

**TOWN OF WOLFEBORO
BUDGET COMMITTEE
January 9, 2020
PUBLIC HEARING
Minutes**

Members Present: John MacDonald, Chairman, Bob Tougher, Vice-Chairman, Linda Murray, Selectman's Alternate Representative, Matt Plache, Steve Johnson, Brian Black, John Burt, Robert Loughman, Bob Moholland, Members.

Members Absent: Paul O'Brien, Selectmen's Representative, Tom Bell, Member (excused).

Staff Present: Jim Pineo, Town Manager, Troy Neff, Finance Director, Lee Ann Hendrickson, Administrative Secretary.

Chairman MacDonald called the meeting to order at 7:02 PM at the Great Hall.

The Committee participated in the Pledge of Allegiance.

Chairman MacDonald opened the public hearing.

OPERATING BUDGET

John MacDonald reviewed the 2020 Operating Budget. He asked the Town Manager to explain the reduction to the operating budget since the Budget Committee last reviewed such.

Jim Pineo stated the reduction is due to a calculation error in two supervisory salaries and calculation errors in the Electric and Water Capital Outlays (double booking of such).

John MacDonald requested the Finance Director reviewed the changes to the Administrative Cost Allocation.

Troy Neff reviewed such.

John MacDonald thanked all Department Heads, Town Manager, Finance Director and BOS and requested the public support the proposed 2020 operating budget.

WARRANT ARTICLES

Article 11: Libby Museum Renovation and Expansion; \$2,856,599

It was moved by Robert Loughman and seconded by Steve Johnson to not recommend Article 11. Roll call vote: Bob Tougher – yes, Robert Loughman – yes, Matt Plache – yes, Bob Moholland – yes, Steve Johnson – yes, John Burt – yes, John MacDonald – yes, Brian Black – yes. The motion passed (8-0).

Article 12: Carry Beach Parking Lot and Beach Water Quality Improvements; \$450,000

It was moved by Robert Loughman and seconded by Brian Black to recommend Article 12. Roll call vote: Bob Tougher – yes, Robert Loughman – yes, Matt Plache – yes, Bob Moholland – yes, Steve Johnson – yes, John Burt – yes, John MacDonald – yes, Brian Black – yes. The motion passed (8-0).

Article 13: Municipal Revaluation; \$200,000

It was moved by Bob Moholland and seconded by Matt Plache to recommend Article 13. Roll call vote: Bob Tougher – yes, Robert Loughman – yes, Matt Plache – yes, Bob Moholland – yes, Steve Johnson – yes, John Burt – yes, John MacDonald – yes, Brian Black – yes. The motion passed (8-0).

Article 14: Accrued Leave Time Expendable Trust Fund; \$100,000

John MacDonald stated he doesn't agree with the warrant article; noting there is no indication of how much the amount will increase. He questioned the goal of the fund and the maximum payout.

Jim Pineo stated some employees have a large amount of leave time accumulated; noting a policy has been put into place to avoid such. He stated the goal is to be at 20% of the current accumulated leave time; noting he estimates such between \$800,000 and \$1 million. He stated such a fund is a widely recommended practice by GASB.

Steve Johnson asked if the issue was created by a previous practice.

Jim Pineo stated the issue is specific to leave time for Department Heads. He stated the positions may not be able to be filled until the leave time is burned.

Brian Black asked if the fund would diminish over time as employees roll over.

Jim Pineo replied yes however, there are 100 employees and many long term employees. He stated the establishment of the fund is a planning tool to address the issue and noted that caps have been since implemented.

Steve Johnson confirmed the issue occurred prior to the cap being implemented.

John Burt stated no calculations are provided and that a target amount should be established. He stated he doesn't agree the fund should be open ended.

Jim Pineo stated the goal is to have 20% of \$1 million in the account (\$200,000); noting such helps with succession planning and funding unfunded liabilities.

Linda Murray stated that if the warrant article is brought back next year then the Committee will know the balance of the account and the amount expended; noting the Committee will be able to vote again on the article. She stated she supports the warrant article.

Bob Tougher stated he supports the warrant article.

Troy Neff stated GASB Pronouncement #75 recommends such and noted that such a fund forecasts retirement and operations. He stated by having the fund positions can be backfilled quicker and there is less of an operational impact.

Steve Johnson stated he is in favor of the article only if there will no longer be this issue in the future.

Jim Pineo stated the employees are allowed to carry over hours from year to year however, now they are only allowed to take forty hours when their employment ends.

It was moved by Bob Tougher and seconded by Steve Johnson to recommend Article 14. Roll call vote: Bob Tougher – yes, Robert Loughman – yes, Matt Plache – yes, Bob Moholland – yes, Steve Johnson – yes, John Burt – abstain, John MacDonald – no, Brian Black – yes. The motion passed (6-1-1).

Article 15: Town Road Upgrades; \$850,000

It was moved by John Burt and seconded by Bob Tougher to recommend Article 15. Roll call vote: Bob Tougher – yes, Robert Loughman – yes, Matt Plache – yes, Bob Moholland – yes, Steve Johnson – yes, John Burt – yes, John MacDonald – yes, Brian Black – yes. The motion passed (8-0).

Article 16: 2020 Operating Budget; \$28,043,555

It was moved by Bob Moholland and seconded by Robert Loughman to recommend Article 16. Roll call vote: Bob Tougher – yes, Robert Loughman – yes, Matt Plache – yes, Bob Moholland – yes, Steve Johnson – yes, John Burt – yes, John MacDonald – yes, Brian Black – yes. The motion passed (8-0).

Article 17: Recreational Dock Repairs; \$300,000

It was moved by Robert Loughman and seconded by Brian Black to recommend Article 17. Roll call vote: Bob Tougher – yes, Robert Loughman – yes, Matt Plache – yes, Bob Moholland – yes, Steve Johnson – no, John Burt – yes, John MacDonald – yes, Brian Black – yes. The motion passed (7-1).

Article 18: Water Quality Improvements; \$55,000

It was moved by Robert Loughman and seconded by Bob Tougher to recommend Article 18. Roll call vote: Bob Tougher – yes, Robert Loughman – yes, Matt Plache – yes, Bob Moholland – yes, Steve Johnson – yes, John Burt – yes, John MacDonald – yes, Brian Black – yes. The motion passed (8-0).

Article 19: Public Safety Facility Architecture and Engineering Fees; \$100,000

John MacDonald asked how much the Town spent on the previous study.

Jim Pineo replied \$60,000; noting a remaining balance of \$4,000.

John Burt asked what was accomplished thus far and what the results have been from the funds expended to date.

Jim Pineo stated a \$12 million project was put forth and due to that cost additional options were researched. He stated a series of plans were provided and a space needs assessment was conducted.

Robert Loughman asked what the figures are for the additional options.

Jim Pineo stated that only the \$12 million figure has been submitted.

John MacDonald asked if the BOS has set any parameters as to how much will be spent on additional studies.

Linda Murray stated she sees the matter similar to the Library where the BOS will continue to study different options until a figure that is more palatable to present to the voters is presented. She stated the \$12 million project will not fly and will be dead on arrival.

Robert Loughman questioned whether the project should be kept on the CIP for 2022; noting he would opt to move it out.

Linda Murray stated that if the Town does not have a concrete proposal then she would support moving out the project.

It was moved by Bob Tougher and seconded by Matt Plache to recommend Article 19. Roll call vote: Bob Tougher – yes, Robert Loughman – yes, Matt Plache – yes, Bob Moholland – yes, Steve Johnson – yes, John Burt – yes, John MacDonald – yes, Brian Black – yes. The motion passed (8-0).

Article 20: Public Works Vehicles and Equipment Capital Reserve Fund; \$175,000

It was moved by Robert Loughman and seconded by Matt Plache to recommend Article 20. Roll call vote: Bob Tougher – yes, Robert Loughman – yes, Matt Plache – yes, Bob Moholland – yes, Steve Johnson – yes, John Burt – yes, John MacDonald – yes, Brian Black – yes. The motion passed (8-0).

Article 21: Fire Trucks and Apparatus Replacement Capital Reserve Fund; \$196,000

It was moved by Robert Loughman and seconded by John Burt to recommend Article 21. Roll call vote: Bob Tougher – yes, Robert Loughman – yes, Matt Plache – yes, Bob Moholland – yes, Steve Johnson – yes, John Burt – yes, John MacDonald – yes, Brian Black – yes. The motion passed (8-0).

Article 22: Building Maintenance Capital Reserve Fund; \$50,000

It was moved by Bob Tougher and seconded by Robert Loughman to recommend Article 22. Roll call vote: Bob Tougher – yes, Robert Loughman – yes, Matt Plache – yes, Bob Moholland – yes, Steve Johnson – yes, John Burt – no, John MacDonald – yes, Brian Black – yes. The motion passed (7-1).

Article 23: Bridge Falls Path Lighting Capital Reserve Account Establishment and Contribution; \$20,000
Robert Loughman questioned the funding goal for such.

Jim Pineo stated the funding was originally requested for \$40,000 however, it was cut back to \$20,000; noting the goal is to request the balance of the funds for a two year period.

It was moved by Bob Tougher and seconded by John Burt to recommend Article 23. Roll call vote: Bob Tougher – yes, Robert Loughman – yes, Matt Plache – yes, Bob Moholland – yes, Steve Johnson – yes, John Burt – yes, John MacDonald – yes, Brian Black – yes. The motion passed (8-0).

Article 24: Abenaki Ski Area Capital Reserve Fund; \$16,750

It was moved by Robert Loughman and seconded by Bob Tougher to recommend Article 24. Roll call vote: Bob Tougher – yes, Robert Loughman – yes, Matt Plache – yes, Bob Moholland – yes, Steve Johnson – yes, John Burt – abstain, John MacDonald – yes, Brian Black – yes. The motion passed (7-0-1).

Article 25: Dispatch Equipment Capital Reserve Fund; \$50,000

It was moved by John Burt and seconded by Bob Moholland to recommend Article 25. Roll call vote: Bob Tougher – yes, Robert Loughman – yes, Matt Plache – yes, Bob Moholland – yes, Steve Johnson – yes, John Burt – yes, John MacDonald – yes, Brian Black – yes. The motion passed (8-0).

Article 26: Police Vehicle Purchase via Police Special Detail Fund Surplus; \$59,255

Steve Johnson requested the Police Commission look into the lease purchase option the Town previously engaged in and ensure the procurement policy is followed with regard to receiving bids from more than one supplier.

It was moved by Bob Moholland and seconded by Matt Plache to recommend Article 26. Roll call vote: Bob Tougher – yes, Robert Loughman – yes, Matt Plache – yes, Bob Moholland – yes, Steve Johnson – yes, John Burt – no, John MacDonald – yes, Brian Black – yes. The motion passed (7-1).

Article 27: Water Department Backhoe; \$120,000

It was moved by John Burt and seconded by Matt Plache to recommend Article 27. Roll call vote: Bob Tougher – yes, Robert Loughman – yes, Matt Plache – yes, Bob Moholland – yes, Steve Johnson – yes, John Burt – yes, John MacDonald – yes, Brian Black – yes. The motion passed (8-0).

Article 28: ME-2 Bucket Truck Purchase; \$280,000

It was moved by John Burt and seconded by Bob Moholland to recommend Article 28. Roll call vote: Bob Tougher – yes, Robert Loughman – yes, Matt Plache – yes, Bob Moholland – yes, Steve Johnson – yes, John Burt – yes, John MacDonald – yes, Brian Black – yes. The motion passed (8-0).

Article 29: AFSCME Contract Agreement; \$46,239

Steve Johnson stated that as a Budget Committee member he has no say in any contract agreements and therefore, he feels he has no input and will not vote in favor of the warrant article. He stated a representative of the Budget Committee should be included in the discussions because payroll is a single driver of the budget.

It was moved by John Burt and seconded by Robert Loughman to recommend Article 29. Roll call vote: Bob Tougher – yes, Robert Loughman – abstain, Matt Plache – yes, Bob Moholland – yes, Steve Johnson – no, John Burt – abstain, John MacDonald – yes, Brian Black – yes. The motion passed (5-1-2).

Article 32: Freight Shed

The Budget Committee will address such at the joint Budget Committee and BOS meeting on January 21, 2020, 6:30 pm at the Great Hall.

Article 35: Electrical Generation Building Feasibility Study; \$25,000

The Budget Committee will address such at the joint Budget Committee and BOS meeting on January 21, 2020, 6:30 pm at the Great Hall.

Consideration of Minutes

January 6, 2020

It was moved by Robert Loughman and seconded by Steve Johnson to approve the January 6, 2020 Wolfeboro Budget Committee minutes as submitted. All members voted in favor. The motion passed.

OTHER BUSINESS

N/A

It was moved by John Burt and seconded by Bob Tougher to adjourn the January 9, 2020 Budget Committee Public Hearing. All members voted in favor.

There being no further business before the Committee, the meeting adjourned at 8:46 PM.

Respectfully Submitted,

Lee Ann Hendrickson

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