

**TOWN OF ENFIELD
ENFIELD BUDGET COMMITTEE
MEETING MINUTES JANUARY 18, 2024**

TIME: 6:30 PM

**LOCATION: Dept. of Public Works Facility & Teams Videoconference
74 Lockhaven Road, Enfield**

COMMITTEE MEMBERS PRESENT: Jane Plumley, Dan Kiley, Nancy Smith, James Fickett, John Kluge (ex-officio), Shirley Green (Vice-Chair), Dimitri Deserranno (Chair), Tina Stearns, Brad Rich

EXCUSED: Mike Diehn

OTHERS: Ed Morris (Town Manager), Alisa Bonnette (Assistant Town Manager), Whitney Banker (Recording Secretary)

MEMBERS OF THE PUBLIC: Roy Holland (Enfield Police Chief), Tracey Young (Enfield Select Board), Kate Plumley Stewart (via Teams, Enfield Select Board), Jean Patten, Steve Patten, Thomas Lockitt

CALL TO ORDER:

Chair Deserranno called the meeting to order at 6:30 pm.

APPROVAL OF MINUTES: December 28, 2023

Ms. Plumley made a motion to approve the minutes as amended. Ms. Smith seconded. Vote unanimously in favor of the motion (9-0).

Amendments:

Line 117 – The Lions did not build the building. It was on the property, but the Lions moved the building. Clarify this.

Line 44 – Ms. Kate to Ms. Minshall

BUSINESS:

Revenue Budget Review

Unassigned Fund Balance

Mr. Morris said that the Unassigned Fund Balance was the only item that had changed since the last meeting.

Mr. Morris said that \$100k is set to write down the tax rate and shared the other proposed uses of the Unassigned Fund Balance (UFB). Mr. Morris reviewed the proposed uses: community building floor refinishing, community building ramp repair, culverts, town offices temporary relocation expenses, road survey, and fire department radios. These other proposed uses totaled \$95,500. There is also a separate warrant article for the police recruitment and retention bonus fund, totaling \$20,000.

Mr. Rich asked if the UFB is intended for emergency use only. Ms. Bonnette and Mr. Morris said it was not only for emergencies. The UFB is intended for unexpected and unusual expenses, such as the Whitney Hall renovation and temporary relocation of the Town Offices. Mr. Morris said that writing down the tax rate will delay the tax increase but will not prevent it.

Ms. Plumley asked what the agreement is with the La Salette building. Mr. Morris said that a lease was signed for one year, with the town's decision to move month-to-month if needed after that. The agreement is flexible. The Enfield Shaker Museum paid for major repairs to the La Salette facility.

Mr. Kiley asked where the recruitment of police officers stands. Chief Holland said that one candidate is in the process of being hired. The individual is uncertified and will need to attend the academy. Chief Holland and Mr. Morris agreed it did not make sense to hire two uncertified officers simultaneously; they plan to have an open position for at least six months unless a certified officer applies. There are currently five officers and two open positions. Mr. Morris said they would need all seven positions to offer 24/7 coverage. Mr. Deserranno asked what would happen if the town did not have 24/7 coverage. Mr. Morris said that area towns that tried this recently experienced increased crime, and he would not recommend doing away with 24/7 coverage. Chief Holland noted that the average police response time in Enfield is 3 minutes; without full coverage 24/7, the response time increases to 15 minutes. Enfield officers attend all medical calls as well.

Ms. Patten asked about the police officer hiring bonus and whether there are stipulations that apply only to certified officers. Mr. Morris said there is an uncertified recruitment bonus, similar to what the NH State Police have done, which has increased the number of applicants. Enfield will also offer a certified retention bonus. It is more cost-effective to retain than recruit. The recruitment and retention bonuses stipulate the length of employment and the amount of the bonus to be returned to the town if stipulations still need to be met.

Expenditure Budget Review

Mr. Morris said that the police salary and budget items were decreased overall due to many minor adjustments. Employees currently pay 19% of the health insurance benefit, which will increase to 20%.

Mr. Deserranno said that the town provided large raises over the last several years and that the compensation study showed the town was within 1% overall. He proposed that the town do Cost of Living +1. Mr. Rich proposed they consider delaying the compensation studies for 1-2 years. Mr. Morris cautioned that this could cost the taxpayers more than the proposed increase if positions are lost. He said he felt the average increase across the state would be 4-5%; Enfield is within the norm in this regard. Mr. Rich said they may not be outside the norm, but the town's operating budget has increased.

Mr. Rich asked if the Public Safety facility could be delayed. Mr. Morris said the loan had already been taken, and the terms were already in place, locked in just under 4% interest. Ms. Plumley said she would like to see the data on what different towns are doing with their

operating budgets and salaries. She said she did not think that it was always clear that Enfield was in the middle range for compensation, and they were not trying to get to the top of the ranges. She said that she feels it is essential to retain employees. Mr. Morris said that one issue has been delaying compensation increases, which has caused the more significant jumps in recent years to catch up.

Ms. Green said there are few towns the same size as Enfield; area towns with similar positions are much larger (Lebanon, Hanover, etc.).

Ms. Stearns asked if there was a way to spread the more significant increases over a more extended period. Mr. Morris said that he had spread it out over two years for everyone, and those who would have an increase larger than 20% were spread out over four years. Mr. Deserranno said it would be important to supply taxpayers with the average overall percentage of raises. Mr. Morris said it would be just over 5% overall. Chief Holland noted that the raises match or are within 1% of nearby small towns (like Canaan). 8% and 5% seem high; however, they are minimally keeping up with area towns. He said Enfield can become a “feeder town” to larger towns like Lebanon and Hanover because they are not keeping up with pay rates. Mr. Rich said that he felt they needed to come up with a reasonable tax rate. Most towns try to keep the overall budget increase between 3-4%. Ms. Smith said that she felt personnel is the easiest thing to choose not to increase. However, this is the town’s most valuable asset and should not be cut.

Mr. Patten Asked how many people who are not municipal employees get a 5% raise. He said isn’t this point enough. He said that working in the public sector his entire life, he never saw a 5% raise. Mr. Rich said that his company did only 3% this year. However, they were not in the same position as the town that has not kept up with pay rates and had a larger gap to fill.

Ms. Patten said that in her experiences working in NH school systems and a hospital, she never received a 5% raise. She said she felt taxpayers were getting hit from every angle with increases, such as water and sewer. Many residents are struggling. She asked how to best consider evening out these increases and compromising. Ms. Smith said that she felt they should look at other areas to cut but refrain from taking raises away from employees. Ms. Plumley said that she would like to see Mr. Morris come back with data from the last few years for area towns and Enfield.

Mr. Kluge said that he felt Enfield has historically had a problem with skimping on maintenance and infrastructure, under which he would include employees. Cuts on construction and infrastructure have added up to create issues the town must address. He said that he felt cutting raises would harm the town. He said that the town has to spend money to maintain the quality of infrastructure and the lifetime expectancy of buildings and systems.

Ms. Plumley asked Mr. Morris for a dollar amount for the proposed increases. Mr. Morris said the 5% increase would bring total salaries to \$2,647,357.00. Mr. Morris’s proposed increases would bring total salaries up to \$2,664,815.00.

Mr. Rich asked if it would be a crazy idea to ask department heads to review budgets and propose cuts. Mr. Morris said that they have done that and are at the point where they would be

126 looking at small changes or cuts in service (such as not paving as many roads as planned). Ms.
127 Smith said that she felt taking care of the town was important. Ms. Plumley noted that many
128 areas have already voluntarily taken cuts and then had additional cuts made. Mr. Morris said that
129 the UFB is where he is trying to pull in one-time expenditures. Department heads also tried to
130 fully utilize 2023 funds to help lessen the overall increase of the 2024 budget.

131 Ms. Stearns said having future reports include a percentage increase/decrease column would be
132 helpful. Members agreed.

133 Ms. Patten said looking at the entire budget, when the two large projects were voted in, grants
134 kept being mentioned at the town meeting business session. She asked if grants were available as
135 they were said to be. Mr. Morris said they have been applying for grants and have gotten some.
136 Chief Holland said they applied for 1.6M\$ of grants last year and received about \$200k out of
137 those they applied for. Some applications were pushed off to this year once the project is
138 underway. There is a tracking form for all grants the town applies for and whether they receive
139 them. Mr. Morris said that many grants will not apply to new buildings. Mr. Patten said that the
140 town meeting where these projects were voted on promised grant money. Ms. Plumley said that
141 she left that meeting with the understanding that the town would be aggressive in applying for
142 grants but that applying and receiving them are two different things. Chief Holland said there
143 was a nearly \$700k grant where Enfield made it to being a finalist for the grant and was beaten
144 out by one other town.

145 Mr. Deserranno said that trash pickup accounted for nearly 1/3 of the budget. Mr. Morris said
146 that the cost of recycling can be significantly reduced by removing glass from the recycling
147 stream, as the cost is done by weight. Ms. Green said that this change would need to be made
148 clear to all residents if it were made.

149 Ms. Smith suggested that trash pickup be removed. Mr. Rich said they should propose a warrant
150 article to remove trash pickup for voters to decide.

151 Mr. Young said that building materials and construction costs have increased tremendously. The
152 numbers during the town meeting were dramatically lower than unanticipated construction
153 increases. Serious adaptations to the original projects have been made due to these construction
154 increases.

155 Ms. K. Stewart (via teams) requested that members speak individually. It isn't easy to hear
156 everyone online when multiple people talk at once.

157 Mr. Kluge asked what the committee was looking for concerning the budget. He said he did not
158 think they could find anything significant enough to make an impact now without doing damage
159 long-term. Mr. Young agreed that everyone has done their best but thinks communication with
160 the public is vital in helping justify the numbers.

161 Ms. Patten said that she felt it would be good for taxpayers and voters if there were actual
162 documentation to show where reductions were made and where increases in the budget are. Mr.
163 Kluge added that most increases are beyond the town's ability to change (such as trash) without
164 significant changes to the community. Ms. Patten said that documentation and numbers to

165 support the argument for an increased budget are useful in helping community members
166 understand. Chair Deserranno agreed this would be important. Mr. Morris said they had been
167 told that removing glass from recycling would significantly decrease the cost, as recycling is
168 done by weight, and the glass is heavy. Mr. Patten asked if the town pays for rubbish by the
169 pound. Mr. Morris said that they do, but it is quite a bit less than recycling. Ms. Plumley asked if
170 the town could find a vendor who may be willing to separate glass from recycling and whether
171 this would be a decreased cost.

172 With recent large increases and compounding interest, Mr. Lockitt said he would like to know
173 when items start coming off the budget. Are there any projections that can be made of “when X
174 happens, we can start doing negative percentages because large projects are coming off the
175 books”? Mr. Deserranno said they should also be able to show the large increases due to
176 buildings being separate from the other budget increases. Mr. Fickett noted that the history of the
177 tax rate is on the website and goes up and down. If the appraisal goes up, the rate decreases;
178 however, there is no dollar-amount decrease.

179 Mr. Kluge said that if the wages were cut by 2% for an average home, what difference would this
180 make to the taxpayer? Mr. Morris said that it was not significant. The proposed rate of 17.22%
181 would be \$10.13 per thousand. Mr. Holland asked if the average citizen would rather save \$5 on
182 their tax bill or have police officers in town to respond and public works employees to plow the
183 roads, etc.

184 Chief Holland said that since January, all town employees have paid healthcare increases, etc.
185 These employees have paid more from January through April before the town meeting. In that
186 period, they are making less than the prior year due to these increases in benefit cost but budget
187 increases not yet being approved.

188 Mr. Kiley asked Mr. Deserranno if anything could be cut that would make a difference. Chair
189 Deserranno said cutting services would be the only way he could see a decrease. Mr. Rich said it
190 is cutting services, employee compensation, or trash/recycling. Mr. Kluge said that he felt they
191 would need to make clear to community members what a small impact these would have on
192 taxes. Ms. Plumley asked if the town would learn from the history of “kicking it down the road”
193 and having to play catch-up. Mr. Morris said there was a large municipal increase. However, the
194 overall tax bill was only about 5% last year.

195 Ms. Stewart (via teams) said that he felt it was important to separate personal feelings and
196 choices but can address what services community members want to go without to make budget
197 cuts. She asked the committee to consider if they want to responsibly plan or gamble on the
198 impact of cuts. She said that it is an employee market at this time. When people choose to leave a
199 position, they always get a pay raise.

200 Ms. Patten said that she felt it was not just about salaries but also the overall picture. She
201 suggested removing curbside trash and recycling as a potential cut. She said maybe it is time to
202 look at this as a luxury that can be removed. Ms. Stearns said that she felt they would need to
203 look at the cost differential for everyone going to the transfer station instead. Mr. Morris said that
204 they had looked at this and would need to increase the transfer station's size and employees. Mr.

205 Deserranno said they briefly looked at numbers, and the amount of money to have trash pickup
206 would be more than the tax decrease. Mr. Morris said they had researched the cost of going to
207 the transfer station only, which was a high cost. Mr. Kluge said that a lot of the budget is
208 infrastructure. However, it will catch up with the town as it has in the past when this is pushed
209 out of the budget.

210 Ms. Patten said to the committee that if most of them truly believed in the budget, she felt they
211 should give it to the voters and see what happens.

212 Mr. Morris said several things impact the budget this year, including that it is a trash contract
213 year.

214 Chair Deserranno asked Mr. Morris if the committee could get a list for the next meeting of
215 where cuts have already been made and what increases have happened, that can only be cut with
216 negative impacts.

217 Mr. Young said that the overall small changes if cut, would not be a dramatic change for the
218 average taxpayer.

219 **Financial Overview**

220 Members agreed the discussion thus far had already covered this topic.

221

222 **OTHER BUSINESS:**

223 **Public Comments**

224 Chair Deserranno asked for further public comment.

225 Ms. K. Stewart invited anyone interested in running for public office or encouraging others to
226 run for public office in Enfield to attend the informal, non-partisan get-together at 20-Hands this
227 Sunday, 1/21, at 5 pm.

228 Mr. Young said having been on the Budget Committee for a number of years and now as a Select
229 Board member, he appreciates the time and effort the committee has put into the budget. Mr.
230 Kluge added that this was a thoughtful group that worked together to solve issues.

231 **Additional Business**

232 None.

233 **NEXT MEETING: January 25, 2024**

234 **Budget Review**

235 **Presentation Preparation**

236 **ADJOURNMENT**

237 Mr. Kiley made a motion to adjourn at 7:59 pm. Ms. Smith seconded. Vote unanimously in favor of the
238 motion (9-0).

239 The meeting was adjourned at 7:59 pm.