

TOWN OF ATKINSON
BUDGET COMMITTEE MEETING
Tuesday, December 5, 2017

Members Present:

Wendy Barker, Vice Chair
Sue Carroll
Bob Worden
Peter Torosian
Bob Malo

Others Present:

Robert Patuto, Cemetery Trustee
Ted Stewart, Road Agent
Alan Phair, Town Administrator
Diane Heer, Library Director

Vice Chair Barker called the meeting to order at 7:30 pm. Chair Smith was unable to attend.

Agenda:

Minutes: deferred

Cemeteries – Account Number 41951: Vice Chair Barker explained that the Budget Committee had questions on two lines, Other Professional Services, Line Number 41951.390.00 and Care of Grounds, Line Number 41951.650.00. Other Professional services went up from \$13,000, the default amount to \$17,000 proposed by the Cemetery Trustees and Care of Grounds went up from \$18,000, the default amount to \$21,000 proposed by the Cemetery Trustees.

Mr. Patuto, Cemetery Trustee, appeared before the Budget Committee to explain the increases in the two lines.

Other Professional Services, Line Number 41951.390.00: This line went up from the default amount of \$13,000 to \$21,000 proposed by the Cemetery Trustees for FY18. Mr. Patuto explained that the road keeps washing out because of the rain. The road in the new section behind the Library needs to be rebuilt. The Trustees have to spend money to fix the roads every time it rains. Mr. Patuto explained that he wants to resurface the roads with lime. Mr. Patuto got the estimate and it will cost \$7,875. The improvements have started. The road has been leveled off and two loads of rap have been brought in. When the road washes out, it covers the graves. The Cemetery Trustees are requesting to increase the Other Professional Services line to \$21,000 for FY18. Mr. Malo asked if all the roads should be done at the same time. Mr. Patuto replied that the Trustees would like to do one section at a time. Some of the sections do not have this problem. Mr. Patuto explained that the Trustees got an estimate of \$82,000 to hot top all the roads, so they will not. Vice Chair Barker asked if the work should go out to bid because it will cost over \$5,000. Mr. Phair replied that it should.

Mr. Patuto explained that the current contractor does a lot of free work for the cemetery. They donated 2 ½ tons of fill and used their dozer to level it. This saved the Town about \$35,000.

Other than the road, this line is level funded.

The Trustees have also been cleaning stones. One other contractor volunteered to level off, and reset clean six stones which would have cost around \$450. The contractor explained that it was his contribution to the 250th Anniversary.

Care of Grounds – Line Number 41951.650.00: This line was not discussed.

Vice Chair Barker requested a vote.

Vice Chair Barker made a motion to accept the cemetery budget including increasing the other professional services line to \$21,000. Member Carroll seconded the motion. All members of the Atkinson Budget Committee voted in favor. Vote: 5/0/0.

HIGHWAY DEPARTMENT:

Contract Labor Equipment/Winter - Line Number 43125.890.00: Vice Chair Barker informed Mr. Stewart that the Budget Committee reduced this line another \$10,000 from \$100,000 proposed by the Select Board to \$90,000. She explained that it was explained to the Budget Committee last year that leasing a new truck would reduce the cost of Contract Labor Equipment/Winter.

Mr. Stewart explained that the plowing contractors were threatening to leave because Atkinson was paying such a low wage. Mr. Stewart did a survey of plow rates for surrounding Towns and Atkinson pays 15% less than surrounding Towns. The Select Board agreed to pay the average wage paid by the surrounding communities. That is the reason the Select Board only reduced the Contract Labor/Winter Line by \$10,000. Mr. Stewart explained that his costs went up 15% and his budget was decreased 20%. He believes increasing the plow rate to the average paid by surrounding towns was the right thing to do. There is a contingency, but he does not want to budget planning on a contingency. The contingency should be for an exceptional winter like 2015.

Vice Chair Barker asked how many contractors will be on the road for FY18. Mr. Stewart explained that there will be 9 trucks, the same as FY 17. Mr. Stewart also explained that the Highway Department does not have an additional truck. The new truck is replacing the 2008 truck. The repair line was cut by \$10,000 because there is a new truck. The Select Board reduced the contract labor line by \$10,000.

Mr. Stewart explained the rates for truck driver, fuel and insurance. The ¾ ton rate went up from \$53.75 to \$57.50, a 5% increase. The one ton rate went up from \$55.20 to \$65.00, almost 20%. The over one ton rate and under 10 wheeler went from \$62.10 to \$73, a 15% increase. The 10 wheeler rate went from \$64.45 to \$74. The back hoe rate went down from \$78.30 to \$77.00. Sanders went from \$64.45 to \$68.55. The average increase for all the rates is about 15%. Member Worden pointed out that the new truck just replaces the old one. The savings is in repair and maintenance. The contract rate has increased 15% to compare with surrounding towns. Member Worden stated that it would be putting the Road Agent at a disadvantage for the Budget Committee to propose \$90,000 for this line.

The Select Board asked the Road Agent how the rate change would affect the Highway Department budget. There will be a savings of 15% due to the purchase of the backhoe and the truck.

Equipment Repairs – Line Number 43122.430.00: Member Carroll asked about this line. The proposed amount was \$3,000, down from \$4,000 for FY17. Mr. Stewart explained that the line was overspent by \$8,000 in FY17.

Member Torosian remarked that capitalizing the highway department has not saved money. The snow capital fund is fully funded at \$35,000. The Town is spending substantially more money each year. Member Torosian also asked if the contractors actually told the Road Agent that they would not plow in FY18. Mr. Stewart explained that they actually told him they were sick of being the lowest paid trucks in the area. Member Torosian asked if the Highway Department was retaining contractors and Mr. Stewart responded that the Town is.

Mr. Stewart also informed the Board that his insurance rates will be going down for FY18 because starting June 1, 2018; he will no longer be on the family plan. Vice Chair Barker pointed out that health insurance went down \$3,000.

Member Worden asked if Mr. Stewart would agree to a smaller cut. Mr. Stewart replied he would agree to a \$5,000 decrease. Member Torosian explained that there is \$45,000 in the winter capital fund and it is fully funded. This gives the Highway Department a safety net in case the cost of snow plowing is higher than budgeted.

Vice Chair Barker explained that the Budget Committee is concerned because the Highway Department budget was supposed to go down with the capitalization and it has not. There has been some cost savings with the new truck lease. She is concerned about cost increases.

Member Torosian is concerned about increases in the tax rate. Having a capital reserve fund does give the Highway Department a cushion which should decrease the budgeted amount for snow plowing.

Vice Chair Barker is concerned about going 4 to 5 percent over the FY17 budget. She would prefer to defer a vote until after more sections of the Town budget have been gone through. She agreed that Mr. Stewart has a good argument, but it would be possible to cut some more out. Mr. Stewart explained that the Highway Department has a meeting before Town Meeting to review expenditures for the first two months of the calendar year and the last two or three months of the fiscal year and is comfortable with waiting. The Committee decided not to make a decision at present.

Other Professional Services - engineering, Line Number 43112.390.00: Next, the Committee asked about this line which contains the funding for MS4. Member Stewart explained that the EPA is still working out of Boston and can still fine the Town for not complying. Mr. Stewart explained that it was delayed for about 5 years because several towns in New Hampshire fought the new law and got a lot of concessions. The original plan was much more abrupt. However, the law still exists. Ms. Carroll stated that she read it was the way it was presented. Mr. Stewart explained that there was a deadline that needed to be acted on. Member Torosian stated that the EPA has a new director and he was hoping that the EPA would back off.

Mr. Stewart explained that the first order is to get all outfalls mapped. The Town got a grant from Rockingham Planning to help fund mapping of all the outfalls. This grant will be paid from the FY17 winter maintenance line. Mr. Stewart will present warrant articles for the Highway Department at the Select Board meeting next week. He is still waiting for the Town Engineer to give him information on drainage.

Vice Chair Barker explained that there is no percent increase shown on the spreadsheet.

Vice Chair Barker explained that the other two issues are the payroll lines. Mr. Phair explained that the Budget Committee has a more current spreadsheet. One issue is the 53rd week. There is the employee merit line which has \$10,000 in it and the Committee is confused about the large increases in some of the salary lines. The other issue is people on yearly contracts. Member Carroll feels that the money for the 53rd week should be in a separate line, not in the default line.

Mr. Phair explained that he and Chair Smith spoke to the Bookkeeper about the salary lines. The total amount for the 53rd week is \$37,000. Mr. Phair feels that each line should be calculated individually. One argument was if the 53rd week should be included in the salary lines for each employee. Mr. Phair feels that except for contract employees the 53rd week should be in the budget. Chair Smith feels that it will skew the budget in the future.

Member Torosian suggested that the payroll be changed so that employees are paid biweekly.

Member Carroll would like all yearly contract employee salaries removed and miscellaneous salary increases put in a separate line. Ms. Heer recalls the 53rd week which occurred 5 years ago and her recollection is that it was caught early enough so that the Budget Committee was not aware.

Member Torosian reiterated that an annual salary is an annual salary. Mr. Phair informed the Committee that the 53rd week was taken out for employees with an annual salary. Mr. Phair would prefer that it be included with the yearly salary for FY18. The Budget Committee would prefer that it be in an individual line.

Member Carroll requested that Mr. Phair remove all annual contract rates. Mr. Phair informed the Committee that those lines were already removed. She is concerned that the Budget Committee will not be able to calculate a default budget because of all the additions.

Mr. Phair explained that there would be one line for payroll. Mr. Phair explained that he became ill before the 11/28 Budget Committee meeting.

Mr. Phair informed the Committee that the Selectmen voted to include a 2% COLA for elected officials. Member Torosian stated that the rule is increases for elected officials should be put on a warrant. Mr. Phair informed him that he went back to DRA and was informed that it was permissible to give 2% COLA raises to elected officials. The Select Board feels that because everyone else gets a 2% COLA, elected officials should.

Vice Chair Barker explained that elected officials are elected for a position at a dollar amount. If an elected official wants a raise, it should go to a warrant.

The Committee discussed whether a newly elected official be paid the same as one who has been in the position several years and what the best solution would be.

The Committee discussed whether and how to give elected officials raises and if any raises should go to warrant. A vote was deferred until there is a full board.

Advertising and Regional - Account Number 41974: Member Carroll explained that regional planning is one of the 10 essential parts of communism and its goal is taking away property rights. It is social engineering. A vote was deferred. Member Carroll gave the Committee a handout on regional planning. Mr. Phair explained that Rockingham Regional Planning gives the Town a lot of assistance.

Vice Chair Barker asked about the trash contract and Mr. Phair informed the Committee that the Town would have a new contract in two weeks.

BUILDINGS:

Vice Chair Barker informed Mr. Phair that the Budget Committee would only like to see the numbers for FY 18 in the budget. Mr. Phair informed the Committee that the sprinkler system for the Town Hall has to be done; the bathrooms do not necessarily need to be done in FY 18. He does not believe they should be taken out.

Member Carroll stated that the sprinkler system is going to warrant.

Vice Chair Barker stated that what Mr. Phair gave the Committee is a wish list. Any future items should go on a separate sheet. Mr. Phair state that the bathrooms will not be done this year.

Vice Chair Barker stated that the sprinkler system is going on a warrant, so it can be taken out. The Committee agreed that the entry carpet can go in the general maintenance line. The bathroom remodel can wait.

Mr. Phair informed the Committee that there is no capital improvements line in the budget. The only lines are for general maintenance and other professional services. \$5,817 has been proposed for general maintenance, line number 41941.430.00. Mr. Phair stated that he would agree to that. The Committee would like to add the cost of the entry carpet. Mr. Phair stated that the line could still be left at \$5,817.

The Committee compared the lines on the Buildings spreadsheet. The Committee decided to go through the buildings spreadsheet with Mr. Phair so he could tell them what was necessary.

Town Garage – Account Number 49142: The total for General Maintenance, Line Number 41942.430 and Other Professional Services, Line Number 41942.390.00 is \$13,500 but it does not agree with the numbers in the worksheet. There are no capital improvement lines in the budget, only general maintenance lines.

Member Carroll stated that the Budget Committee needs to know what will be in the general maintenance line for FY18. Mr. Phair explained that he would go through what should be in the general maintenance line. First, is the salt shed roof at \$10,000 making the line total \$13,140.

Vice Chair Barker stated that the other professional services line, which is for preventative maintenance, should be \$890, not \$1,550.

Member Carroll suggested that the Committee go through the sheet given to them by Mr. Phair. Mr. Phair explained that the salt shed roof needs to get done. Ceiling painting and springs for the overhead doors can wait. The side door entry repair should get done. Siding repairs need to get done because there is a hole in the wall of the garage. Extinguisher service is another necessary amount. Another expense is for waterproof lights and for a switchable generator.

Police Department – Account Number 41943: The total for Other Professional Services, Line Number 41943.390.00 is \$12,050 and General Maintenance, Line Number 41943.430.00 is \$1,500. The \$11,185 on the general maintenance line includes repointing the walls. This was deferred from last year because the doors had to be replaced. Mr. Phair believes the Building Department can work with the \$11,185 figure.

Fire Department – Account Number 41944: Other Professional Services, Line Number 41944.390.00 and General Maintenance, Line Number 41944.430.00 total \$16,700. The siding will be a capital improvement.

Library – Account Number 41945: Mr. Weymouth informed has informed Mr. Phair that there is a worn carpet which will cost \$4,700. The preventative maintenance amount is \$2,464 which includes boiler service, generator, service and everything else. Ms. Heer explained that the HVAC system needs to be repaired nearly every year. There is also some interior painting and wall repair. Vice Chair Barker asked if there is a maintenance person who can paint the walls. Mr. Phair stated that it depends. Ms. Heer also informed the Committee that a window needs to be repaired. Also, the carpet is in the children's room in the front area. Ms. Heer explained that the expenses in the general maintenance line include a generator service, a window, and possibly lighting and batteries. Mr. Phair informed the Committee that a decision has not been made for the propane tank. If the propane tank were purchased it would save the Town about six cents per gallon.

Kimball House – Account Number 41946: Mr. Phair explained Other Professional Services, Line Number 41946.390.00 is correct at \$774. General maintenance, Line Number 41946.430.00 expense is at \$7,701. This is for the handicapped entrance in the rear. Member Carroll asked if that could be an Eagle Scout project. Another suggestion was the Lions or the Community Club.

Community Center – Account Number 41948:

Other Professional Services, Line Number 41948.390.00: is \$1,650.

General Maintenance, Line Number 41948.430.00: The \$14,500 amount is for combining two rooms and making them one large room. Also, the floor has to be done. Vice Chair Barker asked about air conditioning. The air conditioning is included in the general maintenance line. Mr. Phair will get information on a split air system. Mr. Phair explained that if heat and air are combined, there would be a savings over four years. He is working with the Energy Commission. The Committee discussed a split air system. The Committee discussed the advantages of having a split room for the Community Center. The Committee agreed that being able to close off part of the big room would be a big savings in utilities.

The chair problem has been resolved. Socks have been put on all the chairs.

Family Mediation – Account Number 41949:

Other Professional Services – Line Number 41949.390.00: \$700 is proposed for this line but it was increased to \$878.

General Maintenance – Line Number 41949.430.00: \$3,600 is proposed for this line. One expense is for repointing the chimney. Mr. Phair informed the Committee that funds for the foundation can come from the FY17 budget, so those amounts can come out. If the \$1,000 for the foundation is taken out, then the total for the Family Mediation account will be \$4,100. The general maintenance line will be \$3,270.

Woodlock Park – Account Number 41947:

The Committee discussed putting in cameras to prevent vandalism. Member Torosian suggested putting up a sign. The \$3,500 proposed does not include redoing the bathrooms.

Vice Chair Barker asked the Budget Committee if anyone had more questions on the Buildings budget. Vice Chair Barker explained that two issues before the Committee are the trash contract and the 2% COLA. Other issues are a capitalized highway department and a warrant for full time employees for the Fire Department.

Vice Chair Barker made a motion to adjourn the December 5, 2017 meeting of the Atkinson Budget Committee. Member Torosian seconded the motion. All members voted in favor. Vote 5/0/0.

The Tuesday, December 5, 2017 meeting of the Atkinson Budget Committee adjourned at 9:30 PM.