

**BUDGET COMMITTEE MINUTES
TOWN OF PEMBROKE
THURSDAY, JANUARY 14, 2010**

Members Present: Mark LePage, Chair; Gerry Fleury, Vice Chair; Michael Connor; Bruce Kurinkas; Stacey Hicks; Ray Foss; Marie Chouinard; Dan Crean; Brian Seaworth; Tom Serafin, School Board Rep.; Tina Courtemanche, Selectmen Rep.

Others Present: David Sheldon, Alt. Selectmen Rep.; Clint Hanson, School Board Chair

Document Distributed: Updated Summary of Tax Rate 2005-2010; Changes to Proposed School Budget; Pembroke Tax Rate Forecast FY 2010/20-11; School FY Combined Budgets; School Warrant Articles

The meeting began at 6:30 PM.

Approval of Minutes 1/7/2009

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

School Department

In answer to the questions from the last meeting regarding the second school bus to transport an increased number of students to the Vocational Center, Tom indicated that an arrangement was made for the first bus in 2009 however it is longer available due to the extended bus contract and the need for the second bus.

Dan suggested that Concord Area Transit be looked into for transporting these students rather than purchasing a bus (or the use of a bus) that may sit idle for large amounts of time. This would not only provide transportation for these students but would possibly provide bus service to Pembroke residents as well. The committee discussed this option briefly. Tom agreed to follow up.

Total changes in the school budget amount to an additional \$271,910 which includes warrants to reserve/trust from surplus in the amount of \$250,000. Tom reviewed some of the changes made by the School Board at their most recent meeting which included a sabbatical leave that was not originally included in the budget and action to the Instructional Materials Warrant to cover the increase in instructional supplies.

Gerry asked if negotiations for the Collective Bargaining Agreement are still underway. Clint Hanson indicated they are not and have been at an impasse since early November. Further, the teacher's salaries in the budget reflect the 2009/2010 school year and that if and when an agreement is reached, the financial terms and conditions of the agreement will have to be presented as a separate warrant article. The budget committee would then make their recommendations before it goes to the voters however there are no specific numbers that the budget committee can take action on at this time. To date, there is no contract in place for the 2010/2011 school year and if an agreement is not reached by February 4, 2010, a special school district meeting will need to be held. The Statutory Evergreen Clause was briefly discussed.

Some items with known variables that may require further discussion by the budget committee was discussed in detail and each item was rated for risk and impact levels to the budget/tax rate.

Collective Bargaining Agreement – high risk/high impact

County Tax Rate – low risk/low impact to tax rate

Cash Flow Issues due to late revenue or State revenue cuts – med risk/low impact

Gerry indicated that no funds have been budgeted for tax anticipation notes (TAN). He suggested that the selectmen consider transferring appropriations to the TAN line should revenue issues arise. This option was discussed in detail.

Revenue Cuts

Revenue Sharing – med-high risk/more information needed to determine impact

Rooms and Meals Tax – med-high risk/more information needed to determine impact

School Building Aid – high risk/low impact

Catastrophic Aid – high risk/low impact

Assessed Valuation – low risk/high impact

Energy – low-med risk/low impact

Auto Registrations – med-high risk/low impact

Possible unforeseen increase in social services (Welfare) – med risk/low impact

The majority of budget committee members, with the exception Tom and Tina, who support their respective budgets as presented, agreed that they would like to see the total tax rate increase only 2% versus what is currently proposed. Gerry stated that he may agree to a higher increase depending on where the cuts would be made. The process of requesting budget cuts was discussed including decreases versus consequences. It was agreed to request suggestions from the town and school on how they would decrease their budgets (Town .5% / School 3.1%). Stacey suggested one option of limiting the number of vocational students which would decrease tuition and bus costs. Tom will bring this suggestion to the school board.

Mark requested that any further questions for town or school be e-mailed as soon as possible in order to receive responses by the next budget meeting. There was some discussion regarding the use of e-mail as well as the logistics of making recommendations or cuts to the budget from an MS standpoint.

Other

The next meeting is scheduled for Thursday, January 21, 2010 at 6:30 PM. Deliberations are scheduled to begin as well as review of warrants.

Adjournment

A motion to adjourn the meeting at 8:45 PM was made by Dan, seconded by Tom, and passed by unanimous vote.