

## 14 Capital Investment

The Capital Investment Plan establishes a framework for planning and financing those projects that are necessary to meet existing and future needs and constitute major capital improvements for which the Town has responsibility. The Plan not only addresses new and expanded public facilities, but also extends into the scope of maintenance and repairs of the Town's assets.

### 14.1 Recommended Capital Expenditures

During the period of bond repayment (2003-2015) for the fire station and transfer station, no major projects were considered and most capital expenditures were dealt with through reserve accounts. In 2015 the Town purchased waterfront property at 10 Cold Storage Road in Port Clyde for \$810,000. The Town is currently investigating repair/renovation costs of the property, and funding sources for this project.

The following reserve accounts have already been established based upon current plans.

### 14.2 Town Office

- An Office Equipment Reserve Account was started in the 1980's to provide for the replacement of the Town's office equipment in lieu of maintenance contracts. Withdrawals are made from the reserve account for replacement of equipment, or the addition of new equipment. There is no set amount that triggers the use of this reserve account versus the budget line item for Office Expense but is usually more than \$500 to \$1000.
- A Sick Leave Reserve was created to cover the liability that allows an employee leaving employment to be partially compensated for unused sick leave. As of 2016, the amount in the reserve was approximately \$8,000, with anticipated outlays anticipated for retirement of key personnel. The balance of the reserve account is set based upon anticipated changes in personnel, with any additions to the account made during the annual budget process.
- An Insurance Reserve was created to provide for coverage for the deductible on the Town's insurance policies. A minimum amount of \$1,000 was initially placed in the fund but increased to \$2000 to cover two (2) claims.

### 14.3 Assessing Department

A Revaluation Reserve was created following the last revaluation in 2011. The amount of \$10,000 is added annually to help pay for the next revaluation, which is anticipated sometime between 2022 to 2025.

## 14.4 Fire Department

A Capital Acquisition Reserve Account has been maintained by the town since 1984 and provides for the improvement/renovations/replacement of the town's three fire stations. The reserve account funded the replacement of the Port Clyde Substation in 1995, and the replacement of the main station in Tenants Harbor in 2002. This account was eliminated in 2002 as no major needs were identified.

A Vehicle Acquisition Reserve Account has been maintained by the town since 1984 and funds the fire truck replacement plan. The town owns six fire vehicles — three pumpers, two tankers, and a utility truck. Each vehicle has been set up with a useful life of a certain number of years and an estimated cost of replacement. Each vehicle has then been placed into a 25-year plan with an annual amount per year being placed into the reserve account to fund this plan. The plan is reviewed and adjusted on an annual basis during the budget process.

A Fire Department Training Building reserve account was created to provide funding for a building on the Route 73 fire station property. As plans developed, it was decided that it was best for the Fire and Ambulance Association to head up this project, so this reserve account was discontinued and the funds were transferred to the Fire and Ambulance Association.

A Water Hole Reserve Account was created to eliminate the annual funding of possible maintenance needs for water holes. As the need arises, funds will come out of the reserve and be replaced during the next budget cycle.

## 14.5 Roads and Bridges

A Winter Equipment Reserve Account was established in 1989 in order to fund the replacement of town-owned winter equipment. It is still unclear what the near future will bring in regards to a public works department. An ad hoc committee was formed to study the issue and it was found that the costs were approximately the same with a contractor versus a public works department and that the contractor relationship was working well. It is felt that any change in these two areas may trigger a re-examination of the issue.

## 14.6 Solid Waste

After the completion of the transfer station in 1990, the Solid Waste and Recycling Committee established an Equipment Replacement Reserve account to provide funding for the replacement of compactors, roll-off containers, the glass crusher, rotaphase equipment, etc. In 2016 a plan for the addition and replacement of equipment was created.

## **14.7 Harbors**

In 1992 a Reserve Account for Float and Ramp Replacement was established. With the addition of a full-time Harbor Master, a municipal boat was added and a reserve accounts has been set up for boat/motor replacement. It is also planned to do an assessment of harbor facilities and establish a plan to upgrade and/or maintain the current facilities. A Public Landing Reserve Account was created for this purpose. A Harbor Planning Reserve Account was also recently created to ensure funds for any changes within the harbors that the Harbor Master deems necessary, such as the moving of moorings.

## **14.8 Public Land**

In 1988, a Reserve Account was authorized by Town Meeting for Public Land Acquisition. Annual appropriations to this account have not been consistent. A policy was added in 2016 to the Selectmen's Policy Log addressing the needs and funding.

## **14.9 Tennis Reserve**

A Tennis Reserve was created and used to fund the renovation of the tennis courts. This project was completed in 2011 and the reserve account was done away with.

## **14.10 Sewerage Correction Reserve**

This reserve account was established to provide enforcement leverage for the Plumbing Inspector in dealing with malfunctioning septic systems. The balance in the reserve account should be sufficient enough to pay for the replacement of 1-2 systems.

## **14.11 Energy Efficiency Reserve**

This reserve account was established in 2017 to create funds for future purchase of a solar energy system or other energy efficiency improvements.

**Table 14-1**  
**Town of St. George Reserve Accounts**  
**12/31/2017**

<b>Purpose</b>	<b>Reserve Control Money Mkt Acct</b>	<b>Encumbrances</b>	<b>Additions/ Adjustments</b>	<b>Balance</b>
Sick Leave Reserve	\$3,086.49	2,228.65	\$5,000.00	\$5,857.84
Revaluation Reserve	\$51,486.62		\$10,000.00	\$61,486.62
Fire Dept. Vehicle	\$129,422.23		\$125,000.00	\$254,422.23
Fire Dept. Training Bldg	\$173.10			\$173.10
Office Equipment	\$11,779.23	\$1,789.00	\$5,000.00	\$14,990.23
Ramps & Floats	\$23,205.33	\$12,600.00	\$3,500.00	\$26,705.33
Municipal Boat Reserve	\$39,521.20		\$2,500.00	\$42,021.20
Public Land Acq.	\$44,940.35			\$44,940.35
Sewerage Correction	\$33,313.44			\$33,313.44
Solid Waste Equip.	\$47,977.86	\$27,965.88	\$30,000.00	\$50,011.98
Winter Equipment				\$ 0
Insurance Reserve	\$2,040.96			\$2,040.96
Public Landing	\$22,150.67		\$2,000.00	\$24,150.67
Water Hole Reserve	\$8,396.43		\$4,000.00	\$12,396.43
Harbor Planning	\$2,002.76			\$2,002.76
Energy Efficiency Reserve	\$0.00		\$20,000.00	\$20,000.00
	\$419,496.67	\$31,983.53	\$207,000.00	\$594,513.14

### 14.11 Goals, Policies, and Strategies

#### A. State Goal

*To plan for, finance and develop an efficient system of public facilities and services to accommodate anticipated growth and economic development.*

#### B. Local Policies and Strategies

*Pursuant to the State goal the Town of St. George has the following policies:*

***Policy 1: Maintain a capital investment plan for financing the replacement and expansion of public facilities and services.***

<b>Strategy</b>	<b>Responsibility</b>	<b>Date</b>
See Capital Investment Plan.	Town Manger	Ongoing

***Policy 2: Assure that projected development does not overtax community services and facilities, and that it pays its share of the cost of capital improvements needed to serve that development.***

Strategy	Responsibility	Date
For large subdivisions (10 lots or more) and major developments, require impact statements that analyze the impact of the proposed development on roads, schools, police and fire protection, outdoor recreation, water supply, sewage disposal, solid waste, etc. so that the costs to the community can be evaluated.	Planning Board	Ongoing
Investigate the feasibility, and where appropriate, enact an Impact Fee Ordinance to maintain the requirement that developers of large projects to contribute to the cost of road and other public facility improvements.	Planning Board	Ongoing