

**Enfield Budget Committee (EBC) MINUTES (Approved)- Thursday, January 21, 2016 DPW Building
6:30PM**

Members present: Sam Eaton (chairman), Shirley Green (vice chair), Janet Shepard, Mike Diehn, Annabelle Bamforth, Mark Eisener, Steve Schneider (town manager) David Stewart, Fred Cummings, James Buffington

Excused: Holly West

Others present:

Administrative: Sam called the meeting to order at 6:37 p.m.

Discussion of minutes: James made a motion to approve the January 14 minutes, and Mike seconded.

Janet noted a duplicate word in the discussion portion of the minutes. The committee approved the minutes following that change.

New Business:

The committee discussed their views on the current tax rate, as well as their ideas concerning how much of a percentage increase they would be comfortable with in 2016.

Shirley said that actuals in the budget that have consistently been less than estimated over the previous two years could be lowered. Shirley noted that she would ideally prefer level funding.

Mark said that level funding is not likely and added that he did not find substantial areas that could be cut.

Fred said that a maximum 2% increase is his target, but he would not want to go above a 4% increase.

James said he had taken a look at the budget and at places that appear to be over-funded, and said he personally found about \$70,000 that could be cut. James said that he would not want an increase of more than 5% and said he agreed more with a maximum 4% increase. James noted that he looked at the bottom line and found overspending; Sam clarified there is a surplus this year.

David said he does not want to see an increase at all, and referenced recent data indicating that the state of child hunger in the Mascoma community is high. David also pointed out that there are people in the area who are on fixed incomes. David said he would like to see level funding.

Shirley asked about the possibility of the surplus going into the general fund.

Mike said he would like to keep the rate at \$6.60, but added that he could approve a 2% increase.

Janet said she would like to stay under a 2% increase and expressed concern that if the town raises taxes too high, people could be at risk of losing their homes.

Annabelle said that in her past years as a member of the budget committee, she has preferred to keep the taxes from rising more than 2% each year, and this year is no different although 4% might ultimately be the more realistic increase.

Sam brought up the letter recently distributed by the Friends Of Mascoma Foundation. That letter stated that hunger in the community has led to the planned implementation of a food pantry at the high school. Sam said that should have been an eye-opener regarding the local economic climate. Sam opined that the fact that people are paying property taxes does not mean that they can necessarily afford it, and said it appears residents are paying taxes before eating. Sam concluded that an increase of no more than 2% is his target.

Steve said he could pull up a variety of budgets based on different increases.

Steve said the 2015 budget had an approximate \$114,000 surplus. Sam asked if that included previously discussed pending payments. Steve said no. Steve noted that the town came up short on revenue by about \$53,000. Fred brought up a petitioned warrant article to appropriate \$45,000 to pay for a deficit from 2 years ago. Fred asked if the surplus this year could pay the deficit from the past.

Steve explained to the committee that the town has the cash to operate, but sometimes in April and May there is difficulty meeting the school payments of \$700,000 a month.

Steve further explained that much like some businesses there are a few good years, few bad years, and some break-even years. Steve believes the town has turned a corner. He noted that some communities carry zero undesignated funds because those towns believe that they shouldn't hold onto too much money. Some other communities have contingency lines in their budgets to make up for unexpected expenses.

Shirley noted that the town has largely stopped adding to the undesignated fund after approving the CIP plan.

Steve said that \$114,000 left over signals a good year.

James said it makes sense to apply a surplus to past deficit.

Fred said that when the town budget becomes increasingly tight, there is less "wiggle room" for unexpected circumstances and asked what would be done if the town had to expend funds that would go over budget. Sam responded that there needs to be accountability in spending in different departments. Fred said that sometimes departments overspend. Sam said the best course of action would be for those overspending departments to adjust their spending. For example, a harsh winter might mean that the highway department would make up for it by easing up on summer maintenance.

The committee examined each page of the budget and found approximately \$59,000 in adjustments. During this process, the committee clarified and confirmed some of the spending on the individual lines, including confirming \$1,500 to be allocated to West Central Behavioral Health and \$500 to CASA.

Fred said the select board approved pay increases for Enfield police officers. Sam said the police department is not hiring anyone this month or next. There are 2 contenders, but hiring officers is a long process overall.

David expressed discomfort with “nickel and diming” the DPW. Sam pointed out the overall highway budget is \$100,000 more this year.

James suggested that Steve talk with Jim Taylor to discuss the possibility of lowering the highway budget overall and offering the budget committee’s suggestions.

Sam noted that road maintenance makes up a large portion of increase in our budget. He hopes to have CIP pick some of it up in the future.

Public comment: none.

Other Business: none.

The meeting was adjourned at 8:54 p.m.