

**BUDGET COMMITTEE
TOWN OF PEMBROKE, NH
October 12 at 6:30 PM**

Final

Video recordings of Budget Committee meetings can be found at:

https://townhallstreams.com/towns/pembroke_nh

The relative start time of each agenda section is noted below.

Mark LePage, Chairman, called the meeting to order at 6:30pm.

I. Attendance:

Budget Committee Present:

Clint Hanson, Gene Gauss, Mark LePage, Gerry Fleury, Brian Seaworth, Peter Gagy, Louis Caron, Matt Miller, Jason Mayeu

Budget Committee Not Present:

Jenn Johnson

II. Approval of Minutes: September 28 2023 [00:36]

Clint Hanson made a motion to approve the minutes of April 14, 2023. Louis Caron seconded the motion. Motion passed 9-0. Sue Whitbeck recused.

III. Town Budget Update [03:20]

David Jodoin gave an update on work in progress on the upcoming budget, with Police and other departments reviewed, and Ambulance planned for next week. David anticipates having budget packs available for the Committee by November 9.

Jumping ahead a bit on the revaluation topic, David noted that some communities are seeing 40% increases in valuations due to the rise of real estate values. This is in some cases wiping out the tax exemption for qualifying elders, and the Selectmen may be reviewing this for March. There are currently 7 residences receiving the exemption.

David confirmed that MS forms for both Town and School have been submitted to DRS.

IV. School Budget Update [07:20]

Gene Gauss began with an update on the SAU budget. The SAU Board approved an 11.7% increase, which includes funding a new CPA position in the Business office to deal with the workload, and a second ESL (English as a Second Language) specialist. Gene noted the upcoming public session on the budget (Wednesday Oct 25, 6PM, at Pembroke Academy cafeteria) will be conducted as a public hearing. Gerry requested an SAU org chart listing roles and responsibilities.

Discussion shifted to the Hill School renovation project. Gene had obtained some preliminary times for Committee members to tour the school while in session, however most felt there should be more definitive plans before touring. The School Board has hired Harvey as the construction management firm, but there is still no decision on plans. Gerry reiterated concerns with construction timeframes overlapping school terms, and with storm water runoff.

A discussion on audits followed. Gene clarified that the 2020/21 audit is with the auditors and the SAU is awaiting the final report. The 2021/22 audit is ready for the auditors, and they will be onsite late November through mid-December to conduct field work in preparation for their review. Peter Gagy made a formal request under RSA 91-A for detailed information on:

1. Payments to outside consultants to bring Pembroke audits up to date.
2. Budget account lines to which payments are being charged.
3. Amount of any anticipated funding charged to Pembroke, and if so the account line
4. Charges including vendor name and amount paid associated with account #001.2371.330.xxx for years 2017/18 through 2022-23.

V. Submittal of Town and School State MS Forms [06:45]

Discussed as part of Town update, with both Town and School MS forms submitted to DRA.

VI. 2024 Capitol Improvements Program (CIP) Review [33:25]

Gerry Fleury began with background on the CIP Committee and its process, explaining that the seven members rate each item as High, Medium, or Low priority, and then utilized the CIP document to review items scheduled for the coming year. David Jodoin noted that not all high priority items may end up in the Town budget as they work to balance overall expenses.

Items of most note included:

- Repair work and an addition at the DPW (\$660,000 bond) – correct a long-standing structural issue, add a bay to comply with new MS4 drainage regulations, and add fire sprinkler system.
- Purchase of an Electric Trash/Recycling truck (\$730,402) – relace 1998 Peterbuilt and a recycling dumpster. All but \$36,250 of the cost would be offset by a grant resulting from the Volkswagen emissions settlement with the Federal government.

VII. Assessment/Valuation Overview [01:38:05]

David Jodoin gave a brief recap of assessing standards, noting they were revised after the Claremont lawsuit over public school funding. Full revaluations are required every five years, though Pembroke's last reval was in 2017. (It was agreed with DRA that a 2024 reval would be acceptable.) NH DRA looks for towns to set valuations at between 90-110% of market value. Pembroke is currently at roughly 65% of value, with residential property sales of \$200,000 above currently assessed value not unusual. There is little commercial activity. David expects a 35% or so increase in residential valuation in 2024 when a full residential and commercial revaluation is conducted. The reval will be reflected in the second half (December) tax bills.

David noted that the 2017 reval was a statistical form, residential only, and based on sales. Continuing to reval 25% of the town each year will help with future full revals. He also again noted concern over the effect on elderly exemptions, and the current abatement court case (along with other Towns) with Eversource.

Discussion followed on the total valuation to be used on the tax impact sheet. David felt it will be roughly the same as the past couple of years but will jump in 2024/24 with results of the reval.

VIII. Other Business [2:12:20]

Mark noted that the next meeting will be held on Thursday November 9, beginning review of the Town budget. Committee meetings will run weekly from that point, aside from holiday weeks, through mid-February or so.

IX. Adjourn: [02:14:40]

Clint Hanson made a motion to adjourn at 8:45 PM. Gene Gauss seconded the motion, and it was approved unanimously.

Mark LePage, 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.