

ENFIELD BUDGET COMMITTEE (EBC)MINUTES
Thursday, October 27, 2011
DPW Building – 6:00 PM

Members Present: Annabelle Danforth, Fred Cummings, Sam Eaton (Vice Chair), Shirley Green, Gayle Hulva, Gail Malz, Doug Pettibone (Chair), Lori Saladino

Others: Steve Schneider (Town Manager), Janet Shepard

Excused: Paul Mirski

Meeting was called to order at 6:10pm

Administrative:

The first order of business was to fill the committee vacancy made by the acceptance of Dave Stewart's resignation at our last meeting. Gayle Hulva nominated Janet Shepard for the position and Shirley Greene seconded the nomination. Janet told the committee a little about herself and the nomination was unanimously approved.

Second order of business on our agenda was to approve the February 9, 2011 minutes and the draft of the September 29, 2011 minutes.

A motion to approve the February 9, 2011 minutes was presented by Shirley Greene and seconded by Sam Eaton. A discussion ensued concerning the definition of a quorum and the differences between a quorum for a meeting versus a quorum required to accept the minutes. The minutes were accepted and approved by a quorum of four of the six members present tonight that had participated in the February 9 meeting.

A motion was then made to approve the September 29, 2011 meeting by Gayle Hulva and seconded by Shirley Greene to accept. There were no amendments or corrections and the minutes were unanimously approved.

New Business:

Town FY2011 Revenues to Date and 2012 Projections:

Steve Schneider distributed several handouts: Revenue Budget, Town Tax Rate Review, Town Valuation, Capitol Reserve Funds and General Reserve Funds. He reviewed the variables that have an effect on the tax rate.

The town is on track to meet the projections for 2011 non-tax revenue. Revenue from the state (which includes money from the highway grant and rooms and meals tax) will be fairly flat from 2011 into 2012. The major non-tax revenue for the Town is vehicle registration. This revenue is variable somewhat year-to-year and is subject to the state of the economy. Vehicle registration revenue was highest in 2007 and the Town is slowly recovering to that level. To date, vehicle registrations are on track as projected for 2011 and likely to see a small increase in 2012. The water and sewer budget has no impact on the General Fund budget plan since it is a wash – what revenue comes in from fees actually goes out as an expense. The Town has collected property taxes so far in 2011 between 92-93% of the total which is considered pretty solid especially in this economy.

Draft 2012 Spending Plan Overview:

The draft General Fund budget for us this year has been presented in a different Excel format for easier reading. There is a proposed 2% increase for employee salaries. There is a 12-13% increase in employee health insurance premiums over last year. In 2011 there was a slight decrease. Currently, our employees contribute 5% towards the cost of their health insurance. The employee retirement plan expense is now entirely borne by the Town which is a reflection of the state no longer funding what they have funded in the past. The proposed cost increases in employee salaries and benefits amount to about \$125,000 for 2012.

Typically, the salaries and benefits spending shows some variation from the budgeted amounts and actual amounts that is reflected from the variations in the number of people employed during the year (some people leave and some get hired).

Debt Service:

Debt service for the loan for the DPW building (approx. \$120,000 per year) is complete; however, it has been carried over into this year's budget plan as a placeholder. The Capital Improvement Project (CIP) committee is working on a 6-year equipment and infrastructure plan. They may suggest something that will equate to the amount used for the debt service for the items that have been postponed due to the economy.

The TIF Water and Sewer Line Project:

Recently there was a public meeting for the property owners' directly affected by the water and sewer extension project and the feeling behind that meeting

was mostly positive. There are 55 property owners and 85 properties associated with this project. There was an attendance of 10-15% for the meeting. Another meeting will be held in December for the town concerning this subject. Eventually there will be a budget committee hearing concerning this subject; however, all the monies come from the TIF revenue and the project will have no impact on the overall Town tax rate.

Capital Reserve Funds/General Trust Funds:

Steve explained briefly these funds and reviewed their balances.

General discussion on initial thoughts of the Committee:

It is expected that the 2011 tax rate will be set within the next couple of weeks. The tax rate is actually set by the state with considerable input from the town. The Board of Selectmen generally will use a portion of the undesignated funds to bring the final tax rate into line. At Town meeting last spring the projected tax rate for 2011 was \$5.95 per \$1000 property valuation. It was generally agreed that 2012 will be a pretty bad year to raise taxes and historically we have always tried to keep the tax rate as low as possible.

There was a brief discussion of school issues and how they also affect our overall taxes.

Old Business:

Janet Shepard agreed to be the committee liaison to the Health and Human Services department.

Public Comment:

None

Next meeting is Thursday, November 10, 2011 at 6:00PM at the DPW building

To be discussed: Detailed analysis of Administration, Planning and Zoning, Cemetery, Health and Human Services draft budgets.

Meeting adjourned at 7:20 pm.