



BUDGET COMMITTEE
Town of Hollis
Seven Monument Square
Hollis, New Hampshire 03049
Tel. 465-2209 FAX 465-3701

Minutes of January 8, 2013

Meeting was held in the Community Room, Hollis Town Hall. The Budget Committee was called to order by Tom Gehan at 7:04 PM.

Members present: Tom Gehan, Mike Harris, Chris Hyde, Peter Band, Tom Jambard, Frank Whittemore, Susan Benz (arrived at 7:11)

Also present: Deb Padykula - Finance Director, Troy Brown – Town Administrator, Mark LeDoux – Board of Selectmen, Dawn Desaulniers – I/T Director, Jeff Babel – DPW Director, Rick Towne – Fire Chief

Pledge of Allegiance was said.

Review of Agenda

Review / Acceptance of Minutes:

Review of the 12/10/12 minutes was postponed until the next meeting, as not all members had read them.

Reports: Deb P. stated that there still appears to be a \$150K to \$200K surplus from the 2012 Town budget. One final payroll and accounts payable run are yet to be included, so more accurate numbers will be available at the end of next week. This amount is after the funds for the new Communications console were encumbered, along with additional equipment for the Police Department and DPW. A total of \$90K of 2012 funds was spent on items that were not included in the original 2012 budget.

Public Input: No members of the public were present.

Town budget: Deb P. stated that the latest version of the 2013 budget is within \$757 of guidance, and depends somewhat on how the Block Grant is calculated. Small amounts were deducted from several lines in order to decrease the differential from the previous overage of \$10K. Chris H. asked whether the numbers included the cost of salary negotiations from all union contracts. Mark L. stated that it includes costs due to existing contracts, but not union negotiations that are currently in progress.

Warrant Articles: Peter B. discussed the results from the most recent Selectmen's meeting, regarding which articles they would be willing to support. He stated that they were strongly in support of the Town Hall renovation project, the compensated absences, and the Municipal Buildings and Facilities articles. None of the other articles were supported at this time. Mark L. suggested that borrowing money on a short-term note could be an attractive alternative, in the event that the existing Town Hall renovation warrant article doesn't pass at Town Meeting. This option would need to be offered as it's own warrant article. Chris H. mentioned the fact that one of the school bonds will be expiring next year, resulting in potential savings starting in 2014. Mike H. stated that the BudCom had wanted to delay any new bonded debt until that time, to prevent large swings in the tax rate year to year. Bonds need to pass by a "supermajority" vote

Budget Committee Minutes January 8, 2013

at Town Meeting. Peter B. suggested getting confirmation from the DRA that an unsecured loan is a valid option before offering it in a new warrant article.

After some discussion around the pros and cons of borrowing money versus paying in one lump sum, Frank W. mentioned that this year is likely to be more expensive for most folks, tax-wise, due to the increase in federal and other taxes for 2013. This might not be the best year for a big increase in the tax rate. Mike H. and Chris H. agreed that the Town Hall project could wait another year without significant structural impact. But the option of borrowing money at 1.9% over three years should at least be offered, to see whether a 60% majority would support it. Troy B. cautioned against pushing too many projects off for 2014 because there are several additional capital projects lined up, along with other anticipated cost increases such as NH Retirement, union contracts, health insurance, etc. Tom J. questioned whether part of the project, such as the windows, could be done on a stand-alone basis in 2013. He asked for more detail on the process of, and cost estimate for, lead abatement.

Tom G. asked what level of support the Selectmen would have for doing a single large bond which would encompass renovation of Town Hall and DPW. Mark L. stated that he liked the idea of putting the options before the voters and letting them decide.

Tom J. and Chris H. voiced several concerns about the planned scope of work for the Town Hall siding replacement. Peter B. asked Troy B. to get an updated estimate which includes maintaining the current architectural look to the shingles, using modern synthetic materials. Chris H. asked for more specific details on lead abatement, including the plan for soil remediation. Troy B. also suggested getting an estimate to do the project in a historically consistent manner, since he anticipates there will be public input in favor of that option.

The discussion trended toward agreement to put off building (Town Hall and DPW) renovation until 2014, at which time the debt service on a new bond would replace that of the retiring HBMS bond. Mark L. suggested creating a task force to research the upcoming municipal facility capital expenditures, including bond preparation, for the 2014 budget. It should include representatives from the Board of Selectmen and BudCom, in addition to the town and DPW department heads. Mark L. said the Selectmen would discuss it further at their next meeting.

Frank W. advised against putting off to tomorrow what you can do today. He was in favor of doing the Town Hall renovation this year. Tom J. suggested that if the Town Hall project was to be put off for a year, one of the other potential warrant articles should be presented in its place to avoid having everything come due next year. Peter B. stated that the next priority on the list, in the Selectmen's opinion, would likely be one of the DPW trucks and possibly the Fire Dept. parking lot paving. Some discussion followed on how best to balance the costs against the effect on the tax rate. Mike H. suggested substituting the parking lot paving and both DPW trucks in place of the Town Hall exterior renovation. Tom J. disagreed, stating that he would rather substitute the Lawrence Barn parking lot paving for one of the DPW trucks. Frank W. argued for going ahead with the three year note on the Town Hall renovation this year.

Next meeting:

Wednesday Jan. 9: 2nd review of School Budget

Motion to adjourn was made by Mike H. Susan B. seconded. Meeting was adjourned at 9:05 PM.

Respectfully submitted,

Barbara Kowalski, Tax Collector