

**Enfield Board of Selectmen  
Enfield Budget Committee**

**Public Works Facility  
74 Lockehaven Road  
Enfield, New Hampshire**

**MINUTES of February 6, 2013**

**Board of Selectmen:** Donald J. Crate, Sr., Chairman (Absent/Excused); John W. Kluge; Fred Cummings

**Budget Committee:** Doug Pettibone, Chairman; Shirley Green, Paul Mirski, Annabelle Bamforth, Sam Eaton, Lori Saladino, Gail Malz, Gayle Hulva, Janet Shepard

**Administrative Staff:** Steven Schneider, Town Manager; Alisa D. Bonnette, Executive Assistant

**Others:** Marjorie Carr, Phil Cronenwett, Francine Lozeau, Tony Lozeau, Kurt Gotthardt

**SELECTMEN'S MEETING &  
PUBLIC HEARING ON A BOND OR NOTE OVER \$100,000**

Mr. Kluge opened the Selectmen's meeting at 6:30 PM. He read the public hearing notice for a bond over \$100,000 for the proposed repair and repaving of Jones Hill Road.

Mr. Cummings moved to open the public hearing at 6:32 PM, Mr. Kluge seconded, vote unanimous in favor of the motion.

Mr. Schneider did a presentation for the proposed Jones Hill Road project. (See attachment: JonesHillRoad.pdf)

Multi-year borrowing will provide funds for the entire length of Jones Hill Road. About 1 mile from Lockehaven Road to Bryant will be reconstructed and about a ½ mile from Bryant to the Canaan town line will receive a skim coat.

“Sweeping” includes a roller broom that creates a surface for pavement to adhere to.

Mr. Kluge invited questions from the audience.

Mr. Pettibone asked when the project was expected to start. He was informed that it needs to be dry so probably late July or August when it's likely to have the least amount of moisture. Construction should take about a month.

Mrs. Saladino asked who makes the financing choice. She was informed it was the Board of Selectmen who would do so.

Paul Mirski asked if Town crews would do the work. He was informed the Town crews would work on drainage, culverts, base material and compacting. The paving would be done by a contractor who would do other paving jobs for the Town at the same time to save money.

Mr. Mirski asked if larger culverts were planned. Mr. Schneider was not sure.

Mr. Mirski noted that this was presented as a water problem primarily. He would have expected more money spent on replacing more sub-base.

Discussion ensued regarding failed culverts and past washing out of Jones Hill Road.

Mr. Mirski noted that the road is subject to frost heaving. If the sub-base is not good to start with he doesn't know how just drainage will work.

Mr. Schneider said 1 foot of new base should address the heaving issues. The road repairs are expected to last up to 15 years. Route 4 was completely redone and should last 30 to 40 years. The original plan at \$800,000 was to reconstruct to that degree.

Gail Malz inquired as to the life expectancy of the work. She was informed that after 10 – 15 years the road would need another layer of pavement.

Mr. Gotthardt asked if the compactor roller would be a rental, what the cost was and how long it would be rented for. Mr. Schneider said it would be rented for about a month. We can possibly use it for other projects during that month as well. Typically the Town rents some larger equipment that is needed only seasonally.

Gail Malz asked about the Town's other debt service. Mr. Schneider responded that there is other debt service supported only by TIF dollars and won't affect the existing tax rate. Mrs. Malz noted that the Public Works debt has just been paid off. Mr. Schneider concurred. The Public Works payments were \$120,000/year.

There was brief discussion of culvert types.

Mr. Gotthardt suggested clarification in the title stating the project would be the entire length of Jones Hill in Enfield, so people don't think Enfield will do work on the portion of Jones Hill that is in Canaan.

There were no further questions.

Mr. Cummings moved to close the hearing at 6:50 PM, Mr. Kluge seconded, vote unanimous in favor of the motion.

The Selectmen's meeting was adjourned at 6:50 PM

### **PUBLIC BUDGET HEARING**

Mrs. Saladino moved to open the public budget hearing at 6:50 PM, Mrs. Shepard seconded, vote unanimous in favor of the motion.

Mr. Pettibone made a budget presentation. (See attachment BudgetHearing2013.pdf)

Mr. Schneider made a Capital Improvement Program (CIP) presentation (see attachment CIP\_2013\_Presentation.pdf)

Discussion ensued regarding CIP projects, such as repair and painting of Whitney hall.

In 2013, approximately \$264,000 will be put into the CIP reserve fund. This is an increase over prior years. It requires a 5 cent increase in the tax rate each year. We may not need to raise the full 5 cents if property values increase.

The cost of the Jones Hill Road project was reduced by reviewing the project and changing the construction plans while still meeting our needs. \$30,000 in engineering costs for Jones Hill Road was encumbered for use in 2013.

Borrowing currently makes sense at today's low interest rates and assists with building CIP reserves. The Town is using as many funding sources as possible to minimize any tax rate impact.

Doug Pettibone commented on the EPA history as it relates to the salt/sand shed.

Mr. Schneider responded that this facility is in the middle of a watershed, close to a wetland located both across the street and around the property. The salt has to be covered to be stored here to prevent run-off.

Mr. Mirski asked about the annual cost to use Shedd Street for salt storage. Mr. Schneider noted that the savings we realize is dependent upon the storms and winter weather we see.

Mr. Eaton asked how long the shed will last. He was informed by Mr. Schneider it should last about 30 – 40 years. We'll see savings the first year.

Mr. Pettibone acknowledges the financial savings but note that it's more than immediate payback, its environmental issues.

Discussion ensued regarding the CIP Expenditure Schedule. Mrs. Shepard asked what is included in the miscellaneous category. She was informed it includes expenditures such as building maintenance, Whitney Hall Repairs, Community Building HVAC, etc.

Kurt Gotthardt asked at what age cruisers are retired. He also asked if a cost analysis had been done on keeping them 5 years.

Mr. Schneider replied that they are retired at 4 years and keeping them any longer than that would be pushing it. After 4 years they typically have 130,000 to 140,000 miles on them.

The annual 5 cent CIP tax increase was discussed. There is a certain dollar amount, currently \$27,000, the Town must raise to keep on track with the plan. Should property values increase it may take less than 5 cents to raise the needed amount. Doug Pettibone noted that the CIP Plan is a 15 year plan that will be reviewed annually. Sam Eaton suggested raising 5 cents annually even if it raises more funds than are actually needed and reduce the length of time we need to lease.

Mr. Mirski asked about how the Town's funds are invested. Mr. Schneider informed him investments are typically in CD's as the Trustees can't gamble with Town funds. They do invest the funds for the highest return possible while still having those funds available when we need them.

Kurt Gotthardt asked if the thermal camera for the Fire Department is a new piece of equipment or a replacement. He was informed that it is a replacement for the current thermal camera that is about 8-10 years old, not working, outdated and not supportable.

Mr. Gotthardt asked if there is a minimum dollar amount that the Budget Committee considers for savings. He was informed by Mr. Pettibone that where the CIP requests must meet certain criteria, the Budget Committee reviews items down to dollars. In a dramatic measure of austerity the Budget Committee reduced its own budget from \$800 to \$50.

Mr. Gotthardt noted that he submitted a petition on streetlights. He was informed by Mr. Pettibone that the Budget Committee would not discuss this petitioned article because it is not a moneyed article and the Committee doesn't have to weigh in on it.

Mr. Gotthardt pointed out that indirectly it is money because if lights stay we have to pay or if they're removed it costs the Town less. There is the option of keeping lights and having them privately paid for.

Mr. Schneider said in the 2011 there was a budget of \$24,000 for streetlights. In 2013 there's a budget of \$17,000. There are some savings in changing lights to LEDs.

There were no further questions.

Mrs. Green moved to close the public budget hearing at 7:32 PM, Mr. Mirski seconded, vote unanimous in favor of the motion.

**BUDGET MEETING**

Mr. Pettibone opened the Budget Meeting at 7:33 PM.

Mrs. Shepard move to approve the minutes of January 31, 2013 as printed, Mrs. Green seconded, vote unanimous in favor of the motion.

The Budget Committee reviewed the 2013 Warrant.

**Article 4 – Jones Hill Road project:**

Mr. Mirski moved to recommend Article 4, Mrs. Green seconded, vote unanimous in favor of the motion.

**Article 5 – Operating Budget:**

Mrs. Green moved to recommend Article 5, Mrs. Malz seconded, vote unanimous in favor of the motion.

**Article 6 – Salt/Sand Shed:**

Mrs. Green moved to recommend Article 6, Mrs. Malz seconded.

Mr. Schneider explained this article draws funds from 3 different sources and has no impact on the tax rate; the funds have already been raised.

Vote unanimous in favor of recommending Article 6.

**Article 7 – CIP Capital Reserves:**

Mrs. Green moved to recommend Article 7, Mr. Mirski seconded, vote unanimous in favor of the motion.

**Article 8 – Transfer Station Storage Shed:**

Mrs. Malz moved to recommend Article 8, Mrs. Hulva seconded.

Mr. Cummings reported the Selectmen voted at their meeting of February 5<sup>th</sup> to recommend this article, but to wait until later in the year to build it. They will wait and see what impact there is by any changes in the curbside trash pickup. The shed would be used to store a tractor used at the Transfer Station, as well as the more valuable recyclables.

Mr. Pettibone asked why \$15,000. He was informed this is for a 24 x 24 shed with double garage doors.

Vote unanimous in favor of recommending Article 8.

**Article 10 – Municipal Facilities, Maintenance and Equipment CRF**

Mrs. Green moved to recommend Article 10, Mr. Eaton seconded, vote unanimous in favor of the motion.

**Article 11 – Cruiser Lease:**

Mr. Eaton moved to recommend Article 11, Mr. Mirski seconded, vote unanimous in favor of the motion.

**Article 13 – Deposit to CIP CRF:**

Mrs. Saladino moved to recommend Article 13, Mrs. Green seconded, vote unanimous in favor of the motion.

**Article 14 – Thermal Imaging Camera:**

Mrs. Malz moved to recommend Article 14, Mrs. Shepard seconded. Vote: 9 in favor, one opposed, motion to recommend carried.

**Article 15 – Cemetery Maintenance Expendable Trust:**

Mrs. Malz moved to recommend Article 15, Mr. Eaton seconded, vote unanimous in favor of the motion.

**Article 16 – Boardwalk:**

Mrs. Saladino moved to recommend Article 16, Mrs. Shepard seconded. Vote: Unanimously opposed. Article 16 is not recommended by the Budget Committee by a vote of 10-0.

**MS-7: Budget Form:**

The Budget Committee signed the MS-7 Budget of the Town.

**ADJOURNMENT**

The meeting of the Budget Committee was adjourned at 7:45 PM

Respectfully submitted,  
Alisa Bonnette

# Jones Hill Road



# Jones Hill Road

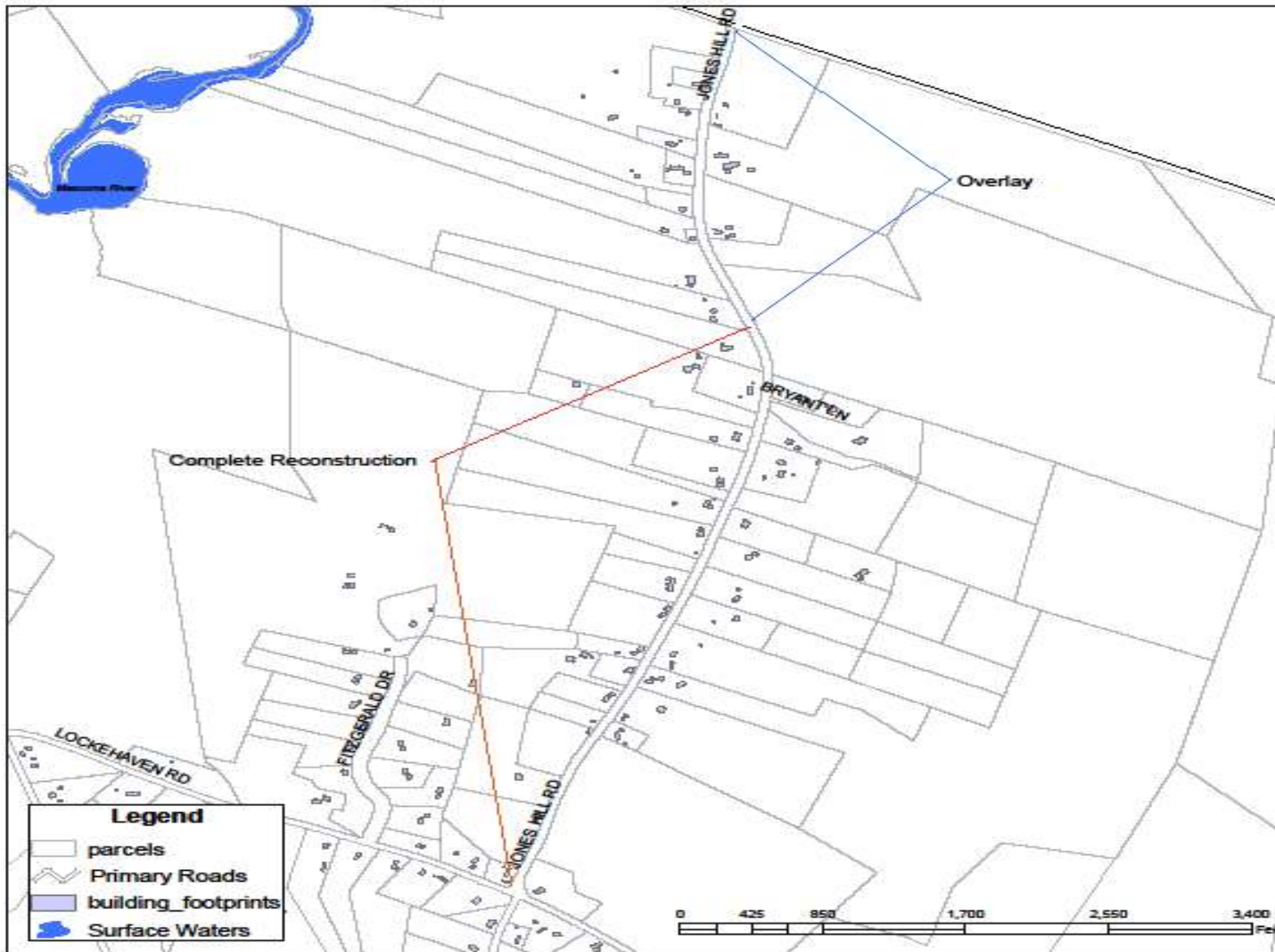
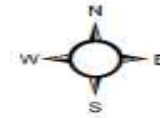
- We are asking for funds to repair and restore the entire length of Jones Hill Road.
- Approximately one mile will be reconstructed
- Approximately ½ mile will receive a skim coat







# Town of Enfield, N.H. Jones Hill Road Project



Data presented on this map are obtained from one or more of the following sources:

1. DNH GRANIT, at Complex Systems Research Center, UNH
2. Upper Valley Lake Sunapee Regional Planning Commission
3. DNH Department of Transportation, Bureau of Transportation Planning
4. Town of Enfield Wetlands Evaluation, 1992

Map prepared by Town of Enfield Staff  
February 4, 2013  
Not a survey, all areas approximate

# Jones Hill Road

- We have estimated that the cost to repair the road is \$265,504.
- We met with several local contactors and had our Highway crew review the roadway and associated drainage issues.



# Jones Hill Road

## Reconstruction:

- Approximately one mile to be reconstructed from the Lockehaven Road intersection to a point north of Bryant Lane
- Existing pavement will be ground and left as a new sub base
- Remaining drainage issues will be addressed including 3-4 cross road culverts\*
- New base material will be brought in, graded and compacted\*
- A two inches base layer of asphalt will be placed
- A one inch wearing layer of asphalt will be added to the base layer
- Road will be striped

## Overlay

- Approximately one half mile to be overlaid with 1" of asphalt from a point just north of Bryant Lane to the Canaan town line.
- Drainage issues will be addressed\*
- Existing pavement will be swept\*
- Will be completed at the same time as the wearing layer mentioned above
- Work to be completed by Town forces \*

# Project Budget

## Jones Hill Rd.

<u>Length</u>	<u>Description</u>	<u>Quantity</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Total</u>
	Drainage Culverts	2		500.00	1,000.00
5280'	Pavement Grinding	105,600 SqFt		0.20	21,120.00
	Compactor Roller Rental	1		5000.00	5,000.00
5280'	6" Crushed Gravel or Hardpack	2,500 CuYd		10.00	25,000.00
5280'	2" Base Asphalt	1,337 Ton		80.00	107,008.00
5280'	1 Mile 1" Top Coat Asphalt	668 Ton		80.00	53,440.00
2640'	.5 Mile 1" Top Coat Asphalt Shim	350 Ton		80.00	28,000.00
8000'	Double Yellow Line Striping	8000 Ft		0.10	800
	Sub Total				241,368.00
	10% Contingecy				24,136.80
	<b>Total</b>				<b>265,504.80</b>

# Jones Hill Road

- Financing Options: (assumes 4% interest rate)
  - 10 yr.: \$32,475 annual debt service (adds \$60K)
  - 15yr.: \$23,710 annual debt service (adds \$90k)
  - 20 yr.: \$19,415 annual debt service (adds \$122k)
  - 25 yr.: \$16,900 annual debt service (adds \$156k)
  - 30 yr.: \$15,275 annual debt service (adds \$193k)

# Jones Hill Road

- Questions?



# Enfield Budget Committee

## 2013 Operating Budget Proposal

Public Hearing, February 6, 2013

**“To assist voters in the prudent appropriation of public funds”**

# **ENFIELD 2013 BUDGET PLAN**

**Objective:** To develop a responsible budget for the Town

- Maintain services and quality of life
- Reinforce ways to make Town ever more efficient
- Minimize impact on tax rate
- Continue with CIP 15-year capital plan for fiscal stability

## **End-2012 Town Economic Position**

- Entering 6<sup>th</sup> year of weak economy, some recovery underway
- Non-property tax revenue trending up slightly from lows
- Town employee costs (salaries, benefits) challenging
- Cost to doing business is rising



# Town Financials are Fundamentally Sound

- **Low debt level**

- \$1M loan for DPW bldg paid off in 2011
- low debt service (\$73K/yr: old sewer loan, vehicle leases)
- will take on loan for Jones Hill Road

- **Undesignated Fund (UDF) is in good shape**

- \$970,000 (8.9% retainage: NH guideline 5-15%)
- Target retainage: 7% of local, county, state appropriations
- Recommend use of UDF (\$99K) in 2013 CIP plan

- **Comparably high rate of property tax receipts (96%) in 2012**

# 2012 Summary

- TM approved proposed budget with 1.7% increase
  - projected tax rate (\$6.05/\$1000 valuation)
  - actual tax rate = \$6.02/\$1000 (1.2% incr.)
- Maintained services @ 2011 levels
  - no important negative surprises
- Avg. tax rate increase 2008-2012 ~ 2.4% per year
  - 8% increase in 2010 (capital equipment)
  - Range 0% - 8%/year
- CIP created rolling 15-year capital plan to smooth tax rate
  - funded CIP reserve fund (CIP-RF)
  - leased vehicles (2 cruisers, 2 plow/dump trucks) to leverage cash flow

# **2013 Budget Process**

**Initial Target:** To keep tax rate increase  $\leq 2\%$

- ~ avg. last 5 yrs and ~ rate of inflation

## **2013 Early Draft Budget Spending Requests**

- ~\$280K higher vs. 2012 budget
- ending budget up ~ \$ 65K in new spending

# **FACTORS AFFECTING 2013 BUDGET PLAN**

## **2012 was 6th year of lower non-property tax revenue**

- car registrations: 2005, \$799K; 2008, \$578K, 2012, \$751K
- misc. fees/taxes, investment/lease income, revenue from NH
- expecting no important improvement in 2013

## **Significant funding challenges continue**

- health insurance premiums up 9% for 2013, future increases likely
- loss of NH contribution to retirement funds in 2012 (25% to 0%)
- unchanged staffing level
- energy costs, general cost of doing business (inflation)

## **Continued underfunded needs (roads, capital reserves)**

- long-term capital/financing plan (CIP) in place and working well

# **Capital Improvement Program (CIP) Committee**

- \$6,700,000 in projected capital needs next 15 years
- Funded CIP reserve fund as planned in 2012
- Conducted annual review and adjusted plan as needed for 2013
- 15-year capital plan on target to avoid 'big' tax years

## **Recommended 2013 budget is dependent on 'CIP Plan'**

- Multiple warrant articles at Town Meeting

# 2013 Final Operating Budget Proposal

## Estimated Tax Rate\*

Total Appropriations	\$6.01 M
Expected revenue (non-property tax)	- \$2.71 M
Adjustments (tax abatements, credits)	+ \$0.07 M
To be raised from property taxes:	\$3.37M

\*incl. water/sewer and 'CIP Plan' articles

***Projected Tax Rate = \$6.14 per \$1000 valuation***

- 2.0% increase vs. 2012; \$24 for \$200K property
- ~ \$65K new spending

# Highlights of Proposed 2013 Budget

- **Near level operating spending across departments**
  - all current Town activities and services maintained
  - personnel costs rising but largely in check
- **Routine maintenance of roads and buildings**
  - Jones Hill Road improvement
  - repairs to Whitney Hall, Community Bldg, Depot St. station
  - repairs and replacement upgrades to physical plant items
- **No new/replacement equipment for DPW**
  - postponed replacement of 2 dump/plow trucks
  - replace police cruiser
- **Continued contributions to capital reserves (CIP-RF)**
  - \$264K into CIP-RF (retired DPW loan; carryover 2011 equipment, and the 2<sup>nd</sup> annual 5-cent tax increase of CIP plan)

# 2013 Enfield Operating Budget Proposal

The Budget Committee recommends a budget with a tax rate of ***\$6.14 per \$1000 property valuation*** (includes CIP Plan)

- *2.0% increase vs 2012; \$24 per \$200K property*
- *0.8% CIP plan; 1.2% operating budget*



# ***2012-13 Enfield Budget Committee***

Fred Cummings (Ex-Officio)  
Sam Eaton (Vice-Chair)  
Annabelle Bamforth  
Shirley Green  
Gayle Hulva  
Gail Malz  
Paul Mirski  
Doug Pettibone (Chair)  
Lori Saladino  
Janet Shepard

*Administration Liaison Steve Schneider, Town Manager*

***The Committee appreciates with thanks the Town Administration and Employees for their input, cooperation and dedicated service to the Town.***



# **CIP**

## **(Year Two)**

### **Capital Improvement**

### **Program**

### **3-16-13**



# Long Term Challenge 2013 to 2027

- **Raise \$7,020,000**
- **Appropriate \$6,700,000**
- **Eliminate Tax spikes**
- **Build Reserves**
- **Make it affordable**



# **CIP Committee's Strategy Implemented last year**

- **Develop a strategic 15 year purchasing plan.**
- **Develop an affordable funding strategy to cover our short term capital needs.**
- **To smooth out the tax impact through timing purchases, and methods of financing.**
- **Identify funding sources**



# CIP Financing Options Available

- **Municipal Taxes**
- **Undesignated Funds**
- **Float a Bond**
- **Bank Loan**
- **Capital Reserves**
- **Commercial Leases**
- **CIP Reserves**



# Financing Capital Expenditures

- **Transfer to Capital Reserve every year \$210,168 of the non-recurring 2011 Capital Expenditures. This has a No Tax Increase impact.**
- **Apply existing Reserve Fund Monies where applicable.**
- **Increase Tax Rate 5 cents every year**
- **Appropriate this money to the “CIP Capital Reserve Fund”**
- **Above will finance the \$6.7 Million Capital needs and maintain adequate reserves.**
- **Tax Impact of less than .8% or 5 cents.**



# 2012 Efforts & Accomplishments

- In 2012 the CIP Committee focused on staying on budget
- Monies were allocated to the CIP-RF as forecasted
- Spending less than Budgeted
- Major Cost Reductions Implemented
  - Delayed purchase of Two DPW trucks -Saves \$27.4K
  - Reduce Jones Hill cost by \$354K



# Review of 2012 CIP Plan Budget vs. Actual

	<b><u>2012 Budget</u></b>	<b><u>2012 Actual</u></b>
<b>CIP Appropriations</b>	<b>\$420,000</b>	<b>\$390,000</b>
<b><sup>1</sup>CRF Withdrawal Fire Transport</b>	<b>20,000</b>	<b>20,000</b>
<b><sup>2</sup>Fund CIP - RF Reserve</b>	<b>210,168</b>	<b>210,168</b>
<b>Cost to Lease Equipment</b>	<b>50,000</b>	<b>50,149</b>
<b><u>Liability (Leased Equipment)</u></b>	<b><u>305,706</u></b>	<b><u>307,557</u></b>
<b>Tax Impact on \$200K House</b>	<b>\$10</b>	<b>\$10</b>

<sup>1</sup> CRF – Capital Reserve Fund

<sup>2</sup> CIP-RF – Capital Improvement Program Reserve Fund





# FY 2013 CIP Capital Items

## Highway/Grounds

Jones Hill	\$265,504
Salt Shed	150,000
Sub Total	\$415,504

## Town Facilities

DPW Oil Burner	\$8,500
Community Heating/Cooling	15,000
Whitney Water Damage Repair	40,000
Storage Shed transfer station	15,005

## Equipment Sub Total \$78,505

Cruiser	\$30,000
Thermal Camera	14,000

## FY 2013 Capital Request Sub Total \$44,000

GRAND TOTAL \$538,009



# CIP Driven 2013 Warrant Articles

Article	TITLE	Cost w/Interest	Cost with NO Interest	Financing Source	Incremental Tax Increase
A	FUND CIP	\$264,168	N/A	TAXES	YES 5 cents
B	JONES HILL REPAIR	322,170	265,504	CRF/LOAN	NO
C	SALT & SAND SHED	150,000	N/A	CIP,CRF & UF <sub>1</sub>	NO
D	STORAGE SHED	15,000	N/A	CIP	NO
E	MAINTENANCE/EQUIP.	63,500	N/A	CRF	NO
F	POLICE CRUISER	30,000	28,000	CIP/LEASE	NO
G	THERMAL CAMERA	14,000	N/A	CRF	NO
H	TRANSFER 4 CRF	2,616	N/A	CRF TO CIP	NO

<sub>1</sub> UF – Undesignated Funds



# Salt Shed Cost Reduction

1. Eliminate Shedd Street Heating	\$3,500
2. Fuel Reduction Trucks	700
3. Truck Drivers Man Hours Reduced	1,600
4. Eliminate need of Shedd St. Loader	2,400
5. Loader Converted to Plow/Increase Efficiency	1,500
6. Maintenance Reduction Small Trucks	3,200
7. Material Savings New Products	1,000
Total Cost Reduction Year One	\$13,900



# Major Advantages of the CIP Recommendations

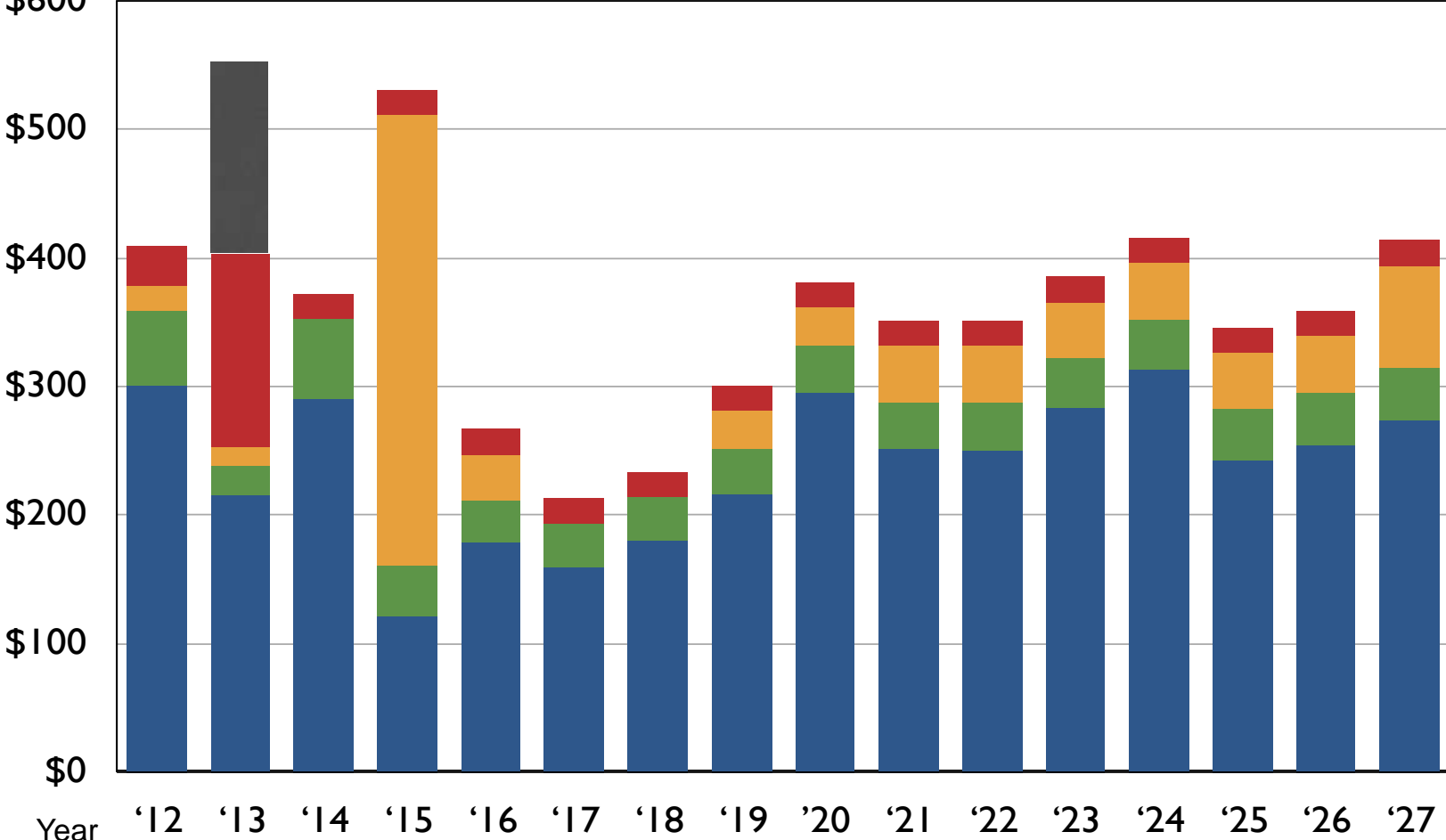
- **Makes it possible to purchase needed Equipment in 2013 and beyond without having a major negative impact on our Tax Rate**
- **Creates a 15 yr. Plan and sets a solid foundation**
- **Results: a smooth Tax Rate**
- **This Plan limits Tax Rate increases for Equipment and Infrastructure for the next 15 yrs. to \$.05/M per year.**



# CIP Spending Schedule 2012-2027

\$000's  
\$600

**DPW** **Police** **Fire** **Misc** **Salt Shed**





# CIP Impact on 2013 Tax Rate

## Adds 5 Cents

<u>House</u> <u>Appraisal</u>	<u>Tax Increase</u>
\$150,000	\$7.50
\$250,000	\$12.50
\$400,000	\$20.00