

**TOWN OF ENFIELD  
ENFIELD BUDGET COMMITTEE  
MEETING MINUTES FEBRUARY 8, 2023**

**TIME:** 7:00 PM  
**LOCATION:** DPW Facility

**PUBLIC BUDGET HEARING– 7:00 PM**

*Hearings may start later, but not earlier than the posted time.*

**PRESENT**

**Budget Committee:** Nancy Smith, Shirley Green, Tracy Young, Dimitri Deserranno, Dan Kiley, Mike Diehn, Jane Plumley, John Kluge (BOS)

**ADMINISTRATIVE STAFF:** Alisa Bonnette, Assistant Town Manager; Ed Morris, Town Manager

**OTHERS:** Emily Curtis, recording secretary; Roy Holland, Chief of Police; Jean Patten, Steve Patten, Dr. David Beaufait, Dolores Struckhoff, Jim Fickett

**CALL TO ORDER**

Mr. Kluge called the Selectboard meeting to order at 7:00 pm.

Mr. Deserranno called the Budget Committee meeting to order at 7:00 pm.

**PUBLIC BUDGET HEARING– 7:00 PM**

Mr. Kiley made a motion open the public hearing at 7:00pm. Ms. Green seconded. Vote unanimous in favor of the motion (8-0).

Mr. Deserranno presented a Power Point presentation regarding the proposed budget by the Budget Committee for 2023.

Jean Patten said she thought it was backwards to do raises before the study and didn't understand why Boston was being used for comparison. She stated that even when we are comparing ourselves to Lebanon and Hanover and we are not comparing to the same demographic.

Mr. Deserranno stated that Canaan is giving a 7.2% increase, and we have lost two police officers due to higher wages in Canaan. He stated that last year the history of COLA raises in Enfield was compared to other towns and the Budget Committee agreed to try to maintain the same increase to remain competitive.

Ms. Patten stated that we raised DPW wages last year and from what she has seen we have still lost 6 people, so there is probably more to it than wages.

Mr. Morris stated that we have used multiple towns across the state for comparison, and we are developing the list that we will focus on specifically, but he has been speaking with town managers across the state and the 7% COLA increase is a standard across the board.

Ms. Plumley stated that we have looked at what it costs to lose an employee, and it ends up being the same if not more to get new employees onboarded and trained than it does to maintain employees by remaining competitive with the labor market.

Mr. Young stated that one of the specific numbers reviewed was that of a police officer and it is about \$70,000 per person for training and certification, and we have lost two certified patrolmen to Canaan. He added that recruiting a certified patrolman is a very difficult job. He stated it will be more difficult if we do not try to be competitive, and we need to consider the retention value of keeping our current patrolman as well.

Ms. Plumley stated that there is value in investing in employees that we have instead of investing in new employees and overturn.

Dolores Struckhoff inquired how long the two officers were on the payroll.

Chief Holland stated that one was a little over six years, and one was a little over two years. He stated that we have to compare to Lebanon and Hanover and even if we can't match them dollar for dollar we have to consider trying to reach the pay scale to retain employees. He stated that he worked with the Town Manager regarding towns that were relevant to police departments compared the pay scales and Enfield is in the bottom of the pay scale of those towns, even if you take Lebanon and Hanover out of it. He stated that in past years the town was either at the cost of living or below the cost of living for increases and it has caught up to us.

Ms. Smith stated that she supported the wage study.

Ms. Patten inquired if we were looking at compensation or compensation and benefits.

Mr. Morris stated that comparing apples to apples with benefits is extremely difficult as there are different structures for costs to the employee, including copays and prescriptions to be considered, and there are many additional plans that people can participate in.

Ms. Smith stated that a few years ago what set us apart was our benefits package, but that is no longer true.

Mr. Young stated that the wage study will help to integrate structures that are held in other towns already, such as step raises, and defining milestones to be achieved for higher payment.

Ms. Green stated that a lot of towns are also giving sign on bonuses which makes it additionally difficult.

Mr. Deserranno reviewed the total operating budget increase relative to the 2022 budget, including the costs of the public safety building of \$270,629 and \$447,495 largely due to inflation and labor market pressures.

David Beaufait inquired if there were projections about the percentage the tax increases will be once the loans will be taken out.

Mr. Deserranno stated that it will be about \$55 per \$100,000 valuation, and \$79 per \$100,000 for the full payment of the safety building, totaling \$114 per \$100,000.

Jim Fickett inquired if inflation was considered in the amounts put forward for the capital expenses voted on last year.

Mr. Morris stated that we are working hard to find grants and fit within the approved amount for spending that was approved by voters. He added that any costs beyond the approved budget would need to go back to the voters for approval.

Mr. Deserranno noted that the estimated surplus for 2022 will be \$165,000 and stated that is below the expected surplus because the full \$268,000 is un-audited and may come back lower than anticipated.

Mr. Kiley stated that \$75,000 of undesignated funds would be used to finalize preparation of the Shed Street property, including tearing down the structures and any soil remediation necessary.

Mr. Young confirmed that there has already been preliminary excavation of the site and an engineer report that confirms these are the final steps so that the property can be sold.

Steve Patten inquired as to what needs to be done to the ground to make it sellable as it was his impression that this was already taken care of.

Mr. Morris stated that the Phase II Environmental Test showed more testing that needed to be done which must be completed after the buildings are removed and confirmation needs to be made with the Environmental Protection Agency that it is clean before the property can be sold.

*Article 8: \$8,194,847 of general municipal operations with \$165,000 to come from the unassigned fund balance.*

*Article 9: \$526,968 in CIP reserve fund*

*Article 10: \$10,000 in employee and retiree benefits expendable trust fund.*

Mr. Kiley stated that there will be no articles for loans as everything can be paid for in cash. The land purchase for the public safety facility will come out of CIP funds, as the ARPA funds could not be used to purchase land, but they can be used to purchase equipment which fits within the legislation. He stated that it is the hope that within the next 5 years there are loans that will be retired, and we are reaching the goals that had been set out by the CIP Committee ten years ago. The newest loan will be the fire truck, which is a 10-year loan, and the Oak Hill Bridge, which was passed last year; but going forward all others will be paid in cash.

Ms. Patten inquired about the ambulance and people being able to work and revenue. She stated that Ms. K. Plumley suggested having backup from Canaan instead of Lebanon and if that was an option.

Mr. Morris stated that it has not been discussed but we are working towards a larger conversation for regional coverage.

Ms. Patten inquired about revenue from ambulance billing.

Mr. Morris stated that we are collecting at a better percentage than we have in the past, and we are closer to 50% collected.

Ms. Patten inquired about if we had the personnel to work the on-call hours.

Mr. Morris stated that most personnel can only respond to evening calls, but they typically have a full-time job during the day the prohibits them from responding to calls, which is when we are relying on Lebanon.

Mr. Young stated that we are working with cross training being an option for the new facility, and if we have a modern facility then we can perhaps make a dent in the problem of not having enough ambulance staffing to be available when there are calls, even in the evenings. We believe we can improve our level of services in the new facility.

Dr. Beaufait inquired about the percent tax increase for taxpayers as presented in the budget.

Mr. Morris stated that 16.78% is the total increase, which includes the general operating budget, the public safety building, and the CIP article.

Dolores Struckhoff inquired how much taxes are going to go up.

Mr. Deserranno stated that it is expected to go \$1.25 for the town portion if the value stays the same.

Mr. Kiley stated that it should be \$117 to \$125 per \$100,000 of assessed value.

Mr. Diehn inquired if there were any estimates on the school board increases this year.

Mr. Morris stated that the proposed school budget was a .1% increase, which was for operating and not for salaries.

After the presentation, Mr. Deserranno opened the floor for public comments and questions.

Mr. Kiley made a motion to close the public hearing. Ms. Green seconded. Vote unanimous in favor of the motion. (8-0).

Members of the BOS agreed to their vote performed at the meeting on February 7, 2023.

## **2023 Warrant Articles**

### **BUDGET**

Mr. Deserranno made a motion to vote and approve a general municipal operating fund of \$8,194,847 with \$165,00 to come from the undesignated fund. Mr. Diehn seconded. Vote unanimous in favor of the motion (8-0).

### **Article 8**

Mr. Kiley made a motion to approve Article 8 as printed. Mr. Young seconded. Vote unanimous in favor of the motion (8-0).

### **Article 9**

Mr. Young made a motion to accept the CIP article as printed. Ms. Green seconded. Vote unanimous in favor of the motion (8-0).

### **Article 10**

Mr. Diehn made a motion to approve the article as printed. Mr. Kiley seconded. Vote unanimous in favor of the motion (8-0).

## **OTHER BUSINESS/PUBLIC COMMENT**

Mr. Deserranno stated the conclusion of the review of monied Warrant Articles and recommendations from the Budget Committee. He requested any comments from the public.

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

## **ADJOURNMENT**

Mr. Kiley made a motion to adjourn the Budget Committee meeting at 7:50pm. Mr. Deserranno seconded. Vote unanimous in favor of the motion (8-0).

Mr. Russell made a motion to adjourn the BOS meeting at 7:50pm. Ms. Stewart seconded. Vote unanimous in favor of the motion (3-0).

The meeting was adjourned at 7:50 pm.



# Enfield Budget Committee 2023 Municipal Budget Proposal

***“To assist voters in the prudent  
appropriation of public funds”***

**-NH RSA 32:1**





# Budgeting Process and Objectives

## **Process:**

- Town Manager works with Department Heads to prepare a proposed budget and present their proposed budget to the committee
- Committee reviews entire budget and revenues

## **Objective:** To prepare a responsible budget for the Town

- Maintain core services
- Support Enfield's high quality of life
- Ensure funding proposals align with ongoing department-/town-level strategic planning efforts
- Reinforce and encourage town efficiencies
- Make responsible budget decisions to minimize impacts on taxpayers





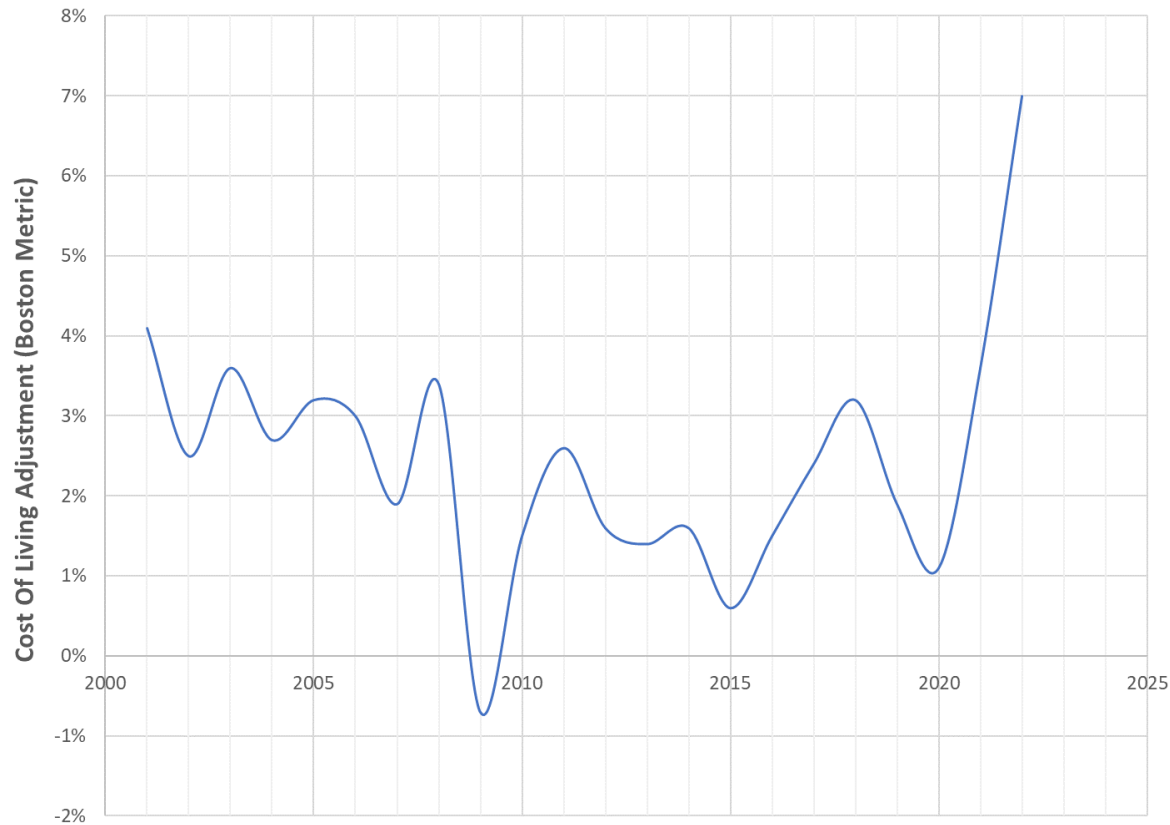
# 2023 Considerations – Level of Service

- Maintain departments at existing staffing levels
- Non-labor expenses to maintain current service based on prior year expenses
  - Adjusted for cost trends in contracted services, utilities, raw materials and more



# 2023 Considerations - Inflation

- Higher inflation than previous years
  - Metric based on [https://www.bls.gov/regions/new-england/news-release/consumerpriceindex\\_boston.htm](https://www.bls.gov/regions/new-england/news-release/consumerpriceindex_boston.htm)





# 2023 Considerations – Labor

- Labor cost adjustments based on two factors
  - Cost of Living Adjustment (COLA)
    - COLA for Boston metric was 7% for 2022 (Nov 2021 to Nov 2022)
  - Remain competitive in local market
    - Nearby towns budgeting for pay adjustments in 4.5% – 8.7% range
- Budget committee unanimously voted for 8% COLA & merit adjustment
  - An adjustment of 8% yields annual current tax rate impact of \$26.83 per 100,000 of value.
  - Budget committee unanimously supported salary study to ensure fair and competitive pay for all town employees in future years





# 2023 Considerations – Building Projects

- Town voted to approve two building projects in 2022
  - Public Safety Building approved at \$7,259,066
    - Loan secured at 3.15% interest rate for 20 years, with one time rate adjustment, and a 30% total amortization.
    - Current payment equals \$270,629 with a tax rate impact of \$45.56 per 100,000 of value.
      - Increases to occur over 2023-2024 timeframe
  - Whitney Hall Renovation and Expansion approved at \$5,802,150 with a loan not to exceed \$5,558,086
    - Loan secured at 4% interest rate for 20 years, with one time rate adjustment, and a 30% total amortization.
    - Payment equals \$321,545 with an annual current tax rate impact of \$55 per 100,000 of value.
      - Increases to occur over 2024-2025 timeframe
    - Library fundraising may reduce these amounts.

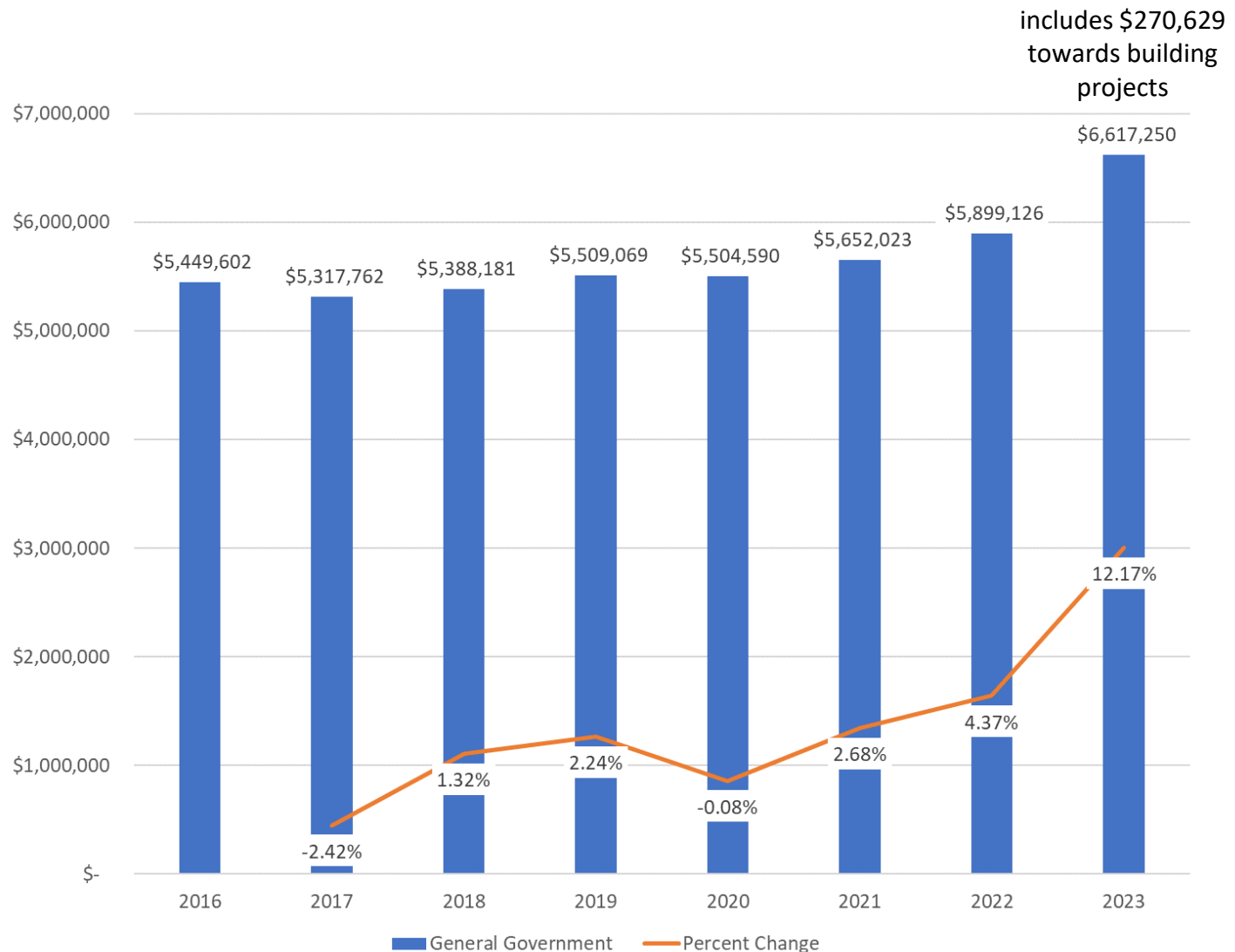


Budget Summary Table		Updated	2/2/2023				
<b>OPERATING EXPENSES</b>							
Category	2022 (Budgeted)	2023 (Budgeted)	% Δ	\$ Δ	2023 (w/o PSB)	% Δ	\$ Δ
<b>General Government Operating Budget</b> (excludes items funded from capital reserves, prior year encumbrances & additional appropriations)	\$ 5,899,126	\$ 6,617,250	12.17%	\$ 718,124	\$ 6,346,621	7.59%	\$ 447,495
General Fund Comparison Less Debt Service	\$ 5,841,160	\$ 6,336,716	8.48%	\$ 495,556	\$ 6,336,716	8.48%	\$ 495,556
<b>Water Fund Budget</b>	\$ 342,754	\$ 300,380	-12.36%	\$ (42,374)	\$ 300,380	-12.36%	\$ (42,374)
<b>Sewer Fund Budget</b>	\$ 869,140	\$ 903,816	3.99%	\$ 34,676	\$ 903,816	3.99%	\$ 34,676
<b>Capital Projects</b> (Lakeview/Shaker Landing Sewer Extension Debt Service)	\$ 181,316	\$ 181,313	0.00%	\$ (3)	\$ 181,313	0.00%	\$ (3)
<b>TIF</b> (US Route 4 Water/Sewer Extension Debt Service)	\$ 304,911	\$ 192,088	-37.00%	\$ (112,823)	\$ 192,088	-37.00%	\$ (112,823)
<b>Total All Funds (including Debt Service)</b>	<b>\$ 7,597,247</b>	<b>\$ 8,194,847</b>	<b>7.87%</b>	<b>\$ 597,600</b>	<b>7,924,218</b>	<b>4.30%</b>	<b>\$ 326,971</b>
<b>ADDITIONAL APPROPRIATIONS TO BE FUNDED FROM TAXES</b>							
Category	2022	2023	% Δ	\$ Δ			
CIP Capital Reserve Fund	\$ 500,768	\$ 526,968	5.23%	\$ 26,200			
Employee & Retiree Benefits Trust Fund (From UFB)	\$ 30,000	\$ 10,000	-67%	\$ (20,000)			

- Total operating budget increase of \$718,124 relative to 2022 budget
  - \$270,629 due to public safety building
  - \$447,495 largely due to inflation and labor market pressures
    - Same service level – No new positions were added



# General Government Operating Budget



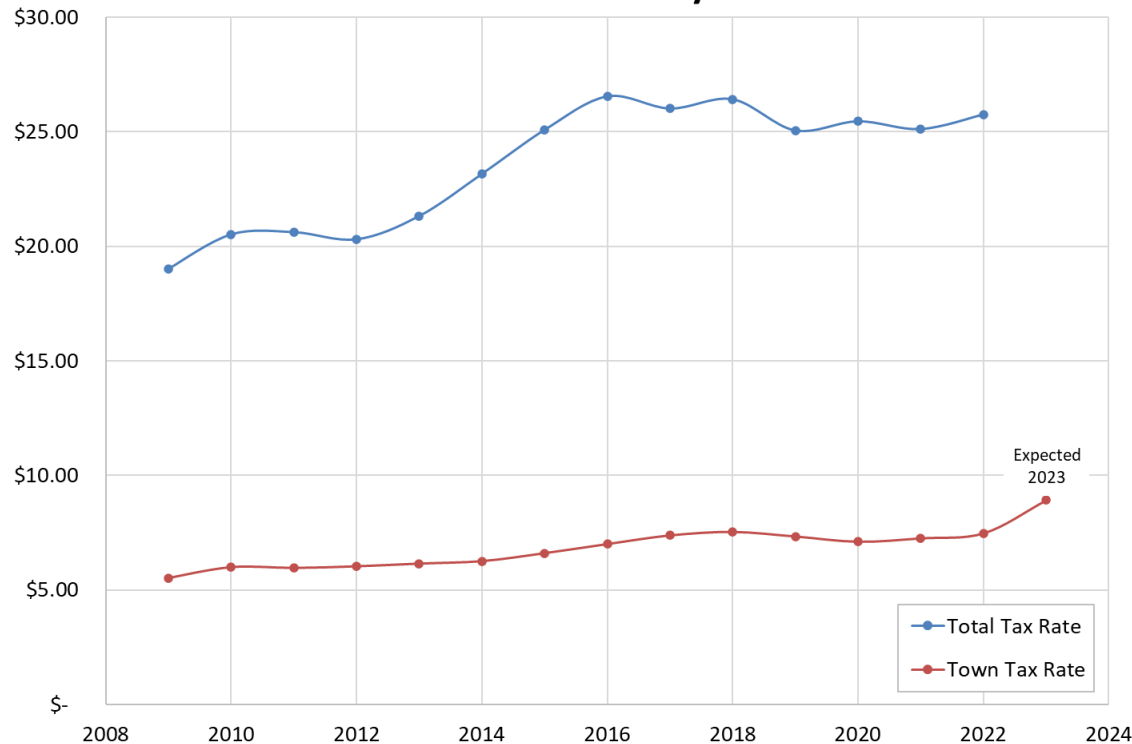
(excludes items funded from capital reserves & additional appropriations)



# Tax Rate History

- Total tax rate experienced an increase from 2012 to 2016, but town rates remained largely flat
  - Contributed to erosion of fund balance
- 2023 tax rate expected to increase to \$8.72 due to building projects approved in 2022 and recent inflation
  - Increase of \$125 per 100,000 compared to 2022

**Tax Rate History**





# Undesignated Fund Balance History

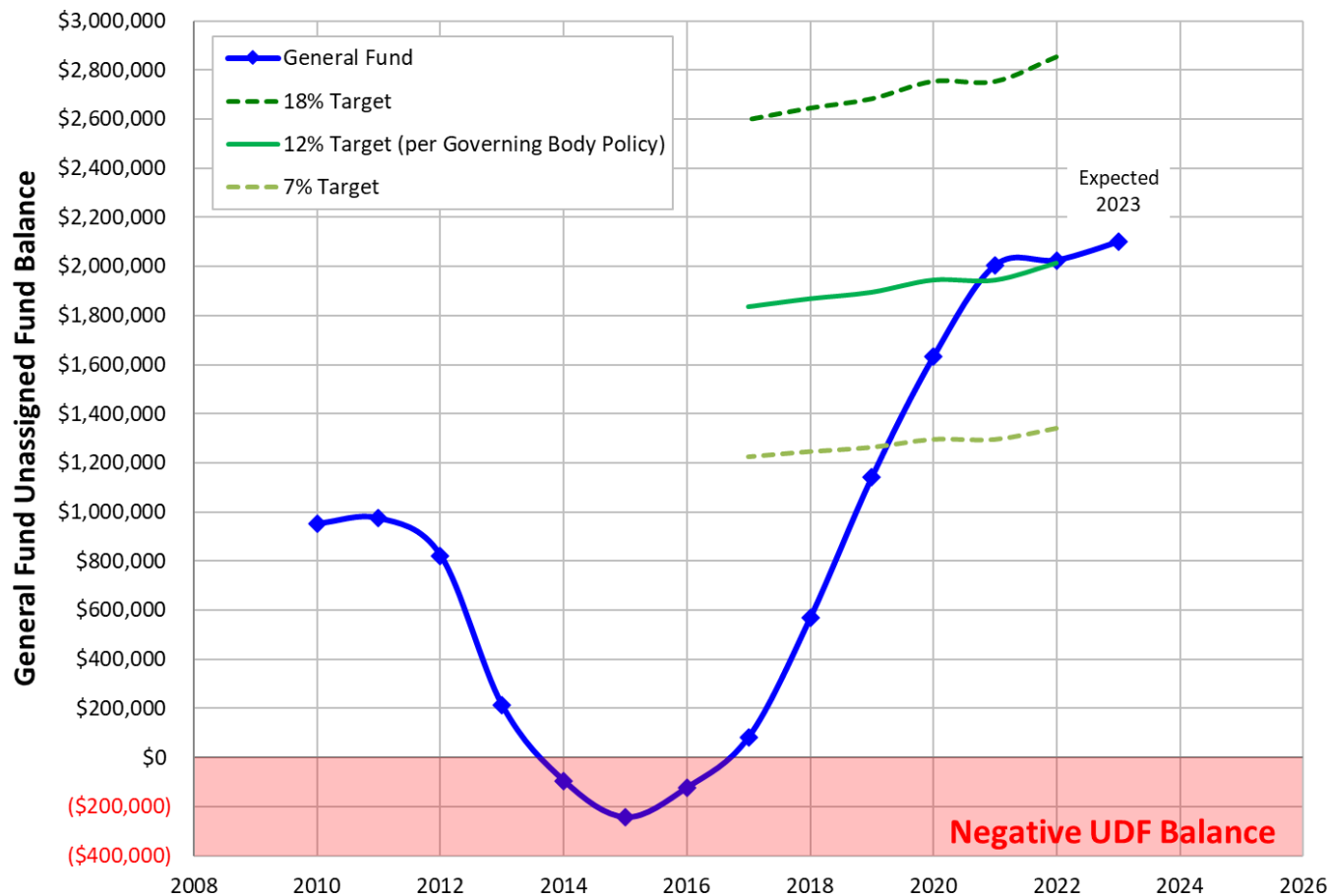
- The General Fund's UDF balance was depleted during 2011-2015 as a result of multiple budget years seeing costs and revenues failing to meet what was forecasted.
  - A UDF balance is accrued as a result of collecting actual non-property tax revenues in excess of what was estimated and/or when actual expenditures are less than budgeted expenditures.
- Since 2016, the Town has been rebuilding the UDF balance consistent with policy goals adopted by Selectboard.
  - Adjustments to strategy are being made for 2022 and beyond consistent with policy goals.





# General Fund Unassigned Balance

- Unassigned fund balance experienced significant decline from 2012 to 2015, but now meets Town policy goals



# **BUDGET EXPENDITURES vs. ACTUAL EXPENSES**

YEAR	BUDGETED EXPENDITURES	ACTUAL EXPENSES	DIFFERENCE
2017	\$5,303,857	\$5,038,301	\$265,556
2018	\$5,388,181	\$4,912,386	\$475,795
2019	\$5,509,069	\$5,104,582	\$404,487
2020	\$5,504,590	\$5,116,371	\$388,219
2021	\$5,652,023	\$5,090,361	\$561,662
2022	\$5,899,126	\$5,630,721	\$268,405
2023	\$6,617,250*		

\*Requested – includes \$270,629 towards building projects

**Net increase in budgeted expenditures of 7.59% (without building projects) from 2022 to 2023**





# 2022 Estimated Surplus - Unaudited

## Surplus Related to Labor

Costs related to unfilled positions	Surplus/Deficit
4140 Vital Full Time Personnel	(25,671)
4140 Vital Part Time Personnel	33,259
4194 Gen. Gov't Bldgs Contracted Svcs (Janitorial)	(11,901)
4210 Police Personnel Full Time	16,054
4210 Police Personnel Part Time	11,358
4215 Mutual Aid Ambulance Services	(22,597)
4215 Ambulance Personnel	29,780
4220 Firefighter Services	13,795
4311 Highway Full Time Personnel	40,147
4311 Highway Over Time	16,680
4321 Solid Waste Personnel	(11,038)
4321 Solid Waste Par Time	11,580
4550 Library Personnel	16,351
<b>Total impact of unfilled positions</b>	<b>117,798</b>
Other Labor Categories	Surplus/Deficit
4155 Employer Paid FICA	12,007
4155 Health Insurance	36,614
4155 Employer Paid Retirement	37,588
<b>Total Impact of Other Labor Categories</b>	<b>86,209</b>

## Surplus Related to Non-Labor

Other Categories	Surplus/Deficit
4194 Utilities/Electric	12,497
4210 Police Contracted Services	(14,462)
4220 Fire Dept Clothing	10,456
4290 Emergency Management Special Projects	(11,522)
4312 Hwys & Streets Contracted Services	15,047
4312 Diesel Fuels	(21,646)
4312 Vehicle Repairs & Maintenance	(12,311)
4312 Pavement Maintenance	17,349
4312 Winter Salt & Chemicals	(24,685)
4442 Welfare Rent	16,000
Total of all over/under expenditures < \$10,000	77,990
<b>Total Other</b>	<b>64,714</b>

2022 Total Estimated Surplus = \$268,721

- 76% is a result of unfilled positions  
(117,798 + 86,209) / 268,721
- The non-labor related surplus is estimated at \$65k or 24% of the total surplus



# Use of 2022 Estimated Surplus

- The budget committee, capital improvement committee and selectboard voted to approve the following one-time expenses from surplus UDF balance
  - Shedd St demo / abatement: \$75,000
  - Phase 2 of the Master Plan: \$25,000
  - Compensation study: \$20,000
  - Strategic Plan facilitation: \$20,000
  - Huse Park backstop replacement: \$10,000
  - Town website update: \$6,000
  - Cemetery signage improvements: \$5,000
  - Emergency Plan update: \$4,000
- Total value of \$165,000
  - This value is below the estimated surplus to account for changes during auditing





# Warrant Articles

**Article 8:** To see if the Town will vote to raise and appropriate the Budget Committee recommended sum of \$8,194,847 of general municipal operations with \$165,000 to come from the unassigned fund balance. This article does not include appropriations contained in special or individual articles addressed separately.

**Article 9:** To see if the Town will vote to raise and appropriate the sum of \$526,968 to be placed in the Capital Improvement Program Capital Reserve Fund.

**Article 10:** To see if the Town will vote to raise and appropriate the sum of \$10,000 to be placed in the Employee and Retiree Benefits Expendable Trust Fund. This appropriation will come from unassigned general fund balance.





# ***2022-23 Enfield Budget Committee***

Dimitri Deserranno (Chair)

Shirley Green (Vice Chair)

John Kluge(Ex-Officio)

Mike Diehn

Nancy Smith

Dan Kiley

Tracy Young

Jane Plumley

*Administration Liaisons: Ed Morris, Alisa Bonnette*

***The Committee appreciates and thanks the CIP Committee,  
Town Administration and department heads for their input,  
cooperation and dedicated service to the Town.***

