

ENFIELD BUDGET COMMITTEE
December 17, 2009 Meeting Minutes
DPW Building – 6:00 pm

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

Excused: Fred Cummings (Selectman)

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

Others: Kurt Gotthardt

Administrative:

Pettibone called the meeting to order at 6:04PM

Finsterbush moved to approve minutes from 12/05/09 Hulva seconded. The motion carried.

Schneider reviewed DPW capital finding requests for 2010 including 3 trucks and 1 backhoe. Schneider informed the committee that Ken Daniels actually is requesting the backhoe to be upgraded to a wheeled excavator if at all possible. The backhoe is a heavily used piece of equipment and is breaking down more and more. The current one has been in service for 10 years.

Mirski would like more information such as useful life of equipment and potential implication on taxes.

Mirski feels there should be more than just repair cost to justify purchasing a new piece of equipment.

Mirski believes there is not enough information here to justify replacement or the backhoe with an excavator. 50 years of repairs @ \$2,500 a year is still less expensive than purchasing an excavator.

Mirski would like analysis on potentially getting a bond to catch up on the paving.

Schneider responded that it is not really a budget committee's task to establish funding. The capital improvement committee (CIP) is charged with that task.

General discussion followed on the topic of bonding.

Finsterbush inquired about Daniels' comment that the backhoe has reached the end of its useful cycle.

Schneider explained that the backhoe is in the shop now more for repairs than it is out in the field being useful. It is no longer a dependable piece of equipment for the town.

Mirski suggested that there should also be a cost on the sheet for labor not just for parts, so as to get a better understanding of the true cost. Daniels may be better off telling the committee that a person is spending more time fixing the machine rather than out in the field working on projects.

Schneider opened the discussion on the second request from the DPW, replacement of the 1997 Ford F550. Cost: \$50,000.

Discussion on the CIP and the process of funding and disbursements followed.

Schneider suggested that the town meeting is a good opportunity to do a presentation for the public.

Schneider opened the discussion on the third request from the DPW, replacement of a F350. Sometimes the DPW does hold on to a vehicle that is being replaced for parts. Depending on whether we get more trucks, we can keep one for parts and sell the others.

Pettibone commented that there is almost \$400,000 in vehicles requested and suggested that having a warrant article for Town Meeting to request full or partial funding of new equipment could be a way to go.

Pettibone asked if there were any other capital requests in line, other than a fire truck.

Schneider answered no. The fear with the DPW is that the trucks will not make it through the winter plowing season.

Saladino asked if the DPW plows with the F350s & F550s?

Schneider answered yes.

Pettibone commented that with the imminent fear of a vehicle breaking down in the middle of a snowstorm does increase the understanding of the request.

Morse questioned the value of a wheeled excavator over the backhoe.

Schneider answered that the wheeled excavator has more capabilities because fewer workers are needed for specific jobs.

Saladino asked if the DPW request of \$400,000 could be a warrant article so that the public can decide whether they want to allocate the funds.

Pettibone answered yes. Having a separate warrant article for new equipment wouldn't put an otherwise level-spending general budget in jeopardy of not passing at Town Meeting. Such a warrant article would raise the tax rate and the voters would be able to decide separately on this item.

General discussion ensued on the procedure for amending a warrant article at town meeting.

Mirski would like to know if at Town Meeting someone could stand up and make an amendment to add the excavator or backhoe. Wondered to what degree can one amend the budget from the floor?

General discussion followed as to how much a budget could be amended.

Schneider commented that the Town has still at about 10% left of the budget at the end of November. If we were at 8% he'd be more worried. We're on track with our spending and we're not in fear of over spending.

Schneider distributed and updated revenue sheet and commented that there are a few changes in the revenue numbers. In regards to the Highway Block Grant, the town received more, money than estimated. The revised amount is about \$20,000 more than disclosed previously. The state reduced the interest rate that towns can charge on delinquent taxes from 18% to 12% so collections on interest in 2009 and later will be lower. The final total revenue number will probably will remain flat.

The big source of Town's revenue is still the motor vehicle registrations. The town is coming in pretty close to the estimated income for 2009, maybe a little under but close.

Mirski inquired if the highway block grant money is designated just for highway.

Schneider answered no.

Continuing on the revenues, Schneider commented that the franchise fee collected is up somewhat and the town is currently in negotiations with Comcast for renewing the franchise contract.

General discussion on the local channel, how it's paid for, what it's purpose is and who runs it followed.

General discussion followed on the town's employee force, benefits, salaries, and pensions.

2010 Spending Plan Adjustments

Committee members next presented their ideas on how best to reduce the current draft spending plan. The goal for level spending over last year is to reduce the draft 2010 plan by about \$450K

Finsterbush: **Regional Associations (01-4197-###)** recommended eliminate them all, saving \$48,840.

Hulva: **Regional Associations (01-4197-###)** The town has put off stuff and funded the RAs in the past, now it's time to catch up on the things we need. We have to be creative how we present at Town Meeting.

Malz commented that she would like to better understand the cemetery trust funds for things such as tree work.

Schneider responded that for the capital reserves, the cemetery trustees are agents to expend. The trust funds have requirements on them.

Saladino inquired what the history is with the cemetery trustees spending money from the capital reserves.

Schneider answered that they don't seem to want to use those funds.

Morse: **Solid Waste Collection (01-4323-490)** would like to look at the curbside pick up and either eliminate or reduce times of curbside pickup –Reduction allowance \$95,000

Saladino: (Library) **Books (01-4550-670)** Eliminate the \$25,000 requested. The library should use their trust funds.

Mirski: **Recreation (01-4520-###)** Reduce by \$5,000.

Stewart: the \$237,000 the Library has in capital reserves could be transferred to DPW to purchase the capital items.

Stewart: **Solid Waste Disposal (01-4324-###)** Go to pay as you throw program saving \$100,000 and cut 4% across the board for all depts. (About \$185,000 in savings)

Saladino: Increase the cemetery lot purchase price from \$350.00 to \$1,000.

Saladino: Charge non-residents for library membership.

Saladino: Increase charge for summer camp.

Finsterbush: **Enfield Village Association (01-4651-820)** cut EVA back to \$9,000. Would cut back more but the town does realize revenue from EVA.

Finsterbush: **Ambulance (01-4215-###)** begin soft billing to increase revenues by \$20-40,000 and reduce their budget \$15,000.

Stewart: **Personnel Administration (01-4155-210 & 212)** Cut health insurance and dental insurance for \$467,874 savings and give \$10,000 to each employee annually.

Schneider explained that the town insurance cost should be going down as we are changing to a higher deductible plan. The town will cover the deductible but the town should save about \$20,000.

Stewart recommended that the town start charging for computers electronics being recycled.

Pettibone added that would be potential revenue of \$5,000.

Mirski: **Solid Waste Collection (01-4323-740)** take the \$7,000 out if you get the fees for recycling electronics but if recycling isn't paying for it's self, why do it?

Pettibone suggests delaying the PD cruiser for 1 year **PD New Equipment (01-4210-740)** which would save \$25,000.

Pettibone suggests the new equipment request in **FD New Equipment (01-4220-740)** come from capital reserves giving \$17,500 in savings.

Pettibone: **Pavement maintenance (01-4312-613)**, put the bulk of it into a warrant article, \$120,000 and appropriate \$70,000.

Mirski commented that a presentation should be made to the public that in 2011 the payments used for the retiring bond should go to fund pavement maintenance and the salt shed and potentially some new equipment. Hopefully to get ahead of where we are now.

Green inquired why the town can't we cut the amount of salt for a savings?

Schneider answered that it is a service issue. People like to see the pavement in the winter.

Pettibone commented that this year we gained \$130,000 in the undesignated fund and that maybe the town should consider some of that for keeping down the tax rate. He suggested using \$100,000 for this purpose.

Mirski questioned if the town could use the undesignated fund balance to level fund the budget.

Schneider answered yes.

General discussion regarding undesignated funds, potential uses.

Pettibone stated that Fred Cummings suggested cutting money for health insurance and de-fund EVA and the RAs.

Schneider recommended that everyone give a list to him for the small items.

Mirski suggested to remove the shed from the budget for cemeteries and that they should take the equipment request from their reserves.

Mirski RAs wouldn't object to some of these if there were a contract. Absent of that, would only fund Visiting Nurses Assn.

Pettibone asked to take a poll on funding of the RAs. Eight members voted to totally de-fund all RAs (including Cummings by email) in an informal poll.

Finsterbush believes that if you fund one, you can't de-fund all the rest.

Pettibone suggested the options would be fully fund, ½ fund, or de-fund totally the RAs. It is difficult to fund one group at the expense of others. Everyone has their favorite group they would fund over others.

Green expressed her concern about de-funding the Visiting Nurse Assn. Who allow people to stay at home even when they're ill? How are visiting nurse funded? Will they still come if not funded?

Finsterbush answered yes and that Medicare and Insurance and other donations will fund them.

Schneider added that the total contributions from municipalities might supply about 20% of their total funding.

Green commented that based on that, she would agree with de-funding.

Mirski defined a charitable donation as being what a person sacrifices on the behalf of another person. Taxes are not for giving "gifts" to RAs.

Public Comment:

Kurt Gotthardt: **Street Lighting (01-4316-###)** Suggests reducing the number of streetlights by half for a savings of about \$12,000 per year.

Gotthardt also commented that individuals should make the contributions to the RAs, not the town. Supporting RAs is not a town function. Suggested that committee members go to the Website Goldstar as it has pervious year's IRS 990 Form which lists useful information. It lists the five highest paid employees and compensation paid to board of directors. Some are making \$200,000-300,000 dollars. Budget committee can request the 990 forms from the RAs. Also recommended that members make a visit to the RAs place of business.

ADJOURN: The meeting adjourned at 8:40 pm.

Respectfully submitted,

Wendy Huntley
Recorder