

BUDGET COMMITTEE

Town of Hollis

Seven Monument Square

Hollis, New Hampshire 03049

Ph. 465-2209 Fax 465-3701

FINAL Minutes of May 12, 2020

Approved June 9, 2020

Meeting was held in the Community Room, Hollis Town Hall.

Zoom Meeting information, including URL and ID are available on the agenda for those who would like to video or phone in.

The Budget Committee was called to order by Tom Gehan at 7:01PM.

Members present: Tom Gehan, Chairman; Darlene Mann; Mike Leavitt; Tom Jambard; Chris Hyde; Carryl Roy, School Board Representative; Kelly Sealy, SAU Business Administrator; Darlene Mann, School Board Representative; Susan Benz, Select Board Representative; Rachael Gosselin, Finance Director;

Members not present: Mike Harris

Pledge of Allegiance was recited.

T. Gehan reviewed the agenda and asked if any members of the public would like to change or add to the agenda, with no comment.

Discussion of reelecting the existing Budget Committee board for the following year began.

MOVED by Mike Leavitt to reelect the existing Budget Committee board for ensuing year. Seconded by C. Hyde. There were no public opinions or objections. The motion PASSED 9-0-0.

Review/Acceptance of Meeting Minutes – There will be no August meeting

Draft Budget Committee Minutes – January 8th

MOVED by C. Hyde to accept the minutes as presented, seconded by T. Jambard. All in favor. The motion PASSED 9-0-0.

Draft Budget Committee Minutes – January 13th

MOVED by C. Hyde to accept the minutes as presented, seconded by T. Jambard. All in favor. The motion PASSED 9-0-0.

Draft Budget Committee Minutes – February 10th

MOVED by C. Hyde to accept the minutes as presented, seconded by T. Jambard. All in favor. The motion PASSED 9-0-0.

Draft Budget Committee Minutes – February 13th

MOVED by C. Hyde to accept the minutes as presented, seconded by T. Jambard. All in favor. The motion PASSED 9-0-0.

No public members called or zoomed in, so T. Gehan will close public input.

S. Benz pointed out that the new Town Meeting date will be June 20th and the Memorial Day event will be held, but not open to the public and the band will not play. In regards to Old Home Day, nothing has been decided yet. The hope is to have fireworks regardless of if the event happens or not.

S. Benz also pointed out that, in regards to the warrant article, Joan Cudworth, DPW Director, has done an analysis on two warrants for the loader and chipper. J. Cudworth told S. Benz that the loader is not necessary for a few more years, so she would like it taken off the warrant, which will save the town \$160,000 (\$16,000 for this year). She would also like the chipper removed because they prefer to haul to the stump dump, which will save \$79,000 from the warrant (\$7900 for this year). S. Benz stated that she is very happy with all of the work J. Cudworth has done.

T. Gehan switched to the School Board report for timing purposes.

K. Sealy reported that the warrant article for school facilities remediation project has passed, and the committee for the warrant article has been sending out RFPs for the financing. The plan is to have everything completed over the course of two summers, but she will update when more happens. The project is called H.S.M.A.R.T., which stands for Hollis School Modernization And Revitalization Task project.

K. Sealy stated that she had no exact financials to give at the time, she's thinking around \$300,000, but there are some costs that will come up that are uncertain. Some costs included ESY started in June (\$20,000 a week), and education expenses that relates to special education services (a FY20 and FY21 split). Items that don't get spent in June may or may not be contracted, but it all depends on how and when they're delivered. They will try to get as much as possible into the FY20 budget. The schools have been delivering meals all during remote learning and are using up inventory. This means they will not have to spend money on food itself, but the cost of labor may go over fund balance for food service, resulting in the general fund needing to pay for some costs. Other costs include PPE and disinfectants for FY20 and FY21, reopening costs (more in FY21 than FY20), and device replacements for Chromebooks. Some savings include POs that have closed, \$8000 from Cares Act, and by working with the transportation vendor since they have not used buses. The School Board will be discussing the matter further.

K. Sealy mentioned that the money from the Cares Act is low because Title 1 and Title 2 have complicated formulas and we don't usually qualify for much T1 money so we are stuck with less funding.

- The last day for remote learning is June 5th
- The week of June 8-12 is for any catch up work or celebrations
- Teachers will be in the house the following week
- ESY will begin in June instead of July due to the end of the school year moving up

K. Sealy will be recommending the School Board increase the retained fund balance for FY21. Every year they authorize \$152,000, but they can go up to \$280,000. She doesn't anticipate coming close to \$280,000, but she will recommend more than \$152,000 for a source of funding if necessary.

C. Hyde asked if any plans have been made if the state wants to continue remote learning until next year. C. Roy replied that all options are being explored and they're preparing for any decision, which is SAU wide. The financial implications of that are also currently unknown. She cannot imagine there will

be many extra costs more so than there are now. There will be a more in depth discussion at the next School Board meeting.

T. Jambard asked if remote learning is working. C. Roy replied that personally, while every grade level is different, she is very impressed with how the teachers have handled the decisions and transformations. Packets and tools were ready for students to pick up, while the SAU planned and measured students' capabilities. She does recognize how this was difficult for many parents who are also doing their own jobs still, but she liked that there was flexibility within the normal structure. Students have zoom meetings with their class and teachers and can ask for extra meetings if help is needed. M. Levitt asked how long a student is interacting with a teacher on Zoom each week, to which C. Roy replied that it's usually about a half hour per teacher. D. Mann said that if you need extra time with a teacher, you have to schedule it, so there's actually very little time. She stated that a lot more effort could have been put in during remote learning and the teachers should make themselves more available for topic introductions. She would like the School Board to discuss more improvement options for the future. A survey was sent out to parents about their opinions on remote learning. Kids are still turning in assignments and being graded on them.

Financial Implications of Stay at Home Order

R. Gosselin stated that the town has not been impacted as severely as one may think. The town spent around \$27,000 on expenses related to Covid-19, which includes supplies, PPE, and mostly Fire overtime due to some needing to be quarantined. Of that, \$3500 is not reimbursable since it's regular wages and IT software expenses. Currently, 75% of the remaining costs will be reimbursed by FEMA, but the state is pushing for 100%. The town has done a spreadsheet of costs, talked to the representative, and is now just waiting. We also have a grant portal.

R. Gosselin stated that the motor vehicle revenue for April 2020 was \$131,000, while March 2020 was \$144,000. The motor vehicle revenue for April 2019 was \$172,000. Currently the tax revenue is unknown, but tax bills will be going out at the end of the month. R. Gosselin is hoping escrow companies will be paying tax bills to ensure payment.

T. Gehan asked if there are any programs besides FEMA for reimbursements, but R. Gosselin stated there were not. There were no issues working from home for those in town hall. The hope is to reopen on June 1st.

T. Jambard asked if current use was listed under Yield Tax since it wasn't on the revenue report. R. Gosselin replied that since 100% of Land Use Change Tax goes to conservation, it doesn't go through town revenue and doesn't need to be on the revenue report. She does post the special revenue funds online so they can be viewed. They are listed under Finance – Financial reports.

R. Gosselin mentioned that the Governor gave Fire and Police a Covid-19 stipend depending on if they're full time or part time. Full time workers will receive \$300 and part time workers will receive \$150 a pay period. May 4th was the start date for this program. The only cost to the town is 1.45% of medicare, which is about \$1000 for the whole 8 weeks. The state will reimburse the \$1000.

C. Hyde asked if there were any changes to parks and S. Benz answered that the nets are up on tennis courts and basketball hoops. Kids have been using the fields already. The signage will change to suggest social distancing, but will not say they're closed. C. Hyde asked if there was any word on if Silver Lake Park will open and S. Benz replied no, but Mark LeDoux has made sure the parking lot is locked.

S. Benz reminded viewers that town meeting has been moved to June 20th and they plan to hold it at the high school as normal. Chairs will be spread out, but it will be as close to normal as possible. She is unsure if the town needs special clearance to hold town meeting, but Moderator Jim Belanger would like to have the meeting as normal.

Debrief on Recent Budget Cycle

T. Gehan stated that an improvement chart was given on Zoom to compare the 15 homes in Hollis vs. the average home price in Hollis. The 15 homes were chosen to represent the housing stock in Hollis and were tracked every year to show how tax bills have moved throughout the years. This past public hearing, the average tax bill and home value has wandered a bit. The 15 homes were valued slightly above the other homes, but over time the average has increased. The average tax bill between the 15 homes was about \$9900, while the remaining home's average was around \$10,300. T. Gehan asked if others would like to go with single form residence when talking about how taxes moved over time. C. Hyde said there are more high end homes being build, which is why we're seeing the escalation in value. He would still favor tracking the 15 houses vs. other homes.

T. Gehan stated in that over 90% could be attributed to new construction. The new construction average is significantly higher than town average, which is why we're seeing the divergence in the lines. Updates to assessing tend to affect most properties in the same manner. New housing in recent years is premium housing as opposed to moderate housing. He would like to use the town average instead of the 15 houses vs. other homes in Hollis.

Areas to focus on in coming year:

T. Jambard that DPW budgets were reviewed by the select board, but there have been big savings since the change in directors, so a harder look at the budgets should be done. He also stated that that the operating costs of departments needs to be looked at. He does give the new DPW Director kudos for saving the town so much money.

S. Benz said she is surprised that the former DPW director wanted new vehicles while the new DPW director said they're not necessary, but R. Gosselin said they were listed on the Capital Improvement Plan as "end of life" and were next for replacement. The loader was purchased in 2005 and the chipper was purchased in 1991.

T. Gehan thinks that the prior fiscal year should be looked at instead of the economy. There were no increases in unassigned fund balance due to warrant articles failing, but he would like to discuss increases at department levels.

T. Jambard would like more attention put on dirt road construction costs. There have been no improvement of dirt roads due to speed.

T. Gehan stated that the lease cost for rolling stock was an advantage for the town vs. intial purchase, but there's fluctuation in those expenses from under \$300,000 to \$600,000 in the next couple years. He suggested looking into those expenses.

T. Jambard would like departments to rethink if there's a better path to have staff vs. contracting.

MOVED by C. Hyde to adjourn at 8:04PM. Seconded by T. Jambard. All in favor. The motion PASSED 9-0-0.

Respectfully submitted,
Ashley Schoff, Tax Collector