



Enfield Budget Committee 2018 Municipal Budget Proposal

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

-NH RSA 32:1

ENFIELD 2018 BUDGET PLAN

Process:

- Committee meets throughout summer, fall, winter
- Committee meets with town departments
- Committee examines budget requests, revenues

Objective: To prepare a responsible budget for the Town

- Maintain core services
- Support Enfield's QoL experience
- Reinforce and encourage town efficiencies
- Make responsible budget decisions to minimize impact on taxpayers

Summary of 2017

- Maintained town services @ 2016 levels
- Continued support for CIP long-term capital plan
 - Funded Capital Improve. Program Capital Reserve Fund (CIP-CRF)
 - CIP-CRF Appropriation = \$369,768 (\$26,200 increase from 2016)
- Town meeting approved budget estimated needing to raise \$3.8M through property taxes
- Actual property tax levy was \$3.95M due to actual non-property tax revenue (NPTR) falling below initial estimates
- Estimated tax rate = \$7.20/\$1000 valuation
- Actual tax rate = \$7.38/\$1000

End of 2017:

- Low debt level
- NPTR is expected to decline slightly in 2018
 - High level of land use change taxes collected in 2017 that cannot be expected in 2018
 - Lack of “surplus” municipal property to sell
 - High levels of insurance disbursements in 2017 that cannot be expected in 2018
- High rate of property tax receipts (~96%)
- Solid long-term capital plan (CIP)
- Solid plan to begin erasing the Sewer Fund deficit

Areas to Watch

•Undesignated Fund (UDF)

- Fund was depleted following several years of increased unexpected costs and accounting errors
- Deficit has been closing in recent years
- Early projections indicate there will be a surplus for 2018 (the exact amount of which will be confirmed once the Town's independent auditor files the MS-535 with the NH Dept. of Rev.)
- Once the undesignated fund balance rises to a target range of 10-15% of the value of the annual operating budget, it will be advisable to begin using these funds to offset certain non-recurring costs that would otherwise be funded with capital reserves

2018 Budget Considerations

Overall Town and Regional Economy

- Economic recovery continues
- Low unemployment rate in NH and UV

Initial Target: Formulate the recommended budget to keep estimated tax rate increase to around 2%

2018 Budget Considerations

NPTR continuing upwards trend in certain areas

- Car registrations:
 - 2008, \$578K
 - 2015, \$918K
 - 2016, \$974K
 - 2017, Over \$1 Million
- Conservative 2018 NPTR projections

Cost Centers Required Significant Funds

- Employee benefits (e.g. retirement, workers' comp, healthcare)
 - Healthcare premiums went down
- General cost of doing business

Continued capital needs (infrastructure, equipment)

- Long-term CIP/TIF in place and working well
- Keeping up and getting ahead on road maintenance

2018 Final Operating Budget Proposal

Estimated Tax Rate*

Operating Budget Appropriations*	\$5.40M
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CIP-CRF/Gen. Fund SWA Appropriations	\$406K
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Projected NPTR from Gen. Fund	- \$1.76M
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To be raised from property taxes:	\$4.05M
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*Does not include water/sewer operating expenses or TIF debt service

Projected Tax Rate

- \$7.58 per \$1000 valuation
- 2.71% over 2017 actual rate
- Tax rate is set by State of NH with input from Selectboard and Town Manager

Highlights of Proposed 2018 Budget

- **Near level operating spending across departments**
 - Conservative projection of NPTR
 - No adjustment for likely increases in property values
 - All core town activities and services maintained
 - Maintains existing staffing levels (maximal 2% merit-based salary and wage increases for existing personnel)
- **Continued funding of CIP**
 - Appropriating \$320K into CIP in 2018 has the same “bottom line” effect as appropriating \$396K into the CIP-CRF (7th annual 5-cent tax increase to support CIP 15-year plan) if the \$76K for strategic planning and municipal finance upgrades were being funded from CIP-CRF as opposed to via a separate special warrant article.

2018 Enfield Budget Proposal

The Budget Committee recommends a budget of \$6,429,592 with an estimated tax rate of **\$7.58 *per \$1000 property valuation***

(includes CIP and other special warrant article appropriations from the general fund)

- *2.71% rate increase vs 2017 actual rate*
- *Approx. \$20 per \$100K in assessed property value*

2017-18 Enfield Budget Committee

Dominic Albanese
James Buffington
Eric Crate
Fred Cummings (Ex-Officio)
Mike Diehn
Sam Eaton (Chair)
Mark Eisener
Shirley Green (Vice Chair)
Nancy Smith
Holly West

Administration Liaison: Ryan Aylesworth, Town Manager

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