

**TOWN OF HOLDERNESS
BOARD OF SELECTMEN
BUDGET COMMITTEE
WORK SESSION MINUTES
December 27, 2021**

Select Board Members Present: Vice Chair, Woodie Laverack, Sam Brickley and Kelly Schwaner.

Budget Committee Members Present: Chair, Ken Evans, Bob Maloney, Kevin Barrett, Todd Elgin and Dayna Titus

Others Present: Town Administrator, Michael Capone

Call to Order: Mr. Evans called the meeting to order at 5:30PM.

Minutes of December 13, 2021 and December 17, 2021: Mr. Maloney made a motion to approve the meeting minutes of the December 13, 2021 and December 17, 2021 meetings as written. Mr. Barrett provided a second. There being no discussion, those present voted 7-0 in favor of the motion.

Town of Holderness Operating Budget: continued - Mr. Evans asked the Town Administrator to continue his review of the remaining sections of the operating budget, not covered by the December 13 and December 17 sessions. The Town Administrator reviewed the Benefits section of the budget noting that there may be changes to the health insurance line, based on recent changes to the employee mix. He also noted that at least one employee was going to opt out of the insurance program and take the \$5,000 annual buyout paid quarterly. Mr. Elgin asked if the payout would be subject to all of the usual payments such as retirement, social security etc. The Town Administrator responded that he would have to review that with the Auditors and make a determination. Mr. Brickley commented that this program, which was already in place in the school district, would save money in the long run. Mr. Barrett asked about the return of premium given by HealthTrust in 2021. The Town Administrator mentioned that HealthTrust would issue a check to the Town this budget year so none of the funds could be used to offset expenses in the 22-23 budget cycle. Some of the return would also go back employees to offset their premium contributions. Mr. Barrett asked what the amount of the return was. The Town Administrator thought it was around \$16,000, but he would check the number and report back to those present.

The Town Administrator reviewed the current retirement rates paid to employees noting the increases were due to changes in the personnel mix and the possible addition of new positions. He also reviewed the longevity bonus in response to a question from Mr. Barrett.

The Town Administrator reviewed the new ambulance agreement noting there was a fairly large increase. He mentioned that this will be reviewed and possible options discussed with Chief Bonan in the coming months, but overall, it was the best course of action at this time.

The Town Administrator also discussed the Street Lighting line and mentioned that the energy committee was exploring the replacement of existing streetlights with LED lights which would help keep expenses in check.

In reviewing the Public Service line there was some discussion regarding funding for the after school care and enrichment program. At the December 13 presentation of the Holderness Central School budget, it was mentioned that the program was not running and would not be funded in the school budget. A subsequent conversation with another member of the school board indicated that it was, in fact, in operation. Mr. Evans commented that he had recently seen a poster in the school thanking the Boys and Girls Club for the programming they were providing. The Town Administrator will follow up to verify if it is in operation. Mr. Maloney suggested that, if it was, it should be funded. Those present were in general agreement.

The Town Administrator briefly reviewed the Capital Outlay and Capital Reserves transfer sections of the budget. Mr. Evans noted a fifty thousand dollar increase in the capital reserve spreadsheet. The Town Administrator explained that that was for a Warrant Article the Select Board would present seeking to use \$50,000 from fund balance to increase the Abatement Legal Expense Capital Reserve. Mr. Barrett asked about the number of abatements typically seen following an update of values. The Town Administrator noted that taxpayers would have until March 1, 2022 to file for an abatement so he does not have a number for this latest update, but he recalls the number in the past being around 30 or so. Mr. Brickley explained that most cases are resolved upon review by the assessors, but the cases that end up in Superior Court can be expensive to litigate.

The Town Administrator and Mr. Brickley responded to questions from Mr. Evans and Mr. Barrett regarding the American Rescue Plan Act (ARPA) funding coming to the Town. It was noted that some of the rules were still under review and any funding received would presently need to be committed by 2024 and fully spent by 2026. There was mention of the fact that those dates may be increased by the Feds to 2026 and 2028 respectively. The Town Administrator mentioned that those funds could be spent by the Select Board after holding a public hearing in which they take comment on their intended use.

The Select Board and Budget Committee then discussed the current capital purchases plan. Mr. Elgin provided his thoughts regarding the recent request by the Highway Department to purchase a new loader, an item previously not included in the plan, noting he did not see it as a necessary expense. Mr. Evans was in agreement. Mr. Brickley mentioned that the Select Board would be continuing discussions regarding capital purchases. There was no shortage of opinions regarding how to fund capital purchases and the Board needs to further discuss the matter.

Mr. Evans reviewed the balance of the budget schedule going forward. The Town Administrator mentioned that the Select Board would be reviewing the budget at their meeting on January 3, 2022. At that time, they hoped to provide a draft operating budget for submission to the Budget Committee by January 6, 2022. The Budget Committee could then deliberate what they would like to take to the hearing on February 2, 2022 to recommend as an operating budget. The Town Administrator noted that the Select Board would be able to add warrant articles to the second session warrant until such time as the warrant is posted.

There being no further business to come before the meeting, it was adjourned at 6:50PM.

Respectfully Submitted,

Michael R. Capone
Town Administrator