

ENFIELD BUDGET COMMITTEE
Meeting Minutes, February 9, 2011
Whitney Hall – 6:00 PM

Members present: Fred Cummings (Ex-officio, by teleconference), Sam Eaton, Shirley Green, Paul Mirski, Doug Pettibone (Chair, by teleconference), Lori Saladino

Excused: Judy Finsterbusch, Gayle Hulva, Gail Malz, Dave Stewart (Vice-Chair)

Administration: Steve Schneider (Town Manager)

Others: Bob Cusick

The meeting was called to order at 6:13 PM.

Old Business: Vote on the Special Article 5 on the Town Warrant – Acquisition of the Bill Property

The vote taken on this Article at the last Budget Committee (BC) meeting on February 3 was nullified because the Board of Selectmen (BOS) amended and approved the Article at their meeting of February 7. The amended Article is listed below:

“Article 5: To see if the Town will vote to raise and appropriate the sum of four hundred thousand and 00/100 dollars **(\$400,000)** for the purchase of the real property at 217 Main Street, [OLD GRAY’S MARINA SITE], also known as Map 32, Lot 48 of the Town Tax Map, for the purpose of developing, the site as an Enfield community educational and recreational facility, open to all residents of Enfield, which purchase shall be contingent upon the submission of an acceptable financing plan for improvements, maintenance and ongoing operations to the Board of Selectmen, to authorize the withdrawal of seventy-one thousand five hundred and 00/100 dollars **(\$71,500)** from the Land Acquisition Capital Reserve fund, and to authorize the withdrawal of up to one hundred thousand and 00/100 **(\$100,000)** from the 12/31/2010 unreserved fund balance to partially offset this expenditure. The remainder of the appropriation shall be raised through general taxation. This will be a non-lapsing appropriation per RSA 32:7, VI and will not lapse until the acquisition is completed or by December 31, 2012, whichever is sooner.

Special Warrant Article

**The Board of Selectmen recommends this article by a vote of 3-0.
The Budget Committee **does/does not** recommend this article by a vote
of _____”**

A motion was made to approve the Article and was seconded. The debate is summarized below:

For the Article: The project to acquire the lakefront Bill property represents a very rare opportunity to create a new and valuable asset for the Town. The development of the property for recreational and educational uses will represent a permanent enhancement to the quality of life for Town residents. A long-term outlook is important in envisioning the great value that this property will afford the Town. The contingency clause in the Article that calls for the BOS to approve development and funding plans by a citizen committee will ensure the long-term success of the project.

Against the Article: 1). The Budget Committee (BC) has been put at a disadvantage to approve a project that does not have an expressed plan for development or long-term financing. The BC will not have an opportunity to weigh-in on the merits of the development and financing plan even though it could very well have long-term implications on Town Budget. Ordinarily, a detailed plan for a project of this size should have been presented to the BC. For all practical purposes, therefore, a vote in favor of this Article will appear at Town meeting as tacit approval of the project by the BC whether a credible plan is produced or not. 2). The expenditure of \$400,000 to acquire the property comes at a time when the Town has financial liabilities and planned ‘non-recurring’ expenditures for infrastructure and equipment over the next several years amounting to over two million dollars. Included in this cost is the depletion of the Land Acquisition Capital Reserve Fund and \$100,000 from the undesignated fund that reduces the ‘retainage level’ to 5.3% which is at the State recommended minimum level. There is also a 42 cent increase in the tax rate, amounting to a 7% increase. This project therefore comes at a time that the Town should not be spending this money and therefore lacks fiscal responsibility.

The vote was taken and the Article was defeated by a vote of 3 – 3.

There was no other business.

The meeting was adjourned at 6:47 PM