

**TOWN OF WOLFEBORO
BUDGET COMMITTEE
DRAFT MINUTES
January 8, 2024**

I. Call To Order

Chairman MacDonald opened the meeting at 6:03 pm at the Wolfeboro Public Library.

Members Present: John MacDonald, Chairman, Bob Tougher, Vice-Chairman, Bob Loughman, Brian Black, Bob Moholland, Paul O'Brien, Bobbi Boudman, Tom Bell, Matt Plache, Members, Brian Deshaies, BOS Representative, Linda Murray, BOS Alternate Representative.

Staff Present: Jim Pineo, Town Manager, Kathy Carpentier, Finance Director, Lee Ann Hendrickson, Administrative Assistant.

II. Pledge of Allegiance

The Committee participated in the pledge of allegiance.

III. Public Comment

None.

IV. 2024 Budget

Town Manager Budget Reductions

Jim Pineo stated he is proposing a budget reduction of \$29,000 to health insurance, 01-41550-210. He stated the Town has onboarded an individual and that individual has opted for a reduced health insurance plan.

Linda Murray verified the Town Manager provided the BOS with several lines for consideration to cut; noting the BOS agreed to reduce the health insurance line.

John MacDonald asked the Town Manager if other areas have been identified to cut.

Jim Pineo stated it is the Budget Committee's responsibility to do such.

It was moved by Bob Loughman to decrease 01-41550-210 by \$29,000. Tom Bell seconded the motion. Bobbi Boudman, Bob Tougher, John MacDonald, Tom Bell, Bob Moholland, Brian Black, Matt Plache, Bob Loughman, Brian Deshaies voted in favor. Paul O'Brien opposed. The motion passed (9-1-0).

Warrant Articles

Jim Pineo stated there are a few warrant articles that are non-financial and noted the warrant articles all in minus the operating budget is estimated at \$0.75/1,000 of assessed valuation.

John MacDonald stated there would be an additional increase of \$0.65 for the new Public Safety Building.

Jim Pineo stated such is in the operating budget which has not yet been finalized.

Kathy Carpentier stated the \$0.75 does not include the second half of the bond article for the Public Safety Building. She stated the first half of the bond is in the 2024 budget; noting the Town has not borrowed the second half of the bond therefore, it is not accounted for anywhere at this time.

Paul questioned the amount of the second half of the bond for the Public Safety Building.

Kathy Carpentier replied approximately \$6 million.

Bob Tougher stated the numbers are based on the current assessed value however, it is unknown if a revaluation is going to happen; noting the numbers are speculative at this point.

Operating Budget

Jim Pineo stated the Operating Budget figure has not been finalized.

Port Wedeln Drainage Upgrade; \$430,290

Jim Pineo read such. He stated the original design (2022) was inadequate based on the significant grade at the location and as a result the project was re-engineered by Stantec. He stated the new design has been based on a ten-year storm event and reviewed the specs associated with the design. He stated the project is supported by the Winter Harbor sub-watershed study and NH DES is in the process of reviewing the application. He stated the Town is receiving ARPA funds as well for the project. He stated there are easements to secure and such will be obtained following approval by NH DES. He stated a MOU is being developed with the Port Wedeln Association. He stated the BOS held a public hearing on the bond for the project last Wednesday; noting the only outstanding item at this point is the length of the bond (10-year v. 20-year bond). He stated the BOS voted in favor of the project 5-0.

Bob Loughman stated the presentation notes that the Budget Committee has voted on the article and requested such be revised.

Brian Deshaies stated the BOS wants to see that the MOU and easements are recorded properly. He stated he personally would like to see the funds (\$100,000) from the Port Wedeln Association upfront or interest calculated in the amount if the \$100,000 is paid over a number of years.

Paul O'Brien confirmed the original warrant is non-lapsing. He asked who is paying the \$70,000.

Jim Pineo replied the Town.

Paul O'Brien stated the BOS reviewed and approved a betterment assessment program; noting such requires funds to be paid upfront.

Jim Pineo stated such does not apply to this project.

Steve Randall stated the Association is assisting financially to help with the beach erosion issue and improvements related to such.

Linda Murray stated the project only applies to water and drainage on Town owned roads.

Bobbi Boudman asked if the \$231,000 was bonded.

Jim Pineo stated the Town still has the authorization to bond.

Bobbi Boudman stated she does not see the \$100,000 from the Association in the warrant article and confirmed the funds would not be received upfront.

Linda Murray stated the Association would pay 30% of their portion upfront.

The Committee reviewed the previous warrant article for the project.

Kathy Carpentier stated the \$100,000 will not be paid upfront.

Bobbi Boudman confirmed the Town does not currently have an MOU.

The Committee reviewed the language of the previous and current warrant article.

Jim Pineo stated the MOU is in draft form and has not yet been negotiated.

Linda Murray stated the BOS has not reviewed the draft MOU.

Paul O'Brien expressed concern that the Town is fronting \$70,000 and recommended an MOU.

Brian Deshaies stated the association originally approached the Town and requested assistance with the runoff issue and erosion to their beach. He stated there is a need to protect the lake and noted the Town is receiving 25% from grants and donations for the project.

Paul O'Brien recommended removing language referencing the \$100,000.

Matt Plache asked why the cost of the project increased.

Steve Randall stated the original design included the installation of a 24" pipe straight down the road from the top of the hill to the bottom of the hill. He stated such will not work; noting the hydro calculations/force and flow of the water do not support a 24" pipe (too much water). He stated that a 36" pipe would work. However, due to the flow and velocity of the water the structure would be blown apart therefore, step downs are now proposed. He stated the present plan is NHDES approved and built for a ten-year storm.

Bobbi Boudman questioned whether the MOU would hold the residents responsible for being good stewards and not increase phosphorus to the lake. She confirmed the Town will not be repairing the beach. She asked what part of the project would not be completed if the Town does not receive the \$100,000.

Steve Randall stated the project will be completed regardless of the contribution; noting the plan is very specific with regard to the parameters of the project.

Brian Deshaies stated the warrant article language could be changed to require an MOU for \$100,000 and easements be in place prior to the start of the project.

Town Road Upgrades; \$700,000

Jim Pineo read such.

Steve Randall reviewed the proposed road improvements for 2024.

Police Vehicle Replacement; \$74,000

Jim Pineo read such.

Brian Black questioned the average income of the revolving fund.

Kathy Carpentier stated last year was \$10,000.

Mark Livie stated he believes the average is \$5,000 - \$7,000/year.

Bobbi Boudman questioned the number of cruisers that officers bring home at night.

Mark Livie replied 4.

Bobbi Boudman questioned the number of vehicles used on the major events (i.e.: 4th of July).

Mark Livie stated every vehicle is used in addition to every officer.

Public Works Vehicles & Equipment Replacement Capital Reserve Fund; \$380,000

Jim Pineo read such and noted the request includes an \$80,000 increase over 2023. He stated the replacement plan outlines the purchase of thirty items over the next eleven years with an estimated cost of \$4.45 million (today's dollars). He stated the following are proposed for replacement in 2024; 6-wheel dump truck (\$270,000) and joint tractor purchase with the Water Department (\$50,000). He stated the first vehicle to be replaced is HD-7; noting such has been in service since 2004 with 150,000 miles. He stated the second vehicle being considered for replacement is HD-16 tractor; noting such has been in service since 2001.

Building Maintenance Capital Reserve Fund; \$50,000

Jim Pineo read such. He stated there are 31+ buildings that the Town is charged with maintaining; noting that buildings are maintained through their operating budget however, there are items that occur that are unexpected (roof, HVAC, plumbing, siding, etc.). He reviewed the 2023 projects and noted a couple of potential projects for 2024.

Paul O'Brien noted a distinction between emergency repairs and maintenance.

Water Resources Non-Capital Reserve Funding; \$50,000

Jim Pineo read such.

Linda Murray reviewed potential projects that the funding would address and reviewed 319 grants.

Abenaki Ski Area Capital Reserve Fund; \$25,000

Jim Pineo read such. He stated the groomer needs to be replaced; noting continued mechanical issues.

John MacDonald asked the Town Manager to explore lease options.

Tree Removal & Replacement Expendable Trust Fund; \$25,000

Jim Pineo read such.

Bob Loughman questioned the difference between the this and the money requested in the operating budget for tree removal.

Steve Randall stated the funds in the operating budget addresses emergency tree removal and the warrant article addresses the tree removal and replacement plan per the study that was performed by Bartlett Tree.

Bobbi Boudman questioned the balance of the fund at the end of 2022.

Kathy Carpentier stated the fund was established last year in the amount of \$125,000.

Municipal Electric Bucket Truck Replacement; \$400,000

Jim Pineo read such and reviewed the replacement cycle.

Maplewood and Highland Terrace Water Main Installation; \$200,000

Jim Pineo read such. He stated the waterline in the Maplewood area is currently a dead-end waterline with a year round bleed that allows water to flow for water quality purposes within the system. He stated it contributes to a loss of treated water in an area that has water runoff issues. He stated the Town would secure an easement across the private right-of-way for the installation of the new water line. He stated a new waterline would create a looped water main eliminating the need for year round bleeds and reduce loss of treated water, improve fire suppression capabilities, and improve water quality in the area.

Paul O'Brien asked if the easement would be a construction easement or a permanent easement.

Steve Randall replied permanent easement.

Wastewater Treatment Plant Capital Reserve Fund; \$175,000

Jim Pineo read such.

John MacDonald confirmed the funds will address current upgrades/improvements.

South Main Street Center Street to Smith River Bridge Sewer Engineering; \$200,000

Jim Pineo read such. He stated the engineering would improve the Town's qualification process for the State revolving loan funds; noting the estimate for the project is \$4 million.

Tom Bell questioned whether the cost is embedded in the user rates.

Jim Pineo stated the operating costs for the sewer department are absorbed by the users however, due to the small number of users on the system the Town made a decision at some point to take on capital projects through taxation.

Paul O'Brien confirmed that sewer capital is assessed on the tax bill.

Parks and Recreation Tractor Purchase; \$100,000

Jim Pineo read such.

Christine Collins stated the Department has used the Highway Department's equipment however, they can only use the equipment when it is available. She stated that Carrie Beach has to be raked every day and noted that although volunteers rake the beach daily the Department does not have equipment to move the piles of debris off the beach.

Bob Moholland questioned the number of attachments for the tractor.

Christine Collins stated the Department sought price quotes.

Jim Pineo replied four attachments not including the bucket.

Bob Moholland recommended retrieving a quote from Coyote.

Jim Pineo stated the purchase will go out to bid.

Tom Bell questioned the plan if the warrant article fails.

Christine Collins stated she has minimal funds in her budget for rentals and projects may not be done.

Bob Loughman questioned the offset/the cost to complete projects.

Christine Collins stated equipment will be needed to complete the baseball field and rental fees are \$250/\$300 per day. She stated the Department is trying to be efficient however, needs equipment to be able to be such.

Ambulance Service Evaluation; \$20,000

Jim Pineo read such. He stated there have been significant increases in the cost of the Town's ambulance service. He stated he and Chief Zotti created and presented a model for potential ambulance services to the BOS in October 2023. He stated one recommendation was to have a third party review the proposal for a fire based ambulance service.

John MacDonald questioned what companies would do such.

Jim Pineo stated there are individuals who would perform the review and noted that MRI has consultants that do such as well. He stated a Request for Proposal has been prepared to solicit multiple vendors.

John MacDonald asked to whom the vendors would speak.

Jim Pineo stated there would be a series of meetings with stakeholders including the BOS, Town Management, Fire Department labor and management, and a community session.

Tom Bell asked if Stewarts Ambulance would be willing to meet with the third party reviewer.

Jim Pineo replied yes.

Paul O'Brien questioned the ambulance service provider for the Town of Moultonborough.

Jim Pineo replied Stewarts Ambulance.

Paul O'Brien questioned the majority owner of MRI.

Jim Pineo replied Justin Van Etten.

Paul O'Brien questioned the chairman of Stewarts Ambulance.

Jim Pineo replied Justin Van Etten.

Paul O'Brien questioned a conflict of interest if MRI is considered as a third party reviewer. He asked if anyone here has worked for or contracted with MRI.

Jim Pineo stated he was hired by MRI to work in the Town.

Linda Murray stated the BOS would review such.

Jockey Cove Engineering; \$20,000

Jim Pineo read such. He stated there are documented water quality issues in Jockey Cove both E Coli and cyanobacteria. He stated a municipal culvert exists that drains Town owned wetlands through an easement into Jockey Cove. He stated the culvert could be replaced in kind however, such would not improve water quality. He reviewed the schematics of the area and proposed project.

Paul O'Brien confirmed the easement is on private land.

BINGO

Christine Collins reviewed the program; noting the program is for 55+ only.

V. Other Business

Meeting Schedule

The Budget Committee meeting scheduled for January 9, 2024 at 6 PM has been cancelled.

Budget Reductions

Bobbi Boudman recommended cutting the beach parking attendants.

Referencing the Default Executive budget, John MacDonald stated Mr. Pineo identified that he could take a decrease of \$9,074 (page 2) and questioned whether such is possible.

Paul O'Brien recommended decreasing the General Fund budget by \$9,074.

John MacDonald stated it was requested that specific line items be reduced. He asked Ms. Carpentier if she could identify the specific line that reflects the decrease of \$9,074.

Kathy Carpentier stated salaries would be impacted.

It was moved by Bobbi Boudman to decrease the Executive budget 01-41301-130 by \$2,550. Paul O'Brien seconded the motion.

Discussion of the motion:

Bobbi Boudman requested the Committee not take their salary; noting it is the honorable thing to do. She stated over the years the BOS, Budget Committee, and other leaders of the Town have led the voters to believe that the Town would not have a 17.9% increase. She stated she feels that the Committee should recognize such.

Roll call vote: Brian Deshaies – abstain, Paul O'Brien – yes, Bob Loughman – no, Matt Plache – no, Brian Black – no, Bob Moholland – no, Tom Bell – no, John MacDonald – no, Bob Tougher – yes, Bobbi Boudman – yes. The motion failed (3-6-1).

Jim Pineo recommended a reduction of \$5,000 to the Cable Channel budget.

It was moved by Bobbi Boudman to decrease Cable Channel 01-41301-381 by \$10,000. Paul O'Brien seconded the motion.

Discussion of the motion:

Paul O'Brien questioned the basis of the cut.

Jim Pineo stated the Budget Committee tasked him with finding \$75,000 to remove from the operating budget and justify to the Committee why such should not be removed. He stated he originally cut \$300,000+ and the BOS cut \$300,000+ and now he is being asked to cut another \$75,000; noting such pits him against Department Heads. He stated he will propose \$86,000 additional cuts which he feels is the job of the Committee.

Paul O'Brien stated he does not believe that Community Television should get cut rather, it should be reorganized. He stated he would not support the motion.

Jim Pineo stated the cut will delay the implementation of what they would like to do by an unknown period.

Bob Tougher stated the Town Manager and BOS made a number cuts before presenting the budget to the Committee. He stated he regrets the motion that required an additional \$75,000 and feels the \$75,000 should be restored.

Bobbi Boudman stated the amount of cable services that we are getting in the busiest month comes to \$388.88/hour. She stated the budget is still being increased by \$16,493 if the motion passes.

Brian Black stated the Committee should be making the additional cuts to the budget rather than forcing the Town Manager to do so.

Brian Deshaies recommended cutting each agency request by 30%; noting such would make the motion made by Ms. Boudman unnecessary.

Roll call vote: Brian Deshaies – no, Paul O'Brien – no, Bob Loughman – no, Matt Plache – no, Brian Black – no, Bob Moholland – yes, Tom Bell – no, John MacDonald – no, Bob Tougher – no, Bobbi Boudman – yes. The motion failed (2-8-0).

It was moved by John MacDonald to decrease Municipal Electric Department's Administrative Cost Allocation by \$50,000. Tom Bell seconded the motion.

Discussion of the motion:

John MacDonald stated the MED is giving the Town a credit of \$175,000 and the motion would reflect the ability to pay back the department.

Kathy Carpentier stated the motion would be taking \$50,000 from the General Fund. She stated the Town has not taken the money from MED.

John MacDonald withdrew his motion. Tom Bell withdrew his second.

It was moved by Bob Loughman to restore \$75,000 to the 2024 General Fund operating budget. Paul O'Brien seconded the motion.

Discussion of the motion:

Bob Loughman stated all other cuts to the budget outside of the motion to request the Town Manager to make an additional cut of \$75,000 remain.

Matt Plache questioned the original motion.

Lee Ann Hendrickson read the motion, amendment to the motion, and the vote.

The Committee discussed their role as members and its impact to the budget.

Roll call vote: Brian Deshaies – yes, Paul O'Brien – yes, Bob Loughman – yes, Matt Plache – yes, Brian Black – yes, Bob Moholland – yes, Tom Bell – yes, John MacDonald – yes, Bob Tougher – yes, Bobbi Boudman – yes. The motion passed (10-0-0).

It was moved by Paul O'Brien to restore the 2024 General Fund operating budget to the budget presented by the BOS to the Budget Committee. Tom Bell seconded the motion.

Discussion of the motion:

Tom Bell stated that at the meeting that the \$75,000 was proposed to be cut Mr. O'Brien wanted to cut \$150,000 and questioned such.

Paul O'Brien stated he would have cut the budget by \$150,000 if the Committee would have had a conversation about operations. He stated the Committee ignored that conversation. He stated his issues are not Budget Committee issues.

Kathy Carpentier stated the total reduction to the budget as a result of Mr. O'Brien's motion would be \$47,818.

Roll call vote: Brian Deshaies – no, Paul O'Brien – yes, Bob Loughman – no, Matt Plache – no, Brian Black – no, Bob Moholland – no, Tom Bell – no, John MacDonald – no, Bob Tougher – no, Bobbi Boudman – no. The motion failed (1-9-0).

Jim Pineo stated the Town is in receipt of a Petition Warrant Article; noting such would be distributed at tomorrow's meeting.

VI. Approval of Minutes

December 28, 2023

Correction: Page 6, Other Business; change 7pm to 6pm

It was moved by Paul O'Brien to approve the December 28, 2023 Budget Committee minutes as amended. Tom Bell seconded the motion. All members voted in favor. The motion passed (10-0-0).

VII. Public Comment

Jody Pearson asked if the Port Wedeln Association is in a financial position to take a note for the \$100,000.

Linda Murray stated the BOS would have to ask that question.

Brian Deshaies recommended requesting the Association's financial data.

Jody Pearson recommended giving the decommissioned Highway Department tractor to Parks and Recreation.

Steve Randall stated the Department is currently using the tractor.

VIII. Adjournment

It was moved by John MacDonald to adjourn the January 8, 2024 Budget Committee meeting. Tom Bell seconded the motion. All members voted in favor. The motion passed.

Budget Committee Public Hearing is scheduled for January 9, 2024 at 7:00 PM at the Great Hall, Wolfeboro Town Hall.

There being no further business before the Committee, the meeting adjourned at 8:38 PM.

Respectfully Submitted,

Lee Ann Hendrickson

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