

Enfield Budget Committee MINUTES (Draft)

Thursday, January 5, 2017 DPW Building 6:00PM

Members present: Sam Eaton (chair), Shirley Green (vice chair), Annabelle Bamforth, Holly West, Nancy Smith, Mike Diehn, James Buffington

Excused: Fred Cummings, Mark Eisener, Janet Shepard

Absent:

Others Present: Steve Schneider (town manager), Alisa Bonnette (assistant town manager)

Administrative: Sam called the meeting to order at 6:03 p.m.

New Business:

Approval of minutes:

Shirley made a motion to approve the minutes of the December 15 meeting. Nancy seconded. No changes were suggested and the minutes were passed with James abstaining.

Budget Review:

Steve handed out updated budget sheets. He pointed to page 8.1 and 8.2, showing that planning and zoning budgets have been split up. Sam asked to confirm that these have been added to the final budget total. Steve confirmed.

There were minor changes made to the 4155 personnel reflecting one less person. Page 43 reflects potential CIP requests. The \$200,000 includes a cruiser, a truck for the fire department, an excavator, a trailer, and a roller. Steve said there is a 3.5% financing rate on those purchases. Two furnaces for the fire department are also included: one furnace for \$10K is set to be installed at the Union St. Station and another at \$6K for the Shedd St. building. The furnaces, along with a roof for the Union St. Fire station, will be paid with cash from CIP.

Steve said he had asked the finance agency for a rate of the Union St. fire station roof but hasn't received a response. He said there is still time to get an answer before the budget hearing. If the town does not get financing for the roof, \$50K will come out of CIP. If financing is successfully secured, an amount will be due in debt service but that will also be paid with CIP funds.

Steve noted that at the CIP meeting, it was agreed to ask TIF to cover the cost of paving the parking lots of Huse Park and Whitney Hall.

Sam asked how the cost came to be quoted at \$10K for chimney work at Whitney Hall. Steve said it was based on an estimate that was given.

Holly asked if town crews would be working on the projects at Whitney Hall. Steve said that some town workers are able to complete some tasks but will not be able to complete the chimney work.

Steve said that he received the bill for ambulance calls that were serviced by Lebanon's ambulance. The amount budgeted was \$51,000 but the bill came in at \$56,000. Steve clarified that the bill is based on number of calls they received and the price per call has not changed. Steve added that he was told a price-per-call increase is not anticipated. There were 197 calls at \$285 per call.

James asked if Lebanon bills the town on top of billing the patient. Sam responded that Lebanon hard bills the patient for ambulance service and Enfield is billed the \$285 per call. Sam asked if there is a way to soft bill the \$285 to the patient's insurance company. Steve said he wasn't sure if insurance would pay more than one entity. Sam asked if an insurance company had been approached with this question. Steve said that it has not and noted that he does not receive detailed information from Lebanon about the patients serviced.

Holly asked how the invoice from Lebanon looked- is it itemized or one lump bill? Steve said it's one lump bill but the calls are verifiable. Sam suggested obtaining more information from Lebanon so that the FAST squad can identify "hot spots" which is a topic that has come up in the past.

Mike asked what the \$285 service call covers. Steve said the price includes a host of expenses including wear and tear on vehicles. Steve explained that in other towns he has worked in, there is minimum staffing that must be put on a call and must all be paid overtime. Those costs are high and likely make up a large portion of that \$285.

Steve offered the committee an update on revenue. The town is about 85% completed acquiring all revenue. Steve noted that the delinquent tax line rose a couple thousand dollars. Motor vehicle registration number is at \$974,854. Steve said that it appears that \$974K this year could likely lead to over a million next year. The committee largely agreed that the estimate for motor vehicle registrations for 2017 could be reasonably increased.

Steve informed the committee that the sale of land and properties from last November's auction have all closed. Alisa noted that one closing was made on Dec. 30 and it's not known which year that amount will be placed.

The insurance reimbursement line came in at about \$5400.

Steve said that he had talked to the assessor about excavation tax, land use change tax and other similar revenues. It was suggested to not estimate the land use change tax too high- \$5K instead of \$10K might be more accurate.

Steve said he will send an updated spreadsheet to the committee with a new column for 2017 estimates.

Mike presented a few questions seeking more information about issues related to water and sewer. He questioned the sewer deficit asking Steve how much the deficit was; Steve did not have an exact amount on hand at the meeting. Steve noted that the water department is not where the deficit issue lies, it's the sewer.

James asked what's creating the sewer deficit. Steve said some of the problem lies in infiltration and influx, when water leaks into the pipes. The town can't charge for those costs but it has to be paid for. Sam asked why the costs can't be passed onto users. Steve said it takes a while to raise the rates.

Mike asked Steve to explain the tiered rates of the water. Steve said the tiers have been in place since he arrived in town. Steve added that this tiered system requires a good deal of time for explanation and referred Mike to Bruce Prior or Jim Taylor to obtain more information. Steve added that he's worked in towns that charge less per gallon when more is used, and towns that charge more when more is used. Steve said that Enfield's approach appears to be a conservation-type of approach. The committee agreed that there were various solutions available.

Steve explained that 50% of the lower tier is mostly single family homes/residential properties. The other 50% is largely commercial/business. Steve said the rationale has been to be more sensitive to lower-tier users. Tiers 5,6, and 7 are largely commercial/business.

James asked for the increase between 2016's budget to 2017's budget request based on the budget that was approved at town meeting. Sam agreed that he wanted to see what the approved rate (\$6.73) would have raised to compare the number that was set (\$7.00) and what was raised by that.

Holly asked about number for the for tax anticipation note (TAN). A TAN was used to make a large balloon payment to the school district in 2016 at a cost of about \$4K. Steve said he is unsure at this point if the town will need it; that depends on the school district's flexibility. There has been difficulty paying the large balloon payment to school in a period of time when the town does not have a large amount of cash on hand.

The committee moved to begin adjusting budget lines. The health insurance costs have been reduced to a \$600K estimate. Sam asked when the health insurance contract is up. Steve responded that it would be in 2018.

James asked how personnel costs might change with a new town manager. Sam said he is not involved in the selection process and that the town manager selection committee will meet on Jan. 14th.

Annabelle asked if Diane Heed had connected with the Friends of Mascoma Foundation to obtain gift cards for non-food items requested by people requesting assistance. Holly offered to make a note to follow up on the status of that situation. It appeared that the initial \$2,000 budget request made by Diane to buy those cards had been removed from the budget.

Public Comment: none

Other business:

The meeting was adjourned meeting at 7:58 p.m. The next meeting is scheduled for January 12 at 6:00 p.m.

Budget Committee minutes taken and submitted by Annabelle Bamforth.