

**TOWN OF WOLFEBORO
BUDGET COMMITTEE
APPROVED MINUTES
August 3, 2023**

I. Call To Order

Chairman MacDonald opened the meeting at 6:01 pm at the Wolfeboro Public Library.

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

Member Absent: Matt Plache, Member (excused).

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. Discussion Items

Town Manager Report

Budget Guidelines

Jim Pineo stated the Budget Guidelines were distributed to the Committee. He stated there is a concern going forward with ambulance services; noting that Stewart's Ambulance no longer wishes to provide services to the Town of Wolfeboro. He stated a preliminary discussion has occurred with regard to the Fire Department taking over the services; noting the Fire Chief will be making a presentation on August 16 to the BOS. He stated there will be a series of public feedback sessions with the public. He stated Stewart's Ambulance would commit to a one-year contract while the Town reviews its options. He stated the Friends of Pop Whalen made a donation of just shy of \$2.1 million (committed to \$2.7 million) and noted the BOS extended the agreement one year. He stated as contributions/grants are received the funds will be forwarded to the Town upon receipt.

Referencing page 2 of the Budget Guidelines, Tom Bell questioned whether he (Town Manager) anticipates an 8.45% increase in the General Fund or 9.75%.

Jim Pineo stated he is hoping to hold the budget below 9.75%. He stated the budget, without wage, fuel, gravel/sand/salt adjustments, is at an increase of 8.45%.

Bob Loughman questioned the percentage of the tax rate calculation for the General Fund.

Kathy Carpentier replied approximately 56%.

Bob Loughman stated if the 8.45% increase continues over five years the General Fund budget will be \$5M in 2027. He expressed concern for the future tax rate that continues to build.

Paul O'Brien agreed with Mr. Loughman.

Bob Tougher disagreed with Mr. Loughman's projections and noted that most of the expenses are mandatory spending. He noted the decrease in debt service going forward and does not believe the increases will continue.

Capital Project Update

Jim Pineo reviewed such, see attached.

John MacDonald asked who is paying for the improvements to the Bridge Falls Path next to Seabird restaurant.

Brian Deshaies replied the Rail Trail (Cotton Valley Rail Trail).

Bobbi Boudman questioned warrant article #14 (Port Wedeln Drainage) and whether the increase was noted in a warrant article that the citizens approved.

Jim Pineo stated the project is a public-private partnership; noting the roadway is a Town road and the water flow off the Town road has been washing out a private beach. He stated the private association is requesting certain work to be done to help prevent further issues. He stated the association proposed \$100,000 for their portion of the work. He stated Stantec reviewed the Town's work and informed the Town that the work being done would not resolve the issue and re-engineered the project. He stated there is a possibility of additional grant funding however, regardless the Town has to go back to the voters in 2024 and request additional funds.

2023 Budget & Expenditure Report

Kathy Carpentier stated the report forwarded to the Committee goes through June 30. She stated Pop Whalen had some emergency repairs and soft costs associated with its opening. She reviewed the following percentage expenditures; General Fund 69%, Water Fund 46%, Municipal Electric Fund 55%, Sewer Fund 82% and Pop Whalen Fund 62%. She noted the following collected revenue percentage of other funds; Water Fund 77%, Municipal Electric Fund 51%, Sewer Fund 73% and Pop Whalen Fund 40%. She stated gas is at 37%, diesel 63%, overtime 75%, and taxes 98%.

Bob Tougher questioned the number of building permits that have been issued this year.

Kathy Carpentier stated she does not know.

Paul O'Brien requested access to any studies that are conducted.

Jim Pineo stated the studies could be put on the website.

Referencing charitable organizations, Paul O'Brien asked if the Budget Committee could meet jointly with the BOS to review the charitable organization requests for funding.

John MacDonald stated the agencies have always been required to appear before the Budget Committee.

It was moved by Paul O'Brien to hold a joint meeting with the BOS to review charitable organization funding requests. The motion was seconded by Bob Loughman.

Discussion of the motion:

Bob Tougher stated he is not in favor of such.

Linda Murray stated the BOS review the requests at a regular meeting.

Brian Black stated the process has been occurring for years and the agencies expect to present their funding request to the Committee.

John MacDonald stated the Budget Committee is a separate entity from the BOS and should remain such.

Bob Tougher stated the Budget Committee has the final vote with regard to the funding requests and feels the process should remain the same.

Kathy Carpentier stated the Budget Committee cannot vote on the agency funding requests until after the BOS presents their approved budget to the Committee.

Bobbi Boudman – no, Bob Tougher – no, Tom Bell – no, John MacDonald – no, Bob Moholland – no, Brian Black – no, Bob Loughman – yes, Paul O'Brien – yes, Brian Deshaies – no. The motion failed (7-2-0).

Assignment Reviews/Updates of Town Department Budgets

John MacDonald stated that if a member of the Committee has a request for a Department Head to forward the request to the Town Manager.

Bob Tougher stated he attended the reception for the new Library Director.

V. Other Business

Letter to Planning Board re: CIP Process

John MacDonald stated Bob Tougher forwarded a letter to the Planning Board following the CIP process discussion at the Budget Committee's June meeting.

Bob Tougher stated he is meeting with the CIP Committee on August 17 to discuss the matter. He read item #4 of last year's departmental guidelines as follows; "Continue the use of capital reserve accounts as a method to spread the cost of capital projects over multiple years." He noted said guideline was approved by the BOS on 6/16/2022. He stated at its 6/7/2023 meeting the BOS approved the Budget Guidelines for this year and item #4 from last year was not removed from the guidelines.

Linda Murray stated the CIP should include large capital reserve fund payments.

Bob Tougher asked Ms. Murray if she recalls the guideline being removed.

Linda Murray replied no.

2024 Budget Review Meeting Schedule

Jim Pineo asked to move the Police Department, Communications and Animal Control budgets to November 8 and move Parks & Recreation budgets to November 14.

Paul O'Brien asked when the discussion regarding ambulance services would occur.

Jim Pineo replied during warrant article review.

Paul O'Brien asked if Stewart's Ambulance has provided input as to why they are no longer willing to serve the Town.

Jim Pineo replied yes and noted a letter that was submitted by Stewart's Ambulance to the BOS. He stated there was a time the ambulance service could make an offsetting revenue from inner facility transfers for Huggins Hospital to support two ambulances in Wolfeboro. He stated in the past several months in the State of NH there have been two ambulance agencies that have closed their doors.

Bobbi Boudman asked if Budget Committee members could attend the BOS meeting on August 16 and ask questions when Chief Zotti presents the proposal.

Linda Murray replied yes.

Paul O'Brien stated that he would like to understand the consequences of the decision that will be made; noting it is his responsibility as a Budget Committee member.

John MacDonald asked who would be providing the inner facility transfers.

Jim Pineo stated Stewart's Ambulance has a contract with Huggins Hospital for such.

Pine Hill Cemetery

Bob Moholland asked that the dead trees at the Pine Hill Cemetery be removed.

Jim Pineo stated those trees in addition to several others will be removed.

VI. Approval of Minutes April 26, 2023

It was moved by Tom Bell to approve the April 26, 2023 minutes as submitted. Bob Moholland seconded the motion. John MacDonald, Bob Tougher, Bobbi Boudman, Bob Loughman, Paul O'Brien, Brian Black, Bob Moholland, Tom Bell voted in favor. Brian Deshaies abstained. The motion passed (8-0-1).

June 26, 2023

It was moved by Paul O'Brien to approve the June 26, 2023 minutes as submitted. Bob Moholland seconded the motion. John MacDonald, Bob Tougher, Bobbi Boudman, Bob Loughman, Paul O'Brien, Brian Black, Bob Moholland, Tom Bell voted in favor. Brian Deshaies abstained. The motion passed (8-0-1).

VII. Public Comment None.

VIII. Adjournment

It was moved by Paul O'Brien to adjourn the August 3, 2023 Budget Committee meeting. Bob Moholland seconded the motion. All members voted in favor. The motion passed.

Next Budget Committee meeting is scheduled for Tuesday, October 24, 2023 at 6:00 PM, location to be determined.

There being no further business before the Committee, the meeting adjourned at 7:03 PM.

Respectfully Submitted,

Lee Ann Hendrickson

Lee Ann Hendrickson

2023 Warrant Article Projects					Status Report
Warrant Article Number	General Fund Projects Project Title	Spent Encumbered			
11	Public Safety Building	\$ 13,140,000.00			CCI continues working to secure best possible pricing. The project is currently 50% priced out. We are hopeful to break ground in late August with Phase 1 to be complete March 2024. We have been to the bond bank for \$8,000,000 to maintain cash flow. Funds should be available mid August at which time we will know the payment amounts for this phase of the bonding.
			\$ 143,076.00		
			\$ 143,076.00	Total Expended	
	Balance Remaining	\$ 12,996,924.00			
Note: We have approximately \$233,739 of funds remaining in the 2022 Warrant Article for "Construction Grade Bid Documents and Engineering". These funds will be used by December 31, 2023.					
13	Sewer Line Extensions	\$ 1,000,000.00			Horizons Engineering issued the RFP. We received two bidders with the contract being issues to Dawson Excavation. Work is schedule to begin in September 2023. The bond has been secured with funds coming to the town in mid August. Should this budget be completed under budget we are considering asking for balance of funds be applied to 2024 pump station work.
			\$ 602,060.00	Expended	
			\$ 602,060.00	Encumbered	
	Balance Remaining	\$ 397,940.00		Expended + Encumbered	
14	Water Main Replacement St. Main St.	\$ 2,000,000.00			Stantec is currently looking to put this project out to bid in the fall/winter 2023 with project to being spring 2024.
			\$ -	Spent outside contract	
	Balance Remaining	\$ 2,000,000.00		Expended + Encumbered	
15	Fire Truck Lease	\$ 850,000.00			Contract signed \$200,000 for the lease has been Encumbered.
			\$ -	Expended	
			\$ 200,000.00	Encumbered	
			\$ 200,000.00	Expended + Encumbered	
	Balance Remaining	\$ 650,000.00			
17	Sewer Pump Station Additional Funding	\$ 648,000.00			These funds shall remain in a standing account to be applied as required for project overruns on Lehner and Mill Street Pump stations as approved in 2022.
			\$ -	Expended	
			\$ -	Encumbered	
			\$ -	Expended + Encumbered	
	Balance Remaining	\$ 648,000.00			
18	Town Road Upgrades	\$ 850,000.00			GW Brooks has been awarded; Trask Mt. Upper Trask and Diamond corner. Hopeful to complete some work on Haynes Hill Road. GMI to pave section of Beach Pond Road 3000'. Reclaim and Base pave last section of Pleasant Valley Road. Mill & Overlay Pleasant Valley & South Main St. Engineering Oak & River
			\$ 503,875.00	Expended	
			\$ 503,875.00	Encumbered	
			\$ 503,875.00	Expended + Encumbered	
	Balance Remaining	\$ 346,125.00			
19	Green Street	\$ 530,000.00			Lyman has been awarded the contract scheduled to begin work late August 2024.
			\$ -	Expended	
			\$ -	Encumbered	
			\$ -	Expended + Encumbered	
	Balance Remaining	\$ 530,000.00			
20	Mini Excavator	\$ 130,000.00			Kubota 057 in service now.
			\$ 127,171.00	Expended	
			\$ 2,829.00	Encumbered	
			\$ 130,000.00	Expended + Encumbered	
	Balance Remaining	\$ -			
21	MED Boat	\$170,000			MED is working through RFP development
			\$ -	Expended	
			\$ -	Encumbered	
			\$ -	Expended + Encumbered	
	Balance Remaining	\$ 170,000.00			

2022 Warrant Article Projects					
Warrant Article Number	General Fund Projects Project Title	Spent Encumbered		Status Report	
11	Pop Whalen Ice & Arts Center Funded \$ 6,972,951.00 CRF Approved BOS \$ 31,741.00 Total Budget \$ 7,004,692.00 Budget +/- \$ (39,106.00)	PROJECT CLOSED \$ 6,829,875.00 Expended CCI \$ 213,923.00 Expended Outside Contract \$ 7,043,798.00 Total Project Cost		This project is now complete. A total of 7 change orders were issued by CCI. Original contract amount was \$6,549,858. Close out change order was \$6,829,875 thus a total in change order with CCI on this project was \$280,017. The BOS authorized \$31,741 in CRF Funding for electric upgrades to the Lodge & Maint. Buildings. The balance of \$213,923 was expended on BOS authorized CRFunded Electrical upgrades, Architectural/Engineering and building soft costs. All retainage has been paid. This project was overbudget by \$39,106 or 0.56%. Overages were charged to the PW operating Budget.	
12	Seasonal Water Lines \$ 500,000.00 Balance Remaining \$ -	\$ 336,032.00 Expended \$ 163,968.00 Encumbered \$ 500,000.00 Expended + Encumbered		Staff is currently having Museum Shores Road evaluated for conversion from seasonal to year round water service. It is anticipated this project will cost more than the balance of funds remaining. Thus a Warrant Article will be pursued in 2024 to finish the Museum Shores project.	
13	Dockside Upgrade Phase III \$ 700,000.00 Balance Remaining \$ 30,202.00	\$ 669,798.00 Expended \$ 30,202.00 Encumbered		The original scope of work approved by CivilWorks is now complete. We have items which need addressing moving forward. This include review and installation of railings. Although not required by code railings should be installed as an added safety feature. The town currently hold \$12,294 in retainage to be released 5/5/2024	
14	Port Wedeln Drainage \$ 430,290.00 Balance Remaining \$ -	\$ 57,155.00 Expended \$ 373,135.00 Encumbered \$ 430,290.00 Expended + Encumbered		Project has been presented to the Board of Selectment. Stantec is currently working on updated plans and budget for 2024 Warrant.	
15	Mill Street Sewer Pump Station \$ 1,680,000.00 Balance Remaining \$ 309,208.00	\$ 374,839.00 Expended \$ 995,953.00 Encumbered \$ 1,370,792.00 Expended + Encumbered		HDR has completed 90% and submitted 90% plans to NHDES for review. HDR is hopeful to have bid documents ready for a spring 2024 RFP and Bid opening. At this point the project is estimated as follows. NOTE: \$648,000 in funding are available in from a 2023 Warrant Article for cost overruns.	
16	Water Treatment Plant Upgrades \$ 1,470,000.00 Balance Remaining \$ -	\$ 474,047.00 Expended \$ 995,953.00 Encumbered \$ 1,470,000.00 Expended + Encumbered		Contract has been awarded to Northeast Mechanical Earthworks. There has been a delay in securing the filtration media which has place this project in delay. We are anticipating one of the two filters to be completed this later this fall with the second filter to be complete in the spring of 2024.	
17	Water Main Upgrades \$ 722,610.00 Balance Remaining \$ 722,610.00	\$ - Expended \$ - Encumbered \$ - Expended + Encumbered		Stantec is under contract to perform vintage water line evaluations on South Main Street from Pickering Corner to the Smith River Bridge. In addition under this same contract Stantec will be evaluating: Dockside, Railroad Ave, Glendon St, Union St. This is being done as all water lines must be evaluated to determine pipe material by 10/2024.	
21	Bridge Fall Path Lighting \$ 252,000.00 Balance Remaining \$ -	\$ 107,241.00 Expended \$ 144,759.00 Encumbered \$ 252,000.00 Expended + Encumbered		Supplies have been ordered, much of the equipment is in the Town's possession. RFP for installation has been issued. We are currently working through Shoreline permit. Project will take place during the Fall of 2023.	

22	Lehner Street Sewer Pump Station	\$1,270,000			This project has transitioned from a "design build" to an engineered project. by HDR. The physical pump station and generator have been ordered. HDR is finalizing RFP and are hopeful to break ground in October 2023. This transition now requires approval by NHDES. With this transition HDR is now responsible for engineering. The generator has been order however is delayed until approx 1Q/2023. NOTE: \$648,000 in funding are available in from a 2023 Warrant Article for cost overruns.
			\$ 75,483.00	Expended	
			\$ 1,194,517.00	Encumbered	
			\$ 1,270,000.00	Expended + Encumbered	
	Balance Remaining	\$	-		
24	Townwide Historic Survey	\$ 17,000.00			Heritage Commission has secured an extension for the draft document to be received December 15, 2023.
			\$ 5,000.00	Expended	
			\$ 12,000.00	Encumbered	
			\$ 17,000.00	Expended + Encumbered	
	Balance Remaining				
25	Town Road Upgrades	\$1,300,000		PROJECTS CLOSED	Maplewood project complete. We are currently working with the Lake Winnepesaukee Association on stormwater runoff/management solutions impacting Whitegate Road.
			\$ 1,300,000.00	Expended	
				Encumbered	
			\$ 1,300,000.00	Expended + Encumbered	
	Balance Remaining	\$	-		
26	Water Line Replacement	\$ 125,000.00			We are currently working with Stantec to complete engineering, secure easements and install a water line loop between Highland Terrace and Maplewood. This requires approx 800' of pipe be installed. Anticipate project to take place in Spring 2024.
			\$ 7,691.00	Expended	
			\$ 117,309.00	Encumbered	
			\$ 125,000.00	Expended + Encumbered	
	Balance Remaining	\$	-		