

**BUDGET COMMITTEE**  
Town of Hollis  
Seven Monument Square  
Hollis, New Hampshire 03049  
Ph. 465-2209 Fax 465-3701

FINAL minutes of February 7, 2022  
Meeting was held in the Community Room, Hollis Town Hall.

**The Budget Committee was called to order by Tom Gehan at 6:27PM.**

**Members present:** Tom Gehan, Chairman; Mike Harris; Chris Hyde; Lorin Rydstrom; Mike Leavitt; Carryl Roy, School Board Representative; Darlene Mann; Mark LeDoux, Select Board Representative

**Officials present:** Jacob Fitzgerald, Hollis Finance Director; David Petry, Select Board Chairman, Susan Benz, Rick Towne, Paul Armstrong, Lori Radke, Town Administrator

T. Gehan began the meeting by explaining the agenda and the budget process.

Budget and Meeting Calendar 2022:

- February 2 – COOP Public Hearing
- February 7 – Town Public Hearing
- February 8 – HSD Public Hearing
- March 8 – Town Elections
- March 9 – HSD Annual District Meeting
- March 12 – Town Meeting
- March 15 – COOP Annual District Meeting Day
- March 16 – COOP Annual District Meeting Day

Guidance to Selectmen includes a budget increase of 3.2%, which equals \$316,309. The resulting Guidance Operating Budget is \$12,150,560 and the proposed Warrant Article Operating Budget is \$12,093,911.

T. Gehan pointed out that the tax rate can go up or down depending on what is voted on at the School District meeting, COOP meeting, and Town Meeting. The tax rate will be set in the October/November time frame. The tax rate can go up even when spending goes down if the revenue goes down by a greater amount. The projected tax rate for 2022 is \$24.68.

**Public Comment was open by Tom Gehan at 6:55PM.**

**Article 1 – Officials Report**

To hear reports of Selectmen and other Town Officials and Committees.

**Article 2 – Reclaim and Pave Worcester and Wheeler Roads**

To see if the Town will vote to raise and appropriate the sum of **One Million Five Hundred Thousand Dollars (\$1,500,000)** for the purpose of reclaiming, paving and rehabilitating failed culverts and catch basins and to authorize the issuance of **One Million Five Hundred Thousand Dollars (\$1,500,000)** of bonds or notes for such purpose in accordance with the provisions of the Municipal Finance Act (RSA 33) and to authorize the Select Board to issue, negotiate, sell and deliver such bonds and/or notes and to determine the rate of interest thereon and the maturity and other terms thereof. The Select Board are hereby authorized to apply for, obtain and accept federal, State or other aid, if any, which may be available for said project and to comply with all laws applicable to said project, to take any and all action necessary to carry out any vote hereunder or take any other action relative thereto. By ballot vote (Requires 3/5 vote to pass).

- Recommended by Select Board 5-0-0
- Recommended by Budget Committee 8-0-0
- Estimated Net Tax Impact

≅ No cost in 2022; costs amortized over 15 years: 2023-2037

≅ \$117,000 Average cost over 15 years; \$0.08 on tax rate

Drew Mason of Baxter Road asked how long the life of the rebuilt would be and D. Petry replied that it is expected to be at least 20 years.

Fred Hooper of 123 Worcester Road stated that he believes 20 years should be the minimum amount of time as long as the subgrade is done properly. Mr. Hooper had questions about the road design, which would be forwarded to the DPW.

Joe Garruba of 28 Winchester Drive asked if any sections of Worcester or Wheeler Roads are dirt roads, which D. Petry replied that they are not. He also asked if the road project would include widening the road at all, which D. Petry also replied that it will not include widening the road.

T. Gehan stated that since all 3 entities are proposing long term debt, if all pass the tax bill will go up over \$700.00. C. Hyde believes that this is a good time to complete these projects since rates are low. M. LeDoux stated that the rate should be in the 2% range for 15 years.

**MOVED by M. Harris and seconded by C. Hyde to accept Article 2 – Reclaim and Pave Worcester and Wheeler Roads. The motion PASSED 8-0-0.**

### **Article 3 – DPW Facility Construction**

To see if the Town will vote to raise and appropriate the sum of Two Million Five Hundred Thousand Dollars (\$2,500,000) for the purpose of designing, engineering, constructing, and furnishing an additional Public Works Facility for administrative offices and cold storage and renovating the existing Department of Public Works Facility to meet health and safety codes and to authorize the issuance of Two Million Five Hundred Thousand Dollars (\$2,500,000) of bonds or notes for such purpose in accordance with the provisions of the Municipal Finance Act (RSA 33) and to authorize the Select Board to issue, negotiate, sell and deliver such bonds and/or notes and to determine the rate of interest thereon and the maturity and other terms thereof. The Select Board are hereby authorized to apply for, obtain and accept federal, state or other aid, if any, which may be available for said project and to comply with all laws applicable to said project, to take any and all action necessary to carry out any vote hereunder or take any other action relative thereto. By ballot vote (Requires 3/5 vote to pass).

- Recommended by Select Board 5-0-0
- Recommended by Budget Committee 8-0-0
- Estimated Net Tax Impact

≅ No cost in 2022; costs amortized over 15 years: 2023-2037

≅ 196,000 Average annual cost over 15 years; \$0.15 on tax rate

Fred Hooper of 123 Worcester Road would like to point out his approval of the job the DPW Director is doing.

M. LeDoux stated that the town has fixed many town buildings, but has not done much to the DPW buildings in the past. R. Towne confirmed that there have been many safety issues that have been written up for a long time that need to be repaired. M. Harris believes this is a much more cost effective approach.

**MOVED by M. Harris and seconded by C. Hyde to accept Article 3 – DPW Facility Construction. The motion PASSED 8-0-0.**

### **Article 4 – DPW Dump Truck Purchases**

To see if the Town will vote to raise and appropriate the sum not to exceed \$380,000 for the purpose of purchasing per State Bid two (2) dump trucks with equipment and attachments for the Department of Public Works. *Said funds to come from the unassigned fund balance as of December 31, 2021, if available. No amount to be raised from new taxation.*

- Recommended by Select Board 5-0-0
- Recommended by Budget Committee 8-0-0
- Estimated Net Tax Impact
  - No rate increase in 2022. The Unassigned Fund Balance is the sum of unspent taxes and revenues collected in prior years. Expending \$380,000, that could *potentially* be designated by Select Board to reduce the Town tax rate, equates to foregoing a *potential* rate reduction:  
 $\cong (\$0.18) / \$1,000$  (Tax Rate)  
 $\cong (\$81.04) / \$460,000$  (Average Single-Family Residence)

No public input.

**MOVED by M. Harris and seconded by C. Hyde to accept Article 4 – DPW Dump Truck Purchases. The motion PASSED 8-0-0.**

#### **Article 5 – Restoring Woodmont White Barn**

To see if the Town will vote to raise and appropriate the sum of \$50,000 to be placed in the Heritage Revenue Fund account, to restore the White Barn located on Map 035, Lot 063, Woodmont Farm and authorize the Heritage Commission to oversee the restorations and long term preservation. Said funds to come from the unassigned fund balance as of December 31, 2021, if available. No amount to be raised from new taxation.

- Recommended by Select Board 5-0-0
- Recommended by Budget Committee 8-0-0
- Estimated Net Tax Impact
  - No rate increase in 2022. The Unassigned Fund Balance is the sum of unspent taxes and revenues collected in prior years. Expending \$50,000, that could *potentially* be designated by Select Board to reduce the Town tax rate, equates to foregoing a *potential* rate reduction:  
 $\cong (\$0.02) / \$1,000$  (Tax Rate)  
 $\cong (\$10.66) / \$460,000$  (Average Single-Family Residence)

The Heritage Commission reviewed the property and stated that they believe the White Barn should be restored instead of razed. The Heritage Commission gave a presentation at the January 30, 2022 Select Board meeting. The building would be used for a display for orchard artifacts for the Heritage Commission.

The projects are set to occur during the second and third quarters of 2022. Any residual funds from Cooper Shop project will be applied to barn restoration.

Drew Mason of Baxter Road asked the intended use of the barn and M. LeDoux replied that it will be for artifact storage for the Heritage Commission.

C. Hyde questioned what the plan would be if contamination is found, to which D. Petry replied that all other projects would stop until remediation. In the case where the project cannot continue due to contamination, the funds would be returned. C. Roy asked where the funds would come from should an issue of contamination need to be remedied, and D. Petry replied that it would depend on the contamination and what the assessment said. D. Mann asked where the remaining balance would go, should the restoration come in under budget. M. LeDoux stated that the Select Board would request the money back from the Heritage Committee. The Select Board would like to check with counsel to see the correct wording for how to have money returned, should that come up.

**MOVED by M. Harris and seconded by C. Hyde to accept Article 5 – Restoring Woodmont White Barn. The motion PASSED 8-0-0.**

#### **Article 6 – Farley Building Engineering Assessment**

To see if the Town will vote to raise and appropriate the sum not to exceed \$50,000 for the purpose of implementing a full engineering study and cost analysis to restore and renovate (for potential office and community space) the Farley Building located on Map 050, Lot 5-4. If this condition is not met by December 31, 2022, this appropriation shall be null and void. *Said funds to come from the unassigned fund balance as of December 31, 2021, if available. No amount to be raised from new taxation.*

- Recommended by Select Board 5-0-0
- Recommended by Budget Committee 8-0-0
- Estimated Net Tax Impact
  - No rate increase in 2022. The Unassigned Fund Balance is the sum of unspent taxes and revenues collected in prior years. Expending \$50,000, that could *potentially* be designated by Select Board to reduce the Town tax rate, equates to foregoing a *potential* rate reduction:

$$\cong (\$0.02) / \$1,000 \text{ (Tax Rate)}$$

$$\cong (\$10.66) / \$460,000 \text{ (Average Single-Family Residence)}$$

Joe Garruba of 28 Winchester Drive asked if there are any use restrictions because it was a donation, making the use for education purposes. T. Gehan and D. Petry replied that there are no deed restrictions in regards to the use of the Farley Building.

M. LeDoux stated that once the Select Board has heard the results of the assessment, they will then hold a meeting to give the information to the public. D. Petry added the Farley Building Committee recommended restoring, so the assessment is to see what it would cost to restore the building. At the 2023 Town Meeting, another warrant article will be presented with the cost to see if the town would like to proceed. If the money is not spent in full, the extra funds will go back to the Unassigned Fund Balance.

**MOVED by M. Harris and seconded by C. Hyde to accept Article 6 – Farley Building Engineering Assessment. The motion PASSED 8-0-0.**

#### **Article 7 – Old Home Days Special Revenue Fund**

To see if the Town will vote to raise and appropriate the sum of \$50,000 for the purpose of sponsoring the Old Home Days event and to fund this appropriation by authorizing the withdrawal of said sum from the Old Home Day Special Revenue Fund. This article will not affect the tax rate, as these funds will be raised from fees and donations.

- Recommended by Select Board 5-0-0
- Recommended by Budget Committee 8-0-0
- Estimated Net Tax Impact
  - None

No public input.

**MOVED by M. Harris and seconded by C. Hyde to accept Article 7 – Old Home Days Special Revenue Fund. The motion PASSED 8-0-0.**

### **Article 8 – Compensated Absences Payable Expendable Trust Fund**

To see if the Town will vote to raise and appropriate \$50,000 to be placed in the Compensated Absences Payable Expendable Trust Fund as previously established at the 2002 Annual Town Meeting. *Said funds to come from the unassigned fund balance as of December 31, 2021, if available. No amount to be raised from new taxation.*

- Recommended by Select Board 5-0-0
- Recommended by Budget Committee 8-0-0
- Estimated Net Tax Impact
  - No rate increase in 2022. The Unassigned Fund Balance is the sum of unspent taxes and revenues collected in prior years. Expending \$50,000, that could *potentially* be designated by Select Board to reduce the Town tax rate, equates to foregoing a *potential* rate reduction:  
 $\cong (\$0.02) / \$1,000$  (Tax Rate)  
 $\cong (\$10.66) / \$460,000$  (Average Single-Family Residence)

Upon an employee's separation or retirement, the town is liable for accrued vacation and sick time. In 2021, 11 employees left, drawing \$58,816 from the fund.

No public input.

**MOVED by M. Harris and seconded by C. Hyde to accept Article 8 – Compensated Absences Payable Expendable Trust Fund. The motion PASSED 8-0-0.**

### **Article 9 – Revaluation Capital Reserve Fund**

To see if the Town will vote to raise and appropriate \$14,000 to be placed in the Revaluation Capital Reserve Fund as previously established at the 1996 Annual Town Meeting. *Said funds to come from the unassigned fund balance as of December 31, 2021, if available. No amount to be raised from new taxation.*

- Recommended by Select Board 5-0-0
- Recommended by Budget Committee 8-0-0
- Estimated Net Tax Impact
  - No rate increase in 2022. The Unassigned Fund Balance is the sum of unspent taxes and revenues collected in prior years. Expending \$14,000 that could *potentially* be designated by Select Board to reduce the Town tax rate, equates to foregoing a *potential* rate reduction:  
 $\cong (\$0.01) / \$1,000$  (Tax Rate)  
 $\cong (\$2.99) / \$460,000$  (Average Single-Family Residence)

There is a statutory requirement that assessments are reviewed every 5 years, making 2023 the next review year.

No public input.

**MOVED by M. Harris and seconded by C. Hyde to accept Article 2 – Revaluation Capital Reserve Fund. The motion PASSED 8-0-0.**

### **Article 10 – Municipal Buildings and Facilities Maintenance Expendable Trust Fund**

To see if the Town will vote to raise and appropriate \$150,000 to be placed in the Municipal Buildings and Facilities Maintenance Expendable Trust Fund as previously established at the 2008 Annual Town Meeting and amended by the 2009 Annual Town Meeting. *Said funds to come from the unassigned fund balance as of December 31, 2021, if available. No amount to be raised from new taxation.*

- Recommended by Select Board 5-0-0
- Recommended by Budget Committee 8-0-0

- Estimated Net Tax Impact
  - No rate increase in 2022. The Unassigned Fund Balance is the sum of unspent taxes and revenues collected in prior years. Expending \$150,000, that could *potentially* be designated by Select Board to reduce the Town tax rate, equates to foregoing a *potential* rate reduction:
    - $\cong (\$0.07) / \$1,000$  (Tax Rate)
    - $\cong (\$31.99) / \$460,000$  (Average Single-Family Residence)

Joe Garruba of 28 Winchester Drive asked if there would be limitations to just the maintenance of the items listed, or would it be open to be used for other projects. T. Gehan replied that the money could be used for any other reasonable improvement or maintenance to municipal buildings.

Drew Mason of Baxter Road asked why, if a new DPW building is being bonded, the new phone system would be included in the Maintenance Trust Fund, to which T. Gehan replied that renovations would be done at the current DPW building. D. Petry stated that if the funds for the DPW phone system are not used, the funds would stay in the Trust Fund and be used for other emergencies.

**MOVED by M. Harris and seconded by C. Hyde to accept Article 10 – Municipal Buildings and Facilities Maintenance Expendable Trust Fund. The motion PASSED 8-0-0.**

#### **Article 11 – Contingency Fund**

To see if the Town will authorize the establishment of a contingency fund under the provisions of RSA 31:98-a for the purpose of funding unanticipated expenses that may arise during the year. Furthermore, to raise and appropriate \$70,000 towards this purpose and appoint the Select Board as agents to expend from said fund. *Said funds to come from the unassigned fund balance as of December 31, 2021, if available. No amount to be raised from new taxation.*

- Recommended by Select Board 5-0-0
- Recommended by Budget Committee 8-0-0
- Estimated Net Tax Impact
  - No rate increase in 2022. The Unassigned Fund Balance is the sum of unspent taxes and revenues collected in prior years. Expending \$70,000, that could *potentially* be designated by Select Board to reduce the Town tax rate, equates to foregoing a *potential* rate reduction:
    - $\cong (\$0.03) / \$1,000$  (Tax Rate)
    - $\cong (\$14.93) / \$460,000$  (Average Single-Family Residence)

No public input.

**MOVED by M. Harris and seconded by C. Hyde to accept Article 11 – Contingency Fund. The motion PASSED 8-0-0.**

### **Article 12 – Establish Town Forest Property**

To see if the Town will vote to establish property identified on the Hollis Tax Map 031, Lot 009, as Town Forest to be managed by the Forest Committee under RSA 31:110. The purchase of this property, known as the Ernest Hardy property, was authorized pursuant to a vote at Town Meeting on March 12, 2019.

- Recommended by Select Board 5-0-0
- Recommended by Budget Committee 8-0-0
- Estimated Net Tax Impact
  - None

Joe Garruba of 28 Winchester Drive questioned if moving the property to Town Forest would restrict building and T. Gehan stated that it would be subject to the constraints of the deed. M. LeDoux stated that the Select Board does not see ever selling this property once it's in Town Forest. J. Garruba would like the Budget Committee to take a position on this article since it is related to revenue.

Drew Mason of Baxter Road stated that he supports adding it to Town Forest.

**MOVED by M. Harris and seconded by C. Hyde to accept Article 12 – Establish Town Forest Property. The motion PASSED 8-0-0.**

### **Article 15 – Operating Budget**

To see if the Town will vote to raise and appropriate the sum of \$12,093,911 which represents the operating budget of the Town for 2022, not including appropriations by special warrant articles and other appropriations voted separately.

- Recommended by Select Board 5-0-0
- Recommended by Budget Committee 8-0-0
- Estimated Net Tax Impact
  - ≅ \$5.64 / \$1,000 (Tax Rate)
  - ≅ \$2,596 / \$460,000 (Average Single-Family Residence)

No public input.

**MOVED by M. Harris and seconded by C. Hyde to accept Article 15 – Operating Budget. The motion PASSED 8-0-0.**

### **Review/Acceptance of Meeting Minutes**

Draft Budget Committee Minutes – January 11, 2022 and January 31, 2022

**MOVED by M. Harris and seconded by C. Hyde to accept the minutes. The motion PASSED 8-0-0.**

**Adjournment: Motion to adjourn by M. Harris and seconded by C. Hyde. The motion PASSED unanimously 8-0-0.**