The Parks & Rec budget has historically been funded by mainly by usage fees, the majority of which has come from the campground, as well as some donations. From 2016 – 2020, the Revenues were \$10 – 15K in excess of the expenditures (self-funding), with very little spent on campground improvements, but no impact to tax payers. In 2023, expenditures were \$130,591 vs revenues of \$122,908, requiring subsidy of from tax payers to cover the cost of operating the after school and summer/vacation programs.

Board reviewed the Town Manager/BOS Budget request for a significant adjustment to the salary of parks & rec director, from \$29,417 to \$38,880 at 32% increase. Based on review of number of hours worked, scope of job, and salaries of other NH parks & recs directors,

value of the program to the students, residents, and camp ground users, combined with the additional work required by the Parks & Rec director to interact with the Economic Development Committee and the electric, water, sewer on the revamping of the campground, including raising the fees on the camp sites to support the improvements, as well as reopening the camp ground to past and new customers, the Budget Committee considered this a reasonable request.

Campground budget request is \$17,449 up about \$9K since \$8,489 in 2023, and this does not include the capital expenditures required to make the safety upgrades to campground.

On a motion by Hughes, seconded by Ruell, it was voted 5 to 0 to recommend the salary recommended by the town manager and BOS, \$38,880 salary for Parks & Rec director with \$2411 in FICA, and \$864 Medicare.

Next Meeting: Jan 14 at 6:00pm at Utility Room, following BOS, Utility Conference Room.
Budget Committee Public Hearing, Jan 16 at 6:00pm at Ashland School Library, School Budget with Town Budget to follow.
Closed Meeting: 5:45pm

Michelle Roloff, Secretary