

**TOWN OF PEMBROKE
BUDGET COMMITTEE PUBLIC HEARING
SATURDAY, FEBRUARY 7, 2009**

DRAFT 2

Budget Committee Members Present: David Freeman-Woolpert, Chair; Mark LePage, Vice Chair; Gerry Fleury; Stacey Sheldon; Bruce Kurinskas; Charles Connor; Mike Connor; Tom Serafin, School Board Rep.; Tina Courtemanche, Alt. Selectmen Rep.

Others Present: David Jodoin, Town Administrator

Board of Selectmen: Cindy Lewis, Vice Chair; David Sheldon

School Board Members: Clint Hanson, Chair; Tammy Boucher; Richard Mitchell; Ry Weisiger

David Freeman-Woolpert called the public hearing to order at 10:00 AM. He introduced the representatives from the School District, Town Administration, and the Budget Committee members. Additionally, he indicated to the audience that there were Municipal and School District Budget packets as well as other informational documents available on the table in the rear of the room.

David Freeman-Woolpert gave an overview of the Summary of Tax Rate, explaining that the total tax rate, if the combined budgets as proposed by the Selectmen and the School Board are approved, would cause a .01% decrease in the tax rate from last year. The Budget Committee is recommending a further decrease due to the School Board's request for two new areas of expenditures. David indicated that the Budget Committee will meet one last time to make final budget recommendations based on feedback from this public hearing.

Selectman Tina Courtemanche briefly reviewed the Selectmen's 2009 proposed budget. She highlighted several increases including required changes in accounting standards from auditors, revaluation of properties, street lighting, and fuel costs. Selectman Courtemanche then reviewed page 6 of the MS-7 in detail outlining areas of increases/decreases. The total budget is \$6,658,154. Article 15 to raise and appropriate \$834,567 for the Pembroke Water Works operating budget and Article 16 to raise and appropriate \$835,689 for the Pembroke Sewer Commission operating budget are both funded through user fees.

David Freeman-Woolpert explained that this is the time to discuss the mandatory recycling program and the expenditures that appear in the budget for this purpose.

Citizen Roberta Doore is concerned that it may be difficult to have recyclables accepted and she is of the opinion that some towns are going back to streamlining trash collection.

Sally Hyland, Chair, Solid Waste Committee, reviewed the major aspects of the recycling program and confirmed that recyclables are still being accepted at a cost of \$25 per ton versus \$45.90 per ton of combined trash. She indicated that the amount charged for non-recyclables is expected to increase significantly in 2010. David Freeman-Woolpert added that the budget committee is in favor of the recycling program however the cost of the carts could be funded through taxes rather than users. He also indicated that some of the cost pertaining to the trash packers will be required whether or not the recycling program is approved due to the required refurbishment of a current packer.

Citizen Ron Shover asked about the refurbishment of the current packer and if there are any additional tipping fees for recyclables. David Freeman-Woolpert explained that neither of the current packers will last another year without significant expense. If new packer is purchased versus the split body packer, it would prohibit implementing the recycling program for at least another five years. The refurbishment of a current packer is for the purpose of a back-up truck.

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Citizen Dan Crean asked when the recycling program, if approved, would take effect and also why the current packer must be rebuilt in 2009. Sally Hyland stated that it would take until the end of the year to receive the new truck and the program would take effect shortly thereafter. Selectman Courtemanche stated that due to maintenance costs, the refurbishment of a current packer is necessary in 2009 whether the recycling program is approved or not. David Jodoin further explained and clarified specifics about the line items in the budget pertaining to the packer (Garbage Truck).

Mr. Crean requested clarification of revenue increase expectations on lines 3311-3319 and 3355. David Jodoin explained that line 3311-3319 is coming from the North Pembroke Road FEMA Grant and line 3355 is coming from CDBG for replacement for sewer manhole covers. Mr. Crean asked if these items are being proposed as separate warrant articles. David Jodoin indicated that DRA is requiring they be shown as warrant articles to show receipt of the funds which have already been applied for, granted and accepted. These revenues are also shown as expenses. Mr. Crean requested information on line 3503-3509. David Jodoin explained that this amount includes the cost of the trash carts for the recycling program which is also shown as expenses.

Citizen Rosemarie Michaud expressed her concerns with the present economy and questioned if there are pay increases allotted for town employees in the budget. David Jodoin indicated that there are pay increases within each department of the budget which were tied to the Collective Bargaining Agreement. Ms. Michaud feels there should be no increases this year in an effort to possibly save jobs and/or a decrease in hours. David Freeman-Woolpert stated that the budget committee will discuss at their final budget meeting.

Citizen Catherine Dowling requested further information on the weight and size of the collection carts. She is concerned that some residents may not be able to physically handle the carts and that her property is not conducive to placing the carts in the manner in which the ordinance states. She feels she may need to hire a private service for trash collection. Sally Hyland explained that the transfer station will remain open for drop off and that the carts come in different sizes, are on wheels and are easy to maneuver. She reassured the audience that the only difference in the placement of the trash carts is that they must be separated at least 5 feet.

Citizen Kathy Cruson has concerns regarding the overall recycling program. She feels that this type of program is not suitable for this area. She has a 100' non-paved driveway and spoke to the fact that there are several other residents in the same situation and this program will make the placement and handling of the carts difficult. She is also concerned that the price for recyclables has gone down and based on the economy, she feels the program should be put off for 1-2 years. Sally Hyland explained that each 64 gallon cart takes approximately 2x2 feet of space. She has witnessed this process in person and it is a proven system that is being used successfully where there are both city streets with curbs and country roads with no sidewalks. Jim Boisvert added that the tipper on the new truck fluctuates 4'-6' sideways and extends out 12'. He indicated that the 64 gallon cart would take up no more space than the area currently being used for trash containers.

Citizen Brian Seaworth asked about how close the margin is of the five year payback period and if the residents who choose not use the new system is being factored into the savings correctly.

David Freeman-Woolpert explained that it is his understanding that only by the 5th year, will the town realize 25% of its trash being recycled, which is a conservative estimate, and that there may come a time when recyclables will again become valuable. He further stated that the budget committee explored the option of encouraging people to use the recycling rather than making it mandatory but based on feedback they received, they opted for making it mandatory due mostly in part to the transfer stations available capacity.

Citizen Phil Good asked if this will be full-line recycling. David Freeman-Woolpert answered that it was and briefly explained the single stream process.

Citizen Gerry Fleury is in favor of the recycling program especially after viewing the process in surrounding towns. He feels that it is an economically viable program that works and, despite the bad economy this is the ideal time to move forward with the program. He pointed out that the town borrowed a truck similar to the one proposed which had no problem with some of the toughest spots in town where trash is picked up.

Citizen Chris Bova asked about the replacement of carts should they be damaged by someone other than the user or the town. David Freeman-Woolpert stated that this question will be addressed at the next budget committee meeting.

Citizen Aalto expressed his thoughts regarding fuel and energy costs and the value of recyclables in the future. He feels that now is a good time to move forward with this program.

Citizen Rosemarie Michaud asked about the new incinerator contract and how long it would be before there would be an increase in costs. David Freeman-Woolpert explained that the nature of the contract is the charge per ton which will increase but there is no requirement of how much the town delivers to the incinerator. Ms. Michaud is in favor of implementing the recycling program this year.

Citizen Dianne Schuett is in favor of the recycling program and asked if there would be any user fees in addition to the cost of the carts. David Freeman-Woolpert stated that there are no anticipated user fees other than the purchase of the carts.

Citizen Butch Ayles feels that the recycling program is a change for the betterment of the town; it is not cumbersome but is easy and efficient.

David Freeman-Woolpert turned the meeting over to Tom Serafin, School Board Representative for presentation of the School Board's Budget.

Tom Serafin reviewed the 2009-2010 school district operating budget beginning including their goals and initiatives. He stated that for the second consecutive year, the School Board presented to the budget committee, a budget with 80% of lines items being level funded. The School Board must adhere to the new government regulations pertaining to the "No Child Left Behind Program" and is preparing for a new state regulation that all students remain in high school until the age of 18. Tom gave an overview of savings that have been realized by the Honeywell project and indicated that the School Board is currently considering a phase 2 of the Honeywell project which includes a wood chip burner and would create additional substantial savings. Tom then reviewed new initiatives including the first year of a three year program for an alternative high school and a new math teacher position at Pembroke Academy.

He stated that the budget committee is in favor of the School Board budget with the exception of the new position at Pembroke Academy as well as the alternative high school. The School Board is supportive of these new initiatives even in these economic times because they were able to come in at a zero percent increase to the tax rate. He spoke about the increased revenue from the adequate education grant of \$720,000 which will help offset the costs of education in Pembroke. He then asked that Michael Reardon, Headmaster, Pembroke Academy, speak on behalf of the alternative high school program as well as the impact to the School District of cutting the alternative high school program and the math teacher at Pembroke Academy.

Mr. Reardon gave overviews of both items. The alternative high school will serve approximately 15-18 at-risk freshman. The staffing for the program would be allocated from present personnel. The costs involved for year one include transportation fees and a part time behavioral specialist/outreach person who would work with teachers. This is an important initiative due to the implementation of the new law which requires students to stay in school until the age of 18 and to ensure that all Pembroke students are educated. Year two of the program would include duplicating these services for sophomores and the behavioral specialist becoming full time. The third year would include an off site, alternative high school. Mr. Reardon pointed out that the drop out rate has decreased at Pembroke Academy from 8% to 2.4% over the past 7-8 years which he attributes to other programs that have been put in place.

Mr. Reardon explained that the request for a new math was not in the original proposed budget and was put forth and presented to the budget committee at the last minute. He stated that after looking at standardized test scores for incoming freshmen, it became apparent that several students are unprepared for algebra which is a gateway course. Additionally, a science teacher, who is certified as a math teacher, will not be available to teach math next year as there is a new requirement that all students complete Chemistry therefore the majority of her time will be spent teaching Chemistry. There are a larger number of students who will be requiring pre-algebra courses in order to prepare them for the gateway algebra course. It takes three semesters to effectively teach the true and authentic concepts of algebra which use the equivalent of two full time teachers. This requested additional position is another important tool to make sure that each Pembroke student is educated and successful.

Citizen Aalto commended the school board for their efforts with the budget and stressed the importance of addressing the at-risk students and improving Pembroke's basic educational structure.

Citizen Ron Shover asked if solution may be that pre-algebra courses are given in the sending schools before they reach the high school level. David Freeman-Woolpert stated that Pembroke has no control over programs in the education of students from the sending schools. The only way to assist the at-risk students is to identify them as they enter Pembroke Academy. Mr. Shover asked if it was possible to obtain a more detailed copy of the budget. David Freeman-Woolpert said that the SAU can provide this information to him and suggested he call the SAU office to make this request.

Citizen Kathy Cruson expressed her concern that all schools need to improve reading and math scores and a lot of time and effort is spent coming up with new curriculum to bring up the standardized test scores. She feels that the scores are not due to the lack of attention in schools but rather the difference in today's students. Teachers must work harder each year to provide effective programs and encourage students to learn. She thanked Mr. Reardon for his efforts in his attempt to implement these new initiatives.

Additionally she inquired about the hiring of consultant, Thomas Haley, prior Superintendent of Schools, who was hired last year and if that would be in the current budget. Tom Serafin explained that the cost for hiring Mr. Haley was funded through the lower salary offered to the current Superintendent, Peter Warburton, who was hired with a lower salary than what Mr. Haley was currently making. The School Board was able to hire Mr. Haley for this difference in salary. Tom stated that these consulting services will not be required in the coming year.

Citizen Rosemary Michaud inquired if there are salary increases allotted within school district. Tom Serafin stated that there are salary increases within the budget. He can provide more detailed information, however most increases are dictated under the terms of teacher contracts and the budget also includes increases of up to 3% for all non-contracted positions. Ms. Michaud is also concerned about the projected revenue from the state. Clint Hanson gave more specifics on pay increases and the projected revenue. Ms. Michaud stated that she is against the new programs proposed by the school board at this time.

Citizen Dan Crean spoke of his concern of the town's reliance of revenue coming from outside the taxpayers. He stated several opinions on taxes, possibly lowering the burden being carried by the town, and other cost savings options. David Freeman-Woolpert reviewed the county tax rate.

Citizen Mehegan spoke about the alternative high school and cost per pupil. David Freeman-Woolpert explained that these are two separate programs, special education and the alternative high school, and that there will be a cost savings of educating the at-risk students in Pembroke versus sending them out to alternative locations. Tom added that there may be a couple of special education students that would be involved in the alternative high school program if it is approved.

Citizen Frank Davis commented on the nursing home budget reduction which is slightly under 1.5%.

Citizen Jan Skoby supports salary increases due to the hard work and dedication of teachers and that the schools need to be proactive with at-risk students.

Citizen George Fryer inquired as to the increase in expenditures on line 2800-2999 for Support Service Central and Other. Clint Hanson indicated that part of this is the redistribution of the annual SAU costs associated with enrollment and tax valuation of the five towns within the SAU. Pembroke's increase this year has proportionally changed. The remainder is mainly due to increases to health insurances, teacher retirements, and non-certified staff increases.

Citizen Aalto is concerned with the indications of the revaluations. David Freeman-Woolpert stated that should all properties drop by the same percentage in value, the tax rate would remain the same, however it is unknown how the tax rate will be affected until the revaluations are complete.

Citizen Marilyn Watson inquired as to the tax base and what is being done to attract business in Pembroke. David Freeman-Woolpert explained that one issue is the lack of sewer capacity. There is a warrant article pertaining to the replacement of manhole covers. This along with other projects and communications with Allenstown, additional sewer capacity may be available within a year or two which would allow more commercial properties to be built. Selectman Lewis added that there is some commercial activity in progress.

The Planning has approved a lot line adjustment at Pembroke Crossing and the approval of an office warehouse is expected. She stated that all activity is slow due to the economy.

Citizen Dan Crean referred to a study done at the Allenstown treatment plant and inquired if any follow up has been done. David Freeman-Woolpert indicated that this subject was beyond the intention of this meeting and suggested that it be discussed at a later time.

Sally Hyland stated that collection carts have arrived for viewing and are located in the back of the room.

The public hearing adjourned at 12:15 PM.