

**TOWN OF WOLFEBORO
BUDGET COMMITTEE
APPROVED MINUTES
November 29, 2023**

I. Call To Order

Chairman MacDonald opened the meeting at 6:00 pm at the Wolfeboro Public Library.

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

Member Absent: Brian Black, 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. 2024 Budget Presentations

Kathy Carpentier stated she received a preliminary tax rate on November 22; noting the BOS approved the preliminary rate on November 27. She reviewed the rates as follows; current tax rate \$14.69 (11.1% / \$1.47 increase), Town tax rate \$6.02 (12% / \$0.62 increase), local school rate \$5.48 (1% / \$0.05 increase), State education \$1.84 (40% / \$0.53 increase), and County \$1.35 (25% / \$0.27 increase). She noted a \$440 increase (half year) for an average home of \$300,000. She noted an additional \$0.11 increase for homes in the Lower Beech Pond.

John MacDonald asked what was included in the \$0.62 increase.

Kathy Carpentier replied everything approved by the voters and reviewed those warrant article that were approved.

John MacDonald confirmed the new Public Safety Building is not reflected in \$2uch.

Bob Tougher questioned the Town's assessed value compared to last year's tax rate.

Kathy Carpentier stated the Town went up \$31.9 million (increase from \$2,420,000,000 to \$2,452,000,000.

Bob Tougher asked if the assessed value with utilities is used or only the assessed value toward the tax rate.

Kathy Carpentier stated with utilities is used for everything except for State education.

Jim Pineo stated he met with the Historical Society; noting they would be taking under consideration the Committee's request to take on tasks C & D within the RFP for the schoolhouse engineering. He stated their next Board meeting is December 15. He stated the BOS discussed the disallowance of a warrant article with usage of unassigned fund balance. He stated a budget freeze has been instituted; noting the Town has to make up \$547,000 based on the disallowance. He stated the matter will be further discussed at the December 6 BOS meeting.

Referencing the schoolhouse, John MacDonald questioned the threshold for hiring an engineer.

Jim Pineo stated engineering is done on all Town buildings.

Tom Bell questioned the cause of the disallowance and how such can be avoided in the future.

Kathy Carpentier stated in 2022 Pop Whalen was approved for approximately \$6 million; noting all of said funds were spent in 2022 however, the donation was not expected to come in until July 2023. Therefore, the Town did not have offsetting revenue as the Town had in 2022 and depleted the unassigned fund balance. She stated the unassigned fund balance is \$302,000 and when the voters approved Town Road Upgrades for \$850,000 it caused the disallowance (the difference between \$850,000 and \$302,000 is the \$547,000 that was disallowed).

Paul O'Brien questioned the amount owed from the Friends of Pop Whalen.

Kathy Carpentier replied \$600,000 and noted payments are being made.

Paul O'Brien asked if the storm/rain events impacted the spending.

Kathy Carpentier stated the Town was notified of the disallowance on November 21 and the Town Manager instituted a budget freeze on November 22 however, almost all of the \$850,000 had already been spent. She stated a lot of funds were used on repairing the effects of the July storm events and noted the Director of Public Works applied for a FEMA grant for reimbursement.

Bob Tougher asked if the Town would be allowed to draw on the unassigned fund balance this year.

Kathy Carpentier replied no. She noted the Town is seeking legal guidance.

Bob Tougher asked how the Town was able to take from the unassigned fund balance.

Kathy Carpentier stated the voters voted for the \$850,000 in March; noting such was the mechanism to take from the unassigned fund balance. However, the Town did not have \$850,000 in the unassigned fund balance so DRA (Department of Revenue Administration) stated the Town could only spend \$300,000 because that is all the funds the Town had. She stated \$500,000 had already been spent.

Linda Murray stated the Board was comfortable with spending the funds because in 2021 there was over \$4 million. She stated the BOS didn't realize that by allowing the Friends of Pop Whalen to come in with the funds in 2023 would cause the current problem.

Paul O'Brien stated Mr. Tougher is asking if the BOS took a vote to move funds from the unassigned fund balance into paying for the bill for Pop Whalen.

Jim Pineo replied no.

Paul O'Brien asked how the funds are moved.

Kathy Carpentier stated the money isn't moved rather, there is a warrant article that gives permission to spend a specific amount of money, to bond a specific amount and to receive a specific amount of money from donations. She stated two of the three occurred. She stated the Town spent money but did not have an offsetting revenue.

Bobbi Boudman stated the Town formerly recouped advertising at Pop Whalen directly and asked why the advertising is going to the Friends of Pop Whalen then to the Town to offset the balance.

Jim Pineo stated there was an agreement made with the Friends of Pop Whalen that there was a two-year time period that allowed them to utilize the advertising as part of their fundraising mechanism. He stated at the completion of the two-year time frame the advertising funds transfer back to the Town of Wolfeboro; noting the Director of Operations will then take on the advertising. He stated leading up to and during the construction the Friends of Pop Whalen were doing the leg work and therefore, a decision was made to allow them to utilize the revenues as a fundraising mechanism.

Linda Murray stated the advertising commitments are three-year agreements.

Bobbi Boudman stated that it was the formerly the Town's direct revenue.

Linda Murray stated it will be this coming year.

Bobbi Boudman stated the Town is losing two years of revenue and wonders when the decision was made to use the revenue towards the donation. She stated the voters did not authorize the Town to give up its revenue and hand it over to a nonprofit just to hand back to the Town.

Paul O'Brien stated it was a BOS decision that occurred in a public meeting.

Bob Tougher reviewed the public private partnership and funding associated with such with the Library and Town Hall projects.

Linda Murray stated the Library had ten years to raise funds and three years for the Town Hall however, the Friends of Pop Whalen did not have the lead time and opportunity to fundraise prior to the project.

Conservation Commission

Lenore Clark reviewed the history and mission of the Commission.

Bobbi Boudman questioned the over expenditure of other property series.

Lenore Clark stated she misinterpreted a notation regarding encumbered funds and over spent the line; noting she has implemented their own spending freeze on the total budget, excluding part-time staff salary.

Referencing invasive species management, Matt Plache asked if glyphosate is used.

Lenore Clark stated whatever the Commission's contractor recommends for a particular instance; noting the contractor takes an individualized approach. She stated the contractor walks the grounds and analyzes the environment to prepare a treatment plan. She reviewed the types of invasive species present on the properties and locations of those properties (Front Bay Park, Towns Gardens, and Goodwins Basin).

Agencies

Granite VNA	\$22,000
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No representative present.

John MacDonald asked if a letter was sent to the agencies and the agency attended the BOS meeting to review their funding request.

Jim Pineo stated it is his understanding that the correspondence noted the meeting was tonight.

John MacDonald asked if a representative from Granite VNA attended the BOS meeting.

Jim Pineo replied yes.

John MacDonald stated it seems that every year half the agencies do not show up to attend the Budget Committee meeting and an additional meeting has to be scheduled. He asked how the Committee would like to address the matter.

Bob Tougher stated Granite VNA has been reliable with attending the meetings and recommended reaching out to the agencies not present to request their attendance before the Committee.

Paul O'Brien stated there is a protocol that there is an expectation that a representative from the agencies appear before the Committee. He asked if the BOS made adjustments to their request.

Linda Murray replied no.

Paul O'Brien stated he doesn't know any more about the Visiting Nurses Association than the Board of Selectmen and Town Manager and questions whether the Committee is going to learn anything else.

It was moved by Paul O'Brien to approve the Granite VNA's funding request (\$22,000). Bob Loughman seconded the motion.

Discussion of the motion:

Tom Bell questioned the fairness of such to the agencies that do appear before the Committee.

John MacDonald confirmed the VNA's office is in Wolfeboro. He stated he will not support the motion because the Committee is expected to review what/how the agencies spend their money; noting their funding request of \$22,000 is taxpayer's money. He stated he doesn't feel it is too much to ask for the agencies to talk to the Committee about how the funds will be spent.

Roll call vote: Bobbi Boudman – yes, Bob Tougher – yes, John MacDonald – no, Tom Bell – no, Bob Moholland – yes, Matt Plache – no, Bob Loughman – yes, Paul O'Brien – yes, Brian Deshaies – yes. The motion passed (6-3-0).

Meals on Wheels **\$7,500**

Haley Mathis, Program Director, reviewed the program and services provided and noted the request is level funded. She stated a new contract with Huggins Hospital is being negotiated this year; noting she is not sure what to anticipate regarding cost increases.

Paul O'Brien asked if the food is subsidized by federal grants.

Haley Mathis replied no, they do not receive any federal or state grants.

Paul O'Brien asked if the hospital is subsidized by grants.

Haley Mathis stated not that she is aware of such. She stated the program requires that participants allow a wellness check if they are not receiving a wellness check from a family member or another professional daily. She stated there is no financial or age requirement to participate in the program rather, there is a requirement that a person has some disability, mental, physical, or cognitive that doesn't allow a person to prepare or procure ingredients for meals. She stated most of the participants are home bound or they are the full-time caregiver of a homebound individual.

John MacDonald stated for clarity purposes, his mother participates in the program and he finds the program very valuable not just for her but, for a lot of people that he talks to throughout the Town.

It was moved by John MacDonald to increase the Meals on Wheels funding request by \$2,500 from \$7,500 to \$10,000. Tom Bell seconded the motion.

Discussion of the motion:

Tom Bell asked what other support, other than from the Town, is received.

Haley Mathis replied private donations and grants; noting the program is very well supported by its volunteers and private donors.

Matt Plache confirmed the agency is a charitable organization.

John MacDonald stated the program could be expanded and expressed concerned about more people utilizing the program in the future and increased costs.

Haley Mathis confirmed there have been increased costs and participants.

Bobbi Boudman questioned this year's growth in the program and anticipated growth for next year.

Haley Mathis stated the last several years there has been an increase of 1,000 meals over the course of the year.

Brian Deshaies questioned whether bad optics are created for the Budget Committee if Mr. MacDonald makes a motion to increase the dollar value of the service after stating his mother uses the program.

Paul O'Brien replied yes.

Matt Plache replied no.

John MacDonald stated he identified his connection to the agency.

Kathy Carpentier stated Mr. MacDonald doesn't gain anything by making the motion to increase the funding.

John MacDonald withdrew his motion.

Tom Bell withdrew his second.

It was moved by Tom Bell to increase the Meals on Wheels funding request by \$2,500 from \$7,500 to \$10,000. Bob Moholland seconded the motion.

Matt Plache questioned \$390,000 in assets.

Haley Mathis stated such is a restricted endowment received in 2021; noting the funds are invested and the agency only has the ability to use the interest earned on the amount.

John MacDonald stepped down as chair for the vote.

Bob Tougher reviewed the motion and requested a roll call vote.

Roll call vote: Bobbi Boudman – yes, Bob Tougher – yes, John MacDonald – abstain, Tom Bell – no, Bob Moholland – yes, Matt Plache – yes, Bob Loughman – no, Paul O'Brien – yes, Brian Deshaies – yes. The motion passed (7-1-1).

Jim Pineo asked if the agency is requesting \$1,000 from Brookfield and \$3,000 from Tuftonboro.

Haley Mathis replied yes and noted \$5,000 is being asked from Ossipee.

Wolfeboro Area Children's Center \$10,000

Terri Ann Cox reviewed the program, mission, and services provided. She distributed the 2023-2024 Budget Overview; noting the information previously submitted was submitted prior to the completion of their audit. She noted the request is level funded and requested \$3,000 from Tuftonboro and \$5,000 from Ossipee. She reviewed the annual shortages; noting they are able to draw from their endowment to cover the gap.

Referencing the financial reporting documents, Paul O'Brien questioned investment reporting.

Terri Ann Cox stated the projected operating revenue is projected to be \$356,000 short. She stated quarterly disbursements are received from Fidelity as needed to cover the gap.

Linda Murray stated the Board of Trustees manages the investments and transfers money into the operating budget.

Bobbi Boudman asked if the agency is seeking/receiving ESA (Educational Savings Account) and EFA (Education Freedom Accounts) funds.

Terri Ann Cox replied no.

Bob Tougher stated the Committee previously approved \$20,000 for years however, the previous director decreased the request to \$10,000 and any excess funds were returned to the Town. He suggested the Committee be open to any future requests to increase funding.

Terri Ann Cox stated payroll is continuing to drive their cost; noting the average hourly rate has increased by 13%. She stated the agency has sought funding through SB237; noting there is another \$3 million that has been set aside and feels at this time level funding is appropriate. She stated the agency would like to increase their enrollment however, there is not enough staff.

Tri-County Community Action \$14,436

No representative present – to be rescheduled.

Bob Loughman asked if the BOS reviewed the agency's budget.

Brian Deshaies replied yes, the BOS reviewed all of the agencies; noting several agencies missed the first scheduled meeting.

Kathy Carpentier stated CASA, VNA, and Tri-County CAP did not attend the first scheduled meeting of the BOS.

It was moved by John MacDonald to send a letter to the agencies requesting their presence at a Budget Committee meeting. Tom Bell seconded the motion.

Discussion of the motion:

John MacDonald stated he appreciates the hard work of the BOS however, the Committee is the second group to ask how the money is being spent. He stated the Committee is not here to rely on the BOS and questioned the point of a Budget Committee if the Committee is only going to go by what the BOS say. He stated it isn't unreasonable that when people ask for money that they can show up and give the Committee 5-10 minutes of their time.

Tom Bell stated the Committee just increased Meals on Wheels request to \$10,000; noting that was not something the BOS did. He stated the Budget Committee contributed through the discussion that took place.

Paul O'Brien stated he knows no more about these community programs and doesn't expect to learn more in a 5-10 minute chat and doesn't feel it's a good way to spend the Town's money. He stated he spends more time on department budgets.

Matt Plache stated the Committee is here to review the budget otherwise, why have a Budget Committee. He stated the agencies should present their request.

Tom Bell noted the Committee was voted in by the voters.

Bob Tougher stated the Committee should be consistent; noting the Committee voted to approve Granite VNA's funding request without representation. He stated to require Tri-County Community Action to attend a meeting would be inconsistent with the previous vote. He suggested the Committee evaluate each agency by each member's past experience and the BOS experience this year and make a decision whether to allocate funding or not. He suggested next year when the Committee communicates with the agencies that the Committee establishes ground rules relative to lack of attendance at meetings (schedule a second meeting/date and if the agency doesn't appear then the funding request is cut).

Speaking to consistency, John MacDonald stated the Committee has always asked the agency to return when they have not shown up.

Paul O'Brien stated the ground rule discussion is the right thing to do; noting it should be clear that if the agency doesn't appear before the Committee that they run the risk of their entire funding submission.

Brian Deshaies stated he wonders if the agencies think that because they showed up to the BOS meeting that they are done. He stated he recommended the BOS and Budget Committee have a joint meeting where the agencies show up once.

Paul O'Brien stated a motion was made earlier this year relative to such and was defeated.

Bob Tougher stated the agencies have been attending Budget Committee meetings for years and know the process.

Linda Murray asked if a letter was sent to the agencies.

Jim Pineo stated he would have to check with Amy Muccio.

John MacDonald withdrew his motion.

Tom Bell withdrew his second.

It was moved by John MacDonald to reconsider the Granite VNA vote and send a letter to the agencies to present their request to the Budget Committee. Matt Plache seconded the motion.

Discussion of the motion:

Bob Tougher recommended tabling and rescheduling agencies who were not in attendance this evening.

Bob Loughman requested the Committee table the vote until following 68 Hours of Hunger's presentation.

The Committee agreed to table the motion.

68 Hours of Hunger

\$5,000

Jan Brooks and Eileen Leavitt reviewed the mission, program, vision, and costs associated with the program and population statistics. They stated there is an anonymity aspect that doesn't allow delivery to a child's residence.

The Committee and applicants discussed the issue in broader terms.

Library

Alison Rutley, Library Director, stated the Library is in the process of developing a five-year strategic plan and is currently fully staffed.

Bobbi Boudman questioned Communications; noting the line is currently unexpended.

Alison Rutley stated such reflects a change in the billing of the copiers and telephones.

Kathy Carpentier stated the bills were being paid out of Outside Services and is now being shifted to Communications.

Bobbi Boudman questioned unexpended funds for electricity.

Kathy Carpentier reviewed expenditures from three years prior; noting one quarter remains for payment.

Bobbi Boudman confirmed that solar panels are being considered.

Alison Rutley stated USDA is scheduled to tour the facility on December 5; noting the Library is hoping to receive grant funding.

Bobbi Boudman questioned the increase in water.

Alison Rutley stated a water bill was just paid. She noted the use of the library has significantly increased this past year.

Kathy Carpentier stated both water and sewer rates increased.

Jim Pineo asked that both water and sewer be revisited.

Bob Tougher questioned the 31.47% increase for Books and Periodicals.

Alison Rutley stated there is a huge need for large print for our senior citizens; noting the community has approached the Library to increase the collection and large print. She stated Libby (NH's audiobook download system) increased 27% and Hoopla increased 20%.

Bobbi Boudman questioned office supplies; noting the Library is not averaging \$3,500 annually.

It was moved by Bobbi Boudman to decrease 01-45500-610 General Operating Supplies from \$3,500 to \$2,000. There being no second the motion failed.

Bobbi Boudman confirmed there is an offsetting revenue for copier paper.

Alison Rutley reviewed the programs that are being incorporated; noting such is included in the strategic plan. She stated the generator is expected to arrive shortly.

Brodie Deshaies stated there is \$120,000 left in the building project that was going to lapse at the end of the year; noting a \$45,000 shortfall. He stated the Library was able to access Trust money for that purpose so that an additional warrant article would not be necessary.

V. Other Business

Agency Presentations

Bob Tougher recommended rescheduling presentations for those agencies that did not attend this evening's meeting.

John MacDonald withdrew his motion.

It was moved by Bob Tougher to withdraw the allocation to the Granite VNA. John MacDonald seconded the motion. Roll call vote: Bobbi Boudman – yes, Bob Tougher – yes, John MacDonald – yes, Tom Bell – yes, Bob Moholland – yes, Matt Plache – yes, Bob Loughman – yes, Paul O'Brien – yes, Brian Deshaies – yes. The motion passed (9-0-0).

It was moved by Bob Tougher to schedule another date and notify all agencies of said date informing them that they must appear or they risk losing their funding request except the agencies that were in attendance tonight and approved including Meals on Wheels, Wolfeboro Area Children's Center, and 68 Hours of Hunger. Tom Bell seconded the motion. All members voted in favor. The motion passed.

VI. Approval of Minutes

The Commission tabled approval of the November 14 and November 16, 2023 minutes.

VII. Public Comment

Brodie Deshaies stated the Conway Public Library doesn't open meal site; noting there are federal programs or municipalities working with nonprofits or themselves incurring the cost. He stated there is matching grants that the State and federal government will cover and reviewed the programs.

VIII. Adjournment

It was moved by Paul O'Brien to adjourn the November 29, 2023 Budget Committee meeting. Tom Bell seconded the motion. All members voted in favor. The motion passed.

Next Budget Committee meeting is scheduled for November 30, 2023 at 6:00 PM at the Wolfeboro Public Library.

There being no further business before the Committee, the meeting adjourned at 8:10 PM.

Respectfully Submitted,

Lee Ann Hendrickson

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