

**TOWN OF WOLFEBORO
BUDGET COMMITTEE
November 29, 2018
Minutes**

Members Present: John MacDonald, Chairman, Bob Tougher, Vice-Chairman, Paul O'Brien, Selectmen's Representative, Steve Johnson, Bob O'Brien, Brian Black, Robert Moholland, John Burt, Robert Loughman, Members.

Staff Present: Becky Merrow, Town Manager, Deb Zabkar, Finance Director, Lee Ann Hendrickson, Administrative Secretary, Dave Ford, Director of Public Works.

Chairman MacDonald called the meeting to order at 6:34 PM at the Great Hall.

SANITATION

John MacDonald stated he is very impressed with the amount of work that has been done this year.

The Committee agreed.

Bob Tougher questioned the status of the RIB.

Dave Ford stated the installation of the pilot program has been completed; noting the impact won't been seen for another month. He stated the site continues to be evaluated.

Bob Tougher questioned the level of the pond.

Dave Ford stated that with all of the rain the sewer flows are high and the pond is filling up higher than he would like.

Sewage Collection

John MacDonald asked how the increase to the administrative cost allocation is figured.

Becky Merrow stated such is tied to salaries; noting that when salaries increase there is an increase to the allocation.

Deb Zabkar noted there is a difference in percentage between budgets.

Bob O'Brien noted a significant decrease (\$6,000) by the BOS for electricity.

Dave Ford stated such has been previously over budget due to an increase in flows therefore, the figure is based on flow for the past two years.

Becky Merrow noted the decrease is a result of the I&I projects.

Jon MacDonald questioned the BOS increase in machinery and equipment in the amount of \$6,000.

Dave Ford stated the amount reflects the cost of a cement mixer; noting he and the BOS were trying to determine whether the purchase of such should remain in the operating budget (which would affect the user rate) or be placed in capital outlay (which would affect the tax rate). He stated it was decided to place the purchase in the operating budget.

Wastewater Treatment

No changes.

WATER DISTRIBUTION & TREATMENT

Distribution Service

Dave Ford noted a change in hourly wages; noting the Water Treatment Plant has been short an operator therefore, a Distribution employee was trained for the position and now works 50% for the Water Treatment Plant and 50% for sewer.

John MacDonald questioned consultants; noting the year to date expenditure for such is \$150.

Dave Ford stated half of the funding is for asset management; noting the Department has not yet been billed for such.

Robert Loughman questioned the amount of water loss.

Dave Ford replied 21% and noted seasonal lines remain an issue.

Robert Loughman questioned the goal for such.

Dave Ford replied 10-15%.

Treatment Plant

No changes.

Capital Outlay

02-49619-100 Park Avenue and High Street Water Line Engineering; \$50,000

Dave Ford stated Underwood Engineering has submitted a proposal for such.

02-49619-150 Meter Replacement; \$12,500

Dave Ford stated he requested \$25,000 last year; noting the Committee cut such to \$12,500. He stated 100 meters were replaced this past year and requested continued funding for such. He stated the engineer recommended replacing meters every ten years; noting the older meters are being replaced first.

02-49619-250 WTP Gates; \$25,000

Dave Ford stated the gates at the Water Treatment Plant needs to be replaced; noting such is 20 years old. He stated an electric automatic slide gate is proposed to replace the existing chain link fence swing gate. He stated the project was in the 2018 Capital Outlay budget and was bid out however, no bids were received; noting the budget was from last year was low.

02-49619-200 Portable Air Compressor Replacement; \$25,000

Dave Ford stated such is beyond its useful life; therefore he is requesting the placement of such.

Robert Loughman noted a discrepancy on the project request form.

Dave Ford stated he would revise the form.

John MacDonald questioned whether the Asset Management Plan will get done.

Dave Ford stated the intent is to re-establish such.

Other Business
Police Department

It was moved by John MacDonald and seconded by Bob Tougher to discontinue the practice of applying Department of Justice grant reimbursements to Police Department line #01-42100-114 and instead be deposited into an appropriate revenue line in the General Fund and/or further to be accounted for in the Grants Fund.

Discussion of the motion:

John MacDonald stated the intent of his motion is to appropriate the funds received by the Town from the Department of Justice (DOJ) grants directly into revenue rather than to the Police Department's hourly wages line (01-42100-114). He stated any money received by the DOJ will go into the revenue of the Town and not back into the Police Department's budget.

Paul O'Brien confirmed Mr. MacDonald is fixing a netting issue.

It was moved by John MacDonald and seconded by Bob Tougher to discontinue the practice of applying Department of Justice grant reimbursements to Police Department line #01-42100-114 and instead be deposited into an appropriate revenue line in the General Fund and/or further to be accounted for in the Grants Fund. All members voted in favor. The motion passed.

Steve Johnson asked if the Committee would be setting ground rules for the behavior of department heads.

The Committee rescheduled the Police Department budget to December 11, 2018.

Parks and Recreation Department

Following further review of the Parks and Recreation Department, John Burt stated the Department still has an increase of \$70,000; noting such is primarily reflected in the 100 series which affects the 200 series. He stated such is an insidious way of increasing of increasing programs. He distributed a spreadsheet outlining the increases within the budgets of the Department and distributed such.

It was moved by John Burt to decrease Hourly Wages by \$6,505.

Discussion of the motion:

John MacDonald stated additional funds were placed in the budget for an extra person to assist with mowing.

John Burt stated hourly wages represents a 24.2% increase.

Becky Merrow stated she believes the administrative assistant's salary reflects the increase.

John MacDonald recommended reviewing the information provided by Mr. Burt at a later date.

John Burt withdrew his motion.

The Committee table the discussion.

2019 Administrative Service Charge Summary

Deb Zabkar distributed such.

Robert Loughman requested the Committee revisit such and asked how such could be fixed.

Becky Merrow stated such needs to be done slowly and incrementally over time; noting there would be a need in a change in software. She stated she is not in favor of the existing system and is not modern accounting.

Paul O'Brien confirmed there is no impact to the taxpayer.

Library & Police Department Budgets

John MacDonald stated with regard to the Library and Police Department budgets, the Budget Committee has no authority to change salaries. He stated per the statute, the Police Commission and Library Trustees have the authority to hire, fire and set compensation therefore, the Budget Committee cannot change such. He requested the Town Manager distribute the Police Commission's Rules of Procedure and noted that such states residency of 3 years however, per the statute residency of five years is required. He stated the Budget Committee can express dissatisfaction but, cannot change salaries. He stated the Committee can change the bottom line.

Public Safety Building

Bob Tougher questioned whether the \$40,000 Capital Outlay item to further study the Public Safety Building could be zeroed out and the funds from the capital reserve account be used for such; noting \$131,000 in the capital reserve account.

Becky Merrow stated she does not believe there is that much in the account. She stated it would depend on the language of the warrant article if the funds could be used on the study and noted she would review the language.

Nonpublic Session

A member of the Budget Committee questioned the criteria to go into nonpublic session.

Becky Merrow reviewed such.

It was moved by John Burt and seconded by Bob Tougher to adjourn the November 29, 2018 Budget Committee meeting. All members voted in favor.

There being no further business before the Committee, the meeting adjourned at 8:21 PM.

Respectfully Submitted,

Lee Ann Hendrickson

Lee Ann Hendrickson

****Please note these minutes are subject to approval and amendments at a later date.**