

BUDGET COMMITTEE
November 19, 2009
DPW – 6:00 pm

Budget Committee Members: Judy Finsterbusch, Shirley Green, Gayle Hulva, Lori Saladino, Roberta Morse, David Stewart, Doug Pettibone, Gail Malz

Administrative: Steve Schneider (Town Manager), Wendy Huntley (Recorder)

Excused: Fred Cummings (Selectman), Paul Mirski

Others: Lee Carrier (EVA President), Delores Struckhoff (EVA Executive Director), Fred Altvater (Cemetery Trustee)

Administrative:

Pettibone called the meeting to order at 6:01 PM.

Schneider reported that another letter went out to some property owners from Normand Bernaiche, with some changes. There was an adjustment made of smaller, seasonal lots. Norm thought that on the whole everybody would be within that 25-30% range.

New Business: Schneider reported that he hopes to have the tax rate set next week. The tax bills should go out early December and the payment due early January.

For those property owners who may still feel they have an issue with their assessment, the process is they may file for abatement with the Board of Selectmen (BOS) after the tax bills have gone out. If a property owner is not satisfied with the BOS decision they may go before a judge or the Bureau of Tax Lien Appeal (BLTA). The difference between going to a judge and the BLTA is that BLTA is final, no appeals.

Schneider responding to whether the Town will do a revaluation again in 2010 responded that depending on the taxes received, the abatements we may receive, how the BOS reacts to abatements, how the Budget Committee finalizes the 2010 budget, will effect if the Town does a reappraisal in 2010 or 2011. The Town is required to do it every 5 years at a minimum, but may do it more often.

Pettibone asked what the expense of revaluation is.

Schneider answered that it costs about \$45,000 but that there are still adjustments made during the 5 year intervals.

Pettibone inquired how much the revaluations cost between the 5 years.

Schneider answered that the cost is about \$30,000 annually.

Pettibone responded that for an additional \$15,000 the town could do a town-wide revaluation every year?

Schneider answered, yes.

Schneider spoke about how the town may see an increase in abatements during a town-wide revaluation year. For 2009 the Town has \$35,000 in abatement overlay. For 2010, Norm suggested that the abatement overlay reserve be bumped \$100,000. It is an estimate.

We use the town valuation to set the tax rate.

Green asked that if the original valuation increased properties by about 25-30%, then after the lakeside properties adjustment did the valuations go up for the other property owners or wouldn't that bring the total property value down for the whole town.

Schneider responded, Some values went up and others remained the same based on the formulas.

Stewart questioned what the process was for the people who contacted the Assessor and never got a call back?

Schneider replied that there was a little over two plus weeks before the meeting on November 2 and then we had an additional week of appointments to last Friday. Norm was only dealing with fundamental issues with the card itself and not so much for people who were comparing their property to another.

Stewart commented that some people were very disturbed that over the past 5 years their property increased in value 35%.

Schneider offered that it is not a one-for-one change. Because the assessment went up, the tax rate will normally be reduced unless town appropriations are increased at Town Meeting.

Finsterbush asked whether the total town valuation determines how much money we give to the county and state annually.

Schneider answered that the town valuation is part of the formula used to establish our tax rate. We use tax rate to provide a measure for how much town tax an individual property owner will be assessed.

General Discussion was had regarding the method used to calculate the school tax rate.

Pettibone opened the floor to Lee Carrier and Delores Struckhoff.

Enfield Village Association (01-4615-820)

Carrier opened by asking the Budget Committee members to remember the amount of \$19,400, as that is the amount of tax revenue that the town is enjoying from the programs that the Enfield Village Association (EVA) has put together. The \$14,000 that EVA is asking for is \$5,400 less than what EVA has generated for the Town.

Carrier went on to speak about how EVA awards small grants to incentivize homeowners on Main St. to renovate their homes. For example, EVA approaches a homeowner about siding their place. Out of eight homes that EVA did grants with, the increase of the tax valuation of those houses is \$384,000 over a two-year period. Then EVA looked at 8 other properties that didn't have a grant and did no improvements, and the value of those houses only increased \$54,000. The increase in valuation of these homes resulted in the \$19,400 increase in tax revenue.

Pettibone asked if those other eight houses were comparable.

Carrier responded yes.

Struckhoff added that EVA has offered the grants to all homeowners on Main St.

Carrier spoke about EVA having sold 78 Main St. for \$100,000 to a woman who is rehabbing it more and is putting a business in it. She will invest a total of \$450,000-\$500,000. The town will be able to pick up that extra tax income. The town will pick up an additional \$853,000 in value for all the properties that EVA has had a positive impact on.

Struckhoff distributed a handout regarding the 2010 budget request. A few items discussed were:

- EVA getting ready to celebrate its 10th anniversary in 2010.
- EVA will be refurbishing the flagpole by the laundry mat. EVA will be taking down the cement and replacing with etched granite from Shaker Hill Granite. Matt Dow will be doing the work. EVA did put that out to bids. EVA will be landscaping it in the spring. EVA will take down the pole to sand blast it and repaint it. The flag will be up 24/7 and will have lights. EVA is doing it for the 250th anniversary for the Town.
- The all day holiday celebration on December 5th. There will be wreath making among other things and a one-day café in the Copland Block headed by Silvia Dow and Sharon Carr.
- Beautification projects.
- Continuing to offer grants to property owners.
- Economic Development: EVA wants to go further than Main St. and would like to expand their support to businesses on US Route 4, NH Route 4A, exit 16, etc. EVA is planning on developing an e newsletter and will be finalizing the 2010 phone directory.
- EVA is applying for a grant for redesigning the EVA website.

Carrier expressed that EVA is the only organization solely working for Enfield in Enfield. It is real dollars that flow back to the community. EVA can do things for Enfield that the town would have difficulty doing on its own. Nonprofits can get grants easier than a municipality. EVA works at bringing businesses into Enfield. This brings in tax money.

Schneider was requested by Fred Cummings to ask what was the money made on the sale of 78 Main St. and if any of the contributions made by the Town in the past were put into the refurbishing of the building.

Carrier answered EVA received \$100,000 from the sale of 78 Main St. Funds for EVA and 78 Main St were kept separate.

Pettibone questioned what the relationship with EVA and TIF is? Are there areas of interest overlap?

Schneider answered yes.

- Enfield is a Main Street Community thru EVA.
- The Tax Increment Finance (TIF) district and Main St overlap.
- The historic district and Main St overlap as well.

Pettibone asked if TIF money would be used with EVA projects?

Schneider answered that TIF funds could only be used for non-private property projects.

Finsterbush asked if the Town dock project is on hold.

Struckhoff answered yes. Eva is waiting for the bridge project to finish.

Pettibone opened the floor to Fred Altvater.

Cemeteries (01-4195-####)

Schneider reminded the committee that in 2009 the Budget Committee asked the Cemetery Trustees to look at their capital reserves for funding.

Malz asked if there is a formality for funds of cemetery lots sold.

Schneider responded yes, each year the lot sale funds get transferred at town meeting.

Saladino asked if the trustees use capital reserves for day-to-day business.

Altvater responded that Ken Daniels, (DPW Director and Cemetery Sexton) doesn't have the manpower to maintain the cemeteries as they should be maintained. There are many groups that find other projects and somehow it's given to the grounds workers to do and the cemeteries get left behind.

Altvater expressed a desire to have flagpole at countryside cemetery with a light.

Altvater expressed his concern in not having the tree work done in the cemeteries the past couple of years because the funding hasn't been there. Purmort has more trees that need removing but also when trees are removed then new ones should be planted.

Schneider asked how many cemeteries the town has.

Altvater answered, twenty-two.

Stewart questioned how many cemeteries generate income.

Altvater answered, one.

Schneider explained the cemetery trust fund has approximately \$12,000 in the general expendable trust fund.

Pettibone asked who controls the funds.

Schneider answered the trustees.

Pettibone asked who the trustees are.

Schneider responded Dave Stewart, Fred Altvater and Richard Henderson.

Altvater noted that every year the frost tips over some stones.

Saladino asked if the trustees can use the trust funds?

Altvater answered that they could but it wouldn't last very long.

Pettibone questioned the items in the equipment & special projects lines.

Altvater answered that the trustees are requesting a sulky mower for use in all cemeteries. Under special projects, the trustees are requesting a storage building for Countryside Cemetery. The building would have a concrete foundation and be a gambrel type building to store equipment, similar to the Lakeview Cemetery building.

Pettibone commented that there is \$12,000 in capital reserves and \$6,000 through trust funds and also asked if the trustees have a price on the flagpole requested.

Altvater answered he has an amount of \$2,500.

Saladino asked who sets the price for the sales of cemetery lots.

Schneider responded that the trustees set the price.

Malz questioned if when the trustees establish a request for the year, do they look for 100% from the town or if they figure some additional money from trust funds or capital reserves.

Altvater responded that the trustees don't spend from the capital reserves or trust funds unless absolutely necessary.

Malz asked why.

Altvater responded that incidentals come up and we take the funds from the reserves or trust funds to cover them.

Pettibone encouraged the trustees to look at the trust funds again and to think about how to best use those funds to get things accomplished, especially during these lean times.

Executive (01-4130-###)

Special Projects (01-4130-822)

Pettibone asked if the \$50,000 appropriated as a contingency for possible reductions in state funding will be spent.

Schneider responded that if at the end of the year, all of our appropriations are under then we won't be spending the \$50,000 and it will go back into the general fund.

Printing (01-4130-550)

Schneider informed the committee that the 2008 Enfield Town Report is an awarding winning town report. Enfield came in second for our town population category. Moultonborough came in first. This spending line is for printing the Town Report and the annual calendars.

Green commented that the calendar is great!

Technology (01- 4131-###)

Repairs and Service Contracts (01-4131-630)

Pettibone asked if all departments use the same company for service contracts.

Schneider responded, no. Some departments have different needs. The Police Department is kept separate and the library is separate as trustees rule them. We're not big enough for an economy scale.

Police Hardware & Software (01-4131-003)

Schneider reminded the committee that these lines are primarily funded thru capital reserves.

Schneider explained that the Police Department is in need of a new server. The technology reserve funds are nearly depleted now and may not be able to fully fund this request

Pettibone asked if the Police Department server is the one with Hanover.

Schneider responded no, this one will be here in our Police facility.

Green asked whether the Police Department has a server now.

Schneider answered yes they do. This is a replacement server.

Elections & Registrations (01-4140-###)

Schneider commented there are no changes other than things are slightly higher as there are more elections in 2010, accounting for the increase in appropriation request over 2009.

Financial Administration (01-4150-###)

Schneider commented there are no real changes.

Revaluation (01-4152-115)

Schneider commented there are no real changes other than in 2010 the cost of doing any revaluation will be coming out of the General Fund and not through Capital Reserves as they are depleted.

Legal (01-4153-###)

Schneider commented there may be a revision to this number. He will have a better understanding in January.

Personnel Administration (01-4155-###)

Schneider explained that items in this cost center are for payroll taxes, health insurance, dental insurance and all those things you have from having employees. The major change is health insurance as there is a 16.4% increase in 2010. It's too late to shop around for 2010, but we can for 2011.

Green commented that there isn't anyone that has not been affected by a rise in health insurance.

Saladino asked if this was a cafeteria plan.

Schneider answered no, but we are looking into a higher deductible plan potentially.

Green wanted confirmation that the town decides what amount the employee pays towards health insurance.

Schneider answered yes. The BOS is working on that issue as well.

Planning (01-4191-###) and Zoning (01-4192-###)

Building Inspection (01-4240-###) and Health Department (01-4411-###)

Finsterbush told of how she had spoken with Jim Taylor (Community Development Director) and Phil Neily (Building Inspector/Health Officer) and they both reminded her that their departments produce revenue and some of their line items are reimbursable. It's pretty cut and dry.

Insurance (01-4196-###)

Property-Liability Insurance (01-4196-522)

Schneider explained that he had received a notice that the increase is about 6% over last year.

Animal Control (01-4414-690)

Schneider commented that there were no changes.

Human Services (01-4441-###)

Schneider explained that for two plus years the Town of Enfield has been coordinating with the City of Lebanon for a regional Human Services employee. It's a 25 hour/week position and the person works in both Enfield and Lebanon.

Green asked if the person receives benefits from the town.
Schneider responded no.

Human Services Direct Assistance (01-4442-###)

Schneider commented that the big number is rent assistance.

Pettibone asked what the process is for getting rent assistance.

Schneider explained that a potential client fills out a form and is required to prove a need.
Towns are the provider of last resort for help. Assistance is by income eligibility.

Stewart asked if there is some point where the town can say no more.

Schneider answered no.

Regional Associations (01-4197-###)

Pettibone asked that everyone have a discussion about basic guidelines for funding for regional Associations (RAs) that the committee would like to follow. Details about funding can be dealt with later.

General discussion:

Schneider commented that the first thing may be to decide if, as a committee, we feel we should be supporting these associations with tax dollars.

Hulva asked if the numbers in the proposed 2010 budget are requested amounts.

Schneider answered yes.

Saladino commented that there is some weight to these associations and we may find more costs in Human Services if we don't fund at all. I would like more hard numbers as to how the associations impact Enfield.

Pettibone asked what about the argument that because the RAs provide residents with services, we have an obligation to support them to some extent.

Finsterbush stated that she would advocate no support for RAs. In this particular time when everyone is hurting and tightening belts we can honestly say we can't do it this year but still recognize that they do good work for residents.

Morse stated that she goes along with Judy (Finsterbush).

Green commented that she agrees and thinks that some of the people who stand up in support of certain RAs should make a private donation instead of relying on taxpayer funding.

Hulva commented that the requests from RAs may be to pay for clients who are uninsured/unfunded insurance payments to make up their costs. This is an emotional issue.

Malz asked if the town does have people come in for help with the Human Services Department, can the Human Services Department then still refer the client to the organizations that we no longer want to fund?

Malz stated that she is generally not a supporter of town-funded RAs , but still would like to consider if we refer to an organization that maybe we could still fund them.

Schneider assured that the associations will still work with Enfield residents. Even if the committee recommends no funding, RAs funding requests can come back up as a warrant article at town meeting.

Saladino recommended that the regional associations have booths in the vestibule for collection of donations at Town Meeting.

Green would like to know from the Human Services Department what organizations are clients referred to.

Steward commented that he is a middle of the roader. There are some things worthy of funding. Anything we do decide to fund, should be scrutinized.

Pettibone commented that the committee will decide a recommendation at a future meeting.

Malz requested that information be obtained as to which associations Human Services refers people to.

Schneider answered sure.

Pettibone reminded the committee that the School board is having a meeting on Saturday at 9:30am at the Indian River School. It is a Public hearing regarding teacher contracts.

Public Comment: none

1. ADJOURN: The meeting adjourned at 8:38 pm.

Respectfully submitted,
Wendy Huntley