

**TOWN OF ATKINSON
BUDGET COMMITTEE
2018 OPERATING BUDGET PUBLIC HEARING
Tuesday, January 16, 2018**

Members Present:

Bill Smith, Chair
Wendy Barker, Vice Chair
Sue Carroll
Bob Malo
Peter Torosian
Bob Worden
Jason Grosky, Selectman Ex Officio

Others Present:

Barbara Snicer, Assistant Town Administrator
Alan Phair, Town Administrator
Diane Heer, Library Director
Jean LoPizzo, Elder Services
Ted Stewart, Road Agent

Elder Services – Account Number 42151:

Ms. LoPizzo, Director, Elder Services appeared before the Budget Committee to discuss the recommended cut in the gas line.

She feels that the discussion regarding cutting Vehicle Gas, Line Number 42151.635, should not have taken place without her presence. She remarked that there was some discussion about changing the way Elder Services operates. The Elder Services Department sticks to its budget. A \$3,000 or \$4,000 gas budget is unrealistic when the average minimum expenditure is around \$7,000. Elder Services has saved a significant amount of money through the WEX program.

Chair Smith stated that the taxpayers pay for the gas and asking for a donation to cover the cost of the ride is not unreasonable. Ms. LoPizzo replied that it is a suggestion to think about and asked if Elder Services charged for gas, how would the money get back into the gas budget.

Member Carroll stated that Elder Services could handle donations for rides the same way that the Library handles fees.

Chair Smith stated that the Budget Committee would like the people who use the ride service to help pay for the rides and call it a suggested donation.

Member Torosian explained that it was discussed that Elder Services could ask for a small donation, say \$5.00.

Ms. LoPizzo asked if the Budget Committee knows who donates to Elder Services. Chair Smith asked if Ms. LoPizzo knows if riders donate for rides. She explained that people who get rides from Elder Services donate, if not at the time of the ride then when they have some extra cash. She also informed the Budget Committee that there are envelopes in the cars.

Member Torosian stated that requesting a donation for rides would be a pilot program, and suggested that if there were requests for donations, could the money go to the gas line.

Ms. LoPizzo responded that a donation is a donation, a fee is revenue and revenue does not necessarily stream back to a budget line. Donations purchase vehicles. The gas is paid through the WEX cards.

Member Malo asked if donations for gas could be considered revenue, and if so, would it go back to the Town. The only problem would be if the line item were fully funded, would enough funds be generated through voluntary contributions to pay it back. Chair Smith explained that that was part of the discussion between Ms. LoPizzo, Ms. Snicer, Member Carrol and himself.

Member Malo stated that the only issue would be if gas donations were considered Town revenue, would the money go back to the gas line. Chair Smith suggested another possibility, if requested donations for rides could not be considered revenue, could they go into a trust fund for gas.

Member Carroll explained that the percentage of the Town tax rate is lower not due to a reduction in spending in the Town budget, the percentage is lower due to the large increase in the school budget year after year. The Budget Committee is limited as to what it can do. It can do nothing about collective bargaining and contracts. There are a great deal more costs for FY2018 including additional personnel for the police department and the fire department and the cost of solid waste disposal. The Committee is trying to find some ways to keep the tax rate from going up. Member Carroll recommended that the Library charge fees, but the motion did not pass.

Member Torosian stated that it is the responsibility of the Budget Committee to look at the Town budget and can do nothing about the school and county budgets. Member Torosian also stated that Elder Services started as a small, voluntary program and has grown. Member Torosian asked Ms. LoPizzo if she were willing to ask for contributions for rides and she responded no, she needs more time to review the proposition. She believes requesting contributions for rides will negatively affect other donations and will be difficult to account for.

Ms. LoPizzo stated that the Budget Committee is asking people to donate to an operating line. She also stated that donations have increased every year.

Chair Smith asked if donations are increasing every year, then why can't some of the money be used to pay for gas.

The Committee discussed Elder Services charitable funds. There are two funds, one is designated mainly for unanticipated vehicle maintenance. The other fund is Elder Service Assistance. Chair Smith asked if a third fund could be established to pay for gas. Selectman Ex Officio Grosky asked how many volunteer charitable lines need to be established. Member Torosian stated that many charitable organizations request donations constantly. Chair Smith would like to see the numbers of how many people donate. Selectman Ex Officio stated that the number of people donate and the amount of donations can be found through the Select Board minutes.

Chair Smith stated that when the Budget Committee discussed this earlier, the idea was for a sign in each car requesting donations together with envelopes. A rider has informed him that he has never seen signs or envelopes for donations. Also, he was informed by a driver that the drivers cannot take tips. If the rider insisted, the rider would take the money and turn it in to Town Hall.

Selectman Ex Officio Grosky stated that all that information regarding the Elder Services accounts is public. All that is needed is for the Budget Committee to look at it. Ms. LoPizzo informed the Committee that Elder Services does not take the names of people who take rides public. Also, some people make donations at the time of the ride and some people donate monthly. She reiterated that she is not charging a fee.

Member Torosian stated that the Budget Committee is not requesting that Elder Services charge a fee, just that they request voluntary contributions.

Selectman Ex Officio Grosky stated that the Budget Committee cannot tie contributions to an operating line and cut a program budget in order to get more donations. In order to charge a fee for rides, a policy would have to be written. These outside the box ideas need to be mapped out months in advance. For example, the differences in the RSA's. This type of change for the Committee to propose without advance warning and at the height of budget season is unreasonable. Trying to force \$4,000 from a \$4.2 million-dollar budget is unreasonable.

Chair Smith stated that the Budget Committee does not need to ask permission from Departments to make changes in the Budget. Also, the reason the Budget Committee is trying to find cuts at the last minute is due to the big increase in the solid waste contract. The Budget Committee is trying to find a little money here and there. In FY17, vehicle gas was budgeted for \$8,500 and \$6,783 was spent. Vehicle maintenance was budgeted at \$6,000 and \$4,866 was spent. Not all the money was taken from the gas line, some was taken from the vehicle maintenance line. Chair Smith asked if some of the money for vehicle maintenance could be taken from the transportation trust.

Member Torosian stated that if the Budget Committee had more solid numbers earlier, then they would have been able to plan better.

Member Worden stated that he was the dissenting vote, because donations could increase but the money would not go to the gas line. The mechanics of how the money would go to the gas line have not been mapped out. The mechanics of raising the money and getting it into the vehicle gas line have to be mapped out during the off season. Also, elderly citizens and taxpayers in Atkinson have put in to the system. They have raised their children, helped pay for schools, served in WWI, WWII, Korea and Vietnam. This is one thing that the Town can give back. Member Worden stated that he donates to the program and the people who use the program donate to it. The Committee should take the suggestions regarding contributions and fees and discuss them during the off season.

Member Worden made a motion to restore \$4,220 to the Elder Services Vehicle Gas, Line Number 42551.635. Selectman Ex Officio Grosky seconded the motion.

Discussion: Member Torosian stated that the Budget Committee is not asking to implement a fee, it is requesting voluntary contributions. Director LoPizzo stated that she is not willing to make a commitment at the meeting tonight. Member Torosian asked if the motion on the table were passed, would she willing to discuss ways to get more contributions such as putting a sign in the back of the vehicles requesting donations. Director LoPizzo stated, yes, but it would take more time to implement. Also, she does not support implementing a fee. Member Torosian stated that the Budget Committee is not suggesting a fee for rides, it is suggesting more contributions. Selectman Ex Officio stated that it is a fee if it is tied to a budget cut. Director LoPizzo stated that she would willing to sit with the Budget Committee to discuss fund raising, but she only has \$1,500 for fund raising. Member Carroll suggested an ad on ACT TV.

All members of the Atkinson Budget Committee voted in favor. Vote: 7/0/0.

Vice Chair Barker explained that due to increased expenses, the Budget Committee is looking for cuts. It was also suggested that rides be given on the basis of income, and contributions made accordingly.

Selectman Ex Officio asked for a point of order, stating that the public hearing to discuss the operating budget was scheduled to start at 7:30 PM.

The recording clerk pointed out that the \$4,220 was taken from two lines in the Elder Services Budget, Vehicle Gas, Line Number 42551.635 and Vehicle Maintenance, Line Number 42551.660.

Chair Smith made a motion to amend the motion of Member Worden, to restore \$4,220 to Vehicle Gas, Line Number 42151.635.00 by \$4,220, raising it back to \$8,000 from \$3,780; and instead to increase Vehicle Gas, Line Number 42151.635.00, and Vehicle Maintenance, Line Number 42151.660.00 by \$4,220 proportionately. Member Carroll seconded the motion.

All members of the Atkinson Budget Committee voted in favor. Vote: 7/0/0.

The Budget Committee requested some figures on the number of rides and the number of donors.

Vice Chair Barker explained that due to increased expenses, the Budget Committee is looking for cuts.

The Budget Committee agreed that rides could be given by neighbors or by churches. Member Carroll addressed Selectman Grosky stating that he had chastised the Budget Committee for changing the budget figures without the department heads present and it was in essence no different than what the Board of Selectmen did to the Fire Department the week before.

Chair Smith pointed out that the solid waste contract must go in the default budget because it is a contract. Chair Smith also removed the one-time expense of \$20,000 for the 250th Committee. The default budget will be 1.90% higher than FY17 but less than the 4.38% increase in the proposed operating budget.

Public Hearing - Budget Review and Operating Budget Review:

Chairman Bill Smith opened the public hearing at 8:00 PM, Tuesday, January 16, 2018. Chair Smith reviewed the lines for each section of the Town of Atkinson budget and asked for discussion.

GENERAL GOVERNMENT:

Discussion: Chair Smith requested comments on the General Government section of the Atkinson Operating Budget. There were none.

PUBLIC SAFETY – ACCOUNT NUMBERS:

Discussion: Chair Smith requested comments on the Public Safety section of the Atkinson Operating Budget. There were none.

HIGHWAYS AND STREETS:

Discussion: Chair Smith requested comments on the Highways and Streets section of the Atkinson Operating Budget. There were none.

SANITATION:

Discussion: Chair Smith commented stated that this section of the budget will increase 22%.

HEALTH & WELFARE

Discussion: Chair Smith requested comments on the Health & Welfare section of the Atkinson Operating Budget. There were none.

CULTURE & RECREATION:

Discussion: Chair Smith requested comments on the Culture & Recreation section of the Atkinson Operating Budget. There were none.

Conservation - Account Number 46111:

Discussion: Chair Smith requested comments on the Conservation section of the Atkinson Operating Budget. There were none.

Long Term Debt Principal - Account Number 47110:

Discussion: Chair Smith requested comments on the Long-Term Debt Principal section of the Atkinson Operating Budget. There were none.

Long Term Debt Interest - Account Number 47211:

Discussion: Chair Smith requested comments on the Long-Term Debt Interest section of the Atkinson Operating Budget. There were none.

Discussion: Linda Jetty, 3 Forest Road, Atkinson stated that she is on the Atkinson Byways Committee and the Robert Frost Highway Council. Recently the Chairman of the Committee sent a letter to all Towns requesting \$200 to support buying a domain name for the Committee website. The request was turned down by the Select Board and she is requesting the Budget Committee reinstate it. Chair Smith requested that she ask the Conservation Commission.

Selectman Ex Officio explained that there is no budget line for it and the Select Board voted against it. The Select Board reasoned that the money should come from private donations. Member Torosian and Member Worden stated that they would donate \$100 each.

Chair Smith requested that the Committee return to a discussion of the proposed articles for the 2018 warrant.

Proposed Articles for the 2018 Warrant

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 Four Million Seven Hundred fifty six thousand, five hundred

eleven dollars (\$4,756,511). Should this article be defeated, the Default Budget shall be Four Million Six Hundred Forty thousand, eight hundred seventeen dollars (\$4,640,817) which is 1.90% higher than 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 amount will change. Member Torosian requested that percent figures be put in before and after the warrant.

Article #2018-3 ACTV Audio Communications Equipment

Shall the Town raise and appropriate the sum of Eight Thousand Dollars (\$8,000) for the purpose of purchasing a new wireless microphone system and a new wireless intercom system compliant with recently-revised FCC Rules for Atkinson Public Television, such sum to be withdrawn from the Capital Reserve Fund established March 12, 1994 for this purpose? As of December 31, 2017, there were Two hundred nineteen thousand five hundred forty-three dollars and six cents (\$219,543.06) remaining in the Cable Capital Reserve Fund. This will be a non-lapsing article per RSA 32:7, VI, and will not lapse until the purchases are complete, or until December 31, 2023. This is in addition to Article #2018-2, the Operating Budget.

*Recommended by Board of Selectmen 4-yes, 0-No, 0-Abstain
Recommended by the Budget Committee 6-yes, 0-No, 0-Abstain*

Discussion: none

Article #2018-4 Cemetery Capital Reserve

Shall the Town raise and appropriate the sum of Thirty-Five Thousand Dollars (\$35,000) 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? As of December 21, 2017, there were Sixty-five thousand five hundred ninety-three Dollars (\$65,593) remaining in the Cemetery Capital Reserve Fund. This is in addition to Article #2018-2, the Operating Budget.

*Recommended by Board of Selectmen 4-yes, 0-No, 0-Abstain
Recommended by the Budget Committee 6-yes, 0-No, 0-Abstain*

Discussion: none

Article #2018-5 Fire Department Capital Reserve

Shall the Town 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?

*Recommended by Board of Selectmen 4-yes, 0-No, 0-Abstain
Recommended by the Budget Committee 6-yes, 0-No, 0-Abstain*

Discussion: Chief Murphy appeared before the Committee to explain the reason for the capital improvement fund, mainly that there are spikes in the purchase of fire department equipment.

Article #2018-6 Purchase Fire Department Mini-Pumper

Shall the Town raise and appropriate the sum of Two Hundred Twenty-Five Thousand Dollars (\$225,000) to purchase a new mini-pumper, such funds to come from the Fire Department's 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?

*Recommended by Board of Selectmen 4-yes, 0-No, 0-Abstain
Recommended by the Budget Committee 6-yes, 0-No, 0-Abstain*

Discussion: Chief Murphy explained that this is a planned purchase. The old vehicle was a utility vehicle designed to get in the woods. Today, forest fires are rare. Now, the fire department is making responses that require only two to three people. The Fire Department will keep the old truck in case it is needed to go into the woods. The new truck will be built to be used by full time personnel for inspections and also to be used to respond to calls, either to knock down a small fire or for a medical call. It will be smaller and will also have all the EMS equipment for medical calls.

Article 2018-8 Fire Department Staffing

Shall the Town approve the addition of two (2) full-time Firefighter/EMT's to supplement the existing part-time Paid/Call personnel at an annual cost, including benefits of one hundred fifty thousand dollars (\$150,000) beginning July 1, 2018; and to raise and appropriate the sum of seventy-five thousand dollars (\$75,000), Sixty thousand five hundred (\$60,500) to be raised by taxes and Fourteen thousand five hundred to be saved from the Operating Budget?

*Recommended by the Board of Selectmen 5 – Yes, 0 – No, 0 – Abstain
Recommended by the Budget Committee 6-yes, 0-No, 0-Abstain*

Discussion: Chief Murphy explained that he is taking the first step to solve a crisis in the fire department. The demographics in the community have continued to change. Three major developments are coming into Town. The fire department anticipates an increase of over 75 calls per year from these developments. The question is, are they adequately supported by fire department personnel. Day time calls are responded to by 4-5 people, 65 years of age or older. The Department needs at least two full-time personnel. Once two full time people are hired, Chief Murphy can look at incentives to hire more full-time personnel. Also, the administrative clerk is retiring. The new full-time personnel will take on much of the administrative duties. Chief Murphy explained that 40% of the fire department personnel are over 50. The younger members work during the day and are unavailable. The older members will stay on but in different roles. Also, it takes 8 months to a year for new members to get certified. There are fewer and fewer part-time classes and they are in Concord.

Article #2018-9 Fire Station Repair

Shall the Town raise and appropriate the sum of Two Hundred Forty Thousand Dollars (\$240,000) to repair the Atkinson Fire Station as outlined in the Tortoa Consulting Inc., Construction Cost Estimator Report: One Hundred Twenty Thousand Dollars (\$120,000) to come from the Undesignated Fund Balance, One Hundred Twenty Thousand Dollars (\$120,000) to be raised by taxes? This is a non-lapsing article per RSA 32:7, VI, and will not lapse until this project is complete, or until December 31, 2023. This is in addition to Article #2018-2, the Operating Budget.

*Recommended by Board of Selectmen 4-yes, 0-No, 0-Abstain
Recommended by the Budget Committee 6-yes, 0-No, 0-Abstain*

Discussion: none

Article #2018-11 Culvert Replacement

Shall the Town raise and appropriate Three Hundred Fifty Thousand Seven Hundred Fifty Dollars (\$350,750) including One Hundred Twenty-five thousand (\$125,000) to replace the culvert on Westside Drive; One Hundred Eighty Thousand Dollars (\$180,000) to replace three culverts on Island Pond Road; and Forty-Five Thousand Seven Hundred Fifty Dollars (\$45,750) for associated road repairs? This is a non-lapsing article per RSA 32:7, VI, and will not lapse until this project is complete, or until December 31, 2023. This is in addition to Article #2018-2, the Operating Budget.

*Recommended by Board of Selectmen 4-yes, 0-No, 0-Abstain
Recommended by the Budget Committee 6-yes, 0-No, 0-Abstain*

Discussion: The Road Agent appeared before the Committee and stated that he appreciates the support of the Board. He would like to emphasize that the Westside Drive culvert is a seventy-foot culvert that is 60 years old and missing 10% of its structure. If there are any flooding events, Westside Drive will be lost. \$25,000 has already been spent in engineering. Mr. Stewart would like to emphasize that the culvert on Westside Drive needs to be replaced. The culverts on Island Pond are also over 50 years old and in failure. They are four-foot structures and will be replaced by five-foot structures. The culvert needs to be replaced before Island Pond Road can be rebuilt.

Vice Chair Barker asked if the proposed warrant article is part of the Road Agent's ten-year plan. Mr. Stewart explained that the culvert replacement is at the end of the ten-year plan. If there is any savings from the culvert work, the money will be used to shim Westside Drive. On Island Pond Road, the 4-foot culverts will be replaced by 5-foot culverts. The culvert on Westside Drive will be the same size.

Article #2017-12 Mosquito Control Expendable Trust Fund

Shall the Town raise and appropriate the sum of Forty-Nine Thousand Three Hundred Ninety Dollars (\$49,390) 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? As of December 31, 2016, there were Three Thousand one hundred eighty-three Dollars and seventy-three cents (\$3,183.73) in the Mosquito Control Expendable Trust Fund. This is in addition to Article #2017-4, the Operating Budget.

*Recommended by Board of Selectmen 4-yes, 0-No, 0-Abstain
Recommended by the Budget Committee 5-yes, 1-No, 0-Abstain*

Discussion: none

Article #2018-13 Police Vehicle

Shall the Town raise and appropriate the sum of Forty-One Thousand Three Hundred Dollars (\$41,300) to purchase and equip a new Police Vehicle; Twenty Thousand Dollars (\$20,000) to come for the Police Outside Detail Revolving Fund and Twenty-One Thousand Three Hundred Dollars (\$21,300), to be raised by taxes; and to allow one of Atkinson's Police vehicles to be disposed of by trade, sale or bid? This is a non-lapsing article and will not lapse until the purchases are complete, or until December 31, 2023, whichever comes first. This is in addition to Article #2018-2, the Operating Budget.

*Recommended by Board of Selectmen 4-yes, 0-No, 0-Abstain
Recommended by the Budget Committee 6-yes, 0-No, 0-Abstain*

Discussion: Vice Chair Barker stated that the vehicle transfer to Elder Services was taken out.

Chair Smith informed the audience that the total operating budget will be \$4,752,291 plus the \$4,220 added to the Elder Services summarized the total for each warrant article and informed the audience that the grand total of the operating budget and warrant articles will be \$5,866,731 plus the \$4,220 dollars added to Elder Services. This will be a 4.44% increase in the operating budget. Member Torosian requested that the percentage increases be put in before and after the warrant articles. Ms. Snicer stated that she does not know how much was spent for the FY17 warrant.

Chair Smith made a motion to close the public hearing of the Town of Atkinson Budget Committee. Member Torosian seconded the motion. All members of the Atkinson Budget Committee present voted in favor. Vote: 7/0/0.

Minutes: January 9, 2018

Chair Smith made a motion to approve the minutes of the January 9, 2018 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.

Chair Smith made a motion to adjourn January 16, 2018 meeting of the Atkinson Budget Committee. Member Carroll seconded the motion. All members of the Atkinson Budget Committee voted in favor. Vote: 7/0/0.