



## BUDGET COMMITTEE

# Town of Hollis

Seven Monument Square  
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## Minutes of February 10, 2009

Meeting was held in the Community Room, Hollis Town Hall and was called to order by Chairman, Chris Hyde at 6:30 PM.

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

Members present: Chris Hyde, Chairman; Mike Harris, Vice Chairman; Peter Band, Selectmen's Representative; Bill Beauregard, School Board Representative; Tom Jambard, Bob Labednick, Lorin Rydstrom Frank Whittemore.

Staff present: Troy Brown, Town Administrator; Paul Calabria, Finance Director; Russell Ux, Police Chief; Jeff Babel, Director of Public Works; Rick Towne, Fire Chief; Gaye Kulvete, Library Director; Robert Bartis, Library Trustee; and Deborah Adams, Secretary

Selectmen present: Vahrij Manoukian, Chairman; Frank Cadwell, Mark Le Doux, David Petry

Hyde reads introduction letter to the public, where he explains the Budget Committee's duties and responsibilities as authorized by NH RSA 32:1 and the process of providing budget guidance. This guidance is developed using a formula based on inflation, growth in population, mandated service costs a perceived demand for service levels and costs, with some cost items left outside the guidance, such as debt service and self funding programs. He further explains the process of budget presentations to the public and how valuable it is for the BudCom to hear public input. He displays a graph depicting 14 years worth of history on a select group of 15 properties all in the \$350,000 assessment range. This shows the average tax bill for these homes has increased from \$6,473 to \$8,638 over the past 5 years. This is a 33% increase, which equates to a 5.9% compound growth rate. He ends his introduction by stressing to the public that the choice is ultimately up to the voters at the annual meetings.

### Pledge of Allegiance

Vahrij Manoukian leads the BudCom, and all those present, in reciting the Pledge of Allegiance.

### Budget Presentation

Manoukian explains how the Selectmen requested all department heads to maintain services with no new spending. The BudCom further requested that the selectmen reduce their proposed budget by an additional \$140,000 below their recommended guideline that was established at the start of the budget season. He reports that the selectmen have met the BudCom's 1<sup>st</sup> and 2<sup>nd</sup> request with a revised operating budget that represents only a \$196,000 (2.16%) increase over the 2008 budget. This budget contains no new positions or services. The town was unable to reach an agreement with the union, therefore the budget includes only a 1% COLA increase for non-union employees and merit based increases and longevity pay for both union and non-union personnel. The budget also includes an additional \$75,000 towards road rebuilding, the purchase of 2 new police cruisers and a heavy duty utility truck, as well as a \$850,000 bond article for structural repairs to the historic town hall.

Brown presents several handouts to the BudCom. The first handout includes a list of proposed budget reductions, the BudCom's guideline with Selectmen's proposed budget, revenue analysis, tax rate calculation and the proposed budget summary and detail. The second handout is a list of warrant articles and the final handout details the structural repairs needed for town hall.

The selectmen approved \$167,996 more cuts to the budget. Cable TV has been reduced by \$10,000. They had hoped to purchase an automated playback system this year, but it will have to hold out another year. There is enough left in this budget for repairs and maintenance. The assessing services contract has been reduced by \$3,000. Employee benefits has

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been adjusted for life and disability policies. They shopped around for a better price with the same services. The Heritage Commission has always received an annual appropriation, which has been cut back to \$500 this year. This was a difficult decision, however this commission is different than most boards/committees where they can retain their own fund. Buildings and Grounds has made reductions in several areas. The septic inspector salary has been dropped to reflect the reduction in construction. Funding for fireworks has been removed from Patriotic Purposes. Enough funding has been retained to pay for DPW and Police at Old Home Days.

Last year the overlay was increased to \$200,000. They have reduced this by \$50,000 to help out this year. Abatement requests are funded through this. At this point they are comfortable making this adjustment, yet will continue to monitor this as more abatements are filed. This may need to be adjusted when setting the tax rate. The expendable maintenance trust fund has been reduced by \$14,000.

The contract negotiations ended at an impasse. They had offered a 2.5% COLA adjustment, yet are not obligated to grant this now. The non-union COLA adjustment was reduced to 1%.

Department	Proposed Reduction
Executive	\$ 16,788
Assessing	3,800
Finance Administration	900
Tax Collection	800
Employee Benefits	5,600
Heritage Commission	2,000
Buildings & Grounds	6,050
NHMA Dues	197
Communications	750
Building Department	1,175
Recreation	1,800
Patriotic Purposes	7,500
Other	
Overlay	50,000
Exp Building Maintenance Trust Fund	14,000
Union 2.5% COLA	31,411
Non-Union reduce COLA to 1%	25,225
<b>Total Reductions</b>	<b>\$ 167,996</b>

All of these reductions have been incorporated into the budget summary and detail.

**Guideline Calculations**

	<b>BudCom Guidance</b>
2008 Operating Budget	\$ 9,077,902
In/Out	-
+ Veterans tax credit	192,500
2008 Approved Budget	9,270,402
- In/Out	-
- Veterans tax credit	192,500
- Debt service	1,226,911
Recommended Base	\$ 7,850,991
x Multiplier of 1.8%	141,318
= Base + Multiplier	\$ 7,992,309
+ In/Out	-
+ Veterans tax credit	200,000
+ Debt service	1,325,044
+ Overlay	200,000
Subtotal	\$ 1,725,044
<b>Original 2009 BudCom Recommended</b>	<b>\$ 9,717,353</b>
<b>2009 BudCom Request</b>	<b>\$9,398,636*</b>
<b>2009 Selectmen's Request</b>	<b>\$ 9,300,421*</b>

	<b>BudCom Request</b>	<b>Selectmen Request</b>
<b>2009 Budget</b>	\$9,398,636	\$9,300,421
Real \$ Increase	\$ (84,266)	\$ (169,981)
Actual % Increase	-0.89%	-1.79%
Anticipated Revenue	\$ 3,297,329	\$ 3,297,329
Anticipated Town Tax Rate	\$ 4.90	\$ 4.83
Anticipated % Increase	7.32%	5.68%

<b>* Connected Revenue</b>	
Cemetery Project	\$ (5,000)
Fire Equipment Capital Reserves	(113,566)
Major Highway Capital Reserves	(55,151)
FEMA Grant	(150,000)
<b>Total</b>	<b>\$(323,717)</b>

Calabria points out that the real dollar increase is from 2008 to 2009 is \$169,981, which is a 5.68% increase. Le Doux stresses that much of this is attributable to a reduction in revenue. The selectmen are not increasing expenses, it is a declining revenue stream.

Calabria explains that the gross appropriations have been budgeted at \$9,274,138, with a gross budget increase of \$196,236 or 2.16%. This includes all warrant articles, except for any petitioned articles. It also includes connected revenues. An overview of budget increases this year include:

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- \$20,000 for painting at the library, Always Ready Engine House and the shed at Little Nichols field
- \$22,000 for workers compensation insurance. This has been coming for a few years as the result of several incidents.
- \$10,000 property liability insurance.
- \$58,000 covering a full year of lease payments for major fire equipment.
- \$64,000 covering a full year of lease payments for DPW equipment.
- \$10,000 overtime adjustment for DPW employees.
- \$74,000 additional for road rebuilding.
- \$44,000 union and non-union merit and longevity pay.
- \$17,000 non-union 1% COLA increase

Revenue estimates are \$3,959,651. This is a decrease of \$196,453 or 4.73%. These estimates will be reevaluated in the Fall when setting the tax rate. Major reductions in revenue include:

- \$103,000 less in motor vehicle registrations. 2 businesses with multiple vehicles have moved out of town. If like businesses take over these properties, this may come back.
- \$53,000 in interest income. They did not anticipate interest rates dropping so low. Although they do not believe this will remain at this low level for a long period of time, they are estimating this low.
- \$23,000 from scrap metal.
- \$12,000 from building permits.
- \$7,000 less from land use change tax
- \$5,000 less from recreation

Calabria presents an estimated tax rate calculation. The town portion contributes only 21% of the current tax rate, the schools are 61% and the county and state cover the remainder. The estimated town portion for this year will be \$4.83, which is a \$0.26 increase or 5.67%. The schools are estimated to have a \$0.27 increase. The total estimated tax rate is \$21.68, which is a \$0.73 increase or 3.48%.

Hyde comments that he is anticipating a 15% decrease in state aid revenue next year and a large decrease the following year. It is hard to anticipate the tax rate when the State doesn't set the amount of state aid until after the town meeting has been held. Beauregard mentions that the Hollis school budget is estimated this revenue very low to avoid problems. Hyde mentions that the state is also looking into how they handle reduced and free lunches for each school district. Beauregard explains that this is not a big item for Hollis students. School building aid and catastrophic aid are the large revenue items for the schools, and these are being estimated very conservatively this year. They are also estimating the education grant flat for this year.

### **Warrant Articles**

1. Officials Reports – No discussion
2. Town Hall Repairs & Minor Renovation Bond – The selectmen recently held a public hearing for 2 bond issues; \$2,500,000 for town hall expansion, repairs & renovation and \$850,000 for town hall repairs & minor renovation. Based on public feedback from this hearing, they will not be going forward with a warrant article for the \$2,500,000 expansion and renovation. There will only be this one article for repairs to town hall. There are several structural issues that need to be addressed.
  - Clock tower
  - Roof trusses
  - Floor joists
  - Timber girders/Beams
  - Foundation (water, humidity, decay)
  - Stage framing

Along with the structural repairs, they are also looking at repairing or replacing the windows. They will work with the Historic District Commission to see what will be the best approach. They have been working with the architect and Hutter Construction to gather cost estimates for this project. If approved, this will have no cost impact in 2009. There may also be much funding available from the Federal Government. With the bond approval, it will position them well for grants that will help to reduce costs.

Hyde asks if they would consider wording the article to state that it will be contingent upon grant funding to help offset costs. Brown would not like to have this restriction on the project. The Selectmen will have the full authority to bond or not to bond.

Harris questions what difference there is with this proposal and the larger bond. If they spend the money for this project now, how does it relate to the other costs needed for the full project. Le Doux mentions that there are many unknowns with this type of project. There are many structural issues with town hall. The \$2,500,000 was a complete rebuild of town hall, including renovations to the office space within. The scaled down bond is only to address structural issues and windows. He feels the voters should have the right to vote on both proposals. The \$2,500,000 was “all in”, while the \$850,000 is for repairs only. Once these repairs are done, the \$850,000 will be removed from the full project. He feels these are good numbers for this project, however with the current economic times, they should be able to negotiate for better prices.

Harris asks if there could be any help from the stimulus pack coming from Washington. Brown mentions that Washington is pressing for more energy efficiency in public buildings. He has been working with a small group in town, who have been looking into alternative energy solutions for the school and town buildings in Hollis. They have some good leads already. The first phase of the project will also include window repairs or replacement, insulation and caulking to help with the energy efficiency. There may be grants available from the stimulus package for this.

Brown stresses that the numbers are very conservative, with high estimates. They have also built in some contingency. Most unknown elements to the full project will be found during this first phase. Phase II will be renovations for more efficient office space and an elevator.

Hyde understands the safety concerns they have with the tower, yet beyond these issues what else that has been included in this phase are truly safety aspects. Brown explains how there have been many reports and studies performed over the past 15 years. Many structural issues have been reported, including the clock tower, roof trusses, floor joists, timber girders/beams, foundation (water, humidity, decay) and the stage framing. The primary concern from these experts has not been the clock tower, but the roof and the way this was constructed. If the trusses are not reinforced, it could collapse. The basement also has many issues that need to be addressed. There is moisture in the stone foundation. Dry rot is visible on 4 major carrying beams. There are severe signs of stress and rot. They have already installed temporary bracing, but this is not a long term solution. The roof has many sections where they recently installed ice shields as a temporary fix. The general exterior façade needs painting. Cedar shakes and trim needs replacing. Windows need to be sealed or replaced.

Harris questions the difference in tax impact between the full project and this scaled down version. Brown indicates that they do not have that information available. Le Doux does not feel this will really cost \$2,500,000. He anticipates the full project adding \$.25 to the tax rate.

Manoukian points out that the full project of \$2,500,000 did not have the support of the selectmen and the \$850,000 scaled down project was only support by a 3-2 vote.

3. Establish Police Special Detail Revolving Fund – The selectmen are looking to establish this as a revolving fund and to discontinue the special revenue fund created for the same purpose. A revolving fund can generate its own revenue and does not need to be approved by the voters each year. This will be fully audited and monitored. The selectmen will be the agents to expend any funds. A new State law allows for the creating of these revolving funds. The existing special revenue fund can be difficult to predict each year. Hyde asks about any interest income generated by these funds. Calabria explains that any interest remains with the fund.
- 2a. Discontinue Police Private Detail Special Revenue Fund – Upon passage of Article 3, this will discontinue the special revenue fund. Should Article 3 fail, the selectmen will request this Article to be Tabled.
4. Establish Ambulance Services Revolving Fund – This is the same as above for Article 3, yet for ambulance services.
- 3a. Discontinue Ambulance Fee Special Revenue Fund – Upon passage of Article 4, this will discontinue the special revenue fund. Should Article 4 fail, the selectmen will request this Article to be Tabled.
5. Special Revenue Funds – This is to appropriate funds for the special revenue accounts, which are offset by revenue. Police private details and the Ambulance funds are still listed in this Article in case Articles 3 and 4 fail, as these funds

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will still need to be appropriated. Once those Articles pass, this Article will be amended from the floor to appropriate only \$50,000 for Old Home Days.

6. Discontinuance of Major Fire Equipment Capital Reserve Fund – This will help reduce the hit from the full year of lease payments.
7. Municipal Buildings and Facilities Maintenance Expendable Trust Fund – This will appropriate \$24,000 into this trust fund and also change the wording for the purpose of the trust to include maintenance items, not just emergencies.
8. Compensated Absences Payable Expendable Trust Fund – This is to build up the account for unfunded earned time. This is mainly used for retirees when they are paid for their banked earned time.
9. Employee Health Insurance Expendable Trust Fund – This is the self funded health insurance.
10. Operating Budget – There is not much to discuss on this, as most of the budget has already been presented.
11. Acceptance of FEMA 2008 Ice Storm Disaster Grant – This will be to appropriate \$200,000, with \$150,000 being reimbursed by FEMA. The purpose of this will be to clean up any brush that fell in the Town right-of-way during the ice storm.
12. Establish an Agricultural Commission – This is a non-money article.
13. Woodmont Orchard 25-year Lease Agreement – The selectmen have been negotiating with some local farmers about farming this land. The selectmen are only authorized to sign lease agreements on a 1-year basis. This article would approve a lease agreement up to 25 years for agricultural uses to continue on this land. The farmers have all been saying that they would need to make a huge investment into the property and would need more than a 1 year lease to re-coop this investment. Petry explains that the lease agreement would contain a provision for renewal each year. The farmer would be required to meet with the selectmen each year for renewal, however it would not require a town vote each year. The renewal will be based on performance. The selectmen will have the authority to rescind the agreement if the farmer is not meeting the provisions of the contract. They would be able to terminate the lease. All documents will be reviewed by Town Council. Adequate insurance will be a part of the contract, as well as municipal immunity for any liability. The public access to this land will not change, as long as they do not interfere with the agricultural use.
14. Petition – Paving a Portion of Baxter Road – Hyde asks if the petitioner would like to speak towards this article. Brown explains that he advised the petitioner that he would not be needed at the Public Hearing, however he would need to speak towards this article during Town Meeting. Calabria states that this would give a \$.08 increase to the tax rate.
15. Petition – Municipal Transportation Capital Reserve Fund – This petition will approve collection of \$1.00 per vehicle registered for the purpose of supporting a municipal transportation services. There are many times the selectmen, town hall staff and police department are asked to provide transportation to medical appointments. The elderly are the most in need of this service. Jim Belanger explains that the Souhegan Valley Transportation Collaborative has petitioned for this support. The SVTC raised \$40,000 to fund a pilot program utilizing a 16-passenger bus, which went into service October 1<sup>st</sup>. The bus runs Tuesday, Wednesday, Thursday from 8am – 4pm. This is a door to door service for any non-emergency medical appointment. The person is picked up at home and delivered back home. So far this has been highly successful. The selectmen agree that this is a significant need in this area.

The Seacoast started a similar program and already experienced a 3x increase in service. This program will service the residents of Hollis, Amherst, Brookline and Milford. Both Amherst and Milford deliberative sessions voted to keep this item on the ballot for March. The town clerk processes approximately 14,000 registrations per year, which would appropriate enough funds into this capital reserve fund. The program is not limited to just the elderly. Any town resident can use the service. They hope that once the service is up and running, it can be expanded for other, non-medical purposes, with the caveat that medical requests would take precedence. Originally they had anticipated using Federal funds, however once they accept these funds, the service must be made available to anyone for any purpose. There will be a \$2.00 fee for each trip. They were also informed that the bus would not pick up any children at school for doctor's appointments, as they are not a "yellow" school bus and would not be permitted on school grounds.

By town meeting, Milford will have already had their vote. If this is not approved in Milford, this article will be pulled, as it cannot be funded without Milford's help.

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Jambard questions if agricultural vehicles would be exempt from paying this \$1.00 per registration. Belanger is not sure on this, however the RSA's already exempt some vehicles, such as motorcycles and antiques. He adds that Nashua currently charges \$10.00 per registration for their bus service, so \$1.00 really isn't too much. Harris questions the purpose of the \$2.00 fee. Belanger explains that Nashua Transportation charges this fee for overhead costs. Harris questions why this was done by petition, when it appears to have selectmen support. Belanger indicates that they all felt it would work better if done by petition. It was a strategic move. The Amherst Selectmen and Budget Committee are not recommending this, however their voters approved keeping it on the ballot. Brookline has incorporated their portion of the expense into their budget.

16. Municipal Transportation Capital Reserve Fund – This is to appoint the selectmen as agents to expend from this fund.
17. Petition - Exemption for Wind-Power Energy Systems – This amends the current wind power exemption from \$5,000 to \$20,000. Le Doux comments that this is a nice idea, yet it merely offsets the increased assessment the property owner has for installing the wind turbine.
18. Petition – Exemption for Solar Energy Systems – This also amends the current exemption from \$5,000 to \$20,000.
19. All Other Business

**BudCom Comments**

Whittemore questions how they established the figure for the brush removal. Babel explains that he received a preliminary estimate from FEMA, which is based on their assessment. This amount is being used as a placeholder at this time, as they will have to wait until the snow and ice melts to get an accurate number. There are many variables at this time. Cadwell explains that the labor for this will be contracted out, with the invoice sent to FEMA. Babel stresses that this is only to clear brush from the town right-of-way.

Whittemore comments that he has not heard anything good about FEMA and about getting funding from them. Calabria explains that the town has experienced a FEMA event every year for the past 4 years. As long as all the paperwork is in order showing the equipment used, all personnel data and other expenses incurred, they will get the funding from the government. Band adds that the Federal government requires an absurd amount of paperwork and if they are missing just 1 page, everything stops. Calabria mentions that there is also a possibility of getting an addition 12 ½% from the State. FEMA pays 75% and the State may cover ½ of the remaining 25%. Jambard comments that he is concerned about the additional costs the town will have for the increased chipping at the stump dump due to residents bring their brush from the ice storm.

**Public Comments**

Frank Giudici, 172 Rideout Road – He has seen repainting of the town hall numerous times of the years. He asks if any consideration has been given to using other materials that would not require painting as often. He mentions that while FEMA has paid out monies to the town in the past for other events, they may not come through this year given the state of the economy. Le Doux explains that since the town hall is located in the Historic District, his recommendation will be to work with the Historic District Commission and staff to chose materials that will last longer than just a few years. As for clearing the brush, the town does not need to commit to doing any of this work until they have an agreement with FEMA. Babel explains that FEMA gives seed money of 50% to begin the project.

Basil Mason, 206 South Merrimack Road – He comments that the former road agents never complained about trees falling down. They just took care of this. The town hall does not need this much work. He questions why they want to pay for new windows when the tower need repair. The engineer states there are structural problems, yet he has not seen any problems. This roof has stood since 1886. He would rather use the money for a steel roof. This is not the year to spend money like this. They cannot increase tax bills for this. People cannot get by as it is.

Jim Belanger, 32 Plain Road – He would like to correct a common misconception. Little Nichols Field is really the Charles Nichols Field. He questions whether the lessee of Woodmont would be able to sublease this farm land. Petry indicates that this would not be permitted. Belanger points out how last year the town entered into multiple leases for equipment and the taxpayers are now feeling the effects of this. Capital reserve accounts in the past have allowed the town to save up for these large purchases. He supports the FEMA article as long as no monies are expended until they have an approval. He does not feel the \$850,000 will really come off of the \$2,500,000 and still do the project right. He feels that if the project cannot be

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done right, it should not be done at all. If the difference between the two bonds is only \$10.00 on each tax bill, then he would rather pay this extra and have it done right. Le Doux agrees that the citizens should have the right to vote on the \$2,500,000 bond for the town hall. He would rather let the voters decide.

Tom Enright, 35 Main Street – He noticed that property liability is up \$10,000. He mentions that the coop school district is having a problem with their property liability as well. Brown explains how the LGC (Local Government Center) inspection of town properties and new equipment has increased the costs. Enright mentions that the Coop buildings are highly assessed. He will be investigating these assessments. The union contract for the coop is also at an impasse. He questions what the maximum amount for health insurance the town pays for each employee on an annual basis. It would be interesting to compare this to the coop. Brown indicates that there is no cap on this. For a family plan it costs \$21,600 per year with the town covering 96% of this. Enright comments that it appears the town has the same problem as the coop, however the coop does have a cap. It has come to a point that the employee share has become so large.

Enright is concerned how the 2 largest union contracts are at an impasse this year. He believes this to be the first time this has occurred, with teachers and fire/police/communications unions at an impasse. This is significant. Benefits have become a major issue at the coop. They currently do not have a deductible plan, which they tried to introduce this year. Le Doux agrees. The town has the same problem. The employees are very concerned about compensation and their contribution to benefits, yet unfortunately you cannot pay everyone what they want.

Enright points out that there are also major problems with the NH Retirement system. Although this is not a negotiable item with the union, the school, town and unions must work together to solve this issue. He mentions that he will be discussing these issues at the Coop District Annual Meeting. He would like to explain how 34% of a firefighter's salary and 29% of a police officer's salary must be paid into this retirement system, with the bulk of this being paid by the town. The State does not seem sympathetic to the schools or towns on this issue. He wants to hear some feedback from voters on some of these issues; health insurance, compensation, retirement. He is not happy to be at an impasse.

Harris asks if there is any remedy for the retirement problem. Enright mentions that there is some proposed legislation, yet not many representatives from the schools or towns attend these meetings, however they are highly attended by union representatives. This issue of benefits is very troublesome for all involved. He feels that having a public conversation on these issues will be helpful. They cannot discuss the actual negotiations, yet they can discuss some of the issues.

Le Doux comments that the town has professional firefighters and police officers who have historically received 2% - 7% increases for many years. Much of this increase was to make up for prior years when they did not get raises. Employment in municipalities has historically been at a lower wage, yet with a better benefits package and a good retirement. Things have changed with salary structures coming more in line with the private sector. When the average person in Hollis does not receive a raise this year, it is hard to agree to a 5% increase for the unions. Enright agrees. The provision in the town's current contract is that health insurance will remain at the same level upon retirement. This is an unsustainable provision. Le Doux agrees, which is why the selectmen requested to have this removed from the contract. This is the major reason they are at an impasse now. It is hard to put this on the taxpayers to fund.

Frank Giudici, 172 Rideout Road – He comments that many town employees have sacrificed to have good benefits at retirement. He wonders if anyone has suggested that a change be made that all new hires would come in at a lower level of benefits. It may not be fair to take away from long time employees, yet new employees with come in knowing what they were getting. Le Doux agrees, however the retirement issue is negotiated at the State level and the town has no say in this. A change in legislation is needed in Concord. Ux comments that the retirement system has nothing to do with union contracts. The unions may have a say, but they have no vote.

Basil Mason, 206 South Merrimack Road – He feels the union should be treated like trucking unions; either they want the job or they don't.

**Public Hearing portion of the meeting closed at 8:42 pm**

**BudCom Vote on Warrant Articles**

1. Officials Reports – No BudCom vote required
2. Town Hall Repairs & Minor Renovation Bond – Harris does not support this bond. He would support an article for the

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full renovations, but not for this partial. Jambard is not sure how bad the roof really is, yet if this is something that really needs to be corrected, it should be done now, as it will be more expensive in the long run. He asks if this is leaking into the building. Babel explains that they have done several temporary patches on the roof. The problem is not just ice dams in the winter, the roof leaks in the summer too. The main roof was patched last Fall and more recently patches were made over the turret room. There are 30'-40' of patches now. Harris agrees the roof should be repaired.

Jambard asks if there any definitive answers to the problems with the clock tower. Petry explains that the stress has caused the tower to pull away from the roof. It needs additional bracing. Jambard questions if the weight of the bell has contributed to the structural problems. If this is the case, just remove the bell. Cadwell indicates that most of the engineers have pointed to deterioration of the beams, not the weight. Brown explains that the problem is more the wind load on the tower, not the weight load. The joints are just old and deteriorated. Many years of swaying in the wind have caused problems. The plan is to reinforce the timber structure with steel tension rods and metal plates.

Band points out that the majority of the selectmen voted to keep the \$850,000 bond as a warrant article. He has discussed having only the \$150,000 repairs to the tower done this year and doing the other repairs next year. He mentions that you can physically see the tower moving in the wind. Whittemore agrees that some items listed on the handout for the town hall repairs could be held off for another year. Not all items on this list need to be done. He questions why more tests need to be performed when this has already been done. Brown explains that those costs are for environmental testing and soil sampling. There are several areas in the basement where additional support columns are being proposed. The soil must be tested in this area, which is a difficult place to perform boring. This will be a high cost. The financial and legal fees must be paid to the NH Bond Bank and Bond Council. This cost does not change much based on size of bond.

Brown stresses that this is an old building. Everyone knows there are structural concerns. The outside needs work. The roof has already been patched. The selectmen voted to break this up into 2 phases. Phase I will address the safety issues. When the time is right, they will go onto Phase II. He does not know what will happen if this is pushed off for another few years. More deterioration will continue. They are already on borrowed time. They felt this was a good compromise.

Petry agrees they may not need to do all of these items, yet these figures are placeholders. Much of this can be done for less. The project will be sent out to bid to get the best price for the town. The already found this out for painting at the library. He agrees some of these figures are too high. There are also many private entities that are willing to help support repairs to historical and town buildings, yet the bond must be approved before applying for this assistance. He fully intends to go after these grants.

Beauregard is concerned about some of these structural repairs, such as the beams in the basement. He questions if these are merely bandaids or will these be lasting repairs. Cadwell stresses that these will be permanent fixes. Band explains that steel beams will be installed in the basement. Petry points out that there are a few other items that are beyond just structural, such as the electric panel. He does not want to pay for items twice. These repairs will remain during any future renovations.

Hyde comments that replacement storm windows may be a good thought, yet the building doesn't have good insulation either. Why make repairs or replacements when it will not do any good. Brown points out that the windows in the building are not good. It is difficult to secure the windows and the sashes do not meet. Adams explains that as an employee that sits in front of these windows on a daily basis, she must use an electric space heater to keep warm enough to work. There have been days during the winters where she is so cold she cannot type.

Band is concerned that this may become a money pit. He is in the minority on this vote. He voted against this bond. If they want to do this project, they should do it right. The economy is in a tough time right now. This is a great project, yet has bad timing. There are some real concerns, such as the tower and roof that need to be addressed, which can be done for \$150,000 - \$200,000. Beauregard questions what he plans to do with additional bracing and support in the basement. Band states that they can just add a few more lally columns. If the town cannot afford it all right now, then don't do it at all.

Labadnick comments that he would vote for the repair work, yet he is concerned that every time the town appropriates money for projects, when lower bids are received, the town ends up spending the full appropriation anyway. Band disagrees with this comment. Brown indicates that once the project is completed, any unexpended balance would be set aside for Phase II or to reduce taxes. Le Doux agrees they need to be good stewards of taxpayers money.

**Draft**

Hyde feels that given the economic times this may not be the right time, however the stimulus plan may help out with this. He would like to see this being contingency upon qualifying for grants. He does not disagree with the need. He asks if the selectmen would consider a \$250,000 - \$350,000 article that would be contingent on federal funding for the remainder. Harris stresses that it is not good to do this project half way. Jambard questions some items on the list and feels that not enough research has gone into the figures.

Brown stresses that he has been working with a team of professionals for the past 8 months on this project. Hutter Construction, Steffensen Engineering, RHC Professional Associates and PFS Engineering. These are all professionals. He respects the BudCom, yet they are not experienced enough to question these figures and arbitrarily change the numbers. Hyde asks what the cost would be to repair the tower and roof. Band suggests just doing the tower this year and the roof next year. However doing this may be too small of an amount for bonding. He anticipates interest rates skyrocketing. It would be better to bond the full \$2,500,000 and hold onto the money until they are ready to proceed with the work.

Rydstrom agrees. He supports the full \$2,500,000 and the lesser project of \$250,000 but not the \$850,000, as it is not enough to do what is necessary. Manoukian stresses that the \$2,500,000 will not pass this year. The people are in tough times. He does not want to jeopardize safety. He would rather try to get enough to repair some safety issues at town hall than see the larger bond fail. He points out how the building is still standing after the December ice storm, he feels it can continue for a little longer.

*Harris moves to NOT recommend Article 2. Seconded by Rydstrom. The Motion passes 7-1-0. Voting in favor of the Motion – Rydstrom, Labednick, Jambard, Whittemore, Hyde, Harris, Beauregard. Voting in opposition to the Motion – Le Doux.*

3. Establish Police Special Detail Revolving Fund – *Harris moves to recommend Article 3. Seconded by Rydstrom. The Motion passes 7-1-0. Voting in favor of the Motion – Rydstrom, Jambard, Whittemore, Hyde, Harris, Beauregard, Le Doux. Voting in opposition to the Motion – Labednick.*
- 3a. Discontinue Police Private Detail Special Revenue Fund – *Harris moves to recommend Article 3a. Seconded by Rydstrom. The Motion passes 7-1-0. Voting in favor of the Motion – Rydstrom, Jambard, Whittemore, Hyde, Harris, Beauregard, Le Doux. Voting in opposition to the Motion – Labednick.*
4. Establish Ambulance Services Revolving Fund – *Harris moves to recommend Article 4. Seconded by Rydstrom. The Motion passes 7-1-0. Voting in favor of the Motion – Rydstrom, Jambard, Whittemore, Hyde, Harris, Beauregard, Le Doux. Voting in opposition to the Motion – Labednick.*
- 4a. Discontinue Ambulance Fee Special Revenue Fund – *Harris moves to recommend Article 4a. Seconded by Rydstrom. The Motion passes 7-1-0. Voting in favor of the Motion – Rydstrom, Jambard, Whittemore, Hyde, Harris, Beauregard, Le Doux. Voting in opposition to the Motion – Labednick.*
5. Special Revenue Funds – *Harris moves to recommend Article 5. Seconded by Rydstrom. The Motion passes 7-1-0. Voting in favor of the Motion – Rydstrom, Jambard, Labednick, Hyde, Harris, Beauregard, Le Doux. Voting in opposition to the Motion – Whittemore.*
6. Discontinuance of Major Fire Equipment Capital Reserve Fund – *Harris moves to recommend Article 6. Seconded by Rydstrom.*

Jambard is concerned about discontinuing this altogether. He questions how they will raise money for future fire equipment. Harris explains that this will help to pay for the leases approved last year. Brown explains that the leases allowed the town to replace all equipment that will be needed for the next 10 years. Towne points out that the BudCom forced them to go towards leases, as they did not want capital reserves. Harris agrees. Capital reserves make people pay now for what the town will need in the future.

*The Motion passes 6-2-0. Voting in favor of the Motion – Rydstrom, Whittemore, Hyde, Harris, Beauregard, Le Doux. Voting in opposition to the Motion – Jambard, Labednick.*

7. Municipal Buildings and Facilities Maintenance Expendable Trust Fund – *Harris moves to recommend Article 7. Seconded by Rydstrom.*

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Rydstrom thought this was supposed to be just for emergencies. He recalls the discussion from the floor at last year's town meeting. Now the selectmen are converting this into a maintenance fund. Le Doux explains that they have moved all maintenance funding into this. It was originally intended for building repairs. Harris comments that this is just like what the school has already done. Hyde indicates that he would support this if it were handled the same as with the school. Brown points out that they would use this for the library painting this year if the fund were worded properly. This was intended for planned maintenance events, as well as unplanned events. This purpose was amended from the floor last year. They are just trying to amend the purpose to become what it was originally intended to cover.

Beauregard asks if this will be a revolving fund. Le Doux indicates that it will be. Beauregard points out that this is intended to be the same, as with the school maintenance fund, however he is not seeing a list of planned projects like what the school provided. Harris agrees that this would be good for the public to see. Beauregard mentions that they inspected all school buildings and came up with a list, which was then prioritized.

*The Motion passes 6-2-0. Voting in favor of the Motion – Jambard, Whittemore, Hyde, Harris, Beauregard, Le Doux. Voting in opposition to the Motion – Rydstrom, Labednick*

8. Compensated Absences Payable Expendable Trust Fund – Harris moves to recommend Article 8. Seconded by Rydstrom. The Motion passes 7-1-0. Voting in favor of the Motion – Rydstrom, Jambard, Labednick, Hyde, Harris, Beauregard, Le Doux. Voting in opposition to the Motion – Whittemore
9. Employee Health Insurance Expendable Trust Fund – Harris moves to recommend Article 9. Seconded by Rydstrom. The Motion passes 8-0-0. Voting in favor of the Motion – Rydstrom, Jambard, Labednick, Whittemore, Hyde, Harris, Beauregard, Le Doux. Voting in opposition to the Motion – None.
10. Operating Budget – Harris moves to recommend a total operating budget of \$8,308,548 for Article 10. Seconded by Rydstrom.

Harris questions what they intend to do with the safety issue at the town hall. If these are important, the funds should be added to the operating budget. Hyde heard conflicting reports from the selectmen about the necessity of these repairs this year. He questions the tax impact \$250,000 added to the operating budget would have. Calabria calculates this to be about a \$.20 increase on the tax rate. Petry comments that if the voters do not support Article 2, the selectmen may wish to amend it from the floor to \$325,000 for the structural steel, roofing and tower. The engineer has stressed that the roof trusses and bracing are more important than the tower. Hyde is concerned with bonding such a low amount. Brown does not know if there is any minimum amount that can be bonded. Jambard questions the tax impact for the \$325,000. Calabria indicates this would be \$.26.

Rydstrom questions if they have to continue with increases for union members for longevity and steps. Calabria explains that legal council has advised that merit pay and longevity would have to continue for the union. This is within their current contract. Hyde mentions that many residents have suggested having school and town union members take a wage freeze. There is some public desire to go to this. Le Doux indicates that the selectmen did ask for this during negotiations and were told no.

Jambard comments that the 1% COLA for non-union is \$16,816. He asks how much of an increase is included in the budget for merit raises for non-union. Band explains that they are required to grant union employees the step increases. The selectmen feel that if they do not offer the same to the non-union employees, this will create a bad situation where the non-union may look to unionize. Beauregard points out that the aggregate of overtime has increased each year. He wonders if there are any plans to address this. Calabria explains that this is hard to address or plan for. It all depends on departmental needs. Each storm event causes overtime, vacancies within departments cause overtime. Ux explains that shift coverage is a problem. He hires an officer, trains this person for a few months, then the State offers them a better job. Now the department is stuck with an opening again. This has been the problem for the past 2 years. For the entire 3 years he has been Chief, he has been down 1 position and needed overtime to fill all of the necessary shifts. Brown points out that Hollis has experienced at least 1 major storm event for the past 3 years.

*The Motion passes 8-0-0. Voting in favor of the Motion – Rydstrom, Jambard, Labednick, Whittemore, Hyde, Harris, Beauregard, Le Doux. Voting in opposition to the Motion – None.*

11. Acceptance of FEMA 2008 Ice Storm Disaster Grant – Harris moves to recommend Article 11. Seconded by Rydstrom. The Motion passes 6-2-0. Voting in favor of the Motion – Jambard, Labednick, Whittemore, Harris, Beauregard, Le Doux. Voting in opposition to the Motion – Hyde, Rydstrom.

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12. Establish an Agricultural Commission – No BudCom recommendation required.
13. Woodmont Orchard 25-year Lease Agreement – No BudCom recommendation required.
14. Petition – Paving a Portion of Baxter Road – *Harris moves to NOT recommend Article 14. Seconded by Rydstrom. The Motion passes 7-0-1. Voting in favor of the Motion – Rydstrom, Jambard, Labednick, Whittemore, Hyde, Harris, Beauregard. Voting in opposition to the Motion – None. Le Doux abstains.*
15. Petition – Municipal Transportation Capital Reserve Fund – *Harris moves to recommend Article 15. Seconded by Rydstrom. The Motion passes 7-1-0. Voting in favor of the Motion – Jambard, Labednick, Whittemore, Hyde, Harris, Beauregard, Le Doux. Voting in opposition to the Motion – Rydstrom,*
16. Municipal Transportation Capital Reserve Fund – *Harris moves to recommend Article 16. Seconded by Rydstrom. The Motion passes 8-0-0. Voting in favor of the Motion – Rydstrom, Jambard, Labednick, Whittemore, Hyde, Harris, Beauregard, Le Doux. Voting in opposition to the Motion – None*
17. Petition - Exemption for Wind-Power Energy Systems – *Harris moves to NOT recommend Article 17. Seconded by Rydstrom. The Motion passes 6-1-1. Voting in favor of the Motion – Rydstrom, Jambard, Labednick, Hyde, Harris, Beauregard, Le Doux. Voting in opposition to the Motion – Whittemore. Le Doux abstains.*
18. Petition – Exemption for Solar Energy Systems – *Harris moves to NOT recommend Article 18. Seconded by Rydstrom. The Motion passes 7-0-1. Voting in favor of the Motion – Rydstrom, Jambard, Labednick, Whittemore, Hyde, Harris, Beauregard, Le Doux. Voting in opposition to the Motion – None. Le Doux abstains.*
19. All Other Business – No BudCom recommendation required.

**Other Business**

Rydstrom agrees with Tom Enright about having a discussion at town meeting about the unions. Le Doux would prefer to get legal advice from council before agreeing to this. He does not want to get into any details on issues that were discussed during negotiations. Harris believes that since they are at an impasse, it is appropriate to publically discuss this. Le Doux agrees that the voters needs to know what they are dealing with, yet he would rather get advice from a labor attorney about appropriate labor practices. Hyde feels the BudCom should not be precluded from getting into a conversation with voters about this.

**Next Meeting** will be held February 10, 2009 at 6:30 PM in the Community Room, Hollis Town Hall for the Public Hearing on the Town Budget

*Rydstrom moved to adjourn. Seconded by Whittemore. Motion unanimously approved.*

Meeting adjourned at 10:00 PM.

Respectfully submitted,

Deborah Adams, Secretary