

**BUDGET COMMITTEE
TOWN OF PEMBROKE, NH
November 15, 2018 at 6:30 PM**

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

I. Attendance:

Present: Michael Connor, Tom Serafin, Connie Soucy, Ann Bond, Gerry Fleury, Karen Yeaton, Tina Courtemanche, Marie Chouinard, Brian Seaworth, David Doherty, Daniel Crean

Staff: Recording Secretary Jillian McNeil, Town Administrator David Jodoin

Absent: Kim Landry

II. Approval of Minutes:

Gerry Fleury moved to approve the minutes of October 11, 2018. Marie Chouinard seconded the motion. Motion approved 8-0 with Tina Courtemanche and Connie Soucy abstaining.

III. Presentation of the 2019 Library Budget

Susanne Whitbeck and Judy Mitchell presented the Library 2019 budget. This year is a transition year as the Librarian Director, Cindy Stosse, will be retiring in June with a new hire hopefully starting July 1, 2019. This year's budget has money for a transition period of two weeks for cross training, sick and leave buyout for Cindy, vacation pay out for Cindy, and 6 months of a family health insurance plan for the new hire. Susanne stated that any of the extra money budgeted that is not used will be returned to the Town. Gerry Fleury asked what method was used to arrive at the \$18,821 potential health insurance costs. Judy Mitchell explained that they worked with the Town Administrator, David Jodoin, to figure out the maximum costs for 6 months of a family plan under the town's current health plan. Tom Serafin asked if the Library has the same health insurance as the town and if the increase of 12.8% was factored into that number. David Jodoin stated that yes, they are on the same plan and the increase is built in.

Brian Seaworth asked about the variation in the business internet costs. Susanne stated that they felt comfortable reducing that line based on what they have been paying. Brian asked if they know what kind of deal they are getting from Comcast. Susanne was unsure what had been worked out. Cindy was the one who negotiated with Comcast and got the reduced rate. David Jodoin explained that libraries and schools get a different rate than municipalities for business internet rates.

Michael Connor asked if over the last three years the library has used between \$4,500 and \$5,300 a year on heating oil, why would they budget for \$9,000. David Jodoin stated that it is gas and with three more bills due to come in for this year and the library looks on track to spend around the same this year. Susanne stated that the \$9,000 figure is based on the unknown and being prepared for if prices rise significantly in one year. She stated again that anything that is budgeted and unused, will be returned to the town. Judy stated that they do not change a lot of the line items on a year to year basis if they do have personal control over the line item. Items they have personal control over the costs, they are more apt to change year to year.

Ann Bond asked what the telephone lines are used for since the expenses seem high. Susanne stated that the phone lines are used for phone and fax. David Jodoin stated that the phone is also Comcast. Gerry Fleury suggested looking into a gateway for voiceover internet protocol. This could substantially change what the library pays for phone on a month to month basis. Tom Serafin stated that it is likely that if phone is removed from the bill, Comcast rates will likely go up for internet. Susanne and Judy stated they would look into it.

Gerry Fleury asked if the problem of materials not being returned was ever resolved. Susanne said that the issue was resolved through a camera system, observing people closer, remerchandising, and inventory control. This is now a non-issue.

IV. Presentation of the 2019 Ambulance Budget

Director Christopher Gamache of Tri-Town EMS presented the 2019 Ambulance Budget. David Jodoin explained that the Tri-Town EMS is an intermunicipal agreement between Allenstown and Pembroke. Tri-Town is governed by a Board of Directors made up of two Fire Chiefs, two Town Administrators, two citizen reps, and a member of Tri-Town.

Director Gamache stated that the 2018 appropriation from the Town of Pembroke was \$224,635 and in 2019 it will be \$147,866, which is a reduction of \$76,813. The Town of Allenstown will also see a similar reduction to their 2019 appropriation. To figure out each Town's responsibility, they take the estimated revenues prior to the town's contributions, get a percentage based on number of calls over 3 years, and multiply it by value. Pembroke's 2019 contribution percentage is 56.21%. The reduction is largely based on stabilization of ambulance billing revenue. There was also a significant increase in calls year over year. In 2013, the service completed just over 600 transports and this year the service is on track to do just under 900. Call volume is still showing an upward trajectory giving them the confidence to project \$435,000 in ambulance billing revenue.

Director Gamache explained the plan to transfer \$180,000 from fund balance line and use it to fund the CIP plan. Next year they will transfer \$405,000 and \$365,000 the following year will finish funding the CIP plan to replace an ambulance and all

equipment in it. That money is funded from years past that no money was taken out of the unspecified fund balance. A portion of those funds is also being used to offset what the two towns will have to appropriate. When not taking the CIP funds into consideration, the total Ambulance budget as presented is \$747,662.

Gerry Fleury asked if the service is in fact getting increased revenue because calls are sufficiently dispersed and they are able to answer all calls. Director Gamache said in 2014 the call volume was 2.94 calls per day and the average transports per day was around 1.8. Now the average is 4 calls per day and 2.54 transports per day. Transports take around 2 hours start to finish. This means there is a lot less downtime than there once way. Last year the service was put on Concord Mutual Aid's List. Tri-Town and Concord Ambulance are the only two paramedic ambulances that service the 27 communities in the Capital Region. Before last year, Tri-Town was receiving mutual aid more than giving mutual aid. This year, Tri-Town is ahead by almost 30 runs in mutual aid. There are times when the service is unable to meet the needs of the community but they are still at a point where they can capture 90-95% of requests within the two towns and are still able to help with mutual aid to surrounding communities. Karen Yeaton asked if being ahead by 30 runs means Tri-Town has helped Concord 30 more times than they have been asked to help us. Director Gamache answered that it they have been asked to provide mutual aid in Hooksett Deerfield Epsom Chichester, Concord, Bow, Barnstead, and Manchester and it is 30 runs up in total times they have helped other communities. Concord and Pembroke are the only guaranteed 24/7 paramedic ambulance in the area. A few others have paramedic ambulances but they do not guarantee one on every shift. Penacook Rescue and Tri-Town are also the only non-fire based ambulances in the Capital Area.

Tom Serafin asked if Tri-Town seeing the effect of the mental health crisis. Director Gamache said that they do respond to a lot of mental health calls. There are a lot of calls related to the current Opioid Crisis. 80% of the patients go to Concord Hospital and end up in the Emergency Department. When that gets backed up with patients, patients end up waiting in the waiting room or wait out in the ambulance for a bed to open up. This ties up the ambulance.

Tom Serafin asked at what point will the service need to add another vehicle, more staff, and/or additional resources. Director Gamache said at the moment they are trying to get people to be on-call. We are the largest community in the state that does not have the ability to deploy two ambulances at the same time. There is an EMT/Nursing staffing shortfall that makes this difficult. Tri-Town would like to have a full-time ambulance and an ambulance dedicated to on-call staff but the service does not currently need two fully staffed 24/7 ambulances.

Tina Courtemanche asked if they are on the Town's health insurance. David Jodoin said that they are employees of the Town of Pembroke and are on the Town's insurance.

Gerry Fleury asked about transfers to capital reserves to fund future obligations and who the guardians of those accounts are. David Jodoin explained that it is a cash account covered by the Treasurer. There is currently approximately \$150,000 in that account that is building to buy another ambulance. There is currently an ambulance getting serviced at Grappone that is in need of being replaced.

David explained since taking over the service in 2013, there is around \$650,000 in uncollectable debt. Most of it will be written off. The service serves the community but it does not make money. Director Gamache explained that the service has billed over 3 million dollars in the last couple of years and around 1.25 Million has been recouped. Medicaid is 82% reduction in rates and Medicare is around 54%. Each transport has a cost of around \$900 and a Medicaid run will bring in \$190. 54% of all runs are Medicare and 30% are Medicaid. The rest are self-pay or insurance.

V. Overview of the 2019 Town Budget

David Jodoin provided an overview of the 2019 Town Budget. Based on the budget provided, the 2019 tax increase will be .03. The Selectmen are looking at a change to the health insurance plan that may have some savings for the Town and substantial savings to Town employees. Tom Serafin asked what a change in plan may do to the rate increase of 12.8%. David explained that the increase would likely change to around 4.0%.

Karen Yeaton asked if there is anything that sticks out in the town budget. David Jodoin stated that this budget is pretty consistent with last years. However, this budget is built with the pay increases from the MRI, Inc. pay study. The Town Clerks budget has funds for a storage pod for items that need to be removed from the building at Department of Public Works that is falling apart. Tax Collection rate of property taxes is around 95%. The budget numbers are prepared by prior years history and trends and are conservative.

Tom Serafin asked for an overview statement of what has kept the budget flat. David explained that while insurance went up, line items such as legal went down, debt service decreased, some insurance plans went down due to employees no longer covering dependents, liability insurance decreased, and Tri-Town decreased by \$76,813,

Gerry Fleury asked how solid waste costs came in. David explained that the rate with Casella is really good and being in close proximity to the facility also cuts down on costs as well as wear and tear on vehicles and wages for transport. Solid waste numbers have not officially come in for the year.

VI. Other Business:

Karen Yeaton reviewed the Budget Committee schedule:
November 29th – Police, Fire, Admin, and Tax Collector Budgets

December 6th – Department of Public Works and Recreation Budgets
December 13th - Water and Sewer Budget
December 20th - School Budget at the Pembroke Academy Library

Peter Gagyí resigned from the Budget Committee on November 8, 2018.

VII. Adjourn

Daniel Crean made a motion to adjourn at 7:46 PM. Brian Seaworth seconded the motion and it was approved unanimously.

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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.