

ENFIELD BUDGET COMMITTEE
October 28, 2010
DPW Building – 6:00 PM

Members present: Fred Cummings (Selectman), Sam Eaton, Judy Finsterbush, Shirley Green, Gayle Hulva, Doug Pettibone (Chair), David Stewart (Vice Chair), Lori Saladino, Paul Mirski.

Absent: Gail Malz

Others Present: Steve Schneider (Town Manager), Wendy Huntley (Recorder)

The meeting was called to order at 6:08 PM.

ADMINISTRATIVE:

1. Approval of September 30, 2010 draft Meeting Minutes

It was moved by FINSTERBUSCH, seconded by HULVA, to approve the minutes of September 30, 2010. Mirski and Saladino abstained. 7 in favor, 0 opposed. The motioned passed.

CUMMINGS reminded the board that there will be a public hearing by the NH DOT, regarding Rail Trail/Main Street Crossing, on the November 17th at the Public Works Facility starting at 6PM.

NEW BUSINESS:

PETTIBONE reviewed key issues for developing the 2011 Town budget. At Town Meeting last March, two warrant articles were approved by voters to purchase two pieces of DPW equipment for a total of \$190,000. A third warrant article was approved to fund Regional Associations (RAs) for approximately \$50,000. These warrant articles added \$0.44/\$1000 to the recommended 2010 budget producing a new municipal tax rate of \$5.95/\$1000 assessment, an 8% increase over 2009. The loan on the construction of the DPW building will be fully paid-up in 2010, freeing up \$120,000 in debt service. Excluding the increase in spending to continue support of the RAs, therefore, there was approximately a \$300,000 increase in non-recurring expenditure during 2010. This increase adds some flexibility in considering a 2011 build-up of capital reserves, maintenance of roads and infrastructure

and/or other areas of spending, as well as ultimately, the 2011 tax rate. The revenues for 2010 are on track as budgeted.

There was discussion regarding Town reimbursement for ambulance service by insurance companies. The consensus of the group was that there needed to be more research done. There will be an opportunity to discuss this topic further when the Ambulance budget is reviewed in detail.

There was discussion on the funding plans for Shaker Bridge Replacement. The costs of replacement will not affect the town budget until 2012. The Town is still waiting to hear from the State on what its final share in the construction cost will be.

CUMMINGS informed the Committee that the BOS is leaning to keeping the tax rate the same in 2011.

CUMMINGS informed the Committee that the BOS approved the new method for funding the Regional Associations.

CUMMINGS informed the Committee that the Fire Department (FD) was authorized to make an unplanned \$30,000 purchase of a wheeled generator in 2010. The FD was able to gain funds from the state for this purchase. .

1. Review Town FY2010 Revenues to Date and Projections

SCHNEIDER reviewed the revenues for 2010 and projections for 2011. Overall, the revenues for 2010 are coming in as projected. Our largest non-property tax revenue, Motor Vehicle Registrations, is coming in as forecasted and the revenue from NH from the state Rooms and Meals Tax should remain the same as 2009 (approximately \$210,000.)

The interest penalty for delinquent taxes is above the forecasted amount. The amount budgeted was \$65,000 and that received YTD is \$81,102. Building permit revenue is also above the forecasted amount. The amount budgeted was \$7,500 and that received YTD is \$8,262.

The projection for 2011 non-property tax revenue is still going to be basically flat because the economy (and property valuations) appears that it will also remain nearly flat.

Tax rate currently is projected at $\$5.95/1,000 \times \text{Assessed Town value } (\$551,000,000) = \$3.279 \text{ mil}$

The projected property tax revenue under two assumptions of future property valuations for 2011 are: $\$5.95/\$1,000 \times \text{Assessed value up by } 0.5\% (\$553,755,000) = \$3.295 \text{ mil}$

$\$5.95/\$1,000 \times \text{Assessed value up by } 1\% (\$556,510,000) = \$3.311 \text{ mil}$

2. Review Draft FY2011 Budget Proposal

SCHNEIDER reviewed an initial draft 2011 spending plan. He explained that the DPW facility will be paid off at the end of 2010 so that will decrease the amount required for debt services in 2011. There are potential capital items to be considered as well as the potential for funds to be used for the Capital Reserve Funds. However, the proposed 2011 budgets handed out does not reflect any funding of these yet. Potential capital equipment needs for the DPW and FD will be discussed when the Committee reviews draft budgets in detail. The 2011 proposed budget does include a 2% increase for employee salaries.

SCHNEIDER explained that a Request For Proposal had gone out for Health Insurance. Local Government Center (LGC) and Primex were the only bidders.

SCHNEIDER reminded the Committee that the Police Officer who has been serving in Afghanistan during 2010 is scheduled to return so his salary and benefits will be reinstated in the 2011 budget and is reflected in the proposed budget packet.

3. General Discussion: initial 2011 budget thoughts

PETTIBONE asked the committee members what their initial thoughts were on where they would like to see the tax rate for 2011

EATON expressed that it would be better to give money back to the taxpayer and then raise the tax rate again the following year if necessary. MIRSKI agreed that it is better for taxpayers to keep as much of their money as possible..

CUMMINGS believes it best to keep the rate from being volatile. PETTIBONE agreed that large year-to-year changes in tax rate are to be avoided if at all possible.

FINSTERBUSH and SALADINO believe a blending of the 2 philosophies would be best. FINSTERBUSH recommended the Committee go through the budget request process and see where things stand and then make a decision about the tax rate. There was a general agreement to do so by the Committee.

PUBLIC COMMENT: None

OTHER BUSINESS: None

ADJOURN: The meeting adjourned at 7:50 PM.

POST MEETING NOTE: The next meeting date has been changed to Thursday, November 11 (from Nov 10) at 6PM and will be held at the DPW building.

Respectfully submitted,

Wendy Huntley, Recorder