

**TOWN OF ATKINSON
BUDGET COMMITTEE MEETING
Tuesday, January 12, 2016**

Members Present:

Bill Smith, Chair
Wendy Barker, Vice Chair
Sue Carroll
Peter Torosian
Kay Galloway
Thomas Mealey
Harold Morse, Selectman Ex Oficio

Others Present:

Alan Phair, Town Administrator
Barbara Snicer, Assistant Town Administrator
Robert Pertuto, Cemetery Trustee
Jim Garrity, Energy Committee

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

Agenda: Review minutes, review warrants, default budget

General Discussion:

Mr. Fournier requested that the Conflict of Interest Committee Postage Line be raised \$20.00 to \$70.00 because the post office box costs \$66.70.

Kay Galloway moved that the Budget Committee recommend \$70.00 for the Conflict of Interest Committee Postage Line Number 41305.625.00. Member Peter Torosian seconded the motion. All members of the Atkinson Budget Committee voted in favor. Vote: 7/0/0.

Review Warrants: Chair Smith asked Ms. Snicer if it was necessary to vote on the Warrant Articles at this meeting. The Committee agreed to discuss the Warrant Articles at this meeting and to meet at 6:30, Tuesday January 19, 2016 to vote on Warrant Articles.

Chair Smith explained the difference between the budget, undesignated funds and the default budget. The Budget Committee discussed the difference between revenue and taxes. Ms. Snicer explained that the difference between the total anticipated budget and the amount raised through revenues is what the Town has to assess in taxes. There are designated funds and undesignated funds. The Town has to keep between 5% and 8% of the total budget in the undesignated fund balance. The reserve fund is to pay judgments. There is a policy as to how the Selectmen are allowed to spend the undesignated fund balance. It is primarily for emergencies.

Ms. Galloway pointed out that the Warrant Articles are in addition to the operating budget. Ms. Snicer informed the Budget Committee that Article 20 adds \$100 to the proposed operating budget.

The Committee reviewed warrant articles that involve money.

Article #2016-2 – Operating Budget

Shall the Town of Atkinson raise and appropriate as an Operating Budget, not including appropriations by Special Warrant Article and other appropriations voted separately, the amounts set forth on the Budget posted with the Warrant, or as amended by vote of the first session, for the purposes set forth therein, totaling _____ Dollars (\$_____)? Should this article be defeated, the Default Budget shall be _____ Dollars (\$_____), which is the same as last year, with certain adjustments required by previous action of the Town of Atkinson or by law, or the governing body may hold one Special Meeting, in accordance with RSA 40:13, X and XVI, to take up the issue of a revised Operating Budget only.

Discussion: The cost is not yet set. The total 2016 operating budget is approximately \$4,442,676.00. This includes \$20.00 for the Conflict of Interest Committee postage line. Selectman Morse stated that around \$6,000 can be taken off the Dispatch budget. Chair Smith explained that if Article 2 is defeated, the default budget will be a smaller amount. Column K in the Budget Committee spreadsheet is the default amount. There are three items that can be removed. Chair Smith has made three changes. First was dispatch, 2015 budget was \$41,668, the proposed amount is about \$47,000. The amount for 2016 has changed to between \$41,000 and \$42,000.

The next item the Budget committee discussed was Solid Waste disposal. The default budget for solid waste disposal is \$410,000. Ms. Snicer explained that the last bill for 2015 has not been received. Ms. Snicer explained that anything that is contracted cannot be changed. The default budget is the previous years budget less anything that is a one time expenses or contractual amounts that have changed. The lower amount for solid waste is the 2016 amount, so the default budget should be the 2016 amount.

Last year \$53,500 was budgeted for long term debt. \$49,300 is the budget amount for 2016 and the default amount in 2016 for long term debt interest. This can be subtracted from the 2015 operating budget and will make the default budget. Last year the operating budget total was \$4.326 million. For 2016 the proposed operating budget total is \$4.442 million, a 2.69% increase. If the voters do not approve the proposed budget, the budget will go back to the default budget.

The default budget will tentatively be \$4,298,592.00 or .64% less than the 2015 operating budget.

Article #2016-3 Cemetery Capital Reserve

Shall the Town vote to raise and appropriate the sum of Thirty-five Thousand Dollars (\$35,000.00) to be added to the Cemetery Capital Reserve Fund established in 2015 (Article #2015-7) for the purpose of developing an additional section in the Atkinson Cemetery, and name the Selectmen as Agents-to-Expend? As of December 31, 2015, there were Nine Thousand Six Hundred Sixty-six and 70/100 Dollars (\$9,666.70) remaining in the Cemetery Expansion Capital Reserve Fund. This article is in addition to Article #2016-2, the Operating Budget.

Recommended by the Board of Selectmen: 4 Yes, 0 No, 1 Abstain

Discussion: Ms. Snicer has given the Committee all the information that the Selectmen have. She informed the Committee that some more bills have to be paid for 2015 and it will come out of the Capital Reserve. The attachment from Steve Keach was paid out of the Cemetery Trust Fund and is an estimate of the cost to develop and expand the cemetery, which will be about \$172,000. The Cemetery Committee decided to recommend \$35,000 a year for five years. There should be 200-300 new sites which will cost \$700 for each grave, so the Town will get its money back once the area is sold.

Ms. Galloway summarized what needs to be done for the project. Some things that need to be done are clearing and grubbing, fill, loam, turf establishment, erosion control with a silt fence, a fence and 10% for contingencies.

Article #2016-4 Cemetery Improvements

Shall the Town vote to raise and appropriate the sum of Ten Thousand Dollars (\$10,000.00) to include, but not limited to the following Cemetery Improvements: to add electrical service infrastructure for lighting, water lines and signage to the cemetery? This is a non-lapsing article and will not lapse until the work is complete or until December 31, 2021, whichever comes first. This is in addition to Article #2016-2, the Operating Budget.

Recommended by the Board of Selectmen: 4 Yes, 0 No, 1 Abstain

No discussion.

Article #2016-5 Elder Services' Expendable Trust Fund

Shall the Town vote to establish an Elder Services' Expendable Trust Fund for the purpose of replacing Elder Services' vehicles and equipment, to name the Selectmen as Agents-to-Expend and to raise and appropriate Five Thousand Dollars (\$5,000.00) for this purpose? This article is in addition to Article #2016-2, the Operating Budget.

Recommended by the Board of Selectmen: 5 Yes, 0 No, 0 Abstain

Discussion: Ms. Snicer informed the Committee that the original recommendation was \$25,000 for a new wheel chair van. Ms. Barker informed the Committee that Elder Services has two trust funds, one for cars and another one. This is another trust fund which will be managed by the Town and the Selectmen. It is separate because donations cannot be mixed with tax money. The other funds are managed by the Elder Services Trustees. Mr. Phair explained that an individual is donating a Crown Victoria in May 2016. It only has 50,000 miles on it. The main purpose of the proposed fund is for a handicapped van which will cost about \$55,000. The present wheel chair van is costing a lot of money in repairs. Ms. Carroll informed the Committee that she knows someone who bought a wheel chair van for \$8,000 on Craigs List.

Ms. Barker pointed out that Elder Services is costing the taxpayers around \$100,000 per year and she feels it is an unfair burden. It used to be funded through donations. Mr. Phair pointed out that Elder Services was set up as a 501c-3, but it is no longer run as a charity. Selectman Morse pointed out that the cost of Elder Services was paid through the Police Department budget in the past, but it was separated and now it is costing the Town more money. Chair Smith brought up Uber.

The Committee discussed how Elder Services is funded and if the cost is too high for the taxpayers. Ms. Galloway pointed out that the Town spends much more on the schools than on Elder Services. Chair Smith pointed out that 80% of taxes goes to schools. Mr. Phair pointed out that the Town does need a handicapped van. On average 1-2 Town residents use the handicapped van a day. Selectman Morse pointed out that Elder Services provides much more than transportation.

Article #2016-6 Energy Upgrades of Town Buildings

Shall the Town vote to raise and appropriate Four Thousand Seven Hundred Twenty-one Dollars (\$4,721.00) for the purpose of installing energy-efficient lighting, weatherization and cost-reduction upgrades (expected to save the town this amount within 3 years due to energy savings) in Town buildings as recommended in the 2010 and 2015 Atkinson Energy Audits, such funds to come from the Undesignated Fund Balance? No additional tax dollars will be needed to fund this appropriation. This is a non-lapsing article and will not lapse until the work is complete or until December 31, 2021, whichever comes first. This is in addition to Article #2016-2, the Operating Budget.

Recommended by the Board of Selectmen: 5 Yes, 0 No, 0 Abstain

Discussion: Jim Garrity came before the Committee to discuss the proposed warrant article. The Energy Committee had an audit done in 2010. Every building in Town was audited by a professional who gave the Committee recommendations to save energy. The Selectmen and Town Administrator have followed some of the recommendations by using the building fund.

The Committee discussed how much could come out of maintenance lines. Mr. Garrity explained that last year, all the maintenance lines were used for snow shoveling and damage. The Energy Committee went through that audit. Then, Unitil did an audit in 2015. The Committee decided to find things that could be done that have a payback of less than 3 years. The first energy saving would be LED lighting upgrades. The Town would replace the fluorescent lights in the Town hall with LED tubes. Ms. Barker pointed out that some LED tubes have sensors that will turn off the lights if no one is in the room. Mr. Torosian recommended replacing the incandescent lights first.

Mr. Garrity explained that if the warrant were approved, the Energy Committee would find out the least expensive methods and where the biggest savings would be.

Article #2016-7 Fire Department Capital Reserve

Shall the Town vote to raise and appropriate the sum of Ninety Thousand Dollars (\$90,000.00) to be added to the Fire Department Capital Reserve Fund, as modified March 14, 2000 (Article #2000-28), for the purpose of acquiring fire equipment and vehicles, as outlined by the Board of Engineers' Capital Improvement Plan? This is in addition to Article #2016-2, the Operating Budget.

Recommended by the Board of Selectmen: 5 Yes, 0 No, 0 Abstain

Discussion: The amount is down. Ms. Snicer calculated the amount.

Article #2016-8 Shim and Overlay Roads

Shall the Town vote to raise and appropriate the sum of Three Hundred Forty Thousand Three Hundred Fourteen Dollars (\$340,314.00) to shim and overlay the following roads with approximately 4,873 Tons of DOT-approved asphalt: Green Hill Drive, Indian Ridge Road, Lower Maple Avenue, Noyes Lane, Robie Lane, Wason Lane and Willow Vale, as well as the Police Station and Town Hall parking lots? All work is to be done under the supervision of the Road Agent. This is a non-lapsing article and will not lapse until the work is complete or until December 31, 2021, whichever comes first. This is in addition to Article #2016-2, the Operating Budget.

Recommended by the Board of Selectmen: 5 Yes, 0 No, 0 Abstain

Discussion: This is always a warrant. Ms. Snicer recalculated the amount, so it is less than the original estimate.

Article #2016-9 Highway Department Truck

Shall the Town vote to authorize the Board of Selectmen to enter into a long-term lease/purchase agreement in the amount of Ninety-nine Thousand Nine Hundred Fifty Dollars (\$99,950.00), subject to annual funding, for the purchase of a Ford F-550 including a wing and plow, or equivalent, and accessories, for the Highway Department, and to raise and appropriate the sum of Twenty Thousand Dollars (\$20,000.00) for the first year's payment; and to authorize the Selectmen to dispose of the 2008 F-550 by trade, sale or bid? This is a non-lapsing article and will not lapse until the work is complete or until December 31, 2021, whichever comes first. This is in addition to Article #2016-2, the Operating Budget.

Recommended by the Board of Selectmen: 5 Yes, 0 No, 0 Abstain

Discussion: The Committee discussed where the trade-in money goes. Ms. Snicer explained that the trade-in amount goes towards the original lease purchase price. This is a five year lease.

Article #2016-10 Highway Department Maintenance

Shall the Town vote to raise and appropriate the sum of Ten Thousand Dollars (\$10,000.00) for equipment maintenance, if and only if Article #2016-9 to purchase a Highway Department truck fails to pass? This is a non-lapsing article and will not lapse until the work is complete or until December 31, 2021, whichever comes first. This is in addition to Article #2016-2, the Operating Budget.

Recommended by the Board of Selectmen: 5 Yes, 0 No, 0 Abstain

Discussion: This is to hire a contractor if the Town does not acquire a new truck.

Article #2016-11 Winter Capital Reserve

Shall the Town vote to raise and appropriate the sum of Five Thousand Dollars (\$5,000.00) to be added to the Winter Capital Reserve Fund, established March 9, 2013 (Article #2010-13) for the purpose of funding

additional costs, in excess of the annual Operating Budget, for the plowing and removal of snow and winter weather management, and name the Selectmen as Agents-to Expend, such funds to come from the Undesignated Fund Balance? No additional tax dollars will be needed to fund this appropriation. As of December 31, 2015, there were Forty Thousand Eighty-nine and 51/100 Dollars (\$40,089.51) in the Winter Capital Reserve Fund. This is in addition to Article #2016-2, the Operating Budget.

Recommended by the Board of Selectmen: 4 Yes, 1 No, 0 Abstain

Discussion: it was not spent last year. It was held in anticipation of November, October and December of 2015.

Article #2016-12 Facilities' Maintenance Expendable Trust Fund

Shall the Town vote to establish a Facilities' Maintenance Expendable Trust Fund for the purpose of providing funding for unanticipated maintenance expenses for Town facilities, raise and appropriate the sum of Five Thousand Dollars (\$5,000.00) and name the Selectmen the Agents-to-Expend these funds? This is in addition to Article #2016-2, the Operating Budget.

Recommended by the Board of Selectmen: 5 Yes, 0 No, 0 Abstain

Discussion: There have been some unanticipated events. The rain washed out the foundation of the pole barn yesterday.

Article #2016-13 Mosquito Control

Shall the Town vote to raise and appropriate Forty-nine Thousand Three Hundred Ninety Dollars (\$49,390.00) for the purpose of insect control, such funds to be put into the Mosquito Control Expendable Trust Fund, established March 14, 2006 (Article #2006-11) for that purpose and to name the Selectmen as Agents-to-Expend this money? As of December 31, 2015, there were Two Thousand Nine Hundred Forty-one and 92/100 Dollars (\$2,941.92) in the Mosquito Control Expendable Trust Fund. This is in addition to Article #2016-2, the Operating Budget.

Recommended by the Board of Selectmen: 5 Yes, 0 No, 0 Abstain

Discussion: It is larvae-side insecticide. The consensus is that it helps control mosquitoes. There have been no cases of West Nile or other mosquito borne diseases in Atkinson in several years. If there is any evidence of mosquito borne diseases near or in accident, then the area will be sprayed and the residents will be notified.

Article #2016-14 Recreation Capital Reserve

Shall the Town vote to raise and appropriate the sum of Five Thousand Dollars (\$5,000.00) to be added to the Recreation Capital Reserve Fund established on March 9, 2004 (Article #2004-25) for the purpose of acquisition, design, renovation and development of recreation areas? As of December 31, 2015, there were One Thousand Eight Hundred Twenty-four and 87/100 Dollars (\$1,824.87) in the Recreation Capital Reserve Fund. This article is in addition to Article #2, the Operating Budget.

Recommended by the Board of Selectmen: 5 Yes, 0 No, 0 Abstain

Article #2016-15 250th Anniversary Celebration Capital Reserve

Shall the Town vote to raise and appropriate the sum of Five Thousand Dollars (\$5,000.00) to be added to the 250th Anniversary Expendable Trust Fund, established on March 11, 2014 (Article #2014-19), for the purpose of celebrating the 250th anniversary of Atkinson's Incorporation in 2017, naming the Selectmen as Agents-to-Expend? As of December 31, 2015, there were Three Thousand Five Hundred Two and 36/100 Dollars (\$3,502.36) in the 250th Anniversary Capital Reserve Fund. This is in addition to Article #2016-2, the Operating Budget.

Recommended by the Board of Selectmen: 5 Yes, 0 No, 0 Abstain

Discussion: Plaistow spent \$192,000 to celebrate the anniversary of their incorporation.

Article #2016-16 – 250th Anniversary Fireworks

Shall the Town vote to raise and appropriate the sum of Ten Thousand Dollars (\$10,000.00) for a fireworks event during Atkinson's 250th Anniversary Celebration in 2017? This is a non-lapsing article and will not lapse until the work is complete or until December 31, 2017, whichever comes first. This is in addition to Article #2016-2, the Operating Budget.

Recommended by the Board of Selectmen: 5 Yes, 0 No, 0 Abstain

Discussion: Where will the fireworks be? The last time was in back of the Congregational Church. That was in 1967 before the condominiums were built.

Article #2016-20 Conflict of Interest Legal Line

Shall the Town of Atkinson establish a legal expense line for the Conflict of Interest Committee in the amount of \$100.00 to handle legal consultation in regards [sic] to conflict of interest complaint, as necessary? This is a petition article.

Discussion: The Selectmen did not vote on this article.

Ms. Snicer informed the Committee that the total for warrant articles in 2015 was 2.5 million. For 2016 it is \$594,525. 00. Ms. Snicer suggested that the Budget Committee compare the 2015 budget with the 2016 budget including all warrants.

The public hearing on January 19, 2016 will start at 7:30 pm.

Other Issues:

Town Clerk Assistants – Line Number 41401.110.00: Mr. Phair informed the Committee that the Town Clerk made a mistake in Line Number 41401.110.00, the Town Clerk Assistants. It was over expended in 2015. The Budget Committee cut the line to the default. She did not correctly estimate the amount needed for coverage. \$1,000 more is being requested. The total for 2016 should be \$51,715. The over expenditure was due to the coverage needed for vacation weeks.

Member Galloway moved to change the recommended amount to \$51,715 for Line Number 41401.110.00, Town Clerk Assistants. Vice Chair Barker seconded the motion. All members present voted in favor. Vote: 7/0/0.

Discussion: The Committee discussed the Town Clerk line. A 2% increase was agreed to for that line, and if a bigger increase was desired, then it would have to go to a warrant. The budget cannot be changed except at deliberative session.

Chair Smith showed the Budget Committee the paperwork for the 2015 budget. The last three pages show one time expenses. The Committee discussed one time expenses. First, the Committee looked at the Computer Account. Last year, the Computer budget was \$6,000 higher. The default amount may be able to be reduced.

Then Ms. Snicer, Assistant Town Administrator left the meeting.

The Budget Committee continued the discussion of one time expenses. The Library server was purchased in 2014. The fire proof cabinets were a one time expense. Line Number 41401.740 , \$10,552 was budgeted for the file cabinets and \$4,720 was spent.

Computers, Hardware Purchases -Line Number 41506.740: A Police Department server was purchased for \$2,250 plus 2 desktops at \$1,536. Five HP pro books were purchased for the Selectmen at \$2,795.

Town Administrator – Line Number 41302110.01: \$77,413 was budgeted and because a new Town Administrator was hired and being trained. The default budget should be \$71,000.

Mr. Mealey requested to discuss roofing and the floor for the Town Garage.

Chair Smith stated that he would look through the above.

Dispatch – Account Number 42992.390.00: Selectman Morse informed the Committee that the Board of Selectmen negotiated the dispatch contract with the Town of Plaistow. The contract for 2016 will be \$41,715.

Chair Smith made a motion to recommend \$41,715 for Account Number 42992.390, Dispatch. Member Carroll seconded the motion. All members of the Atkinson Budget Committee voted in favor. Vote: 7/0/0.

IT Services – Line Number 41506.890: \$40,000 was being held for IT services and is the contractual amount. Mr. Phair spoke to the vendor and the library trustees will be voting on a number for the library contract amount on Wednesday. The total for year one is \$30,169. The second year will be \$32,556. Vice Chair Barker recommended a \$5,000 reduction.

Vice Chair Barker made a motion for the Budget Committee to recommend \$35,000 for IT Services, Line Number 41506.890. Chair Smith seconded the motion. All members of the Atkinson Budget Committee voted in favor. Vote: 7/0/0.

The Committee returned to reviewing the budget for adjustments to the default budget. There was a one time expense for the purchase of a computer in the police department and a laptop for the Selectmen. The Budget Committee recommended a \$6,541 reduction, the one time expense for a police department computer and a laptop for the Town Hall. Line 41506.740, hardware purchases – the default budget amount will be \$13,969 less \$6,541, between \$7,000 and \$8,000.

There was no vote on the default budget.

Minutes: January 6, 2016

- Bottom of page 1, should say Mr. Artus and it should say NHMA. Jason Grosky, not Gorsky.
- Page 1, first paragraph second line from bottom should be 1171.50. Page 1 further down should be \$1881.
- Page 2 – second paragraph, - cross out words starting with that... change to Chair Smith stated he did not think it appropriate for the Budget Committee to decide...for the budget committee to decide that the Conflict of Interest Committee should have a legal separate from the Town legal line, to fund two Town bodies fighting at taxpayer expense.
- Line that starts with Mr. Artus should say approximately 2.7%
- Bottom of page 2 – second to last line – before the Committee reached - change to say if the Committee were to reach.

Member Galloway made a motion to approve the minutes of the January 5, 2016 meeting of the Atkinson Budget Committee as amended. Member Carroll seconded the motion. All members of the Atkinson Budget Committee voted in favor. Vote: 7/0/0.

Member Carroll made a motion to adjourn the January 12, 2016 meeting of the Atkinson Budget Committee at 9:00 pm. Vice Chair Barker seconded the motion. All members of the Atkinson Budget Committee present voted in favor. Vote: 7/0/0.

The next meeting will be Tuesday, January 19, 2015 at 6:30 pm. The public hearing will be 7:30 pm.