



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

Minutes of November 13, 2012

Meeting was held in the Community Room, Hollis Town Hall. The Budget Committee was called to order by Tom Gehan at 7:05 PM.

Members present: Tom Gehan, Mike Harris, Susan Benz, Peter Band, Tom Jambard, Frank Giudici, Frank Whittemore

Also present: Deb Padykula - Finance Director, Eric Horton – SAU Business Administrator, Rob Mann – Hollis School Board

Pledge of Allegiance was said.

Review of Agenda

Review / Acceptance of Minutes:

Mike H. moved to accept the minutes of 10/9/12. Peter B. seconded. Tom J. asked for clarification on what is included in the cost of the town's assessment update for 2013. Discussion followed, resulting in an adjustment to add more specific language about the statistical update process. Mike H. moved to amend the minutes. Peter B. seconded. Vote was unanimous in favor of the amended minutes. Minutes were accepted as amended.

Public Input: No input

Reports:

Town – Deb P. stated that the Town's tax rate for 2012 was set on November 1 at \$21.23 per thousand, which is an increase of \$0.32 over 2011. The town portion increased \$0.22 and the school portion increased by \$0.14. The county and state portions actually decreased slightly. October financial reports were sent out. Revenues and expenditures are generally as expected. A few lines will likely end the year with surpluses. Meals and Rooms Tax revenue from the state came in \$3K over the budgeted amount. The Highway Block Grant came in \$1K less than originally budgeted. Health insurance costs will increase between 7.3% and 8.8%. The town is expected to receive just over \$20K in credits from the LGC surplus for 2012 and again in 2013.

Peter B. updated the BudCom with information from the latest Selectmen's meeting.

-After comparing bids from several assessing contractors, the cost of the assessing update is expected to be \$69,350.00.

-The increase in cost for 2013 for NH Retirement will be \$48,628.00. This is lower than originally anticipated due to a reduction in Town Hall staff.

-Salary increases for the 2nd year of the two year Police and Fire union contract are expected to cost an additional \$75,400.00.

-Worst case cost increase associated with employee health insurance would be \$10,300.00. The open enrollment period had not ended as of this meeting, so the final numbers were not yet available. The cost

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increase could be much lower due to the decrease in full time staff at Town Hall along with the \$20K credit from LGC.

-The cost of maintaining the town fields will be absorbed into the town budget starting next year since the Nichols Fund is no longer able to support the expense. This amounts to a net increase of approximately \$18K for the year.

-Souhegan Regional Landfill District costs will increase \$26K for 2013.

NON-PUBLIC SESSION

MOVED by Mike H., seconded by Peter B. that the BudCom enter into a NON-public session in accordance with RSA 91-A:3-II (a) for the consideration of personnel matters. Voting in favor of the motion were Gehan, Harris, Benz, Band, Jambard, Giudici, and Whittemore. No one was opposed. The motion PASSED 7-0-0.

The Board entered into non-public session at 7:25 PM.

CONCLUSION OF NON-PUBLIC SESSION

MOVED by Mike H., seconded by Peter B. that the BudCom come out of NON-public session in accordance with RSA 91-A:3-III. Voting in favor of the motion were Gehan, Harris, Benz, Band, Jambard, Giudici, and Whittemore. No one was opposed. The motion PASSED 7-0-0.

The Board came out of non-public session and entered into public session at 7:35 PM.

Finalize town budget guidance:

Preliminary budget guidance consisted of an increase of \$100K directed toward road re-building, along with a 1% increase in the base budget number, which equates to \$74K. It was noted that some of the 2nd year contract costs had shifted from the estimates that were included in the original warrant article. After much discussion and fine-tuning, and taking into account all of the numbers that are currently available, it was decided to approve \$69K for the assessing update (\$29K over the original estimate), and an additional \$36,600.00 for negotiated salary increases for year two of the CBA. Susan B. moved that the 2013 Town budget guidance be \$9,279,339.00. Mike H. seconded. All voted in favor. Motion passed.

Hollis School District budget guidance:

In reviewing the Principal's Enrollment Forecast, Tom G. observed that the number of sections, grade 4 in particular, could be reduced by one without compromising the Ed Specs. He also questioned why enrollment projections show an increase at every grade level for next year. This is not consistent with actual trends over the recent past. Mike H. suggested that they not budget for class sizes that are far below Ed. Specs. He recommended budgeting for two fewer sections than what is in the Principal's report. This would equate to a reduction of approximately \$110K.

Tom G. asked about staffing changes. Eric H. stated that, other than the Director of Maintenance, there are no planned staff reductions. Additional discussion followed in an effort to clarify some of the numbers on the proposed budget report. Mike H. moved that the Hollis District budget guidance be set at \$7,878,927.00, exclusive of special revenue, food service, SAU, maintenance fund, debt service, and SpEd. Susan B. seconded. All voted in favor. Motion passed.

Tom G. asked about the Capitol Improvement plan. Eric H. stated that it would be available for the budget review next month.

Tom G. stated that the SAU budget subcommittee was looking for a representative from the BudCom to serve on that committee. Susan B. agreed to participate.

Next meeting:

Monday Dec. 10: 1st review of Town budget

Wednesday Dec. 12: 1st review of School Budget

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Motion to adjourn was made by Mike H. Peter B. seconded. Meeting was adjourned at 8:50 PM.

Respectfully submitted,

Barbara Kowalski, Tax Collector