

TOWN OF WOLFEBORO
BUDGET COMMITTEE
MINUTES
December 30, 2020
Great Hall, Wolfeboro Town Hall and Virtual Access

Chairman MacDonald opened the meeting at 6:43 pm.

I. Preamble and Roll Call of Members in Attendance

Good evening and welcome to the December 30, 2020 meeting of the Wolfeboro Budget Committee.

Due to the COVID-19/Coronavirus crisis and in accordance with Governor Sununu's Emergency Order #12 pursuant to Executive Order #2020-04, this Board is authorized to meet electronically. **However, the Committee has jointly decided to proceed with a 'hybrid' meeting format allowing for members of the public and Board to attend and participate in the meeting in-person or virtually.**

In accordance with RSA 91-A: 2, III, the Board has 6 members joining the meeting remotely, which a public body has the authorization to allow.

At this time I would like to take a roll-call vote of ALL members present. For those participating virtually, please indicate why your attendance is not reasonably practical and if you have any other individuals present in the room with you.

Budget Committee Members Present (In-person): John MacDonald, Chairman, Bob Loughman, Matthew Plache, Steve Johnson, Bob Moholland, Members.

Budget Committee Members Present (Virtual): Bob Tougher, Vice-Chairman (indicated he is at his residence and no one is present), John Burt (indicated he is at his residence and no one is present), Brian Black, (indicated he is at his residence and no one is present), Tom Bell (indicated he is at his residence and no one is present), Paul O'Brien, Selectmen's Representative (indicated he is at his residence and no one is present), Linda Murray, BOS Alternate Representative (indicated she is at her residence and no one is present).

Votes taken during this meeting will be via roll call vote for ALL members.

In accordance with Emergency Order #12, for members of the public, this is to confirm that we are:

1. Providing public access to the meeting by telephone, with additional access possibilities by video or other electronic means through GoToMeeting. All members of the public and Board have the ability to communicate contemporaneously during this meeting through the GoToMeeting platform, and the public has access to contemporaneously listen and, if necessary, participate in this meeting through dialing the following phone #+1 (646) 749-3122 followed by the audio access code 918-242-429, or by video following the directions on the Town of Wolfeboro Website posted on the home page under the Virtual Town Meeting Login Information page.
2. Providing public notice of the necessary information for accessing the meeting; we previously gave notice to the public of how to access the meeting in-person or using GoToMeeting and in, and instructions are provided on the Town of Wolfeboro website at wolfeboronh.us on the Virtual Town Meeting Login Information page.
3. Providing a mechanism for the public to alert the public body during the meeting if there are problems with access; If anybody has a problem accessing the meeting via phone or computer, please immediately call 603-486-2692 OR email hendrickson.leeann@gmail.com In the event that the public is unable to access the meeting, we will adjourn the meeting and have it rescheduled at that time.

Staff Present (In-person): Jim Pineo, Town Manager, Lee Ann Hendrickson, Administrative Secretary.

Staff Present (Virtual): Kathy Carpentier, Finance Director.

The Committee participated in the Pledge of Allegiance.

Brad Harriman read a letter from the BOS to the Budget Committee, dated 12/29/30, see attached.

John MacDonald stated he appreciates the input from Mr. Harriman and his Board however, he feels that as the Chair to the Budget Committee that he and Mr. Harriman could have talked about the matter without this letter and come to a different resolution. He stated he is disappointed and would like to address the issues

noted in the letter. He asked Mr. Harriman if he/the BOS feel that the Budget Committee is not entitled to question the salary of Town employees.

Brad Harriman stated the BOS are stating that individual salaries should not be discussed in a public forum especially when the individual is present. He stated individual salaries should be discussed in nonpublic sessions.

John MacDonald asked if it is the position of the BOS that the public does not have the right to view the salaries that are printed in the budget book.

Brad Harriman replied no. He stated the discussion regarding whether a person is entitled to compensation should not be discussed in public. He stated the position itself can be discussed however, not the person's name within that organization should not be brought up.

Referencing the allegation of the illegal meeting described in the BOS letter, John MacDonald asked what investigation or steps were taken to support the allegation that the meeting occurred.

Brad Harriman stated the BOS took it from the comments made at the December 22nd Budget Committee meeting. He stated comments were made by a member of the Budget Committee stating that they had spoken with at least four or five other members of the Budget Committee on these matters.

John MacDonald asked if such was the recollection of Mr. O'Brien and Mrs. Murray or if Mr. Harriman actually viewed the tape of the meeting.

Brad Harriman stated it was reported by them.

John MacDonald asked Mr. Harriman if he took the opportunity to talk to the alleged person that violated the rule.

Brad Harriman replied no.

John MacDonald asked Mr. Harriman if he has viewed the tape of the December 22nd meeting.

Brad Harriman stated he has not.

John MacDonald stated he and an associate reviewed the tape and the quote/statement from this particular person on December 22nd is "I spoke with four other members of the Committee, myself personally and everyone I spoke with and myself included feels the format is very good." At that time the member was referring to a spreadsheet previously provided to the Committee. He stated he contacted that particular member and questioned him as to what the context consisted of. He stated the member responded that he called the members individually on the phone and talked to them about the spreadsheet. He asked that action by the member is considered a violation.

Brad Harriman stated the way that it was presented at the meeting it appeared that a meeting of four or five members were speaking together to discuss the issue.

John MacDonald stated that what he just read is an exact quote from the meeting and asked Mr. Harriman if he feels any differently now that he has been advised of the information.

Brad Harriman stated that all he can say is if the Committee has questions or rebuttals that it should be put back in a response to the BOS.

John MacDonald stated the Committee wants to work with the BOS and wishes that before the letter was written that there could have been a better resolution. He stated he and the members of the Budget

Committee will fully cooperate with the BOS and hopes that it goes both ways and there are no hard feelings between the two boards.

Steve Johnson asked if the Budget Committee can enter into nonpublic session. He stated the Committee only talk and represents their concerns at public meetings however, there are times when a nonpublic session is needed. He asked if the Committee is allowed to do such.

John MacDonald recommended requesting Town Counsel's opinion on such.

Matt Plache asked if there is a distinction between compensation for an elected official and compensation for staff and the authority to set the compensation.

John MacDonald stated that at the county level the delegation sets the salary for the elected officials.

Matt Plache referenced RSA 37:6, 2 - the Town Manager setting the salary of an elected official. He stated his recollection is that there was a change in the salary of elected officials.

John MacDonald stated there was a change in one of the elected officials and one regular employee.

Matt Plache stated there is not a distinction in the BOS letter between the two. He stated the citation to the NH Municipal Association as authority for impugning a violation of law he believes is less than appropriate. He stated the actual law should be reviewed and not what an association says about the law. He stated he doesn't believe the NH Municipal Association is an authority over the law.

John MacDonald requested Bob Tougher to take over chairing the meeting while he speaks with Brad Harriman privately and shake his hand.

II. Estimated Revenues

Bob Loughman asked why the property tax revenue is not included.

Kathy Carpentier stated the tax revenue is unknown at this time and typically what is reported is the nontax revenue. She stated that because the proposed budget has not yet been finalized the property tax cannot be determined.

Referencing the Cable TV Franchise fee, Bob Tougher questioned the difference between 2020 and 2021.

Kathy Carpentier stated \$92,000 was budgeted in 2020 however, an additional check that made up for previous years was received. She stated for two years the Town was only given a 3% franchise fee when it should have been 4%.

Referencing the water and sewer estimated revenues, Bob Tougher questioned the decrease in 2021.

Kathy Carpentier stated the 2021 estimated revenues related to such is based on the current proposed operating budget; noting that when the budget is finalized she will be able to calculate a harder number.

Bob Tougher confirmed the estimated General Fund revenue is calculated at \$4,202,536 and the interfund transfers and miscellaneous revenues is calculated at \$18,170,109; noting such is the revenue from prior years.

Brian Black asked how the rooms and meals tax has been affected this past year.

Kathy Carpentier stated NHDRA provided her the number budget for such (\$319,404); noting such has been consistent with the amount received in the past. She stated perhaps the rooms and meals tax may be in jeopardy in the future however, she has confirmed with NHDRA that the Town will receive the amount.

III. Default Budget

Bob Tougher requested the amount of the 2021 operating budget.

Jim Pineo replied \$28,565,092.

Bob Tougher confirmed the default budget is \$28,304,031.

Chairman MacDonald returned to the meeting at 7:12 pm.

IV. Warrant Articles

Article A: Electric Distribution Conversion Phase VI

\$1,850,000

John MacDonald read Article A. He asked how long the project will take to complete and when the project would begin.

Barry Muccio stated the project would begin in April and would be worked on through the remainder of 2021.

Steve Johnson asked if the project would be bonded for the full amount or if there are some funds available.

Jim Pineo stated the entire cost of the project would be bonded however, there is money set aside.

Steve Johnson questioned the final cost/payment and questioned negotiations relative to the interest rate.

Jim Pineo stated he and the BOS have received the bond schedule and interest rates.

Article B: Rapid Infiltration Basin Site Upgrade

\$3,500,000

John MacDonald read Article B.

Jim Pineo stated the Town is a high candidate for receipt of State revolving funds; noting the Town could receive 13-15% loan forgiveness. He stated the project would be bonded and the bond would be paid back immediately.

John MacDonald asked if the upgrade would resolve the current issue and issues with the State.

Jim Pineo replied yes and noted the pilot program has been successful and is the best option for the Town. He stated the program would continue to be monitored to ensure there is no negative effects.

John MacDonald asked when the project would begin.

Jim Pineo replied within the next year (2021).

Steve Johnson asked how the money is expended and if an outside contractor would be completing the project or the Town.

Jim Pineo replied an outside contractor.

John MacDonald confirmed the issue would be resolved next year. He questioned Dave Ford's percentage of time on the project.

Jim Pineo stated Mr. Ford would have to respond to such however, noted that the project will take a significant amount of time over the next year.

John Burt asked who would manage the project.

Jim Pineo replied Dave Ford.

Article C: Wastewater Treatment Plant Asset Management Plan **\$30,000**

John MacDonald read Article C.

**No discussion on such.*

Article U: Pop Whalen Ice Arena Building Repairs **\$800,000**

John MacDonald read Article U.

Jim Pineo stated the BOS discussed the article last night; noting the BOS assigned him and the Finance Director the task of going to the site and determine the sustainability of the venue to pay for the project. He stated there may consideration for the structural components to be under the General Fund and the dehumidification and electrical upgrades being covered by the Enterprise Fund.

John MacDonald confirmed there could be an impact to the tax rate. He questioned the projected additional expenses of the facility in the next budget when the project is completed.

Jim Pineo stated a reduction could be seen; noting the building is going to be much more efficient.

Following the completion of the project, John MacDonald asked if the facility could be used outside of the winter season.

Jim Pineo stated the facility could be used in the summer months (flower shows and car shows) and increase the revenue.

John MacDonald requested the Town ensure that any improvements to the facility does not impact the existing sprinkler system.

Jim Pineo stated the issues are being addressed.

Steve Johnson questioned the balance of the Pop Whalen Enterprise Fund.

Jim Pineo stated there is no fund balance.

Steve Johnson confirmed the full amount of the project cost would be bonded. He asked if the repairs would be done in 2021.

Jim Pineo replied yes.

Article F: Recreational Dock Repairs and Expansion **\$1,500,000**

John MacDonald read Article F.

Bob Loughman stated the original project started at \$1,150,000 including the seawall repairs and questioned how the \$1,500,000 amount came to be. He questioned the balance of the capital reserve account (unused funds) stating that the previously appropriated \$300,000 hasn't been spent to offset the cost.

Jim Pineo stated the Committee received the balances of the capital reserve funds earlier this week. He stated there were two bidders for the project; noting both bids came in over the engineer's estimates and one of the bidders did not meet the requirements and the other bidder was \$1.5 million. He stated some of the funds have been spent on permitting. He stated the BOS has asked him to speak to Town Counsel regarding the option of tying those funds into the warrant article.

Kathy Carpentier stated there is approximately \$119,000 as of October 2020 in the Dockside Docks Capital Reserve Fund.

Paul O'Brien stated the BOS in September 2020 turned down the opportunity to pursue the \$130,000 BIG Grant because the grant would have required the Town to allocate 20% of the dock space for big boats. He stated the Town would have had to restrict parking spaces. He stated the warrant article includes the expansion of the docks.

Bob Loughman stated the cost for the dockside dock expansion is \$250,000. He stated the letter from the EDC claimed that an additional \$600,000 of revenue would be generated if the docks were expanded and therefore would pay back the \$250,000 of expenditures. He stated however, the \$600,000 goes into the pockets of the businesses Downtown and do nothing to pay the taxpayers back. He stated the expansion should be separate from the repairs and supports the repairs. He stated the matter was discussed during the CIP process this year; noting such is what gave rise to the EDC letter to the BOS. He recommended the projects be separated.

John MacDonald requested the Town Manager to address the matter and Mr. Loughman's comments.

Jim Pineo stated the BOS was prompted to re-engage the Ad Hoc Dock Committee following receipt of the EDC letter. He stated it was agreed to move forward with the dock expansion project.

Paul O'Brien stated he would provide the link to the Town's Ad Hoc Dock Committee's webpage to staff to distribute to the Budget Committee.

John Burt questioned the probability of State approval for the docks.

Jim Pineo stated the Town won't know until the permitting phase has begun.

Paul O'Brien stated the issues of the buoys was discussed noting that the relocation of the buoys would be addressed at the time of the permitting.

John MacDonald requested photographs of pre and post construction.

Linda Murray stated that when the AD Hoc Committee was originally formed, the Committee met with Rene Pelletier, NHDES, who stated that because the docks are municipal docks and there is a need for additional boat slips that the State would look favorably upon the project.

Bob Loughman stated the CIP Committee was provided a design/graphic of the project and would forward it to the Committee.

Matt Plache asked if there is a breakdown of the cost between the expansion and the repair.

Jim Pineo replied yes and noted such is included in the bid documents and could provide such to the Committee.

Matt Plache confirmed the \$1.5 million includes the repairs to the recreational finger docks and dock expansion.

Jim Pineo stated the project does not include the Mount Washington docks; noting such are commercial docks.

Paul O'Brien stated the project would not include the parking lot either.

Bob Loughman stated he has an issue with rolling the expansion of the docks into the repair project. He stated there are available funds from previous approved warrant articles that would offset the total project cost.

Matt Plache asked if the available funds would buy down the bond amount.

Jim Pineo stated he needs to speak to Town Counsel.

Matt Plache asked if it has been considered to an incremental warrant article and provide the voters the opportunity to vote on the expansion and vote on the repairs.

Article Y: Police Commissioners' Stipend Increase **\$3,500**

John MacDonald read Article Y.

Jim Pineo stated the \$1900 figure will be adjusted however, he does not yet have the exact figure.

Dean Rondeau stated the amount will be adjusted to \$1500.

Jim Pineo stated the request was presented to him during the budget process however, he didn't feel that it was an appropriate request to include the increase in the operating budget. He stated the work load has significantly increased and an increase hasn't been given in years.

Steve Wood, Chair, Wolfeboro Police Commission, stated the increase represents \$500 additional pay for the three members of the Police Commission; noting currently the chair of the Commission receives \$600 and the other two members receive \$500.

Article BB: AFSCME Contract Agreement **\$47,471**

John MacDonald read Article BB. He asked if such would impact the tax rate.

Jim Pineo replied yes; noting such represents 33 positions within the Town of Wolfeboro.

John MacDonald questioned the percentage of pay increase for the employees.

Jim Pineo replied 4% for union employees and 2% for nonunion employees.

Steve Johnson stated the Budget Committee has no part in the negotiation process; noting the private sector is not receiving raises. He stated he is not in agreement with the article.

Bob Tougher asked why the Town engaged in a one year contract rather than a multi-year contract.

Jim Pineo stated he felt that a one year contract was appropriate.

Article V1: Replacement of Ladder 1 **\$1,380,000**

John MacDonald read Article V1.

Steve Johnson questioned the reason for the purchase of a ladder truck.

Jim Pineo stated the existing apparatus failed testing; noting approximately \$40,000 would be required for it to pass inspection.

John MacDonald questioned the trade-in value.

Jim Pineo replied zero; noting it would be sold outright. He stated another vehicle will be traded in; noting the fleet will be reduced by one.

Matt Plache asked how long until the Town receives the truck.

Jim Pineo replied one year.

Steve Johnson questioned the life expectancy of the vehicle.

Jim Pineo replied 25 years.

Article D: Town Road Upgrades

\$650,000

John MacDonald read Article D.

Brad Harriman stated the roads to be included in the project are East Clark Road, Goodrich Road, a portion of Clark Road and Stoneham Road.

Article D1: High and Park Street Upgrade

\$881,000

John MacDonald read Article D1.

Jim Pineo stated funds from the Water Enterprise Fund and the General Fund would be combined to complete the project.

Steve Johnson asked if the work will be done by the Town.

Jim Pineo replied no, the project will go out to bid and Dave Ford would manage the project.

Article Z: Library Generator

\$75,000

John MacDonald read Article Z.

Cindy Scott stated the generator would be used for emergency purposes. She stated there is a potential for a partial donation and grant.

V. Other Business

N/A

VI. Public Comment

None.

It was moved by Steve Johnson and seconded by Bob Moholland to adjourn the December 30, 2020 Budget Committee meeting. Roll Call vote: John MacDonald – yes, Bob Tougher – yes, Bob Loughman – yes, Steve Johnson – yes, Bob Moholland – yes, Matt Plache – yes, John Burt – yes, Brian Black – yes, Tom Bell - yes. The motion passed (9-0).

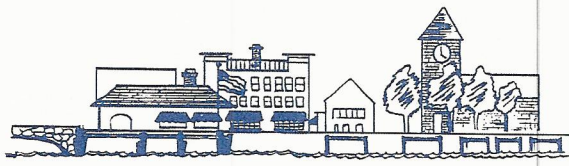
Next meeting scheduled for January 4, 2021 at 4:30 pm.

There being no further business before the Committee, the meeting adjourned at 8:41 PM.

Respectfully Submitted,

Lee Ann Hendrickson

Lee Ann Hendrickson



Town of Wolfboro

Wednesday December 29, 2020

Budget Committee Chairman John MacDonald:

On December 29, 2020, the Board of Selectmen held a special public meeting to go into a non-public session under RSA 91-A: 3, II, a, and RSA 91-A: 3, II, c. After returning to the public meeting, the Board approved a motion to send this letter to the Budget Committee reasserting that public meeting discussion of individuals' performances and subsequent discussion of compensation is a practice that the Board of Selectmen nor Town Government practices nor supports.

The Board of Selectmen understands the authority granted to the Budget Committee under RSA 32:16 to prepare the operating budget and present the Budget Committee's budget to the voters each year. The Board and Town Manager work hard to provide the Budget Committee with all the materials it requests along with ensuring the town staff is available during the entire year to meet with assigned Budget Committee members as well attend the Budget Committee meetings related to their budgets.

In 2016 the Town had a Classification and Compensation Study done by MRI which created a classification Plan with grades and positions. The plan "represents a systematic, formalized procedure of developing equitable job groupings and equitable compensation levels for all positions. The Plan is based upon the underlying assumption that individuals should receive 'equal pay for equal work'."

The Board of Selectmen is very concerned with the inappropriate comments made at the December 10, 2020 meeting by Budget Committee members regarding the pay of some staff members. RSA 37:6, II gives the Town Manager the power and duty "to appoint, upon merit and fitness alone, and to remove, all subordinate officers and employees under his control, and to fix their compensation." RSA 91-A: 3 II a, allows for discussion of employee compensation to be done in non-public session. It does damage to the morale of staff when salaries are arbitrarily raised on undocumented assumptions, from a third party, with no direct line authority, suggesting that a staff member is underpaid for an expressed set of undocumented reasons and which were not included in the minutes but were stated in public. Attached is a list of RSAs that document who has authority to raise salaries and a page from the Town's personnel policy regarding longevity stipends.

BOARD OF SELECTMEN


Brad Harriman, Chairman
Paul O'Brien, Vice Chairman
Q. David Bowers
Linda T. Murray
David Senecal

James S. Pineo, Town Manager


Paul O'Brien and Linda Murray reported back to the Board of Selectmen the discussion that took place on December 22, 2020 at Public Budget Committee meeting regarding the reorganization of the Public Works Department and the Water Sewer Utilities Department. Improper comments were made in public concerning David Ford which caused several admonitions from the Budget Committee Chairman to committee members. At this meeting, a member of the Budget Committee disclosed that private discussions among 5 Budget Committee members have occurred. Sequential briefings of a majority of the Budget Committee have constituted a formal meeting that has been both un-noticed and without minutes. The public is entitled to a meeting notice, an agenda, an open forum and minutes which reflect the substance of the meeting. This did not occur. For more clarity on this matter please review Guide to Open Government by New Hampshire Municipal Association page 9 "a meeting of a public body must have proper notice and be open to the public and the public body must create minutes." Unlawful discussions are inconsistent with the Right to Know laws. Unnoticed meetings without an agenda or minutes are not a policy of the Board of Selectmen nor Town Government


As a result, the Board of Selectmen has determined that there is no likelihood of an objective assessment of the proposed Public Works reorganization. The voter deserves clarity and open discussion.

The Board concludes that the best path forward is to produce a Warrant Article for the voters to objectively evaluate the need and proposed structure of the Public Works Department and Water Sewer Utilities Department.


Brad Harriman, Chairman


Date: 12/29/2020


Paul O'Brien, Vice-Chairman

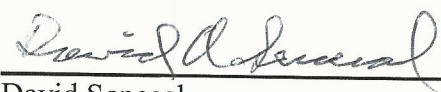

Date: 12/29/2020


Linda T. Murray

Date: 12/29/2020


Q. David Bowers

Date: 12/29/2020


David Senecal

Date: 12/29/2020

Enclosures