

## **BUDGET COMMITTEE**

Town of Hollis

Seven Monument Square

Hollis, New Hampshire 03049

Ph. 465-2209 Fax 465-3701

FINAL minutes of January 11, 2021

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 Mike Harris at 7:00PM.

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

Officials present: Rachael Gosselin, Hollis Finance Director; Kelly Seeley, SAU41 Business Administrator; Susan Benz, Select Board; Peter Band, Select Board; Lori Radke, Town Administrator; David Petry, Select Board

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

Draft Budget Committee Minutes – December 7, 2020

*MOVED by M. LeDoux and seconded by C. Roy to accept the minutes. The motion PASSED 6-0-1 by roll call vote with C. Hyde abstaining.*

Draft Budget Committee Minutes – December 8, 2020

*MOVED by D. Mann and seconded by C. Roy to accept the minutes. The motion PASSED 7-0*

**No public input.**

### **Town Report**

The financial receipts are in line with expectations and taxes are at 97%. It was recommended to do a warrant article for a full engineering analysis for the long term strategic course of action. The costs that are being encountered for bathrooms were going to relieve the Building Trust Fund. The bonds have been successfully refinanced, which will save about \$300,000 in interest.

## **Operating Budget**

### **Police Cruisers Lease Purchase**

The lease purchase would be for 3 Ford Interceptor SUV cruisers, costing approximately \$105,000. The cruiser equipment upfit would be \$40,500, which is a transfer of equipment. This would replace 3 current cruisers with an estimated trade in value of \$12,000.

Police Chief Joe Hoebeke stated that when a vehicle has over 90,000 miles, you will see a significant uptick in cost such as transmission. There is a lot of wear and tear since the vehicles are being driven around 24/7.

The advantage to doing three in one year is better for the Police Department since it's easier to identify the vehicles that need to be cycled out. In total, the Police Department has 10 vehicles.

### **Additional SRO Officer**

Currently there is one SRO officer that covers 4 schools, which is unsustainable. The FBI recommends 2.4 officers per 1,000. In order to add another SRO Officer, there would need to be \$79,545 raised including salary/benefits. The Federal Grant will contribute up to 75% of the cost (\$125,000 max) over three years. Hollis School District will contribute 40% of SRO salary and benefits for year 1, estimated at \$31,818, and the town will start paying for the position in 2023, estimated at \$55,410.

### **Communications Console Lease Purchase**

The current console is 8 years old, which is outdated and unsupported by the manufacturer. The Communications Department also services contracts in Mason, Brookline, and Hollis, who share in part of that cost.

Purchase price: \$190,000

Lease purchase: 5 years with semi-annual payments

Approximately \$40,600 a year

### **Flint Pond Capital Reserve Fund**

- Raise and appropriate \$15,000
- Cost of milfoil herbicide in 2021, approx. \$13,140
- Cost of diver around \$5,000/year
- State grant provided \$1,600 in 2020
- Flint Pond Association to create a long term management plan

Conservation Commission, along with the Flint Pond Association, will be asked if they are willing to contribute to this fund. Members of the board feel that this should be paid for by the Conservation Commission.

### **Old Home Day Special Revenue Fund**

- Raise and appropriate \$50,000
- State law requires town appropriation
- 100% of revenues offset expenses

### **Compensated Absences**

- Raise and appropriate \$50,000
- No tax rate increase – funds to come from Unassigned Fund Balance
- Covers unused paid time off benefit liabilities
- Includes retirement, resignation or termination
- Liability \$303,000 as of 12/31/19 audit
- The current fund balance is \$128,000
- 8 employees left in 2020, drawing \$44,260 from the fund

#### **Evaluation Capital Reserve Fund**

- Raise and appropriate \$14,000
- No tax rate increase – funds to come from Unassigned Fund Balance
- Statutory requirement that assessments are reviewed every 5 years
- 2023 – next review year
- Multi-year contract with Municipal Resources (MRI) to spread out costs
- Total cost for 2018 revaluation was \$57,000
- Current fund balance \$27,837

#### **Municipal Buildings & Facilities Maintenance Expendable Trust Fund**

- Raise and appropriate \$100,000
- No tax rate increase – funds to come from Unassigned Fund Balance
- Major repairs to buildings & facilities
  - Roofs, HVAC, septic, well pumps, etc.
- Current fund balance is \$58,153
- Planned projects for 2021 is \$44,500

#### **Contingency Fund**

- Raise and appropriate \$70,000
- No tax rate increase – funds to come from Unassigned Fund Balance
- Used to meet the cost of unanticipated expenses during the year

#### **Operating Budget**

- Vote to raise and appropriate \$11,506,097
  - Represents the 2021 operating budget of the town, not including appropriations by special warrant articles and other appropriations voted separately.

#### **Possibly Additional Article**

- Raising up to \$50,000 maximum to do a comprehensive engineering analysis for repairs, replacement, or reconstruction for the DPW campus.

#### **Major Increases to the Operating Budget**

- **Retirement**
  - FY21 Proposed - \$850,000
  - % Change - +15.5%
  - \$ Change - \$114,500
- **Long Term Debt Principal**

- FY21 Proposed - \$978,700
- % Change - +18%
- \$ Change - \$152,700
- **Salaries**
  - FY21 Proposed - \$4,514,042
  - % Change - +2.28%
  - \$ Change - \$100,799
- **Souhegan Landfill**
  - FY21 Proposed - \$378,680
  - % Change - +10%
  - \$ Change - \$34,304

#### **Major Decreases to the Operation Budget**

- **Transfer Station Manager**
  - FY21 Proposed - \$1
  - % Change - -100%
  - \$ Change – (\$67,724)
- **Long Term Debt Interest**
  - FY21 Proposed - \$138,039
  - % Change - -22%
  - \$ Change – (\$39,035)
- **DPW – Financed Equipment**
  - FY21 Proposed - \$83,295
  - % Change - -31%
  - \$ Change – (\$37,517)
- **Workers Comp Insurance**
  - FY21 Proposed - \$120,819
  - % Change - -15%
  - \$ Change – (\$20,576)

The FY2021 Town Tax Rate is proposed to be \$5.91, up from FY2020 at \$5.54.

The town will be contacting legal to see where the money from the Stefanowicz property can be applied to, since there would be a prepayment penalty if money is put towards the bonds.

M. Leavitt will be representing the Budget Committee for the Farley Building.

Public hearing will be February 8<sup>th</sup> and 9<sup>th</sup>. The public may join in person or by Zoom.

*Motion to adjourn by M. Harris and seconded by M. LeDoux. The motion PASSED unanimously 7-0-0 by rollcall vote.*