BOARD OF SELECTMEN
TOWN OF MADISON
August 18, 2026
WORK SESSION MINUTES

Meeting Called to Order – The Board of Selectmen Work Session was called to order at 2:40 p.m.

The Board stated that the purpose of the meeting was a work session regarding the Town's global budget. The regular Board meeting agenda and public comment would be addressed at the meeting scheduled for later that day.

Global Budget Review

The Board and Town Administrator reviewed the Town's current budget-to-actual figures and expenditure drawdown. Particular attention was given to expenditures associated with road repairs following the June storm.

At the time of the report, approximately $351,499.87 had been spent on road work. Road improvement expenditures were approximately $288,482 above the $50,000 budgeted amount. The Board discussed how the additional road work, outstanding paving, and other expenditures would affect the Town's overall year-end budget position.

The Town Administrator explained that although individual lines were significantly over budget because of the emergency road work, the Town could potentially remain within its total appropriated budget if sufficient savings occurred elsewhere. The Board discussed the distinction between the operating budget and separate warrant article appropriations and reviewed the prior year's unexpended appropriations and fund balance.

The Board also discussed the potential need to request approval from the Department of Revenue Administration for an emergency over expenditure. The Town Administrator explained that a specific final amount would be needed for the request and that the storm represented an unforeseen catastrophic event rather than a budgeting issue.

Cash Flow

The Board reviewed projected expenditures through the remainder of 2026 and the Town's available cash. Although the Town may ultimately remain within or near its overall appropriations, the timing of revenues and expenditures was identified as a significant cash-flow concern.

The discussion included outstanding and anticipated payments for the school, Carroll County, Village District of Eidelweiss, the dam, the new DPW truck and outfitting, road work, warrant articles, and other municipal expenses. The Town Administrator proposed revising the remaining school payment schedule to distribute payments more evenly through the end of the year and reduce the immediate impact on the Town's available cash.

The Board also discussed the importance of establishing the 2026 tax rate as early as possible so that final tax bills could be issued. This would require timely completion of the necessary documentation by the Town, school, Village District of Eidelweiss, and County.

Tax Anticipation Note

The Town Administrator discussed establishing a Tax Anticipation Note (TAN) as a safeguard against the projected cash-flow shortage. The Town had used a TAN previously, and the Board discussed using one as a short-term source of available cash until final property-tax revenues are received.

The TAN could be established without necessarily drawing upon the funds; interest would apply only to funds actually used. Any amount borrowed would need to be repaid by the end of the year. The Town Administrator advised that final property-tax collections were anticipated to provide sufficient revenue to repay any amount drawn.

The Board reviewed whether Town Meeting authorization would be required. It was explained that the Selectmen had previously been granted authority to obtain a TAN, allowing the Board to proceed without obtaining new authorization at Town Meeting. The Board discussed working with Camden National Bank, where the Town's accounts are maintained, to establish the financing and connect the appropriate Board members with the bank's municipal representative.

No formal motion to obtain or establish the TAN was made during this portion of the work session.

Road Repair and Paving Priorities

The Board reviewed whether planned 2026 expenditures could be reduced or deferred to offset the emergency road-repair costs.

Discussion focused on the $260,700 road paving warrant article, which included, but was not limited to, Mooney Hill Road, Town Line Road, and Deer Drive. Because the appropriation was non-lapsing and the article used "including but not limited to" language, the Board discussed whether available paving funds could potentially be redirected to another qualifying road project.

The Board considered postponing Deer Drive and applying available paving funds toward the more urgent storm-related work on Colby Hill Road. Members emphasized that Colby Hill needed to be made suitable for winter maintenance and snowplowing. The Board also discussed approximately $18,000 remaining from a prior paving appropriation and whether those funds could be used toward Town Line Road.

The Board reviewed the alternatives for Colby Hill Road. The more comprehensive Pike proposal was approximately $233,000 and included cold planning, binder, driveway tie-ins and an overlay of the roadway. A less expensive approach of approximately $188,000 would primarily repair damaged areas. Members discussed whether choosing the lower-cost option would create a greater future expense when the Town subsequently needed to return and complete the roadway.

After reviewing the scope of the larger proposal, the Board noted that the approximately $233,000 option would provide a substantially more complete repair. Culvert and drainage work on Colby Hill had already been completed, leaving the road ready for paving.

There was general interest in discussing with DPW Director Dylan Eldridge and Pike whether Deer Drive should be removed from the current year's paving work, but the Board wanted Marsh's recommendation before making that determination.

Winter Operations and Potential Cost Savings

The Board discussed whether reducing the number of plow trucks operating during winter storms could generate savings in wages, overtime, fuel, and equipment costs.

Members questioned whether any actual savings would result because the remaining employees and equipment would need to operate longer to cover the same roads. The Board also discussed the difficulty of finding part-time personnel who could supplement the DPW during larger storms. No change to winter plowing operations was approved during the discussion.

Watershed Management Plan and Future Road Improvements

The Board discussed whether recommendations contained in the watershed management plan should be considered before completing certain road improvements. Mooney Hill Road was specifically discussed because of recommendations concerning drainage infrastructure.

The Board determined that the Mooney Hill top coat should not be delayed further. The work had already been postponed for one year, and members discussed concerns that another delay could result in deterioration of the existing pavement through frost heaving, chipping, delamination, or peeling. The Town's wheeled excavator may allow some future drainage improvements to be completed with Town equipment.

Potential Section 319 grant funding was discussed for projects implementing recommendations of the watershed management plan, including improvements intended to reduce runoff into Silver Lake. Additional information regarding eligibility and potential covered work was expected to be discussed at an upcoming watershed management plan committee meeting.

The Board reviewed recommendations concerning Modoc Hill Road, including erosion and washout concerns. Recommendations discussed from the watershed plan included an infiltration basin, stabilization of road shoulders, check dams, regrading and crowning of the road, and other measures intended to control stormwater and sediment.

The Board also reviewed another identified area where stormwater was traveling down a steep gravel roadway toward Forest Brook. Recommendations included stabilizing gullies with riprap and stone swales, adding check dams and turnouts where possible, and considering crowning and regrading the roadway.

DPW Director Dylan Eldridge joined the discussion regarding the paving schedule. The Board asked whether Deer Drive could be postponed in order to redirect available funding toward Colby Hill Road. Eldridge explained that the culvert work on Deer Drive had already been completed in preparation for paving, making completion of the paving appropriate this year. The Board therefore moved away from the idea of postponing Deer Drive.

The Board continued discussing the more comprehensive repair option for Colby Hill Road. Members favored completing the road properly now rather than performing only the damaged sections and incurring additional costs to return for a top coat later. The more comprehensive option was discussed as approximately $233,000 compared with approximately $188,000 for the lesser repair.

The Board also reviewed prior paving warrant articles for possible remaining balances. It appeared that previous balances had generally been used for related road work, equipment rental and shoulder work. Members agreed that Colby Hill remained a priority and emphasized that paving work is weather-sensitive and needs to be completed while conditions permit.

The Board's consensus was to proceed with the planned paving work necessary to make the roads suitable for winter operations. It was specifically noted that this was a work session and that formal Board decisions would be made during the regular public meeting.

Tax Anticipation Note and Future Budget Planning

The Board returned to the Town's cash-flow concerns and agreed that work should begin immediately on establishing a Tax Anticipation Note (TAN). The intent would be to establish the borrowing capacity in advance without necessarily drawing on it. Members discussed an estimated borrowing capacity in the range of approximately $400,000 to $500,000, with the final amount to be determined as the Town's cash-flow needs became clearer.

The Board directed that contact be initiated with Camden National Bank so the necessary account and authorization process could begin. Because the Selectmen would be signers, each would need to complete the bank's required setup process.

The Board also discussed establishing a future contingency appropriation to provide greater flexibility for unforeseen expenses. A potential annual contingency of approximately 1% of the Town's overall budget, discussed as approximately $130,000, was identified for consideration during the next budget cycle.

Winter Operations

The Board asked DPW Director Dylan Eldridge about the Department's readiness for winter, including road salt, calcium chloride, cutting edges and other winter materials.

Eldridge indicated that the Department expected to have sufficient salt to begin the winter season. The Board discussed the substantially increased cost of carbide cutting edges, with approximately $18,000 discussed for three plows and approximately $8,000 for a cutting edge for the grader. These expenses will need to be considered as the Town evaluates its remaining DPW budget.

The Board discussed timing for submitting the emergency over expenditure request to DRA. Rather than immediately finalizing the request, the Town will monitor expenditures and reassess the amount around October so the request can reflect a more accurate year-end figure. The required submission was discussed as including a letter, the applicable request form, and supporting financial information.

Revolving, Trust and Capital Reserve Funds

The Board reviewed expenditures that may appropriately be reimbursed from existing revolving or trust funds rather than remaining charged against the operating budget.

Work completed on the upper ball field, including materials, was discussed as eligible for reimbursement from the Ball Field Revolving Fund. The Town Administrator will locate the applicable invoices and receipts so the appropriate reimbursement can be processed.

The Board also discussed ongoing groundwater remediation expenses. Grant funding has been pursued, and an existing trust fund may also be available to offset qualifying expenses. Continued water testing and potentially additional remediation expenses are anticipated.

Existing capital reserve and expendable trust funds were reviewed as part of the broader budget discussion. The Board noted that approximately $100,000 in the road rehabilitation fund could not presently be expended by the Selectmen because spending authority had not been granted to the Board; use of those funds would therefore require Town Meeting authorization. The discussion reinforced the need to review the terms and spending authority associated with each reserve or trust fund before relying upon it for current expenses.

PEG-TV Funds

The Board discussed the approximately $68,000 accumulated in the PEG-TV expendable trust fund from franchise fees. Members questioned whether those funds could be used more strategically for PEG-TV capital needs rather than increasing taxation to support future expenditures.

The discussion distinguished between PEG-TV operating expenses and capital equipment. The Board noted that the accumulated funds had previously been used for equipment such as cameras and related systems and discussed reviewing the fund's purpose and future equipment needs before determining how much should continue to be retained.

Town-Wide Capital Asset Inventory

The Board discussed the need for a comprehensive inventory of Town-owned vehicles, equipment, building systems and other significant capital assets. Existing DPW information includes vehicle information such as license plates, mileage, hours and anticipated replacement years, but the Board agreed that the Town needs a broader inventory covering all departments and facilities.

The Board discussed a previously identified outside company that could inventory and tag Town assets and provide information regarding useful life and anticipated replacement. The service had previously been discussed at an estimated cost of approximately $7,000, although an updated quote would be necessary. The Board viewed a professional inventory as potentially valuable for future capital planning and budgeting.

2027 Capital Improvement Planning

The Board began reviewing major capital items identified for evaluation in 2027. Members emphasized that inclusion in the Capital Improvement Plan represents a planned evaluation or anticipated need and does not automatically mean that an item will be replaced.

The Code Enforcement vehicle, currently a Chevrolet Tahoe, was identified as an upcoming concern. The Board discussed whether replacement with another large SUV was necessary and expressed interest in evaluating a smaller, more fuel-efficient four-wheel-drive vehicle or other alternative. A cost-benefit analysis was recommended before any major vehicle purchase.

The Board also discussed the 2019 International DPW truck, which has experienced significant maintenance issues, and a 2001 Freightliner fire apparatus identified for future work. Rather than purchasing an entirely new fire apparatus, the existing capital plan contemplated replacing or rebuilding the chassis and related components, with an estimated cost discussed in the range of approximately $330,000–$350,000.

Other future capital items discussed included funding for the ball field, an expendable trust fund for eventual replacement of the 2019 Dodge Charger police cruiser, and the 2014 CAT 420 backhoe, which is shared between DPW and the Transfer Station and is currently identified for evaluation in 2028.

Short-Term Rental Legal and Administrative Planning

The Board briefly discussed the existing approximately $44,000 STR legal expense balance and the pending New Hampshire Supreme Court matter affecting short-term rental regulation. Members acknowledged that the outcome could require the Town to reconsider its approach to STR regulation and enforcement.

In anticipation of the pending New Hampshire Supreme Court decision, a board member advised that he was beginning to develop a preliminary proposal for how STR administration could be handled if changes become necessary, potentially involving a separate administrative structure supporting the Planning Board, ZBA, and related functions. Under the concept discussed, STR owners could be required to obtain a Town license and pay a licensing fee, with the revenue supporting the cost of administration and enforcement.

The Board discussed the distinction between prohibiting STRs and regulating their operation. Potential regulations discussed included owner accountability, enforcement procedures, penalties for repeated violations, and mechanisms for addressing nuisance complaints. Members also discussed whether enforcement responsibilities could be handled through existing Code Enforcement and Police functions rather than establishing a separate department.

The Board expressed differing views regarding the extent of the current STR problem and the appropriate level of Town involvement. Members discussed owner-occupied versus remotely managed rentals, neighborhood impacts, existing zoning districts, and the effectiveness of direct communication between neighbors and property owners.

The Board also discussed the pending Supreme Court litigation and questioned whether the Town could potentially be responsible for opposing parties' attorney fees if the Town does not prevail. No determination was made, and it was noted that the question should be referred to legal counsel.

The board member's proposal remains preliminary and will require further development depending upon the outcome of the pending court case. No action was taken.

Adjournment

A motion was made to close the Work Session. The motion was seconded and approved unanimously.

Work Session adjourned at approximately 4:29 p.m.

Respectfully submitted,

Lucia Roth

Town Administrator