



BUDGET COMMITTEE
Town of Hollis
Seven Monument Square
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Minutes of August 23, 2011

Meeting was held in the Community Room, Hollis Town Hall. The Budget Committee was called to order by Chris Hyde, Chairman at 7:00 PM.

Members present: Chris Hyde, Chairman; Mike Harris, Susan Benz, Tom Gehan, Peter Band, Tom Jambard, Rich Manley

Also present: Deb Padykula, Finance Director

Review of Minutes

June 22, 2011 Chris H. made a correction to the spelling of Tom J.'s name. Tom J. moved to accept the minutes as amended. Mike H. seconded. Vote was unanimous to approve the minutes as amended.
May. 24, 2011 Not everyone had reviewed these minutes, so it was decided to postpone their acceptance until the next meeting.

Town Report

Peter B. presented a brief overview of town finances, stating that money will be tight through the end of the year. There are two or three areas which are over budget. Susan B. asked about the status of the Ash Street sidewalk. Peter mentioned that it was agreed to pay the final bill, but withhold 10% to ensure that the additional drainage is installed as needed.

Legal is projected to be over budget by \$34K through the end of the year due to planning board issues, union contract negotiations, etc. The overtime budget for Communications is currently over by \$25K. Costs for NH Retirement have increased starting July 1, totaling approximately \$35K through the end of the year. Mike H. asked Peter B. to have an update on contract negotiations for the next meeting.

Deb P. distributed packets consisting of expenditure, revenue, and other reports.

It was noted that excess funds from the energy grant and Town Hall renovation project will be used to offset taxes in the 2012 budget year. Tom J. asked what the Town Building Supt. Salary is and why it is separate from the DPW budget. Peter B. stated that it is a line item under the DPW budget, but has always been separated out.

Chris H. asked how much having the new sidewalk would add to the sidewalk maintenance budget. Peter B. said he would look into it. Chris H. also asked Deb P. to break out the administration salary line for DPW the same way it is for the other departments. In reviewing the TDS phone bills, Tom G. asked whether the long distance service could be bundled with the local service within TDS, for potential cost savings. Chris H. asked Peter B. to find out why the Police Dept. has higher line count than Communications, when he expected it to be the other way around. Chris H. also asked whether costs could be lowered by using VOIP for non-emergency lines. Mike H. suggested that if the town has not renegotiated the phone service recently, it may be worth inquiring about cost saving options.

School Report

Rich M. mentioned that a new Business Administrator has been hired by the SAU as of August 1.

Rich M. also stated that WebSense training will be offered on Sept. 28 for interested BudComm members.

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The factfinders report for the Hollis Education Support Staff Association (HESSA) was rejected by the Hollis School Board by a 4 to 1 vote. The report will now go to the voters at town meeting.

Rich M. next gave an update on the water supply situation. The Hollis School Board has determined that all of their available resources have been utilized toward resolving the water line issue and that the problem is turning out to be too complex for their limited in-house expertise. The plan is to hire a contractor to take over from here, and the school board is expecting the town and Coop district to share in the cost. Chris H. asked what the scope of the project will be. It has not been determined whether the town and Coop district could develop their own independent water supplies, and the private homes which are supplied with water need to be taken into consideration as well. There has not been a request for proposal at this point. Chris H. asked what had been decided with regard to the tuitioning in of an out-of-town student. Rich M. stated that the current policy does not cover this situation and that the school board has not made a decision. The consensus among the BudComm members was that it would be highly inadvisable.

Farley Building Update

Mike H. related that the committee had brought out a representative from a state historical preservation society who claimed that the building is well worth preserving and that matching grant money is available for that purpose. Estimates for stabilizing the building in order to buy time are far lower than the cost of demolition. Also, the fact that the building is on the historic register complicates the matter, since hearings are required before any action is taken. Estimates show that the cost of demolishing the existing building and rebuilding a replica would be lower than restoration.

Non-Union Benefits Committee

Mike H. mentioned that the committee has come up with several options for employee health insurance coverage. These could result in significant cost savings for the town. The committee hopes to have a plan finalized before the budget season, possibly in September.

SAU Budget Committee

Tom G. stated that the committee has been formed and that limited information is available from the last three years' budgets. Each member will be tasked with analyzing a different part of the budget. Mike H. recommended that the committee create a charter, and expect to function as if they were a normal budget committee under the law, with votes, published minutes, etc.

Public Input

none

Powerpoint Presentation

Chris H. reviewed highlights of the municipal budget law. He then set the tone for budget guidance by reviewing the current economic environment utilizing a number of charts with extensive amounts of data. The discussion encompassed both local and statewide data, in addition to national and international economic indicators.

He touched on the anticipated timeline of meetings, and deadlines for obtaining the requested data.

BudComm suggested guidance numbers should be available by October.

Tom G. had prepared an analysis of cost per pupil (CPP) and NECAP test scores, comparing towns of similar size and demographics. The hope is that by identifying cost differences among the towns in various areas of the budget, there may be opportunities to reduce the CPP in Hollis without affecting the quality of education.

Chris H. mentioned that guidance numbers for the town and school do not necessarily have to be produced on the same timeline. Mike H. recommended keeping the timelines separate and there was general agreement. The immediate focus will therefore be on generating guidance for the town departments and the September meeting will be dedicated to that endeavor.

It was requested that Deb P. produce financial reports in both Excel and PDF format, and circulate them as soon as possible after the end of the month.

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Motion to adjourn by Mike H. Peter B. seconded. Meeting was adjourned at 10:20 pm.

Respectfully submitted,
Barbara Kowalski, Tax Collector