

**TOWN OF ATKINSON  
BUDGET COMMITTEE MEETING  
Tuesday, November 24, 2015**

**Members Present:**

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

**Others Present:**

Bill Innes, Town Administrator  
Alan Phair, Town Administrator  
Ted Stewart, Road Agent  
Diane Heer, Library Director

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

Agenda: Review minutes, review budget

**General Discussion:**

Chair Smith sent a letter to all the Town department heads requesting that they look for further potential savings in their budgets and he received several responses stating that they could not cut any more. He also received a response from the bookkeeper stating that Health Insurance, Line Number 41501.201.00 could be changed to \$16,860 instead of \$22,776 because her daughter would no longer be on her health insurance.

**\$28,776 was proposed for Line Number 41501.201.00, Health Insurance. The Board of Selectmen Recommended \$22,776. Member Kay Galloway made a motion for the Budget Committee to recommend \$16,860 for Line Number 41501.201.00, Health Insurance. Vice Chair Barker seconded the motion. All members present voted in favor. Vote: 6/0/0.**

This change brings the budget to a 2.79% increase, in order to get to a 2% increase, \$34,342 in additional savings need to be found.

Mr. Innes informed the Committee first, that there were around \$219,000 in grants to the Town for 2016, and second, that he did an analysis and that after subtracting the expense increases that cannot be changed, the budget is flat year over year and requested the Budget Committee to look at it in that context.

Mr. Mealey recommended turning down the heat in all the buildings. Chair Smith requested input from the Budget Committee. Ms. Barker pointed out that the Budget Committee has not decided about Advertising/Regional. She feels the expense is necessary. Member Torosian commented that the Salem budget only went up 1%.

**Highway Department:**

Mr. Torosian also spoke to Chris Moulton, the forest supervisor for Unitil in New Hampshire. They have a schedule to continue cutting trees and will cut down anything the Town feels is a risk. Mr. Innes explained that the Road Agent is working on trees and brush in the Town right-of-way.

Road Agent Ted Stewart appeared before the Committee to explain the \$15,000 expense for tree cutting. He has been cutting trees on Maple Avenue and some work on Westside Drive. He targets hazard trees and has been taking trees out of the right of way. The roads are supposed to be clear for fifty feet. The other issue is leaf litter in the culverts and cache basins. Clearing trees reduced leaf litter. There are huge oak trees lining Providence Hill Road that impede snow removal and litter cache basins.

Ms. Carroll asked if Unitil came and took down more trees, would that reduce the tree removal expense and if he had a plan for tree removal. Mr. Stewart explained that he would like to finish the tree removal on lower Maple Ave and also in Hemlock Heights. He also explained that typically Unitil is concerned about protecting wires. Mr. Stewart is concerned about other issues such as line of sight and drainage. Unitil received a major grant and has spent a lot of money clearing trees in Atkinson but most of it has been on Academy Ave and Stateside Ave.

Mr. Mealey asked about trees in the right of way. Mr. Stewart explained that in New Hampshire trees in the right of way larger than 7 inches in diameter are owned by the property owner. Mr. Stewart can go to the Selectmen for eminent domain, but there are so many other trees, it is not worth it.

Mr. Torosian asked about Hemlock Heights. It is narrow, so either side of the road would have an impact on power lines. He informed the Road Agent that Unitil would look at the trees if the Town feels they are a threat. The Road Agent informed the Committee that Unitil does not remove stumps, so the Highway Department has to grind the stumps. Brush removal does not have its own line, it comes out of the labor line. Ms. Carroll agreed that the tree removal line was important and should not be reduced.

Mr. Stewart had two other questions. First, the winter maintenance line was cut an additional \$10,000 to \$110,000 and the engineering line was cut an additional \$5,000. Ms. Barker read the line. \$169,695 was expended for contract labor in 2015 and the budget was \$95,000. Chair Smith stated that looking at the data, it was three years in a row where the line was over \$100,000. From 2009 - 2011 the average was below \$100,000. \$110,000 was still a 15% increase from what was budgeted in 2015. Mr. Torosian commented that when the warrant was passed for the new truck, it was supposed to cut contract labor. Ms. Barker commented that the warrant article stated that if it was passed the contract labor line would be reduced. Also, the Town has spent a lot of money on maintenance for the town truck. Mr. Innes clarified that some contractors and the backhoe were being taken off the road, not the Road Agent's truck.

The Board continued to discuss the winter contract labor line. Mr. Innes stated that savings is due to the reduction in the number of contractors. The Town will have two trucks. The Road Agent pointed out that the Selectmen had already reduced the line to \$120,000 and agreed that \$110,000 was not an unreasonable amount, but he would prefer it to be on the high end. Chair Smith pointed out that the average for the last three years was \$137,000 and the Road Agent's request for \$140,000 was in line with that. The average for the previous four years was \$84,000 and the average for the last 7 years was \$107,000.

Vice Chair Barker asked where the new truck is. Mr. Stewart explained that the truck has been delivered to Londonderry and is being put together. Mr. Stewart will know tomorrow when the truck will be delivered to the Town.

Mr. Mealey stated that the Road Agent is putting in a warrant for another truck and asked if there were any way to put pressure on the vendor to deliver timely or lose money. Also, he is considering purchasing a cab and chassis off lot.

Returning to a discussion of tree removal, Mr. Stewart stated that he would call Unitil.

Ms. Carroll asked about reducing the sealer line from \$17,500 to \$16,000. Mr. Stewart responded that sealer has gone out to bid, and the bids all were about \$17,500, but the number of roads to be sealed can be reduced. However, sealing is the least expensive form of road maintenance.

The Road Agent stated that the one line he would be comfortable cutting is in the waste area for Recycling - Other Professional Services, Line Number 43234.390. This line is for grinding brush and hauling it away for recycling. Mr. Stewart budgeted for 4 times, but reducing it by \$2,500 would probably not cause a problem.

**\$8,000 was proposed for Recycling - Other Professional Services, Line Number 43234.390. The Selectmen recommended \$8,000. Chair Smith made a motion for the Budget Committee to recommend \$5,500 for Recycling - Other Professional Services, Line Number 43234.390 in the Recycling budget. Member Torosian seconded the motion. All members of the Atkinson Budget Committee present voted in favor. Vote: 6/0/0.**

**Employee Salaries:** Next, the Committee discussed raises for Town employees. Member Carroll stated that she would feel comfortable asking the Town employees to forego raises this year. Member Torosian agrees. Member Galloway would not. Vice Chair Barker remarked that she is undecided. Mr. Innes remarked that the vast majority of people in Town are affluent and Atkinson typically does not pay their employees to the level of the private sector. Chair Smith stated that he would not recommend no raises, but last year all Town employees received a 2% COLA raise, this year he would be comfortable with a 1.5% raise. The Selectmen recommended a

2% COLA and a 1% merit raise. The Budget Committee previously recommended reducing the COLA to 1% and moving it to the merit line, making a 2% merit raise. Chair Smith recommended further reducing the merit increase to a 1.5% merit increase rather than a 2% merit increase.

**Chair Smith made a motion to reduce the merit increase to 1.5%.** Discussion: Vice Chair Barker recommended waiting until after the third pass. There was no vote.

**Financial Administration:** Ms. Carroll recommended reducing Accounting, Office Supplies Line Number 41501.620 to \$1,300. Mr. Innes stated that looking at historical spending, \$1,500 would be better. Ms. Galloway is concerned about cutting into operational expenses because of extraordinary expenses for 2015 and 2016.

Ms. Carroll asked the Committee about Line Number 41506.890, IT services. Mr. Innes explained that it is going out to bid and may go up.

**Library:** Her last suggestion was reducing the Materials of Trade Line in the Library budget by \$5,000. The Committee discussed cutting Materials of Trade. Mr. Torosian will look at it over the holiday weekend and reminded the Committee that many cuts get voted back in at the Deliberative Session.

Ms. Galloway did not have any suggestions.

Chair Smith asked if there were any contracts over \$5,000 that did not go out to bid. Mr. Innes stated no and explained that anything up to \$500 is at the discretion of the Department Heads and up to \$2,500 is up to the Selectmen. The Committee questioned if the retainer for the Town Attorney could go out to bid. Mr. Innes stated no and that there is a clause that states that professional services do not go out to bid.

**Elder Services:** The Committee asked if income verification could be implemented. Mr. Innes replied no and that most seniors that can afford their own transportation do not use Elder Services. Ms. Carroll pointed out that Elder Services gets a lot of donations and seniors who can afford to, donate generously. Mr. Innes informed the Committee that the Selectmen approved a new car for Elder Services. It is a Toyota Camry with less than 50,000 miles and will cost around \$13,000. Most of it will be paid through donations. Vice Chair Barker remarked that in spite of donations, the amount the Town spends on Elder Services has gone from \$35,000 to \$90,000. Mr. Innes explained that donations go into a trust which is used primarily to purchase new vehicles. Ms. Barker remarked that vehicle gas and maintenance is \$16,000. Mr. Innes explained that the purchase of the Camry will help reduce gas and maintenance costs.

Chair Smith pointed out that the price of gas is dropping, and the only thing he can see that would reverse the trend is another major war in the Middle East. Mr. Innes remarked that the price of gas is too volatile to cut gas costs. Mr. Innes explained that the Town Hall has geothermal heat so reducing the temperature would not make much difference. The Town buildings have timed thermostats that reduce the temperature when the buildings are not being used.

The Committee discussed a 5% reduction in gas costs for all the fuel lines in the Town budget. Ms. Barker is concerned that gas costs are too volatile. The Committee returned to the Elder Services gas expense.

**Elder Services Line Number 42151.650 Vehicle Maintenance and Line Number 42151.635 Vehicle Gas:**

**\$5,000 was proposed for Elder Services - Vehicle Maintenance, Line Number 42151.650. The Board of Selectmen recommended \$5,000. Member Torosian made a motion for the Budget Committee to recommend \$4,500. Chair Smith seconded the motion. The Atkinson Budget Committee voted three in favor and three against. Vote: 3/3/0. Motion failed.**

**\$10,000 was proposed for Elder Services - Gas, Line Number 42151.635. The Board of Selectmen recommended \$10,000. Member Torosian made a motion for the Budget Committee to recommend \$9,500 for Elder Services - Gas, Line Number 42151.635. Member Carroll seconded the motion. The Atkinson Budget Committee voted four in favor and two opposed. Vote: 4/2/0.**

Chair Smith recommended waiting a week before the Committee made more recommendations on gas lines in other department budgets.

**Advertising/Regional Account Number 41974.855:** Chair Smith spoke to Robert Clark and has received a letter from the head of the Rockingham Planning Commission stating that they receive no payments from the Federal Government and will be happy to provide any budgeting and funding questions the Budget Committee has. The Committee discussed the 2000 - 2009 Capital Improvement Plan. Mr. Innes explained how a Capital Improvement Committee would be made up and how a Capital Improvement Plan would be developed.

Chair Smith stated he did not see an issue as far as Atkinson is concerned. Ms. Carroll asked that Mr. Innes make sure the RSA stating that the Town has the right to reject any suggestion by the Rockingham Planning Commission. If that is the case, she would vote to approve funding the Advertising/Regional Account.

**\$6,526 was proposed for Advertising Regional, Line Number 41974.855. The Board of Selectmen recommended \$6,526. Chair Smith made a motion for the Budget Committee to recommend \$6,526 for Advertising Regional, Line Number 41974.855. Member Galloway seconded the motion. All members of the Atkinson Budget Committee present voted in favor. Vote: 6/0/0.**

The Town Clerk requested \$500 for a card chip reader. The Budget Committee reviewed the line.

**\$500 was proposed for Town Clerk - New Equipment, Line Number 41401.740. The Board of Selectmen recommended \$500. Chair Smith made a motion for the Budget Committee to recommend \$1,000 for Town Clerk - New Equipment, Line Number 41401.740.00 so the Town Clerk can purchase a chip card reader. Member Torosian seconded the motion. All members of the Atkinson Budget Committee voted in favor. Vote: 6/0/0.**

Chair Smith passed out an article about the new EPA storm water rulings. It was pointed out that Chapter 36:50, RSA 674:1-4 states that that the Town has the right to accept or reject recommendations of the Regional Planning Commission.

The Budget Committee discussed the current budget and if any more cuts could be made. As it stands, the 2016 Atkinson Budget is 2.89% higher than 2015.

**Minutes: Deferred**

**Chair Smith made a motion to adjourn the November 24, 2015 meeting of the Atkinson Budget Committee. Member 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, December 1, 2015.