

ENFIELD BUDGET COMMITTEE (EBC) MINUTES (approved 17Jan2013)

**Thursday, December 20, 2012
DPW BUILDING 6:00PM**

Members Present: Annabelle Bamforth, Sam Eaton (Vice Chair), Shirley Green, Gayle Hulva, Doug Pettibone (Chair), Lori Saladino, Janet Shepard

Absent: Fred Cummings, Gail Malz

Excused: Paul Mirski

Others Present: Steve Schneider (Town Manager)

The meeting opened at 6:08 PM.

Administrative:

A motion to approve the draft December 13, 2012 minutes was made and seconded. The minutes were approved.

New Business:

Capital Improvement Project (CIP) 2013 Draft Plan

A 15-year capital plan devised by the CIP was approved at Town Meeting last March which included annual reviews and adjustments of the plan. At the BOS meeting last Monday night, Lee Carrier presented the draft CIP plan for new capital projects for 2013. The plan appeared to be viewed favorably by the BOS and others present.

At this EBC meeting, a few of the key overheads describing the 2013 CIP plan were reviewed for those members not able to attend the BOS meeting and to clarify any remaining questions of the plan. For 2013, a number of capital projects have been recommended by the CIP totaling \$558,000 including: Jones Hill Road improvement (\$265,000), DPW salt shed (\$150,000), water meter vault (\$5,000), water main cleaning (\$15,000), replacement DPW waste oil burner (\$8500), replacement Community Center heating/cooling (\$15,000), Whitney Hall porch and roof repair (\$40,000), new storage shed for transfer station (\$15,000), police cruiser (\$30,000), replacement Fire Department thermal imager (\$14,000). These projects are

proposed to be financed through a bank loan (Jones Hill Rd), leasing (police cruiser), and outright purchases from the CIP reserve fund and/or funds from existing capital reserves. Funding of the capital projects and the CIP capital reserve for 2013 includes the annual rollover of \$210,854 from last year, the compounded annual \$0.05/\$1000 tax rate increase (now in the second year totaling \$0.10/\$1000 or \$54,000), funds from Fire Department capital reserve (\$14,000) and transfer from the undesignated fund (UDF: \$100,000). This transfer from the UDF will keep any tax rate increases to a minimum and still maintain UDF at a targeted 7% of total Town appropriations. It was noted that there were changes in capital requests from department heads for 2013 over those anticipated last year and therefore several adjustments had to be made by the CIP in the projects and funding options. The resulting adjusted 2013 CIP 15-year plan is still on track to fund necessary capital projects while keeping the municipal tax rate in check.

Review of Updated Draft General Fund Budget

Steve Schneider presented updated non-property tax revenue projections for 2013 and adjustments in the original spending plan that was submitted to the EBC in late October. The original October draft plan has provided the basis for our discussions so far.

The projected revenue for 2013 now stands at about \$2.07 million.. Slight increases in various areas include Land Use Change Tax, Delinquent Tax Penalties and Franchise Fees and are expected to be offset by reductions in other areas including the State Highway Block Grant, Rooms and Meals Tax, Recyclables, so that 2013 revenues are expected to be similar to 2012.

For the initial General Fund spending requests, additional amounts were added to the October draft budget to run the Fire Department (\$110,000), fund the CIP plan (\$264,000), proposed parking lot paving work at Union Street Fire facility (\$8000), repair of Depot Street ambulance facility (\$15,000), and to fund the Regional Associations (\$47,000). The total request for the General Fund now stands at about \$5.04 million. Recognizing the still sluggish economy and stagnant revenues, the EBC has had a goal for 2013 of keeping the municipal tax rate to no more than a 2% increase over 2012 (\$6.02/\$1000 property valuation). Almost half of this increase is needed to fund the CIP plan. In order to achieve this rate target (up to \$6.14/\$1000), roughly \$300,000 will need to be cut from the updated draft budget. The Committee went through the updated budget with Mr. Schneider department-by-department for suggestions on ways to work towards this goal. Steve will confer with department heads over the next few weeks on the choices needed to meet our target and then meet with the Committee to discuss the

recommended changes.

Old Business:

Public Comment: None

The meeting was adjourned at 8:09 PM. The next meeting is Thursday, Jan 10 @ 6:00PM (DPW Bldg).