

Enfield Budget Committee MINUTES (Draft)

Thursday December 8, 2016 DPW Building 6:00PM

Members present: Sam Eaton (chair), Annabelle Bamforth, Shirley Green (vice chair), Holly West, Janet Shepard, Nancy Smith

Excused: Mark Eisener, Fred Cummings, Mike Diehn, James Buffington

Absent:

Others Present: Steve Schneider (town manager)

Administrative: Sam called the meeting to order at 6:15 p.m.

Approval of minutes:

Janet made a motion to approve the minutes of the December 1 meeting. Shirley seconded.

Minutes were approved unanimously with no changes suggested to be made.

New Business:

Budget and Revenue Review:

Steve handed two additional budget pages: one for the ambulance department and one showing the new total budget request.

Steve also handed out an updated revenue sheet and a tax rate spreadsheet. The revenue sheet showed revenue numbers at their most current. Steve said there are about 3 weeks of revenue left to collect, which is anticipated to be a modest amount.

The committee agreed to wait for more committee members to be in attendance before beginning to suggest significant changes to the budget.

There was about \$30,000 in dividends earned from the \$300,000 investment fund that is still frozen. Steve noted that the \$300,000 as well as any dividends earned are not being counted as "usable" funds. He explained that the criminal case resulted in a conviction in June, and 2017 may be the year when the town finds out how much money, if any, will be returned. Steve expressed confidence that some money would be returned but said he was not sure how much.

Since the case resulted in a fraud conviction, Steve said the town might be able to seek reparation from insurance company. Steve added that the case moved to include the defendant's wife's assets.

Sam asked where the \$300,000 for the investment originated. Steve responded that it came from the town's capital reserves. Sam asked if that money was accounted for when it was invested. Steve confirmed. Sam asked why a percentage was taken out of each of the capital reserves. Steve answered that each capital reserve has a proportional amount taken when investments are made, so each capital reserve had to account proportionally for the money that was frozen.

Steve went on to say that the town, at one time, had \$1.5 million available to invest. Since \$300,000 of that is frozen, that number is currently \$1.2 million and is spread out mainly among savings, CD and money market accounts. Steve explained that the difference between the \$300,000 and the remaining \$1.2 million is that the town could recover the \$1.2 million in one way or another if necessary, even though there may be penalties involved in doing so, because they exist in some type of account. That \$300K was frozen and cannot be accessed at this point in time. Janet noted that information regarding the town's capital reserves is on page 178 of the town report.

The committee went on to finish reviewing revenue. The insurance dividends/reimbursement came in very low this year. Last year's estimated number on that line was \$60,000 and the town received over \$96,000; this year's actual number is less than \$1,500.

Steve estimated that the town will be close in hitting the target numbers on the estimated revenue, and the sale of properties makes the insurance dividend number hurt a bit less. Steve added that despite exceeding some of these lines by a great deal, it should not be expected that all those trends would continue.

The committee looked over the town tax rate review. Steve suggested the committee look at each increase increment and how many dollars are raised with each percentage increase.

Sam asked why it appeared that the town's valuation lags behind inflation. Steve said the \$539M number includes utility poles and non-taxed properties as well.

Public Comment: none

Other business:

Sam asked for an update regarding previously requested documents related to the tax rate setting and curbside trash/recycling pickup contract. Steve said he was getting them together and that Jim Taylor had given him some numbers.

Sam went on to inquire about the sewer deficit and how the issue could be addressed. Steve said that raising the fees is one way, and going to town meeting is another.

Sam added that he would like to see a detailed breakdown of any additional costs that would be incurred if recreation employees were to be added. Steve noted that the recreation director was not full-time and received no benefits.

The meeting was adjourned at 7:21 p.m. The next meeting is scheduled for Thursday, December 15 at 6:00 p.m.

Budget Committee minutes taken and submitted by Annabelle Bamforth.