

Enfield Budget Committee MINUTES (Draft)

Thursday, January 12, 2017 DPW Building 6:30PM

Members present: Sam Eaton (chair), Shirley Green (vice chair), Annabelle Bamforth, Fred Cummings, James Buffington, Mike Diehn, Mark Eisener, Janet Shepard, Nancy Smith, Holly West

Excused:

Absent:

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

Administrative: Sam called the meeting to order at 6:04 p.m.

New Business:

Budget/Revenue/Tax Rate Review:

Steve handed out new budget sheets, an estimated revenue sheet for 2017, and a tax rate review sheet.

The 2016 actuals for revenue have come in at \$2,007,302.

Steve noted no major changes so far to 2017's estimates and said they are close to where the town was last year. The motor vehicle registration line was rounded up to \$975K. The rooms/meals line reflects a lower estimate than last year; the block grant line is a little higher than last year.

For the sale of property line, Steve noted that the 2017 estimate is carrying \$15,000 on that line. There remains some property for sale, but Steve said he was not expecting the same trend as 2016. It is still unknown if the sale of property on the 2016 actually contains all of the sales.

Steve said that the town is budgeting \$5,000 in 2017 for the insurance reimbursement/dividends line in light of last year's actual number coming in so much lower than estimated.

Holly asked about where grant revenues would appear. Steve responded that grants are designated with an 04 number. Steve further explained that he has not identified grants that specifically offset spending in the budget. He added that a Department of Safety grant was signed today for the police department which would cut down data entry. The recreation department also regularly seeks grants. Many grants are program-based and are not for items

generally purchased in the budget, although items such as generators are sometimes an exception.

Holly suggested looking into ways to locate and apply for grants that might help reduce the tax rate. Fred noted that it's difficult to find grants for municipal operations. Holly agreed that many of the grants are specialized and often very specific.

Budget Review:

Fred disclosed to the committee that the selectboard had voted to set the starting salary for the new town manager at \$110,000.

Steve said that the new budget packet distributed to the committee shows all of the actuals for 2016. Steve said he thinks the \$600K for health insurance estimated for 2017 is a solid number. Nancy asked when the current contract expires. Steve responded that it ends December 31 of 2017, but the town will be going out to bid this summer. In the town's last request for bids, they received around 5, and some had various restrictions. Sam asked if the 2017 estimate could be dropped to \$560,000. Steve responded that should not be done, as an increase is anticipated. Mike noted that the 2016 line does not reflect fully a staffed town because of the police staffing situation. Steve said that the next contract will require taking a closer look at deductibles; he said that the town has already tackled the issue of co-pays.

The retirement line has gone down; it was at \$312,000 and is now at \$280,000. Steve said it's possible to go bit lower to \$275K. He suggested marking that line as possible to reduce.

Holly asked if there was any analysis done on the town's staffing turnover rate. Steve responded that new town employees sign on for a minimum of three years and noted that it costs about \$20K to train a new police officer.

Worker's compensation was reduced from \$84,392 to \$65,567. It is the town's first full year with Primex, a new provider.

Fred cautioned against reducing the retirement contribution line too much. James asked if employees contribute; Steve confirmed.

Steve said that property and liability insurance is also with Primex. There was a small reduction on that line. Steve said that new contracts with Primex have been favorable so far.

The total government operating budget is \$5,286,367. James asked how the actual 2016 number went down from last week. Steve said it's the CIP number carried in the general government operating budget where it should not have been; it's now in the correct place.

Fred moved to discuss costs related to hiring a new town manager. He said that when Steve leaves, there will be a buyout; there may be an overage on the executive personnel line based on what is included now because of staffing changes. Fred went on to say that additionally, the cost of hiring MRI should be known at Saturday's meeting and the committee should also keep that in mind. Fred said the cost is estimated to be somewhere between \$6K to \$16K.

Holly asked if MRI charges even if they don't find a town manager replacement. Fred responded that MRI will continue to look until one is hired, and the town has a "buffer" between 6 months and a year in case the replacement does not work out. Fred also noted that the selectmen ultimately hire the manager, although that decision will be largely based on what will happen within the Town Manager Search Committee.

Election/registration costs are overall down from 2016. The finance administration area is also down. James asked why the tax mapping cost is higher. Alisa said there are required software updates to be completed. Sam asked about the repairs and services contract. Steve said that line is made up of several contracts.

Mike asked about bringing the mileage-assessing line down. Steve said he could be okay with \$700 for that line.

James inquired about what happens when a department spends over budget. He noted that the planning board budget went over. Steve explained that the planning board manager and zoning administrator are the same person. Scott Osgood became full-time last year. Steve said the appearance of overspending may come down to a matter of not properly accounting for how many hours were spent under which hat, and that it looks like the overspending in the planning board area and underspending in the zoning area essentially evens out.

In the government buildings area, the committee discussed adjustments including bringing the electricity line to \$42,000 and the idea of bringing the heating oil line down. Sam, James and Annabelle were okay with bringing that line down.

Fred cautioned against cutting the general operating budget too tightly and eating into the "rainy day", or undesignated, fund (UDF). Steve noted that the first few items in government buildings are consumables. Mark noted that in 2015, utilities came in at nearly \$44K in 2015. Sam remarked that since then, many fixtures have been switched to LED, a practice that has lowered costs.

Under the police department area, Sam and James both said they were inclined to leave the budget where it is. Shirley asked if the requested overtime line might be too low for 2017. It was noted that the police are fully staffed now. The actual for 2016 was listed at \$4,717, which struck the committee odd since it's usually close or over the budgeted amount.

Steve said he will be talking to the department heads again to obtain more information regarding salary lines.

Under the ambulance area, Sam asked if it would be possible to recover some of the \$285 that Lebanon's mutual aid charges for each ambulance call. Fred called on the committee to consider a serious discussion in the future about hiring 2 fulltime ambulance staff.

Under the fire department area, it was noted that the department is in its third year of implementing salary increases. Sam said he was comfortable leaving the salary line where it is. Fred said the fire department plans on seeking grants for some items and that they have someone in-house who does a good job applying for grants.

Under the highways and grounds area, there has been overspending on pavement maintenance each year. However, it was noted by the committee that Jim does a good job at keeping a critical and expensive part of the budget as affordable as possible. The committee agreed to leave this area where it is for now.

Holly brought up TerraCycle, a program that offers receptacles for materials that are typically difficult to recycle. She pointed out the possibility of placing TerraCycle bins at the transfer station. She noted that large bins are between \$100-200 and that she will be looking into gathering more information about how TerraCycle works with towns.

Steve estimated the MSW contract to be at \$320,000. James asked when the curbside collection contract with Casella expires. It's still unclear regarding when the contract actually ends.

Holly updated the committee regarding the human services department working with Friends of Mascoma to address needs requested by applicants who come to Human Services Director Diane Heed. Holly said she touched base with Carol Cusick of FOM; Carol will have a folder for Diane to report on what is needed and it will be passed to the NH food bank. Holly said she had also talked with an organization that provides diapers to families in need every 2 weeks. She added that she is working on scheduling a meeting with an organization that could provide formula. The current plan is that Diane would keep a list of what is requested by the applicants that come into the office, and FOM would work to reach out to the appropriate agency.

Under the recreation area, the committee discussed the regional recreation line. Steve said it is offset by the program fees. Sam asked if the recreation department expects the instructor costs to double and asked how the committee feels about bringing that down to \$7,000. Steve said he will reach out to the recreation director for more information.

Under the request from the Enfield Village Association (EVA), it was noted that EVA asked for \$5,000. Earlier in the budget process, the committee had given thought to providing \$10,000

and several members were supportive of that amount. The committee expressed positive feelings about the direction EVA was heading. Annabelle pointed out that they had completed the renovation of the Greeley House which added a revenue-generating apartment, and they have made adjustments to their strategy and initiatives. Give them what they asked for. Fred made a motion to approve fulfilling the request of \$5,000. Sam seconded the motion. The committee unanimously approved the request.

Steve brought up raises in salaries. Right now the requests reflect 3% increases, but there is possibility of 2% or 1% increases. In past years there have been no increases but those years provided a year-end bonus. Steve clarified that all raises are merit-based. 2% is where the town has been historically.

Mike estimated a \$14,585 possible reduction in the budget based on the adjustment suggestions made to the budget this evening.

Approval of minutes:

Shirley made a motion to approve the minutes of the January 5 meeting. Janet seconded. Janet provided a possible correction toward the end of the minutes where Steve and Sam had discussed the search for a new town manager:

“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.”

In the second sentence, it was agreed that “Sam” should read “Steve”. The minutes were approved unanimously with that change, with the exception of Janet, Fred and Mark abstaining.

Public Comment: none

Other business:

The committee discussed moving future meeting times to 6:30 p.m. Fred noted that meeting at 6:30 would be favorable, as other commitments prevent him from attending at 6:00. Members of the committee indicated that a 6:30 meeting time would work.

The meeting was adjourned meeting at 9:02 p.m. The next meeting is scheduled for Thursday, January 19 at 6:30 p.m.

Budget Committee minutes taken and submitted by Annabelle Bamforth.