

Town Warrant Narrative 2019

This narrative, provided in concert to the Town Meeting Warrant, is intended to be informational in nature, and states the purpose and rationale of the articles. The State of New Hampshire Budget Reporting Form identified as the MS-737, which is printed in your Town Report, provides details as to prior year's appropriations and expended end of year totals for both the operational aspects and capital acquisitions together with proposed 2019 requests.

Business Meeting (Second Session)

Meeting will reconvene:

When: Saturday, March 16, 2019
Place: Enfield Elementary School, 271 US Route 4, Enfield
Time: 9:00 a.m.

2019 OPERATING BUDGET SUMMARY

The proposed 2019 operating budget, including the general government (funded from a combination of property taxes, other local receipts, and state aid) and operation of the municipal water and sewer systems (which are funded from fees assessed to the users of these systems), is \$6,677,736, or an increase of 3.9% above 2018 (\$6,429,592). It is important to note that the 2019 operating budget request includes (for the first time) debt service payments for the NH Route 4A sewer extension project. Although these costs are being 100% offset by revenue collected in the form of betterment assessments from residents of Lakeview Condos and Shaker Landing Condos, these expenses must nonetheless be accounted for in the overall operating budget. If the debt service payments (totaling \$135,869) on the NH Route 4A sewer extension project were not factored in, the 2019 operating budget request would represent only a 1.75% increase above the 2018 approved budget. The "bottom line" operating budget does not include vehicle replacements, infrastructure projects, or other non-recurring expenses funded from capital reserves.

The 2019 budget projects total revenue to the general fund in the amount of \$1,746,050 from "non-property tax" sources (a roughly 1.3% decrease in the \$1,769,850 budgeted in 2018). Although a conservative approach to estimating revenues was used, it should be noted that actual revenues could fall short of estimated revenues for reasons that are beyond the Town's control. This projected decrease would result in the need to raise a total of \$4,283,188 from the municipal property tax levy, and would in turn place the tax rate in 2018 at between \$7.73 and \$7.84 per \$1,000 of assessed valuation. This represents an estimated increase of roughly 2.65% to 4.12% from the 2019 municipal tax rate of \$7.53 per \$1,000 of assessed valuation. The range is based on an assumed "net valuation" of between \$546,000,000 (a 1.5% increase in the net valuation) and \$554,000,000 (a 3% increase in net valuation, which is what the Town's assessor is projecting going in to a revaluation year). It is important to emphasize that, if the Town's net valuation increases in the manner forecasted by our assessor, then increases in property valuation will generally be far more significant in the case of lakefront properties (this is where current assessments appear to be most significantly lagging behind actual market value based on recent sales history). Finally, the property tax rate will ultimately be set lower should actual revenues prove to be on pace to exceed estimated revenues by October 2019. Similarly, the property tax rate will ultimately be set higher than presently estimated should actual revenues fall short of estimated revenues by October 2019.

The Budget Committee, Board of Selectmen, and Town Manager have presented to you a balanced budget that does not rely on the use of undesignated fund balance or reserves to fund operational costs while maintaining and enhancing the high-quality services Enfield residents expect from town government. A more detailed summary of the 2019 budget is included in the below tables.

OPERATING EXPENSES			
<i>Category</i>	<i>2018 (Budgeted)</i>	<i>2019 (Budgeted)</i>	<i>% Δ</i>
General Government (excludes items funded from capital reserves)	\$5,406,181	\$5,519,070	2.1%
Water (excludes items funded from capital reserves)	\$211,579	\$222,447	5.1%
Sewer (excludes items funded from capital reserves)	\$649,586	\$638,104	(1.8%)
Capital Projects (Lakeview/Shaker Landing Sewer Extension Debt Service)	\$28,328	\$135,869	380%
TIF (US Route 4 Water/Sewer Extension Debt Service)	\$162,246	\$162,246	0%

ADDITIONAL APPROPRIATIONS TO BE FUNDED FROM TAXES			
<i>Category</i>	<i>2018</i>	<i>2019</i>	<i>% Δ</i>
CIP Capital Reserve Fund	\$319,968*	\$422,168	31.9%
Employee & Retiree Benefits Trust Fund	\$25,000	\$25,000	0%
Strategic Governance & Municipal Finance Software	\$76,000*	\$0	

*The total amount appropriated to the CIP-CRF in 2018 would have been \$395,968, but this amount was reduced by the anticipated cost of the strategic governance study and municipal finance software upgrades (\$76,000) to ensure there was an offset on the tax rate. As such, the proposed appropriation in 2019 is, in effect, an approximately 6.6% increase above the 2018 appropriation level.

OPERATING REVENUES			
<i>Category</i>	<i>2018 (Actual-YTD)</i>	<i>2019 (Budgeted)</i>	<i>% Δ</i>
General Fund Revenues			
Property Taxes	\$4,143,300	\$4,283,188	3.4%
Other Taxes	\$116,292	\$81,100	(30.3%)
Licenses, Permits & Fees	\$1,186,237	\$1,108,100	(6.6%)
State Sources	\$384,379	\$384,000	0.0%
Charges for Services	\$149,537	\$127,300	(14.9%)
Miscellaneous Revenue	\$56,701	\$45,550	(37.3%)
General Fund Total Revenues/Credits	\$6,036,446	\$6,029,238	0.0%
Interfund Operating Transfers	\$1,048,411	\$1,158,666	2.8%
Other Financing Sources	\$0	\$0	0%
Grand Total Revenues/Credits	\$7,084,857	\$7,187,904	1.5%

**This is the total amount of tax effort (i.e., the combined total from the two semi-annual tax commitments) as calculated by the NH Department of Revenue Administration

Article 7: (Lease without Escape Clause) To see if the Town will vote to authorize the Board of Selectmen to enter into a long-term lease/purchase agreement in the amount of **\$170,000** payable over a term of seven (7) years for the purpose of leasing two DPW pickup trucks and associated plowing and sanding equipment (\$130,000) and one Fire Department support vehicle (\$40,000). The first payment will be due in 2020. The Capital Improvement Program Capital Reserve Fund, which the Board of Selectmen is named agent to expend, will be used for the annual principal and interest payments for the life of the lease.

Special Warrant Article

2/3 Paper Ballot Vote Required

Explanation: The proposed new F-550 pickup truck with plow, wing, and sander for the Department of Public Works (DPW) will replace an existing 2009 F-550 (similarly outfitted) that is used to plow and treat the streets and parking lots in the Enfield Village Area. The vehicle currently has 43,100 miles and 4536 hours on it, and, despite the Department’s comprehensive preventative maintenance program that effectively extends the life of its vehicles and equipment, there is inherently a great deal of stress placed on plow trucks given the nature of how they are used. Now that this vehicle is 10 years old (which represents the end of its useful life), rust is becoming an issue and it is need of frequent repairs. Delaying replacement of this vehicle has the potential to result in increased vehicle maintenance costs and reduced efficacy of winter road plowing and treatment operations. The Town will sell the existing F-550 pickup via competitive bid (online auction or other form).

The proposed new F-250 pickup truck for the Department of Public Works (DPW) will replace an existing 2009 GMC 3/4 ton pickup truck (similarly outfitted) that is assigned to the Highway Supervisor for year-round general purpose use. The vehicle currently has 110000 miles on it. Now that this vehicle is 10 years old (which represents the end of its estimated useful life), the motor is experiencing frequent problems (and is well-outside of the warranty period) and rust is settling in to various components. Delaying replacement of this vehicle has the potential to result in increased vehicle maintenance costs and/or engine replacement. The Town will sell the existing 3/4 ton pickup via competitive bid (online auction or other form).

The proposed new F-250 pickup truck (crew cab) for the Fire Department will replace an existing 2003 F-250 pickup truck (similarly outfitted) that is a support vehicle used for a variety of functions, including the transportation of personnel, trailering of UTVs and other equipment, and responding to calls that do not necessitate mobilization of larger apparatus (thus extending the useful life of larger units like fire engines, tankers, etc.). The vehicle currently has just over 40,000 miles on it, and has accrued considerably more engine hours of runtime given how frequently the vehicle is running/idling while stationary. Delaying replacement of this vehicle has the potential to impact the Fire Department’s ability to respond to calls, mobilize needed equipment or personnel, or require the department to mobilize an apparatus that is larger than a given call/purpose necessitates. The Town will sell the existing 3/4 ton pickup via competitive bid (online auction or other form).

The Budget Committee wishes to convey its support for replacing the two DPW vehicles, as proposed. A majority of Budget Committee members do not support replacing the Fire Department pickup truck at this time. The Budget Committee recommends amending Article 7 accordingly.

Was this Article Recommended by the Select Board?	YES (3-0)
Was this Article Recommended by the Budget Committee?	NO (5-3)
Estimated Impact on 2019 Tax Rate	None

Article 8: To see if the Town will vote to raise and appropriate the sum of **\$250,000** for George Hill Road improvements, to authorize the issuance of not more than \$250,000 of bonds or notes in accordance with the provision of the Municipal Finance Act (RSA 33) and to authorize the municipal officials to issue and negotiate such bonds or notes and to determine the rate of interest thereon. The first interest payment will be due in 2019. The Capital Improvement Program Capital Reserve Fund, which the Board of Selectmen are agents to expend, will be used for the annual principal and interest payments for the life of the loan.

Special Warrant Article

2/3 Paper Ballot Vote Required

Explanation: The section of George Hill Road between the Springfield town line and #414 (approximately one mile) has been in need of extensive drainage improvements and resurfacing for some time. This section of road was last substantially reconstructed over 30 years ago. The road’s current deteriorating condition presents a wide range of safety risks for motorists, and further deferring substantial repairs could result in significant increases in future cost factors. Given the poor condition of the road’s base, simply applying an asphalt overlay is not a cost-effective option as the new surface would be likely to start deteriorating from frost heaving in less than five years. Once this section of road is reconstructed, all sections of George Hill Road will have been resurfaced within the past 10 years. Although all paved roads periodically require routine maintenance, such as filling cracks or repairing gravel shoulders, it is not anticipated that significant reconstruction or resurfacing of the road will be needed within the next 20-30 years.

This project will be financed by a 15- or 20-year bank loan, with an anticipated fixed interest rate of between 3.0% and 3.5%.

Was this Article Recommended by the Select Board?	YES (3-0)
Was this Article Recommended by the Budget Committee?	YES (8-0)
Estimated Impact on 2019 Tax Rate	None

Article 9: To see if the Town will vote to raise and appropriate the Budget Committee recommended sum of **\$6,677,736** for general municipal operations. This article does not include appropriations contained in special or individual articles addressed separately. (Majority vote required)

Explanation: This article, raising and appropriating \$6,677,736, is indicative of the appropriations for Town operations, including Water and Sewer and TIF District loan payments.

A summary of the operating budget is provided at the beginning of this document, and a more detailed breakdown is provided in the accompanying MS-737 Form (the Town’s official “Proposed Budget”) which the Budget Committee has filed with the NH Department of Revenue Administration.

When the Budget Committee and municipal administration began the budget development process for 2019, there were several broad goals set. These included:

- Promoting implementation of the strategic plans recently developed by each of the town’s municipal operating departments
- Sustaining (and enhancing where possible) the high-quality municipal services that residents are being offered in the Town of Enfield
- Ensuring that municipal employees continue to receive levels of compensation (inclusive of wages and benefits) that are competitive with other communities and reward high levels of performance

- Minimizing any increase in the property tax rate to the fullest extent possible (with an increase of no more than 3% being an early objective)
- Aggressively rebuilding the undesignated fund balance in the General Fund (it is recommended that the undesignated fund balance be maintained at 8%-17% of the general ledger budget (which includes payments to county government and the local school district), which had entered a deficit situation prior to 2017)
- Continuing to support the Town’s long-term commitment to fund the Capital Improvement Program Capital Reserve Fund
- Implementing the financial plan developed in 2018 for eliminating the existing Sewer Fund deficit within a period of 5-7 years

Encouraging administration and departments to seek and secure external funding for programs and services where possible, to offset costs that would otherwise need to be borne by property taxes and other sources of municipal revenue

<i>Was this Article Recommended by the Select Board?</i>	<i>YES (3-0)</i>
<i>Was this Article Recommended by the Budget Committee?</i>	<i>YES (8-0)</i>
<i>Estimated Impact on 2019 Tax Rate</i>	<i>\$7.02 per \$1000</i>

Article 10: To see if the Town will vote to raise and appropriate the sum of **\$25,000** to be placed in the Employee and Retiree Benefits Trust Fund. (Majority vote required)

Special Warrant Article

Explanation: In 2018, Town Meeting voted to create a new Employee and Retiree Benefits Trust Fund and raise and appropriate \$25,000 for the first year of the fund’s operation. The purpose of this new trust fund is to offset the costs of (1) final compensation due to employees who are retiring or otherwise separating from employment and (2) expenses that are eligible for employee reimbursement via the Town’s existing health reimbursement account (HRA). At the time, it was explained that, in the absence of a dedicated trust fund established to offset such costs, when an employee retires or otherwise separates from the Town, the Town pays all eligible accrued leave (i.e., paid vacation and eligible sick leave) from the personnel/wage account associated with the employee’s respective department. This can result in placing a great deal of financial stress on a department’s operating budget given that employee separations are often not known or anticipated in advance of the annual budget being set. Furthermore, while the Town may have the good fortune of going a year or more without having a single municipal employee leave service, it is not uncommon to have multiple employees retire or leave employment for a variety of other circumstances within a given budget year. For this reason, many towns elect to establish a separate trust or reserve fund for which they make a relatively consistent level of appropriation every year to ensure sufficient funds to cover final employee compensation and eliminate funds within the operating budget being redirected from the original intended purpose. In 2018, there was one anticipated employee retirement and two unanticipated employee retirements; this resulted in the full amount of the 2018 appropriation (\$25,000) being fully expended. It is anticipated that an appropriation of \$25,000 in 2019 will be adequate to cover all eligible expenses in 2019 while ensuring that the fund begins 2020 with a positive fund balance.

<i>Was this Article Recommended by the Select Board?</i>	<i>YES (3-0)</i>
<i>Was this Article Recommended by the Budget Committee?</i>	<i>YES (8-0)</i>
<i>Estimated Impact on 2019 Tax Rate</i>	<i>\$0.05 per \$1000</i>

Article 11: To see if the Town will vote to change the form of organization of the fire department by eliminating the board of fire wards (RSA 154:1(d)), and having the fire chief appointed by the town manager, and the firefighters being recommended by the fire chief and appointed by the town manager pursuant to RSA 154:1(b).

Explanation: In March 2018, with strong community support, Enfield town officials began working with the Center for Strategic Governance to adopt strategic governance to help leaders and residents create the future they desire. Enfield is now using this data-driven process on our own to understand our past, envision our future, and manage the present as a way to get to the future we want. We will refresh all municipal plans annually to reflect changes that inevitably arise while reinforcing Enfield's culture and values and clearly aligning strategy and investments to achieving measurable, resident-focused outcomes.

In close coordination with the Town Manager, each Enfield department developed their strategic thinking and five-year plans (2019-2023) by completing 10 activities over a five-month period. Each plan includes:

- **Mission** – Why the organization exists (enduring purpose).
- **Vision** – How the mission will be achieved over time.
- **Outcomes** – Constituent-centered results to be achieved.
- **Investments** – Initiatives/resources to achieve outcomes.
- **Structures and Staffing** – How to organize to do work.
- **Operations and Procedures** – Best practices.
- **Schedule** – Timeline to achieve planned outcomes.

Together, these plans provided a comprehensive picture of the state of the town and options that the Board of Selectmen, Town Manager, and Budget Committee could think through and prioritize to make the best use of limited resources (people and dollars).

The overarching priorities agreed upon by these municipal officials (ranked by greatest need) include:

- Financial Condition/Affordability
- Public Health & Safety (Police, Fire, EMS)
- Infrastructure, Facilities and Technology
- Community/Economic Development & Housing

These priorities and the underlying rationale for them are being shared publicly in a variety of ways to promote collaborative dialogue among Enfield residents and their municipal representatives.

The Fire Department engaged in this process and ultimately prepared a strategic plan presentation that was comprehensive in nature. It proposed a clear vision, a number of goals, desired citizen-oriented outcomes, and initiatives/actions/investments that would be needed to make those outcomes a reality. The department's plan acknowledges several pressing needs:

- To expand the number of active volunteers in the fire force and to require that all members respond to at least a preset number of calls per year;
- To improve the response times and adhere to the National Fire Protection Association's (NFPA) recommended minimum number of fire personnel responding to calls;
- To strengthen the level of certified training across all levels of the Fire Department, which is especially critical as the complexity and range of a fire force's functions continue to increase.

The presentation concluded with a summary of possible alternative governance structures for the Fire Department and a brief synopsis of some of their associated (dis)advantages. These options included:

1. Continue with the current organizational structure whereby the Fire Department is governed by three elected firewards with a high degree of autonomy and limited municipal oversight;
2. Bringing the Fire Department under the oversight of the Town Manager (just as has long been the case with the Police Department, Ambulance, Public Works, and other departments);
3. Bringing the Fire Department under the oversight of the Town Manager and merging the department with the Ambulance Department to create a new/cross-trained/integrated Fire-Rescue Department;
4. Working with the neighboring Towns of Canaan, Grafton, Orange and Dorchester (towns comprising the regional school district) to establish a new regionalized five-town Fire District;
5. Dissolving Enfield's existing Fire Department and contracting with the City of Lebanon for all fire services.

Following the presentation of the strategic plan and a considerable amount of stakeholder feedback, it was decided that there should be further examination of alternative organizational structures for the Fire Department. The Center for Strategic Governance assisted with this effort. It was determined that Option 4 (greater regional cooperation) and Option 5 (outsourcing fire services to Lebanon) were impractical or otherwise not advantageous to Enfield at this time. Based on subsequent meetings with the leadership of the Fire Department and an examination of organizational structures that are working effectively in other communities with similar characteristics (i.e., size, demographics, etc.), the Center for Strategic Governance ultimately recommended that the Town of Enfield bring the Fire Department under municipal government and begin the process of integrating the Fire and Ambulance departments.

Being unified under one (physical and organizational) roof would permit greater flexibility in cross training, scheduling, deployment of on-call personnel, and general management/financial oversight. Furthermore, it is increasingly accepted and understood that the primary functions and purposes of a "fire force" have changed dramatically over the past 30+ years. As Enfield's own call data reflect, fire departments have become "all hazards" departments that are integrating more closely with emergency medical services provided by municipal ambulance departments).

Both Ambulance and Fire face significant issues with maintaining adequate numbers of active volunteers. We should all celebrate and deeply appreciate the commitment shown by those volunteering their time (and potentially risking their own wellbeing in the process) in service to Enfield's public safety. Declining levels of volunteerism is partially the result of forces beyond our control (such as many residents holding multiple jobs or commuting longer distances to their place of work, the fact that our resident population is getting older, etc.). These sorts of contributing factors that make it more challenging to recruit/retain volunteers are not the fault of anyone. They are a reflection of the times we currently live in.

At the same time, however, municipal officials would be remiss if the effect of these changing demographics were not incorporated into our long-term planning efforts. Declining levels of volunteer participation can negatively impact response times and service effectiveness if not well addressed. The challenges must be acknowledged and confronted. In order to provide the quality of services residents desire (and this is of the utmost importance when we are talking about matters of public safety), it is essential to be upfront and honest about what the challenges are and how they may be most effectively addressed through institutional realignments and/or other means.

A key way of boosting the volunteer force is to recruit and cross-train personnel to serve in both Fire and EMS. The ideal way to promote cross-training as well as to improve scheduling and service coverage would be, at a minimum, to house both departments under municipal government and begin integrating the two departments. Today, that is impeded because Enfield's Fire Department currently operates under

the firewards (the governing body for the department), and the Ambulance operates under Enfield's municipal government (Town Manager and Board of Selectmen). Bringing these two groups under a single management framework requires a vote of the citizens.

There is a need for more consistent and rigorous operational oversight and management. Both Ambulance and Fire are volunteer organizations managed by volunteers. However, because the Fire Department's firewards and fire chief (head of department) are all volunteers, the department currently receives much less management oversight than do all the other municipal departments that report to the Town Manager. Moving the Fire Department under municipal administration would immediately provide this necessary level of oversight and help promote training, transparency and accountability within the department.

It should also be noted that the Town of Enfield faces ineligibility (or, at a minimum, will be far less competitive) to obtain various federal and state grants as a result of the Fire Department's current organizational structure and levels of training. These grants range from funding support for replacement equipment (including approximately \$150,000 to replace expiring airpaks or over \$400,000 to replace an aging fire engine) and funding to significantly offset the cost of constructing a new public safety complex that includes an emergency operations center (if the Town ultimately desires to construct such a facility in the future). For instance, the Town of Campton, NH, recently received \$1.7 million in federal funds from the Department of Homeland Security that offset more than 50% of a new public safety complex. It is important to position the Town of Enfield to be eligible to obtain similar levels of funding as we continue to evaluate our municipal facility needs and the financial feasibility of undertaking significant upgrades.

Out of a recognition that proposing a change in the governance of the Fire Department was a significant action, it was decided that the Town would retain the services of Municipal Resources, Inc. (MRI) to provide an external, practitioner-based perspective that addressed the following overarching questions:

- 1) Should the Town of Enfield transition from the current governance model where firewards elected at large, appoint the Fire Chief and provide some level of oversight to the Enfield Fire Department?
- 2) Should the Town merge Enfield Fire and Enfield Emergency Medical services into a single fire rescue organization?

To provide an appropriate evaluation of the core issues, MRI employed the following methods:

- Industry based research on the issues presented;
- Comparative analysis with seven other communities;
- Reviewed the most recent NFPA Fire Department Profile;
- Met with the Town Manager;
- Met with the Police Chief/Emergency Manager;
- Met with the fire wards (two of the three accepted the invitation)
- Toured the community of Enfield;
- Toured each fire facility;
- Reviewed fire apparatus;
- Developed a series of questions and provided an opportunity for members of the Enfield Fire Department and FAST Squad to provide written responses;
- Conducted individual interviews with command staff, fire officers and firefighters.

The interviews that MRI conducted with members of the Fire Department yielded a number of relevant findings. More specifically, members of the Department expressed many concerns, including:

- Lack of response and frequency of missed calls
- Lack of intra-department communication from Firewards
- Lack of training and perceived low quality of training
- Relationship-based decision-making

- Personnel are often selected for advancement based on relationships rather than by qualification
- Turmoil within the department higher than ever before
- Department divided by multiple factions
 - Trained/certified members vs. the untrained/uncertified members
- Some members expressed concern over integrating the Fire and Ambulance services if all members would be required to be cross-trained in both functions (*it is important to note this is not the case and the Town is working to communicate this to the members*)

MRI concluded its report with the following recommendations:

- The Town of Enfield should transition from fire service governance by firewards to a municipal governance model where the department reports to the Town Manager
- The interim Fire Chief and command staff should continue to openly address conflict and build internal teamwork
- The interim Fire Chief and command staff should develop high quality, well structured monthly training programs
- The Town should utilize a paced and planned transition to create a single fire/rescue organization
- Fire Chief, EMS Chief and Town Manager encourage cross training of personnel and support cross training
- Fire Chief, EMS Chief and Town Manager should clarify that cross training is not required and provide reassurance that members wishing to retain a singular focus will continue to be valued and supported

The findings and recommendations offered by MRI are in strong alignment with the needs for change that emerged from the department-level strategic planning process.

It is important to note that approving Article 11 will not impact the Fire Department operating budget in 2019, and it is unlikely to do so in 2020 either). Additionally, although cross-training will be incentivized for reasons detailed above, it is NOT a certainty that the Fire and Ambulance departments will be consolidated into one department if Article 11 is approved by the voters. The merits of consolidating the departments will be a focus of the transition planning efforts carried out of the next 12 months, and it is unlikely that any potential future consolidation of the departments would be completed before 2021 (two years). With respect to any impacts that the proposed change will ultimately have on staffing levels within the Fire Department, it must be underscored that hiring full-time personnel could still become necessary even if the Fire Department continues to be governed by firewards. That is, the need for full-time personnel does NOT increase as a result of having the Town Manager oversee the Fire Chief). At this time, the Board of Selectmen and Town Manager believe that integrating fire and ambulance will prolong the Town's ability to operate a cost-effective call/volunteer fire service and ultimately avoid needing to hire full-time personnel.

In conclusion, the Enfield Board of Selectmen support passage of this article to:

- Facilitate the future integration (and cross training) of Fire Department and Ambulance service;
- Help build the operational capacity, effectiveness, and responsiveness of the Fire Department and Ambulance service;
- Gain a wide range of efficiencies that cannot be achieved without this organizational realignment;
- Help make the Town more competitive for a variety of federal and state grants;
- Continue its commitment to operating a low-cost call/volunteer fire service to ensure that critically important life-saving services (both Fire and Ambulance) are provided at the highest level to our residents for sensible investment.

Article 12: To see if the Town will vote to appropriate the sum of **\$20,000** from available undesignated general fund balance for fire/ambulance department transition planning. (Majority vote required)

Special Warrant Article

Explanation: If Article 11 passes, the Town will actively move forward with strategies to begin integrating the Fire Department and Ambulance service. This may include ultimately merging the two departments into Fire-EMS Department. Assembling a comprehensive strategy to address the issues that have faced the Fire Department for many years is a significant undertaking. Although state law prescribes that the Firewards will continue to govern the Fire Department for one additional year following the March 2019 Town Meeting (meaning the organizational realignment will not be complete until March 2020), there will be a need for considerable collaboration between municipal administration, Firewards, and external planning support services during the intervening months. It will be necessary to develop a detailed transition plan and begin implementing it over the course of the next year in order to ensure an orderly and smooth transition.

Planning efforts will incorporate all aspects of these departments, including policies and procedures, governance and management, personnel, training, vehicles/equipment, and facilities.

These efforts will fund new ways to:

- Coordinate and integrate efforts between Fire and Ambulance;
- Institute more effective and efficient Fire/Ambulance operations and practices;
- Enhance cross training, call response, and certification practices to ensure effective, timely coverage;
- Offer EMS cross-training to police officers to increase the number of qualified first responders,
- Maintenance all equipment and vehicles more maximum ROI;
- Oversee ongoing performance management of all personnel.

These activities, we believe, will markedly strengthen the quality and timeliness of public safety that all residents deserve. It will be highly advantageous to work with a qualified consulting firm with considerable experience assisting municipalities (and fire/rescue departments in particular) with these sorts of multi-faceted transitions. If the Town does not invest in coordinating this transition and utilize independent expertise, it is likely that conflict within the Fire Department will persist.

Subsequent to this warrant article being officially posted, a private foundation graciously offered to contribute \$5,000 (must be matched with at least \$15,000 in Town funds) to support the transition. As such, the requested funding can be reduced by \$5,000 via an amendment offered at Town Meeting.

<i>Was this Article Recommended by the Select Board?</i>	<i>YES (2-1)</i>
<i>Was this Article Recommended by the Budget Committee?</i>	<i>YES (7-1)</i>
<i>Estimated Impact on 2019 Tax Rate</i>	<i>None</i>

Article 13: To see if the Town will vote to appropriate the sum of **\$10,000** from available undesignated general fund balance for community master planning. (Majority vote required)

Special Warrant Article

Explanation: The Town of Enfield’s present community master plan was adopted by the Planning Board in 1995. Although substantial updates to the master plan were completed in 2006, these updates were

never formally adopted by the Planning Board. As such, the Town’s current community master plan is approximately 24 years old. Given that best practices in zoning and community’s needs and demographics evolve over time, it is generally accepted that community master plans should be updated every 10 years to ensure that the plan reflects the values, priorities, and goals of a community. The Planning Board had intended to commence with comprehensive updates to the community master plan beginning in the winter/early-spring 2019, however, a recent staff departure in the Planning and Zoning Office will result in a slight delay while a search process for a new Land Use & Community Development Administrator (formerly Planning & Zoning Administrator) is completed and the new hire becomes familiar with the community. Community master planning is an intensive process that we anticipate will take approximately 18 months to complete. The requested funds will enable the Town to retain the services of a qualified external entity (such as the Regional Planning Commission) with expertise in community master planning to assist the Planning Board and municipal officials with this important effort, which will entail considerable public engagement.

<i>Was this Article Recommended by the Select Board?</i>	<i>YES (3-0)</i>
<i>Was this Article Recommended by the Budget Committee?</i>	<i>YES (8-0)</i>
<i>Estimated Impact on 2019 Tax Rate</i>	<i>None</i>

Article 14: To see if the town will vote pursuant to RSA 162-K:9, IV to extend the term of the current Enfield Tax Increment Finance District and tax increment financing plan, which is scheduled to expire on February 8, 2020, to February 8, 2030. (Majority vote required)

The TIF District was intended as a funding mechanism for infrastructure improvements to support and increase the commercial business and jobs in the town thereby increasing the commercial tax base. Funding is in the form of tax revenues from property assessment increases due to new construction and improvements to fund approved projects within the district.

2005 Excerpt:

The purpose of the district is to fund public improvements to roads, intersections, sidewalks, sewer, water, drainage, lighting, signage, utility poles and lines, broadband telecommunications, landscaping, or other associated improvements that will help create and support development of mixed land uses, typical of New England Villages and consistent with Enfield’s own traditions. It is recognized that this area is the core commercial area in the Town that provides a substantial number of jobs and services, and also represents an important part of the non-residential Tax base of the community.

If the TIF District were not extended and it expired in 2020, state law requires that the full amount of the TIF District fund balance be used to pay off debt incurred, so would be applied to the loan principal for the Route 4 sewer and water project.

Current TIF District debt service can be summarized as follows:

- 2013 loan with a 30-year term (2042)
- 2.95% interest rate (rate is fixed thru 2022 and then may be adjusted)
- Original loan balance: \$3,200,000
- Outstanding principal balance as of 1/1/2019: \$ 2,787,814.38
- Minimum annual payments: \$162,247

The loan agreement between Enfield and Mascoma Bank permits early repayment, and if the full amount of the TIF District fund balance was applied to the remaining debt there would still be over 15 years of debt service payments before the debt was eliminated.

Extending the term of the TIF District to a time when the Town’s general financial condition is stabilized would allow additional payments to principal thereby reducing the term of repayment and also reducing the amount of interest paid. This would not have a direct impact on the tax rate. However, funding of municipal operations and payments to the schools must still be made. Funds for this come from taxation of the remaining property value (total value minus the TIF retained value). By reauthorizing the TIF District we are able to avoid likely cash flow problems that would result from taking the available fund balance (projected to be approximately \$1 million by the end of 2019) out of the Town’s general operating account. If such a large amount of money were taken out of the Town’s general operating account it is likely that the Town would ultimately need to engage in short-term borrowing (i.e., tax anticipation notes) to meet regular operating expenses for the General Fund, Water and Sewer.

Article 15: To see if the Town will vote to raise and appropriate the sum of **\$422,168** to be placed in the Capital Improvement Program Capital Reserve Fund

Special Warrant Article

Explanation: The CIP Committee is requesting that \$422,168 be raised and appropriated to the CIP-CRF in 2019 (a \$102,200 increase over the \$319,968 raised and appropriated to the fund in 2018) so that we can continue to build and maintain sustainable capital reserves moving forward. Each year the CIP Committee ensures that the amount appropriated to the CIP-CRF exceeds the total amount withdrawn, with the goal of growing the size of the fund so that fewer vehicle/equipment purchases necessitate any borrowing (i.e., loans and capital leases). It should be noted that the amount raised and appropriated to the CIP-CRF in 2018 was intentionally reduced by \$76,000 in order to provide funding for strategic planning and software upgrades without an added increase on the tax rate. As such, if an additional \$76,000 had been raised and appropriated to the CIP-CRF in 2018, the \$422,168 amount being proposed in 2019 would represent only a \$26,200 increase over the prior year. Since the CIP-CRF’s inception in 2012, the following amounts have been raised and appropriated to the fund (amounts that will likely be proposed in future years are shown in *italics*):

Year	Appropriation	Difference
2012	210,168.00	56,832.00
2013	267,000.00	24,783.00
2014	291,783.00	25,585.00
2015	317,368.00	26,200.00
2016	343,568.00	26,200.00
2017	369,768.00	-49,800.00
2018	319,968.00	102,200.00
2019	422,168.00	26,200.00
<i>2020</i>	<i>448,368.00</i>	<i>26,200.00</i>
<i>2021</i>	<i>474,568.00</i>	<i>26,200.00</i>
<i>2022</i>	<i>500,768.00</i>	<i>26,200.00</i>
<i>2023</i>	<i>526,968.00</i>	<i>26,200.00</i>
<i>2024</i>	<i>553,168.00</i>	<i>26,200.00</i>

2025	579,368.00	26,200.00
2026	605,568.00	

<i>Was this Article Recommended by the Select Board?</i>	<i>YES (3-0)</i>
<i>Was this Article Recommended by the Budget Committee?</i>	<i>YES (8-0)</i>
<i>Estimated Impact on 2019 Tax Rate</i>	<i>\$0.77 per \$1000</i>

Article 16: To see if the Town will vote to raise and appropriate the sum of **\$75,000** for wastewater planning, and to authorize the issuance of not more than \$75,000 of bonds or notes in accordance with the provisions of the Municipal Finance Act (RSA 33) and to authorize the municipal officials to issue and negotiate such bonds or notes and to determine the rate of interest thereon; said borrowing to be from the NHDES Clean Water State Revolving Fund of which 100% of the principal is to be forgiven. There will be an interest payment due in 2019. The Municipal Sewer System Capital Reserve Fund, which the Board of Selectmen are agents to expend, will be used for the interest payments for the life of the loan.

Explanation: The Town has applied for a loan in the amount of the \$75,000 from the New Hampshire Department of Environmental Services’ (NHDES) Clean Water State Revolving Fund. This loan carries with it 100% principal forgiveness and an interest rate of 2% (meaning that the Town would incur interest expenses in the amount of \$1,500 if the loan was paid off after one year). In 2018 the Town took out a loan (also with 100% principal forgiveness) to comprehensively inventory and assess our municipal sewer system infrastructure (many components of which we know are plagued by groundwater penetration), and identify how the system will best be upgraded and maintained over time in order to meet the needs of the community (including capital planning and ensuring that the size and condition of the system can adequately accommodate future projected growth). This second loan will effectively be used for Phase II of a two-phase project. The Board of Selectmen, Town Manager and Budget Committee strongly believe that it is necessary for the Town to begin analyzing existing and potential alternative rates and rate structures to ensure the financial sustainability of the system, and assessing the feasibility of constructing and operating the Town’s own dedicated wastewater treatment and disposal system. If the Town is successful in obtaining funding for this project from NHDES, a rate study and preliminary feasibility report will be developed, and results of the rate study and preliminary feasibility assessment will be presented in a public hearing. The Town will not be eligible to receive NHDES funding for this project if Town Meeting does not approve Article 16.

<i>YES (3-0)</i>	<i>YES (3-0)</i>
<i>YES (7-0)</i>	<i>YES (8-0)</i>
<i>None</i>	<i>None</i>

Article 17: To see if the Town will vote to adopt the provisions of RSA 41:14-a and authorize the Board of Selectmen to acquire or sell land, buildings or both.

Explanation: At the 1998 Town Meeting, the voters accepted the provisions of RSA 31:19, which provides authorization indefinitely (until rescinded) for the Enfield Board of Selectmen to accept on behalf of the Town gifts, legacies, and devises made to the Town in trust for any public purpose. Subsequently, at the 2018 Town Meeting, voters granted the Board of Selectmen the authority to accept gifts of real property. However, if the Board of Selectmen accepted title to a piece of property that did not serve a public purpose and wished to sell the property, it would not have authority to do so without Town Meeting approval. Given that Town Meeting takes place once per year, this limitation can cause

unnecessary delays to the sale of real property owned by the Town. Approval of Article 16 would provide the Board of Selectmen with valuable flexibility and enable the sale of Town-owned land to be carried out in a much more efficient manner. It should be noted that, if Article 16 is approved and the Board of Selectmen is granted additional authority pursuant to RSA 41:14-a, state law would still require the Board of Selectmen to hold a public hearing to deliberate the matter.

Article 18: (By Petition) “To see if the Town of Enfield will increase the Town of Enfield’s Veterans Disability Property Tax credit to the sum of \$2,000 (Two thousand dollars).”

Explanation: This article has been added to the Town Meeting warrant by citizen petition.

At present, approximately 17 Enfield residents qualify for the disabled veteran property tax credit. The value of the credit is currently \$1,400 per veteran (or veteran’s household) per year. RSA 72:35 requires that all municipalities administer a disabled veteran tax credit of at least \$700. The maximum amount a municipality can administer for a disabled veteran tax credit was recently raised by the NH legislature from \$2,000 to \$4,000. If this article is approved, we would estimate the total cost of the disabled veterans tax credit would increase from approximately \$23,800 to \$34,000 (a \$10,200 increase).

Estimated Impact on 2019 Tax Rate	\$0.02 per \$1000
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Article 19: (By Petition) “The following list of streetlights in the town of Enfield are no longer serving any town purpose. After reviewing the list and physically inspecting these streetlights, the Town Manager and the Chief of Police have determined that these streetlights serve no purpose and should no longer be funded with taxpayer money. (See Selectmen’s minutes September 17, 2018).”

“We the voters of Enfield NH agree with the Town Manager and Chief of Police that our taxes should not be used to support streetlights that serve no purpose in our town.”

“This Warrant Article is advisory only.”

Explanation: This article has been added to the Town Meeting warrant by citizen petition.

During the spring of 2019, members of the Energy Committee approached the Town Manager and Board of Selectmen expressing a desire to examine the Town’s existing street lights and potentially identify lights for decommissioning. The primary motivation for decommissioning various lights was annual utility cost savings and the environmental benefits of reduced energy consumption from non-renewable sources. In order to be considered for decommissioning, a given light needs to meet certain criteria. For instance, the illumination being provided by a given light must not be serving a useful public purpose and/or it must be demonstrated that the light is duplicating illumination from another nearby light source in an unnecessary manner. During the summer of 2018, there was additional discussion between members of the Energy Committee and the Town’s administration as efforts were made to work with Liberty Utilities to generate a comprehensive map of the Town’s street lighting system. The Energy Committee ultimately prepared a list of 46 lights that they recommended for decommissioning. The Police Chief subsequently visited each of the lights that had been identified for possible decommissioning. Many of the lights that had been identified by members of the Energy Committee for potential decommissioning were perceived by the Police Chief as serving a useful purpose (promoting public safety being a primary consideration) and it was agreed that further review would be needed. After further evaluating the illumination provided by each streetlight during nighttime hours, the Police Department and Department

of Public Works provided their concurrence for decommissioning 29 lights (27 of which were on the original list of 46, and two additional lights that were identified).

In the interest of transparency and encouraging resident input on this important subject, the proposed street light decommissioning was deliberated at a meeting of the Board of Selectmen. After obtaining feedback from residents who attended the meeting, the Board of Selectmen expressed their opinion that the majority of the 29 lights should remain in commission. Seven of the 29 lights were deemed acceptable for decommissioning because they were located on private property or were a duplicate of another light (i.e., two lights affixed to the same pole, illuminating approximately the same area).

STREETLIGHTS DETERMINED TO BE NO LONGER SERVING ANY TOWN FUNCTION						
BY THE TOWN MANAGER AND THE CHIEF OF POLICE						
	LINE	POLE		STREET		ANNUAL COST
1	33	7	0	BALTIC	ST	\$ 91.68
2	33	15	0	BALTIC	ST	\$ 91.68
3	33	16	0	BALTIC	ST	\$ 91.68
4	25	2	0	BROWN	ST	\$ 91.68
5	3	3	0	BUD MIL	RD	\$ 91.68
6	3	5	0	BUD MIL	RD	\$ 88.56
7	762	3	0	FITZGERALD	DR	\$ 91.68
8	762	5	0	FITZGERALD	DR	\$ 91.68
9	502	3	0	LOCKEHAVEN	RD	\$ 91.68
10	23	24	0	MAPLE	ST	\$ 91.68
11	24	11	0	MAY	ST	\$ 91.68
12	13	5	0	OAK GROVE	RD	\$ 91.68
13	335	86	0	ROUTE 4A	RD	\$ 91.68
14	335	135	0	ROUTE 4A	RD	\$ 91.68
15	335	138	0	ROUTE 4A	RD	\$ 91.68
16	335	142	0	ROUTE 4A	RD	\$ 91.68
17	63	5	0	SHAKER	BLVD	\$ 91.68
18	63	9	0	SHAKER	BLVD	\$ 91.68
19	63	13	0	SHAKER	BLVD	\$ 91.68
20	63	17	0	SHAKER	BLVD	\$ 91.68
21	35	1	0	SLOAN	RD	\$ 111.24
22	4	4	0	WARREN	RD	\$ 91.68
TOTAL ONE YEAR COST SAVINGS BY DECOMMISSIONING						\$ 2,033.40
TOTAL FIVE YEAR COST SAVINGS BY DECOMMISSIONING						\$ 10,167.00
TOTAL TEN YEAR COST SAVINGS BY DECOMMISSIONING						\$ 20,334.00

Article 20: To hear the reports of agents, auditors, committees, or any other officers heretofore chosen and pass any vote relating thereto.

Explanation: This article allows voters to transact any other business that may legally come before Town Meeting. Items brought up for discussion can only be advisory or informational in content and nature. Any items requesting the Town to raise and appropriate money cannot come before the meeting under this article.