

**Town of Northwood  
Budget Committee Minutes  
January 7, 2013**

Chair Ginger Dole calls the meeting to order at 7:06 p.m.

**PRESENT:** Chair Ginger Dole, Vice Chair Betsy Colburn, Selectmen Representative Robert Holden, School Board Representative David Ruth, Bonnie Sears, Lois Nichols, James Ryan, Thomas Chase, James Vaillancourt, Board Administrator Linda Smith, and Board Secretary Lisa Fellows-Weaver.

**ABSENT:** Muriel Johnson, and Herb Johnson – both excused. Water District Representative John Jacobsmeyer, John Difeo, and Daniel McNally.

**MINUTES**

**October 24, 2012**

**Mr. Holden makes a motion, second by Ms. Colburn, to approve the minutes of October 24, 2012.**

Page 1: Add: July 31, 2011

Page 2: Delete: asks

**Motion passes unanimously; 7/0/2.** Mr. Holden and Mr. Chase abstain.

**November 14, 2012**

**Ms. Colburn makes a motion, second by Mr. Holden, to approve the minutes of November 14, 2012, as written. Motion passes unanimously; 9/0.**

**November 19, 2012**

**Ms. Colburn makes a motion, second by Mr. Holden, to approve the minutes of November 19, 2012.**

Page 1: Change: ...selectmen... to ...DRA...

Page 2: Change: ...role... to ...roll...

Page 3: Delete: dental

Page 4: Add: *with firefighter/EMT's at the station.*

Page 5: Delete: ...in how it was...

Page 6: Add: ... *the proposed budget*...

Page 8: Add: ...*networks*...; Change: ...property... to ...*data*...; Add: ...*which meets Federal requirements*...; Change: ...the... to ...*another*...

Page 13: typo

**Motion passes; 8/1.**

**November 20, 2012**

**Ms. Colburn makes a motion, second by Mr. Holden, to approve the minutes of November 20, 2012.**

Page 2: Add: ...*each of*...; typo

Page 3: Change: ...services... to ...*served*...; typo

Page 6: Change: ...Police... to ...*Fire*...

Page 7: Change ...is... to ...are...

*Official as of April 30, 2013*

**Town of Northwood  
Budget Committee Minutes  
January 7, 2013**

**Motion passes; 9/0.**

Mr. Holden states that the selectmen reconsidered the amount for warrant article two from \$2.2 million down to \$750,000. He states that Selectman Hadley is here to address any questions the committee members may have regarding the bond and requests that the highway bond article be addressed at this time.

Ms. Dole states that the minutes will not take very long and the committee begins with the minutes at this time.

**TOWN WORK SESSION**

***Warrant Articles***

***Article 2: Highway Improvement Bond***

To see if the Town will vote to raise and appropriate a sum not to exceed Seven hundred fifty thousand dollars (\$750,000) for the purpose of designing, constructing and paving roads, graveling roads and making necessary drainage improvements to town owned and approved highways in the Town of Northwood, and to authorize the selectmen to act on behalf of the town in conjunction with such purposes, and to further authorize the issuance of not more than seven hundred fifty thousand dollars (\$750,000) of bonds and/or notes in accordance with the provisions of the Municipal Finance Act (RSA 33) and to authorize the selectmen to issue and negotiate and regulate such bonds and/or notes and to determine the rates of interest thereon. Furthermore, all future payments of principal and interest for this bond shall be expended from the State Highway Block Grant Special Revenue Fund to be established in Warrant Article 4.

**Mr. Holden makes a motion, second by Ms. Colburn, to reconsider Article 2, Highway Improvement Bond.**

**VOTE: BC, RH, BS, LN, JR, DR, TC, JV, GD. Motion passes unanimously; 9/0.**

Mr. Hadley provides handouts to the committee and explains that back in October the selectmen began discussions of proposing a road bond project. He explains that the selectmen want to make sure that the state would pay 100% of the bond with a highway block grant fund.

Mr. Hadley refers to a sheet from the Municipal Bond Bank showing the debt schedule by year and what the anticipated principal and interest will be. He states that the selectmen are suggesting 2.33% for interest, which he feels is a conservative rate. He states that should the warrant article fail, there is money in the operating budget. The selectmen feel that this is a win-win for the town.

**Town of Northwood  
Budget Committee Minutes  
January 7, 2013**

Selectman Holden states that this is a new idea and the original proposal of \$2.2 million is a large number to begin with. He hopes that by starting at \$750,000, it will pass and we can see how it works and perhaps review the idea again in a few years.

Mr. Chase asks if the highway block grant expected to be received is \$100,000 per year, which is an estimate. Mr. Holden replies yes. Discussion ensues regarding the possibility of the funding of the grant decreasing. Mr. Chase states that the difference would come from other funds. Mr. Hadley explains that in 2008 the block grant was \$29,584,000 and in 2013 it is \$30,250,000. He explains that the change in grant funding during this time is based on new roads that have been put in. The selectmen are basing the estimate of funds on no new roads being built in the town within the next 10 years, which is probably unrealistic. Mr. Hadley states that there is a bill being proposed in Concord that will increase funding for infrastructure. He states that the average increase is 5.8%, over the past 4 years. He adds that the block grants are based on miles of roads in the municipality.

Mr. Hadley states that the selectmen feel that the bond is the best way for the town to proceed to address the road maintenance. He states that this approach will allow the town to catch up on road maintenance. Additional discussion ensues regarding future projects that include another bond for \$750,000, over 10 years, and the payments that could occur from the block grant.

Mr. Vaillancourt asks what is recommended for the highway department expense and the operating budget. Mr. Hadley states that with the budget and bond both being voted on all on the same day, there is no adjusting the operating budget prior to the vote.

Mr. Holden adds that if \$750,000 is approved to improve the roads, there will be some type of adjustment seen in the operating budgets beginning in 2014. He states that the amount is unknown as well as what roads will be done or may have issues that need to be addressed. He states that there will be an expectation that the operating budget would be reduced.

**Mr. Holden makes a motion to recommend Article 2, Highway Improvement Bond, in the amount of \$750,000. Ms. Colburn seconds.**

Mr. Chase states that he has had a discussion with Mr. Strobel and now understands that with the current rate of \$250,000 per year the roads, according to Mr. Strobel, would deteriorate from 73% to 62%. He states that with \$350,000 per year the roads would be around 73%; however, with the expenditures projected in the bond all road quality percentages could be lifted. He states that this had a lot of merit with him as some of the town's roads are

**Town of Northwood  
Budget Committee Minutes  
January 7, 2013**

deplorable and will not improve as these roads do not have a high traffic rate, and perhaps never will be improved. Mr. Chase explains that with the bond, a significant amount of money is spent at a very low rate of interest and a lot of the maintenance that needs to be done is done. He asks what can be done with \$750,000 in two years and will there be a substantial impact on the roads that typically are never addressed. Mr. Holden replies that there will be a significant loss of expectation to fix the roads that Mr. Chase references in reducing the bond to \$750,000.

Mr. Hadley refers to a maintenance plan for the roads based on \$750,000, provided tonight. Mr. Chase asks for someone to speak to the roads that will not be addressed. Mr. Hadley states he is not experienced in road maintenance; however, the person that put the plan together is very qualified. Mr. Holden adds that the selectmen are trying to respond to the concern that there was a ten year bond with a seven year life expectancy of roads. Mr. Holden states that based on that concern the selectmen feel that this is the way to go; however, the impact with the \$750,000 proposed article will be different than with the original proposal.

Further discussion ensues regarding the roads.

Mr. Holden states that the thing to consider is the amount of the bond and consider being in the voting booth. He states that the committee needs to consider losing the bond for \$2.2 million and take the proposal of \$750,000.

Mr. Chase asks if the selectmen have discussed the change with the highway advisory committee (HAC). Mr. Holden states that the time constraints did not allow for a discussion with the HAC. He adds that he requested a special meeting of the selectmen tonight in order to present approved warrant articles to the budget committee.

Mr. Hadley states that his impression from the HAC was that anything other than having funds in the operating budget they would not support. He states that he has not had a chance to attend a HAC meeting recently; however, Mr. Strobel did attend some of the HAC meetings and he has developed a good plan that will put the town on track to 73%, to keep going backwards will cost more.

*Ms. Colburn calls to move the discussion.*

**VOTE: YES: BC, BS, LN, JR, DR, TC. NO: RH, JV, GD. Motion passes; 6/3.**

***Vote - Art. 2 - \$750,000***

**VOTE: YES: BC, RH, BS, LN, JR, DR, JV. NO: TC, GD. Motion passes; 7/2.**

*Official as of April 30, 2013*

**Town of Northwood  
Budget Committee Minutes  
January 7, 2013**

A brief discussion is held regarding the length of time for the bond. Mr. Hadley states that the Department of Revenue and Administration does not allow the selectmen to specify a time frame. Ms. Dole states that she thought it was a 10 year bond. Ms. Smith states that the warrant article does not include a time frame and the budget committee is only recommending the article, as written.

Mr. Vaillancourt states that there is a constraint in the warrant article; it states that all of the money to pay for the bond must come from the special revenue fund.

**Article 11: Lagoon Maintenance & Repair Expendable Trust Fund**

To see if the town will vote to raise and appropriate the sum of thirteen thousand, two hundred seventy-five dollars (\$13,275.00), to be placed in the Lagoon Maintenance and Repair Expendable Trust Fund and to fund this appropriation by authorizing the withdrawal of that amount from the Lagoon Special Revenue Fund held by the Northwood Treasurer.

**Mr. Holden makes a motion to recommend Article 11, Lagoon Maintenance & Repair Expendable Trust Fund, in the amount of \$13,275. Ms. Colburn seconds. VOTE: BC, RH, BS, LN, JR, DR, TC, JV, GD. Motion passes unanimously; 9/0.**

**Article 14: Transfer Station Expendable Trust Deposit**

To see if the town will vote to raise and appropriate the sum of twenty five thousand, two hundred fourteen dollars and seventy-five cents (\$25,214.75) to be placed in the existing Transfer Station Expendable Trust Fund previously established for the purpose of purchasing transfer station equipment and repairing and maintaining the transfer station buildings and to fund this appropriation by authorizing the transfer of that amount from the unreserved fund balance as of December 31, 2012. This amount is the equivalent of the amount received from the sale of recyclable materials in 2012.

**Mr. Holden makes a motion to recommend Article 14, Transfer Station Expendable Trust Deposit, in the amount of \$25,214.75. Ms. Colburn seconds. VOTE: BC, RH, BS, LN, JR, DR, TC, JV, GD. Motion passes unanimously; 9/0.**

**Article 19: Cable Expendable Trust Fund**

To see if the town will vote to raise and appropriate the sum of thirty three thousand, two hundred one dollars and fifty-nine cents (\$33,201.59) to be deposited into the previously established Cable Expendable Trust Fund and to fund this appropriation by authorizing the transfer of that amount from the unreserved fund balance as of December 31, 2012. This amount is equivalent to the amount received as cable TV franchise fees in the year 2012.

**Town of Northwood  
Budget Committee Minutes  
January 7, 2013**

**Mr. Holden makes a motion to recommend Article 19, Cable Expendable Trust Fund, in the amount of \$33,201.59. Ms. Colburn seconds. VOTE: BC, RH, BS, LN, JR, DR, TC, JV, GD. NO: JR. Motion passes; 8/1.**

**Revenue Report**

Mr. Holden will provide the year end revenue report for Wednesday evening.

**November 28, 2012**

**Mr. Holden makes a motion, second by Ms. Colburn, to approve the minutes of November 28, 2012.**

Page 2: Change: ...elect officers... to ...*chair*...; Add: ...*students*...

Page 4: Add: ...*ESL*...

Page 5: Change: ...*is*... to ...*are*...

Page 6: typo

Page 7: Add: ...*webhosting*...; ...*training*...

Page 8: Add: ...*joint*...

Page 9: typo

Page 10: typo

**Motion passes unanimously; 9/0.**

**November 29, 2012**

**Mr. Holden makes a motion, second by Ms. Colburn, to approve the minutes of November 29, 2012.**

Page 1: Change: ...*Finance*... to ...*Business*...

Page 2: typo

Page 4: Add: ...*to new employees*...

Page 6: Delete: ... there are percentages in different locations. She...

**Motion passes unanimously; 9/0.**

Ms. Dole calls for a recess at 8:45 p.m. Session resumes at 8:57 p.m.

**SCHOOL WORK SESSION**

***Warrant Articles***

Ms. Dole states that she received notification from the school board chair that there was an additional warrant article forthcoming from the school. She explains that the article was to be a petition; however, in the interest of time, the school board voted to include this article within their warrant.

**Article 3: School Security**

To see if the Northwood School District will vote to raise and appropriate the sum of thirty four thousand five hundred sixty nine dollars (\$34,569) for the purpose of purchasing new equipment to upgrade school security for Northwood school.

**Town of Northwood  
Budget Committee Minutes  
January 7, 2013**

**Mr. Ruth makes a motion, second by Mr. Ryan, to recommend Article 3, as written.**

Mr. Ruth states that this article was presented to the school board by parents, teachers, and school board members, due to the tragic events that occurred in Connecticut. He explains that members of the fire and police departments have visited the school along with a consultant for security and have provided ideas in order to improve securities. A figure is listed in the article and Mr. Ruth hopes that they will be able to do better with the cost when they purchase the equipment.

Mr. Ruth provides a breakdown of the equipment proposed in the warrant article. He notes that the proposal includes an upgrade of walkie-talkies for better communication within the school and for use outside for bus areas and the playground; add new digital cameras, and upgrade the security at the doors by using swipe cards that will be issued to employees which they will need to access the building. He states that the school board obtained quotes for the project; however, they hope to do better when the project is put out to bid.

Ms. Colburn asks if the school really wants to wait to do these projects and Mr. Ruth replies that the school does not have the money in the budget at this time. He notes that this will be a tight year due to special education costs.

Ms. Sears states that Mr. Hadley provided a worksheet relative to saving money with special education and it appears that the school could save a lot of money. Mr. Ruth states that they have seen similar items over the past few years.

Mr. Holden states that he does not feel that the amount of money proposed is sufficient and will not stop a tragedy from occurring. He states that it will cost more than \$35,000 to keep the children safe. Mr. Ruth states that the intent was to do something fairly quickly and reasonably.

Mr. Holden states that he would build a security office; hire a security firm to be on site every day. Mr. Ruth states that a fence could also be added along the perimeter of the property.

Discussion ensues regarding securing doors and limiting access. Further discussion ensues regarding the proposed equipment. Mr. Ryan states that the warrant article is the first step to securing the school. Mr. Chase encourages the school board to also be aware of the dangers in society which contribute to school violence.

Mr. Vaillancourt states that he would like to see this topic voted on in March and spent in March. He suggests a special warrant article that would allow the

*Official as of April 30, 2013*

**Town of Northwood  
Budget Committee Minutes  
January 7, 2013**

upgrades to be done sooner than later in order to make the school safe for September. Ms. Dole explains that when you incur bills during 2013 fiscal year, those bills should be paid from 2013 funds and Mr. Ruth has indicated that the school does not have the funds available in this budget. Discussion ensues regarding an emergency. Ms. Dole states that this would require a town vote. Ms. Colburn states that security may not be considered an emergency by DRA.

Ms. Colburn asks if any funding may be available in the maintenance line so that the upgraded locks could be done this year. Mr. Ruth states that the replacement of the locks is for the interior door. He describes the new lock system and notes that the locks cost between \$200-\$600.

**Ms. Colburn seconds. VOTE: BC, RH, BS, LN, JR, DR, TC, JV, GD. Motion passes unanimously; 9/0.**

**MS Forms**

A discussion is held regarding who will be completing the MS forms. Ms. Smith states that she will complete the MS-7 form. Ms. Dole will complete the MS-27 form. Ms. Dole, Ms. Colburn, and Ms. Sears will meet and review the forms.

**Next Meeting**

The next meeting will be January 23, at 7 p.m.

Mr. Holden makes a motion, second by Bonnie Sears, to meet January 23, 2013 at 7 p.m.

**Mr. Holden makes a motion to recess is made at 9:45p.m. Second by Ms. Sears. Motion passes unanimously; 9/0.**

Respectfully submitted,

Lisa Fellows-Weaver  
Board Secretary