

Wolfeboro Board of Selectmen
Public Meeting Minutes-Unapproved
Budget Hearing
October 15, 2019

Members present: Brad Harriman, Dave Bowers, Paul O'Brien and Linda Murray

Members absent: Chairman Dave Senecal

Staff present: Town Manager Jim Pineo and Recording Secretary Michele Chamberlain

Brad Harriman opened the meeting at 5:59 PM.

Non-Public Session RSA 91-A:3, II

Mr. Pineo stated a non-public session is not needed.

General Government

A. Libby Museum

Mr. Pineo stated Ms. Albee would not be present tonight. Mr. Pineo explained the budget was basically the same except for an increase in line 01-45891-810 Travel & Meetings. This line has been used heavily and we felt it should be increased. We really do not know what is going to be happening with the Libby Museum next year. If the warrant article passes there will be a strong possibility that the museum will not open next year. We need to look at how we want to proceed with the Libby Museum in general moving forward.

Mr. O'Brien stated the increase in the budget is \$290.00. He questioned the Feasibility Study and how it plays into the budget.

Mr. Pineo stated the proposal should include the ongoing O (operating) and M (management) costs.

Mr. Harriman stated this will be effective with this year's coming budget anyways. If it passes then it will be in the 2021 budget.

Mr. O'Brien stated the Feasibility Study has the operating budget in it and he questioned who it was getting proposed to.

Ms. Murray stated that is the back up for the warrant article. Once the Feasibility Study is conducted either party can decide if they want to stop.

Mr. O'Brien questioned if they received clarity on the 2/3 and 1/3 split.

Mr. Harriman stated not yet.

Mr. Pineo stated he thought it was 2/3rds of the new construction.

Mr. O'Brien questioned if this would be written down.

Ms. Murray questioned what the new construction is.

Mr. Pineo stated that would be the addition.

Ms. Murray stated it would just be the addition. This is a far larger commitment for the Town than we previously thought. The EDC questioned how the Libby Museum moved ahead of the Docks. The EDC thought the docks had more value to the community and were economic drivers of the Town. It was explained that the Libby Museum was given a gift. Ms. Murray stated this may be hard to sell.

Mr. O'Brien stated things need to be written down. He felt this was very important.

Ms. Murray stated she that the figures would define whether it was feasible or not. Then the figures would be defined.

Mr. O'Brien stated the figures will then have the numbers.

Ms. Murray stated yes.

Mr. Pineo stated then we can decide if we want to move forward or not.

Mr. O'Brien questioned if there was a Plan B.

Mr. Harriman stated we need to see the proposal first.

Ms. Murray stated the figures look like they will be at least a million or more. She questioned if the project could be done in phases. It is an unheated summer building. We put fans in to help the moisture. We have been working on the building as an unheated building until this came forward.

Mr. Pineo stated this came forward because of collection of the gift. The items need to be preserved carefully. He agreed with Mr. O'Brien that the terms need to be 100% clear and transparent to the voters and the Board of Selectmen.

Mr. O'Brien stated the operating and capital need to be clear. He thought the date for the Feasibility Study was November 4th. He questioned the sequence of events.

The Board agreed they would like dates.

Mr. Pineo stated he would provide that information.

Mr. Harriman stated we need to review the 2020 budget.

Ms. Murray questioned line 01-45891-117 Part Time Wages. The number we have in the book is different than the back up sheets.

Mr. Neff stated the correct number is \$10,266.00.

Ms. Murray requested correct back up sheets.

Ms. Murray questioned line 01-45891-434 Office Equipment. The spreadsheet stated \$300.00 and the back up shows \$1,300.00.

Mr. Neff stated it is \$300.00 for Office Equipment and \$3,750 for Building Maintenance. He will update the back up sheets.

The Board wanted correct back up sheets. It was added to the Revisit List.

Mr. O'Brien questioned if there were any changes in personnel and hours.

Mr. Harriman stated personnel might change but hours would not.

Ms. Murray suggested adding the revenue and number of visitors to the back up sheets.

Mr. O'Brien agreed. The Feasibility Study will have an effect on revenue and number of visitors. He suggested having two years of back up information.

Mr. Bowers stated the number of visitors is only a fraction different than in previous years.

Mr. O'Brien questioned if there would be a site plan review.

Ms. Murray stated correct.

Mr. O'Brien stated parking needs to be addressed.

Ms. Murray agreed to sell the warrant article they need to have a site plan with parking. She questioned who was paying for the site plan.

Mr. Harriman stated it is included in the site plan.

Mr. O'Brien stated we have people that make a living working on the island and they park there trucks there. They put their boats and barges in the water there. There are fishermen down there. We need to think about what we do with those people when we develop a new parking lot.

Mr. Harriman stated that is a whole other discussion.

Mr. O'Brien stated that is a policy discussion.

Mr. Harriman stated that is a commercial use discussion. They use it for free.

Ms. Murray stated we need a space for them.

Mr. O'Brien stated correct.

Mr. Harriman stated that is another policy discussion. We need to decide what we are doing up there.

Mr. Bowers stated there is no space Downtown.

B. Emergency Management

Mr. Pineo stated we have transferred the Supervisory Salaries line 01-42900-113 and Clerical Salaries line 01-42900-112 to the Fire Chief position and the Executive Assistant position. Our rationale behind this is because we are in the process of hiring a new Fire Chief. It may be difficult when discussing wages to get a qualified Fire Chief. It is a similar job function. It is subject to NH Retirement. All we have done is rolled this into hourly salaries.

Mr. O'Brien stated this budget goes down \$3,000.00.

Mr. Pineo stated if there is a presidential declaration this helps to be able to capture some of those funds coming back to us from the federal government.

C. Fire/Rescue Department

Mr. Pineo stated the proposed 2020 budget represents a 2.39% or \$49,046.05 increase. The Supervisory Salaries line 01-42200-113 represents a 4.37% increase. Last year we agreed upon a two year 3% increase for the Deputy Chief Fire. We will be transferring money from the Emergency Management stipend of \$2,342.00 into the Fire Chief Wage Line. The Hourly Wages 01-4220-114 remain stable although the current increase is associated with the Executive Assistant transitioning to a full-time position.

Mr. O'Brien questioned if the discretionary and non-discretionary figures would be given. They were not on his sheets.

Ms. Murray asked that this be a Revisit item so they were sure to get the documents.

Mr. Pineo stated he removed line 01-42200-320 Legal. He felt it would not be needed. There were not funds appropriate to this line so this year it will show an over expense to the line.

The Board discussed if there should be a legal expense in each department or if it should be in the overall Town legal line.

Ms. Murray questioned line 01-42200-117 Part Time Wages.

Mr. Pineo stated the increase for 2020 is \$30,000.00 and the increase for 2021 is \$47,200.00. This is calculated at everything being at the high end such as health and dental insurance. Mr. Pineo stated this position adds a significant value to work done with Emergency Management, Emergency Preparedness, and Disaster recovery. Through these functions the position has facilitated meetings, documentation, and associated clerical work which has generated in excess of \$180,000.00 in Federal Public Assistance grant programs. These programs are related to Hazard Mitigation Planning (\$7,500), Local Emergency Operations Plan (\$7,500) Disaster Recovery (\$109,679.91) and Preparedness (\$60,000.00). This is the last department that does not have a full time executive assistant.

Ms. Murray questioned if he was still asking for an increase for the firefighters. She stated this will be a significant increase to that budget.

Mr. Pineo stated the firefighters should be a two year approach. He felt that the firefighters were at the bottom of the pay scale. He felt there should be separation based on length of service. The Lieutenants were captured and he felt they were being paid fairly although they were not being paid according to their counterparts, the Police Department. The six firefighters are being paid below average.

Ms. Murray questioned the total impact if the firefighters were changed.

Mr. Pineo suggested splitting the increase of \$30,851.00 between two years. He felt it would be good for morale. It would create some stability with turnover. He stated he would like some guidance from the Board of Selectmen.

Ms. Murray questioned his priority rank. Which is number #1? Which is number #2?

Mr. O'Brien stated we kind of agreed last year to revisit the firefighter's wages.

Ms. Murray agreed.

Mr. O'Brien suggested revisiting this.

The Board questioned the impact the higher wages would have on the budget. They wanted to see the impact for the next two years.

Mr. Pineo stated there is a reduction in line 01-42200-230 NH Retirement of \$10,000.00 which includes adding the executive assistant full time.

Mr. Pineo stated there is an increase to line 01-42200-350 Medical. We will have a 1.4% increase starting January 1, 2020.

Mr. O'Brien stated from 2016 to 2019 there has been an increase by 11%. He questioned if there was anything that could be done.

Ms. Murray stated we can do something when we renew their contract.

Mr. Pineo stated this is a problem that small towns in New Hampshire are running into. There was a suggestion last year that the Town should be providing this service.

The Board discussed this idea in detail.

Ms. Murray questioned if line 01-42200-411 Heat & Oil was correct.

Mr. Pineo stated the line was higher this year because for a time there was someone working there this winter. We feel the 675 gallons is an accurate figure.

Mr. Harriman questioned line 01-42200-430 Vehicle Maintenance. The request is for level funding of \$31,000.00 but we have only spent \$38,463.83 this year.

Mr. Pineo stated the insurance check for the Ranger was received but has not been posted to the account. After this is done we will be close to \$31,000.00.

Ms. Murray stated that number needs to be changed to reflect the expended-to-date line.

Mr. O'Brien questioned line 01-42200-480 Insurance.

Mr. Pineo stated we were advised by Primex to have a 9% increase placement holder for all departments.

Ms. Murray questioned line 01-42200-635 Gasoline & Oil. We have only spent to date \$732.78.

Mr. Pineo stated he has not been running the car (Fire Chief Vehicle).

D. Public Safety Building

Mr. Pineo stated we were advised by Central Dispatch that NH State Police and the State of NH were cracking down on access to devices by non-law enforcement personnel. Therefore, we leased a copier for the Public Safety Building.

Mr. O'Brien questioned the number of printers and the cost and maintenance associated with them.

Mr. Pineo stated the Assessing Office will need a copier this year because of the reassessment process this year.

Mr. Pineo stated the printer cost is in the Brewster Building budget.

Mr. O'Brien questioned line 01-42901-638 Propane Gas.

Mr. Pineo stated that is how we heat the apparatus bay.

Mr. O'Brien stated we need to start thinking about saving money on our energy use.

Mr. Pineo stated he did not think a lot of money should be spent on this building because of the return.

Capital Outlay

Mr. Pineo stated he asked his staff for suggestion for this. Boat 1 was manufactured in 2006 and has an anticipated life cycle of 30 years. It is at its halfway point. Unfortunately, due to other Capital Outlay requests which have a higher level of urgency this request was denied.

Budgets

Ms. Murray asked if the sheets for tomorrow night were ready.

Mr. Pineo stated he has looked at the sheets for tomorrow night and he has more questions than answers.

Mr. Pineo questioned if the Board wanted to go over the Revisit List on October 23rd.

Ms. Murray stated she would like all the Capital Outlay Projects.

Mr. Pineo stated Parks and Recreation has two and the Police Department has one.

Mr. O'Brien questioned when they would get them.

Mr. Pineo stated by tomorrow night.

Ms. Murray stated she would like all the Capital Outlays on one spreadsheet.

Mr. O'Brien stated we will have the Capital Outlays by tomorrow or the end of the week. We are done with CIP. When we are done we should have three documents (% increase of department budget, CIP, and Capital Outlays). He stated since the Library project is almost complete we should have 2 things (As Builts and an Asset Management Plan). He questioned if they would get this information.

Ms. Murray questioned what software the Library was going to use for an Asset Management plan. She has been trying to get an asset management plan for the Town Hall and Abenaki.

Mr. O'Brien questioned if they were going to get an Asset Management Plan. Is there money in the budget?

Mr. Harriman stated part of the contract with the General Supplier is to have an as built set of plans for the Library. It should be part of the package. The Asset Management Plan is completely different.

Mr. O'Brien stated even if it is just a spreadsheet. The Library should have something. It is a brand new building.

Ms. Murray stated she agreed absolutely.

Mr. O'Brien stated if there is not a plan then we need to put it in next year's budget.

Ms. Murray stated it is not just the money. We had the money approved in a warrant article and then it was not completed.

Mr. Pineo stated he would talk to Cindy Scott and the Library Trustees.

Public Input

Limited to 3 Minutes per resident, not to exceed 15 minutes in total

Suzanne Ryan, Resident of Wolfeboro, addressed the Board. She asked for a copy of the final budget proposal to be available to the public along with all the back up material.

Mr. Pineo stated there will be one at the Town Hall and one at the Library. We are going to try to have the information available online as well.

Mr. Neff stated last week he told the Board that Barry's Power purchase were not included in the Administrative Allocations but they were included. We meet with two members of the Budget Committee today and they were very supportive of the changes.

Mr. O'Brien questioned the names of the members.

Mr. Neff stated we met with John Burt and Bob Tougher.

Mr. Neff stated he could give the Board an updated copy.

It was moved by Brad Harriman and seconded by Linda Murray to adjourn at 7:25 PM. Members voted and being none opposed, the motion passed.

Respectfully Submitted,
Michele Chamberlain

Administrative Allocation Methodology

Summary: The Town Manager and Finance Director were asked by the Budget Committee and Board of Selectman to review the Administrative Allocation. The prior methodology had been in place for 14 years with little surviving documentation to support the allocation calculation. The goal was to develop a new allocation that was objective and was based on quantitative factors. With that direction, we have included the criteria used, the results that this methodology would have produced for the 2019 budget and the comparison between the current numbers and the proposed.

Criteria Used:

- Department Budget Size to Total Budget. (We have included the Power Purchase account for the Electric Department for the following two reasons. 1. The town must submit a notarized copy of its Balance Sheet and Income Statement including Unrestricted Fund Balance every quarter to support the power purchases. 2. The funds for the Power Purchases come directly from the General Fund and require more due diligence in making the wire transfer payments.
- Number Fund Employees to Total Employees
- (Total Block 5 Contract Price/Divided by Number of Total Technology Devices) x Total Department Devices
- The number of Fund Phones to Total Number of Phones excluding cell phone reimbursement.
- Total Electric Bills/Divided by the Average Number of Bills Collected {May, June and July 2019 of electric, water, sewer, and tax}
- Total Water Bills/Divided by the Average Number of Bills Collected {May, June and July 2019 of electric, water, sewer, and tax}
- Total Sewer Bills/Divided by the Average Number of Bills Collected {May, June and July 2019 of electric, water, sewer, and tax}
- Total Tax Bills/Divided by the Average Number of Bills Collected {May, June and July 2019 of electric, water, sewer, and tax}

New Factors:

Factors	Executive	Finance	Tax Collector/Billing	Technology
General Fund	50.67%	84.70%	13.19%	Per Device
Electric	35.98%	6.01%	55.79%	Per Device
Water	6.14%	3.83%	21.48%	Per Device
Sewer	6.20%	1.09%	9.54%	Per Device
Pop Whalen	1.02%	4.37%	0.00%	Per Device

Results:

New

Dollars	Executive	Finance	Tax Collector/Billing	Technology	
General Fund	\$ 309,418.64	\$313,400.28	\$ 51,588.71	\$ 96,491.60	\$ 770,899.22
Electric	\$ 219,708.04	\$ 22,241.31	\$ 218,188.76	\$ 28,135.68	\$ 488,273.79
Water	\$ 37,486.32	\$ 14,153.56	\$ 84,021.09	\$ 9,584.55	\$ 145,245.52
Sewer	\$ 37,864.86	\$ 4,043.87	\$ 37,307.72	\$ 6,399.38	\$ 85,615.84
Pop Whalen	\$ 6,217.14	\$ 16,175.50	\$ -	\$ 1,421.12	\$ 23,813.76
Total					\$ 742,948.90

Compared:

	Old	New	Dollar Variance	Percentage Change
Water	\$ 165,636.00	\$145,245.52	\$ (20,390.48)	-12.31%
Electric	\$ 390,422.00	\$488,273.79	\$ 97,851.79	25.06%
Sewer	\$ 70,986.00	\$ 85,615.84	\$ 14,629.84	20.61%
Pop Whalen	\$ 64,173.00	\$ 23,813.76	\$ (40,359.24)	-62.89%
	\$ 691,217.00	\$742,948.91	\$ 51,731.91	7.48%

Conclusion: With the new methodology the overall tax rate for the Town of Wolfeboro would decrease by \$.02 per a thousand, on average.