



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

Minutes of September 27, 2011

Meeting was held in the Community Room, Hollis Town Hall. The Budget Committee was called to order by Chris Hyde, Chairman at 7:10 PM.

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

Also present: Deb Padykula, Finance Director; David Petry, Selectman; Troy Brown, Town Administrator

Review of Minutes

Motion to accept minutes of May 24 as written made by Mike H, seconded by Tom G, passed 5-0, 2 abstentions. Motion passed.

Motion to accept minutes of August 32 as written made by Mike H, seconded by Tom G, passed 6-0-1. Motion passed.

Non-Public

Motion to enter non-public session per RSA 91-A:3, II, made by Mike H, seconded by Peter B, passed 7-0. The non-public session commenced at 7:15 and was concluded at approximately 8:30 PM.

Finance Report

Deb P. discussed budget projections based on end of August. Anticipated retirement cost increases of approximately \$35K have been partially offset by a \$6100 contribution from the state. Also, salaries have not been as high as projected, reducing the expected overrun in that area. The picture on the legal expense line has improved a bit as well. The audit report for 2010 was very satisfactory.

David P. mentioned that the selectmen were willing to do combined meetings, with the department heads, from the start of the budget process. The meeting nights may have to be adjusted for the hearings, etc.

Troy B. stated that the intent would be to settle the town portion of the budget earlier, which would leave the BudComm more time to work on the school portion.

It was decided to discuss the plan further later on in the meeting.

School Report

Rob Mann stated that they have eight of the twenty items on the deliverables spreadsheet completed and submitted.

It is not known whether the audit has been performed or the MS-25 completed and submitted to the state at this time. These are normally done in August. Rob agreed to find out the status and contact Troy or Deb when he has more information. He did say that it was impressed upon the Business Administrators' office that the MS-25 must be top priority at this time.

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Troy B. suggested that the SAU consider paying the auditors to complete their MS-25 so that it gets done correctly and in a timely manner. The town used that option this year for the MS-5 and was very happy with the result.

Rob M. then stated that In regard to the water line problem, it was attempted to detect leakage using a sound detection device. It was suspected, however, that a 3 gpm leak would not be detectable using this method. The next step may be to install a valve in order to pressure-test the line. The Coop is in the process of installing a well on the high school property, and a limited amount of water is being produced. The quality will need to be certified before it can be used as drinking water. Chris H. asked whether the town users have made any progress is locating an alternate water supply. Troy B. stated that Jeff Babel, the DPW director, has been evaluating the existing well at Nichols Field for quality and capacity. Finally, Rob M. stated that if a leak was located, the next step would be to hire a clerk-of-the-works to take things forward from there.

Farley Building Update

The Farley Building Committee is expected to meet September 28 to make their final recommendation.

SAU Budget Committee

Tom G. stated that the committee is scheduled to meet October 4. The SAU board meets on September 29 and will be drafting requirements for the committee.

Public Input

none

Review and setting of Budget meeting dates & Process (including Website & Annual Report)

A tentative timeline of dates for meetings and hearings leading up to the annual Town Meeting was presented. Time was spent debating deadlines for the annual report in order to insure that budgets and warrant articles are available in time to make the printers deadline. A motion was made by Mike H. and seconded by Peter B. to hold the Public Hearings as follows: Town – Feb. 7, School District – Feb. 8. The vote was unanimous in favor, and the motion was passed (7-0).

Chris H. mentioned that the BudComm website is in the process of being updated, with links to key data, reports, timelines, etc. available.

Chris H. will submit the dates for publication in the newspaper.

Review of Budget Process & Goal of setting Guidance and Biases for Town (Not school)

Chris H. discussed a powerpoint presentation containing economic data and statistics for the town and the region. He listed a dozen key items which are or will be putting upward pressure on budgets this year. He reviewed staffing levels and overtime costs, road maintenance costs, and benefits costs. Chris H. then proposed a number of options to consider for potential cost savings, focusing largely on limiting the number of employees, contracting certain services, and limiting overtime. It was agreed that the sidebar(s) on the collective bargaining agreement need to be eliminated as quickly as possible.

Chris H. proposed a goal for budget guidance of 0% increase in tax impact, with the maximum acceptable to be a 0% increase in budget.

Proposals & Discussion on Guidance & Biases

Peter B. made a motion for a flat budget from last year. Discussion followed regarding clarifying exactly what items were or were not to be included. Peter B. stated that he meant just the core operating budget, following the usual calculation methods, which does not include one-time expenditures (such as library roof repair), warrant articles, debt service, collective bargaining agreement cost increases, etc. The motion was seconded by Tom G. Susan B. qualified her support by saying that every area of the budget should be

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scrutinized for opportunities to cut costs, with the goal of decreasing the budget wherever possible. Mike H. suggested that the BudComm needs to be more involved and more proactive in pushing forward with some of the suggestions that Chris H. proposed for cutting costs. Tom G. stated that he could not support a 0% tax impact because there are too many unknown factors in that calculation at this point, so the 0% increase in budget is the most realistic goal at present. Chris H. stated that he stands behind his original proposal of 0% tax increase, primarily in response to public input and feedback that he receives from taxpayers. The motion was brought to a vote. All were in favor with the exception of Chris H., who was opposed. The motion passed 6-1.

Other Business

Chris H. asked about coverage for selectmen budget hearings. Mike H. stated that he is available on Mondays. Chris H. raised the concern that if they happen to form a quorum, their meeting needs to be posted in advance. He asked Deb P. to just go ahead and post all of the meetings so that they are covered. Chris H. then stated that the next regular BudComm meeting is October 25. The agenda for that meeting will largely consist of developing guidance for the school district.

Motion to adjourn was made by Mike H. Tom G. seconded. Meeting was adjourned at 10:35 pm.

Respectfully submitted,
Barbara Kowalski, Tax Collector