



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

Minutes of June 10, 2014

Meeting was held in the Community Room, Hollis Town Hall. The Budget Committee was called to order by Tom Gehan at 7:01 PM.

Members present: Tom Gehan, Mike Harris, Chris Hyde, Susan Benz, Frank Cadwell, Tom Jambard
Other present: Deb Padykula – Finance Officer, Rob Mann – Hollis School Board

Pledge of Allegiance was recited.

Approval of minutes:

Mike H. moved to accept the minutes of 5/13/14 as written. Susan B. seconded. All voted in favor. None were opposed. Chris H, Tom J., and Rob M. abstained. Motion carried 4-0-3.

Public Input:

No members of the public were present.

Town Report:

Deb P. gave a discussion of the financial reports for the period ending May 31. She stated that budgets should be approximately 42% spent, and most are right on track for the year. The legal line will be a bit over, and expenditures related to the natural gas pipeline are being tracked separately. Chris H. asked if there was any more information on the pipeline status, and Frank C. stated that nothing has been happening over the past few weeks. Tom G. asked why the police salary line seemed underspent. Deb P. stated that one officer has been out on workers compensation, which partially accounts for the overtime usage. Also, the 15th officer position was not budgeted to start until July. Deb P. mentioned that the budget for grounds maintenance will be over for the year, primarily due to higher costs for fertilization. Revenues are on track with the budget for the most part.

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Mike H. asked how the interior improvements are progressing. Deb P. stated that the painting is finished, the carpeting is mostly done, and the A/C units are in the process of being installed. There is some masonry work and replacement of the front doors remaining.

Deb P. mentioned that the rate has been locked in for the leasing of DPW equipment. She was able to fix it at 1.94%, vs the 3% that was budgeted. Also, she stated that the 2013 audit is nearly complete. It looks like the unassigned fund balance will be \$2,358,000.00, which is an increase of \$700K from last year. Deb P. mentioned that the auditors will be at the Selectman's meeting on 6/23, if any of the BudCom members would like to attend.

Chris H. asked for an update on the status of the bond refinancing. Deb P. stated that she and Selectman LeDoux have been in communications with an agent who is investigating the favorability at this time. She

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expects to hear more in the next few days. There are two bonds, one for land and the other is the municipal building bond. The Hollis District bond will be retiring this year, so will not be included in the package.

School Report:

Rob M. mentioned that the unexpended fund balance is approximately \$100K. There are still another few weeks in which funds could be encumbered, so the final balance could be different. Rob M. also mentioned that the summer maintenance plan is getting under way. A major part of that program will be security enhancements. Chris H. asked what was the current status of the water line repair project. Rob M. stated that the major repairs had been completed. A small number of minor items may still need to be done. Rob M. stated that the School Board has a few new initiatives with which they would like the BudCom's participation. One involves policy development regarding compensation relative to other districts. The other policy goal concerns guidelines for district employees to pay tuition to enroll their children in Hollis. The BudCom recommended caution with regard to setting policy on compensation, since those needs can vary depending upon economic factors at the time of negotiation. Rob M. also mentioned the need to improve the policies regarding merit pay.

Old Business:

Tom G. mentioned that the board wanted to meet with Tom Bayrd, the DPW director, during the August 12th meeting to review the adequacy of the budget for ongoing maintenance of town roads. Frank C. stated that Tom B. has contacted the NRPC, who did the last road update, to see if they will review the status. Tom G. also mentioned that, if the Selectmen intended to go forward with a project to improve the DPW garage, the BudCom would like to do a walk through. Frank C. stated that the project is on the wish list but is probably not on the docket for the next few years.

Apportionment Committee Report:

Mike H. listed the upcoming meeting and public forum calendar. Tom J. asked about the level of public attendance at the committee meetings. Mike H. said that there has been good attendance. Much of the input has been very helpful.

New Hampshire Retirement System:

Chris H. reviewed the previous meeting he had attended with representatives from NHRS. He stated that at present the system is only 57% funded, which is considered low. The level is improving slowly, with annual returns in the 10% range. The unfunded liability remains at \$4.6B. The overall impression is that the system is in better condition than it was a few years ago, but still has a long way to go to be considered financially sound.

Tom J. made a motion to cancel the July BudCom meeting. Mike H. seconded. It was agreed to skip the July meeting. The next regular monthly meeting will be Tuesday August 12th. The DPW road discussion will be the main area of focus.

Motion to adjourn was made by Mike H. Susan B. seconded. Meeting was adjourned at 8:23 PM.

Respectfully submitted,

Barbara Kowalski, Tax Collector