

**TOWN OF ENFIELD
ENFIELD BUDGET COMMITTEE
MEETING MINUTES JANUARY 4, 2023**

TIME: 6:30 PM

LOCATION: Dept. of Public Works Building & Teams Videoconference

COMMITTEE MEMBERS PRESENT: Shirley Green, Dan Kiley, Jane Plumley, Tracy Young, Dimitri Deserranno, Nancy Smith, John Kluge (Board of Selectmen)

ABSENT: Mike Diehn

OTHERS: Ed Morris, Town Manager; Alisa Bonnette, Assistant Town Manager; Emily Curtis, Recording Secretary.

CALL TO ORDER

Mr. Deserranno called the meeting to order at 6:33 pm.

MINUTES

November 29, 2022 & December 13, 2022

Ms. Plumley made a request to amend the December 13th minutes to reflect that Mr. Deserranno also suggested reviewing information regarding an 8% wage increase and not just herself.

Members of the committee agreed with her recommendation.

Mr. Young made a motion to approve the November 29, 2022, minutes as printed, and the December 13, 2022, minutes as amended. Ms. Plumley seconded. Vote unanimous in favor of the motion (7-0).

BUSINESS

Budget Updates

Mr. Morris stated that the website update costs have been adjusted and the budget line was reduced by \$12,000. He stated that the clerk mailing line has been reduced by \$2,000 as there is a plan to move forward with email only reminders regarding the auto registration renewals.

Mr. Morris stated that when the general fund budget increase from the 2022 budget was reviewed at the December meeting it did not include debt service. He stated that the initial increase of 4.8% was discussed, but when we include the debt service it is more like an 11% increase. He stated that \$9,000 was cut from the Police Department budget for part-time work in an effort to make the compensation changes more palatable. Mr. J. Taylor also took \$11,000 out of the crushed stone budget to compensate for the part-time budget that had been added to his budget this year. He added that there was not room for a lot of changes, and noted that there have been some increases to fuel budget lines due to the economic impact of increased fuel prices.

Ms. Smith stated that waste management is a huge cost within the budget.

Mr. Kluge stated that the only other option was doing away with curbside pick-up, which may receive negative attention, but is worth the discussion.

Ms. Plumley stated that when we went to curbside pick-up it was an effort to keep trash off the side of the roadways as there were many issues with inappropriate disposal of trash and tires.

Mr. Morris stated that it will be a conversation. He added that our town transfer station is one of the only towns that doesn't charge for disposal of solid waste, which may be worth looking at as well.

Mr. Morris noted that the official tipping fees from Lebanon came out at 3% instead of 6%, so that line item was reduced in the budget accordingly.

Budget Review

Mr. Morris stated that with a 5% wage increase it would be a 4.11% overall increase in the budget, and with an 8% increase it would be a 5.12% increase. He stated that when the debt service is included, it is about an 11% overall increase. He stated that using \$50-\$100,000 of the fund balance could be used to offset for the current year, which would lessen the current year's \$400,000 to \$300,000. He stated that next year the Whitney Hall project will hit the budget which will have another \$100,000 impact, so it may be necessary to consider a two-to-three-year commitment to offsetting.

Mr. Kiley stated that the 2022 budget was considered a tight budget, but we are running about \$100,000 unspent. He noted that if we are starting the new budget year down one police officer, we are going to see a reduction in salary expenditures. He stated that having about \$100,000 unspent has been a trend over the last couple of years, so it appears to be possible.

Mr. Deserranno inquired if the debt service increase was close to what had been stated last year.

Mr. Morris stated that the estimate was stated as 3% and the final debt service came in at around 3.25%.

Mr. Young inquired as to how \$100,000 from the fund balance being utilized would affect the tax rate.

Mr. Deserranno stated that \$16.84 per \$100,000, so \$50.50 would be the tax impact to an approximate \$300,000 valuation of increasing the budget by \$59,000.

Mr. Deserranno stated that it would set a bad precedent to utilize the fund balance.

Mr. Kiley stated that, when the goal of the fund balance has been met, we need to consider all options for how to utilize the funds that exceed the goal balance.

Mr. Morris stated that the fund balance is just below the 12% goal, and if there is \$300,000 available then it would be possible to utilize \$150,000-\$200,000 as an offset.

Members of the committee reviewed the list of projects which had also been proposed to be utilized from the fund balance including: \$20,000 for strategic planning, \$20,000 for a compensation study, \$25,000 for the Master Plan, and \$6,000 for website updates.

Mr. Morris noted that estimated costs of \$75-100,000 for the final testing and tear down of buildings at the Shed Street property were recently finalized and could also be considered. He stated that we won't be able to sell it as a clean site until the buildings are torn down, as there is testing that needs to be done under the concrete. There are not many grant remediation funds available, and we have utilized as many federal grants as possible so far.

Mr. Young noted that once it is a fully remediated site the value dramatically increases.

Mr. Morris stated that the previously proposed project regarding the Community Building façade has not been quoted but could fit within the current budget. He stated that the computer budget has also been reduced as many have been purchased with the current years' budget.

Chief Holland stated that he is seeking grants regarding the update of the Emergency Operations Plan and it is typically a 50/50 grant, and 2022 it was a 90/10 grant, so there is a possibility that the estimated \$8,000 budgeted will not be necessary.

Mr. Deserranno stated that the total sum of the projects matters more than understanding that the projects are that would be completed with the money.

Mr. Kiley stated that offsetting projects is one idea, but the idea of utilizing the funds to offset something else should be the choice of the Selectboard. He stated that funding projects is one thing but lowering the tax rate should be up to the Selectboard.

Mr. Young agreed.

Mr. Morris noted that some of the projects are included in the current budget, but a lot of them are not and a discussion should be had regarding whether the projects should be funded and how much can be allocated from the fund balance to support that.

Mr. Deserranno inquired if we could remove the buildings, remediate, and sell the Shed Street property all in the same year.

Mr. Young stated that it was extremely unlikely. He stated that it is up to the Selectboard whether the revenue from that project comes back into the general fund or goes back into the budget. He stated that it could be up to two years before revenue was seen from it.

Mr. Morris stated that crossing signs have been purchased from 2022 funds, but the engineering still needs to be approved by the state for the sign installation to be completed.

Mr. Young made a motion to recommend \$165,000 from the fund balance be allocated to the list of projects as defined by the Town Manager including: a town website upgrade (\$6,000), Master Planning (\$25,000), a compensation study (\$20,000), strategic plan facilitation (\$20,000), cemetery signage (\$5,500), updating the Emergency Operation Plan (\$4,000), Huse Park backstop (\$10,000), and the Shed Street demolition and remediation (\$74,500). Mr. Kluge seconded. Vote unanimous in favor of the motion (7-0).

Compensation Review

Mr. Deserranno stated that the baseline was 5%, with a discussion at the December meeting to increase up to 8%. He stated that for a 5% to 7% increase in pay, the impact is \$21 per year for a property that is worth \$300,000, and to go to an 8% increase in pay it would be about \$30 per year for a property that is worth \$300,000.

Mr. Young inquired if \$300,000 represented a median value of properties in Enfield.

Mr. Morris confirmed that it may be on the lower end, but it was close.

Mr. Young stated that with the demand for services, in his opinion, to remain competitive and to have a strong support for the staff that an 8% compensation package should be put forward.

Mr. Young stated his recommendation of 8% compensation as a motion for approval. Ms. Smith seconded.

Mr. Kluge stated that he thought it may be a tough sell, but stated he believed that it was a valuable and necessary measure and expressed his support.

Mr. Kiley noted that the salary study will also support the process going forward.

Ms. Plumley stated that the increases support everyone down to the counselors hired for summer camp.

Mr. Morris confirmed.

Vote unanimous in favor of the motion (7-0).

Mr. Morris stated that the changes for Fire Department personnel were already budgeted and will not be included in the 8%.

Topics for Next Meeting

Mr. Morris stated that revenues, budget, and CIP recommendations will be brought forward regarding CIP funds and capital expenditures.

Mr. Morris stated that the next meeting is scheduled for Thursday the 19th at which time the committee can vote on what to bring forward to the Selectboard and the Public Hearing presentation.

Mr. Deserranno stated that to have a 5% budget increase when we are seeing a 7% increase in the cost of living is still good, and the debt services related to voter approved projects is what adds the additional costs.

OTHER BUSINESS

Public Comment

Mr. Deserranno requested any comments or questions from the public.

With no comments or questions, the Budget Committee moved on to adjournment.

NEXT MEETING

The next Budget Committee meeting will take place on Thursday, January 19th at 6:30pm.

ADJOURNMENT

Mr. Deserranno made a motion to adjourn the meeting at 7:46 PM. Ms. Smith seconded. Vote unanimous in favor of the motion (7-0).

The meeting was adjourned at 7:46 pm.