

ENFIELD BUDGET COMMITTEE
December 4, 2010
DPW Building – 8:30 AM

Members present: Fred Cummings, Sam Eaton, Judy Finsterbusch, Shirley Green, Gayle Hulva, Gail Malz, Paul Mirski, Doug Pettibone (Chair), Lori Saladino, David Stewart

Administration: Steve Schneider (Town Manager)

Others: David Crate, Fire Chief; Jim Taylor, Director of Public Works

The meeting was called to order at 8:30 AM.

ADMINISTRATIVE

1) Approval of November 18, 2010 Draft Meeting Minutes

It was moved by SALADINO, seconded by GREEN, to approve the minutes of 11/18/2010 as amended. The Committee voted unanimously in favor of the motion.

NEW BUSINESS

The Committee agreed to cancel the 12/09/10 meeting. The next meeting will be held 12/16/10.

A) In-depth Spending Plan Discussion:

4215 Ambulance - review of the Ambulance budget was continued to 12/16/10.

4220 Fire Department (Plan Request \$96,595)

Fire Chief David Crate presented the Fire Department budget. He provided handouts of updated proposed expenditures and a list of equipment requests.

Training - the \$4,500 funded for 2010 can be encumbered into the 2011 budget.

Vehicle Repairs/Maintenance - An increase of \$6,500 is requested. A majority of the funds is pegged for Engine 5 repairs (body work, paint, pump/ladder/

hose testing, and to change the electric motor that runs the ladders to a hydraulic system). The remainder of the funding will pay for new tires for other vehicles and other miscellaneous maintenance. CUMMINGS encouraged the Committee not to reduce the funds for this line item due to the expenses involved with the required testing.

Clothing - A decrease of \$5,000 is proposed. Regarding the \$1,391 year-to-date expenses, Chief Crate explained some 2010 expenditures are not yet listed.

There was a brief discussion about the portable generator purchased in 2010 with grant funding from the State, whether a second portable generator is needed, and use of the school as an emergency shelter. Chief Crate encouraged the Town and School Budget Committees to jointly discuss emergency planning and its financial impacts.

Chief Crate is requesting \$19,005 in New Equipment purchases:

- \$6,360 for 12 pagers: The Dept is going to narrow banding in 2013. Their current pagers cannot be reprogrammed to the narrow band. The Chief proposes replacing 12 pagers/yr to prepare for the change.
- \$7,095 for 3 portable radios: Recent grant funding provided the Dept with portable radios for each firefighter. The grant did not cover the 3 portable radios kept in Engine 5.
- \$2,550 for fire hoses
- \$3,000 for miscellaneous items (including telescopic pole lights for the generator)

Jim Taylor, Director of Public Works, presented the remaining budgets.

4194 General Government Buildings (Plan Request \$137,850)

Contracted Services - A \$2,000 increase is requested. This covers janitorial services to clean town buildings. The job is sent out to bid. The current janitor has been with the Town since 2006. His last contract expired about 1½ yrs ago.

Whitney Hall Maintenance - The \$9,000 requested can be reduced to level funding (\$8,000).

Center Hall - the \$2,500 funded for 2010 can be encumbered into the 2011 budget. The only work currently planned for the building is painting.

4311 Highway Administration (Plan Request \$501,001)

Personnel – the \$12,220 proposed increase reflects a 2% salary adjustment.

Personnel: Part Time/Seasonal – The \$28,878 year-to-date expense reflects a mechanic's salary being transitioned from full-time to part-time.

Contracted Services - A \$400 increase is requested. This covers radios, the copier, computers, etc. The increase reflects actual annual expenditures.

Weather Forecasting – the proposed expenditure can be reduced \$1,000 to total \$2,500 (a \$500 reduction from FY 2010) due to a change in the contract. The Town subscribes to DTN for instantaneous, localized information regarding weather fronts and precipitation.

Prof Development – Highway - A \$500 increase is requested. The Town has 2 new people on staff and they are required to attend basic safety classes.

4312 Highways & Streets (Plan Request \$529,200)

Survey & Engineering - A \$500 increase is requested so that Mr. Taylor can consult with engineers about various issues.

General Supplies - A \$5,000 increase is requested. The Dept has overspent this line item the last 2 years due to increased materials costs.

Winter Salt & Chemicals - A \$5,000 increase is requested to purchase 1,200 lbs of salt at the current rate of \$65/lb.

Aggregate & Fill Materials - A \$10,000 increase is requested. This covers gravel, hard pack, stone, etc. The increase reflects increased materials costs.

Pavement Maintenance - A \$20,000 increase is requested. Pavement funding has been cut in recent years in an effort to balance the budget. The proposed funding is more in line with what was budgeted in '06 & '07. The Town is behind in its paving efforts. The materials needed for paving have also increased in cost. A member of the Town's Planning staff is working on a 5-yr plan for road maintenance. MIRSKI suggested making known the cost of maintenance per mile when considering future development. There was a brief discussion regarding the desire to have roads repaved versus the traffic calming measures that less maintained roads provide and the need to enable emergency services to utilize the roads.

Gravel Road Surface Treatment - A \$4,000 increase is proposed. Mr. Taylor noted that 2010 was a dry year and the year-to-date expenditures are increased from 2009.

Vegetation Management - It was noted that only \$789 of the \$10,000 appropriated in 2010 had been spent year-to-date. Mr. Taylor said the invoices for the mower rental had not yet been submitted. He suggested \$2,000 could be encumbered into the 2011 budget. The 2011 funds will be used to take down several large trees on Shaker Blvd, George Hill, & Goodhue Hill.

Gasoline - A \$700 increase is proposed. The \$5,237 year-to-date expenses will be divvied up amongst the other Town departments at the end of the year.

Gasoline – Grounds - A \$200 increase is requested. Mr. Taylor suggested the increase may not be necessary.

Vehicle/Equip Repairs/Maint - A \$15,000 increase is requested. Mr. Taylor said the price of parts has increased significantly due to the computer controls in the new engines. He hopes to replace the 2 pieces of equipment that cost the most in annual repairs (the holder and the pick-up). He expressed concern that the holder may not last through the winter.

Mr. Taylor provided a list of Non-Operating Budget Items that included:

Highway Dept:

Replace Holder Sidewalk Plow \$40,000

Replace 1993 Ford F-350 \$70,000

Asphalt Reclaimer \$29,000

Capital Reserve \$50,000

Roads:

Jones Hill Road Paving (1 mile) \$160,000

Crystal Lake Dam Guardrail \$29,000

Bridges:

Boy's Camp Rd (2011-2012) \$585,200 (Town pays 20% totaling \$117,040)

Shaker Blvd (2013-2014) \$707,700 (Town pays 20% totaling \$141,540)

Complete DPW Site (2012)

Salt & Sand Shed

Fueling Station Canopy

Storage Shed

DPW Facility Mezzanine

Site Work & Drainage

Solid Waste (equipment):

Lights & Electric Upgrades \$4,000

Rebuild Compactor \$4,500

Buildings (projects):

Refinish Community Bldg Floor \$8,000

Grounds (equipment):

Replace Walker Mower \$8,200

Water

Capital Reserve \$20,000

Sewer

Capital Reserve \$20,000

In support of the above items, Mr. Taylor offered the following:

Holder: It would cost \$130,000 to replace the existing Holder sidewalk plow with a replica. His proposal is to replace it with a tractor. The existing holder is 10 yrs old and has eaten up \$20,000 in repairs. It is German made and its parts are not available locally. It was down for 2 months last winter.

Pick-up: The body on the '93 Ford is corroding. The proposed replacement will have a nose plow and sander.

Asphalt reclaimer: has been discussed over the last few years. It is a trailer with a heater, designed to hold and reheat hot top for reuse. The Town does a lot of patch work of decaying asphalt.

Roads: could be presented as stand-alone warrant articles. MIRSKI asked for an estimate of the paving and under drainage work per mile required for the Jones Hill project. MIRSKI said he was opposed to presenting road maintenance on the Town Meeting Warrant as a separate article. CUMMINGS suggested it should be added to the existing paving line.

Guardrails: worst case scenario is presented. Staff is working on ways to reduce this cost. The existing rails are over 40 yrs old.

Bridges: those 2 bridges are on the "Red List". The Shaker Blvd Bridge was band-aided 8 years ago. MIRSKI asked for lists of permits required to replace these bridges and suggested moving them to the Highway budget.

Solid Waste: plan is to fix a few broken conduits and redo the lights. The compactor passed inspection this year but will have to be rebuilt to pass the next one.

Buildings: - Mr. Taylor said he would like to refinish the floor at the Community Bldg. He estimated the cost at \$8,000. STEWART asked if he had considered installing sound abatement there. Schneider said the Town hired an engineer to look at that a while ago and found out it would be expensive to do. SALADINO argued in support of the sound abatement.

Grounds: the walker mower is not usable in the cemeteries. Though it is not dedicated for cemetery use only, it may be possible to fund a portion of this purchase from the Cemeteries Capital Reserves.

Water/Sewer: no change from 2010 appropriations.

CUMMINGS asked Mr. Taylor to prioritize his list of equipment requests. Mr. Taylor said he would consult with his staff as to whether they prefer the holder or pick-up.

4316 Street Lighting (Plan Request \$24,000)

There was a brief discussion regarding the Energy Committee's efforts to reduce street lighting in town. National Grid is unable to shut down individual lights; rather they must shut down sections of them. The Energy Committee is now focusing their attention on bridge lighting. CUMMINGS said Police Chief Crate would advocate for keeping street lights on in an effort to deter crime.

4321 Sanitation Administration (Plan Request \$80,628)

Mr. Taylor said there may be opportunities to save in the coming years but that will require change which has not been well accepted by the residents in the past.

CUMMINGS reported that funding for the Town's sanitation contract will not change. The service will change to reduce pick ups by one day. Northeast Waste will advertise a recycling program where homeowners can subscribe for single-stream pick-up at their residences. This will hopefully create a savings in the amount taken to the landfill. The solid waste contract will expire next summer. MIRSKI asked for an estimate for pick up every other week.

Sanitation Personnel - A \$10,696 decrease is proposed. This reflects the retirement of one employee and a new hire at a reduced salary rate.

Sanitation Overtime is level funded, however Mr. Taylor announced that the 2010 actual expenditure will be more than what was appropriated. It costs \$400/day for the Transfer Station to be open. The Station is visited by 35 cars/day. Mr. Taylor said he would like to explore the option of opening only half-days on Sundays.

Public Information - A \$250 increase is requested to account for notification of a route change proposed for mid-January.

Dues - A \$550 increase is proposed. The increase reflects actual expenses. Dues are paid to NRRA to market/promote recycling.

Uniforms & Safety Gear - A \$400 decrease is proposed. There are only 2 employees and each is provided a \$500 clothing allotment.

Sanitation Health & Safety - A \$200 increase is requested. \$300 is needed for medical shots. There are 6 licensed Transfer Station employees.

Professional Development - A \$200 increase is proposed due to licensing and continuing education requirements, etc. The Mileage funding pays to get staff to and from those courses.

4323 Solid Waste Collection (Plan Request \$227,000)

MSW Contracts - A \$3,000 increase is requested. This can be level funded if the solid waste program is changed.

MSW (Fuel/Oil/Enviro. Fees) - An \$8,000 increase is requested. Fees are based on the percentage of items brought to the landfill that are not accepted there.

4324 Solid Waste Disposal (Plan Request \$207,500)

Household Hazardous Waste - A \$1,000 increase is requested. Collections are held twice a year. Mr. Taylor advised that the Town would soon be charging for disposal of electronic equipment.

Capital Outlay and Capital Reserves 4900s

B) Current Status Draft Budget

PETTIBONE handed out a worksheet of Year-to-Year Town Tax Rates outlining Town appropriations, general revenue, net appropriations, adjustments, and Town valuation.

It listed a total budget of \$5.3 million (broken down as follows):

\$4.5 million General Fund Total (per the 10/28 draft plan)

\$122,000 Debt Service

\$50,000 RA's

\$190,000 Reserve funding

\$540,000 Water/Sewer

The 2011 projected revenue is \$1.87 million which results in a Net Town Appropriation of \$3.476 million. The amount to be raised by taxes, after factoring in projected Overlay and VA Credit adjustments is \$3.55 million. That equals a tax rate of 6.5, a 9.3% increase over the 5.95 rate that exists

now.

The Committee's goal is to try to keep the tax rate level for 2011. To meet that goal they must reduce the proposed budget by \$300,000. [*Post Meeting Note: Additional appropriation requests at this meeting as noted above (primarily DPW and Fire equipment) added about \$180,000 to this total*]. PETTIBONE asked the members to go through the proposed budget and present ideas for reductions at the 12/16/10 meeting.

There was general discussion whether to use the 2010 \$190,000 DPW equipment expenses, built into the 2011 budget to pad reserve accounts or reduce the tax rate. CUMMINGS said the Town needs to adopt a policy to either reserve funds or decide to bond for large purchases. He said the Selectmen's goal is to keep the tax rate at 5.95. CUMMINGS said the Town needs to develop a system of a revolving line of credit similar to taking out a bond and paying for it with a fixed amount annually. Schneider said he would look into what the Town is allowed to do in terms of obtaining a fixed cost annually for debt service. The State may not allow it. Long term lease-to-buy (multi-year commitments) may be an option. It would require 60% vote at Town Meeting. SALADINO questioned whether it would be beneficial to meet with a financial advisor to investigate financing opportunities.

MIRSKI said he does not like the Town to hold on to taxpayers' money. He would rather see that money be used. Schneider said the Town has done a better job eliminating vague Capital Reserve accounts, but as long as there is a specific purpose for reserves, it makes sense to save funds for it. EATON agreed some money should be reserved but questioned whether \$300,000 (the \$190,000 built in from 2010 & the \$122,000 debt service) was the right amount in today's economic environment.

PETTIBONE said another thing to consider is the level at which the Town's undesignated fund balance should be maintained. Some towns keep none; some keep 20% of their total appropriations. It depends on the ability of the individual town to meet a rapid shortfall. Enfield's unreserved balance is at \$750,000, which is 6.1% of the Town's total appropriations. The State recommends keeping it at 5-12%. These funds have been used before to balance the budget but the funds were appropriated for specific purchases.

MALZ said the key to keeping the tax rate level is to plan ahead and make sure capital expenditures are covered by some type of revolving line of credit. CUMMINGS agreed planning ahead will create a more stable tax environment by avoiding having to come up with \$190,000 to replace equipment annually. PETTIBONE said the Capital Improvement Project Committee has not yet

been active but they are the group that is supposed to be working on 5-yr plan of equipment needs.

PETTIBONE recapped that no one is interested in raising the tax rate, everyone is willing to consider reducing it or keeping it the same in the future, the Town needs to get a handle on future capital needs, Committee members are to review the proposed budget and find \$300,000 in reductions for consideration at the 12/16/10 meeting.

PUBLIC COMMENT: None

ANY OTHER BUSINESS: None

ADJOURN: The meeting adjourned at 12:27 PM.