

**MINUTES
TOWN OF PEMBROKE
BUDGET COMMITTEE
Thursday, December 4, 2008**

Members Present: David Freeman-Woolpert, Chair; Mark LePage, Vice Chair; Gerry Fleury; Ray Foss; Charles Connor; Michael Connor; Stacey Sheldon; Bruce Kurinskas; Tom Serafin, School Board Rep.; Fred Kline, Selectmen Rep.

Others: David Jodoin, Town Administrator; David Sheldon, Selectman; Tina Courtemanche, Selectman; Police Chief Scott Lane; Alane Rapazza, Recording Secretary

Documents Distributed: From the Selectmen: 2009 Estimated Tax Rate; 2009 Estimated Revenue

The meeting was called to order at 7:05 PM.

After a correction was suggested, a motion to approve the minutes of November 20, 2008 as presented was made by Gerry, seconded by Mike, and passed by unanimous vote.

After a correction was suggested, a motion to approve the minutes of October 16, 2008 as amended was made by Gerry, seconded by Mike, and passed by unanimous vote.

Charlie requested a copy of the MS 7. David F-W stated that the Budget Committee is responsible to approve appropriations on the MS 7 but not the detail on the Town Budget. Fred will follow up on obtaining the MS 7 by the next meeting.

The committee discussed the 2009 Estimated Tax Rate and the impact to the budget if it is approved. Fred gave a detailed review of the calculations and indicated that the bottom line is estimated to increase from 5.69 to 5.71. Additionally, a member asked if the \$400,000 reduction from the General Fund Balance can be afforded and still leave the town with enough Surplus. Fred stated that the initial feeling is that it can. David F-W encouraged the committee to take at least a two year approach on this and other items that may vary widely between 2009 and 2010.

The recycling project, as it pertains to trash carts, was briefly discussed as to the level in which it could affect the tax rate. Ray indicated that if residents vote not to pay for their own trash carts, it would require a higher level of money to be raised from taxes.

REVENUE

The 2009 Estimated Revenues to the town were reviewed with the following items discussed in more detail: (Comparisons were made between 2006 Actual, 2007 Actual, 2008 Budget and 2009 Proposal.)

Tax Revenues - Timber Tax has decreased by approximately \$15,000 from last year due to a decrease in development and thus lower likely value for saw log trees.

Interest and Penalties - Property Tax Interest and Cost has increased and has an accrual rate of 18%. This increase is due to a poorer economy and more property owners paying their tax bills late.

Licenses, Permits and Fees - Motor Vehicle Registrations show a decrease of \$40,000 from the 2008 budget versus the 2009 proposal. It is expected that the 2008 actual will come up to budget by the end of 2008.

The dramatic reduction in new automobile sales was discussed and officials were warned that this could cause much lower revenue from this source; if not in 2009 then certainly in 2010.

State Revenue - A large increase is shown for State Room and Meals Tax. Dave F-W asked to see a firmer number for the 2008 Actual. Fred will follow up.

Grant Revenue - FEMA Funds were discussed. Fred explained that the Town has received confirmation of approval of a FEMA grant for \$150,000 which requires a \$50,000 match from the Town of Pembroke. The \$50,000 match will be encumbered into 2009 from the 2008 Roads Budget. The possibility of a warrant article was discussed. David F-W indicated that it seems likely that these funds would not have to be raised out of 2009 taxes. Dave J. gave a brief explanation on grants and encumbrances as they pertain to the tax rate, the MS 7 and anticipated revenue. He concluded that the \$50,000 would not have to be raised by 2009 taxes.

Income from Departments - An amount of \$5,000 will be picked up for recycling proceeds, although Fred expects a drop due to the recent lower prices for recyclable materials.

Miscellaneous Revenues - There is a large reduction of Interest on Deposits due to interest rates being lower. The committee discussed the sale of garbage/recycling carts.

Transfers from Capital Reserves - The Public Works Department's proposed equipment purchases were discussed as well as the major expenses which will offset the revenue.

To date, the overall 2009 proposed revenue shows a 38.81% decrease from the 2008 budget.

PUBLIC SAFETY

Chief Lane explained that there is very little discretionary spending included in the Police Department's budget. The main increase for 2009 is dispatch fees due to a \$35,000 increase in fees by Bow Dispatch Services. He indicated that the cost is based on the average of the number of calls received. He further explained that the numbers are approximate and may change. There was a brief discussion on the possibility of changing dispatch services to a Merrimack County level.

Increases in Police Vehicle Maintenance and Gas and Fuel were discussed. There was some concern over the total Police Department budget possibly being too lean in light of increasing violence. Chief Lane was asked if the town has enough officers and funds in their budget to maintain a safe community and if he sees a possible need to hire additional officers. Chief Lane expects that a second SRO may be requested (and paid for) by the School Department next year as the current SRO spends a large percentage of his time on law enforcement at Pembroke Academy rather than on the projects that are strictly related to Pembroke. Tom Serafin will address this issue at the School Board level.

Chief Lane will be adding \$600 to the 2009 Police Department's budget for pagers. Overall, the Police Department budget calls for an increase of 2.92%.

PUBLIC WORKS

Fred began by explaining the process of breaking out and tracking costs by Roads versus Solid Waste which makes the budget sheets more complicated.

He stated that the Selectmen have agreed to re-merge the Highway Department and Solid Waste Budgets, possibly by 2010. Gas and Fuel show a substantial increase but it is anticipated that this number can be reduced. There is also a substantial increase in Road Maintenance due to the addition of crack sealing of roads to the budget.

The Public Works Department shows an overall increase in budget of 4.56% over 2008.

CULTURE AND RECREATION

Fred expects that the \$3,500 for concrete around the pavilion at Memorial Field will be eliminated. He will confirm this with the Board of Selectmen and report back to the committee.

Fred gave a brief overview of the 250th Anniversary Celebration (Semiquincentennial) including funding.

LIBRARY

The Library's budget will increase 7.74% primarily due to Computer/Software Maintenance. The Library Trust/Capital Reserve was briefly discussed. These items will be discussed in more detail when the Library Trustees present their budget at the next meeting.

DEBT AND CAPITAL OUTLAY

Interest – General Obligations Bonds has decreased \$13,000 due to more of each payment going to principal.

Fred gave an overview on the Vehicle/Equipment Purchases explaining that one of the two existing trash collection vehicles must be refurbished for a cost of approximately \$100,000.

The replacement of police vests (Minor Capital Equipment - PD) in 2009 was discussed. The total cost for the vests will be \$8,000. The installation for Mobile Data Terminal Software in four police cruisers has been eliminated however the cost is not reflected in the Minor Capital Equipment - PD section.

There is a \$50,000 reduction in Highway Garage Improvements due to the salt shed. These funds may or may not be encumbered from 2008 to 2009. Fred will follow up and report back to the committee.

Road Repair/Reconstruction has increased 3% over last year. Fred gave a brief explanation on this item as well as an overview on the Broadway Reconstruction Project and Sidewalk Construction.

The Solid Waste Facility budget has decreased considerably due to the landfill closure in 2008.

Fred agreed to follow up on obtaining a utility assessment for review by the committee.

The next meeting is scheduled for December 11, 2008. The Public Works Department will be attending as well as the Solid Waste Committee. Fred is also inviting Water, Sewer and Library to attend.

The meeting adjourned at 9:05 PM.