

**TOWN OF ATKINSON
BUDGET COMMITTEE MEETING
Tuesday, December 23, 2014**

Members Present:
Bill Smith, Chair
Wendy Barker, Vice Chair
Kay Galloway
Sue Carroll
Tom Mealey, by telephone

Others Present:
Bill Innes, Town Administrator
Phil Consentino, Selectman Liaison
Karl Athanasiou, Computer Committee

Chairman Bill Smith opened the meeting at 7:00 PM, Tuesday, December 23, 2014.

Town of Atkinson 2015 Budget:

Member Schuster listed eleven lines in an email where the Committee could make some cuts and Chair Smith has identified some lines that could be adjusted. The lines Member Schuster recommended adjusting are as follows:

Executive Account, Line Number 41301.690 - Miscellaneous: \$1,200 was budgeted in 2014 but only \$604 was spent as of November, 2014. The Committee agreed to leave the line as is.

Town Administrator Account, Line Number 41302.620 - Office Supplies: It can be reduced \$1,375 from \$6,875 to \$5,500.

Member Carroll made a motion to reduce Office Supplies, line number 41302.620 to \$5,500. Chair Smith seconded the motion. The Atkinson Budget Committee voted all in favor. Vote: 6/0/1 with Selectman Liaison Consentino voting and one member absent.

Police Department Account, Line Number 42109.740.00 - New Equipment: \$1,762 was spent in 2014 and \$5,000 is proposed for 2015. Mr. Consentino said he thought that it was for buying cages for the new cruisers. They have gone from Crown Vic's to SUV's so everything has to be replaced. The Committee agreed to leave the line at \$5,000. Mr. Innes explained that the money for new equipment was for 2 portable radios at \$2,500 each.

Police Department Account Number 42109: there is \$10,000 in the Other New line (no number). The Committee agreed to leave the line as is. Mr. Innes stated the amount is to outfit the cruisers.

Highway Department Account, Line Number 43112.390 - Other Professional Services: is budgeted for \$8,000. Mr. Innes explained that a new 10 year plan is being created. The Town is changing engineers and the Selectmen do not know what the cost of the new engineer's services will be. Mr. Innes said he would be comfortable taking \$2,000 out.

Member Galloway made a motion to delete \$2,000 from Line Number 43112.390, Other Professional Services - Engineer in the Highway Department Account from \$8,000 to \$6,000. Member Carroll seconded the motion. All members of the Atkinson Budget Committee present voted in favor. Vote: 6/0/1 with Selectman Liaison Consentino voting and one member absent.

In the Highway Department Account, Line Number 43112.411.00 - Heating Oil, Chair Smith recommended taking out a \$1,000. \$3,300 was budgeted in 2014.

Chair Smith made a motion to take out \$1,000 from Line Number 43112.411.00 - Heating Oil in the Highway Department Account. Member Carroll seconded the motion.

Discussion: Chair Smith feels the price of oil is going down. Mr. Consentino pointed out that propane and natural gas are going up. Only 3 buildings are heated with oil, all the rest of the buildings are heated with propane.

All members of the Atkinson Budget Committee present voted in favor. Vote: 6/0/1 with Selectman Liaison Consentino voting and one member absent.

Animal Control Account, Line Number 44191.870.00 - Uniforms: \$600 is budgeted, nothing was spent so far and they are asking \$1,000 this year. Chair Smith recommended reducing the line to \$1.

Discussion: Mr. Innes read the detail. The amount is for pants, shirt, a summer and a winter jacket, boots and patches for the animal control officers. There are two animal control officers, Andy Candileri who is a part time police officer and Josh Dugdale. Mr. Consentino explained it costs \$2,500 to outfit a police officer with uniform. Member Galloway recommended reducing the line to \$550. Vice Chair Barker stated it is a part time position and the Animal Control Officer did not need a uniform, a badge and identification should suffice, and possibly a jacket.

Member Galloway made a motion to reduce Line Number 44191.870.00 - Uniforms in the Animal Control Budget by \$500 to \$500. Vice Chair Barker seconded the motion. The Atkinson Budget Committee voted 5 in favor with Selectman Liaison Consentino abstaining and one member absent. Vote: 5/0/2.

Recreation Account, Line Number 45201.890 - Contract Labor and Equipment: \$3,000 was budgeted for 2014 and nothing was spent. \$3,000 is requested for 2015. Mr. Innes stated he would feel comfortable taking \$1,500 out.

Chair Smith made a motion to take out \$2,000 from Line Number 45201.890 - Contract Labor and Equipment in the Recreation Account making it \$1,000. Member Carroll seconded the motion. All members of the Atkinson Planning Board present voted in favor. Vote: 5/0/1 with one absent and Selectman Liaison Consentino voting.

Library Account, Materials of Trade, Line Number 45501.670.00: It is books for the library. \$35,000 was budgeted and \$31,272 was spent. It is on track to be spent out.

Discussion: The amount will just be put back at the Deliberative Session. Vice Chair Barker explained that electronic book licenses are high. Chair Smith would like to take out \$2,500.

Chair Smith made a motion to take out \$2,500 from Line Number 45501.670.00, Materials of Trade in the Library Account. Member Carroll seconded the motion. The Atkinson Planning Board voted 3 in favor and 3 against. Vote: 3/3/1 with one member absent.

The motion did not carry.

Cable Operations Account, Line Number 45892.630 - Minor Equipment: \$2,400 was allocated for 2014 and \$683 was spent. \$2,400 was requested for 2015. Selectman Liaison Consentino stated that it was for buying some equipment.

Discussion: Station Manager Dave Smith appeared before the Committee and explained that he always budgets that amount for professional equipment. He tries to keep enough money in the account for emergencies. He might get by with \$2,000 this year; he has a couple of warrants.

Member Carroll made a motion to reduce Line Number 45892.630 - Minor Equipment in the Cable Operations Account to \$2,000. Selectman Liaison Consentino seconded the motion. All

members of the Atkinson Budget Committee present voted in favor with Selectman Liaison Consentino voting and one member absent. Vote: 6/0/1.

Those are all the lines suggested by Craig Schuster. The total amount adjusted in those lines is \$7,275.

Chair Smith has lines he would like to look at. They are as follows:

Computers Account, Line Number 41506.730 - Software Purchase: \$3,708 was spent in 2014. \$13,250 was budgeted for 2014. They are asking \$8,000 in 2015. Chair Smith would like to take \$2,000 out of the line making it \$6,000.

Chair Smith made a motion to reduce Line Number 41506.730, Software Purchase in the Computers account by \$3,000 bringing the line from \$8,000 to \$5,000.

Discussion: Mr. Innes informed the Committee that the funds are needed to purchase software for the new laptops for the Selectmen. The funds are also for the website. Vice Chair Barker stated that the Computer Committee needed to purchase domain licenses, a hosting plan, and they need to equip 5 laptops with licenses. It was pointed out that the Town needs to equip 2 laptops, the licenses for the other three laptops are transferrable. Vice Chair Barker stated that she would abstain because she is also a member of the Computer Committee.

Chair Smith put his motion on hold and requested to discuss the following two lines in the Computer budget.

Computer Account, Line Number 41506.740.01 - New Projects: \$15,947 was budgeted in 2014 and zero was spent. The Computer Committee is asking for \$2,000. The Committee agreed to leave the line at \$2,000. There was no vote.

Computer Account, Line Number 41506.890 - IT Services: It is for a contract and it will all be spent. The Budget Committee agreed to leave the line as is. There was no vote.

Chair Smith made a motion to reduce Line Number 41506.730, Software Purchase in the Computers account by \$2,000 bringing it to \$6,000. Member Galloway seconded the motion to reduce Line Number 41506.730, Software Purchase in the Computers account to \$6,000. The Atkinson Budget Committee voted 4 yes, one no, one abstaining and one absent.

Personnel Admin Account, the Sick Leave Bank, Line Number 41552.290: \$1,000 is budgeted and it was not spent in 2014. It never has been spent. Mr. Innes explained that the insurance company recommended it, he does not believe it is required.

Chair Bill Smith made a motion to cut Line Number 41552.290, Sick Leave Bank under the Personnel Admin Account by \$500.

Discussion: Member Galloway remarked that she is not sure why it is there. Employees are authorized an x amount of sick leave, they can accrue it or lend it to other employees.

Member Carroll seconded the motion. The Atkinson Budget Committee voted five in favor, one against and one absent with Selectman Consentino voting. Vote: 5/1/1.

Police Account, Line Number 42110.685 - Cruiser Gas: \$38,000 was allocated for 2014 and \$22,600 was spent. They are asking \$38,500 and the amount has already been cut to \$30,000. Mr. Innes informed the Budget Committee that as of 5 days ago \$25,541 had been spent and he is not

comfortable going lower than \$30,000. Selectman Liaison checked out gas prices. The Town is paying \$2.53 per gallon and Cumberland Farms gas is \$2.43. The current vendor is giving \$.10 to \$.12 per gallon. Chair Bill Smith thinks gas is going to fall to about \$2.00 a gallon. Vice Chair Wendy Barker does not like paying tax in Massachusetts. The Committee discussed gas prices.

Member Galloway recommended reducing Line Number 42110.685, Cruiser Gas by \$2,500. Chair Smith recommended reducing the line another \$5,000. Selectman Liaison Consentino stated that would be cutting too much.

Member Kay Galloway made a motion to reduce Line Number 42110.685.00 by \$2,000 to \$28,000. Member Sue Carroll seconded the motion. The Atkinson Budget Committee voted 5 in favor, one against and one absent. Vote: 5/1/1.

Elder Services Account, Line Number 42151.635 -Vehicle Gas: \$11,880 was budgeted and \$10,198 was spent to November 2014. The line has already been reduced to \$12,000.

Chair Bill Smith made a motion to cut Line Number 42151.635, Vehicle Gas in the Elder Services by another \$1,000 from \$12,000 to \$11,000. Member Sue Carroll seconded the motion..

Discussion: Selectman Liaison Consentino pointed out that the Committee already cut the amount to \$12,000. Chair Bill Smith is looking at what was spent. Member Sue Carroll asked about a check for a donation. Mr. Innes informed her the check has been cashed. Mr. Innes informed the Committee that he is expecting the electricity cost to go up from January to the end of May. Electricity will go up when the contract ends in May. There are also issues with natural gas to run the power plants, which will increase the cost of electricity. HydroQuebec went down and the power companies are using the natural gas plants. Vice Chair Barker is concerned about maintaining and fueling five cars. There have been no more rides from May to October since the new car was put on the road in May. Maintenance and gas have increased, but rides have not. The Committee discussed how many vehicles were needed. Chair Bill Smith proposed to constrain the amount of money allocated. Committee members expressed concern that more cars would be added to Elder Services. Selectman Liaison Consentino responded that the Selectmen are disinclined to increase the number of cars in Elder Services to six. Selectman Consentino informed the Committee that elders need to book rides a week or week and a half in advance already.

The Atkinson Budget Committee voted five in favor and one against to cut Line Number 42151.635, Vehicle Gas, in the Elder Services Account by \$1,000 from \$12,000 to \$11,000. Vote: 5/1/1 with one against and one member absent.

Elder Services Account, Line Number 42151.660 - Vehicle Maintenance: \$6,845 was spent through November. Selectman Liaison explained that the Selectmen want to take one car out and replace it with another one. Mr. Innes commented that there was no expenditure on vehicle maintenance from 2008 to 2012. All the money for vehicle maintenance came from the senior fund. It was a 501C3. It is no longer. Vice Chair Barker pointed out that if people donate to Elder Services and do not designate what the donation is for, then it goes to the general fund for seniors.

The Committee discussed vehicle maintenance for each vehicle. The Crown Vic has the highest mileage. Selectman Liaison Consentino explained that mileage is not the only factor, there is also hours in idle time. The oldest vehicle, #58, cost \$2,300 for maintenance. #59 cost \$7,700 year to date. If Elder Services got rid of one vehicle, maintenance would be less. Vice Chair Barker is concerned that if the older car completely dies, will Elder Services stay at 4 cars or get another vehicle. Mr. Innes responded that Elder Services is funded at 5 cars, they would not get new car, but could possibly get another car. Mr. Innes and Mr. Consentino insisted that if Elder Services gets another car, then one will go. Selectman Liaison pointed out that 27% of the population in Atkinson is seniors. Mr. Innes

commented that only 10% of them use the services. Vice Chair Barker again pointed out that the numbers show there were no more rides with 5 cars than with 4. The only increase was in expense. Mr. Innes pointed out that Elder Services is already increased by 30% from \$67,000 to \$88,000 and the Selectmen would not increase it more. There was no motion.

Karl Athanasiou, Computer Committee Chair, appeared before the Committee to discuss the \$2,000 removed from the Computer Budget, Line Number 41506.730.00, Software Purchases, without consultation and wanted to know the reasoning. Mr. Athanasiou asked which Selectman was going without a VPN license, Microsoft office, an email account and other software. The Town needs a better firewall. Mr. Smith explained that \$13,250 was budgeted for 2014 for software purchases and \$3,708 was spent. The amount requested was reduced to \$8,000 and the Budget Committee wants to take \$2,000 more out.

The Committee asked about New Projects, Line Number 41506.740.01. \$15,947 was budgeted for 2014 and the spreadsheet shows that nothing was spent. Mr. Athanasiou responded that the \$15,947 was spent to the penny on the 2 new servers in the data project. The bookkeeper charged the amount to the incorrect line.

Next the Committee asked about IT services, Line Number 41506.890.00. \$35,934 was requested and at the end of November \$21,892 was spent. Mr. Athanasiou responded that the Town negotiated a new IT contract and the line will be fully spent.

Mr. Innes recommended putting the \$2,000 back into the software purchase line. Mr. Athanasiou explained that the money was needed for firewall licenses, VPN licenses, Microsoft Exchange licenses, ancillary software, and Microsoft Office licenses for 2 new selectmen. Vice Chair Barker explained that she abstained from the vote. Mr. Athanasiou informed the Budget Committee that the Computers budget is almost to the penny. Vice Chairman Bill Smith pointed out that in 2014, \$3,708 was spent in software purchase line and the budget request was \$13,250. Mr. Athanasiou explained that the Computer Committee did not execute implementation of an asset protection program for the Town in order to track spending on vehicles accurately in 2014. That is the money left in the software purchase line.

Chair Bill Smith asked if there were anything discretionary in the Computers account. Mr. Athanasiou responded that the new project line at \$2,000 for 2015 is discretionary. Mr. Athanasiou explained that the \$2,000 is set aside for battery backup, in the event that all the servers go out. The Computer Committee is replacing failing equipment.

Chair Bill Smith requested a motion to put \$2,000 back into the Computer Budget, Line Number 41506.730.00, Software Purchases.

Selectman Phil Consentino made a motion to put \$2,000 back into the Computer Budget, Line Number 41506.730.00, Software Purchases. Member Kay Galloway seconded the motion.

Discussion: none.

The Atkinson Budget Committee voted 3 in favor, one abstaining and two against to put \$2,000 back into the Computer Budget, Line Number 41506.730.00, Software Purchases. Vote: 3/2/1/1.

Fire Department Account, Line Number 42202.635.00 - Gas and Oil: \$5,000 was budgeted and \$3,994 was spent through the end of November. Mr. Innes informed the Committee that gas and oil as of December 18, 2014 was \$4,269. Chair Smith asked the Committee if it would recommend reducing the line. The Committee agreed to leave it. There was no vote.

Highway Department budget, Line Number 43122.635.00 - Gas and Oil: \$9,500 was budgeted, \$9,795 was spent in 2014 and \$14,000 was requested for 2015. Selectman Liaison Consentino explained that if the Highway Department gets a new truck, the fuel will be diesel and it is more expensive. Member Carroll recommended that the new truck should be voted on in a warrant article. Member Galloway is concerned because a sound cost effectiveness study on lease purchase was done and to go back over that and change it would be unfortunate. There is a warrant article for a backhoe. The cost comparison on leasing the backhoe is even more favorable than the cost study for leasing the truck. At present the cost of gas and oil for the backhoe is part of the cost of the rental. If the Town leases a backhoe, they will have to pay for gas and oil. Truck expenses are included in the rental of Mr. Stewart's truck. The average cost for renting the backhoe is \$21,000 a year. The cost to purchase is \$89,000 and \$4,000 to insure. The Town would save \$20,000 over three years. The life expectancy of a backhoe is 15 years.

Chair Smith pointed out that he is not opposed to a truck lease but he thinks it should be left to the voters. Mr. Innes informed the Committee that the Town needs two trucks. There is a back out clause in all leases by the Town.

Chair Smith asked for motion to make the truck lease a warrant article. Mr. Smith asked if there were time to write the warrant article. Mr. Innes replied that it would require a total revision of the Highway Department Budget. In effect, this would raise the budget for the Highway Department. Selectman Liaison stated that voters vote with their wallet and they don't , know what the Town needs.

Chair Smith requested comments from the Committee. Member Tom Mealey is in favor of a warrant. Member Kay Galloway is opposed. Member Sue Carroll is in favor of a warrant. Member Wendy Barker would like to see the taxpayers make the decision. Mr. Innes pointed out that if the truck lease is taken out of the Highway Department budget, he will have to put all the items such as contract labor that the truck lease would replace back in.

Selectman Liaison made a motion to leave the truck lease, Line Number 43122.660 at \$16,500 in the Highway Department budget in the operating budget. Member Galloway seconded the motion.

Mr. Innes requested that the motion be taken off the table.

Member Carroll asked why Line Number 43122.430, Equipment Repairs went from \$5,000 to \$10,500. Mr. Innes explained that the money is for cutting edges on the plows, and repairing the salt/sanding units. The Town owns the plows and salt/sanding units, and rents the truck and driver.

Member Galloway said she would withdraw her second.

Next the Committee discussed Gas and Oil, Line Number 43122.635 in the Highway Department Budget. It is at \$14,000.

Chair Smith made a motion to reduce gas and oil, line number 43122.635 by \$1,400 to \$12,600. Member Carroll and Selectman Liaison Consentino seconded the motion. All members of the Budget Committee present voted in favor. Vote: 6/01 with one member absent.

Chair Smith made a motion to remove the truck lease, line number 43122.660 at \$16,500 from the Highway Department budget and make it a warrant. Member Carroll seconded the motion.

Discussion: The Committee discussed how to write the motion. Mr. Innes requested that the Committee add to the motion, that he would need to put \$20,000 back into the Highway Department budget, which would raise the total budget by \$4,000 if the \$16,500 for the truck lease were taken out.

The Committee voted four in favor, two opposed and one absent to remove the truck lease, line number 43122.660 at \$16,500 from the Highway Department budget and make it a warrant. Vote: 4/2/1.

Chair Smith informed the Committee that the budget has been reduced by \$28,675 and the Committee needs to reduce it by \$51,000 in order to achieve the goal of a 2% increase in the Town of Atkinson 2015 budget.

Member Mealey commented that Mr. Innes should include all the information on leases and interest in some way so that when the article goes to warrant, the warrant can be published so the public can see all the figures and make their own decisions. Mr. Innes requested a straw poll and asked if the budget committee will support a warrant article for a new truck. Chair Smith responded that he would as long as it clearly states the long term full cost and benefits. Vice Chair Barker stated that she would if the warrant were presented with all the backup information justifying lease or buy. Member Carroll responded that she would support a warrant article for a new truck lease. Member Mealey agreed that he would support a warrant article for a new truck.

The Committee still needs to take \$22,000 out of the budget to lower it to a 2% increase. The labor lines can be reduced by \$22,000. There is a \$118,853 increase from last year. It can be reduced by \$22,000 and distributed across the 14 salary increases that the Selectmen voted on at the September 10, 2014 meeting. A \$96,416 increase is a 5.75% increase. The salary increases can be phased in over 14 months instead of 12 months.

Chair Smith requested a motion.

Member Galloway made a motion to reduce salary and corresponding FICA and Medicare withholding by \$22,437 spread across the 14 lines corresponding to the 14 salary increase motions made by Selectmen at the September 10, 2014 meeting. Member Carroll seconded the motion.

Discussion: Selectman Liaison Consentino pointed out that the salary increases are for many employees who are really underpaid. Cutting salaries should not be on the table. It is better to make a motion to let the Selectmen go through the budget and find \$22,000 that can be taken out and leave salaries alone. Chair Smith agreed and requested that Mr. Consentino tell the Budget Committee at the next meeting. Selectman Liaison Consentino informed the Committee that if the Selectmen cannot cut \$22,000 from the budget, then the Budget Committee can make motion to reduce salaries.

Member Galloway made a motion for the Selectmen to find ways to reduce the Town of Atkinson operating budget by \$22,437 and come back to the Committee with the revised budget. Member Carroll seconded the motion. All members of the Atkinson Budget Committee voted in favor. Vote: 6/0/1 with one member absent.

Minutes: December 16, 2014:

Member Carroll said that on Page 1, the second paragraph, the amount for Regional Advertising, Line Number 41974.855.00, is \$6,470. On the third paragraph from the bottom where it says "Ms. Carroll suggested....", add "in response Ms. Carroll stated that the Committee does however set the funding.

Member Carroll said that on the second page, the last paragraph, third sentence from the bottom, it should say Member Sue Carroll, not Sue Killam.

On Page 3, under discussion, the third line Chair Bill Smith recommended crossing out the Committee can find increases", and replace it with "the Selectmen can find cuts (i.e. overspend salary lines and under spend other lines)".

On Page 3 on the line stating "Chair Smith responded that..." add, "even if the Budget Committee does not recommend fully funding salary increases this year, Selectmen can still pay the full salary amounts this year (overspending some salary lines) and under spend other lines to compensate".

Member Galloway made a motion to accept the minutes of the December 16, 2014 meeting of the Atkinson Budget Committee as adjusted, Vice Chair Barker seconded the motion, All members of the Atkinson Budget Committee present voted in favor. Vote: 6/0/1 with Selectman Consentino voting and one member absent.

Selectman Liaison Consentino mentioned the school budget. - take 13 or 14% of money saving and give to Danville. It would be a 1.8% increase for Town of Atkinson. It was not put on table for discussion. It takes a 2/3 majority vote. Danville may pull out.

Member Galloway made a motion to adjourn the Tuesday, December 23, 2014 meeting of the Town of Atkinson Budget Committee at 9:45 PM. Member Wendy Barker seconded the motion. All members present voted in favor. Vote: 6/0/1 with Selectman Liaison Consentino voting and one member absent.