



TOWN OF NORTHWOOD, NEW HAMPSHIRE

BUDGET COMMITTEE

818 First New Hampshire Turnpike, Northwood NH 03261
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December 4, 2021

Chair Ginger Dole called the meeting to order at 9:00 am and opened the work session

PRESENT: Ginger Dole, Chair, Tom Chase, Vice Chair, Betsy Colburn, (participated electronically) Brad Hall, Tim Jandebour, Dan McNally, Michael Moore, Steve Robinson, Betty Smith, Paul Tudor, Ted Wilkinson, Pam Sanderson, Selectmen's Rep Jim Guzofski, School Board Rep Brian Winslow, Water District Rep Bob Young, Gulf Village Rep Eric Buckland, Cove Village Rep Mike Jobin.

Betsy Colburn is not attending in person based on her doctor's orders.

Town Staff:

Town Administrator Walter Johnson, Finance Director Cheryl Eastman, Land Use Specialist Linda Smith.

Select Board Present: Matt Frye and Hal Kreider

Town FY 2022 budget

Police: 42110

Chief Drolet was present to discuss his proposed 2022 budget. He stated that there wasn't a lot of big-ticket increases, most increases are in the salary and the benefits line. This year they worked with the Police Commission and the Board of Selectmen to try to increase the wages of the officers in order to be more competitive and are using funds that they had left from positions (not filled) through this year, so that's the majority of the increase. Tudor asked a question that was unintelligible. Chief Drolet stated that they need to fill the vacant position to have enough officers on staff, and they also have an officer that is deployed for over a year. He stated that he worked with the Board of Selectmen and they approved the back filling of the deployed officer's position, and then accepting that position afterwards. Mr. Tudor asked if they would typically fill a vacant position with a full-time position. Wouldn't they just hire a part time person? Chief Drolet stated no, usually they wouldn't even fill the position, but they had an open position, a deployed officer and a part time officer that is not here any longer, and during the discussion with the BOS, it was determined that it was the best to fill the position. They haven't had a new officer in this town since 2008. Mr. Tudor asked if there was a point in which when they hit a certain number of officers that a requirement for a union would kick in? Chief Drolet stated no.

Police Commission: 42100

Nicole Rodler, Police Commission Chair. Ms. Rodler stated that they have kept everything pretty much status quo across the board. They increase a small amount so the board administrator could purchase a few items that she has been able to nurse along for many years, but need replacing now.

Fire Department: 42200

Chief Tetreault was present to discuss his budget. He stated that his proposed budget is a pretty minimal increase over last years requested budget. He's been the fire chief for the last 4 budget cycles, and he has yet to work under his own budget. Understanding that the community has voted a default budget a number of years in a row, he has tried to minimize any increases, although they do have inflation and there is only so much you can do with increasing operational efficiency before they need to propose some increases. This year, working with the Board of Selectmen, they talked about fixing the Fire Department Call Company payroll. Currently the call fire fighters make \$10 an hour when they come back for a callback. That doesn't even cover the gas to get in to respond. They proposed paying them one straight rate. They get paid more money covering a shift, so they proposed to pay one rate for each. If they make \$15 an hour covering a shift, they will make \$15 an hour for call back. Like any other fire department in the country, they struggle with retention and recruitment of call fire fighters, so he felt that compensating them appropriately would be a good thing. Ms. Sanderson asked what the \$5,000 difference was between his budget and the BOS's budget? Chief Tetreault stated that was where the BOS trimmed \$5,000 from the equipment line. They didn't spend that line, so the BOS felt they could trim it for next year. He stated that his only hope is that if they do get a budget for this year moving forward, that they don't get stuck with that. He feels they can tolerate that trimming this year, and hopefully they will get a budget in the coming years. Mr. Tudor stated that he noticed that both the fire and the police held the fuel and the heating cost at the same level as 2021, which seems a bit ridiculous. Chief Tetreault stated that he agrees, but when they were working on the budget, they did not anticipate the cost of fuel going up. Chair Dole asked about the \$100,000 increase in his requested budget. Chief Tetreault stated that it is predominantly salaries. The default budget did not include his salary, as well as the salaries that have been increased for the full-time personnel, the goal is to have 24/7 coverage with two people at the fire station, and that's where most of that money is allocated. Mr. Tudor stated that wouldn't those wages be in the actuals for this year? It looks like they will come close to the default budget, with all of those salaries in the budget. Chief Tetreault stated that he understood that they would be over quite a bit on the salary lines. In the last year, the Selectmen requested that they not spend a lot of money on the things that they needed, but could do without for at least this year. For instance, they didn't buy a lot of personal protective clothing this year, and those have a shelf life. The numbers may be a bit misleading. They will need to buy those items next year. Chair Dole asked about the warrant article for paving the Narrows Station. Chief Tetreault stated that ramp in the parking lot is in deplorable condition. It's time to replace the pavement.

Highway Administration: 43110

Public Works Foreman Chris Brown was present to discuss his budget. He stated that there were minimal increases in his budget. There were a lot of decreases in some areas that have historically been excessively high. His budget is pretty self-explanatory. Chair Dole asked about the mini excavator and the chipper. Mr. Brown stated that \$18,000 was a 6-month lease. In the last year, he saved approximately \$4,000 doing in house projects himself. All of the culverts, all of the ditching and things like that. In 2018 and 2019, there was over \$100,000 that the highway department spent on ditching and culverts. In the last two years since he's been the Public Works Foreman, he hasn't spent a dime on those projects. Mr. Tudor asked what the monthly lease was on the mini excavator. Mr. Brown stated it was \$3,000. Mr. Tudor asked if it was more efficient to rent it monthly for when they need it, rather than keeping it for 6 months when it won't be in use the entire time. Mr. Brown stated that when he took the job over two years ago, there hadn't been a lot of ditching done until the last two years, so it's been used pretty much the entire 6 months.

Highway warrant article: New Dump Truck

Mr. Brown gave the board the breakdown of the proposed new dump truck.

Highway warrant article: Road Paving.

Mr. Johnson stated that they have been working on a road plan with SRPC, and they expect to have the final plan within the next week or so. It will be posted on the website.

Sanitation Administration: 43210

Chair Dole asked about line 4360, heating and propane being at \$1.00. Mr. Brown stated that they purchased a waste oil burner for \$12,000, because it was costing them \$8,000 to have hazardous waste removed. The waste oil that they are burning now heats the DPW building, which in turn saves them about \$3,000 a year.

Library: 45500

Gail Tobbe and Donna Bunker were present. Ms. Tobbe stated that the selectmen's suggestion on cutting the library budget is a breach of trust. According to RSA 202 A Section 1, the library is autonomous. They go to the selectmen only as a courtesy. They come to the budget meeting because they are required to attend. The Budget Committee are the ones that have the fate of the library budget in their hands, not the selectmen. She stated that they have been doing this as a courtesy for years. Some years, they have negotiated but they have not had any communication this year. Ms. Bunker stated that the budget that they were presenting today is the budget that they would like so they will be able to provide services to the town. The biggest increase in this budget is the salary lines and benefits. Mr. Tudor asked why they were adding an assistant librarian and a full-time assistant librarian? Ms. Bunker stated that they have had staffing shortages this year. They had two part time library assistants, and one resigned. The remaining part time library assistant has become their assistant librarian. Mr. Tudor asked why the overall salaries are up over \$40,000 over the default budget. Ms. Tobbe stated that the Trustees decided that Library Director Donna Bunker should be given the salary level that all of the other department heads in this town have. Ms. Bunker is probably the most senior of all department heads, with responsibility of a municipal building, of her budget and of multiple employees, and she isn't making what she should. The committee cannot ignore 35 years' experience, two times recognized as the best in New Hampshire by the library association. In order to come to that figure for her salary, they looked at the factor evaluation system that is used by the United States Department of Personnel. Her factor points are high. That's how they came to the figure that they did. When you say there is \$30,000, the other part of that is because they are adding a full-time position, which comes with benefits, which is close to \$25,000 that needs to be added to the budget, because the person who they will put in that position might want a family plan.

Discussion ensued among the members about which budgets should be looked at in further detail.

Building: 42400

Jared Shaheen, Code Enforcement/Building Inspector/Health Officer was present to speak for his budget. He stated that his budget was pretty limited. He didn't request many increases, although there is a bit of an expense for vehicle maintenance. At the last inspection, they were told that it would need some work before it would pass again next year. There are some computer software and training costs requested as well. Selectman Kreider stated that compared to past years, they have prorated the clerk that supports this department. It looks like it is a lot higher, but one of the primary reasons is that segregation of the clerk's time so they can truly see what each department's cost is.

Emergency Management: 42900

Mr. Young stated that the committee might notice a difference between his requested budget and that of the Selectmen. He stated that his department had added \$4,000 into the budget in a line item that that was entered as \$400. That had been done with the idea that the town would be updating its local emergency management plan. They have hired a contractor to do that. His question had been if they needed to add it to the budget so they have the ability to spend, but because the budget is as large as it is, the authority can come from someplace else. The other thing is that the selectmen had removed about \$500 from the equipment line. Most of the budget relies on supplies for the sheltering. They are currently working on a plan with the school to improve sheltering.

Chair Dole stated that the question had come up in a prior meeting about when to take votes. She stated that she believes the conclusion was that they would be looking at soft votes for each department as opposed to recorded votes. They will not be taking a final vote on the total proposed budget until after the public hearing. In the meantime, they need to have numbers that they as a committee feels comfortable recommending to the town. Unless there is opposition to the selectmen's column in each department, her suggestion is that that is what the look at, and if they feel changes should be made, they will address them at that time.

Selectmen: 41300

Chair Dole asked who the department head is for the departments that fall under Town Hall. Mr. Johnson stated that he was the department head for those departments. Obviously, when it comes to the Selectman's budget, he simply brings back the previous years budget, and then the board had a discussion about their budget at one of their regular meetings when they are doing budget review.

Mr. Jandebaur stated that as they go through this now, his personal opinion is that it is imperative that they look at every penny that is being spent. If some of the members think that a 9.73% budget increase is going to go through this town, then you are not going to be happy. He thinks that sad, because he had hoped that the Select Board would come to them with a budget that the committee could get behind and support, but a 9.73% increase will not do it. They need a budget that will pass.

Selectman Guzofski stated that as they are looking at the budget page, they will notice that on some of the departments, old account numbers do not always feed into the same accounts, because they went through a complete change. They bought new financial software. What that allowed them to do was to take the opportunity now to get new account numbers which follow and correspond with the Department of Revenue's reports. It will help with the reporting to the state. He stated that they also took this opportunity to reallocate money by putting proper item lines under the proper departments. This is a more comprehensive budget, the right people are in the right places, so to speak. COVID has thrown the town for a loop, and hopefully it's caused them to take a step back and reevaluate things. He stated that he hopes that they will all view the budget process from a new perspective. With fresh eyes and realistic perception, so that they can move the town forward for the benefit of all the residents. In light of complete transparency, he stated that he actually voted against the budget when the selectmen voted. The reason wasn't that he was against the bottom-line number, because he feels that it's a fair and moderate increase since they have been in a default budget for the last 3 or 4 years, and continuing in a default budget will only hinder the ability to move forward. The expenses continue to increase, and these issues need to be addressed in order to keep the town functioning properly, along with providing a level of service our residents deserve. He stated that he voted against the budget because he didn't feel the priorities contained within the budget were properly addressed.

Ms. Sanderson stated that she has scrutinized this budget line by line to the penny. She stated that she is also in the spirit of transparency and what is best for Northwood. The upgrading of the budget process to the new description and accounting numbers is vital. You cannot operate any budget without having your ducks in a row. This budget format is very important. It's been put off year after year, even though we have the software and technology to be able to upgrade to the year 2022. They do have to step a little bit away from the past in that prices are up. They have seen that to get good quality employees for the town is vital to what they have to do. She asks that they look at this with an open mind and with the concept of the year. This is not the past, and they have to look forward to what is good for Northwood.

Selectmen (continued)

Ms. Sanderson asked about the recording secretary position. Will that be offset in another category? Mr. Johnson stated that they went through a transition this year when they lost one of their full-time employees and they combined responsibilities and took a part time position and made it full time. It only cut them by a half a position. As a result, it started to put an additional workload on the remaining staff, so now they are budgeting for the Selectboard meetings to have an independent individual outside of their normal responsibilities doing the minutes.

Town Administrator: 41301

Mr. Jandebaur stated that these are two little small items. Training is \$1,200. This year they have only spent \$155. He feels this should be reduced to the \$200 and saving the town \$1,000. In travel, they haven't spent anything in a few years. That \$2,250 should also be removed.

Motion: that the committee reduce line 4810 from \$1,200 to \$200 and reduce line 4280 to \$1. for a new line total of \$115,353.

Motion: T. Jandebaur

Second: B. Smith

Discussion: Selectman Kreider stated that the Budget Committee should be aware that both of these items are contractual obligations. It's in Mr. Johnson's contract that he get training and travel. Not all of the travel expenses have been submitted. Training is important. If they don't keep on top of it, they can't expect the best out of Mr. Johnson. Certainly, the Budget Committee can cut it, but with Covid, some of the training did not happen this year as originally planned. As things improve, there will be training offered, and the town will have to pay for it. If they cut it, it just means that it will come out of someplace else when the expenses occur.

Tom Chase, yes. Betsy Colburn, no. Dan McNally, no. Brad Hall, yes. Tim Jandebaur, yes. Michael Moore, no. Steve Robinson, no. Betty Smith, yes. Paul Tudor, yes. Ted Wilkinson, no. Pam Sanderson, yes. Jim Guzowski, no. Brian Winslow, no. Bob Young, no. Eric Buckland, no. Mike Jobin, yes.

Motion fails by roll call vote 6/11

The committee broke for lunch at 12:20 to 1:30

Betsy Colburn and Dan McNally were excused after lunch.

Discussion ensued about procedure and the responsibilities of the committee pertaining to creating a budget and the final number that goes to Deliberative Session.

Executive Office 41303:

No questions or concerns at this time.

Voter Registration 41402:

Chair Dole stated that her concerns with this request as well as elections, was that they are still working with an amount from 2018, which had three elections, but this year, there are also three elections but the difference is that the rate of pay for supervisors or clerks changed last year. She stated that she didn't believe that was accounted for in these numbers. Ms. Eastman stated that the rates for the supervisors of the checklist and the ballot clerks are the current rates that they are being paid. Mr. Johnson stated that Chair Judy Pease has confirmed these numbers.

Elections 41403:

No more questions or concerns at this time.

Assessing 41502:

Mr. Jandebaur stated that he wasn't sure how the total for this line is \$105,000. He stated that his recommendation is to cut that by \$30,000 out of "Cross Country Appraisal" and "Statistical Update". He stated that maybe they need to look for a new company. Mr. Johnson stated that the town is required to maintain values of the properties in town under state law. Cross Country Appraisal is their contracted appraising company that manages the values for the town, which is the standard annual contract of \$54,400, which covers all of the day to day assessing functions that are required for the town to complete. In 2020, there was a revaluation, which was a significant increase in the budget and cost. One of the things that they have determined while looking at the statistics for 2021, is that there are a number of properties that are out of compliance with market value. The town is required to stay within 10% of 100% with the property values from year to year. They are already seeing certain segments of the property value market falling out of that range, some events falling below 70% due to the market conditions. It was a prudent discussion and recommendation from the Select Board to do a statistical update in 2022, in order to adjust values back in compliance where needed so they don't run into another situation as they did in 2020, when they were adjusting market values that were 5 years old. That had a significant impact on people's lives in terms of the property tax increase due to the value changes. Selectman Kreider stated that he wanted to echo Mr. Johnson's sentiments. The disruption caused by waiting so long on the revaluation until 2020, was probably the bulk of all citizen comments he's heard over the last year. He committed to advocating for an update much more frequently and staying in sync with the market so they don't have these disruptions. Chair Dole stated that she understands Cross Country Appraisal monthly fee, but is she naïve in believing that the monthly fee will cover any new construction that needs to be assessed, and if that is the bulk of what the contract would cover, wouldn't there be time under that contract to do these statistical updates without having to have additional amount to do that? Initially, \$50,000 was requested and the Select Board reduced it to \$30,000. She stated that she was curious as to why they reduced it, and can't the statistical update be incorporated in to the contract that they are already paying for? Mr. Johnson stated that the short answer is, if you hire someone to paint your house, and then ask them to paint your garage, they are going to charge you more because it wasn't included in the original quote. They are two separate functions, the normal accessing function which is covered under the standard contract which is the \$54,400. The extra \$30,000 is to do a whole different set of functions in terms of preparing a market assessment and updated values, which is really not related only to new construction. This is

going out and doing a whole market update. \$50,000 was the original quote, and after he sat down with the assessing company and told them that wasn't feasible, they negotiated the contract down to \$30,000, which puts a little more responsibility on staff in terms of some of the functions like arranging for taxpayer hearings, etc. The Select Board entered a five-year contract in 2020, so this is the second year of the contract in 2022. Mr. Tudor asked if it was a physical appraisal? Mr. Johnson stated that it is a statistical update. Every year a portion of the town is looked at in order to update the physical data of each individual property in town. That is required every five years, so rather than doing it all at once, it's done over a 4-year period. That is included in the \$54,000. For the most part, this is not just statistical, but it is verifying sales data and that type of thing that is required in order to support the numbers that the assessor comes up with in the outcome of the reassessment.

Personnel Administration 41550:

Mr. Jandebaur stated that this concern will also come up later in the Police budget discussion. He stated that, in the environment that they live in today, with the cost of living going up tremendously for everyone, he disagrees with the two new positions in town, one at the police department, the other being at the library. He stated that he feels that too many people don't understand or forget about the fact that there are a lot of extra costs for a full-time employee versus a part time employee. He stated that he has reduced the figure for insurance in that line to \$38,000, as well as dental for a total of \$40,000 less than what was requested. Discussion ensued about the need for the two positions.

Police Department 42110:

Mr. Tudor stated that he has two problems with this budget request. One is the full-time position; the other is the cruisers. They bought two cruisers two years ago, and another cruiser this year. How many cruisers did they need? He stated that he would like to take both of those out of the Police Budget.

Motion: To reduce the PD budget by removing the cruiser and the full-time position

Motion: P. Tudor

Second: T. Jandebaur

Discussion ensued about the need for the full-time police position.

Motion withdrawn after discussion.

Motion: To remove the cruiser from the PD budget

Motion: P. Tudor

Second: T. Jandebaur

Tom Chase, no. Brad Hall, no. Tim Jandebaur, yes. Michael Moore, no. Steve Robinson, yes. Betty Smith, no. Paul Tudor, yes. Ted Wilkinson, no. Pam Sanderson, no. Jim Guzowski, yes. Brian Winslow, no. Bob Young, no. Eric Buckland, no. Mike Jobin, no.

Motion fails 4/11

Fire Department: 42200

Mr. Jandebaur stated that what this really comes down to is the amount of money in the budget versus the Chief's salary. Because he isn't privy to all of the particulars, his figure is quite a few thousand dollars north of \$100,000 when you add in insurances, retirement and

social security. The budget only allows \$10,000 for a Fire Chief. He stated that Northwood went away from a mostly volunteer department that was staffed by mostly Northwood residents, now they have far more full time, including the Fire Chief who makes a lot of money. He stated that he doesn't see any improvement. He doesn't understand why the town went in this direction, spending this much money. Selectman Guzofski stated that they are trying to look forward, rather than backwards. He stated that he has gotten to know the Chief pretty well, as he is the Chaplin at the fire department. He's gone out on two calls since he's started. There was a fatal accident on the Friday after Thanksgiving at the Mobil station. That was the first fatal accident that he has shown up to. He stated that to see how the department ran, to see the Chief organizing it and supervising all of it, he cannot see cutting anything from the Fire or Police Department for personnel and to pay the personnel. To say we are a small town and we don't need as much emergency services, Northwood is a small town on Route 4 between Concord and Portsmouth, there is a ton of traffic coming through. Northwood still responds to everything on Route 4. These departments don't make what they are worth. He stated that he saw two Jaws of Life working at the same time, and a spreader to get the dashboard off of the victim. Chief Tetreault stated that the Fire Chief salary is not \$10,000. When he was hired, they took one full time position and combined it with the \$10,000 allocated for the Fire Chief and stipends and then put that into the Fire Chief salary line. As of today, he makes about \$16,000 more than all of that put together. He isn't sure why the battle cry seems to be the Fire Chief is making over \$100,000, because that is a misrepresentation. You don't talk about the Police Chief that way, or the Public Works Director, only the Fire Chief. He stated that he makes a little north of \$70,000, and that is a fair salary. In his time in Northwood, they have brought most of that money back in grants. He stated that he is a pretty successful grant writer, and they have brought in thousands of dollars in grants. Without the Fire Chief, you wouldn't be getting those grants. As the Fire Chief, he rides the ambulance every single day. He's not only the Fire Chief, but also on the floor working as a Fire Fighter and an EMT. One of the battle cries is that the Chief doesn't fight fire. That's not really true either. As a Fire Chief, if he needs to go into the burning building and fight the fire, he will. He is willing and able to do that. But that's really not his job. His job is being outside coordinating the operation, making sure everyone is accounted for, running the scene and calling for resources. The misrepresentation about his position has been going on for 3 years now, and it's becoming destructive. Selectman Kreider explained that the ambulance revenue had increased over the last year.

Highway Administration: 43110

No questions or concerns at this time.

Paving and Reconstruction: 43120

Mr. Chase asked if there were plans to do anything on High Street about the culverts. Mr. Brown stated that they plan to apply for a 60/40 grant similar to what they got for the Bow Lake Bridge project.

Highway Cleaning and Maintenance 43122:

No questions or concerns at this time.

Snow and Ice Control 43123:

Mr. Moore asked about the \$30,000 difference between the department head request versus the BOS recommended amount in the snow contracted services line. Mr. Johnson stated that they have been using fewer outside contractors and more in house staff. Mr. Brown stated that they are using a different sand provider now that is less expensive than the previous supplier.

Animal Control: 44140

Mr. Jandebeur stated that this was one of the areas that he reduced by \$3,000 because of looking at past years.

Community Support Agencies: 44450

Chair Dole stated that they have been informed of an addition to this line for Ready Rides. They would like to add \$1,500.

Recreation: 45200

Mr. Jandebeur asked why the Recreation Director pay has gone from \$23.61/hour to \$28.00/hour? Mr. Johnson stated that last year there was a proposal in the budget to hire a full time Rec Director. As a result of the vote where they ended up in default, they decided to take a step back and look for a part time Rec Director. They were fortunate enough to find someone with an excess of 20 years' experience that was willing to work with Northwood as well as another community to fill that position. During the budget process and discussion with the Rec Director, he felt that perhaps this wasn't a time that they would need to go back and request a full time position again, even though he didn't exclude that from the future, but he did feel that because of his responsibilities and now lack of staff, it would be something that he would be willing to continue, but he was looking for a more substantial rate, since there are no benefits extended to him, so that was the proposal that was brought forward.

Minutes:

Motion: To approve the minutes of October 21, 2021, as amended.

Motion: B. Smith

Second: T. Wilkinson

Motion carried by roll call vote 14/0/1

Motion: To approve the minutes of November 1, 2021, as amended.

Motion: B. Smith

Second: B. Hall

Motion carried by roll call vote 12/0/3

ADJOURNMENT

Mr. Wilkinson made a motion to adjourn at 4:00PM. Ms. B. Smith seconded. Motion carried by roll call vote 15/0

Respectfully submitted,

Susan Austin, Land Use Assistant