

MINUTES
Meeting of Lisbon Budget Advisory Committee
December 8, 2015

Present: Barry Liveston, Chairperson; Jan Marshall; Ina Lippard; John Fitzgerald. Absent: Stanley Sudol
Guest: Kevin Clement, Highway Department Head; Dan Merhalski, Town Administrator

Meeting called to order at 7:05 PM

MOTION BY JAN MARSHALL, SECONDED BY INA LIPPARD TO APPROVE THE MINUTES OF THE AUGUST 25, 2015 AS WRITTEN. ALL IN FAVOR.

Kevin Clement, Highway Department Head had asked to meeting with the BAC to discuss capital expenditures in his department. He shared with the BAC that there were four pieces of equipment that were nearing the end of their useful life.

1. 2 – dump trucks (both been in service about 16 years) Replacement cost is in the \$180K - \$185K each with a 12 month leadtime. Thus if we to order them in March 2016 – they probably would not be ready until March 2017. There are also lease options but this also requires some outlay and a lot of work on the staff.
2. Pick-up truck (1 ton) 2008. Replacement cost would probably be in the \$50K - \$55K range.
3. Grader – 1979. Replacement cost (a good 2nd hand one would be in the \$210K - \$250K range.

The highway department has some capital reserve money but not enough. The resale value of the 2 dump trucks to be replaced might be in the \$10K - \$20K range. In addition, the highway department is well under their budget for this year, thus there may be some money that could be added to the capital reserve fund.

Action Item: Kevin will develop a plan to best handle these 4 pieces of equipment (3 being frontline) – looking at several scenarios such as purchase 2 trucks; purchase 1 truck and lease one; when to get the pickup; when to get the grader).

Barry handed out a packet of information containing the budget summary received from Dan Merhalski as well as 4 pages of Barry's comparative analysis including a look at fund balance and how that effects the amount to be raised by taxes.

Dan went over the highlights and answered all the questions from the BAC.

Discussion was lengthy on the projected revenue section since in spite of the budget being down substantially, the revenue was down even more resulting in \$122K increase in the amount to be raised by taxes.

Discussion on the revaluation cost. Dan explained to the BAC the unfortunate results of the last revaluation.

Discussion on the salary increase reflected in the budget – 3% which does not include the health insurance increase of 3.9%.

Dan explained what the special town meeting on December 29th was all about. The Ross Funeral home property – which the voters had approved money at the annual meeting to pursue – is now available again, however after the lot adjustment the property is less than what was available at town meeting. Therefore, legal counsel states a special

meeting is needed to get voter approval since the property to be purchased is not 100% what was presented to the voters in March.

Jan handed out a printout that showed all the 2015 tax rates for towns in New Hampshire. Lisbon, with a lower rate of \$28.68, has improved its position but we are still above the mean.

Dan explained the board of selectmen requested a recommendation from the BAC by December 15th. Barry will ask for a 1 week extension. He will develop a response and send it around to all BAC members to help finalize and get it to the board of selectmen by December 22nd.

Next meeting is scheduled for January 5, 2016 at 7:00 PM.

Motion to adjourn at 9:03 PM.

Respectfully submitted

John Fitzgerald

ⁱ Minutes approved at January 5, 2016 meeting