

**BOARD OF SELECTMEN
TOWN OF PEMBROKE, NH
March 6, 2024 at 6:30 PM**

Present: Selectman Karen Yeaton, Selectman Peter Gagy, Selectman Richard Bean, Selectman Rick Frederickson, Selectman Sandy Goulet

Staff: Town Administrator David Jodoin

I. Call to Order:

Chairman Yeaton called the meeting to order at 6:30pm.

II. Citizens Comment

None

III. Scheduled Meetings

Tom Serafin – Town Meeting Discussion

Tom Serafin, Town Moderator, attended a training session put on by NHMA and he would like to implement some changes based on their recommendations. Typically, before the meeting officially starts the previous moderator would read some housekeeping items. Tom would like to read the official rules of the meeting and have them posted on the doors and in the Town Report. The first order of business would then be to approve the rules of the meeting. Relative to rules of the meeting, he has been notified to expect a ballot vote on the budget warrant articles. He will no longer accept the motion for a ballot vote before the meeting. It will need to be presented during the meeting and before each relevant warrant article depending on how many warrant articles the motion applies to. There will also be a roll call vote for the 5 people who signed the document to ensure they are present. All motions will also need to be made from the mic. For example, residents will no longer be allowed to yell from the floor to move the question. It will also be shared at the meeting that only residents, employees of the town, registered voters, children of registered voters, and anyone on behalf of the Town is allowed to speak. Anyone else can only speak at the pleasure of the meeting. He has met with Budget Committee and representatives of the School Board to review the changes. There have been no concerns from either of those boards. The School has signed off at the change to 9am next year. The Selectboard also agrees to change next year's meeting to 9am. This will be announced at both meetings. There will be closed captioning at the school district meeting. There has been requests to have the closed captioning at the Town Meeting. Both meetings have been moved to the gymnasium due to a larger than normal expected turnout.

VJ Ranfos – 11 Kimball Street

VJ Ranfos, Public Works Director, and John Bisson, Attorney for Proven Homes attended the meeting to discuss the drainage pipe that was damaged by the contractor who was prepping site VJ explained that before the work can be done, the Town needs to complete the easement. David stated the Town Attorney has reached out to Attorney Bisson. John explained that they are looking for compensation to the homeowner for that easement. David asked the rough easement length and width of the new pipe. VJ answered it will be around 350 feet. Selectman Yeaton asked where the collection point for this drainage is. Mike Vignale, Town Engineer, answered it is at the catch basin on Kimball Street. Selectman Yeaton asked if there is a way to manage the water without going through private property. Mike explained it cannot go up to Main Street because the elevation is too high and to get to the top of Kimball Street, there would be deep, extensive, and expensive excavation because of the elevation changes as well as the houses and utilities in very close proximity. The current location of the pipe follows the natural path of the water and without it, the land would be flooded, and it would likely flood the neighbors' homes.

VJ explained they have received quotes to change the direction of the pipe around the building:

- Advanced Excavating provided a quote but has declined the work in the amount of \$39,650 with a stipulation for if they must hammer ledge at a rate of \$3,500/day.
- Merrill Construction quoted \$44,300 also with a ledge stipulation of \$3,500/day and a \$500 mobilization charge for the ledge hammer.
- Mike Vignale provided a quote of \$43,900 with a ledge clause as well.
- The property owner was asked to get a quote from their company that is currently on site working on the property and that came in at \$64,000. They did not provide a detailed listing of the work.

The quotes are good for 30-days. The Easement needs to be cleared up before any bids can be awarded or work is done.

Tammy Webb – 2022 Audit Presentation

Tammy Webb, Vachon Clukay and Company, PC, explained that for year ending 12/31/22, the Town received an unmodified opinion, which is a good report. The audit work focused on risk management. Annually, they update their understanding of major financial transactions and document procedures and test transactions. They are required to test controls once every three years. This year, they tested the Town and Water Department's cash disbursements. They selected a sample of 40 items from each to ensure proper approvals, invoices, and that checks were written out appropriately. There were no deviations. They also perform a review of journal

entries every year. They did not note anything unusual. Another area deemed high risk for fraud is credit card purchases. Upon review, all purchases seemed reasonable and there were no concerns. Since they did not find anything unusual, they did not issue a separate management letter. Behind the notes in the financial statements is a section called required supplementary information. The first item in this section is the budgetary basis for the general fund. It shows budget to actual numbers. The total revenues and other financing sources were lower than budgeted estimates by \$603,000 or 8.46%. This shortfall was due to a tax settlement that happened after the year-end but before the audit happened. Since it was based on previous tax years, it needed to be addressed. That tax settlement resulted in the Town issuing a refund in the amount of \$565,000. The total expenditures were less than the final budgeted amount by approximately \$1.1m. Overall, there was a fund balance increase. The Town continues to have a healthy financial position. The current fund balance policy states the Town must retain a maximum unassigned fund balance of 25% of the total general fund gross appropriations plus the school plus the county and a minimum of 10%. Based on the 2022 budget, that would equate to a maximum of \$5.9m and a minimum of \$2.38m. The unassigned balance is \$4.7m, which is in compliance with the fund balance policy.

Some highlights from the 2022 audit, the Town received the second half of the ARPA funds. There is still \$705,000 unexpended. These funds need to be committed by 12/31/24 to a project. Any funds not expended by 12/31/26 need to be returned to the federal government. The Town received unexpected highway block grants of \$140,000 and additional state aid bridge grant funds of \$98,500. There are two new GASB pronouncements required to be implemented for the 12/31/23 audit. The first one is GASB 94 and pertains to outside companies that want to pay the town to use your equipment to provide services and gain income as a result. This will be an unlikely situation for the Town of Pembroke. GASB 96 pertains to subscription-based information technology arrangements. For example, the Town's software has a contract for a period greater than 12 months and that will need to be recorded.

The governance letter gives the Board some highlights of the financial statements. Key items this year are the new GASB pronouncement 87 that pertains to leases. The Town leases land for a tower and that is now recorded in the financial statements as a lease receivable and a deferred inflow of resources. The Sewer Fund leases office space and that needed to be picked up as a liability. There were no transactions that were entered into that lacked any authoritative guidance and there were no difficulties dealing with management and in every letter the last page will always included a listing of material audit adjustments that were required to be made. There were very few as opposed to some communities who have three pages.

IV. Old Business

None

V. New Business

Approval of Discretionary Easement

Selectman Goulet made a motion to approve the amendment to the discretionary easement with Pembroke Golf LLC. Selectman Frederickson seconded the motion. Motion passed 5-0.

Financial Policies Town Code Chapter 165

David provided the Board with the unaudited Fund Balance at 12/31/23. The Board was reminded that they needed to take \$450,000 out of this number for the special appropriation that was granted by DRA to have a new ambulance built. In addition to this, there is also \$500,000 set aside to be applied to the 2024 tax rate. The Board also has a court case pending with Eversource over their tax values for several years. David asked the Board to review this policy since it will need to be updated at a future meeting.

Manifest/Abatements

Selectman Goulet made a motion to accept the manifest and abatements as presented. Selectman Gagyi seconded the motion. Motion passed 5-0.

Minutes 2/21/24

Selectman Goulet made a motion to approve the minutes of February 21, 2024 as presented. Selectman Frederickson seconded the motion. Motion passed 5-0.

VI. Town Administrator Report

Solid Waste is meeting on March 14th to discuss the trash truck in order to be prepared for Town Meeting.

David read an email from Paulette Malo regarding credit card fees for online sewer payments in response to questions at the previous Selectboard Meeting. Credit card convenience fees are 4% of the total bill.

David reached out to contractors and is having trouble finding qualified contractors for the stage roof. He will talk to someone at Brady Sullivan to see if they can recommend anyone. The grant deadline is approaching.

VII. Committee Reports

Selectman Bean – None

Selectman Gagyi – None

Selectman Frederickson – Planning Board denied the NE Flower Farms housing project 6-1.

Selectman Goulet – Roads Committee tabled everything because while they have bids, they are unsure where the budget will be after Town Meeting so they are waiting to approve anything.

Selectman Yeaton – None

VIII. Other/Citizen Comment

Michael Levis, Central Street, running for Library Trustee and comes with 1 year of experience from the Town of Wentworth. Would like to see some additional programming aimed at adults as well as children and cooperation with the Allenstown Public Library in the form of an inter-library loan program.

IX. Non-Public

Selectman Goulet made a motion to enter into non-public session in accordance with RSA 91-A:3 II (b) hiring, seconded by Selectman Gagy at 7:57pm

Roll Call Vote:

Selectman Gagy	Yes
Selectman Bean	Yes
Selectman Yeaton	Yes
Selectman Frederickson	Yes
Selectman Goulet	Yes

The Board came out of non-public session at 8:25 pm.

The Board authorized the Public Works Director to proceed with the hiring process for the remaining position at Public Works.

Motion by Selectmen Frederickson seconded by Selectman Gagy to release the non-public minutes of January 3 2024. Motion passed 5-0

X. Adjourn

Selectman Goulet made a motion to adjourn at 8:26 PM. Selectman Bean seconded the motion, and it was approved unanimously.

Karen Yeaton, Chairman

For more detailed information, the meetings are now taped and can be seen on www.townhallstreams.com
click on Pembroke NH and look for the day of the meeting under the month.