

TOWN OF LISBON, NEW HAMPSHIRE
SELECTMEN'S MEETING MINUTES
4/25/2016

SELECTMEN PRESENT: Thomas Demers (T. Demers), Stephen Knox (S. Knox), Peter Nightingale (P. Nightingale).
Town Administrator: Dan Merhalski (D. Merhalski).

MEETING OPENED: T. Demers opened the meeting at 5:40 pm.

SELECTMEN'S BUSINESS:

The Board signed and sealed the Minutes of the Executive Session of March 14th, 2016. A motion to go into Executive Session according to RSAA 91-A:3, II(a) and (c) was made by S. Knox, 2nd by T. Demers. Roll Call vote: S. Knox – aye, T. Demers – aye, P. Nightingale – aye.

The Board entered Executive Session at 5:41 pm.

The Board returned from Executive Session at 6:29 pm.

A motion to seal the minutes of this Executive Session was made by T. Demers, 2nd by S. Know. Motion approved 3-0.

A motion to accept the resignation of Suzanne Tavernier with immediate effect and not allow her to return to the office for a further 2-weeks, per her letter of resignation was made by P. Nightingale, 2nd by T. Demers. Motion approved 3-0.

Public Input:

Mr. Graham of Lisbon approached the Board and asked about the tax exempt status of the Stump Jumpers' land if they were to relocate to another parcel in town – would it follow them to the parcel? D. Merhalski said that he would contact the Town's Assessing agent to verify this and contact him with their reply.

Review Amended Minutes of March 28th, 2016 Regular Meeting:

A motion to approve the Amended Minutes of the March 28th, 2016 regular meeting was made by P. Nightingale, 2nd by T. Demers. Motion passed 3-0.

Discussion of PD Cruiser Lease Options:

D. Merhalski presented to the Board with a lease payment quote from Woodsville Guaranty Bank for a 3-year lease period of 2.00% with no requirement for bond counsel. The Board noted that the new rate from Woodsville was lower than the 2.46% offered from Provident Bank. A motion to accept the lease quotation from Woodsville Guaranty Bank and sign the lease paperwork was made by P. Nightingale, 2nd by T. Demers. Motion passed 3-0.

The Board signed the lease paperwork.

Set Water and Sewer Rates:

D. Merhalski presented the Board with a memo detailing the current water and sewer rate options for the Board to review. The water usage was down by approx. 30% from the last billing, while the budget had stayed largely the same. This was effectively raising the rates by 30%. In addition, past Boards of Selectmen had bought down the water and sewer rates with the Water and Wastewater Trust Funds, artificially lowering the actual rate for self-funding the departments, as they are intended to be. The result of these factors was that if the current rate of \$3.20/1,000 gals. for Water and \$7.30/1,000 gals. for Sewer were applied to the current year, there would be a shortfall of approx. \$125,000 for the year. If the Departments were truly self-funded, as they are intended to be, and no buy-down for the rates was achieved through use of the Trust Funds, the rates would rise by 264% for water to \$11.64 and by 67% for Sewer to \$12.22. the Board agreed that this would be very difficult for residents to pay and did not want to set them that high. There was discussion about the options to use some of the Trust Fund amounts and what the impact would be to the average home owner. The Town Administrator was recommending a rate of \$8.04 (+151%) with the use of \$35,000 from the Water Trust Fund for Water and \$9.64 (+32%) with the use of \$25,000 from the Wastewater Trust Fund for the Sewer Rates as these amounts equaled the approximate amount added to the Town Budget for improvements to the Town's Water Well following the Boil Order and helped to cushion the impact of the Sewer bill. D. Merhalski noted that there was approx. \$110,000 available in the Water Trust Fund and \$142,000 available in the Wastewater Trust Fund, according to Greg Colby's most recent accounting in April of this year. After much discussion the Board agreed that a discussion sheet should be added to the bills to explain the reasons for the increases necessary and prepare the Town residents for the eventual increase to make the departments self-funded. A motion was made by T. Demers to set the water rate at \$8.04/1,000 gals. and to utilize \$35,000 from the Water Trust Fund to buy down the rate, and to set the Sewer rate at \$9.64/1,000 gals. and to utilize \$25,000 from the Wastewater Trust Fund to buy down the rate, 2nd by P. Nightingale. Motion passed 3-0.

Review of Year-end Departmental Accounts from 2015:

D. Merhalski informed the Board that year-end had been completed by Greg Colby in mid-April and that the Town had not overspent its approved Town Budget from Town Meeting, however, there were a few Departments that had gone over their approved departmental budgets and that according to the Town's legal counsel, Walter Mitchell, the Select Board was required to authorize transfers of money from another account(s) to cover these over expenditures. It was noted that the actual amounts taken from other accounts would not reduce that department's budget as the funds that were remaining in that department for the year would be returned to the general fund, and that the amount actually returned to the General Fund would not be reduced as the bills that resulted in these overpayments had already been paid out. The departments indicated were as follows: Legal Expense – over by \$3,185.35; Cemeteries, over by \$3,443.09; Code Enforcement, over by \$101.18; Emergency Management, over by \$2,971.56; Dispatch, over by \$1,630.12; and Debt Service (Principal), over by \$752.22. The total amount that the departments were over budget was \$12,083.52. D. Merhalski was recommending that the Board transfer funds from the Police Department's budget to cover these expenses as the majority of them are public safety-related and that Police Department budget had a surplus of \$22,220.72. He noted again that the amount would

not reduce the Police Department's budget as these funds were being returned to the General Fund, but was simply an accounting practice for authorization of the over expenditure of funds. A motion was made by P. Nightingale, 2nd by S. Knox to approve the recommended transfers from the Police Department budget to cover the \$12,083.52 shortage in these Departments. Motion passed 3-0.

Discussion of possible use of TAN funding:

D. Merhalski informed the Board that he had been notified by the Town Treasurer, Arlene Hite, that the Town was getting dangerously low in its account balances and that a Tax Anticipation Note was needed to cover the anticipated expenses for the Town until the tax billing for the first half of the year and the Water and Sewer bills could begin to be returned. He had contacted Passumpsic bank to inquire about the use of the TAN that the Town had from the previous year but he was informed that the TAN for FY 2015 had matured and was no longer available, but that Passumpsic could process another TAN for this coming year with a 1.05% rate until December 20, 2016. Passumpsic was requiring a Resolution be approved by the Board authorizing the use of the TAN with these terms from Passumpsic and authorizing the Town to designate the Treasurer and the Town Administrator to request funds to be advanced to the Town for municipal purposes. D. Merhalski presented the Board with a copy of the resolution and the paperwork to be signed. A motion was made to accept and sign the resolution and go with Passumpsic Bank and allowing the Town to draw on up to \$700,000 of funds for the TAN at a rate of 1.05% until December 20, 2016 and authorize the Town Administrator and the Town Treasurer to make requests to draw down the TAN was made by S. Knox, 2nd by P. Nightingale. Motion was approved 3-0.

The Board signed the Resolution and the associated paperwork to allow the Town to execute the TAN with Passumpsic Bank.

Discussion of Possible Alternate Payroll Companies:

D. Merhalski informed the Board that he had heard back from a number of possible alternate payroll companies that would be able to process the Town's payroll accounts, but that only one of them, BMSI, had been able to do the required reporting with the State of New Hampshire for Retirement reporting. BMSI had offered a quotation of \$1,000 plus \$2 per check for an estimated yearly total of \$3,600. The Town's current payroll service, Paychex, was unable to complete or submit this report and was costing the Town approx. \$3,860 per year. A motion was made by P. Nightingale to accept the quote from BMSI and to switch to their services beginning in June of 2016, 2nd by T. Demers. Motion passed 3-0.

Discussion of Town Newsletter:

T. Demers presented an example of the type of Newsletter that he had suggested the Town to use for its monthly Town uses and the quarterly public newsletter. The Board was in agreement that the report was helpful to the formulation of the Town's own newsletter and the Town Administrator will use it as a template with Town-specific information for the launch of the newsletter in June.

Discussion of Town-Owned Properties:

D. Merhalski said that he had reviewed the deeds that the Town Clerk had provided him and there were some issues with one of the lots that Presby had expressed interest in, but that he had not received all of the deeds from the Town Clerk yet. He said that he would likely just go to the Registry of Deeds next week to get copies of the outstanding deeds and review them and that he would try to have further information for the Board by the meeting of May 9th. This item was tabled until May 9th.

Administrator's Report:

D. Merhalski reviewed his Administrator's Report with the Board.

Memorial Day Group Parade invitation. T. Demers said that he would volunteer to attend the Memorial Day parade. The Board agreed.

D. Merhalski informed the Board that HealthTrust had agreed to refund the amount of the overcharged premium for Officer Walker's insurance to January 1st, as requested.

Lisbon Main Street was requesting the Board to sign their applications to the state to use portions of Route 302 and other state roads for the Lilac Festivals and the associate parade and 5k run. The Board agreed to sign the forms.

D. Merhalski informed the Board that one of the new hires for the two part-time positions for the DPW had declined to accept the position. This was the position that would have been doing the routine building maintenance at the RR Station and carpentry work for the Town.

D. Merhalski presented the Board with copies of the NHDOT crosswalk improvement and acceptance of maintenance forms. He said that Kevin Clement of the DOPW had reviewed the forms and had no comment. The forms essentially state that NHDOT will reconstruct the crosswalks with the associated roadwork along Route 302 this summer, but that the Town will then be required to maintain them. The Board agreed to sign the forms.

P. Nightingale made a motion to adjourn, seconded by T. Demers. Motion passed unanimously.

The meeting was adjourned at 8:13 pm.

Respectfully submitted,
Dan Merhalski, Town Administrator