

# Town of Hudson

## Budget Committee – Meeting Minutes for November 05, 2025

Agenda	Minutes
A. Call to Order	Vice-Chair Rice called the meeting to order in the Buxton Meeting Room at Town Hall at 7:00 pm
B. Pledge of Allegiance	Vice-Chair Rice led the attendees in the Pledge of Allegiance
C. Attendance	<p><u>Committee Members Present</u>  Donna Boucher, Bill Cole, Shawn Jasper, Kim Rice, Kevin Walsh, and Robert Wherry  <i>School Board Liaison:</i> Dan Kilgour, <i>BoS Liaison:</i> Xen Vurgaropolous</p> <p><u>Excused</u>  Randy Brownrigg, Chairman James Lawrence</p> <p><u>Audience</u>  Roy Sorenson, Town Administrator</p>
D. Public Input	Chairman Lawrence opened Public Input at 7:01 p.m. <ul style="list-style-type: none"> <li>No citizens came forward to provide Public Input.</li> <li>Public Input was closed at 7:01 p.m.</li> </ul>
E. Acceptance of the Meeting Minutes	<ul style="list-style-type: none"> <li>Clerk Wherry noted that the minutes for the October 01, 2025, meeting were distributed and that wo minor edits were offered thus far.</li> <li>Mr. Jasper moved and Mr. Walsh seconded a motion to accept the minutes of the October 01, 2025, meeting as corrected.</li> <li>Chairman Lawrence asked for a voice vote and the motion passed unanimously.</li> </ul>
F. Old Business	Discussion of the Old Business was opened at approximately 7:02 p.m. No Old Business was brought forward, and Old Business was closed at 7:02 p.m. 3
G. New Business	<p>Discussion of the New Business started at approximately 7:03 p.m.</p> <p><b>Background Information:</b></p> <ul style="list-style-type: none"> <li>The Town of Hudson operates on a July-to-June Fiscal Year. In this meeting, the Budget Committee will be reviewing aspects of three different fiscal years. <ul style="list-style-type: none"> <li>The <b>Fiscal Year 2025</b> (FY2025) occurred from July 01, 2024, to June 30, 2025. The actual expenditures and revenues, and the preliminary unaudited final numbers are presented.</li> <li><b>FY2026.</b> The unaudited actual numbers through from July 01, 2025, through October 31, 2025, are presented.</li> <li><b>FY2027.</b> Some initial projected, budgeted numbers for the proposed Town budget for July 01, 2027, to June 30, 2028, are presented. The next several Budget Committee meetings will be detailed presentations of the proposed Town budget. <ul style="list-style-type: none"> <li>The Town Budget Deliberative (public discussion and preliminary voting on the FY2027 Budget) will be on <b>January 31, 2026.</b></li> <li>Voters then have the final vote on the FY2027 Town Budget and Warrant articles on <b>March 3, 2026.</b></li> </ul> </li> </ul> </li> </ul>

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<p>G. New Business (continued)</p>	<p><b>Town of Hudson – Revenues and Expenditures Through June30, 2025</b> <b>Unaudited Budget Committee Report</b></p> <p><b>Mr. Roy Sorenson</b>, Town Administrator, presented the following information: <b>FY25 Budget Report – Final Unaudited</b></p> <ol style="list-style-type: none"><li>1. Slide 1 – <b>Overview</b>. \$42,257,286 total Expenditures for General Fund (98% of budget), Sewer Fund (67%) and Water Fund (97%), with approximately \$985K encumbrances.</li><li>2. Slide 2 – <b>Salaries Snapshot</b>. While both the Fire Dept. and Dept. Of Public Works (DPW) spent well beyond the budgeted amount, underspending by the Police Dept. and the General Town resulted in an overall underspending in town salaries by approximately \$150K. As of June, the end of the Fiscal Year (EOFY), there were a total of 10 vacancies across all departments.</li><li>3. Slide 3 – <b>Solid Waste Snapshot</b>. Overbudget by 1% (approximately \$16K). This was absorbed within the budget.</li><li>4. Slide 4 – <b>Expenditures Snapshot</b>. Overspent areas included Legal, Fire and Recreation. Areas underspent include Administration, Assessing and Sewer Fund.</li><li>5. Slide 5 – <b>Revenue Snapshot</b>. Approximately 107% of the budgeted revenues were received for a total of approximately \$8,749K. Main revenue sources include Motor vehicle registrations, building permits, ambulance services, and investment interest.</li><li>6. Slide 6 – <b>March vs April FY25 Expenditures</b>. Under Land Use, the <b>Melendy Road Bridge Project</b> initially appears as a high-overspend because State NHDOT grant monies for this project had not yet been received by the Town.</li><li>7. Slide 7 – <b>Melendy Road Bridge Replacement Timeline</b>. The timeline for the project from the BOS approval in January 2023 to the Public Hearing for the Project Acceptance on September 9, 2025, was provided.<ol style="list-style-type: none"><li>a. The State grant amounts were not known in time for the amounts to be placed within a Warrant Article (even at the Deliberative meetings), since the contract with the State had not yet been signed.</li><li>b. The contract was signed on March 28, 2024.</li></ol></li><li>8. Slide 8 – <b>Melendy Road Bridge Replacement Budget Summary</b>. The total project costs are \$1,448,866.65 of which Hudson Taxpayers paid directly \$125,675.29 (8.67% of the total costs).</li><li>9. Slide 9 – <b>Preliminary Final FY25 Report – Unaudited</b>. Auditors near completion with encumbrances secured and approximately 1.0% under budget.</li></ol> <p><b>Vice-Chair Rice</b> requested the slides be emailed to the Budget Committee (BC).</p> <p><b>Mr. Jasper</b> noted the absence of any library revenue (page 4 of the handout).</p> <ul style="list-style-type: none"><li>• <b>Mr. Sorenson</b> noted that some minimal revenue had been reported.</li><li>• <b>Mr. Vurgaropolous</b> noted that overdue fees are no longer collected.</li></ul> <p><b>Mr. Walsh</b> noted the general property taxes showed a negative amount “collected” thus far (page 4 of the handout).</p> <ul style="list-style-type: none"><li>• <b>Mr. Sorenson</b> noted that t should a negative value due to the way that taxes are collected according to the calendar year.</li></ul>
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<p>G. New Business (continued)</p>	<p><b>Town of Hudson – Revenues and Expenditures Through October 31, 2025 Unaudited Budget Committee Report</b></p> <p><b>Mr. Sorenson</b>, presented the following slides relative to FY26 from July 2025 through October 2025:</p> <p><b>Mr. Sorenson</b> stated that he will try to get this type of information to the Budget Committee on a quarterly basis (in the future). The numbers presented represent approximately 33% of FY26.</p> <ol style="list-style-type: none"><li>1. Slide 1 – <b>Expenditures Overview</b>. \$19,987,317 total Expenditures for General Fund (44% of budget), Sewer Fund (56%) and Water Fund (41%), with approximately \$3,792K encumbrances.<ol style="list-style-type: none"><li>a. <b>Mr. Sorenson</b> stated that once a contract is signed, the contract value is treated as a debit (i.e., already spent), even though the money has not yet been spent. This makes payments easier as the contractor invoices against a Purchase Order (PO).</li><li>b. Legal contract was signed for ≈\$75K – this has not been spent.</li><li>c. DSD (<i>Development Services Department</i> formerly <i>Land Use</i>) signed Engineering Services contracts for ≈\$70K.</li><li>d. Solid Waste Contract was signed for ≈\$2,233K.</li><li>e. Sewer payment to Nashua of \$620K.</li><li>f. Water payment to Nashua of ≈\$500K.</li></ol></li><li>2. Slide 2 – <b>Revenue Snapshot</b>. Approximately 32% against a 33% target.<ol style="list-style-type: none"><li>a. <u>Motor Vehicle</u> registrations is above expectations.</li><li>b. <u>Building Permits</u> is slightly below expectations.</li><li>c. <u>Cable Franchise</u> could be a future</li><li>d. <u>Investment Interest</u> is above expectations.</li><li>e. <u>Ambulance</u> (billing) is well below expectations because</li></ol></li></ol> <p><b>FY2027 Budget Books</b></p> <p><b>Mr. Sorenson</b> stated that two Budget Binders have been provided, the main Binder along with a smaller “Blue” Addendum binder (with, for example, justifications for larger requests).</p> <p><b>Mr. Sorenson</b> outlined the new format of the Budget Binder; each department includes a cover page which includes any BOS-approved Out of Budget Requests (blue font) and Deferred Requests (red font).</p> <p><b>Mr. Sorenson</b> outlined Budget Parameters and the BOS Budget Directives. A target 2.5% Operational Increase excludes (a) Salaries and Benefits, (b) Contractual Increases, (c) Utilities, (d) Large (outside the budget) Requests and Warrant Articles.</p> <p><b>Utilities Budgeting / Energy Costs</b> will also see fluctuations: Electricity (15%-25% increase), Natural Gas (5%-10% decrease) and Heating Oil (5%-20% decrease). Gasoline and Diesel has also come down.</p>
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<p>G. New Business (continued)</p>	<p><b>Mr. Sorenson</b> provided a slide with Summary figures for the Budget (~7:20p):</p> <p>The total proposed FY27 Budget is <b>\$48,188,481</b>.</p> <p>Items Outside the Budget approved by the BOS is: <b>\$539,053</b>.</p> <p>Warrant Articles are estimated at <b>\$3,435,629</b>. Some of these will be offset (e.g., by State grants providing 80% of the monies and Hudson taxpayers paying 20% of the monies, or in some instances mor of a 50%/50% split).</p> <p><b>Mr. Sorenson</b> provided a slide with a pie-chart of the breakdown between departments. Police, Fire and DPW take up approximately 63.4% of the Budget.</p> <p><b>Mr. Sorenson</b> provided another slide with a pie-chart of the breakdown between labor/salaries and benefits, and operating expenses. Labor is approximately 65% of the Budget.</p> <ul style="list-style-type: none"><li>• Two large <i>Collective Bargaining Agreements</i> (CBAs) were passed last year, and these have an impact on this year's budget.</li><li>• The Operating Expenses are only 0.3% above last year's budget.</li><li>• The overall budget – less warrant articles – is 7.5% above last year's budget.</li></ul> <p><b>Mr. Sorenson</b> provided a new Budget line item to account for winter events possibly creating a Capital Reserve Fund (CRF) when demand is not as great and then drawing from the CRF when more extreme winter events occur.</p> <ul style="list-style-type: none"><li>• 5557 Public Works – Extreme Weather</li></ul> <p><b>Mr. Sorenson</b> provided a list of Outside the Budget Requests (\$539,053) which does not include the following:</p> <ul style="list-style-type: none"><li>• Town Wide Paving (≈\$100K) was deferred.</li><li>• Fire's Fleet Maintenance Program (≈\$62.7K) will be directed towards a CRF (under BOS direction).</li><li>• Fire's Fleet Replacement Program (≈\$96K) will be directed towards a CRF (under a Warrant article).</li><li>• Robinson Road Station Facility Study (≈\$30K) and RFID Key Access (≈\$118K) were also deferred.</li></ul> <p><b>Mr. Sorenson</b> provided a history of the Outside the Budget Requests with FY27 being less than FY26 and roughly equivalent to FY25 and FY24.</p> <p><b>Mr. Sorenson</b> provided a history of the General Fund (GF) balance. While currently at \$9,083,853, it could go up or down. The BOS has proposed using \$1.1MM of the GF to offset the taxes. The GF is likely to be between \$8.5MM and \$10 MM after the offset.</p>
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<p>G. New Business (continued)</p>	<p><b>Mr. Sorenson</b> provided a slide on the Tax Rate.</p> <ul style="list-style-type: none"><li>• 2024 Property Tax Rate: \$16.45<ul style="list-style-type: none"><li>○ Local education – 57% (\$9.30)</li><li>○ Municipal – 30% (\$4.97)</li><li>○ State Education – 7% (\$1.24)</li><li>○ County – 6% (\$0.94)</li></ul></li><li>• 2024 Property Tax Rate: \$16.45<ul style="list-style-type: none"><li>○ Municipal projected at (\$5.45), a <b>9.66% increase over 2024</b>.</li></ul></li></ul> <p><b>Mr. Sorenson</b> provided a slide comparing the municipal tax rates on a single-family home for Hudson versus 6 local town communities and 7 NH cities. Hudson is the third lowest tax rate for a single-family home (median assessed at \$446, 300) compared to the other 13 municipalities having 20,000 or more people.</p> <p><b>Mr. Sorenson</b> provided a slide with a historical look at the FY22 to FY26 Budgets.</p> <ul style="list-style-type: none"><li>• FY22 &amp; FY23 were default budgets.</li></ul> <p><b>Mr. Sorenson</b> provided a tentative schedule for the BOS meetings on the Warrant Articles and Default Budget.</p> <p><b>Mr. Sorenson</b> concluded his presentations by asking when the Budget Committee might act (i.e., make proposed cuts, if needed) on the Budget, and whether Department heads should attend wrap-up meetings.</p> <ul style="list-style-type: none"><li>• <b>Vice-Chair Rice</b> responded that the BC often waits until the end when all the information is available.</li><li>• <b>Mr. Jasper</b> stated that action can also be taken during presentations and that Department Heads should attend if they are concerned that action might be taken by the BC on their proposed budget.</li></ul> <p><b>Mr. Jasper</b> asked if the Town Assessment was available.</p> <ul style="list-style-type: none"><li>• <b>Mr. Sorenson</b> stated that page 26 has the numbers and that the Town's assessment evaluation has increased by \$100MM. This value applies to how the Town will be valued as of April 1, 2026.</li><li>• <b>Mr. Jasper</b> and <b>Mr. Walsh</b> noted that recently \$50,000 of spending equates to \$0.01 in taxes.</li><li>• <b>Mr. Sorenson</b> noted that the "more accurate" approach is to state a tax rate.</li><li>• <b>Mr. Jasper</b> also noted that the NH Dept. of Revenue Administration (DRA) normally sets the tax rate by November 1<sup>st</sup>, and that this DRA rate currently remains outstanding.</li></ul> <p><b>Mr. Walsh</b> also noted that some of the Target Exactions Funds could be better applied to a Capital Reserve Fund for Fire Dept. equipment.</p> <ul style="list-style-type: none"><li>• <b>Mr. Sorenson</b> said he would review the matter.</li></ul> <p><b>Mr. Cole</b> made various inquiries about the smaller blue binder and Outside the Budget requests.</p> <ul style="list-style-type: none"><li>• <b>Mr. Sorenson</b> provided responses to the inquiries.</li></ul>
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<p>G. New Business (continued)</p>	<p><b>Ms. Boucher</b> asked about the <i>HR Generalist</i> position under the Town Hall employees.</p> <ul style="list-style-type: none"> <li>• <b>Mr. Sorenson</b> stated that upon reconsideration, the greater need was for this position rather than an <i>Assistant Town Administrator</i>. <ul style="list-style-type: none"> <li>○ The current <i>Human Services Specialist</i> handles welfare &amp; HR benefits.</li> <li>○ The <i>HR Generalist</i> position will handle Hiring, Job Descriptions, and other HR matters excluding benefits.</li> </ul> </li> </ul> <p><b>Mr. Jasper</b> stated that ultimately the Town is proposing an increase in spending (from last year) of 7.5%, and that the Budget Committee will need to determine how that increase affects the overall tax rate.</p> <ul style="list-style-type: none"> <li>• <b>Mr. Sorenson</b> noted that, in terms of what affects the tax rate, Water and Sewer come out from the total budget. He also commented that there are several ways to compare the budget (last year's budget total versus this year's budget total, last year's tax rate versus this year's tax rate, etc.)</li> <li>• <b>Mr. Jasper</b> responded that future years will likely not have the \$100MM additional assessment valuation (that might offset the increased spending) and will the employees/items being added to the budget lead to future growth when offsets might not be available.</li> </ul> <p><b>Mr. Sorenson</b> wished the Veterans a Happy Veteran's Day.</p>
<p>H. Other Business and Comments</p>	<p><b>Vice-Chair Rice</b> raised the concern that the School Budget Binder was not yet available.</p> <ul style="list-style-type: none"> <li>• <b>Mr. Kilgour</b> responded that the SAU Budget books would be available November 14<sup>th</sup> at 1:00pm.</li> <li>• <b>Vice-Chair Rice</b> asked that they be provided ASAP.</li> <li>• <b>Mr. Jasper</b> noted the correlation between increased staffing and the lateness of the Budget books.</li> </ul> <p><b>Mr. Kilgour</b> noted the following preliminary SAU Budget Information:</p> <ul style="list-style-type: none"> <li>• The target FY27 Appropriation is \$76,298,091 representing all funds including the General Fund, Revolving Fund, Grants and Food Services.</li> <li>• The School Board has made cuts totaling \$1,899,536 resulting in a revised Appropriation of \$74,398,555, and this figure will be presented to the Budget Committee.</li> <li>• The School Board completed their line-by-line review of the SAU Budget and has made various cuts to facilities, technology, proposed positions, existing positions, replacement furniture costs, etc.</li> <li>• Union negotiations with ASCME and PSRP are going well.</li> </ul> <p><b>Mr. Wherry</b> offered congratulations to the Dumont family on their recent addition.</p> <p><b>Mr. Jasper</b> offered the <i>Alvirne FFA Veterinary Science Team</i> congratulations for placing second in the nation, with which the Budget Committee concurred.</p> <p><b>Mr. Cole</b> made a motion to reduce the School Budget, when received, by 5 million dollars. Vice-Chair Rice seconded. The motion failed with a voice vote of 5-2.</p>

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	<b>Mr. Walsh, Mr. Vurgaropolous</b> and <b>Ms. Boucher</b> offered no comments.
I. Next Meeting	Wednesday, November 12, 2025
J. Adjournment	The meeting was adjourned at 8:02 p.m.

Respectfully submitted,

Robert Wherry, Clerk

### Additional Information:

Recorded by HCTV, reference video:	<a href="https://www.hudsonctv.com/internetchannel/show/14479">https://www.hudsonctv.com/internetchannel/show/14479</a>
Handouts Received	<ol style="list-style-type: none"><li>1. Municipal Budget Committee Agenda</li><li>2. Minutes of the Jun 4, 2025, Meeting – Draft</li><li>3. Town of Hudson – Revenues and Expenditures Through June30, 2025, Unaudited Budget Committee Report</li><li>4. Town of Hudson – Revenues and Expenditures Through October 31, 2025, Unaudited Budget Committee Report</li><li>5. Town Budget Binder #1 (large white binder with budget details)</li><li>6. Town Budget Binder #2 (small blue binder with preliminary notes on department expenditures and project requests)</li></ol>