

Town of Lisbon



Presentation of the Proposed FY2024 Budget

Glenn Michalowski, Town Manager

Kayla Tierney, Finance Director

About the Town of Lisbon



- The Town of Lisbon is the third largest community in Androscoggin County
- Out of 492 communities, Lisbon is the 23rd largest
- Based on the Census data from April 1, 2020:
 - Population of 9,711
 - Highest population since the Town was incorporated



Our Town is growing!

Budget Components



- The proposed Managerial FY 2024 Municipal Budget is showing the projected expenditures and revenues on an Organizational Level. Each Organizational level includes multiple departments within the Town of Lisbon.

Organizational Levels within the General Fund include:

- General Government
- Health & Welfare
- Public Safety
- Public Works
- Culture & Recreation
- Economic Development
- Intergovernmental

Other organizational levels include:

- Debt Service - a separate Fund
- Sewer - a separate Fund

Town Services



- Public Safety
 - ❖ Fire Department
 - ❖ Police/ACO
 - ❖ Communication Center
 - ❖ Ambulatory Services
- Transfer Station
- Library
 - ❖ Programs offered for all ages
 - ❖ Summer Reading Programs
- Parks & Recreation
 - ❖ Summer Camp programs
 - ❖ Sports Camps
 - ❖ Before and After School
 - ❖ Senior Programs
 - ❖ Beaver Park (300 acre park with beautiful trails and ponds)
 - ❖ Trips for Seniors and Children



- Winter Operations
 - ❖ Plowing
- Public Works
 - ❖ Road Repairs
- DARE
 - ❖ School Resource Officer
- General Assistance
 - ❖ Giving Tree - Christmas
 - ❖ Thanksgiving dinner
- Sewer Department
- Tax Collection
 - ❖ Motor Vehicle Registration
- Code Enforcement
- Clerk
- Assessing
- Finance
- Town Manager

FY24 Budget Challenges



- Employee Retention - keeping up with the cost of living
- Inflation - inflation continues to be a concern in our current economic conditions
- Uncontrollable Costs -health insurance, property & casualty insurance, electricity, fuel, etc.
- Supply and Demand
 - Manufacturing timelines
 - Price increases on good

FY24 Solutions



- Incremental - 3 fiscal years
 - This is the second year in the 2 year incremental salary and wage increase from the FY22 Pay Study that was conducted. This presented budget is representative of the final 1/3rd offset. Next year's budget (FY25) will show a 100% impact on the operating budget from a tax perspective.
- A 3% Cost of Living (COLA) is reflected in this proposed budget for all full time and permanent part time employees.
- A lean Capital Improvement year is built into this proposed budget
- Suggestion: not to use Fund Balance in FY24 other than as a factor of the final offset to the pay study; build back the fund balance over the next 2 fiscal years.

Impacts in Expenditures FY24 Budget vs FY23 Budget



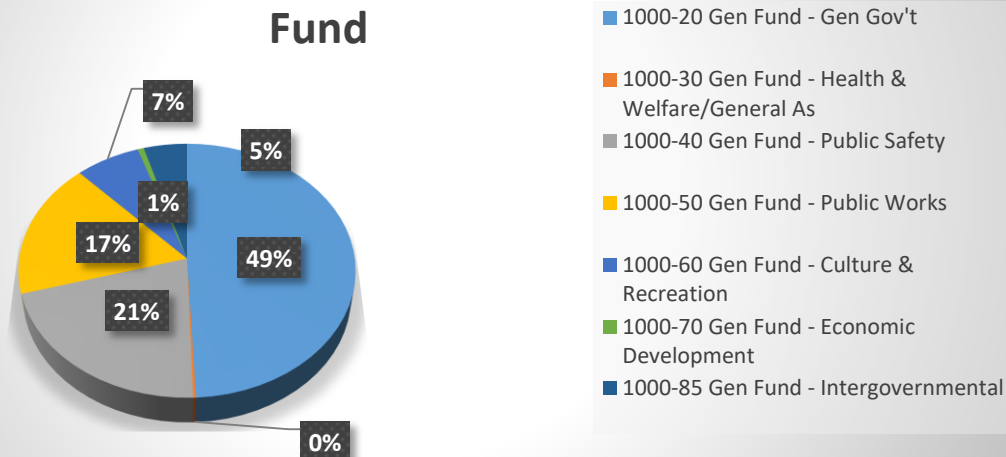
FY24 Managerial Budget Request versus FY23 Adopted Budget	
2023 Adopted GF (Excluding County Tax, Debt & School)	\$ 10,945,435.00
2024 Managerial GF (Excluding County Tax, Debt & School)	\$ 12,129,523.00
\$ Difference between FY23 and FY24	\$ 1,184,088.00
% Difference between FY23 and FY24	10.82%
2024 County Tax Increase	\$ 84,258.00
Increase over FY2023	10.08%
2024 Debt Service	\$ 738,126.00
2023 Debt Service	\$ 529,202.00
\$ Increase over FY23	\$ 208,924.00
% Increase over FY23	39.48%
2023 Adopted Sewer Budget	\$ 1,360,312.00
2024 Managerial Sewer Budget Request	\$ 1,336,998.00
\$ Difference	\$ (23,314.00)
% Difference	-1.71%

Salaries and Benefits	
2024 GF Wage and Benefits	\$ 7,512,265.00
2024 GF Managerial GF (Excluding County Tax & School)	\$ 12,129,523.00
% related to Salaries and Benefits	61.9%
2024 Sewer Wage & Benefit Request	\$ 529,904.00
2024 Total Managerial Sewer Fund Budget	\$ 1,364,490.00
% related to Salaries and Benefits	38.8%

Impacts in Expenditures FY24 Budget vs FY23 Budget Cont.

Expenses: General Fund by Org	YTD Expended
1000-20 Gen Fund - Gen Gov't	10,223,530.00
1000-30 Gen Fund - Health & Welfare/General As	52,727.00
1000-40 Gen Fund - Public Safety	4,384,325.00
1000-50 Gen Fund - Public Works	3,612,362.00
1000-60 Gen Fund - Culture & Recreation	1,414,357.00
1000-70 Gen Fund - Economic Development	137,945.00
1000-85 Gen Fund - Intergovernmental	944,694.00
TOTAL	20,769,940.00

FY24 Proposed Budget: General Government



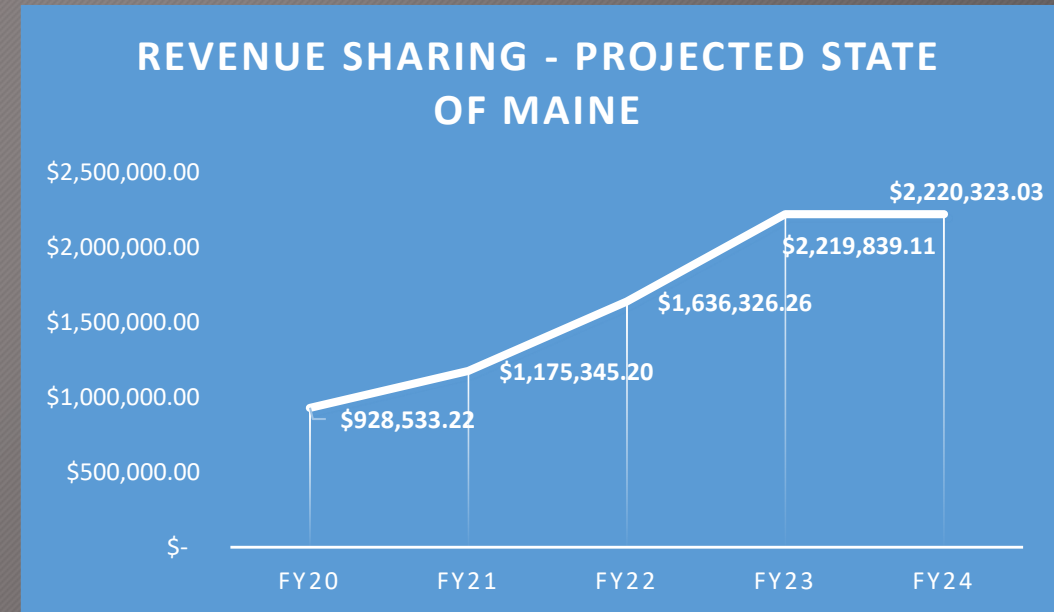
FY24 Managerial Budget Request versus FY23 Adopted Budget	
Bottom Line:	
Total General Fund including School and County	\$ 20,769,940.00
Plus Debt Service	\$ 738,126.00
Total	\$ 21,508,066.00
FY23 Adopted GF including School, County & Debt	\$ 20,066,784.00
\$ Increase	\$ 1,441,282.00
% increase	7.18%
FY23 \$ Increase Salaries and Benefits	\$ 1,415,828.00
2/3rds offset taken in FY23	\$ 943,885.33
Final offset taken in FY24	\$ 471,942.67
\$ Increase from FY23 to FY24	\$ 1,441,282.00
Less Final offset	\$ (471,942.67)
Total \$ increase from FY23 to FY24	\$ 969,339.33
Total F23 Adopted GF (inc. School, County & Debt) less 2/3rds offset	\$ 19,122,898.67
% increase	5.07%
2024 Total General Fund excluding School and County	\$ 12,129,523.00
Plus Debt Service	\$ 738,126.00
Total	\$ 12,867,649.00
FY23 Adopted GF plus debt service excluding School and	\$ 11,474,637.00
\$ increase	\$ 1,393,012.00
% increase	12.14%
\$ increase	\$ 1,393,012.00
less final 1/3rd offset (Salaries & Wages FY23)	\$ (471,942.67)
difference net of offset	\$ 921,069.33
% increase	8.03%

Impacts in Revenues FY24 Budget vs FY23 Budget



Revenues: General Fund by Dept	FY24 Budget
General Government	4,159,865.00
Clerk	30,750.00
Code Enforcement	46,500.00
General Assistance	28,350.00
Public Safety	164,752.00
Solid Waste	257,000.00
Library	3,500.00
Parks & Rec	304,825.00
TIF (ED)	68,973.00
Debt Service	15,840.00
TOTAL GENERAL FUND	5,080,355.00

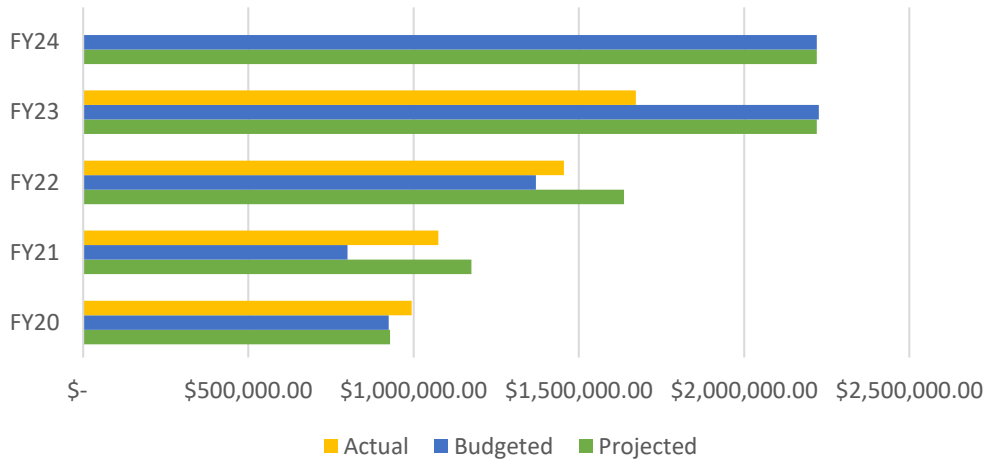
FY24 Managerial Budget Request versus FY23 Adopted Budget - Town	
2023 Adopted GF Revenues	\$ 4,794,415.00
2024 Managerial Revenues	\$ 5,080,355.00
\$ Difference between FY23 and FY24	\$ 285,940.00
% Difference between FY23 and FY24	5.96%



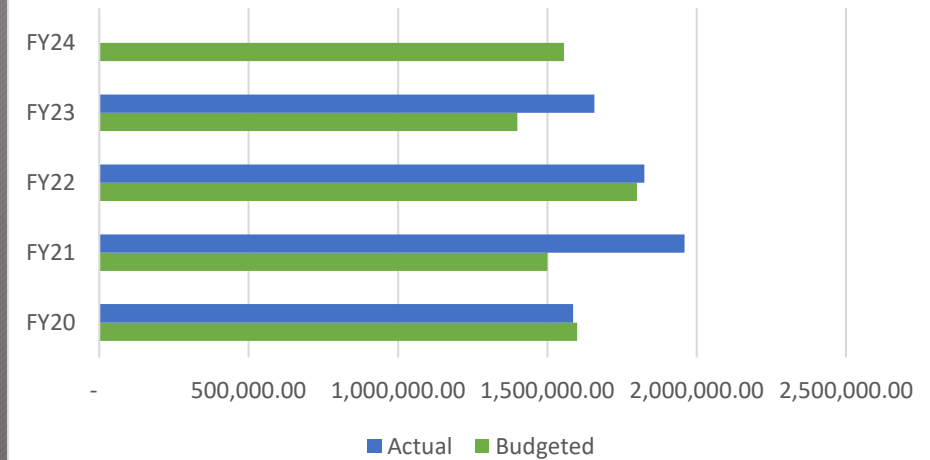
Impacts in Revenues FY24 Budget vs FY23 Budget cont.



Revenue Sharing Comparison



Motor Vehicle Excise Tax



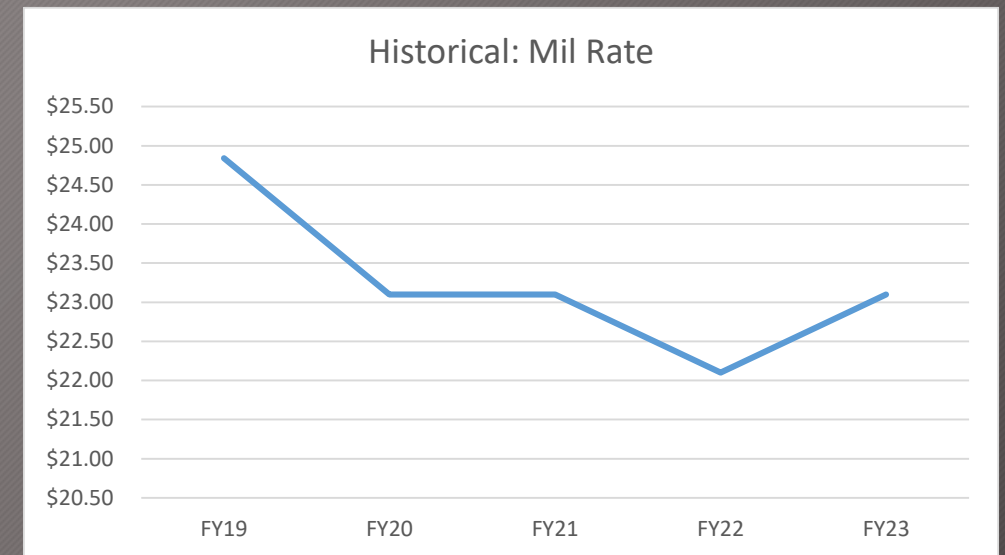
Budget Net Effect



FY24 Net Difference - Expenses and Revenues - Town	
2024 Managerial GF (Excluding County Tax, Debt & School)	\$ 12,129,523.00
2024 Managerial Other Revenues	\$ 5,080,355.00
\$ Difference between FY23 and FY24	\$ 7,049,168.00
\$ Increase Expense Budget FY23 to FY24 net final offset	\$ 969,339.33
\$ Increase Revenue Budget FY23 to FY24	\$ 285,940.00
Net Effect	\$ 683,399.33

MIL RATE	
Fiscal Year	Mil Rate
FY19	\$ 24.84
FY20	\$ 23.10
FY21	\$ 23.10
FY22	\$ 22.10
FY23	\$ 23.10

Fiscal Year	County	Municipal	School
FY19	5.27%	40.33%	54.40%
FY20	5.20%	39.20%	55.60%
FY21	5.70%	38.20%	56.10%
FY22	5.60%	39.40%	55.00%
FY23	5.59%	42.73%	51.68%



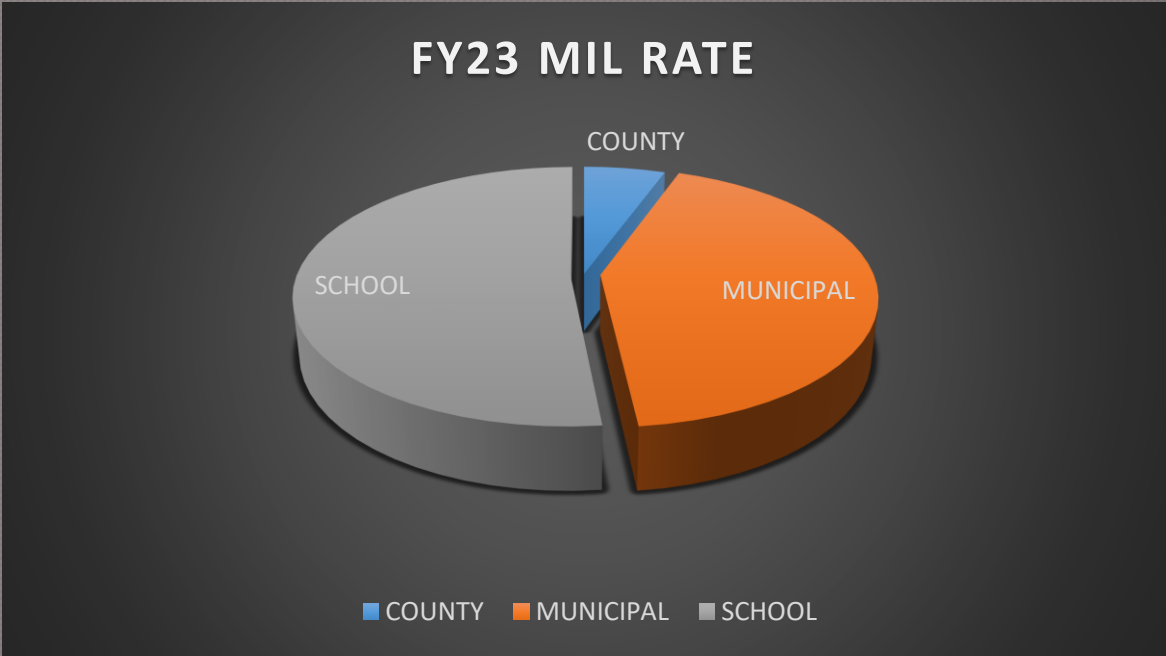
SUMMARY: Mil Rate Impact



What does this mean for Lisbon?

- Proposed Budget is looking at a net \$683,399.33 increase, which is around a 1 mil increase

SUMMARY: Mil Rate FY23



FY23 MIL RATE BREAKDOWN				
	COUNTY	MUNICIPAL	SCHOOL	TOTAL
	1.29	9.87	11.94	23.10

SUMMARY: Mil Rate Breakdown FY24



Total Budget including School, County and Sewer	\$ Amount (budgeted)	% of total budget
School	7,695,723.00	35.78%
General Fund (All Departments)	12,129,523.00	56.40%
County	944,694.00	4.39%
Debt Service	738,126.00	3.43%
	21,508,066.00	100.00%
	Total FY24 Budget	



	DEBT SERVICE = 3.43%
	COUNTY = 4.39%
	SCHOOL = 35.78%
	MUNICIPAL (ALL DEPARTMENTS) = 56.40%

Other Funds: Sewer and Debt Service Funds



FY24 Managerial Budget Request versus FY23 Adopted Budget - Sewer	
2023 Adopted Sewer Revenues	\$ 1,497,120.00
2024 Managerial Sewer Revenues	\$ 1,560,302.00
\$ Difference between FY23 and FY24	\$ 63,182.00
% Difference between FY23 and FY24	4.22%

Sewer Fund Expenses	1,336,998.00
Sewer Fund Revenue	(1,560,302.00)
Net	(223,304.00)

Expenses: Other Funds	FY24 Budget
Debt Service	738,126.00
Sewer Fund	1,336,998.00
	2,075,124.

Fund Balance Policy



- Sec. 86-1. - Fund balance policy.
- (a) The Town of Lisbon recognizes the importance of maintaining an appropriate level of undesignated fund balance. The town's unassigned GF fund balance serves a number of stabilizing purposes. It is a surplus of amounts which have accrued from unexpected operating budget surplus and unanticipated excess revenues. The surplus also provides the town with an amount for use in unforeseen, unbudgeted emergency situations, and provides a cash flow cushion to offset the need for borrowing in anticipation of tax receipts.
- (b) In order to maintain financial stability, the town has established this policy to maintain an unassigned GF fund balance no less than 12% and no more than 16% of the current fiscal year's budget as defined below:
- Gross town operating budget, including town's share of school budget, town's portion of the county's operating budget, and debt service.
- (c) Once the town achieves its goal of an appropriate level of undesignated fund balance, any excess funds may be utilized for other municipal purposes, including, without limitation, additional capital improvement needs, tax rate stabilization, or reduction purposes. For example, by utilizing excess fund balances for capital improvements, the town will reduce the need to incur long-term debt and will avoid creating an operating funding gap for subsequent fiscal years.
- (d) This policy has been adopted by the town to recognize the financial importance of a stable and sufficient level of undesignated fund balance. However, the town, reserves the right to appropriate funds from the undesignated fund balance for emergencies and other requirements the town believes to be in the best interest of the town.
- (e) In the event the town's undesignated fund balance drops below the 12% minimum, a written plan to replenish the fund within a maximum of three fiscal years must be approved by the town council at the time of the emergency GF fund balance appropriation.

(Sel. Ord. of 2-7-2006, § 5.166; [C.M. of 3-7-2017, V. 2017-51](#).)

Capital Improvement Plan



- The Capital Improvement Plan (CIP) is a document that focuses on the implementation of community goals through detailed recommendations on capital spending and needs for the current and forecasted fiscal years.
- The CIP to be submitted to the Council is to be broken down by Town and presented here on a departmental level
- This plan is presented on a 5 year model and on a 10 year model

About the Plan



- The CIP demonstrates specific projects, amounts of those projects, and the sources of funding for those projects.
- This document is a framework for making the best use of financial resources.
- Within the CIP report, a section of footnotes follows immediately after department's requests. These footnotes go into more depth about the capital items being requested in the upcoming fiscal year.
- In addition to the 5 and 10 year plan forecasts, this report includes estimated annual cost of operating and maintaining vehicles and equipment, as well as the current mileage of those vehicles
- The Debt Structure (Bonds and Leases) is also included in this report
- Each department has submitted their requests for capital needs

Town of Lisbon Summary - 5 Year CIP



Town of Lisbon
Forecasted Capital Improvement Plan - 5 Year
Department Summary
For Budget Year FY24
Forecasted Years FY24 through FY28

DEPARTMENT TOTALS	Forecast 6/30/2024	Forecast 6/30/2025	Forecast 6/30/2026	Forecast 6/30/2027	Forecast 6/30/2028
POLICE DEPARTMENT	\$ 117,500	\$ 90,000	\$ 90,000	\$ 107,000	\$ 90,000
ANIMAL CONTROL	-	62,000	-	-	-
COMMUNICATION CENTER	-	220,000	270,000	-	-
FIRE DEPARTMENT	112,918	33,970	66,109	69,569	2,040,621
PARKS AND RECREATION	38,000	110,000	50,000	145,000	-
PUBLIC WORKS	455,500	910,000	505,000	660,000	845,000
SOLID WASTE	-	110,000	-	-	-
TREATMENT PLANT	2,165,000	165,000	150,000	140,000	108,000
TOWN BUILDINGS	159,000	94,990	99,700	14,500,000	10,000
TOWN OFFICE ADMIN	41,405	30,000	30,000	30,000	30,000
TECHNOLOGY	66,200	141,000	-	20,900	-
Total Capital Expenditures	\$ 3,155,523	\$1,966,960	\$1,260,809	\$15,672,469	\$3,123,621

Town of Lisbon Summary - 10 Year CIP



Town of Lisbon
Forecasted Capital Improvement Plan - 10 Year
Department Summary
For Budget Year FY24
Forecasted Years FY29 through FY33

DEPARTMENT TOTALS	Forecast 6/30/2029	Forecast 6/30/2030	Forecast 6/30/2031	Forecast 6/30/2032	Forecast 6/30/2033
POLICE DEPARTMENT	\$ 110,000	\$ 118,450	\$ 98,450	\$ 113,450	\$133,950
ANIMAL CONTROL	-	-	62,000	-	-
COMMUNICATION CENTER	-	-	-	-	300,000
FIRE DEPARTMENT	726,077	70,000	10,000	-	470,000
PARKS AND RECREATION	8,000	8,000	60,000	100,000	-
PUBLIC WORKS	825,000	675,000	505,000	485,000	-
SOLID WASTE	-	-	76,000	-	-
TREATMENT PLANT	500,000	160,000	125,000	110,000	50,000
TOWN BUILDINGS	30,000	-	-	35,000	8,000
TOWN OFFICE ADMIN	30,000	30,000	30,000	30,000	-
TECHNOLOGY	-	55,000	-	-	-
Total Capital Expenditures	\$ 2,229,077	\$1,116,450	\$ 966,450	\$ 873,450	\$961,950

Debt Structure - 5 Year



Town of Lisbon
Forecasted Capital Improvement Plan
For Budget Year FY24
Forecasted Years FY24 through FY28

	Forecast 6/30/2024	Forecast 6/30/2025	Forecast 6/30/2026	Forecast 6/30/2027	Forecast 6/30/2028	Funding
COMMITTED						
2010 R	65,965	63,809	62,281	60,669	60,669	Munic. Rev.
2017 B	166,613	163,320	159,765	155,993	155,993	Munic. Rev.
2004 FR - Sewer Dept	18,463	-	-	-	-	- Sewer Rev.
2005 FR - Sewer Dept	27,189	26,813	26,438	-	-	- Sewer Rev.
2014 QECB	79,759	79,759	79,759	79,759	79,759	72% Munic. Rev./28% Sewer Rev.
2020 MMBB - Pinewood	167,183	\$ 165,165	\$ 163,088	\$ 160,928	\$ 158,678	Munic. Rev.
2022 MMB - Ferry	273,439	\$ 268,642	\$ 263,583	\$ 258,422	\$ 258,422	Munic. Rev.
Total Committed	\$ 798,611	\$ 767,508	\$ 754,914	\$ 715,771	\$ 713,521	
PROPOSED						
RD Loan	\$ 322,525	\$ 322,525	\$ 322,525	\$ 322,525	\$ 322,525	Sewer Rev.
Harley Davidson	2,500	2,500	2,500			Munic. Rev
Total Proposed	\$ 325,025	\$ 325,025	\$ 325,025	\$ 322,525	\$ 322,525	
TOTAL COMMITTED/PROPOSED	\$1,123,636	\$1,092,533	\$1,079,939	\$1,038,296	\$1,036,046	

Debt Structure - 10 Year



**Town of Lisbon
Forecasted Capital Improvement Plan
For Budget Year FY24
Forecasted Years FY29 through FY33**

	Forecast 6/30/2029	Forecast 6/30/2030	Forecast 6/30/2031	Forecast 6/30/2032	Forecast 6/30/2033	Funding
COMMITTED						
2010 R	57,279	55,583	53,888	-	-	- Munic. Rev.
2017 B	-	-	-	-	-	- Munic. Rev.
2004 FR - Sewer Dept	-	-	-	-	-	- Sewer Rev.
2005 FR - Sewer Dept	-	-	-	-	-	- Sewer Rev.
2014 QECB	79,757	79,757	-	-	-	- 72% Munic. Rev./28% Sewer Rev.
2020 MMBB - Pinewood	\$ 156,323	\$ 153,863	\$ 151,305	\$ -	\$ -	Munic. Rev.
2022 MMB - Ferry	\$ 247,744	\$ 242,116	\$ 236,320	\$ 230,394	\$ 224,355	Munic. Rev.
Total Committed	\$ 541,103	\$ 531,319	\$ 441,513	\$ 230,394	\$ 224,355	
PROPOSED						
RD Loan	\$ 322,525	\$ 322,525	\$ 322,525	\$ 322,525	\$ 322,525	Sewer Rev.
Total Proposed	\$ 322,525	\$ 322,525	\$ 322,525	\$ 322,525	\$ 322,525	
TOTAL COMMITTED/PROPOSED	\$ 863,628	\$ 853,844	\$ 764,038	\$ 552,919	\$ 546,880	

FY24 CIP Highlight - All Departments



- Police:
 - The PD Cruiser Replacement Plan replaces (2) Cruisers in this proposed budget funding through operating expense budget.
 - Police Laptops - funding through Technology budget (operating expense)
 - K9 and equipment - funding through operating budget
 - Harley Davidson and equipment/training - funding source: lease in the Debt Service Fund
- Fire:
 - Chief's Car (Car 1)- funding source Fire Truck Reserve account
 - Turnout Gear - funded through Municipal Budget
 - Thermal Imaging Cameras - funded through Municipal Budget
 - Portable and Vehicle Radios - funded through Municipal Budget.
- Parks & Recreation
 - Stand up Ex Mark Mower
 - Summer Street dog parking
 - Summer street dog park fence
 - Commercial Combo Sander/Salt spreader
- Public Works
 - Plow truck and gear - funding through Municipal Budget
 - Loader - capital lease - funding through Municipal Budget
 - Sidewalks - funded through Municipal Budget
 - Guardrails - funded through Municipal Budget

FY24 CIP Highlights - All Departments Cont.



- Town Buildings:
 - HVAC updates/improvements - funding through ARPA and municipal budget
 - MTM Bathrooms - funding through ARPA
 - Library Egress - funding through ARPA
 - Front Counter Construction - funding through municipal budget
- Treatment Plant:
 - GEA Centrifuge - funding through RD Grant and Fund Balance
 - GEA Centrifuge major service - funding through operating budget
 - Aeration Tank Concrete rehab - funding through operating budget
 - Brook Street pump station - funding through RD grant
 - Boerger rotary lobe pump funding through operating budget

FY24 CIP Highlights - All Departments Cont.



- Technology
 - Laptops/Computers for Town Office and Police Department
 - Retrofitting Council Meeting Room - sound system
- Office Admin
 - Clerk records restoration
 - Revaluation

Questions?

