

MINUTES FINANCE COMMITTEE DECEMBER 28, 2020

Heather Ward - member 2021
Curtis Lunt - member 2023
Dan Leeman - 2022
Jesse Zack - 2023
Noly Lopez - 2022
Kayla Tierney
Haley McCrater
Diane Barnes
Richard Green
Norm Albert
Tracy Austin

1. **CALL TO ORDER:** The Chair, Heather Ward called the meeting to order at 5:00 PM.
2. **ROLL CALL:** Regular members present were Dan Leeman, Heather Ward, Jesse Zack, Noly Lopez, and Curt Lunt. Finance Director, Kayla Tierney and Town Manager, Diane Barnes were also present. In addition, the Town Council liaison, Norm Albert was also present.
3. **WRITTEN COMMUNICATIONS:**

Minutes of the November 30, 2020: the meeting minutes of November 30, 2020 were distributed to all of the members. The Chair asked if there were corrections or additions; hearing none, a vote was made.
VOTE (2020-9) Curt Lunt made the motion to approve the November 30, 2020 Minutes as presented; Dan Leeman seconded the motion.
Vote 5-0 Carried.

4. **NEW BUSINESS:**

- a. **Conflict of Interest Forms**

INTRODUCTION: Conflict of Interest Forms were distributed and each committee member completed them accordingly.

- b. **Terms**

INTRODUCTION: Finance Director, Kayla Tierney, presented the terms of the Finance Committee members. The terms were randomly drawn by the Town Clerk.

- c. **FOA training**

INTRODUCTION: Chair, Heather Ward, reminded all committee members to complete the FOA training that the Finance Director, Kayla Tierney sent out to the Committee Members. Committee Members turned in their completed certificates.

- d. **Budget – Capital Improvement Plan**

INTRODUCTION: The Finance Director, Kayla Tierney, provided the Capital Improvement Plan from the past two fiscal years for the Committee to review; included in the packet was the Town, Water and School Capital Improvement Plans.

The Finance Director then spoke to how the Capital Improvement Plan will be presented differently this year (for FY22) in an effort to make the plan much more comprehensive. The FY22 Capital Improvement Plan will include the 5 year CIP and the 10 year CIP is separate presentations for reading ease; it will also include footnotes for each department. It is this presentation that the CIP plan will coincide with the fixed asset databased to become more comprehensive in the future.

COMMITTEE COMMENTS:

Heather Ward inquired about the Capital Improvement Policy. When reviewing the policy it mentions the \$25,000 threshold as indicated in the Charter. The Capital Improvement Plan, however looks at items over \$5,000 to align with the capitalization of fixed assets. Chair Ward further inquired about the

difference between the Town and the School for Capital Improvement Plan (CIP) purposes; specifically, what is the process that the school goes through with their School Committee? Chair Ward made the recommendation to modify how the Capital Improvement Plan is developed; should we include the \$5,000 current threshold or change the dollar threshold? How can we incorporate emergency items? Overall, how can we strengthen this policy?

Curt Lunt had spoken about the Charter and how it does indicate a \$25,000 threshold for capital items, specifically under a five year plan. The Council had wanted a longer term view which gave us the 10 year plan that was presented for the past several fiscal years.

Chair Ward had inquired how we can simplify the review process. Curt Lunt had suggested that the capital improvement policy be revised to tie into the charter more appropriately and had questioned who reviews it and who approves it.

Based on the discussion points, it was determined that there should be a consistency between the Charter and the Policy and that there should be identifiable plans for the Town, Water Department and the School Department. The revision should also detail out the difference between non-recurring and recurring capital assets, as well as a dollar threshold. It was suggested that the \$5,000 threshold be increased to \$10,000 for recurring capital assets such as vehicles, machinery and equipment. Lastly, the policy should be reviewed on an as-needed basis.

VOTE (2020-10) Chair Ward made the motion to change timing of the CIP to 5 years as stated in the Charter and to add language that would include purchases of \$10,000 or more for recurring assets such as vehicles, machinery and equipment to the policy; Curt Lunt seconded the motion.

VOTE 5-0 Carried.

VOTE (2020-11) Chair Ward made a secondary motion to have a CIP report for the Town, Water and School Department and to articulate the process of how the plans are developed. Curt Lunt seconded the motion.

VOTE 5-0 Carried.

e. FY20 Audit Update

INTRODUCTION: Finance Director, Kayla Tierney, gave an update on the FY20 Audit; it is still ongoing and the auditors are scheduled to remotely work with the Town of Lisbon again February 1st, 2nd and 3rd. An extension was filed for a due date of March 31, 2021. A presentation from RHR Smith is likely to follow that submission in the April Council timeframe.

COMMITTEE COMMENTS: none.

f. 2021 Priorities for the Committee

INTRODUCTION: Chair Ward started the discussion of the Priorities for the Committee; for example, what is the Council looking for, what are the topics of discussion and how can the Committee be best prepared to tackle everything.

COMMITTEE COMMENTS: Dan Leeman had asked for an educational piece to assist in providing a focus. Council liaison, Norm Albert had asked the Committee to be open minded and use a concept approach. Norm had highlighted the following discussion topics: (1) Transfer Station; (2) Building Maintenance; (3) Consolidating fire houses – what will this look like; (4) review of policies, specifically financial policies.

Diane Barnes had also added an HR topic of pay scales for non-union employees. The Town Charter highlights a pay scale that does not currently exist for non-union employees; this would be beneficial when it comes to budget season as we look into the future.

Curt Lunt agreed that it would be helpful. Dan Leeman inquired which departments are under the union. Diane Barnes responded that Public Works and the Police Department have unions but everyone else falls under non-union.

5. Other Business

a. Transfer Station

INTRODUCTION: At our last Committee Meeting we discussed the Pay as You Throw option. Curbside Pick-up was inquired at the last meeting and PW Director Randy Cyr, began making inquiries about the service. Household Only and Scales are another topic that the Committee would like to explore. Lastly, Chair Ward would like to ask the question to the Committee: What information/materials is needed to make the best assessment?

COMMITTEE COMMENTS: Curt Lunt had asked if we could identify the problem with the Transfer Station first and then identify what the goal would be. Council liaison, Norm Albert had spoken to the identified problem: the Town is incurring more costs than Revenue. We used to be able to offset the revenue to the expenses in recycling, but that is no longer the case as prices are increasing for disposal fees. We need to understand that the current system is not working.

Curt Lunt had asked for a consolidation of the spreadsheets that were provided in the previous Committee Meeting. This consolidation would include hauling fees, tonnage, revenue/expense information, etc.) The Committee collectively asked Finance Director, Kayla Tierney, to produce a one page Executive Summary of this information for their next meeting in January.

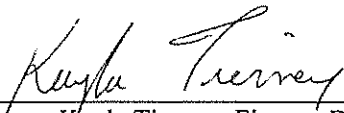
Curt Lunt had also inquired about the median assessed value of a single family household in the Town. Diane Barnes had indicated that this information would have to come from our Assessor and that we could also provide at our January meeting.

Finance Director will also inquire to the Public Works Director about information regarding Scales at the Transfer Station and to obtain an update on the Curbside information.

6. ADJOURN:

VOTE (2020-12) Dan Leeman, seconded by Jesse Zack, moved to adjourn at 6:00PM.

Vote 5-0 Carried.


Kayla Tierney, Finance Director

Date Approved: 01/25/2021