

**TOWN OF ATKINSON
BUDGET COMMITTEE MEETING
Tuesday, November 3, 2015**

Members Present:

Bill Smith, Chair
Wendy Barker, Vice Chair
Sue Carroll
Peter Torosian
Tom Mealey
Kay Galloway

Others Present:

Bill Innes, Town Administrator
Ted Stewart, Road Agent

Chair Bill Smith called the meeting to order at 7:00 pm.

Agenda: Review minutes, review budget

General Discussion: Fire, Highway Department, Recycling, Waste Disposal, Buildings

The Committee turned to a discussion of COLA increases. One suggestion was to remove the 2% COLA entirely. Mr. Innes stated the Selectmen approved the COLA, however, they would be willing to move it to a merit increase. The Committee discussed the merit amount. One suggestion is to move all to merit lines, making merit lines 3% instead of 1%. Another approach is not do the 2% at all, because it could be awarded like a COLA. Mr. Innes explained that the Town has started the performance management process. The question is how to move the money. Also, how to treat the department heads One solution could take the department heads that qualify for merits, and look at 3% based on merit.

This would not include, Police and Fire. The Road Agent could take the 3% and distribute it across his employees. The Fire Department bases their increases on an average across the board and the certifications that the members get. For the rest of the organization, it would be for individuals.

The Tax Collector and Assistant Tax Collectors will not get an increase this year and will not be eligible for merit next year. The Selectmen voted to give the Tax Collector and the Assistant Tax Collector a raise starting in April 2016. The Committee discussed whether pay raises for the Tax Collector should be put on a separate warrant. The Committee also discussed the legal issues of including the raises for the Tax Collector and the Assistant Tax Collector in the Budget. The Committee agreed that those raises should go on a warrant.

Chair Smith suggested a couple of ways to approach the issue. One would be to add up all the lines that have COLA increases and take the money and move it to merit line. A second option would be to reduce the percent merit increase, 3 % may be too much. A third option would be a 0% raise since retirees and military did not get a COLA increase. Last year, there was a mixture of COLA increases and adjustments to bring salaries in line.

Mr. Stewart informed the Committee that he has 3 part time employees, the 2% COLA increase would total \$800 for the entire department or a \$1.00 a day for each employee.

Chair Smith mentioned that in addition to the Seniors, property values can be affected by the tax rate. Mr. Innes informed the Committee that the Selectmen and the DRA have preliminarily agreed to keep the tax rate for 2016 the same as 2015, \$19.10 per thousand. Chair Smith pointed out that the school tax rate and the county tax rate still have not been decided. Mr. Innes informed the Committee that school enrollment continues to go down, so the contribution to the school district will change proportionately.

Chair Smith suggested moving about half the COLA amount in all the labor lines to the merit lines and make a 2% merit raise. Another suggestion was to reduce COLA to 0.75% or even .50% and move the money to the merit line. The Committee continued to discuss the percent COLA and merit increases.

Chair Smith made a motion to remove the 2% COLA amount from the salary lines and move 1% to the employee merit line, raising it from \$10,070 to \$20,140. Member Galloway seconded the motion. Discussion: a dollar amount would be better. All members present voted in favor. Vote: 6/0/0.

HIGHWAY DEPARTMENT

Chair Smith asked if the Committee would agree to recommend the same amounts for the Highway Department as the Selectmen. The Committee discussed the following Highway Department accounts:

Administration - Account Number 43111:

Mr. Innes informed the Committee that health insurance is not going up. Ms. Barker suggested offering a high deductible plan with an HSA which would save money for the Town. That line has to be recalculated.

Mr. Smith suggested that the Committee carry over the Selectmen's lines for everything except the first two lines. Mr. Innes informed the Committee that Retirement, FICA and Medicare will come down.

Engineering - Account Number 43112:

Discussion: The Committee discussed the Other Professional Services Line. The increase is due to money to pay for storm water management. Mr. Innes will send the Committee information about the Storm Water Management Act. It is a five year mandate. Mr. Innes explained what the Act requires to the Committee again. The total cost to the Town over the next five years will be \$50,000 to \$80,000. There are no deadlines in 2016 but the Town has to report on all actions taken in the first year. There was concern that the money would not be spent on storm water management because the line does not specifically require it. It is an unfunded mandate by the Federal Government.

Chair Smith asked if there were any other comments. There were none.

Mr. Smith asked if the Committee would carry over the Selectmen's lines for Engineering. The Committee agreed. There was no vote.

Cleaning and Maintenance - Account Number 43122 - Truck Lease - Line Number 43122.660.00:

Member Carroll made a motion to move the truck lease to a warrant. Vice Chair Barker seconded the motion.

Discussion: Mr. Stewart explained that the \$55,000 was for 3 leases, the Committee already voted on 2 of the leases. \$15,000 to lease a second truck to replace the 2008 truck can be removed. \$40,000 is to replace a loader and truck that the Town already bought. The Highway Department should receive the truck by Thanksgiving. Mr. Stewart suggested putting the money to repair the 2008 truck back in the maintenance line in case the warrant for the second truck does not pass. Ms. Carroll recommended a warrant with an either/or proposal, giving the maintenance line, but if the warrant for the new truck passes, the money to repair the old truck is removed from the maintenance line. Mr. Innes pointed out that the cost of maintenance on the current truck plus the cost of fuel offsets the cost of the new truck. If the warrant fails, money also needs to be put back into the contract labor line. Mr. Innes and Mr. Stewart will write the warrant for the new truck. Mr. Stewart stated an alternative would be to lease a truck that is on the lot. He followed the State bid process to purchase the truck that will be delivered in November. The Committee discussed alternative ways to purchase a truck.

All members of the Atkinson Budget Committee present voted to change Truck Lease, Line Number 43122.660.000 from \$55,000 to \$40,000 and move \$15,000 to warrant. Vote: 6/0/0.

The Committee discussed what the contract labor budget would be with and without the new truck.

Chair Smith asked about the other lines in the Highway Department budget.

Chair Smith made a motion for the Atkinson Budget Committee to recommend the same amount as the Selectmen for all lines in the Highway Department Budget as follows:

	Engineering		Proposed	Selectmen	Budget Committee
43112.341.00	Telephone		1,600	1,600	1,600

43112.390.00	Other Professional Services-engineer	15,500	15,500	15,500
43112.410.00	Electricity/General	1,650	1,650	1,650
43112.411.00	Heating Oil/General	2,000	2,000	2,000
43112.850.00	Educational Conferences	600	600	600
43112.860.00	Legal Notices	2,000	2,000	2,000
	Cleaning and Maint.			
43122.341.00	Radio Maintenance	500	500	500
43122.430.00	Equipment Repairs	4,000	4,000	4,000
43122.630.00	Minor Equipment/Small Tools	1,800	1,800	1,800
43122.635.00	Gas & Oil	12,600	12,600	12,600
43122.680.01	Gravel/Summer	5,000	5,000	5,000
43122.680.02	Loam/Summer	1,000	1,000	1,000
43122.680.03	Patch Material/Summer & Winter	4,000	4,000	4,000
43122.680.04	Culverts	2,000	2,000	2,000
43122.680.05	Sealers	17,500	17,500	17,500
43122.680.06	Other Materials/Summer	3,000	3,000	3,000
43122.680.07	Catch Basins	2,000	2,000	2,000
43122.680.09	Stone	1,000	1,000	1,000
43122.740.00	New Equipment/Summer	1,200	1,200	1,200
43122.740.01	Equipment Rental/Summer	4,000	4,000	4,000
43122.820.00	Mileage	500	500	500
43122.875.00	Signs/Line Painting	12,000	12,000	12,000
43122.890.00	Contract Labor/Equipment/Summer	15,000	15,000	15,000
43122.890.01	Tree Removal	15,000	15,000	15,000
	Other/New	0	0	0
	Snow and Ice Control			
43125.630.00	Minor Equipment/Winter	2,000	2,000	2,000
43125.680.01	Salt/Winter	58,012	58,012	58,012
43125.680.02	Sand/Winter	1,000	1,000	1,000
43125.740.00	Cutting Edges/Winter	3,000	3,000	3,000
43125.890.00	Contract Labor/Equipment/Winter	140,000	120,000	120,000

	Other/New		0	0	0
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This vote excepts the Administration Department, the truck lease, and the labor lines. Ms. Galloway seconded the motion. All members of the Atkinson Budget Committee present voted in favor. Vote: 6/0/0.

Street Lighting - Line Number 43163.410.00: Mr. Stewart informed the Committee that Unitel is not installing LED's in the street lights. If the Town wants, it can buy the poles at about \$600.00 each and Unitel will buy LED's and replace them. Ms. Galloway suggested a pilot program, having one street light become solar powered. The Committee discussed solar power. Mr. Stewart suggested less street lighting. Mr. Innes stated the Energy Commission looked at each street light in Town and there was little cost benefit to shutting any of them down. It is also a safety issue. The increase is due to the increase in the electric rate.

\$647,128 was proposed for Street Lighting, Line Number 43163.410.00. The Selectmen recommended \$647,128. Chair Smith made a motion for the Atkinson Budget Committee to recommend \$647,128. Member Torosian seconded the motion. All members of the Atkinson Budget Committee present voted in favor. Vote: 6/0/0.

Recycling - Account Number 43234: The Committee agreed to take 2% off the Custodial line and change FICA and Medicare. They will wait for the numbers for a vote.

Chair Smith made a motion for the Atkinson Budget Committee to recommend the same amount as the Selectmen for the other lines in recycling as follows:

Account	Description	Proposed	Selectmen	Budget
43234.390.00	Other Prof Services	8,000	8,000	8,000
43234.625.00	Postage	1	1	1
43234.740.00	Equipment	100	100	100
43234.850.00	Education/Conf	100	100	100
43234.875.00	Signs/Decals	250	250	250
43234.890.00	Contract Labor/Equipment	3,000	3,000	3,000
	Other/New	0	0	0

Vice Chair Wendy Barker seconded the motion. All members of the Atkinson Budget Committee voted in favor. Vote: 6/0/0.

Care of Grounds - Account Number 45202: Mr. Innes informed the Committee that the Town still does not have all bids. Mr. Stewart explained that one line is contract labor for mowing and Other Professional Services is for the fertilizer company. Mr. Stewart will be out of town from 11/14 to 11/24.

The Committee discussed meeting on Thursday, November 12 and November 19 as well as Tuesday, November 10, 2015 and November 17, 2015. The Committee agreed. Ms. Carroll will not be present on November 19, 2015.

Fire Department - Account Number 42201:

The Fire Department is requesting a 3.2% increase or a \$312,437 total.

Electricity - Line Number 42201.410.00: The contract is a 21.1% increase. Actual usage for 2015 is projected at \$10,666. 21.1% increase in cost against usage can be rounded to \$13,000 for 2016.

Heat - Line Number 42201.411.00: Vice Chair Barker read aloud an email from the Fire Department. The new contract price for heat is \$1.59 per gallon. \$1.59 per gallon against actual gallons projected 4,802 gallons is \$7,635 for heat.

The Fire Department is proposing \$13,000 for electricity, line number 42201.410.00 and \$7,800 for heat, line number 42201.411.00. Chair Smith made a motion for the Atkinson Budget Committee to recommend the same amount as the Selectmen, \$7,800 heat and \$13,000 for electricity. Member Sue Carroll seconded the motion. All members of the Atkinson Budget Committee present voted in favor. Vote: 6/0/0.

Fire Department Clerk - Line Number 42201.110.03: The hours have been increased. The first 3 lines need to be changed. There is no retirement, just salary plus FICA and Medicare.

Chair Smith asked about other lines.

Ms. Galloway made a motion for the Budget Committee to recommend the same as the Selectmen for the following Fire Department lines:

Fire Department				
Account	Description	Proposed	Selectmen	Budget Committee
42201.341.00	Telephone	6,500	6,500	6,500
	Telephone(Cover 2010 billing error)			
42201.360.00	Cleaning Service	4,500	4,500	4,500
42201.430.00	Hydrants / Water Contract	15,800	15,800	15,800
42201.560.00	Dues/Subs./Memberships	1,500	1,500	1,500
42201.560.01	HazMat District	1	1	1
42201.620.00	Office Supplies	4,000	4,000	4,000
42201.625.00	Postage	250	250	250
42201.850.00	Education/Conferences	10,000	10,000	10,000
	Other/New	0	0	0
	Fire Fighting			
42202.110.01	Truck Maintenance/Labor	1	1	1
42202.412.00	Water Line/Fire Protection	1,000	1,000	1,000
42202.430.00	Hydrant Maintenance	3,000	3,000	3,000
42202.630.00	Minor Equipment	2,000	2,000	2,000
42202.635.00	Gas & Oil	4,500	4,500	4,500
42202.660.00	Truck Maintenance	10,000	10,000	10,000
42202.680.00	Chemicals/Hazmat	500	500	500

42202.740.00	New Equipment	11,500	11,500	11,500
42202.810.00	Food	1,200	1,200	1,200
42202.870.00	Uniforms	10,000	10,000	10,000
	Other/New	0	0	0
	Fire Prevention & Inspections			
42203.550.00	Printing & Binding	500	500	500
	Other/New	0	0	0
	Training			
42204.850.00	Instructional Materials	500	500	500
	Communications			
42205.630.00	Minor Equipment/Other Repairs	7,000	7,000	7,000
	Other/New			
	Medical Services			
42207.350.00	Physicals	3,000	3,000	3,000
42207.390.00	Professional Services (Contracts)	1,800	1,800	1,800
42207.680.00	Medical Supplies	5,000	5,000	5,000
	Other/New	0	0	0

Vice Chair Barker seconded the motion. All members of the Atkinson Budget Committee present voted in favor. Vote: 6/0/0.

Chair Smith asked if there were more discussion. There was none.

Cemeteries - Account Number 41951:

Ms. Galloway spoke to Hampstead, Kingston and Plaistow officials as well as Brookside Funeral Home. The cost for a single plot at Maplewood is \$800, a double plot is \$1,600 not \$600 and a quadruple plot is \$3,200. Mr. Mealey reiterated that the cost of plots and perpetual care should be increased for Atkinson. The cost of a plot in Kingston is similar to Atkinson. The private cemeteries are much more. Ms. Galloway stated that she gave the information to Ms. Snicer to pass on to the Cemetery Trustees. It is up to them to decide on rates for plots and burial.

The Cemetery Committee proposed \$67,000 and the Selectmen recommended \$59,424 for the total Cemetery budget. Care of Grounds was reduced \$3,500 and Other Professional Services was reduced from \$19,000 to \$13,000 by the Selectmen. \$10,000 will go on warrant. This still leaves a 29% increase for cemeteries.

Minor Equipment - Line Number: 41951.630.00: The Budget Committee is recommending \$1,500.

Office Supplies and Postage - Line Number 49151.620: The Trustees did not ask for funds initially. They were borrowing from other departments.

The Cemetery Trustees are proposing \$1,000 for Office Supplies and Postage - Line Number 41951.620 and \$3,000 for Minor Equipment, Line Number 41951.630.00. The Selectmen are recommending \$1,000 for Office Supplies and Postage and \$3,000 for Minor Equipment. The Budget Committee is recommending \$0 for Office

Supplies and Postage and \$1,500 for Minor Equipment. Vote: 4/2/0 with six members present and two opposed.

Chair Smith made a motion for the Atkinson Budget Committee to recommend the same amount as the Selectmen for the following lines:

Line Number	Account	Proposed	Selectmen	Budget Committee
41951.341.00	Telephone	400	400	400
41951.342.00	Computer/Software Deeds	1	1	1
41951.390.00	Other Professional Services	19,500	13,000	13,000
41951.650.00	Care of Grounds	21,475	18,000	18,000
41951.820.00	Mileage	500	500	500
	Other/New	0	0	

All members of the Atkinson Budget Committee present voting. Mr. Mealey opposed. Vote: 5/1/0.

Health Agencies

Lamprey Health Care - Line Number 44152.350.01: 52 visits for fiscal year 7/2014 to 6/2015 with \$86 in savings. The need is still there. They provide transportation. 90% of the funding is from the Federal Government and the rest of the state. Mr. Torosian would recommend much less than \$1,800. The Committee discussed the number of use Medicaid or Medicare.

Mr. Torosian asked if there are any grants for Elder Services.

Lamprey Health Care requested \$1,800. The Selectmen recommended \$1,200. Sue Carroll made a motion for the Atkinson Budget Committee to recommend \$500 for Lamprey Health Care, Line Number 44152.350.01. Chair Smith seconded the motion. All members present voted in favor. Vote: 6/0/0.

They will provide services even if the Town of Atkinson does not contribute.

Vic Geary Center - Line Number 44156.350.01: 44 residents have used the facility.

Discussion: It could be added to the newsletter and material about it could be posted. This does not include Meals on Wheels which is run by the Vic Geary Center. 108 Atkinson residents received 8,803 meals at a total cost of \$68,223.

\$5,450 was requested by the Vic Geary Center. The Selectmen recommended \$5,450. Member Carroll made a motion for the Atkinson Budget Committee to recommend \$2,500 for the Vic Geary Center, Line Number 44156.350.01. Ms. Galloway seconded the motion. Vote: 5/0/1 with six members present and one abstaining.

Chair Smith asked if there were more changes in the Health Agency Account.

Chair Smith made a motion for the Atkinson Budget Committee to recommend the same amount as the Selectmen for the following lines:

Account No.	Description	Proposed	Selectmen	Budget Committee
	HEALTH AGENCIES			
	Children, Clinics & Services			
44151.350.01	Family Mediation	8,425	8,425	8,425
44151.350.02	Sad Café - Area Teens	1	0	

44151.350.03	Child Advocacy Group	1,250	1,250	1,250
	Adult & Family Services			
44152.350.02	Rockingham Visiting Nurse (VNA)	0	0	
44152.350.05	Seacare Health Services	0	0	
44152.350.06	Community Health Services Inc	3,500	3,500	3,500
44152.350.07	American Red Cross	3,119	300	300
44152.350.08	Rockingham Nutrition & Meals on Wheels	3,413	3,413	3,413
	Mental Health Facilities			
44154.350.01	Center For Life Management	7,500	1	1
	Special Purpose Programs			
44156.350.02	Sexual Assault Support Services (SASS)	525	525	525
44156.350.03	Crisis Center/Pregnancy Care Center	500	500	500
44156.350.04	A Safe Place	1,250	1,250	1,250
44156.350.05	Greater Salem Care Givers	1	1	1
44156.350.08	R.S.V.P.	125	125	125
44156.350.09	CASA	500	300	300

Vice Chair Wendy Barker seconded the motion. All members of the Atkinson Budget Committee present voted in favor. Vote: 6/0/0.

Other:

Mr. Innes informed the Committee that the expense budget picture is more favorable. Last month the Town had a .5% float or \$20,000 leeway, at end of October \$85,000 to \$100,000 leeway. There is 18.4% of the budget left. This means that The Town also received \$21,300 from FEMA. The Town requested \$33,000. Money will go to the General Fund. Also, about \$21,000 in over expenditures for social security and another \$9,000 or \$10,000 in credits for 2015 that will go to the General Fund. Plus \$10,000 in credits for FICA. Lastly, the tax collector brought in \$100,000 in revenue. With a flat budget there should be \$1.4 to \$1.6 million in undesignated funds.

Ms. Galloway asked about a warrant article for the bicentennial. Mr. Innes explained that it would have to be proposed by the Selectmen or it could be done by a citizens petition.

Minutes: September 29, 2015, October 27, 2015 - deferred

Member Sue Carroll made a motion to adjourn the November 3, 2015 meeting of the Atkinson Budget Committee at 9:25 PM. Member Peter Torosian seconded the motion. All members of the Atkinson Budget Committee present voted in favor. Vote: 6/0/0.

The next meeting will be Tuesday, November 10, 2015. Buildings and Care of Grounds will be discussed.