

Joseph P. Wilson Jr, Supervisor
Robert M. Biesemeyer, Deputy Supervisor
PUBLIC HEARING ON PRELIMINARY BUDGET
November 4th, 2021
6:00 pm
Keene Fire Station

The Chairman, Mr. Wilson called the public hearing on the 2022 preliminary budget to order at 6:00 PM.

Minutes of the public hearing held Thursday, November 4th, 2021 at 6:00 PM, at the Keene Fire Station. The following Town Board Members were present: Joseph P. Wilson, Jr., Supervisor, Robert M. Biesemeyer and David R. Deyo, Councilmen, Teresa Cheetham-Palen and Jennifer G. Whitney, Councilwomen. Also present were: Cori-Anne Favro, Town Clerk, and two town residents.

The pledge of allegiance was recited.

Mr. Wilson stated that this is a public hearing on the 2022 budget, he asked if either of the 2 residents present had questions. Neither resident had questions.

Board members questions:

Mr. Deyo: I know we have had some back and forth about this. When we get do get reimbursed by the DEC, where will that be reflected in the budget?

Mr. Wilson: It goes back to the account it came out of, which is hiker parking.

Mr. Deyo: So, it goes back in to reimburse the Town for the money they spent on the hikers.

Mr. Wilson: Exactly.

Ms. Favro: I have a question on that. Wouldn't it show as a revenue, because if you don't show it as an anticipated revenue and money is coming in.

Mr. Wilson: Because it's not a revenue. It's reimbursement. They are different things.

Ms. Favro: But, you are still spending.

Ms. Whitney: The Town is getting refunded the exact amount it spent.

Ms. Favro: So right now, we are not counting that as a revenue, so we are spending that amount as the Town. So that amount of money is being allocated for hiker parking and all the other stuff. Right now we are using the Garden parking money to pay for that. So now when that grant money comes in for reimbursement, then that is extra money that is not being allocated or spent anywhere.

Mr. Wilson: But that's not extra money.

Ms. Whitney: It's exactly what we spent, so porta potties were \$200.00, then the state gives us \$200.00.

Mr. Biesemeyer: I see what Cori-Anne is saying. Why wouldn't it be extra revenue?

Mr. Wilson: Because it is not a revenue, It's a reimbursement.

Mr. Biesemeyer: Are we counting the expenditure?

Mr. Wilson: Yes, like I said to Dave. It comes out of the hiker parking fund.

Mr. Biesemeyer: Okay, so without getting into the weeds, if it comes out of the account hiker parking. Lets say \$50,000.00. So \$50,000.00 is already in our budget as an expenditure, and you are saying we have no revenue to offset that yet.

Mr. Wilson: Well the revenue in this instance is on page 8, Parking lot and garages. That is the revenue we budgeted for coming from the garden parking fees.

Mr. Biesemeyer: Well, when we get reimbursed from the grant, how is it reflected in our budget? When is it reflected?

Mr. Wilson: In our operating statements.

Mr. Biesemeyer: Okay, let's try to make this simple. Let's say we spend \$50,000.00. \$87,000 is the amount we are getting from the grant right?

Mr. Wilson: No, \$88,500 was the total of the grant and that is spread over 3 years. You both are using the term revenue and reimbursement interchangeably and they are not.

Ms. Favro: So you are still going to be getting money. So right now you are spending.....

Mr. Biesemeyer: It doesn't matter what you call it.

Mr. Wilson: It matters what you call it. It's a simple accounting definition.

Mr. Biesemeyer: I don't want to go there. All I want to know is when that money comes in. How is it reflected in our budget. So we will get a check from DEC correct?

Mr. Wilson: yes, correct.

Mr. Biesemeyer: And then that check will go into Hiker Parking account.

Mr. Wilson: Yes, Contractual where we make expenditures.

Mr. Biesemeyer: Why wouldn't that affect our budget then? When that shows up.

Mr. Wilson: Well it does, you keep asking different questions. Cori's question was about tracking the money.

Ms. Favro: No, I am asking the same thing as Bob, when that DEC Grant money comes in and you had already allocated to spend, and you are paying for it with the revenue coming from the garden parking lot. So if you want to say the DEC grant is a reimbursement, say you get \$20,000.00 for 2021. Then in 2021 \$20,000.00 of the Garden parking lot is no longer being allocated and used for that. So then where does that \$20,000.00 of revenue go? It's then unallocated.

Mr. Wilson: So that is a whole different question.

Mr. Deyo: Yes, where is that money going? I want to know that.

Mr. Wilson: So now we are getting off. You started with one question and now you changed it.

Ms. Favro: No.

Mr. Biesemeyer: We just want to know the answers.

Mr. Wilson: This is the whole point of our AUD, accounting is...

Mr. Biesemeyer: Don't go into a lecture. Just explain it. That is all.

Mr. Wilson: I am going to give one more answer, because you are not listening to the explanation.

Mr. Biesemeyer: We are listening.

Mr. Wilson: The money, if we don't spend it, goes into our unexpended fund balance at the end of the year. Does that make sense?

Mr. Biesemeyer: I understand.

Ms. Favro: Okay, so then. Okay I don't know why you are getting mad. I am really just trying to understand.

Mr. Wilson: If we don't spend it, it goes into unexpended fund balance.

Ms. Favro: So, that still affects the budget. If you were planning on getting that amount of money, and you're saying that is just going into unexpended fund balance. Then couldn't you account for that? Stating we are getting this amount for reimbursement of \$20,000.00, so in that case you would have \$20,000.00 to spend somewhere else in your budget, and it wouldn't just roll into an unexpended fund balance?

Mr. Wilson: No, because then you wouldn't be reimbursed. You have to have the money to spend, in order to get reimbursed.

Ms. Cheetham-Palen: I think what they are asking is once you get reimbursed. Would this then be extra money?

Mr. Wilson: This I already answered Dave's question. It goes into unexpended fund balance. You can't budget for the same money twice.

Mr. Deyo: Okay, then what are we using the unexpended fund balance for?

Mr. Wilson: We use it to pay our settlements with the AMR, we use it when we run over our budget. Like the match on the salt shed.

Mr. Biesemeyer: Okay, so when the money comes in from the DEC it goes into unexpended fund balance then?

Ms. Cheetham-Palen: First it has to go into the Hiker line.

Mr. Wilson: Nothing goes into unexpended fund balance until the beginning of the new year. We don't put money in the unexpended fund. It ends up there if we don't spend it.

Mr. Biesemeyer: So if we get that money before the end of the year, which budget will this be reflected on? 2021 or 2022?

Mr. Wilson: 2021, so if there is any money left over, regardless of what account we are talking about. It will go into unexpended fund balance when we close out the year. You can't do it before. Like this year we spent more on youth commission staff than we budgeted for, so we have to back fill that.

Mr. Biesemeyer: Do you have any idea what they (DEC) pay? Is it broken into 3 different year dividends?

Mr. Wilson: No, we submit and then 6 weeks later they pay out. It may take them a little longer because it's the end of the year. We are still waiting on the last paycheck to clear so then we can submit. You have to have certified payroll, cancelled checks, or direct deposit receipts. There are still 3-4 paychecks we have not gotten back yet.

Mr. Biesemeyer: So then at the end of the year any unexpended funds in the Hiker Parking line will go into the unexpended fund balance account?

Mr. Wilson: Yes, remember at the end of the year we have a lot of transfers and amendments? That is filling in the lines that were overspent. Like this year, one of the things that are popping up is fuel. It's really going to affect next year. We have our budget done already, but like right now no one is renewing the state contract for diesel fuel, heating oil and gasoline. So we might have to start paying market price, instead of state contract price. It's not much, like \$0.13 a gallon more, but given how much fuel we use, it will add up. So next year we will be looking to fill that hole.

Mr. Biesemeyer: Our fund balance is pretty big. Like \$1.4 Million right?

Mr. Wilson: Yeah, it's pretty healthy. When we do our AUD, we will dig into that some and see what we have left. We can see if we want to set a 20% reserve and use the rest to fix our dump or something. Whatever we decide to spend.

Mr. Wilson: Okay, so is everyone set with answers?

Ms. Cheetham-Palen: It was a good question.

Mr. Deyo: The only reason I brought it up is because it has been brought up several times and it was a little contentious. I have also had several people stop me and ask me about it. I wanted to better understand it.

Ms. Favro: I did see online that the Town of Keene was awarded in 2019 for this DEC Smart Growth Grant. You said it was good for 3 years. Are they going to pay just one year now since we are at the end of our 3 years? Or will they start with 2021 and pay the 3 years starting now.

Mr. Wilson: Everything DEC did was deferred a year from Covid. We got it in 2020, we were awarded in 2020 but they didn't sign the contract until the end of 2020. So the clock started ticking the end of 2020.

Mr. Wilson: So let me wrap this up by saying that this grant is a net positive for us. The state is giving us \$88,500 to help us manage hiker traffic and they realize it's a burden on the Town. It's not a conspiracy.

Mr. Biesemeyer: I hope you don't think we are accusing you of that.

Ms. Favro: I am not accusing you of that. We are just trying to understand.

Mr. Wilson: We did a grant for the salt shed the same way.

Mr. Biesemeyer: The only reason I asked is because I wanted to know why it doesn't show in the budget.

Mr Wilson: That is an accounting question.

Ms. Whitney: So my only question from that is, you say that we are getting \$88,500. So they are giving us that only if we spend \$50,000.00 on stewards and porta johns?

Mr. Wilson: No, it's reimbursement.

Ms. Whitney: Okay, so you know that we will spend that amount over the 3 years.

Mr. Biesemeyer: So they will reimburse up to that amount.

Mr.Wilson: It's the same thing we did with the salt shed, but it was a lot more money. We used unexpended fund balance to front all that money and then it went back into the budget.

Mr. Biesemeyer: Okay, like we did with the repairs on Water District 1.

Mr. Wilson: Yes, so instead of having to go to the bank, we used the fund balance.

Ms. Whitney: I would like to say, moving forward. When we are asking questions we are not attacking you. We are either asking for community members that are asking us and we are trying to understand to answer them. The reason I asked the DEC thing is because people ask questions. It is not an attack, you are the one that has the knowledge. I am not dealing with the DEC everyday.

Mr. Wilson: I appreciate that you are saying that, but because of the way this was raised in multiple meetings as part of campaigning it definitely was an attack then.

Mr. Deyo: Well, let's be happy campaigning is over.

Mr. Biesemeyer: Yeah, and Nextdoor Keene does not help.

Mr. Wilson: So let me end by saying again. Grants like this from DEC are what keep our salt shed going, help us with hikers, allow us to have a healthy fund balance so we can do the emergency water repair. These are the lifeblood of small towns. We have to keep going after them.

Ms.Kim Smith: I thought that this was helpful with everyone asking, because I had only heard this number be thrown around. The \$87,000, I didn't realise that this was over a 3 year span. I think a lot of the community doesn't know that. People thought it was a one time payment. So I think that this is a good to hear this.

