

**TOWN OF HOLDERNESS
BOARD OF SELECTMEN
BUDGET COMMITTEE
WORK SESSION MINUTES
December 7, 2022**

Select Board Members Present: Chair, Jill White, Vice Chair, Woodie Laverack and Kelly Schwaner.

Budget Committee Members Present: Chair, Dayna Titus, Bob Maloney, Kevin Barrett, Bennett Evans and Morgan Stepp

Others Present: Town Administrator, Michael Capone, Police Chief, Erik DiFilippe, Fire Chief, Jeremy Bonan, Highway Supervisor, Kevin Coburn, Transfer Station Supervisor, Scott Davis, Recreation Director, Wendy Werner, Recreation Board Member, George Sutcliffe, Recreation Board Member Mary Anna Swanson and Library Director, Adam Di Filippe.

Call to Order: Ms. White called the meeting to order at 8:05AM and introduced Dayna Titus, who had agreed to Chair the Budget Committee.

The Town Administrator thanked those present for their participation in the process and provided a brief overview of the budget schedule and other summary materials. He noted that the draft operating budget projects an overall increase of \$243,343 or 8.23%. He reviewed some of the major contributors to the increase, the largest of which was proposed increases to wages to keep Town positions competitive with surrounding communities and the private sector. He also provided a brief overview of the capital expenditures anticipated in this budget cycle.

It was also noted that a review of the most recent tax rate data available from the Department of Revenue Administration shows that Holderness has the 14th lowest municipal rate and the 13th lowest overall tax rate among 211 New Hampshire towns reporting as of 12/2/22.

Police Department: Chief Erik DiFilippe went through the Police Department budget with those present. He reviewed the wage recommendations for the current staff and provided some background on the proposed increases. He also reviewed some of the areas of the budget that were increasing along with explanations for those increases.

Mr. Barrett, Mr. Maloney and Ms. Schwaner all had questions regarding the dispatch agreement. Chief DiFilippe explained that the agreement was in place for at least one year and he was following up with Plymouth regarding an extension. The Chief also explained that although Grafton County offered dispatch services, they would cost the same and would involve traveling to Haverhill instead of Plymouth to conduct some of the Department's business.

Mr. Maloney asked about security at the Holderness Central School. Chief DiFilippe went through the security measures in place at the school. There was also some discussion regarding the Resource Officer at the Holderness School and the availability of that officer to the Town.

Chief DiFilippe also discussed his taser and body camera support agreements and mentioned that he was looking to upgrade his existing phone system as much of the equipment was outdated and not sufficient to meet Department needs for remote conferencing and communication.

Chief DiFilippe reviewed the details of his planned capital purchases which include two new radar speed signs financed through a combination of a 75% grant and fund balance as well as the purchase of a new SUV financed through the existing capital reserve.

The Board and Committee thanked Chief DiFilippe for his presentation.

Fire Department: Chief Jeremy Bonan was present for his first budget presentation. He reviewed some of the Department call statistics and presented a draft proposal for the funding of per diem firefighters to provide coverage at the station for a fifteen-week period during the summer months. This led to considerable discussion regarding coverage at the station and the ability to respond to calls. It was noted that there had been at least fifteen calls during the year when no one was able to respond from Holderness. The call was handled by another department. Chief Bonan noted that coverage of calls was an issue in all area departments and was not specific to Holderness. Mr. Maloney asked if it was time to hire a full time Firefighter. Chief Bonan did not think it was necessary to have a full-time firefighter on staff, but the per diem firefighters would be a good first step. It was suggested that the Chief look into this further and perhaps expand his proposal.

Chief Bonan went through the balance of his budget and offered explanations for some of the increases. He noted that he had prepared a spreadsheet of equipment needs based on conversations with department members that would be the basis of his equipment purchases going forward.

Chief Bonan discussed the planned purchase of a replacement Fire Truck with those present and took questions regarding its purchase. The vehicle would replace Engine 4, a twenty-five-year-old pumper. Three major manufacturers had been contacted and one quote has been received to date with another pending. The quote received was from the Departments preferred vendor. The quoted price was \$867,396. That price was valid until February 1, 2023. Chief Bonan noted that the department had reviewed the initial quote for this vendor and made some changes to lower the price to the current number. The purchase would be funded by a combination of capital reserve funds and fund balance. He also expected to receive an additional quote, but as with most large vehicle equipment purchases there would be delays in getting the number.

There was discussion among those present as to the purchase process and how best to proceed. The Committee asked Chief Bonan to speak with the vendor to see what options were available to lock in a guaranteed price and/or what discounts might be available for a down payment or pre-payment. It was noted that the Select Board could authorize the use of funds from the Capital Reserve as they are agents to expend from that fund, but any money coming from fund balance would need to be approved by the voters at Town Meeting. Chief Bonan said he would reach out to the vendor and report back.

The Board and Committee. thanked Chief Bonan for his presentation.

Highway Department: Highway Supervisor, Kevin Coburn noted that the Department was now fully staffed. He reviewed his operating budget noting that the largest increase would be his wage line which included increases and/or wage adjustments for all employees. As was noted in the Town Administrators introduction, adjustments were made to keep wages competitive with both the public and private sector. The overtime line would be impacted as well. Kevin also mentioned that the fuel, sand/gravel and salt lines would be increased due to increased supplier pricing.

Kevin reviewed his plans for road reconstruction and paving next summer. The work would include a shim and top coat on sections of East Holderness Road as well as some possible work on Ta Da Dump Road, should funds allow. It was noted that changes might be made to this schedule depending on what the asphalt pricing is in the spring.

Kevin then discussed his plan for replacement of the ten-year-old International dump truck scheduled for next summer. The Department has discussed purchasing a Chevrolet 6500 series or equivalent as its replacement. These vehicles have a gross vehicle weight (GVW) below 26,000 pounds which allows them to be operated without obtaining a Commercial Driver's License (CDL). They can be fitted with a plow wing and sander comparable to our existing vehicles and have four-wheel drive. What we might give up in hauling capability we make up for in operating expense and utility. They are less expensive to purchase as well. A number of surrounding towns have purchased these vehicles and are very happy with them. Purchasing one this year will allow us a few years to evaluate their effectiveness prior to replacing our next truck in 2027-2028. Lead times to purchase this or any other vehicle may be close to or exceed one year.

The Board and Committee thanked Kevin for his presentation.

Sanitation/Transfer Station: Transfer Station Supervisor, Scott Davis was present to discuss his 2023-2024 budget. Scott noted that the budget would include increases to the wage lines for department employees. There would be increases to the water monitoring and recycling lines as well due to increased costs.

The largest increase would be in the Solid Waste line. A portion of the increase is due to a rate change per the existing contract agreement with Waste Management. Committee members questioned Scott regarding other providers. Scott mentioned that other options had been considered when the agreement was last reviewed in 2020. The Town Administrator noted that other options would be considered in 2025 when the existing agreement is up for renewal.

The larger portion of the increase is related to processing fees for recyclables. During the last budget cycle, the processing fees had been lower or credits had been issued due to an uptick in the recycling markets. Now the markets have reverted back to their previous pattern resulting in a return of processing fees. Additional funds have been added to the solid waste line to accommodate this increase.

Scott also mentioned that he was in the process of obtaining pricing for a small building to accommodate some of the recycling areas at the station. This would afford protection from the weather for both the employees and material. The Town Administrator mentioned that, should this project move forward, it would most likely be paid for with available American Rescue Plan Act (ARPA) funds which would not impact the budget.

Scott mentioned that he anticipated an increase in the fee to recycle tires as our current vendor had increased the fee to \$5.00/tire. Mr. Barrett asked whether there were plans to increase the fee for C and D disposal as it appeared to him that the fees collected were not sufficient to offset the expense. The Town Administrator mentioned that he would be reviewing all of the fees and expenses with Scott and the Select Board which may lead to increases in recycling fees.

The Board and Committee thanked Scott for his presentation.

Recreation and Beach: Wendy Werner, Recreation Director, was present along with Recreation Board members Mary Anna Swanson and George Sutcliffe. Wendy reviewed here recreation budget first and mentioned that the bulk of the overall increase was associated with wages for employees. There is a planned increase in the transportation line associated with a rise in transportation costs.

Wendy took questions from those present and reviewed the revenue expected for both the Department budget and the Revolving Fund. There was also some discussion regarding access to the summer program for non-residents.

Wendy then briefly reviewed her Beach budget and noted there was a minimal increase overall mostly attributed to an increased expense for portable toilets. She also proposed an increase in wages for the beach attendants.

The Board and Committee thanked Wendy for her presentation.

Library: Adam DiFilippe, Library Director, was present and distributed a memo from Library Trustees Chair, Andrew Herring who was unable to attend. Adam went through the contents of the memo noting that the bulk of the increase for 2023-2024 was attributed to wage adjustments for both full time and part time employees. Other increases were to the training line for increased support of employee educational enrichment and electricity due to increased rates from our provider.

The Board and Committee thanked Adam for his presentation.

The Town Administrator mentioned that the next meeting would be on Monday, December 12th beginning at 4:30 here in the Town Office meeting room. Holderness Central School Board Chair, Carolyn Mello and SAU Business Administrator, Dan Rossner will present the Holderness Central School budget.

The Town Administrator also thanked the Board and Committee members for making time in their schedules to accommodate the budget presentations during Department working hours. The Department Heads appreciated their support.

There being no further business to come before the meeting, it was adjourned at 11:40 AM.

Respectfully Submitted,

Michael R. Capone
Town Administrator