

**BUDGET COMMITTEE MINUTES
TOWN OF PEMBROKE
THURSDAY, NOVEMBER 19, 2009**

Members Present: Mark LePage; Gerry Fleury; Michael Connor; Bruce Kurinskas; Stacey Sheldon; Ray Foss; Marie Chouinard; Brian Seaworth, Planning Board Rep.; Tom Serafin, School Board Rep.; Tina Courtemanche, Selectman Rep.; Dave Sheldon, Alt. Selectman Rep. *Absent:* Dan Crean

Others Present: David Jodoin, Town Administrator

Documents Distributed: Town of Pembroke 2010 Proposed Budget; Updated 2010 Estimated Revenues; Pembroke Sewer Commission Budget; 2009 Tax Rate Calculation

The meeting began at 6:30 PM.

Approval of Minutes 10/8/2009

A motion to approve the minutes as presented was made, seconded, and passed by unanimous vote.

Presentation of Town Budget – Dave Jodoin

The 2010 Proposed Town Budget has decreased \$1.3 million from 2009. This is due to decreases in Administration, Town Clerk, Auditing, Information Systems, Assessing, Workers Compensation, Police (substantial savings for dispatch services), Debt Service (sewer note has decreased and will be paid off next year), Capital Outlay (no large ticket items), transfer to the Trust Funds and one time large expenses that were incurred in 2009 that also had offsetting revenue. The major decreases were able to absorb the 11.4% health insurance increase and 5.5% dental increase. There was also an increase in the NH retirement system due to the State's cost shifting. Included in each area of the budget is a description for the increase or decrease. Fuel expense has been locked in at \$2.27 per gallon and diesel at \$2.31 per gallon. The sidewalk budget of \$30,000 was removed by the CIP Committee. The expenditures reflected in the budget "1 Year Prior Actual" are as of November 6, 2009.

There is no expected Shared Revenue from the State in 2010, cuts could still be expected in Rooms and Meals Tax and School Building Aid, and a decrease is forecasted for the town's motor vehicle revenue.

There was a question regarding the number of Public Works employees once the recycling project is underway. David stated that the Public Works Department will have one less employee in 2010.

There was concern that the Town may be too aggressive in keeping the budget down and the possibility of a spike within the coming years. David does not see this as an issue due to the items that have caused the decreases. He does not see any upcoming large scale increases.

Abatements were briefly discussed. There is \$65,000 reserved in overlay to cover the abatement costs on the balance sheet and another \$50,000 listed on the tax rate papers giving the Town a total of \$115,000 however the actual cost will not be known until September, 2010.

The reserve number on the Balance Sheet of \$65,000 will be adjusted in April/May if needed when the audit takes place.

Utility abatements are also expected due to the increase of \$14 million. The 2010 tax rate will fluctuate based on the total abatements.

David explained that although when first looking at the proposed budget you see a \$1.3 million dollar decrease, once you remove the offsetting revenue for the special projects, the operating budget is actually down \$273,000.

Wage and salary increases as they pertain to the budget were discussed.

There was a question regarding Planning Board Contracted Services in the amount of \$7,500. Dave explained that this item is used for any additional consultants required. He agreed to pull the actual expenditures for prior years and review further in the event that this item can be removed. The Contracted Service for the Planner is now being budgeted under Planning Wages due to the recent process to hire a full time Town Planner.

There was a question regarding CPR training for the Fire Department. This item will be discussed with Chief Paulsen when he attends a budget meeting.

The Committee requested that each town department attend one of the next two budget meetings to review their budgets in more detail. Dave Jodoin will coordinate with department heads (Police, Fire, Library, Public Works, Water, and Sewer).

Other

Tom reported that the Honeywell Phase II project has been approved.

Gerry indicated that the town did not budget for Tax Anticipated Note Interest (TAN) in 2009. He suggested that the Budget Committee possibly allow an amount of TAN interest into the budget with the understanding that the Selectmen use it only when it is financially attractive to do so. He stated that in 2009, the Solid Waste project was delayed because the Town did not have the necessary funds to proceed with the purchase of the carts and automated truck due to cash flow issues and the need to wait for the tax bills to be sent.

The next meeting is scheduled for Thursday, December 3, 2009 at 6:30 PM.

Adjournment

A motion to adjourn the meeting at 8:30 PM was made by Tom, seconded by Bruce, and passed by unanimous vote.