

**TOWN OF WOLFEBORO
BUDGET COMMITTEE
May 23, 2019
Minutes**

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

Staff Present: Jim Pineo, Acting Town Manager, Lee Ann Hendrickson, Administrative Secretary.

Chairman MacDonald opened the meeting at 6:30 PM at the Great Hall.

I. Consideration of Minutes

March 28, 2019

Correction: Page 4; combine 2nd & 4th paragraphs

It was moved by John Burt and seconded by Bob Tougher to approve the March 28, 2019 Wolfeboro Budget Committee minutes as amended. John MacDonald, John Burt, Bob Tougher, Bob Moholland, Steve Johnson, Matt Plache, Tom Bell, Bob Loughman voted in favor. Brian Black abstained. The motion passed.

II. Discussion Item

A. 2019 Budget & Expenditure Reports

John MacDonald questioned why the report was not provided.

Jim Pineo stated the Finance Director is no longer working for the Town; noting the Town is in the final stages of hiring a new Finance Director (in the process of performing a background investigation).

John MacDonald asked if the expenditures and accounts are in line for this time of year.

Jim Pineo stated the expenditures are fairly close; noting the Public Works Department had a rough winter. He noted there seems to be a couple of lines in each department that are over expended such as workers compensation. He stated the Finance, Fire Department and Town Manager budgets are well within line.

Bob Tougher questioned the audit.

Jim Pineo stated the in-house audit is complete and the audit will be presented to the BOS in mid to late July. He stated he would forward it to the Budget Committee when it becomes available.

Bob Loughman asked how to handle tracking the Administrative Cost Allocation and hydrant fees.

Jim Pineo stated the hydrant fees is an automatic quarterly transfer/transaction. He stated he believes the Administrative Cost Allocation is handled the same.

Paul O'Brien stated Linda Murray is looking into how to allocate the cost to the departments.

Bob Loughman stated the issue is understanding the formula.

John Burt stated the formula calls for 30% of the Tax Collector Office however, the office handles the water and sewer bills as well. He stated all of the Public Work's costs should be in one budget. He recommended a member of the Budget Committee and BOS study the issue.

Bob Loughman volunteered to assist with the study.

III. Town Manager Report

Jim Pineo noted the following updates;

Town Manager and Finance Director Positions

Jim Pineo stated the Town is in the final stages of hiring a Town Manager and Finance Director.

RIB Site Walk

Jim Pineo noted there was a joint meeting/site walk with the Town of Wolfeboro and Town of Tuftonboro (Tuftonboro BOS, Conservation Commission & Planning Board). He stated there were concerns from some citizens of Tuftonboro as to whether the Town of Wolfeboro intend to go through the Site Plan Review process due to the proposed structures to be constructed. He stated the Town's engineers and NHDES representatives were present and Dave Ford gave a comprehensive tour of the site. He noted that Pilot 1 is working.

Bob Tougher questioned the amount of wastewater being sent to the RIB per day.

Jim Pineo stated the current RIB and discharge is 60 gallons/minute and the goal is to bring down the effluent in the pond in order to dump the effluent during construction. He stated the goal is to get to 330 gallons/day. He encouraged the Budget Committee to attend a site walk.

John Burt noted \$500,000 has been allocated for spending this year and \$3.3 million is in a CD for final construction.

John MacDonald asked if \$500,000 is being spent for each test site.

Jim Pineo stated the test sites are called a "pilot" and noted that the pilots are a permanent solution. He stated Pilot 1 is the smallest test pilot and it has been successful.

Matt Plache asked if the larger test pilots would handle more than 70 gallons/minute.

Jim Pineo replied no, 70 gallons/minute is the maximum.

John MacDonald questioned the life expectancy of the system.

Jim Pineo replied 50 years.

Bob Tougher asked if the spray fields are still operating.

Jim Pineo replied yes, the fields remain operable and will act as a redundant system in the case of a catastrophic failure.

Libby Museum

Jim Pineo stated the Town has been approached by a foundation regarding a donation of 200+ North American animals. He stated the Libby Museum is in rough shape and the Town is awaiting a contract with an architectural firm. He stated the project has an opportunity for a 2/3 donation for construction with 1/3 funding from the Town. He stated the proposal for the project is 2020 and noted Alana Albee is researching LCHIP funding to offset the costs. He stated the Committee should expect a possible warrant article for the project.

Paul O'Brien asked if the project would be bonded.

Bob Tougher stated the BOS would make that decision.

Paul O'Brien asked if it would place an ongoing operating requirement on the Town.

Jim Pineo replied yes and such is being calculated. He stated the building would be climate controlled and accessible year round; noting the O&M costs would be provided.

Bob Tougher asked if the foundation would take over the museum.

Jim Pineo stated he doubts it and noted the collection is a private collection.

Paul O'Brien stated the capital cost and operating costs of the project need to be communicated to the public.

Jim Pineo noted there was money appropriated in a 2019 warrant article for architectural engineering.

Matt Plaiche asked what will happen to the animals if not placed at the Libby Museum.

Jim Pineo stated the owner would find another location; noting the animals are currently at a private residence in Wolfeboro. He stated money raised by the Friends of Libby would be a reduction on the Town's portion.

Bob Tougher stated he feels it is a desirable project and not a necessity.

Brian Black stated it is the same situation as the Library. He stated the Town is known for having the most museums in the State and questioned whether that is something the Town wants to support and be known for.

IV. Informational Items

The Committee was provided the following informational items; Capital Projects Report (submitted by Dave Ford).

John MacDonald questioned the Town Road Upgrades project.

Jim Pineo stated Pine Street will be completed and the topic will be discussed at the next BOS meeting. He stated the language in the warrant article didn't identify the sidewalk however, the warrant article presentation included the upgrade to the street and the sidewalk.

Bob Moholland stated the project is costing so much money because the Town is not doing the work. He stated the bid was higher and now the entire project is being contracted out.

Bob Tougher reviewed the history of the Pine Street upgrade project.

Bob Loughman asked where the money went when it lapsed.

Paul O'Brien stated the surplus buys down the tax rate (by law).

Bob Tougher asked at what point does money come in as a revenue (ie: left over funds from the Smith River project were used for the Public Safety Building).

Jim Pineo stated that in the debt service the funds were reclassified for the Smith River improvements.

Tom Bell asked if the Center Street reconstruction and authorization be in the encumbered columns.

Jim Pineo stated the Town would be reimbursed once the project has been completed.

Referencing the renovations to the old Railroad Freight building, Bob Loughman asked if there was a warrant article that authorized a two year extension.

Paul O'Brien replied yes.

Jim Pineo stated it expires December 21, 2021 (2018 Warrant Article #31).

John Burt stated using prior year funds to fund this year's projects should be looked into.

Bob Tougher asked where the balance goes and questioned whether it becomes a revenue and whether it becomes a surplus to the unexpended fund balance.

Matt Plaiche asked if the Town needs better equipment and/or software to track the projects.

Bob Tougher stated the Town has chosen not to spend the money.

Jim Pineo stated there is a software project in place that is not being used to its capabilities. He stated the task of the new Finance Director will be to learn the software program and teach it to the Department Heads and determine if a different program is needed.

John Burt requested an inventory of all vehicles and equipment.

Bob Tougher stated the information has been previously provided to the Committee.

V. Other Business

Bob Tougher stated John MacDonald and Edie DesMarais hosted a forum/presentation on all aspects of school funding; noting they are trying to bring more awareness around the State.

Paul O'Brien stated he felt the meeting was nonpartisan and left up to the people to make their own decision.

John Burt stated he has been charged by Paul O'Brien to determine a debt service calculation. He stated the Dover Finance Director developed a financial plan that included a debt service calculation; noting their estimation is 10% (debt service should not be more than 10% of the operating budget).

Steve Johnson asked if the solar panels for the Library were constructed.

Paul O'Brien stated the Library presented the proposal to put panels on the roof however, it will cost \$75,000 - \$80,000. He stated they are trying to determine the right strategy and get funding for it.

VI. Public Comment

None.

The Committee requested the following information;

- Copy of MS-9
- Balances of Capital Reserve Funds
- Where does the unspent funds go

It was moved by John Burt and seconded by Bob Loughman to adjourn the May 23, 2019 Budget Committee meeting. All members voted in favor.

There being no further business before the Committee, the meeting adjourned at 8:01 PM.

Respectfully Submitted,

Lee Ann Hendrickson

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