

ENFIELD BUDGET COMMITTEE (EBC) MINUTES

Thursday, January 22, 2015

DPW BUILDING 6:00PM

Members Present: Annabelle Bamforth, Fred Cummings, Sam Eaton (Vice Chair), Shirley Green, Dan Kiley, Doug Pettibone (Chair), Lori Saladino, Janet Shepard, Dave Stewart

Others Present: Steve Schneider (Town Manager)

Absent: Mike Lorrey

The meeting opened at 6:05 PM.

Administrative:

A motion to approve the draft January 8, 2015 minutes was made by Dan Kiley and seconded by Shirley Greene. One correction was made and the minutes were approved with one abstention.

New Business:

Tax Rate Target: The EBC has been working this budget season with a target that any increase in the municipal tax rate not exceed 2%. Steve Schneider reviewed the numbers involved in getting to this target. The new town valuation is about \$522.3M. Assuming an average historical increase in 2015 of 0.5%, the new valuation to base tax receipts on is \$524.9M. A 2% increase of the current tax rate of \$6.26/\$1000 valuation gives \$6.38/\$1000 as the upper end of our target range. A tax rate of \$6.38/\$1000 will generate about \$3.35M in property tax revenue.

Schneider next reviewed the projected non-property tax revenue (NPTR) for 2015. NPTR is broken down into 'Regular' revenue (auto registrations, revenue from the state, misc. fees and taxes etc) and revenue that is offset by expenditures from the General Fund, such as transfers from trust funds and capital reserves, and long-term borrowing. Projected regular revenue for 2015 is about \$90K higher than the actual for 2014. Adding these two sources of NPTR of about \$2.20M to the expected revenues from property taxes, gives total revenues projected for 2015 of about \$5.55M. This is the number to be targeted for expenditures from the General Fund for a 2% increase in the muni tax rate.

Adjustments in Line Item Spending: Schneider reviewed the adjustments in the draft budget in order to achieve the targeted \$5.55M in spending. Most specific cost centers were trimmed by at least a small amount. The more important adjustments are listed here:

Personnel Administration (4155) was adjusted down by about \$70K to \$1.059M in the health insurance, life/disability insurance and retirement spending lines.

Insurance (4196) was adjusted downwards by about \$17K to \$58K based on new rates received.

Fire Department (4220) was adjusted downwards by about \$6K to \$123K by limiting requested salary increases. The overall reduction was lessened by adding \$3K total back into the Clothing and New Equipment lines.

Highways Administration (4311) was reduced by about \$8K with a revised cost of a part time salary.

Highways and Streets (4312) was reduced by about \$18K in various line items. One item of concern is the price of salt which has almost doubled in the last couple of years. The line item for salt was increased.

Solid Waste Collection (4323) was reduced about \$3K to \$244K.

Solid Waste Disposal (4324) was reduced by \$25K to \$138K with anticipated lower costs of recycling disposal. There was a brief discussion on whether the new curbside trash and recycling pickup, now in place for 2 ½ years, has achieved the cost savings as initially projected. The general sense is that it hasn't yet, but without an idea of how much the old trash pickup system would cost today with inflation and new contracts etc, it is difficult to say. Schneider pointed out that one way to reduce costs of the new program would be to encourage the residents to fully utilize the curbside pickup in order to reduce unnecessary dumping at the transfer station. Lori Saladino suggested that Schneider write a note to Listserv on the subject.

Parks and Recreation (4520) was increased by about \$11K but this higher expenditure is more than offset by revenue received from fees by people participating in the various programs now being offered. Schneider is proposing that the town hire a part time manager for the Farmer's Market for \$4200 per year. The town currently oversees the Market but the park director does not have the time to do an effective job to try to build the participation of vendors and buyers. There was considerable discussion on this item with some members being opposed to the town undertaking this responsibility versus making the vendors organize it. Others were generally in favor of supporting the town's involvement as a quality of life enhancement. **Motion:** Saladino moved that \$4200 be appropriated to provide the salary of a part time Farmer's Market manager which was seconded by Kiley. Schneider commented that a business model has evolved within Parks and Recreation to provide activities that are self-sustaining through participant fees. An amendment was made by Pettibone that this funding is for one year only and is contingent on putting a plan in place for the market to be self-funding in 2016 from vendor fees etc. The amended motion was voted on and passed 5 to 4. Pettibone again encouraged EVA to take over the Market as a natural activity of that group.

EVA (4651) was reduced by \$2K to \$10K after it was noted that the original request was for \$10K, not \$12K.

The new appropriations total for the General Fund is about \$5.54M which is about \$10K less than total revenues for a 2% increase in the tax rate.

Review of Expected Warrant Articles for Town Meeting:

Pettibone provided a brief review of the expected ‘monied’ Warrant Articles that the EBC will need to vote on. They will include separate articles for the recommended budget, the funding of the CIP plan, the lease/purchase of a new DPW recycling compactor and road line striping machine, and the purchase of a new replacement fire truck. All are expected to be straightforward. Schneider will provide a draft of the warrant articles for discussion at our next meeting.

Old Business: None

Public Comment: None

The meeting was adjourned at 7:40 PM. The next scheduled meeting is Thursday, January 29 (6:00PM @ DPW Building). The draft warrant articles will be reviewed and plans for the Public Hearing on the budget will be discussed. The Public Hearing will take place on Wednesday, February 4 (snow date Feb 5) as a joint meeting with the BOS.