

ENFIELD BUDGET COMMITTEE (EBC) MINUTES (Uapproved)

Thursday, December 17, 2014

DPW BUILDING 6:00PM

Members Present: Annabelle Bamforth, Fred Cummings, Sam Eaton (Vice Chair), Shirley Green, Dan Kiley, Mike Lorrey, Doug Pettibone (Chair), Lori Saladino

Excused: Janet Shepard, Dave Stewart

Others Present: Lee Carrier (CIP Chair), Bob Cusick (CIP), Kurt Gotthardt

The meeting opened at 6:05 PM.

Administrative:

A motion to approve the draft December 11, 2014 minutes was made by Dan Kiley and seconded by Sam Eaton. The minutes were approved without change.

New Business:

Capital Improvement Program (CIP) 2015 Draft Plan

Lee Carrier presented the CIP Committee's recommendations for capital spending in 2015 but first reviewed the 2014 capital expenditures approved at Town Meeting last March. Carrier noted that the CIP reserve fund (CIP-RF) will stand at about \$517K at the end of 2014 with total liabilities of \$984K (DPW and Police capital purchases, leases and loans) giving a net liability of \$468K.

In 2014, 3 DPW trucks were purchased with a total base price of \$265K. With the cost of the 10-year leases for these pieces, the total becomes \$307K. A new replacement police cruiser was purchased as per the routine replacement schedule for about \$30K with a total lease (4 yr) price of about \$33K. Funding of these pieces through leasing was chosen because of low interest rates and the need to build up the CIP-RF.

2015 will be the 4th year of executing the CIP plan. Each year, the CIP committee amends the plan according to any changing specific capital needs of the town. For 2015, the CIP committee recommends to replace one F550-equivalent plow truck at a cost of about \$120K (\$139K with 10-yr lease). In addition, a new recycling compactor is recommended for the transfer station for about \$35,000 to replace a standard dumpster. This piece is to be paid directly out of the CIP-RF. It is anticipated to pay for itself in about 7 yrs because of reduced number of hauls to Rutland to dispose of the recyclables. A road line painting machine costing about \$10K with a pay-back period of about 4-5 years is also recommended. This machine will be paid for directly out of the CIP-RF and DPW personnel will do the striping work. Currently, road and cross walk striping work is being contracted out. Finally, a fire truck to replace a 25 year old engine is being recommended. The Fire Department put out to bid a set of specifications to a number of

manufacturers and received back 5 bids with base prices ranging from about \$410K to \$465K. Key considerations in these specifications recommended by the fire department (and that are upgrades to the current truck) are a higher capacity water tank (1250 gal v. 1000 gal), a higher flow rate pump (1500 gal/min v. 1250 gal/min), and a bigger transmission and back end to carry the greater amount of water. The fire wards put in a substantial effort in due diligence and have arrived at a manufacturer that they are recommending. The final price tag is still being negotiated, but will be around \$410K that includes a 3% discount if a pre-pay option is used. The funding for this piece is to be a combination of using the Fire Vehicles and Equipment Fund (about \$275K) and leasing the remainder (about \$135K). With a 15-yr lease, the total price is about \$443K. Other funding options discussed included borrowing the leasing balance from the CIP-RF to allow for the prepayment discount without the costs of leasing (to be paid back to the CIP-RF by the principle produced by a lease at delivery), as well as leasing the entire pre-purchase price and holding off depleting the fire reserve fund that would be used for a second replacement fire truck being requested by the Fire Department in 2 years.

No new replacement police cruiser is being requested in 2015, but 2 will be requested in 2016. No infrastructure projects are planned for 2015.

A number of capital projects totaling at least about \$800K have been put on hold by the CIP committee: the boat launch area repair/upgrade, replacement of the Lovejoy Brook Rd culvert, a DPW F-350 truck plow, a DPW roadside mowing tractor, a Main Street/Route 4 sidewalk around Huse Park, replacement/realignment of Boy's Camp Road bridge.

The total funding required for the new 2015 projects, including leasing costs is about \$627K. The reserve withdrawals for 2015 to support the existing CIP plan since its inception in 2011 (lease payments from CIP-RF, direct CIP-RF and Fire RF withdrawals) is about \$475K. The amount of money scheduled to be put into the CIP-RF in 2015 is about \$318K (a new 5 cent/\$1000 added to municipal tax plus \$291K carryover from 2014).

Departmental Budget Reviews

4195: Cemeteries: To be discussed at the Jan 8 meeting.

4583: Patriotic Purposes (2014 Budget \$1100; 2015 Requested \$1200, up 9%). This spending center is associated primarily with the maintenance of Veteran's Park.

4587 Energy Committee (2014 Budget \$1500; 2015 Requested \$1500, up 0%). The Energy Committee is planning to replace some lighting to high efficiency LED lighting in some town buildings.

4588 Heritage Commission (2014 Budget \$1050; 2015 Requested \$1050, up 0%). Shirley Green indicated that the Heritage Commission will be reviving the historical plaque project. The commission is also plans and operates Old Home Days.

4589 Historical Records (2014 Budget \$1010; 2015 Requested \$ 1010, up 0%). Marjorie Carr remains the clerk for this spending center which is involved in the maintenance of the town's

historical records.

4611 Conservation Commission (2014 Budget \$1600; 2015 Requested \$ 1650, up 3.0%). A small project is planned to develop Harris Brook Reservoir with a rudimentary parking area and possibly a few picnic tables as a new recreational area. Any unexpended funds for this cost center remaining at the end of each year have been going into the Conservation Fund which stands at about \$16K. These funds can be used for projects such as the Harris Brook Reservoir project and the purchase of conservation lands.

Miscellaneous: Steve Schneider passed out a new revenue sheet and draft budget showing revenue received by the town as of the end of November and spending actuals as of Dec 17 for review by committee members over the holidays. Schneider also briefly discussed the possible revenue and expenditure causes of the \$300K drop in the undesignated fund (UDF). He will dig down into the specific causes over the holidays and report back to the committee at our next meeting on Jan 8.

Old Business: None

Public Comment: Kurt Gotthardt noted that the Mascoma River Local Advisory Committee (MRLAC) was misnamed as the Mascoma Lake Advisory Committee (MLAC) in the EBC's minutes from the Dec. 11 meeting. He also asked about how he could get a breakdown of electricity costs for street lights vs. other outdoor (e.g., park) lights and was directed to the Administration Offices.

The meeting was adjourned at 7:31 PM. The next meeting is Thursday, Jan 8 @ 6:00PM (DPW Bldg). The updated revenue sheet will be reviewed and the committee will comment on proposed specific line item expenditures. The UDF will also be discussed.