

**BUDGET COMMITTEE
TOWN OF PEMBROKE, NH
November 19, 2020 at 6:30 PM**

Mark LePage, Chairman, called the meeting to order at 6:30 PM and read into the minutes the emergency declaration.

I. Attendance:

Budget Committee Present:

Daniel Crean, Peter Gagy, Michael Connor, Gerry Fleury, Mark LePage, Paul Hanson, Andy Camidge, Brian Seaworth, Clint Hanson

Excused: Karen Yeaton, Sandy Goulet,

Staff: David Jodoin Town Administrator

Residents: Gene Gauss, Ann Bond, Dave Doherty

II. Approval of Minutes: October 15, 2020:

Gerry Fleury moved to approve the minutes of October 15, 2020; Dan Crean seconded the motion. Motion passed 8-0.

III. Update from Town on Budget

David Jodoin, Presented the Town Budget and read a prepared statement which is as follows:

Good evening and Thank you all for returning for another year.

Enclosed in your packet are the anticipated revenues for 2021, a comparison of expenses showing 2020 versus 202, and the line by line Town Budget.

I want to start by saying that the Selectmen spent a great deal of time analyzing this budget request and the Department Heads understood the current worldly affairs.

This budget has no new services or employees. This of you who remember the Public Hearing last year you will remember that I talked for the need for additional personnel. Considering all the circumstances that we are all facing, that is not in this budget.

First I would like to start with the Revenues and I will look to Brian at some point to comment if possible on the State issues.

This budget is prepared with reductions in State aid. The Governor is proposing changes to the Rooms and Meals Tax in order to help the tourism and hospitality industries. In addition to this, our allotment of Shared Revenue has expired. We all know and hear how the State is 500-700 Million in the red. Some may be waiting for a windfall but I have to prepare this looking for the worst case scenario. There has been much discussion on the NH Municipal Managers network and most communities are forecasting a 30% reduction in State Aid. If for some reason the money comes in, then it will help to offset any potential increase.

In regards to assessments, I currently have abatement issues with Eversource, Fairpoint and Associated Grocers. A decision has come down on Fairpoint recently but the outcome has not yet been calculated. As you know from the past, I go with what we have for value not what we may get.

As a point of reference, the Town did win the case with Signs for Jesus. I have not heard of any appeal at this time.

Now for the Budget. If you look at the comparison sheet you will see most lines are over 2020. The majority of the increases are tied to Salaries, Insurance and retirement. The salaries are calculated at 1.3% COLA and up to 2% merit which has been consistent over the years with the DPW CBA. The CBA has not been finalized yet.

There are still many unknowns that we are all experiencing and I do have to say that we are having real problems hiring people for cleaning and Public Works. If we have to contract for plowing we are looking at guaranteed fixed costs at anywhere from \$65-\$95/hr. Currently with COVID, I can say we should have better cleanings done for our building which may ultimately be to hire a company. Our current system does not work. We are taking a man away from Public Works when they should be doing DPW duties.

I will say that the major change or wrinkle in this budget is the way that Capital Reserve Funds will be handled. The Board has decided to offset the expense with Surplus Fund Balance. Right now you won't see that article saying it will be paid for fund balance. My reason to this is simple. When the warrant articles are created, if the article says to be used by fund balance, 10 days after the meeting I have to transfer the funds to the trustees. For cash reasons I would much rather wait until I can guarantee that I have the funds available. Remember the school re-worked their monthly requests to help with our cash flow but I have to pay them the deferred amounts all next year within the first six months.

When we discuss later tonight in more detail how we will be handling future meetings, I will also tell you that Water and Sewer are not yet completed and I will still need to forward those to you along with the detailed Library and Ambulance budgets.

This year there will be no binders being made.

The Chairman asked Board members for any comments.

Gerry Fleury asked about the assessments and updates noting that his property increased in value a little.

David explained that the Town tries every year to look at 25 percent of the Town and re-measure all those properties and try for interior inspections. By doing 25% of the Town each year, we can get 100% done in our 4th year and then be ready for the revaluation. We are also required by the Department of Revenue to have a certification period and that will be in 2021.

Chairman LePage asked Brian Seaworth for an update on the State budgets and if anything is being worked on in regards to Town and School Meeting.

Brian explained that the Governor right now is in limbo waiting for the legislature to get back in session and that he is sure that Governor is aware of the deadlines for Town and School district meeting.

IV. Update from School on Budget Situation and Preparations for

Andy Camidge, Chair of the Pembroke School Board, gave an update on the School Budget. Andy explained the change in the new version of the proposed budget is due to a small increase in the health insurance expense. Andy also explained that they currently have a healthy surplus of over \$700,000. He stated that he did inquire of Amber Wheeler, Business Administrator about revenues and he was informed that it is too early to project tuition.

V. Other Business

Chairman LePage explained that it looked as though the Board would be holding remote sessions. David stated that he would set up the Library and Police for December 3rd.

VI. Adjourn

Dan Crean made a motion to adjourn at 7:30 PM. Paul Hanson seconded the motion and it was approved unanimously.

Mark LePage, Chairman