

**TOWN OF ENFIELD  
ENFIELD BOARD OF SELECTMEN  
MEETING MINUTES OCTOBER 4, 2022**

**TIME:** 6:30 PM  
**LOCATION:** DPW Facility

**PRESENT**

**Board of Selectmen:** Katherine D.P. Stewart, John W. Kluge, Erik Russell

**Budget Committee:** Nancy Smith, Shirley Green, John Kluge (BOS), Dimitri Deserranno, Mike Diehn, Jane Plumley, Tracy Young, Dan Kiley (6:32)

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

**OTHERS:** Emily Curtis, Recording Secretary

**CALL TO ORDER**

Mr. Kluge called the Budget Committee meeting and the Selectboard meeting to order at 6:30 pm.

**ORGANIZATION OF THE BOARD**

Ms. Smith nominated Dimitri Deserranno as the Chair. Mr. Diehn seconded. Vote unanimous in favor of the motion (6-0). Mr. Deserranno abstained.

Ms. Smith nominated Shirley Green as the Vice Chair. Mr. Deserranno seconded. Vote unanimous in favor of the motion (7-0). Ms. Green abstained.

**APPROVAL OF MINUTES – January 13, 2022 (regular session) & February 2, 2022, Public Hearing/Joint Meeting (minutes approved by BOS)**

Mr. Kluge made a motion to approve the January 13, 2022, and February 2, 2022, meeting minutes as printed. Ms. Smith seconded. Vote unanimous in favor of the motion (8-0).

**BUSINESS**

**Audit Presentation/Review**

Tim Greene of Roberts & Greene, PLLC reviewed the audit completed for the year ending December 31, 2021.

Mr. Kiley inquired if a trust fund for post-employment would be a better way to track expenses and have the funds reflected as a contingent liability. He stated the money is typically allocated from the unexpended balance at the end of the year instead of carrying it as a part of the budget during the year.

Ms. Stewart inquired about forecasting and working retirement expenses into the budget instead of having a warrant article to move the money to the trust fund.

Ms. Bonnette stated that the expense line is there to cover the additional expense due to unanticipated retirements.

Ms. Stewart inquired if post-employment could be a revolving fund.

Mr. Greene stated that he would need to look into whether that would be allowable. He noted that the BOS is an agent to expend trust funds and therefore there is not a necessity to budget for it. He added that having the trust fund allows the town to not budget for it but cover the expense.

Ms. Stewart inquired about how other towns handle retirement expenses.

Mr. Greene stated that it is about half and half with those who have a fund established and those who take the hit to the budget as retirements occur.

Mr. Morris stated that trust funds are a good tax stabilization tool.

Ms. Bonnette stated that the same amount of money does not need to be put in every year, and it would be possible to skip a year, but it is all based on the estimation of possible retirements.

Mr. Greene stated that the liability tells the town what the worst-case scenario would be, with some fluctuations due to paying out paid time off, and if everyone left at once there would be a total exposure of \$220,000.

Mr. Deserranno stated he believes the town is doing well but wanted to know what the Budget Committee and/or the BOS should be looking out for.

Mr. Greene stated that having a buffer for fluctuations in short-term costs, such as utilities, is important, but otherwise the town is doing well, especially now that some of the lower fund balances from a few years ago have been pulled back to where they should be. He noted that the sewer has a deficit of just under \$200,000.

Ms. Stewart inquired about where the red flags are and how we can learn where to look for key factors aside from having an audit each year.

Mr. Greene stated that an overview page of recommendations is always a part of the audit, which is a helpful indicator of areas of concern. He added that the other part of the process is presenting to the Board of Selectmen each year and he is happy to be a part of that process to make sure that all aspects of the audit and its findings are clear and understood.

Mr. Russell stated that he specifically requested a joint meeting with the auditor beginning this year as he felt it was an important starting point for the BOS, Budget Committee, and public accessibility of the information.

Mr. Morris stated his agreement to continue to have auditors present each year.

Mr. Deserranno inquired about where in the budget the numbers would indicate that the town is losing ground.

Mr. Greene stated that the first two signs that he looks for are overspending the budget or overestimating revenues. He stated that both can be detrimental, but overestimating revenues is something that cannot be corrected whereas spending can be halted.

Ms. Stewart inquired as to what the most vital information is to focus on.

Mr. Greene stated that it is important to understand what funds the town has and added that there are supplemental exhibits in the audit that are the most detailed and serve as great references.

Mr. Deserranno inquired if there were any further questions. With no further inquiries, he moved on to the next agenda item.

**Review of 2022 Budget Expenditures**

Mr. Morris stated that he and Ms. Bonnette reviewed the 2022 expenditures and they have highlighted areas of question or concern. He stated that some expenditures are not finalized as they are paid at the year end and are noted as such in the document.

Mr. Morris stated that the contracted services line went over budget, which was due to the contract with MRI for the Interim Town Manager. He stated that he highlighted the internet section as it is going over budget, but he is also in negotiations with First Light regarding a lease payment and energy usage fees for the space they are utilizing to house their equipment in the Department of Public Works. He is optimistic that an agreement will be made before the end of the year and the revenue from that will help offset the costs, and he is working on avenues to lower the overall internet costs for the town. He stated that travel went over due to trainings and meetings he has attended.

Mr. Deserranno inquired if the town is fully staffed and if that is reflected in the current budget.

Mr. Morris stated that as of right now, we are fully staffed with the exemption of one full time police officer. He stated that there are a couple of places where the budget will be a little under the expenditure due to the timing of when previously vacant positions were filled. He added that we are going to have a retirement soon, but we are already taking action to fill that position. He stated there appears to have been miscommunications regarding the Town Clerk salaries as there was some confusion between the part-time and full-time budget lines; however, overall, we are still on budget for the two full-time positions.

Mr. Deserranno inquired how it was going having both town clerks full time and if it was working out well.

Mr. Morris stated that it is working well and has been beneficial for both staff and residents.

Mr. Russell inquired if there has been an opportunity for cross training.

Mr. Morris stated that cross training is in progress, as well as succession planning. He stated that the Land Use Community Development and Health Inspector are becoming their own division and working closely together with some cross training as well.

Ms. Bonnette reviewed the election budget and anticipated costs for the remainder of the year.

Mr. Morris stated that there is a purchase pending to update some older computers and his plan is to make it a dual purchase in December 2022 and January 2023 as it will save the town money to have all the computers programmed at the same time. He stated that he may request to encumber funds from the mapping line to be able to take on a bigger project next year, which would include significant updates to an existing program, or the potential of investing in another program altogether. He noted that we have transitioned the cleaning expenses from the contracted services line to a permanent position in the town.

Mr. Morris stated that, regarding police part-time personnel, the police assistant left at the end of the school year and the position was not filled until the beginning of the current school year. He noted that the mental health line is not extended until the end of the year.

Mr. Russell inquired if that service was also being provided to other emergency services in town.

Mr. Morris stated that debriefing services are available to emergency responders and Primex does provide some mental health services to all employees.

Mr. Morris stated that the ambulance bill from Lebanon for contracted services was higher than anticipated. He noted that the contract with Lebanon is set for a per response basis and he believes the unanticipated costs are due to a higher number of responses.

Ms. Stewart inquired where we were at with billing and revenues for Enfield ambulance services.

Mr. Morris stated that we are about 30% collected on the billings. He stated that we have recently changed companies which make payment accessible by having online and credit card payment options.

Ms. Stewart inquired if we had looked into contracting with Canaan.

Mr. Morris stated that we have a current contract with Lebanon, so contracting with Canaan has not been explored.

Mr. Morris moved on to review repairs and service contracts. He stated that there was a cut back on water testing due to the drought. He noted that the clothing line for the Fire Department, which is for bunkered gear, has not been expanded and has been discussed as being encumbered so as to not raise next year's budget but still accommodate for new recruits.

Mr. Morris reviewed special projects, which include the new sign which will be installed in front of the Community Building soon. He stated that an adjustment needs to be made so that the expense is reflected in the GOFERR grant expenditures and not in the special projects line. He noted that the GOFERR grant was for \$50,000. He stated that the sign cost \$27,000 and \$35,000, which was formerly under CIP, was utilized to acquire the Stryker cot for the ambulance department.

Mr. Morris stated that he is planning to discuss the survey and engineering line with Mr. J. Taylor, which is related to highways, roads, and streets. He added that it may be something to encumber and use next year. He noted that the invasive species inventory is under the contracted services line and phase one of the project will be invoiced and paid for by the end of the year. He stated that pavement maintenance is happening right now and there was an additional \$122,000 received from the state for road maintenance. He noted that the funds are not allowed to be utilized for planned projects and offset the budget, the funds must be used for additional roadwork and the plan is to encumber the funds for next year. He stated that having the money and putting out bids earlier will help get better pricing than waiting until after the Town Meeting.

Mr. Morris noted that we have six months left of the current contract with Casella and we will be sending out an RFP soon. He noted that the direct assistance line has not been utilized much this year as we have been able to send people to local agencies and their needs have been met. He emphasized that everyone has received the assistance they have needed.

Mr. Deserranno stated that he would like to review the scope of the role of the Recreation Director.

Mr. Diehn inquired what is relevant to the Budget Committee.

Ms. Stewart stated that the role of the Budget Committee is whether they would recommend funding the position or not.

Mr. Russell stated that it is important to note that there were two positions within town government expanded from part-time to full-time, including the Recreation Director and Town Clerk, and one new FT position for the building cleaning and maintenance. He stated that bringing forward the ways that the positions have impacted the departments and town would be a helpful perspective.

Ms. Bonnette and Mr. Morris continued to review Principal and Interest expenses as well as year end transfers from CIP. Mr. Morris noted that there was a pump replacement which is a great program with better data available and saves staff time for meter readings. He noted that more information will be presented during the DPW presentation.

Mr. Morris stated that we were able to secure a State Revolving Loan Fund as well as American Rescue Plan Act funds for the water and sewer projects. He noted that, based on the funds that have been secured, there will be a total cost of \$1.9 million for both projects instead of \$1.9 million for each. He noted that engineering has been completed and the Request for Proposals are being drafted in the background and it is anticipated that the physical elements of the project will begin in 2023.

Mr. Diehn inquired if there would be any groundbreaking ceremonies for the water and sewer projects.

Mr. Morris stated he was not aware of any plans for a ceremony for the water and sewer project and noted that the new building projects would.

Mr. Morris noted that the sewer department health line was overspent due to the need to replace personal protective equipment.

Ms. Plumley suggested putting a letter in the water/sewer bill statements for users about the progress of the water/sewer projects.

### **Budget Goals**

Mr. Morris stated that he would like to frame it as what we want to accomplish and what we want to do. He stated that we do not want to increase taxes, but there should be a discussion regarding how we are setting our goals within what we want to accomplish.

Mr. Young inquired about the prior year incumbrance of \$30,000 for crosswalk signs.

Mr. Morris stated that we are waiting for the state project to come forward as it was not in the best interest of the town to spend \$30,000 to install the signs and have them torn back out during the state projects within the next two years.

Mr. Young stated he would like to see a summary of the past year's projects which have not yet been completed, including ones that affect the DPW building, as well as road projects that have been approved.

Ms. Stewart suggested making safety a budgetary goal related to crosswalks.

Mr. Deserranno stated that we have achieved the 12% goal for the undesignated fund balance, and we have talked about slowing down the contributions to the balance and that may need to be revisited. He stated that there have been large variances in recent years due to understaffing, which should not be an issue this year, but we also do not want to overshoot.

Ms. Bonnette stated that the unassigned fund balance has been used to purchase necessary items which helps balance the needs of the town while also avoiding steep increases in budget costs.

Mr. Morris stated that we can look at where we are on an annual basis and see where we can use undesignated funds, if necessary, which will be approved for expenditure by a warrant article.

Mr. Russell stated that it may be advantageous to have a broader discussion around CIP expenditures and what the funds can be utilized for. He noted that a few people have asked him questions and there appears to be incorrect information circulating related to CIP funds. He stated that discussions have evolved about using the funds for things beyond vehicles and there could be more public discussion and education about how those decisions are being made.

Mr. Kiley agreed with Mr. Russell's recommendation.

Mr. Russell stated that there should be an education and engagement piece as we want people in town to be aware of the decisions and decision processes. He stated that the CIP Plan has worked, and it has been a good program that should be continued, but we also want people in town to feel good about it too. He encouraged members of the Budget Committee to understand the CIP so we can help answer questions and educate the public.

Mr. Morris stated that compensation was discussed at length at the end of the last budget cycle, and he is planning to put 5% in the budget as that is what was discussed last year. He stated that there are area municipalities that are raising their wages higher than that and it may be a discussion point.

Mr. Kluge requested examples of other municipalities to be brought forward to the committee.

Mr. Deserranno stated that there was a chart utilized last year which can be updated with current data as well.

Ms. Stewart stated that she was not sure that the cost of turnover was included in last years' discussion, which should also be considered.

Mr. Morris stated that he is working on having a compensation study available for the committee as well.

With no further discussion, the Budget Committee moved on to review the meeting schedule.

### **Meeting Schedule**

Mr. Russell stated that there are two open positions on the Budget Committee.

Ms. Stewart stated that volunteer forms are available on the town website.

Ms. Bonnette stated that the positions have been published in the newsletter, posted on Facebook and the local ListServ, and encouraged members to spread the information by word of mouth as that can be the most effective.

Mr. Morris presented a budget calendar based on a meeting every two weeks going forward. He stated that if we do every other week, with a holiday break on December 27<sup>th</sup>, it allows the committee to meet with each department and it allows for three days before public hearings to make final changes to the budget.

### **INFORMATIONAL ITEMS**

- 2022 NHMA Budget & Finance Workshop Materials (provided by Jane Plumley)
  - o Video link: <https://youtu.be/iSQOspfG16A>
  - o Workshop Q&A

- o 2022 Basic Law of Budgeting
- o Fundamentals of the Municipal Budget Process
- o State Aid

**OTHER BUSINESS/PUBLIC COMMENT**

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

**ADJOURNMENT**

Mr. Kluge made a motion to adjourn the BOS meeting at 8:49 pm. Mr. Russell seconded. Vote unanimous in favor of the motion (3-0).

Mr. Kiley made a motion to adjourn the Budget Committee meeting at 8:49pm. Mr. Diehn seconded. Vote unanimous in favor of the motion (8-0).

The meeting was adjourned at 8:49 pm.