

**Enfield Board of Selectmen
Whitney Hall
Enfield, New Hampshire**

MINUTES of December 15, 2008

Board of Selectmen: Rebecca S. Stewart, Chairman; Donald J. Crate, Sr.; John W. Kluge

Administrative Staff: Steven Schneider, Town Manager; Alisa D. Bonnette, Recording Secretary; Ken Daniels, Director of Public Works; Richard A. Crate, Jr., Chief of Police

Others: Katina Caraganis, Connecticut Valley Spectator; Debra Truman; Bruce Hettleman; Kurt Gotthardt; Lori Saladino; Lee Carrier, Budget Committee Chairman; Bob Cusick; Eileen Kirk

BUSINESS MEETING

I. CALL TO ORDER

Mrs. Stewart called the meeting to order at 6:00 pm.

II. APPROVAL OF MINUTES

The Board reviewed the minutes of December 1, 2008. A typographical error was found on page 5 and will be corrected; “winder” will be corrected to “winter.” Mr. Kluge moved to accept the minutes of December 1, 2008 as corrected; Mr. Crate seconded, vote unanimous.

III. COMMUNICATIONS

NHDOT Construction Plans for I-89 Project:

This is a project slated for 2009 if approved by Governor and Council. Construction plans were available for viewing by the Board of Selectmen.

George Seiler correspondence to NHDES re: Wetland Reform:

This is a request by Mr. Seiler to the State of New Hampshire for wetland reform.

NHDOT Estimated 2009 Highway Block Grant Aid:

The State estimates a total of \$129,351.52 in Block Grant Aid in 2009. Highway Block Grant Aid is important revenue for the Town.

Comcast re: Package Name Changes

Mr. Schneider informed the Board that Comcast is amenable to an extension of the Town's Franchise Agreement. The extension document will be ready for the first Board meeting in January.

Town Clerk Report ~ November 2008

Tax Collector's Trial Balance Reports ~ November 2008 and To Date December 2008

IV. BOARD REPORTS

Planning Board:

Mr. Kluge reported on 2 major subdivisions that were both passed unanimously by the Planning Board; one on Methodist Hill Road and one at the corner of Shaker Hill Road and Shaker Boulevard.

Library Trustees/Library Building Committee:

The Library Committee did a final review of plans for the new Library building. Another set will be available in January. Mr. Schneider sent the Selectmen an email reminder to look for local contractors. By January, the Committee should have as close to a bid number and is possible without going out to bid. They are still planning on going with geothermal for a heat source. It's about \$80,000 more than a conventional heating system. Three engineers are working on it, but can't seem to come up with a way to reduce the cost. The plans for the building have been tweaked, reducing some window area, but there is little change from the last time.

Mrs. Stewart asked if submissions were made in October and November for grant funding as planned. Mr. Schneider does not know, but will find out and report back.

Upper Valley Lake Sunapee Regional Planning Commission (UVLSRPC):

The Board of the UVLSRPC met last week. UVLSRPC consists of 25 member communities. They have a new director and are hiring people. They've helped the Town with its Master Plan and Tax Increment Finance District build out study.

V. TOWN MANAGER'S REPORT

Police Department:

Will French has passed the physical and will attend the Police Academy in January/February. Attending the Academy later has the advantage that he will not have to undergo field training when he returns as he's already completed that.

The Police Department held a sobriety checkpoint on Saturday, which resulted in 3 DWI arrests. The Department had use of the State bus, an impressive unit that can hold 6 people in the holding cell. It's a multi-million dollar piece of equipment.

Chief Crate clarified that there were 2 DWI arrests, one arrest for an open container and one for a person driving under suspension. They had the State's DWI Command Post. They tested a lot

of people who had been drinking that gave validity to the Department's concerns about partying and the holidays. They did see some dedicated drivers come through, which was nice.

The sobriety checkpoint was announced in the paper as is required. Notification spreads by word of mouth like wild fire. This can cause people to drink less. The Department makes few arrests on New Years because people are expecting law enforcement to be out there.

Flanders Street:

The Selectmen received a letter from Jane Smardon about icing on Flanders Street. Now that the Town is aware of it she would like the Town to attend to it.

Ken Daniels spoke to the homeowner who is directing the outflow from his sump pump toward the road. The drain was put in recently as this hasn't been a problem in the past. The owner has been told to shut the sump pump off. The water will need to be redirected to another location, rather than into the Town's right-of-way.

VI. PUBLIC COMMENTS

Kurt Gotthardt ~ Sobriety Checks:

Mr. Gotthardt has approached the sobriety checkpoint on US Route 4 and asked if there is a sobriety checkpoint on NH Route 4A as well. Chief Crate replied that Sergeant Thompson was on patrol on Route 4A. Drivers cannot just be stopped, but must violate the law. One of the arrests made on Saturday night was on Route 4A.

Bog Road:

John Kluge received a call from someone concerned about the condition of the Bog Road. Ken Daniels is aware that there is a section from Conkey's pit to Route 4A. Mr. Schneider noted that Mr. Daniels has asked that the road be posted due to the damage being caused during this variable weather.

Mr. Kluge moved to direct Ken Daniels to post the Bog Road, Mr. Crate seconded; vote unanimous.

Streetlights:

Mrs. Stewart noticed a streetlight out at the intersection of Shaker Hill Road and Crystal Lake Road. Mr. Daniels replied that the light is finicky, some nights it's on and other night's it's out.

Chief Crate will contact the power company about the lights that are out, including the light at the Shaker Bridge by the underpass. He'll also speak to them about replacing the light on the pole by the rail trail.

Mrs. Stewart closed the meeting to public comments at 6:25 PM.

VII. OLD BUSINESS**Budget:**

Mr. Schneider has spoken to the Board about the progress of the Budget Committee and the Committee's goal of keeping the tax rate level. Lee Carrier, Budget Committee Chairman, was invited to meet with the Selectmen as requested at the last meeting.

Mr. Carrier did a presentation using the overhead projector. He provided hard copies of the presentation to the Selectmen after the presentation.

Mr. Carrier explained that the proposed budget is 2.8% higher than the current year budget, but would have an 18.2% impact on the tax rate. Why this is so is complicated.

Mr. Carrier explained that revenues are off by 39%, equivalent to \$1.1 million. The 2008 budget was offset by use of reserve and undesignated funds. The major issue for 2009 is declining revenues and the unavailability of reserves to pay for Public Works equipment. Town Clerk revenues are falling. Rooms & Meals are off due to the recession. Interest income and sale of property is down.

Mr. Carrier then showed a comparison between the 2008 and 2009 tax rates. There is expected to be a small increase in property values.

Mr. Carrier explained the need to maintain the tax rate and what that means to the budget. Tax rate impacts include budget appropriations, revenues, financing (bonds), capital reserves and unreserved/undesignated fund balance.

He spoke about alternatives to saving money in reserve funds, such as bonding. Some reserve funds are not being used and he proposes a Town Meeting vote to transfer those funds to the Public Works Vehicle and Equipment capital reserve fund. He does not feel undesignated funds should be used to offset taxes or to offset budget expenditures, but should be reserved for emergencies.

Mr. Carrier explained that some people think the Tax Increment Finance (TIF) District takes money from the school district. This is not true. The Town has to cover school payments.

The general operating budget is proposed at 2.8% over last year, a very reasonable figure. There is 0% in the DPW capital reserve fund. So there's a need to raise the funds in 2009.

Mr. Carrier presented a proposal for increases and decreases in the budget and increases in revenue from Comcast franchise fees in order to maintain a level tax rate.

The undesignated fund balance was discussed and the need to maintain a balance that is sufficient to cover payments to the School and County.

He did an overview of capital outlay appropriations and expenditures in 2008, reserves expended and net expenditures. \$450,000 was taken out of capital reserve funds and \$550,000 out of the undesignated fund balance, so only \$7,000 of expenditures had to be paid by taxation.

The Board was presented with an overview of 2009 capital reserve balances and deposits, interest and withdrawals during 2008.

The Budget Committee does not feel the tax rate should exceed the 2008 rate and maybe aim even lower. The Committee would like the Town Manager and staff to decide where the cuts should be made, rather than having Committee make the determination.

Mr. Carrier asked the Budget Committee members for their recommendations on how to cut approximately \$600,000 from the budget. Mr. Carrier reviewed the compiled recommendations of the Budget Committee and Chairman with the Selectmen.

Mrs. Stewart thanked Mr. Carrier for his presentation, adding that the Town has some tough things to resolve. The Town's employees have been diligent in maintaining limits on expenditures.

Mr. Schneider noted that the 2009 proposed budget is not much different than the 2008 budget. It will take a bit of creativity to reach the goal of a stable tax rate.

Discussion ensued regarding the impact of reduced revenues, the need for a plan for funding of future capital outlay expenditures, the judicious use of undesignated funds to prevent depletion of the fund balance below a minimum percentage, and the maintenance of a stable debt service level.

Ways to reduce the proposed budget are being explored by the Town Manager and staff and will be brought to the Selectmen and Budget Committee for discussion.

Tax Increment Finance (TIF) District:

Mr. Schneider told the Board that Debra Truman and Eileen Kirk, a member of the School Board who is present not as a School Board representative, but as a resident of Enfield, were present to discuss the TIF District. Jim Taylor attended a School Board meeting to discuss the TIF District. As a result of that presentation, Eileen Kirk has some questions for the Selectmen.

Ms. Kirk wanted to share her concerns about the TIF District. School funding is being reduced. She thinks it's forward thinking to try to improve the Town through implementation of a TIF District. On the same token what would that mean to the school district if more children move into the Laramie project and if a new school is needed? The schools are full now. Only one child per family would mean approximately 70 more students, at a cost of roughly \$700,000 per year. Is there a compromise, a way to be forward thinking and to protect the taxpayers? With 70 additional students, the need for a new school is a possibility.

Mr. Kluge stated that he sits on the Planning Board as the Selectmen's representative. There's been discussion and people can't expect the Laramie Farms development to go away even without a TIF District.

Ms. Kirk acknowledged Mr. Kluge's statement, but added that the expense would be more evenly funded across property owners. The \$700,000 in additional expense would be distributed to taxpayers outside the district. Schools have no way of increasing revenues besides taxes. Schools are at capacity. More students mean the need for more space.

Mr. Carrier asked if Ms. Kirk was afraid that if there's a TIF District that the schools wouldn't get funded? Ms. Kirk, replied, "yes."

Mr. Carrier doesn't think there's a problem. He explained assessed property values. If you add the assessed value of the Laramie Farms development it's a very small percentage, just 6/10th of a percent.

Ms. Kirk contends that the taxpayers outside the District will have to subsidize the school costs. It's not just an increase due to those children in school, but the possible need for a new school. She doesn't know if the voters clearly understood that the taxpayers outside of the District would have to support the additional school expenses.

Mr. Kluge pointed out that the Laramie Farms developers have not come to the Planning Board with a formal proposal, only conceptals.

Mrs. Stewart explained Ms. Truman's request to pull the Laramie Farms development out of the TIF District.

Ms. Truman reiterated that Laramie Farms in the TIF District would cause a shift of funding to the other taxpayers in Town. Maybe in another time, 5 years ago, it might have been acceptable.

Mr. Schneider explained the need to come up with a realistic estimated number of children that would come out of the development.

Mrs. Stewart would like to see the school make a decrease in their budget of \$610,000 as the Town is working on, to reduce the budget by some percentage. The largest percentage of taxes is for the school. She doesn't see the school cutting their budget.

Mr. Kluge said that not only is a realistic number of children needed, but the real impact on taxpayers. He is not ready to do away with the TIF District and doing away with Laramie Farms is effectively doing away with the TIF District.

Ms. Truman disagrees 100%. With TIF funds the Huse Park/Community Building site work can be completed.

Ms. Truman commented to the Board that she did not feel they were listening to her concerns. She was informed by the Board that they are listening to her concerns, they simply may not agree with her.

Discussion ensued regarding the inability of the Town to stop the Laramie Farms development if they meet existing guidelines.

Mr. Schneider will work on analyzing the impact on taxpayers of children that might realistically move into the Laramie Development based on the current proposal.

Further discussion took place on a smaller District and the reduced funding that would result, the possible lack of understanding of the ramifications of the Laramie Farms development on the taxpayers and the cost to taxpayers of infrastructure improvements.

Bruce Hettleman pointed out that he and Debra Truman don't feel like the Selectboard is hearing what they're saying.

Mr. Kluge replied that the Board is listening and do hear them, but may not agree. What they seem to be looking for is more active support of their proposal. Mrs. Stewart agreed that she is listening openly but is not sure she's agreeing with what they want to do.

Mr. Crate feels that with the current economy the Town should be looking into it.

Mr. Schneider will crunch some numbers and report back to the Board.

VIII. PUBLIC HEARING

Mr. Kluge moved to open the Public Hearing at 8:10 PM, Mr. Crate seconded; vote unanimous.

Mrs. Stewart read the public hearing notice. The purpose of the public hearing is to discuss the expenditure of Capital Reserve funds.

Mr. Schneider explained that at the end of the year the Selectboard needs to vote to withdraw funds from Capital Reserve to pay for certain expenditures.

Emergency Services & Equipment:

This reserve fund was originally established to fund a generator for the Public Works Department, but the purpose was intentionally left vague enough to be used for other emergency services and equipment. The generator has already been purchased, a portion of which was paid for through grant funds received. Other expenditures from this reserve fund include the amount for the ambulance that exceeded the amount left in the Ambulance Capital Reserve Fund.

Mr. Kluge moved to approve the expenditure of \$15,818.64 from the Emergency Services & Equipment Capital Reserve Fund, Mr. Crate seconded.

Mrs. Stewart invited comments from the public.

Kurt Gotthardt asked if the funds weren't in Capital Reserves would the money be found in the general operating budget? Mrs. Stewart informed him that the expenditure was made because funding was available in reserves.

Chief Crate reported that in order to apply for grant funding the money needed to be in the budget to pay for it.

Mr. Schneider added that more money was going to be put into the reserve fund, but less was added due to the expected grant. The balance can help pay for a portion of the ambulance.

Mrs. Stewart called for a vote on Mr. Kluge's motion to approve the expenditure of \$15,818.64 from the Emergency Services & Equipment Capital Reserve Fund, vote unanimous.

Public Works Vehicles & Equipment:

Additional funds are requested due to an over expenditure. The majority of the cost was covered by a vote of Town Meeting. To offset this over expenditure, there was a pick-up for the Water & Sewer Departments that was not purchased.

Mrs. Stewart moved to approve the expenditure of \$6,870.53 from the Public Works Vehicles & Equipment Capital Reserve Fund for the Public Works equipment overage, Mr. Crate seconded.

Mrs. Stewart invited discussion from the floor, hearing none she called for a vote on the motion. Vote unanimous.

Revaluation:

The expense in Revaluation is for the Town's assessing contract with Norm Bernaiche.

Mr. Kluge moved to approve the expenditure of \$33,000 from the Revaluation Capital Reserve Fund for the assessing contract; Mr. Crate seconded.

Mrs. Stewart invited discussion from the floor.

Mr. Gotthardt asked if this is for a full revaluation. Mr. Schneider replied that it's the cost of the assessor.

Being no further discussion, Mrs. Stewart called for a vote on the motion. Vote unanimous.

Whitney Hall Renovations:

The expenses for Whitney Hall renovations include painting and carpentry work. The painting contract was for \$24,000, but there was other work that was needed that was beyond the scope of the contract, including carpentry and window work.

Mr. Crate moved to approve the expenditure of \$36,250 from the Whitney Hall Renovations Capital Reserve Fund, Mr. Kluge seconded.

Mr. Schneider informed the Board that this withdrawal would leave enough money for storms for the stained glass windows. When the Town gets the invoice for the storm windows another public hearing would be scheduled.

Mrs. Stewart reported that two regular windows are missing glass in their storms.

Mr. Gotthardt said, in jest, that the Board should spend these refunds quickly before the Budget Committee sees it. Mrs. Stewart replied that there's a rationale for maintaining Whitney Hall.

Being that there was no further discussion from the floor, Mrs. Stewart called for a vote on the motion to approve the expenditure of \$36,250 from the Whitney Hall Renovation Capital Reserve Fund. Vote unanimous.

Mr. Kluge moved to close the public hearing at 8:26 PM, Mrs. Stewart seconded; vote unanimous.

IX. NEW BUSINESS

Water & Sewer Service Connection Request:

The Board considered a connection request for Map 37, Lot 9 at 391 US Route 4. Ken Daniels, Director of Public Works, recommends the request. Mr. Kluge moved to approve this connection request, Mr. Crate seconded, vote unanimous.

Administrative Items:

The Board reviewed and approved the following documents: Petition & Pole License, Current Use Penalty, Property Tax Refunds and Abatements.

X. OTHER ITEMS

Next Meeting:

Monday, January 5, 2009, Whitney Hall Conference Room, 23 Main Street

Ice Storm:

Mr. Kluge wanted to publicly thank the Police Department and Public Works Department for the hard work they did during the most recent storm. Well done.

Vehicle Accident:

Mr. Schneider reported an accident with a cruiser that occurred at the sobriety checkpoint on Saturday night that resulted in about \$1,500 damage to the cruiser and \$6,000 to the other vehicle.

CONFERENCE

I. ADJOURNMENT

Mr. Kluge moved to adjourn at 8:39 PM, Mrs. Stewart seconded; vote unanimous.