

MINUTES

Wolfeboro Board of Selectmen Meeting – SPECIAL session

Thursday, Dec. 28, 2023 – 5 p.m.

In-Person Session at the BRADLEY ROOM, Wolfeboro Free Library

5 p.m. Special session

Chairman Brad Harriman calls meeting to order.

BoS members Present: Mr. Harriman, David Senecal, Linda Murray, Luke Freudenberg

[Absent -Brian Deshaies]

Staff: [Town Manager James Pineo absent]; Kathryn Carpentier, finance director (standing in for Mr. Pineo)

Mr. Harriman: Any need for non-public session?

Mrs. Carpentier: No

1. Approval: 2023 Encumbrances, 2024 revenue & 2024 default budget

Mrs. Carpentier: 2023 encumbrances; financial commitments for 2023 but will not be paid until 2024. These are all approved, signed, purchase orders (POs) unless they were non-lapsing warrant articles. List is large. This will decrease as POs are processed in the next month or two. List is broken out by general, water, sewer, electric and warrant articles. Also included are donations that can carry over into the next year.

Amount: \$24,408,261.36; a large portion is the Public Safety Building. Town manager requested a department head meeting Jan. 2, 2024 to review encumbrances and try to whittle them down and decide what needs to be carried forward or not.

Asks for BoS to approve this amount; it will not go up and will decrease.

Mr. Harriman: Any questions from the board?

Mrs. Murray: Will we get an amount update as some point? \$24-million is a lot; I understand it's the public safety building; the general fund had a lot of encumbrances.

Mrs. Carpentier: Yes, some are little transactions and some are old transactions. I will give the board an updated memo with what's left. Department heads will be instructed to delete any old or not valid; lists will be scrubbed. Will be processing payables for 2023 through February. There are some POs that were just created in December.

Mrs. Carpentier: calls for a **MOTION to encumber the not-to-exceed amount of \$24,408,261.36 for 2023 encumbrances as recommended by the department heads and the finance director.**

MOVED by Mrs. Murray. Second Mr. Senecal. Approved 4-0.

Mr. Harriman: 2024 revenue is next.

Mrs. Carpentier: Document for BoS to review; no action necessary at this time. Shows the 2023 revenue in column one with detail line items. Column two – is a summary as reported to Department of Revenue in the MS 434 report; column three is actual 2023 revenues as of 12-22-23 when this was created. Revenues will be updated through January and February – this is not complete. Column four is 2024 estimated revenues; we leave the taxes flat until settled next fall. We look at estimates of what's budgeted and what's come in. Last column is the summary of estimated revenues. This is the best estimated. You have a chance to review this in the fall before tax rate is set.

This is not final; there are off-setting revenues in some warrant articles. It's a fluid document which relates to 2024 budget.

Mrs. Murray: Cable franchise fee – what is the revenue and what is on the 434 – is that a combination?

Mrs. Carpentier: It's everything above the line. It goes on the 434 as \$161,776 as the total amount.

Mr. Harriman: Other questions? [none] The 2024 default budget is next.

Mrs. Carpentier: [reads a statement] The default budget means the amount of the same appropriates as contained in the operating budget authorized for the previous year; reduced and increased as the case may be – by debt service contracts and other obligations previously incurred or mandated by law; and reduced by one-time expenditures contained in the operating budget.

Onetime expenditures are appropriations not likely to recur in the succeeding budget.

With that, on your behalf, I created the budget – MSDTB 2024 Default Budget. That is a rollup of the accounts. The document that is more telling is the document that will list all the things I started with the approved budget. Then I took away any one-time capital outlays; added in things like health, dental insurance; any debt service; property liability. This is a template that has not changed much in past years – other than one-time items from capital outlay.

We broke it out from general fund, water, sewer, electric, Pop Whalen funds. Top sheet of the backup document has the approved operating budget of \$31,325,890. The default budget you have is \$33,300,799 – an increase of \$1,974,909. You can see what is on the actual default backup and default form.

The top page will continue to change. Column three is the budget committee proposed budget. As they increase and decrease that budget, that number will change. The last column will change.

But as of the last budget committee meeting, the difference is \$1,118,616 against the default. That means if we were to have a default budget, the town would not be able to do \$1.1-million of things that they plan to do; some of that would be revaluation – a big ticket item and the incremental cost of the ambulance service. Those are two big drivers of what we would not be able to accomplish if the default budget was passed.

Mr. Harriman: Any questions?

Mrs. Murray: My comment is – the issue with the ambulance would be a major issue for the town. I think we also have an opportunity, if we did get a default budget, go to the superior court and have one extra meeting.

Mrs. Carpentier: I recommended to the town manager; and he got legal approval that there is verbiage that can be added to the operating budget. Wolfeboro has not done this in the past few years – that we could petition the court to have a special meeting. That will be part of the operating budget verbiage.

The town manager and I reached out to legal for an opinion to make sure we excluded the incremental cost of the new contract for the ambulance to make sure it is appropriate – and it is appropriate to exclude it. If it was a one-year extension in a normal contract, we could have put it in the default budget. But because it is completely different, it's not an extension of a current contract. The lawyer said we could keep it out and that's how we did it.

Mrs. Carpentier: Calls for a **MOTION to approve the 2024 default budget of \$33,300,799.**

MOVED by Mr. Freudenberg. Second Mrs. Murray. Approved 4-0.

2. Other business

Mr. Harriman: We received a response from NH DRA [reads into the minutes – addressed to the Board of Selectmen regarding the emergency expenditures pursuant to RSA:32:11; your government body]:

“ We have received your request for an emergency expenditure under the provisions of RSA 32:11 for the following purposes:

Total voted appropriations will be exceeded by \$175,000; reason – town-maintained roads suffered unexpected storm damage. Funding sources – Transfer from the Electric Enterprise

Fund. Hearing held was not applicable because Board of Selectmen and the Budget Committee both signed off on it.

Given the representations and assertions jointly agreed to by the Select Board and the Budget Committee in the submission, your request to expend \$175,000 under RSA 32:11 is deemed reasonable and is approved.

Signed by – Samuel T. Green, Director, Municipal and Property Division”

Good news received from DRA. We are continuing to keep budget belts tight through the end of the year; continue to avoid unnecessary spending. Other questions? Comments.

Mrs. Murray: Announces change in venue for Last Night Wolfeboro ice skating to take place at Pop Whalen arena – 2:30 – 3:30 p.m., December 31st. The Brewster outdoor rink is not ready. Skate rentals will be available at Pop Whalen Dec. 31st for Last Night Wolfeboro.

Mr. Harriman: There’s no ‘other’ business? [none] Asks for any public input. [none]

MOTION by Mr. Senecal to ADJOURN at 5:14 p.m.

SECOND Mr. Freudenberg. Approved 4-0

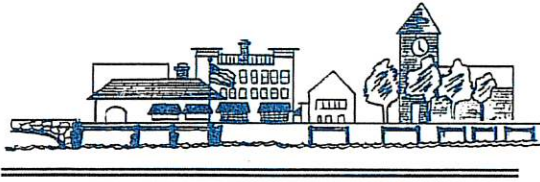
Next Meeting:

Wed., Jan. 3, 2024, 6:30 p.m. – meeting + bond hearing

Submitted by:


Brenda Jorett





*Town of
Wolfeboro*

BOARD OF SELECTMEN

Brad Harriman, Chair
Luke Freudenberg, Vice
Brian Deshaies
Linda Murray
Dave Senecal

James S. Pineo, Town Manager

Thursday December 14, 2023

Administration Unit
Attn: Commissioner Lindsey M. Stepp
PO Box 457
Concord, NH 03302-0457

Commissioner Stepp,

The Wolfeboro Board of Selectmen and Budget Committee send you this letter pursuant to the Emergency Expenditure and Overexpenditures provision of RSA 32:11. We respectfully ask for consideration by the New Hampshire Department of Revenue Administration to over expend the 2023 fiscal year operating budget by a not to exceed amount of \$175,000. The reasoning for our request is as follows:

- 1) On November 22, 2023, NHDRA notified the Town that it was disallowing funds for Warrant Article 18 in the amount of \$547,736. At the time that the Town received this notice, only \$71,426.77 of the appropriated funds had not been expended. As a result, the Town was required to identify funds to cover the balance of \$434,645 within the general fund.
- 2) When the Town received notice of the disallowance, the Town Manager immediately initiated a spending freeze. Working with the Finance Director, the Town Manager was able to identify an additional \$363,218.27 of cost-cutting measures to reduce the anticipated shortfall at year's end to \$113,117.96.
- 3) The Town Manager and Finance Director are hopeful that they will be able to close this gap at year's end without any further appropriations, however, they are concerned about the impact winter weather could have on the budget. The Director of Public Works has estimated the average monthly expenses for winter weather are \$54,882 based on: overtime/salt/sand. This does not include regularly schedule hours of operation.
- 4) In July 2023, the Town of Wolfeboro experienced a significant rain event where town-maintained roads suffered damages. The Town incurred \$118,983.31 in costs for materials and overtime labor. The Town has submitted an application under the disaster declaration to FEMA in the amount of \$1,195,309.49. The Town believes that it may be able to recover as much as 75% of the requested amount. This sudden and unexpected emergency necessitated the expenditure of funds to remedy storm damage that would not have otherwise been spent during FY 2023.
- 5) In 2022, the Town of Wolfeboro entered into an agreement with the Friends of Pop Whalen ("FOPW") for the donation of \$2,700,000 for a renovation/expansion of the Pop Whalen Ice & Arts Center. As part of the agreement, the FOPW was to provide their contribution on or before July 31, 2023. To date the Town has received \$2,190,000, with the balance due on July 31, 2024 as agreed to by the Wolfeboro Board of Selectmen.

- 6) The 2023 MS-232-R reflects approved appropriations, after the NHDRA disallowance, of \$50,763,346. This includes the Town's enterprise funds: Electric, Water, Sewer, Pop Whalen Ice & Arts Center.
- 7) The 2022 Audit report indicates that the enterprise funds have a combined unrestricted fund balance of \$8,169,115, with the Electric Enterprise Fund holding \$6,425,620 of said funds.

The Town of Wolfeboro respectfully asks for the Commissioner's consideration to allow the Town to overspend the 2023 General Fund Operating budget in the not to exceed amount of \$175,000 by the following method:

- 1) Allow for a revenue transfer in the amount of \$175,000 from the Electric Enterprise fund for the 2023 over expenditure.

In closing, should you have questions please contact James S. Pineo, Town Manager at 603-569-8161.

Wolfeboro Budget Committee
Signatures

 12/18/23

John MacDonald - Chair

 12/18/23

Robert Tougher - Vice Chair

Thomas Bell - Member

 12/18/23

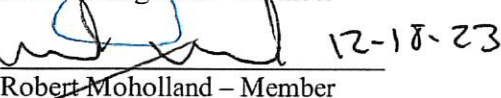
Brian Black - Member

 12/18/23

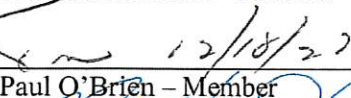
Bobbi Boudman - Member

 12/18/23

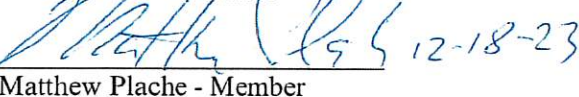
Robert Loughman - Member

 12-18-23

Robert Moholland - Member

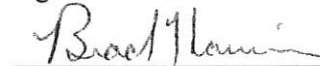
 12/18/23

Paul O'Brien - Member

 12-18-23

Matthew Plache - Member

Wolfeboro Board of Selectmen
Signatures



Brad Harriman - Chair



Luke Freudenberg - Vice Chair



Brian Deshaies - Member



Linda Murray - Member



David Senecal - Member


James Scott Pineo - Town Manager

Cc: Nathan Fennessy - Legal Council
Timothy Greene - Auditor
Barry Muccio - Director Wolfeboro Electric Department

NH DEPARTMENT OF REVENUE ADMINISTRATION
MUNICIPAL & PROPERTY DIVISION
P.O. BOX 487, CONCORD, NH 03302-0487

RSA 32:11 EMERGENCY EXPENDITURE REVENUE SOURCE FORM

Town: Town of Wolfeboro FY: 2023 Date: 12/14/2023

ACCT.#	SOURCE OF REVENUE	REVENUE FROM MS-4	UPDATED ESTIMATE
TAXES			
3120	Land Use Change Tax		
3180	Resident Tax		
3185	Timber Tax	\$ 20,000.	
3186	Payment in Lieu of Taxes	27.	
3189	Other Taxes	20,000.	
3190	Interest & Penalties on Delinquent Taxes	51,431.	
	Inventory Penalties		
3187	Excavation Tax (\$.02 cents per cu yd)		
LICENSES, PERMITS & FEES			
3210	Business Licenses & Permits	1,500	
3220	Motor Vehicle Permit Fees	1,750,000	
3230	Building Permits	93,000.	
3290	Other Licenses, Permits & Fees	161,776.	
3311-3319	FROM FEDERAL GOVERNMENT		
FROM STATE			
3351	Shared Revenues		
3352	Meals & Rooms Tax Distribution	606,014.	
3353	Highway Block Grant	180,116.	
3354	Water Pollution Grant	256,009.	
3355	Housing & Community Development		
3356	State & Federal Forest Land Reimbursement	40.	
3357	Flood Control Reimbursement		
3359	Other (Including Railroad Tax)	1,019,158.	
3379	FROM OTHER GOVERNMENTS	65,308.	
CHARGES FOR SERVICES			
3401-3406	Income from Departments	304,400.	
3409	Other Charges		

RSA 32:11 EMERGENCY EXPENDITURE REVENUE SOURCE FORM (continued)

Town: Town of Wolfeboro FY: 2023 Date: 12/14/2023

ACCT.#	SOURCE OF REVENUE	REVENUE FROM MS-4	UPDATED ESTIMATE
MISCELLANEOUS REVENUES			
3501	Sale of Municipal Property		
3502	Interest on Investments	250,000.	
3503-3509	Other	1,064,637.	
INTERFUND OPERATING TRANSFERS IN			
3912	From Special Revenue Funds	10,000.	
3913	From Capital Projects Funds		
3914	From Enterprise Funds - Other (Pop Whalen)	402,703.	
	Sewer - (Offset)	1,478,202.	
	Water - (Offset)	1,812,942.	
	Electric - (Offset)	10,617,970.	10,792,970.
	Airport - (Offset)		
3915	From Capital Reserve Funds		
3916	From Trust & Fiduciary Funds		
3917	From Conservation Funds		
OTHER FINANCING SOURCES			
3934	Proc. from Long Term Bonds & Notes	15,830,000.	
	Unreserved Fund Balance Used as Revenue	302,237.	
	TOTAL REVENUE	36,297,470.	36,472,470.
	TOTAL INCREASE IN REVENUE		175,000.
Total Voted Appropriations From Annual & Any Special Meeting(s): *			\$50,763,346.
Increase in Expenditures Requested Under RSA 32:11:			\$175,000.
FOR DRA USE ONLY			
Unreserved Fund Balance = \$	No Means No?		
Amount previously used for tax rate or emergency = \$	MBA?		
Remaining balance = \$	Hearing Date:		
5% amount =	Reviewed by: _____	Date: _____	
10% amount =	Approved by: _____	Date: _____	
	Denied Because:		

* as adjusted by DRA



New Hampshire
Department of
Revenue Administration

2023
MS-434-R

Revised Estimated Revenues Adjusted

Wolfeboro

For the period beginning January 1, 2023 and ending December 31, 2023

In accordance with RSA 21-J:35, the department is notifying you of the following changes in the estimated revenues used in computing the tax rate.

Account	Source	Estimated Revenue	Change Amount	Estimated Revenue Adjusted
Taxes				
3120	Land Use Change Tax - General Fund	\$0	\$0	\$0
3180	Resident Tax	\$0	\$0	\$0
3185	Yield Tax	\$20,000	\$0	\$20,000
3186	Payment in Lieu of Taxes	\$28	(\$1)	\$27
3187	Excavation Tax	\$0	\$0	\$0
3189	Other Taxes	\$20,000	\$0	\$20,000
3190	Interest and Penalties on Delinquent Taxes	\$51,431	\$0	\$51,431
9991	Inventory Penalties	\$0	\$0	\$0
Taxes Subtotal		\$91,459	(\$1)	\$91,458
Licenses, Permits, and Fees				
3210	Business Licenses and Permits	\$1,500	\$0	\$1,500
3220	Motor Vehicle Permit Fees	\$1,750,000	\$0	\$1,750,000
3230	Building Permits	\$93,000	\$0	\$93,000
3290	Other Licenses, Permits, and Fees	\$161,776	\$0	\$161,776
3311-3319	From Federal Government	\$0	\$0	\$0
Licenses, Permits, and Fees Subtotal		\$2,006,276	\$0	\$2,006,276
State Sources				
3351	Municipal Aid/Shared Revenues	\$0	\$0	\$0
3352	Meals and Rooms Tax Distribution	\$665,658	\$40,356	\$608,014
3353	Highway Block Grant	\$178,491	\$1,625	\$180,116
3354	Water Pollution Grant	\$120,000	\$136,009	\$256,009
3355	Housing and Community Development	\$0	\$0	\$0
3356	State and Federal Forest Land Reimbursement	\$40	\$0	\$40
3357	Flood Control Reimbursement	\$0	\$0	\$0
3359	Other (Including Railroad Tax)	\$678,112	\$341,046	\$1,019,158
3379	From Other Governments	\$65,308	\$0	\$65,308
State Sources Subtotal		\$1,607,609	\$519,036	\$2,126,645
Charges for Services				
3401-3406	Income from Departments	\$304,400	\$0	\$304,400
3409	Other Charges	\$0	\$0	\$0
Charges for Services Subtotal		\$304,400	\$0	\$304,400



New Hampshire
Department of
Revenue Administration

2023
MS-434-R

Revised Estimated Revenues Adjusted

Account	Source	Estimated Revenue	Change Amount	Estimated Revenue Adjusted
Miscellaneous Revenues				
3501	Sale of Municipal Property	\$0	\$0	\$0
3502	Interest on Investments	\$250,000	\$0	\$250,000
3503-3509	Other	\$1,064,637	\$0	\$1,064,637
Miscellaneous Revenues Subtotal		\$1,314,637	\$0	\$1,314,637
Interfund Operating Transfers In				
3912	From Special Revenue Funds	\$10,000	\$0	\$10,000
3913	From Capital Projects Funds	\$0	\$0	\$0
3914A	From Enterprise Funds: Airport (Offset)	\$0	\$0	\$0
3914E	From Enterprise Funds: Electric (Offset)	\$10,617,970	\$0	\$10,617,970
3914O	From Enterprise Funds: Other (Offset)	\$402,703	\$0	\$402,703
3914S	From Enterprise Funds: Sewer (Offset)	\$1,734,211	(\$256,009)	\$1,478,202
3914W	From Enterprise Funds: Water (Offset)	\$3,843,992	(\$2,031,050)	\$1,812,942
3915	From Capital Reserve Funds	\$0	\$0	\$0
3916	From Trust and Fiduciary Funds	\$0	\$0	\$0
3917	From Conservation Funds	\$0	\$0	\$0
Interfund Operating Transfers In Subtotal		\$16,608,876	(\$2,287,059)	\$14,321,817
Other Financing Sources				
3934	Proceeds from Long Term Bonds and Notes	\$14,140,000	\$1,690,000	\$15,830,000
Other Financing Sources Subtotal		\$14,140,000	\$1,690,000	\$15,830,000
Total Revised Estimated Revenues and Credits		\$36,073,257	(\$78,024)	\$35,995,233

Revised Estimated Revenues Summary

	Estimated	Change Amount	State Adjusted
Subtotal of Revenues	\$36,073,257	(\$78,024)	\$35,995,233
Unassigned Fund Balance (Unreserved)	\$302,237	\$0	\$302,237
(Less) Emergency Appropriations (RSA 32:11)	\$0	\$0	\$0
(Less) Voted from Fund Balance	\$850,000	(\$547,763)	\$302,237
(Less) Fund Balance to Reduce Taxes	\$0	\$0	\$0
Fund Balance Retained	(\$547,763)	\$547,763	\$0
Total Revenues and Credits	\$36,923,257	(\$625,787)	\$36,297,470
Requested Overlay	\$75,000	\$0	\$75,000

Assessment Overview

Total Appropriations	\$50,763,346
(Less) Total Revenues and Credits	\$36,297,470
Net Assessment	\$14,465,876

Explanation of Adjustments

Account	Reason for Adjustment	Warrant Number
3186	MC: Adjusted to MS1	16
3352	MC: State Aid Adjustment	16
3353	MC: State Aid Adjustment	16
3354	MC: State Aid Adjustment	16
3359	MC: State Aid Adjustment	16,17
3914S	MC: Adjustment	16,20,22
3914W	MC: Municipality Adjustment	16,20,22,14,19
3934	MC: DRA Adjustment	,11,13