

ENFIELD BUDGET COMMITTEE (EBC) MINUTES (Approved)

Wednesday, November 6, 2013  
DPW BUILDING 6:00PM

**Members Present:** Annabelle Bamforth, Fred Cummings(Ex Officio), Sam Eaton (Vice Chair), Shirley Green, Gayle Hulva, Doug Pettibone (Chair), Lori Saladino, Janet Shepard, Dave Stewart

**Excused:** Paul Mirski

**Others Present:** Steve Schneider (Town Manager)

The meeting opened at 6:05PM

**Administrative:**

A motion to approve the October 2, 2013 meeting minutes was made by Janet Shepard and seconded by Gayle Hulva. With the correction of a misspelled name, the minutes were approved.

**Tax Rate:** Steve Schneider reported on the 2013 property tax rate that was set by the state earlier in the week. The various components of the rate are as follows (per \$1000 property valuation; % change vs 2012): Municipal, \$6.14(up 2.0%); County, \$1.53(down 6.7%), Local School Effort, \$11.20 (up 9.5%), State School Effort, \$2.45(up 1.7%). The overall rate is \$21.33/\$1000 (up 5.1%). The municipal rate is what was projected at Town Meeting last March.

The second tax bill of 2013 will be mailed out to property owners next week and payments will be due on December 12.

Money set aside by the Town as Overlay for 2014 (tax abatements, miscellaneous expenses due to bad debts, litigation etc) was increased to \$85,000 from the usual \$20,000. This is in anticipation of potential expenses in the litigation with Fairpoint Communications who is suing Enfield and other NH towns against the taxation of utility poles. The litigation is ongoing.

The undesignated fund dropped about \$250K, from about \$970K in 2012 to \$720K. Construction of the new salt and sand shed approved by voters at Town Meeting accounted for about \$100K of that drop. The UDF retention now stands at 5.3% of total appropriations which is at the low end of our guideline of 5-8%. Therefore, any planned use of the UDF to offset the tax rate in 2014 is not recommended.

Town valuation increased about 0.5% in 2013 to about \$547 million, as anticipated. The entire town will be revalued in 2014 and we can anticipate that property values will decline by about 10% on average.

**Review of 2013 Town Revenue:** Schneider reviewed the Town revenue numbers for 2013 to date. Income is generally on track for projections made at Town Meeting. Property tax collection for the first bill issued last June stands at 97% , a very good number. With Whaleback ski area resuming its activities this year, all back taxes have been paid. Revenue from vehicle registrations, which is the single largest source of revenue aside from property taxes, is about \$30K ahead of 2012 at this time of year. A new source of revenue for 2013 was ambulance billing for insurance reimbursement. Income from ambulance billing is covering the new costs for paid On-Call duty.

**Projected 2014 Town Revenue:** Revenue projected for 2014 will be roughly the same as for 2013. It is expected that the number of building permits will be up as a result of increased development along Route 4. Several parcels of undeveloped land owned by the Town went up for sale this year, and we may expect some income from the sale of these parcels in 2014. The Town has been reimbursed in 2011 and 2012 for about \$67K by the Local Government Center (LGC). This was the result of litigation where it was determined that the LGC over-retained insurance premium dollars from towns and employee contributions in a reserve fund. It is expected that the Town will receive a further \$20K reimbursement in 2014. Income from the state from Rooms and Meals taxes and the Highway Block Grant are expected to be the same as 2013, about \$320K combined. Income from collected recyclables at the transfer station will be reduced significantly, resulting from the new curbside recycling pickup program.

**Highlights of Initial 2014 Budget:** Schneider discussed highlights of the initial spending plan for 2014. He has received draft budget

requests from all departments except Fire. As usual, these initial requests would project a considerably higher increase in our tax rate than the target of a (up-to-a) 2% rise, if left alone. It is the job of the Town Manager and the Budget Committee to bring the proposed spending into line.

It is being recommended that employees receive up to a 2% merit increase. While employees have been awarded salary increases in the recent past based on performance (i.e., not COLAs), a new process is being evaluated where individual departments will be given a pool of money which the department heads will distribute to employees as raises, according to their performance during the past year.

No new employee positions are expected for 2014 but it may be necessary to increase the hours of the town planner beyond the current 25 hours per week. This would result from an anticipated increase in new development activities after the completion of the new water and sewer lines along Route 4. Schneider is also planning to request, at Town expense, an increase in the working hours for the Regional Recreation Program director from the current 20 hours/week. He says the program has had great success with its expanded activities. Currently, the program director's salary is funded entirely through grants from the Upper Valley HEAL and CHAD organizations. The program is sponsored jointly by Enfield and Canaan.

There will be 3 elections in 2014 instead of only one this year so spending to support those activities will increase accordingly. There are 3 new applications for nonprofits requesting funds from the Town. It is anticipated that there will be significant savings in tipping fees at the landfill as a result of the new curbside recycling program, and overall significant net savings because of the new semi-monthly trash pickup program.

**Miscellaneous:**

Schneider reported that the Jones Hill road improvement project was completed on budget with an innovation in preparing the sub-base that allowed for a reduction in materials. This innovation has caught the attention of officials from other area towns who have inspected the project. Construction of the 6-bay salt and sand shed at the DPW site has started with the footers now in place. The Enfield DPW crew did much of the site work which reduced the overall cost of the job. The work to repair the front porch of Whitney Hall has started and the floor of the Community Center building will be refurbished in January.

Sam Eaton asked what the criteria are for employees to use Town vehicles for out of town travel, and be reimbursed for related expenses in general, and specifically for lobbying activities in Concord. Schneider responded that activities where it is appropriate to reimburse employees for travel expenses, and to be paid while traveling, include: direct Town business, attending professional conferences, training, representing the Town as a member of regional committees, and any approved activity performed in the interest of the Town.

The Capital Improvement Project committee regular meetings are underway for 2014 capital requests.

The next EBC meeting on Thursday November 14 (6:00PM @ DPW) will review the spending requests of the 4100 and 4400 cost centers with the exception of the regional nonprofits which will be reviewed at the meeting on December 12.

**Public Comment**

None

**New Business**

None

The meeting was adjourned at 7:39