

**ENFIELD BUDGET COMMITTEE**  
**January 14, 2010 Meeting Minutes**  
**DPW Building – 6:00PM**

**Budget Committee Members:** Fred Cummings (Selectman), Judy Finsterbush, Shirley Green, Gayle Hulva, Roberta Morse, Doug Pettibone, Gail Malz, Lori Saladino, Paul Mirski, David Stewart

**Excused:**

**Administration:** Steve Schneider (Town Manager), Wendy Huntley (Recorder)

**Others:**

**Administrative:**

**Pettibone called the meeting to order at 6:07 PM**

**Finsterbush moved to approve minutes from 1/9/10, Pettibone seconded. Mirski and Stewart abstained. Vote unanimous.**

**New Business: Budget Review**

Pettibone presented a series of proposals regarding the 2010 Budget:

Scenario 1. Starting with the revised Budget from January 4th - that would be our original budget less \$336,000 in miscellaneous reductions as noted by Schneider's memo of Jan 9, 2010 - the Regional Associations (\$49,000) would additionally be unfunded. This would result in a Town tax rate of \$5.51 per \$1000 valuation, and minimal use of the undesignated fund balance. Polling results: 8 members in favor 2 members opposed.

Scenario 2. Cummings would like \$26,000 added for 2% employee salary raises to Scenario 1.

Pettibone stated that we could take \$26,000 from the undesignated funds. The tax rate would remain at \$5.51.

Mirski commented that the employees were fortunate to get raises in 2009 while other people are worried about their jobs, and right now it sends a bad message to the town. He would rather see the employees get a 4% raise next year.

Saladino it would be awesome to give everyone raises, but what about not covering health insurance deductibles and give raises instead?

Schneider stated that the health insurance deductible is new for 2010. We could maybe return unused deductible to the employees at year-end. The doctor visit co-pay changed from \$5 to \$20 per visit and the emergency room co-pay also changed from \$75 to \$150.

Mirski stated that the employees receive decent benefits that a lot of the people in the Town Meeting audience do not have.

Schneider stated that the jobs our employees do are not equal to the jobs that other people do. There is a fundamental difference due to the emergency and 24/7 nature of our operations.

Stewart believes the town could save \$200,000 with a pay-as-you-throw solid waste program and give the employees the raises out of the savings.

General discussion followed on the pay as you throw program.

Straw Poll: Scenario 2 polling results: 1 in favor and 9 opposed to having \$26,000 added for 2% employee salary raises to Scenario 1 as described above.

General discussion followed that not giving raises to employees is not an easy decision for the committee to make.

Saladino asked if this is the first year that the regional associations as a group have not been funded? Schneider responded yes.

General discussion on the history of funding the regional associations.

Schneider stated that he notified the regional associations that it appears that the budget committee will not recommend funding. He wrote that it is not that the Budget Committee does not agree with what they do but it's a philosophical question. He informed them of the petitioned warrant article deadline and the need for 25 registered voter signatures. Last day to submit petitioned warrant articles is Feb. 2nd. The public hearing for the budget is 2/3/2010

Pettibone began the discussion on 2 possible warrant articles to fund critical needs. This approach gives the voters the opportunity to take care of some

pressing needs this year with a modest tax increase versus having these needs build up causing perhaps even larger future tax increases. Both articles would be paid for by new property taxes.

The 1st article was to raise \$140,000 to make up the difference in road maintenance funding from the budgeted amount of \$50,000 to the requested amount of \$190,000.

The 2nd article was to fund replacing two pieces of DPW equipment (backhoe, pick-up/plow) totaling \$190,000.

Mirski stated that the bond on the DPW building would be paid off in 2011. Why not work on proposals for bonds for shorter time, less than the life of the vehicle being purchased -- like a revolving bond arrangement while maintaining our current debt service level. It would be something like a line of credit.

Cummings stated that there is a talk for construction of a new building for public safety.

General discussion of capital reserve funds versus bonding then occurred.

Pettibone commented that these warrant articles will let the town know that there is a need to catch up with the DPW equipment and maintenance needs.

3rd Scenario: Instead of fully funding road maintenance through a warrant article, fund it by using the January 4th budget less regional associations (\$49,000) plus \$54,000 from the undesignated funds that would leave us looking for \$36,000. We could take that from the undesignated fund balance, or if raised by new taxes, \$36,000 would add about 6 cents to the tax rate.

Cummings does not believe we can go to town meeting and ask for any tax increase. He believes it is our fiscal responsibility to keep the tax rate stable and that we should let the public vote on increasing the tax rate.

Hulva stated that we have not seen the water/sewer budgets for 2010 yet. She also asked how the new sewer line under the lake would be paid for?

Schneider stated that the Selectboard would decide how the bond is to be paid.

Mirski asked if TIF funds could be applied?

Schneider responded that the pipeline would be outside of the TIF district.

Pettibone stated that if we took the additional \$36,000 from the undesignated fund balance we would still have about 5.9% retained (of total town appropriations).

Schneider recommended changing the pavement maintenance request to \$180,000. This would keep the tax rate at \$5.51. This would also leave \$726,000 in the undesignated fund balance.

Mirski stated that he is not a fan of the undesignated fund balance as it is taxpayer money and why is just sitting there for the town.

Pettibone stated that we should consider it a savings account or rainy-day fund for emergencies. It's always better to have some amount in a savings account.

Stewart reminded the committee that the Library is sitting on \$267,000 for the new library that isn't being actively used.

Straw Poll: Scenario 3 results: 9 were in favor and 1 opposed to fully funding road maintenance through using the January 4th budget less regional associations (\$49,000) plus \$54,000 from the undesignated funds leaving \$36,000 to come from the undesignated fund balance, or to be raised by new taxes adding about 6 cents to the tax rate.

**(POST MEETING NOTE: due to a miscalculation during the whiteboard exercise, the amount of increased road funding is reduced to \$130,000 from \$180,000. The extra money will still come from the undesignated fund and not raised from new taxes).**

Pettibone questioned if \$551,000,000 is final as the new town valuation? Schneider answered yes, for 2010. Typically the valuation goes up about 2% per year.

Pettibone stated that the warrant article for road maintenance is withdrawn.

Straw poll results for the 2nd warrant article to buy a 550 pickup and backhoe for the DPW were 8 in favor and 2 opposed.

Mirski stated that he would like to have vehicles included in the proposed budget and not presented as warrant articles. He asked that we use this town

meeting to discuss what is going to happen in the future with this equipment problem. Mirski recommends holding off purchasing the new DPW equipment till 2011.

The public hearing for the proposed budget is scheduled for 2/3/10. Snow date: 2/4/10.

Stewart spoke with Jim Martel and wanted to know if the Budget Committee would back a letter to the Selectmen backing pay as you throw.

Pettibone responded that the committee would need to know more details of the proposal.

**Public Comment:** none

**ADJOURN:** The meeting adjourned at 7:35.

Respectfully submitted,

Wendy Huntley  
Recorder