

**BUDGET COMMITTEE  
TOWN OF PEMBROKE, NH  
JANUARY 16, 2020 at 6:30 PM**

---

Karen Yeaton, Chairman, called the meeting to order at 6:33 pm

**I. Attendance:**

Present:

Daniel Crean, Peter Gagy, Michael Connor, Marie Chouinard, Brian Seaworth, Gerry Fleury, Karen Yeaton, Armand Soucy, Sandy Goulet, and Paul Hanson

Staff: Recording Secretary Jillian McNeil and Town Administrator David Jodoin

Excused: Andy Camidge

**II. Approval of Minutes: January 9, 2020:**

Sandy Goulet moved to approve the minutes of January 9, 2020 as presented. Paul Hanson seconded the motion. Motion passed 9-0. Armand Soucy abstained.

**III. Finalize Town Budget**

David Jodoin, Town Administrator, discussed the 2020 Town warrant articles. David presented the Committee with an updated draft MS-737 and operating budget. David stated that the Public Works Director has officially given his notice and he is retiring in November 2020. In this years' budget, Public Works will be looking for a new Director and in 2021 two additional employees to assist with the MS-4 Storm Water Management Program. David stated that the current Director works really hard to keep overtime hours for DPW low, frequently calling in help at the last possible moment. With his retirement, there may be a drastic increase in overtime hours in 2021's budget. David stated that in the coming years there will also be changes in personnel at Town Hall. The Board of Selectmen wanted to add positions back into the budget this year, however, David stated that he wanted to discuss the changes in personnel with the Budget Committee and the community first. Next year Police will also be looking for increased manpower.

David stated that recently there have been changes to the tax impact sheet. The town portion of the tax rate will be increased from \$5.75 to \$5.77 due to an increase in the town's budget of \$255,204. David stated that if they subtracted the 53<sup>rd</sup> pay-week and the ambulance budget, which the Town has no control over due to contractual obligations, the increase is down to \$139,864.06. Karen Yeaton asked what are the current proposed revenues. David stated that the current revenues are budgeted at an estimated \$5,182,771 which leaves the net amount to be raised by taxes at approximately \$4,170,560.

David shared that the Town has been looking for budget efficiencies and one that would make a major difference is if all the Town boards and Committees went paperless. David acknowledged specific challenges with the Zoning Board and the Planning Board due to the nature of their packets. Brian Seaworth stated that they are looking at getting display screens for the room to project site plans. David stated that they would use Comcast rebate funds to pay for the screens or displays, and possibly even for tablets if members were to use them.

David shared that the Board of Selectman reviewed and approved the warrant articles on January 6, 2020.

Karen Yeaton asked if articles 10 and 11 are under the purview of the Budget Committee. David stated that only the monetary warrant articles are. They will not need to vote on 8, 9, 10, 11 and 12.

- Dan Crean made a motion to approve warrant article 3 – To see I the own will vote to raise and appropriate the sum of \$30,000 (gross budget) to defray the cost for the purpose of performing asset management for the Town’s storm water collection system and Public Works Department, and to authorize the assurance of not more than \$30,000 of bonds or notes in accordance with the provisions of the Municipal Finance Act (RSA 33); and, further, to authorize the Board of Selectmen to issue and negotiate such bonds or notes and to determine the rate of interest thereon; and, to further authorize the Board of Selectmen to offset a portion of said appropriation by applying for Clean Water State Revolving Funds (CWSRF) loan. Repayment of the loan funds will include up to 100% forgiveness of loan principal in an amount up to \$30,000. (2/3 ballot vote required). Sandy Goulet seconded the motion. Motion passed 9-1.

Brian Seaworth asked for clarification on what the purpose was of this warrant article. David stated that this warrant article is for the MS-4 Stormwater Permitting process. The Town filed an application with NHDES and the Town was awarded a grant for \$30,000. The grant will show as a revenue to offset the expenditures related to the stormwater permitting process. The bond will be used to pay for the expenditures that are then reimbursed by the grant.

- Sandy Goulet made a motion to approve warrant article 4 - To see if the Town will vote to raise and appropriate the sum of \$462,500 to be deposited into the following Capital Reserve Funds established as indicated below:

Town Equipment Capital Reserve Fund	\$90,000
Police Cruise Capital Reserve Funds	\$55,000
Municipal Facilities Capital Reserve Fund	\$40,000
Fire Major Equipment Capital Reserve Fund	\$140,000
Fire Small Equipment Capital Reserve Fund	\$10,000
Roadway and Infrastructure Capital Reserve Fund	\$60,000

Revaluation Capital Reserve Fund	\$32,500
Cemetery Capital Reserve Fund	<u>\$35,000</u>
	\$462,500

Marie Chouinard seconded the motion. Motion passed 10-0

Dan Crean made a suggestion to add the balance of each capital reserve to the warrant article to save time on the questions at Town Meeting. Gerry Fleury stated that they will be listed in the town report which is made available at Town Meeting. Gerry recommended putting available balances rather than current balances on the warrant because they may not have met all of the prior year obligations yet which would make the balances appear larger than they are. David stated that he can make a copy of the town report page to hand out at Town Meeting.

- Sandy Goulet made a motion to approve warrant article 5 – To see if the Town will raise and appropriate the sum of \$175,000 to purchase a new loader and accessories and to authorize the withdrawal of a sum not to exceed \$175,000 from the Town Equipment Capital Reserve Fund. Armand Soucy seconded the motion. Motion passed 10-0.

Peter Gagy asked if anyone has looked into leasing a loader rather than buying one. David stated that they did not look at that during the capital improvement process. The current loader is approximately 25-30 years old and will be traded in. David stated the Police Department has also discussed leasing cruisers.

Paul Hanson asked if the current loader was purchased new. David answered that it was. Paul clarified that the life span of the new loader would likely also be between 25 and 30 years. David answered that it is likely and the depreciation will be shown for the auditors.

- Gerry Fleury made a motion to approve warrant article 6 – To see if the Town will vote to raise and appropriate the sum of \$97,390 for the purpose of purchasing two new Police Cruisers and related equipment and to authorize the withdrawal of a sum not to exceed \$97,390 from the Police Cruiser Capital Reserve Fund. Sandy Goulet seconded the motion. Motion passed 10-0.

Paul Hanson stated that when the Police Chief was discussing the CIP and budget with the committee, he explained that they have a significant wait time from the time they purchase a vehicle to when it comes in. Paul wondered if there is a mandate that said the police have to purchase police ready vehicles or can they purchase regular vehicles that can then be outfitted. David stated that they usually purchase the police interceptor packages because of the speed and suspension packages they come with. The Police Department had previously purchased a standard Ford Explorer that was then outfitted and it did not hold up. Dan Crean asked if the vehicle involved in the collision was

the Police Chief's vehicle. David stated that it was the K-9 vehicle and was totaled. They have found a replacement vehicle out in the mid-west but right now everything is held up with insurance. Armand Soucy clarified that this warrant article is for vehicles other than the ones involved in the accident. David stated that the replacement vehicles in the article are ones that were scheduled to be replaced in the CIP. Brian Seaworth asked who is authorized to make the purchase for the replacement vehicle when it is outside of town meeting. David answered that the Selectmen have the ability to approve the purchase. They will accept the funds from the insurance company and take some additional funds from an account to cover the cost of the new vehicle. The insurance company will go after the individual to recoup the difference and then once those funds are returned to the Town, they will be put into the fund that the extra money was taken from. David shared that the officer involved in the accident is out on workman's comp and will be back later this month. They need to get him a K-9 ready vehicle as soon as possible.

- Sandy Goulet made a motion to approve warrant article 7 – To see if the Town will vote to raise and appropriate the sum of \$14,573 for the purpose of repairing the basketball court, installing and repairing fencing at Memorial Field and to authorize the withdrawal of a sum not to exceed \$14,573 from the Recreation Capital Reserve Fund. Armand Soucy seconded the motion. Motion passed 9-0. Paul Hanson abstained.

Marie Chouinard clarified that there are not funds going into the capital reserve this year. David stated that there is a large enough balance that they do not need to put funds in this year.

Brian Seaworth asked if the final number is different than what had been presented in the CIP review. David stated that they had planned to refinish the tennis courts at the school but Rose worked out a deal with the school that if she bought the materials, they would do the work. That dollar amount was then removed from the warrant.

- Gerry Fleury asked if they should vote on article 10 and 11 because if they are voting to decrease a revenue, it will have an impact on the tax rate. Dan Crean stated that while the warrant articles effect the tax rate, there is no appropriation so they do not vote. Karen Yeaton asked if David knew what the impact on the tax rate will be. David stated that he does not but the last time a change was made to these exemptions was when the revaluation happened in 2004 or 2005. David stated that the only thing that changed for these exemptions was the income levels to qualify. Mike Connor clarified that the elderly exemption and disability exemption currently exist, they are just voting to change the values. David answered that is correct. Peter Gagy asked how many properties are impacted by these exemptions. David answered that currently there are less than 10 people in the community that qualify for these exemptions.

- Sandy Goulet made a motion to approve warrant article 13 – To see if the Town will vote to raise and appropriate the Budget Committee’s recommended amount of \$8,573,871 for the 2020 Municipal Operating Budget, not including appropriations by special warrant articles and other appropriations voted separately. Dan Crean seconded the motion. Motion passed 10-0.

David stated that the warrant articles have been reviewed by legal but not by NHDRA. David is having discussions with DRA because they recommend having article 13 be the first article but someone could table article one until they have voted on all the other warrant articles which then they could run into the 10% rule. Gerry Fleury also shared frustrations that if the big budget warrant article is the first one, residents tend to leave the meeting before the rest of warrant articles are voted on.

#### **IV. 2020 School District Budget Presentation**

Discussion tabled until next week.

#### **V. Other Business**

The next meeting will be held January 23, 2020 with the School Board. February 6, 2020 is the public hearing for Town and School budgets.

#### **VI. Adjourn**

Brian Seaworth moved to adjourn at 7:37 PM. Sandy Goulet 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](http://www.townhallstreams.com) click on Pembroke NH and look for the day of the meeting under the month.