

TOWN OF LISBON

Town budget hearing February 9, 2015

Selectboard, Stephen Knox (SK), Donald Butson (DB) and Mary Lou Forsyth (MF)

Financial Director, Gregory Colby (GC)

Town Clerk, Jennifer Trelfa (JT)

Department Heads, Scott Pinson, Kevin Clement, Fred Garofalo, Greg Hartwell + Dave Combs .
- Corrected J.T. 2/16/15

Members of the Public.

6:00 pm, SK called meeting to order.

Going to turn the meeting over to GC, we have made some last minute changes that will show on the town warrant, do not show on the print outs.

GC – Overview of budget process, October the department heads were asked to work on budgets. They then met with GC, went over the ups and downs, he then presented to Selectmen, went over requested budgets. Selectboard then worked with Budget Advisory Committee. There are no significant changes, apart from paving now is in budget and the Board are proposing to use surplus to cover the paving. There are warrants to show the closing of Reserve funds. These are closing all the single item fund accounts to re-open as department accounts. Monies have to go into general fund; but then go back in to new Revenue funds.

SK – We are changing the accounts from specific items, like dump truck, ladder truck for fire to a more general fund for each department, all departments have aging fleets. We are also adding to the new funds, once accepted, from fund balance, to help. Also we are hoping to start a Capital Improvement Plan.

GC -- The regular water / waste water articles, plus adding monies to both their trust funds. There is one petitioned warrant article, and an article to affirm/adopt the present organizational structure of the fire department.

SK – Article 3, we have the opportunity to purchase property on Main Street, currently the Ross Funeral Home... It is a good place for new fire station with possibility to expand town function. We are actively working on trying to get a vote subject on final vote at Town Meeting. We currently do own a piece of property on Main Street that was purchased for the new fire station; property is in the flood plain so not feasible. The bottom line with all on warrant still shows tax rate as down.

GC – If everything on warrant is approved, the estimated tax rate for town portion \$10.80 a decrease from \$11.94

DB – Would like to acknowledge help from Budget Advisory Committee.


D.B.

SK – Would also like to thank department heads and Greg for all their help getting the budget to where it is today.

Any questions from the floor.

Peter Nightingale (PN) – Are estimated revenues and credits up?

GC – Page 5 on the MS 636 handout shows estimate and two items on page 6, shows purchase of property and closing out all the revenue fund accounts.

PN – Does that affect reserves?

SK We have a cushion, reserve not in jeopardy.

GC – Would leave a good cushion at end of year, the Town is not in a bad financial position.

PN – Income from departments.

GC – Includes water/waste water, the State has changed the reporting system.

Regan Pride (RP) – Amount of fund balance

GC – October last year when rate set, shows end of 2013 had 500K, have to have 5% to 17%, we are in the middle, good cushion. Checked with Barry Liveston (Budget Advisory Committee) on figures.

Jan Marshall (JN) - Do you have a number for 2014?

GC – 600 – 700K that is reason for using 150K for the paving.

SK – Come October we can review the figures and may be able to use some to offset tax rate.

Ina Lippard (IL) – Question on water, looking at printout (MS 636) the numbers do not seem to add, very confusing.

GC – The waste water will be the same, new state forms are confusing, sorry.

IL – Makes it difficult to compare.

SK Have we answered or are people still confused.

IL – The waste water figures are all over the place, not sure how that works.

GC – Explained figures.

Susan Wall (SW) – The Main Street property, what is the plan for the current building? Are the current apartment rentals going forward, Town becoming landlords?

SK – We have to secure a sales agreement, not going to let it become a ghost building. If we do purchase, we will need to do a feasibility plan.

Scott McKinley (SM) – The other property on Main Street where the fire station had been planned. Can we sell that to help cover cost of new proposed purchase?

DB – We have discussed it, but as of yet not been placed for sale.

SK – WE have discussed, it is a great idea, just no decision yet.

JM – Fund balance, the state guidelines are 5 – 17%, with proposed budget 5% would be 100K. Part of proposed budget is water do we need 5% against water.

GC – The 5% is including town, school and county, full tax warrant, not just town portion.

JM That explains it.

RP – Water/sewer MS 636 expenditure for either doesn't seem to appear, it changes the bottom line that would make bottom line look better. The warrant articles are in appropriations.

GC – Pointed out figures, finding way around new forms. MS 636 is new.

BL – When we sat down as budget advisory committee we found discrepancies for water/sewer on all state forms, it took us a while to look at figures, and we did eventually line them all up. We discovered at town meeting we are voting on spending, we don't have to report revenues until September. It takes time for towns to close out end of year books. Historically revenues are under estimated, there is no option. In September the fund balance can be looked at to see what can help with tax rate.

PN – Is solid waste closer to being self-sufficient.

FG – We are at trying to get there, problem is sale of recyclables has gone way down, working on ways to save money and make money.

SK – We are looking at the numbers for Lyman and Landaff, may be new customers, we don't want to keep raising prices, already pay for in taxes. FG keeps us (Board) apprised of changes. We are also hoping to have a grant through NCC looking at the solid waste plant.

PN – Has come up before, the revenue side of budget not really reported, is there a way to show department revenues. Can we explain or show revenues better.

SK – Greg is that do able?

GC – Yes it can be done

IL – Why if funds not used on a line has it now gone up.

SK – We have moved GC to the FA line. We anticipated hiring an outside administrator to help, making sure things do not fall through the cracks.

PN – 50K

SK – Hopefully it will be less.

RP – It looks like there is a vision for the future, warrant setting the stage. Capital Improvement Plan setting up, re-creation of capital reserve. Using selectmen as agent with no town meeting, a good idea for some things. Sets stage for future years. Would you consider say a new dump truck in August without town vote?

SK – Explained ladder truck saga – chance of a newer truck, but couldn't touch fund, had to have a special meeting. I think it is important at a certain \$ amount we should have a hearing, that is my opinion.

DB – I feel the same. Big expenditures should have a hearing

MF – It has to be justified and approved.

GC – They are agents in case of an emergency. If a planned purchase it would still go on warrant.

RP – Can it be policy over certain amount, a hearing is needed.

DB – Have to answer to voters / tax payers agree think there should be a \$ amount where purchase needs to go to a hearing.

GC Can be looked in to.

SK Good idea. Department heads have to ask Board for authorization on purchased over \$1000.00 could revise policy so that board has to have hearing for over a certain amount.

BL – Can you explain using money out of fund balance to reduce taxes rather than surplus as that just reduces taxes for one year. Does surplus work different? If lower taxes will just go back up the next year.

SK – Is there a way to use fund balance in that way and re name as surplus.

GC – Is page 6 on the MS 636 what you are asking about.

BL – If have surplus could we put money in that first.

GC – We could set a specific fund balance / surplus before figuring above that.

BL – If can keep same figure every year, will help from having yearly ups and downs. Will help to stabilize.

GC Board can set that as a policy.

PN – What roads will be worked on this year?

SK – Kevin has given us a list of the worst roads in town, we realize there are others, part of decision on traffic count. Ash Hill, Dickinson Street and Woolson Road at the moment are priority.

MF – Looking at dirt roads.

SK – We have added funds for maintenance of town gravel roads as well.

PN – At what point do the roads become dangerous and a liability for the town/ Bishop Road is very bad.

SK – All conditions are taken into account.

DB – We can't fix all at once, we understand everybody thinks their road is worst. Working on condition and traffic count.

SK – With the list, there is a pecking order, which can change from year to year. We would like more feedback from public.

BL – Capital Improvement Plan should include roads, with an inventory and categorize each one.

RP – Where is paving?

GC – Pointed line out.

RP – Have the board considered doing paving as a major project, other towns have done major project with bond or are proposing them. There are many roads in town with no attention for longtime.

DB – We have not thought of that.

BL – Really need a plan of the roads.

RP – Approach NCC about a road audit grant maybe.

MF – This is why we are pushing for a TA, we need to get grants

SW – So you are looking for someone to help with administration?

SK – The Board is working as the TA and need help.

SK – Motion to adjourn at 7:10pm,

DB second

All in favor.
