

**BUDGET COMMITTEE  
TOWN OF PEMBROKE, NH  
NOVEMBER 14, 2019 at 6:30 PM**

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

**I. Attendance:**

Present:

Karen Yeaton, Michael Connor, Gerry Fleury, Marie Chouinard, Brian Seaworth, Daniel Crean, Ann Bond, Peter Gagy, Andy Camidge

Staff: Recording Secretary Jillian McNeil, Town Administrator David Jodoin

Excused: Armand Soucy, Paul Hanson, Sandy Goulet

**II. Approval of Minutes: October 17, 2019:**

Dan Crean moved to approve the minutes of October 17, 2019. Marie Chouinard seconded the motion. Motion approved 7-0. Peter Gagy and Ann Bond abstained.

**III. 2020 Town Budget Presentation**

David Jodoin, Town Administrator, presented the 2020 Town Budget. David stated that the budget is relatively the same as prior years but to keep in mind while having discussions regarding the Police Department that they will have a request in the 2021 budget where they will be looking for additional personnel.

The Department of Public Works is getting ready for the MS-4 Storm Water Permitting and no one has a firm grasp on exactly how much that will entail.

DPW is working with the Town Engineer and Central New Hampshire Regional Planning to get everything moving forward. The numbers for trash have not come in yet. A Casella Representative came to talk with the Solid Waste Committee and currently the contracted rate is about \$62/ton. The more typical rates are \$100+/ton. There is a benefit that the Town brings our trash to Allenstown and it doesn't need to be trucked to Penacook. When the current contract expires, the cost could go up to that \$100/ton. Recycling is still well below the \$62/ton cost. At the same time this will be happening, the Town will be looking to replace the trash truck.

Health insurance rates increased 4.4% and dental insurance increased 3.9%. The Selectmen changed the health insurance plan last year and increased the co-pay. All Town employees took advantage of the change except for Sewer and DPW so they did not become part of the pay increase that the Board implemented last year.

The General Operating Budget has a 4.63% increase. In 2020, there are 53 pay weeks which makes up over \$80,000 of the 200,000 plus increase. Take that out of the equation and the increase is around 3.1%.

Under the Planning Budget there is an upgrade planned for code enforcement software. The current system is a converted DOS based system which is no longer supported.

There is a decrease in the General Government Buildings Budget because the town sold 4 Union Street and all those expenses came out of those budget lines.

The Town is a part of Primex Prime 3 program and while that offers the Town holiday credits for reductions, there was also a rate increase for workers compensation, unemployment, and property liability.

There is an increase to the Ambulance budget this year. In last year's budget they did not put money in for pay raises. Their budgets are approved in August and that was before the Selectmen instituted the pay study so those will show in the 2020 budget. The Director will meet with the Budget Committee next week.

All other budgets are relatively flat. The current operating budget will be updated between now and the end of the year. This year there are three more payroll and accounts payable manifests and one major manifest at the end of the year to pick up any outstanding 2019 items. The Selectmen will still need to decide what to do with encumbrances also. The State finally approved the North Pembroke Road Bridge Repair Contract and that has been finalized. The final number came in a little higher than anticipated. Money has been encumbered for the project in previous years but there may need to be some additional funds encumbered.

The Board recently settled with Eversource on the tax abatement case, however, the year 2018 has not been settled. The settlement will be a little over \$300,000 and the payment will be spread over the next six years interest free. It was factored into the tax rate through overlay this year.

The auditors will be in to the Board of Selectmen on Monday to discuss the 2018 Audit.

Gerry Fleury stated that there is a large increase in the Budget Committee's printing costs of 33.33%. David stated that if things could be done more electronically, than those costs would go down. The Budget Committee is responsible for the printing costs of items like the tax impact sheet and notices for public hearings.

Brian Seaworth stated that the bottom line on the revenue numbers has a large difference from previous years. He asked if that is because of some items that are not settled yet. David stated that last year there were a few large transfers from Capital

Reserves that aren't planned for this year. Last year, a fire truck was purchased and this year the only large expenses to come out of capital reserves will be for a new loader for DPW and a police cruiser.

Gerry Fleury stated that street lighting has a 40% decrease. He asked if that was because of the new lighting that was put in. David stated that it is.

David stated that next year the Public Works contracts expire. Negotiations will start in the next six months and the numbers will be in the 2021 budget.

David stated that he did not schedule Rose from the Recreation Commission to come in. Their budget did not change much from last year but if the Committee would like to talk to her, she can be scheduled. Gerry stated that he does not have a monetary discussion he would like have with her but he would like to discuss how much of the field and riverbank is being lost every year to erosion.

Karen Yeaton stated that the 2020 budget is proposed to be \$9,335,309 which shows a 4.77% decrease over last year. Karen asked if there are there any areas of the budget contributing to the decrease. David stated that this budget is everything including the Trustee of Trust Fund transfers and the capital outlay. This year, there were decreases in capital outlay and that put the number into the negative. Looking at just the operating budget, there is a 4.63% increase because the capital outlay budget fluctuates every year especially when large purchase like a fire truck are in one year but not the next.

David stated that the Roads Committee is discussing the yearly allocation for paving. They are starting to find that they are having problems paving roads with the funds available. They will likely have a request next year for an increase in that allocation but that is largely contingent on what happens with the Main Street project. The Main Street project is still in the preliminary design phase. Brian Seaworth stated that Roads Committee is starting to use the software that was discussed last year that allows towns to input data about each road and then it projects where it is most effective to spend money. Pembroke has started to use it and compare the output to what they know from years of experience and so far, so it seems to be pretty comparable. One output that it gives is an overall condition of the road so they can see with the money being put into the roads, if they are improving or if they are not keeping up with the roads. The current projections show that with the money going into the roads the conditions stay flat but then the last couple years of the 8-year arch the overall condition of the roads starts to drop off. That shows that the \$600,000 a year appropriation that is split between bonds and road work may not work going forward with the costs continually increasing.

David stated that after the school data breach, the Town and the School had a meeting with the Secret Service and Concord Police Department Cyber Crime Division for pointers on what to do for better security. The Town has implemented some basic security measures such as two-step authentication procedure for employees who can

remote in from home. The IT Company that Town uses used to come in on a monthly basis to do updates and security checks but lately it has been more on a quarterly basis. There are some things on the server where the IT Company is the only person who has access. Andy Camidge stated that the State of New Hampshire Department of Information Technology is starting a guidance program. In conjunction with Homeland Security, they are planning on putting on a summit to discuss security tips and trips with governmental agencies around February 2020. Gerry Fleury stated that the City of Manchester has back up procedures in place that allows them to restart the whole system should a ransom attack happen.

Next Meeting is November 21<sup>st</sup> at 6:30. Director Chris Gamache will be in to discuss the Ambulance Budget and Chief Harold Paulsen will be in to discuss the Fire Department Budget.

Gerry Fleury stated that Trustee of Trust Funds put out an RFP and yesterday contracts were signed with TD Wealth Management. They were able to make sure that the Town was earning enough interest to cancel out the management fees that will be incurred. The new system will be in place by the end of the year. TD will also prepare the transmittal forms to the State.

#### **IV. Other Business**

Karen stated that Andy Camidge provided a link to a SharePoint site for information from the School Board. Andy stated that it contains any budget brought to the School Board and they are posted the day after the meeting. The school budget numbers will continue to change for a while but as they are updated, they will be updated on the site. Andy stated they have heard some feedback that the link is not working unless you are an authorized user so that is something they are working on.

#### **V. Adjourn**

Brian Seaworth made a motion to adjourn at 7:19 PM. Dan Crean 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](http://www.townhallstreams.com) click on Pembroke NH and look for the day of the meeting under the month.