

**Town of Northwood
Budget Committee Minutes
August 16, 2023**

Chair Dole called the meeting to order at 6:30 p.m.

PRESENT: Chair Ginger Dole, Vice-Chair Tom Chase, Selectboard Representative Pam Sanderson, School Board Representative Todd Abernathy, Gulf Village District Representative Eric Buckland, Cove Village Representative Mike Jobin, Members Betty Smith, Matt Frye, Keith McGuigan, Norman Royce, Paul Tudor, Michael Moore, and Betsy Colburn (participated electronically due to medical reasons). Tim Jandebour arrived at 6:44 p.m.

ABSENT: Daniel McNally (excused); Water District Representative Robert Young, and Ted Wilkinson

TOWN STAFF: Town Administrator Neil Irvine, Finance Administrator Cheryl Eastman, and Land Use Administrative Assistant Lisa Fellows-Weaver

SCHOOL/SAU PERSONNEL PRESENT: none

Chair Dole welcomed Town Administrator Neil Irvine to Town. Mr. Irvine thanked the members for their service to the Town.

MINUTES:

May 10, 2023

On a motion made by Mr. Chase, and seconded by Ms. Smith, the Committee voted unanimously, by a roll call vote, to approve the minutes of May 10, 2023, with edits that do not alter the content of the meeting.

TOWN: Second Quarter

Revenue

Selectperson Pam Sanderson provided a general overview of the revenue report, through June 30, 2023, and commented that this is a positive situation. She noted that Refuse Charges is down, 36%. Ms. Eastman stated that it may be a timing issue when revenues are recorded; she will check with the Foreman.

A discussion was held regarding the distribution of the State's Meals and Rooms tax. Ms. Eastman explained that this is estimated; these are paid out all at one time, in December. Ms. Sanderson noted that overall, the Rooms and Meals tax is less throughout the State.

Also noted was the increase in interest rates, which has brought more interest income overall, 459%.

Ms. Sanderson noted the draft 2022 audit report arrived on Monday. The Selectboard has not reviewed it yet. Ms. Eastman stated it will be posted on the website once approved by the Selectboard.

Expenditures

Ms. Sanderson provided an overview of the expenditure report as of June 30, 2023. She reported that, at this time, the budget is slightly below 50%. There are the typical overages with salt and contracted services, which are due to weather events including the ice storm, excessive amounts of rain, and road damage due to washouts. She added that the utilities remain high as well. She stated that the Audit Services are paid intermittently as the audit process occurs; there is one payment left to be made. She

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noted there are increases shown in medical insurance. She referred to line 41504-4602 and explained that there is an increase shown; this is the perfect example of why a line has been left open with \$1. as there was a purchase made and it has been appropriately allocated to this line.

Ms. Colburn asked about \$38,787. of encumbered funds from last year.

Ms. Eastman explained that the amount shown is the amount carried forward at the end of the year; most have been expended and it will be shown in the 2023 expenditure column.

Mr. Jandebaur arrived.

Mr. McGuigan noted that 41403/Elections is at 56%. He stated that there will be four elections next year; there will be a need for some discussion about the wages as there will be a need for additional workers as one election is a primary.

Mr. Royce stated that Hal Kreider had mentioned at a Selectboard meeting that there was a potential for some legal fees. Ms. Sanderson stated that it is ongoing and is not certain; it is fluid.

Mr. McGuigan asked how legal fees are noted. Ms. Sanderson replied that any expenditures will be noted in the report. Ms. Eastman explained that all legal fees are allocated in Legal/41530, and most departments have \$1 in their budgets for any legal expenses.

Ms. Sanderson mentioned the Cemetery has reached 98%. She explained that this is typically due to seasonal expenditures, which are going on now. Ms. Eastman added that there is \$4,500 encumbered for additional contracted services.

Ms. Colburn asked about social security as compared to wages, line 42200-4100. Ms. Eastman stated that full-time Fire do not have social security taken out, only FICA. She offered to run a detail and added that it is the same situation with full-time Police.

Ms. Sanderson noted that there has been an increase in wages shown in 42400/Building-CE (Code Enforcement) as there was a lot more work being done; it has been very busy as shown as the bottom line is at 61.5%.

Ms. Colburn referred to line 42200/4380 -Building Maintenance & Repairs and asked about the overage. Ms. Eastman replied that she believes this was due to the door maintenance. She will provide additional information for the next meeting.

Mr. Royce asked about the overage in 42200/4419-Mutual Aid. Ms. Eastman stated that the payment for mutual aid is made yearly; it has been paid this year. Ms. Sanderson commented that this has been an active year for the Fire Department.

Ms. Sanderson noted the overage in 43121/4914-Road Damage Repairs and stated that this is another area where the line was kept open with \$1, and it shows the line being over expended. She explained that \$22,000 in repairs are needed to the backhoe and the Highway Department is currently renting an excavator.

Ms. Dole stated that the Town just finished paying for the backhoe; it should have lasted longer than it has. She suggested that it be checked into as the issue could be determined to be faulty equipment, etc.

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Mr. Moore asked about the paving schedule and what has been done. Ms. Sanderson stated that nothing has been done to date. Discussion ensued relative to funding road construction and paving projects by using the warrant article, operating budget, ARPA Funds for Gulf Road, and the trust fund.

Ms. Colburn noted that there are many road signs missing. Ms. Eastman stated that the signs come from the Highway Department's budget.

Ms. Sanderson stated that snow removal is at 125%; this will be a problem. Mr. Tudor stated that it was a mild winter. Ms. Sanderson stated that there was an increase in the price of salt.

Mr. Tudor asked about the lagoon and closing costs. Ms. Sanderson stated that there will be a need for additional funds. She explained that there is a 2025 closure plan for the lagoon. NHDES now has new tests and the closure plan from 2005 will not be enough of what they want. She stated that the Selectboard is considering adding this item to the CIP. She added that the burn pit will also need a new location. NHDES has new standards for burn pits as well now. In addition, the glass still needs to be removed. She stated that she feels that there will be fees associated with the closure. Ms. Dole added that the total is \$119,000 in the account, at this time.

Mr. Moore asked about the grant as noted in the library's budget, line 45500/4910 for \$1,600. Ms. Eastman stated that the grant was received from the United Way for new furniture. She explained that funds must be shown as revenues as well as expenditures and this shows what has been spent.

Ms. Dole asked about donations and the payout process. Ms. Eastman explained that typically the entity will request payment in the fall and will also submit a request for the following year at that time.

A discussion was held regarding the billing fees from the ambulance funds. Ms. Sanderson stated that Comstar handles bills and receipts for the ambulance billing now. Ms. Eastman stated that confirmation was provided by Town Counsel and the auditors for this process.

Discussion ensued regarding the warrant article for the payment of the chassis and other payments to be established as annual withdrawals. Ms. Dole stated that the forestry utility article and parts also came out of the ambulance fund. She added that she recalls there was also a delay in getting the chassis.

Ms. Colburn requested that the Committee receive a copy of the legal opinion.

Ms. Sanderson stated that the ambulance fund is being watched for year-end projections; it is good and healthy. She added that with the data systems installed projections can be run for best-case and worst-case scenarios.

Treasurer Report

Ms. Sanderson stated that the Treasurer's report provides information relative to the escrows and bond accounts.

Other

Ms. Sanderson stated that another expenditure using ARPA funds will be in

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conjunction with the School for the emergency generator. Final figures are currently being obtained. Any other expenditures will be addressed on a case-by-case basis for the remainder of the funds by the 2024 deadline.

SCHOOL: Fourth Quarter

Todd Abernathy presented the School's Budget.

Mr. Abernathy stated that the budgetary discussions have not begun yet for 2024-2025; the discussions will begin in late September to early October.

Mr. Abernathy stated that the School Board has approved removing the old oil furnace, which will be replaced with more efficient, propane furnaces.

Mr. Abernathy explained that the plans for the generator have also been reviewed for the installation at the School. A breakdown of installation dates was also provided; work will begin within the next few months.

Mr. Abernathy stated that fuel negotiations have begun for winter fuel. He added that solar options are still being explored; there will be no cost to switch. He added that the School Board received information relative to the roof mounting, which will coincide with the roof replacement, to occur in four sections. The power outlook will be about 102% of the current use, allowing the School to send back to the community, or sell, or provide credit for the overages.

With regard to staffing, Mr. Abernathy explained that the School currently has openings for NECC tutors. If unable to fill these positions, the School will need to subcontract out, which will be an increase to the Special Education budget.

Mr. Abernathy stated that the audit was received with zero discrepancies.

A discussion was held regarding enrollments. Mr. Abernathy stated that the preschool numbers are as expected, and kindergarten classes are holding steady for FY 23-24.

Mr. Chase asked about CBNA enrollment for the incoming school year; there was a small senior class of only 34 for 2023. Mr. Abernathy stated that there will be 44 incoming freshmen; there was some speculation of additional students coming in but that has not been finalized.

Ms. Dole referenced the Out-of-District-Placement report and asked if the report represents the students in specific programs as of June 30 or if it is anticipating FY 23-24. Mr. Abernathy stated that it is for the number of students they are aware of.

Mr. Chase mentioned the Special Education warrant article and suggested this Committee looking into setting funds aside more aggressively for Special Education. General discussion ensued relative to unanticipated costs for Special Education.

Internal Business

Rules of Procedure

The Rules of Procedure were read by Chair Dole. Lengthy discussion was held relative to verbiage and potential changes.

Mr. Chase made a motion to accept the Rules of Procedure as read noting the staff title changes. Mr. Tudor seconded.

Official as of October 30, 2023

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Mr. Moore amended the motion, to change at 10 PM to “by 10 PM”, and change or 4 PM to “by 4 PM”. Seconded by Mr. Abernathy.

Chair Dole called for a recess at 8:15 p.m. Session resumed at 8:22 p.m.

Chair Dole suggested to table this item. Copies will be emailed out to members and if members have proposed changes, they are to email the suggestions to Linda Smith.

On a motion made by Mr. McGuigan, and seconded by Mr. Frye, the Committee voted unanimously, by a roll call vote, to table the Rules of Procedure to the Committee’s next meeting.

Next Meetings

The Committee’s next meeting was scheduled for October 30th at 6:30 p.m. for the third quarter for the Town and first quarter for the School.

Additional meetings were scheduled as follows:

December 2, 2023, for the first work session for the Town; 9-4.

December 9, 2023, for the work sessions for the School and all Districts; 9-4.

Materials to be provided to Staff by November 15th and mailed out no later than November 20th.

Calendar of work session dates to be provided by Staff at the October 30th meeting.

Ms. Colburn stated that in prior years, the Committee was provided with a list of positions with the employees and the wages. She requested that this information be provided to the Committee as a part of the budget packet. Ms. Sanderson stated that the information is noted on the website.

Discussion ensued as to the items and the process of obtaining/requesting information. Chair Dole stated that she will reach out to Linda Smith and review former lists of items previously requested. She added that if members have any specific items they would like they should contact her.

ADJOURN:

On a motion made by Ms. Colburn, at 8:47 p.m., and seconded by Ms. Smith, the Committee voted unanimously, by a roll call vote, to adjourn.

Respectfully submitted,



Land Use Administrative Assistant