

**ST. GEORGE SELECT BOARD & ASSESSORS**  
**MEETING MINUTES**  
Monday, January 22, 2018

The Select Board meeting was called to order at 6 p.m. Members present were: Richard Bates, Chairman; Randy Elwell, Jerry Hall, Wayne Sawyer, and Tammy Willey. Also present: Tim Polky, Elizabeth Curtis, Bruce Hodsdon, Thomas Foster, David Percival, Scott Vaitones and Susan Ellis.

PUBLIC COMMENTS: None.

**REGULAR SESSION:**

- Adjustments to Agenda: The following adjustments were made to the agenda.
  - Presentation of FY17 Audit Report by Foster & Company was moved to Regular Session
  - Pope Memorial Humane Society Agreement was added under New Business
  - Cemetery Committee Appointments and Committee Charges were added under New Business
- Presentation of FY17 Audit Report by Foster & Company, LLC by Thomas Foster: Foster reviewed the 2017 Audit for St. George. He said the first two pages were the opinion letter, and this section states whether they (auditors) believe the financial statements are correct or not. Foster said they have given a clean opinion on these.

Chairperson Bates asked Foster what was meant by an omitted schedule of funding progress for retiree health care plan and a few other items, and if those were areas the Select Board should be thinking about. Foster said that section was about the Maine State Retirement pension liability that will be created when the Maine State Retirement System figures it out. Foster said because of the consolidation, it had to be shown and because the town's school unit was so new, the town did not have a historical assessment. Because Maine State Retirement had not calculated the figure, the auditor made a statement (in the report) that it has not been calculated.

Ellis was concerned it stated that management (the town office) had omitted it. Foster said it is stated that way because the financial statements are the responsibility of management; it is the auditor's responsibility to say they are correct. Selectperson Hall asked if it was appropriate to clarify which management. Curtis said the financials got all rolled into one, so did not really matter, and Chairperson Bates added, because the school is a department of the town. Foster said that paragraph should go away next year.

Management Discussion and Analysis. Foster said this was provided by the town's administration to discuss the highlights of the town's finances. Bates said the town was at the top of their guidelines for cash needs, with an A++. Foster said the town was doing well.

Statement of Net Position and Statement of Activities. Foster said this is the activities and balance sheet of the town presented on a government-wide basis. More of a business type basis; it is not your budgetary basis. This includes areas such as your infrastructure assets, roads, etc. He said Exhibit A or B do not really relate to the figures that the town uses, but Exhibit C and D do go on a budgetary basis. This is the balance sheet and statement of changes of the town's fund balance. There was a small change in the town's general fund balance and increases in the capital reserves and other governmental funds, which gives a net positive to the town's total fund balance at the end of the year.

The Financial Statement Footnotes. Those are disclosures which explain some of the numbers in a little more detail. Foster noted that all of the numbers are consolidated and listed in one place.

Chairperson Bates said the audit pointed out that the town's investments were not exposed to custodial risk, but the next paragraph stated the town did not have a formal policy regarding credit risk. Bates thought there was language in the town's investment policy. He asked if that was something the town should look to rectify? Foster said it would be good to have a formal policy as to credit risk. Foster was not aware the town had this. Chairperson Bates asked Foster what formal meant; how formal did it need to be? Foster will review the town policy, send the Board his examples of credit risk policy, and then everyone can compare the two.

Schedule 1 - Shows the comparison of the town's actual amounts to the budget - the revenues and how they compare to what the town's budgeted revenues were. The expenditures compared to budget are shown in more

detail on the next schedule where they are broken down but are only shown by Departmental totals. Foster said there were no wide variances to the town budget in Schedule 1, with the one exception of education. Foster said he believed that was not bad to have a positive variance in a department. He felt the town was budgeting very well.

Schedule 4 - The trust funds and special revenue funds are discussed.

Schedule 5 - The reserve funds are shown.

Schedule of Expenditures of Federal Awards. Foster said because we have incorporated in the school department, we have to show the awards the school has received. These are all school monies and are Federal grants received through the State of Maine to help fund the school and the lunch programs.

Selectperson Hall asked what was meant by expendable trust funds. One line showed a negative number. Foster said he believed some of those funds had provisions that the town cannot spend out the principal. Curtis said some of the trust funds do let the town get into the principal. Foster said the subtraction was to breakout how much of it was expendable and how much was nonexpendable; it was not a negative balance. Selectperson Hall clarified that the nonspendable was the principal balance that was placed in it.

- FY19 Preliminary Budget Review with Select Board on Specific Areas of Concerns:

Clam Warden - Justin Hills, Deputy Sheriff and Clam Warden will be attending the Select Board meeting next week. He will discuss his duties and his role as a clam warden. Selectperson Sawyer said if the five towns do not fund Hill's position, the Shellfish Committee will have to hire someone part-time, off the street, with no benefits, and get minimal training. He said the five towns will lose all of the accountability and supervision if this happens.

Generator - Chairperson Bates said the town had been fortunate that it had not had any extended outages or disruptions in the winter or the summer months over the last few years. But if there had been major disruptions, he felt the town could be vulnerable without a generator. He felt it was an important item and should be in the budget. The generator would be located at the St. George School; the school would provide a shelter for the town. Ellis asked if the Select Board would request all the money in this year's budget or have a three-year savings plan. Selectperson Elwell said he would like the money allocated this year and get the generator in place. Chairperson Bates agreed. Ellis said to wait and see how the budget looked. Polky said he talked with FEMA today about the October storm, and that the town would be getting some FEMA grant money. Polky also said FEMA might possibly help the town with the purchase of a generator.

Significant increases for this coming year - Selectperson Hall said he had a general area of concern and caution as there were several possible significant increases for the coming year. When all the individual requests are combined, it would represent a significant increase. Selectperson Hall cited the Budget committee's analysis report on the rate of growth and spending over the last five years. There were services the town needed, supported, and would probably continue to support. But the question is, how much?

Possible increases for the coming year:

- 10 Cold Storage Road. Chair Bates hoped the town would be in a position to fund a 10 to 15-year bond for 10 Cold Storage Road. This would increase in the town's tax commitment.
- A generator.
- Clark Island. Possibly giving support to Maine Coast Heritage Trust for the purchase of Clark Island.
- Solar Panels. Selectperson Hall said there was a contingency fund set up last year and some energy savings monies was budgeted. Polky said there was \$20,000 in the fund, and he suggested putting in another \$10,000. Selectperson Hall said the contract had a payback in seven years. At that point, it would be generating electricity which would be saving approximately \$10,000 a year. Selectperson Hall said it would be similar to investing money and getting 12-13% interest. Curtis said at the end of seven years, the purchase price would be \$78,879. Ellis said over six years, the town needed to save \$58,000. Curtis said that would be approximately \$10,000 a year. Polky said by putting in \$10,000 a year, at the end of the seventh year, there should be enough money to pay it off.

Polky met with Evergreen. They looked at the windows and at the insulation in the town office building. Polky said they were not looking at any of the other energy consumptions in the building. Polky reported that the upstairs area in the town office had recently been insulated and as light bulbs burn out, they are replacing them with LED bulbs.

- Selectperson Willey said the Conservation Commission would be requesting a budget increase. They are working on areas such as paving - making a parking lot for Jones Brook, stream restoration, and working on plans for Meadowbrook.
- Selectperson Elwell would like to see the sidewalks kept clear in the winter. He suggested clearing from the Odd's Fellow Hall down to the school. Polky said Port Clyde had sidewalks, too. Selectperson Willey asked Polky if the town owned a snow blower. Polky said yes, and there had been discussions about replacing it. Selectperson Elwell said because of the distances, a snow blower might not handle it. Selectperson Sawyer said snow blowing was difficult to do. Polky said he would get more information, estimates, and bring those to the next board meeting.

Chairperson Bates said Curtis and Polky would present the budget next week. At that time, the Select Board would see all the figures – the increase in the County Budget and estimates of what the school might do.

- Community Services Funding Requests: To date, the following organizations will be attending the Select Board meeting on February 12:

- The Rockland District Nurses Association. This is a first-time funding request from RDNA.
- Neighbor-to-Neighbor. They have increased their budget. Chairperson Bates would like to hear why they are asking for \$5,000 when last year they asked for a special increase to \$3,000.
- Penquis Cap. Curtis said their cover letter explained why they asked for a slight increase.

Curtis had not heard from Jackson Memorial Library. Chairperson Bates will contact Michael Jordan about this and suggest someone from JML attend the February 12 meeting.

Curtis had not yet had a request for funding on the cemeteries.

Curtis will have copies of all the requests in a folder at the office for the Select Board to review.

- Overlay Abatement Expense: Selectperson Hall said Curtis's explanation was good. He said most people were misinterpreting the purpose of the overlay; it is not just a slush fund. Curtis said, "The easiest way to explain the overlay was to look at this year's budget. We have about \$35,000 that we raised in overlay to get that 8.70 mil rate to round off the number which is what overlay is for. We also appropriated \$10,000 that had to be raised through property taxes to cover abatements. So, \$45,000. If we have this in place, we would not have had to raise that much; it would have been just the \$35,000 for overlay. I know it is not a huge dollar amount, but it is something."

Budget Chair Ellis asked if it would muddy the waters about abatement? Curtis said no because she would still use the same expense account when abatements were paid out; it would just be the appropriation to come out of overlay, as opposed to being raised through property taxes.

Budget Chair Ellis said there would still be an expense line. Curtis said yes.

Polky said they used to do it this way a long time ago; but was called on it by the auditors because no money had been appropriated. Polky told Ellis when they were told they had to appropriate, they made a special article for appropriating for abatement. He said now the law allows you to take it out. Ellis said we could tax at 100.02%. Hall said as long as there is the warrant. Polky reiterated, as long as the warrant article says you are allowed to take it out of the overlay.

Chairperson Bates said it was an improvement. Chair Ellis asked if you would still be able to identify what was paid out, and Polky said yes.

- Minutes: The minutes of January 8, 2018 were amended as follows:

Correct name to St. George **Volunteer** Fire & Ambulance Association and (SGVF&AA) on:

Page 1: under Public Comment, first paragraph, lines 1 and 5; second paragraph, lines 1 and 8.

Page 4: under St. George Fire & Rescue Monument, first paragraph, line one; second paragraph, line 17 and 21; and third paragraph under motion, line 1.

A motion was made by Selectperson Sawyer, seconded by Hall, to approve the January 8, 2018 Select Board minutes, as amended. The vote was 4-0-1 abstention (Hall).

- Communications:

A thank you card from LifeFlight of Maine for this budget year's donation of \$648.

An email from Sandra Roak regarding rising tides and what to do about parts of the road that are likely to be impassible in the future. Chairperson Bates discussed this briefly with Polky. Polky attended a program last year which was sponsored by the Island Institute and the University of Maine. They are trying to focus on coastal communities and any community that has had any flooding, including inland areas.

Community Ratings System (CSR). Polky said CRS is a federal program and the State of Maine is sponsoring it. The town has it for fire insurance. If you meet all the criteria, you can benefit; you can get a discount off the full price. Polky said they are trying to do the same with the floodplain insurance. Polky will be attending the CRS meeting in Rockland in two weeks. He has been in touch with the GIS worker at the Knox Emergency Management Agency. The worker will meet with CEO Brackett, Polky and Chairperson Bates at the town office on February 1 at 8 a.m. to discuss RSMS issues. Polky said if GPS managed all the culverts, you would be able to tell which ones were having problems, which ones were flooding, which ones had to be replaced. Chairperson Bates said that seems to the issue - to have an inventory where the vulnerable areas are.

An email from Anita Seigenthaler regarding a coastal training program run by Casco Bay Partnership and Maine Coastal Programs - Climate Adaption for Coastal Communities, to be held in March. Chairperson Bates said the Select Board were already thinking about this issue and Polky was on top of plans.

An email to Town Manager Polky, Chair Bates and Selectperson Hall, dated 1/19/18 from Jake Ward of Aqua Ventus. Aqua Ventus announced that they do not plan to bring the cable into the village of Port Clyde, and they are looking for an alternative path which may include Boothbay or the east side of St. George. An article on MAV was in the Bangor Daily News on 1/19/18.

A letter received from Attorney Amanda Meader. Polky reported that the Board of Appeals decision to uphold the Planning Board's decision on the Wyeth Reading Room was appealed to Superior Court by the Horse Point group and three of the other appellants. Polky said the appeal was similar to what was brought before the Appeal's Board. Attorney Meader answered the complaint with a Motion to Dismiss because in their complaint, they never listed Linda Bean as a party. Polky said the case could go before the judge, anytime. It could be next week or next year.

The Spirit of America Tribute letter. Chairperson Bates said the town had only awarded it once and that was last year to John Falla for having served 30 years as Town Manager. The consensus of the Select Board was not to make any nominations this year.

- Warrant: The warrant for the week of January 22, 2018 was reviewed and signed. The total expenses were \$65,447.14 and included two weeks of payroll, legal expenses of \$1,860, the February health insurance bill of \$12,354, 2017 scholarships of \$4,500 and purchase of salt for \$4,272. There were two bills from Harcros Chemicals, Inc., and two bills from Tim Hoppe of Hoppe Tree Service. Polky said Hoppe's bills would be given to FEMA.

Selectperson Willey asked about CPRC Recycling. Polky said the shingles and glass are sent there. The red containers at the Transfer Station are for shingles, glass and sheetrock. Those containers belong to Commercial Paving and the town leases them.

Selectperson Elwell asked if the town would have a budget increase for legal fees? Curtis said \$15,000 was budget for this year. Polky said in past years, the town had hardly any legal expenses; but this year, the town had spent a lot. Chairperson Bates thought it would be useful to have discussion at the town meeting about how fractious issues, not resolved more amicably and calmly, can really cost the town. Polky said he understood but felt there was also another side to that.

Chairperson Bates asked about the voided payment. Curtis said it would not show up on this warrant report. It would be on the year-to-date financial report.

#### TOWN MANAGER'S REPORT:

Town Manager Polky discussed the Motion to Dismiss under Communications and the FEMA meetings under the Warrant.

##### - Committee meetings:

- Planning Board meets on January 23 at 7 p.m.
- Comprehensive Plan conference call at 1 p.m. on Friday, January 26 at the town office to prepare for a public meeting on January 30.
- Harbor Committee meeting on January 30 at 4:30 and a Comprehensive Plan meeting at 6 p.m.
- Correction dates for town meeting. Monday, May 14, 2018 – The polls open at 8 a.m. for voting and Tuesday, May 15, 2018, the meeting begins at 7 p.m. Polky will see that the town website and schedules get corrected.

- Stand-alone Warrant Articles: Anticipated stand-alone warrants for discussion at Town Meeting include the Overlay, the Generator and Marshall Point Lighthouse.

- Road Safety. Polky said the Maine DOT, the Sheriff's Dept. and the State police are listed in the Road Safety Petition. He said because of the extra requests in the Road Safety Petition, he asked Finance Director Curtis and Patrick Polky of the Sheriff's Department to review it. He said extra coverage calculated to be 20 hours a week for 20 weeks, between Memorial Day and Columbus Day. Patrick Polky said they can't do a part-time position. It would have to be a full-time person or not. Polky said other possible ideas are being looked into.

The issue of crosswalks was discussed. Chairperson Bates said the only way one could get land areas for crosswalks would be by eminent domain, seize land on certain parts of Port Clyde so you can have cross walks. Curtis said there was no space to take. Polky said you could come up with a crosswalk; but just as soon as you started directing people to a location, you would have to make sure the location was safe. So, if you have a crosswalk and a sign, you want to make sure someone with a wheelchair can get on at the beginning of it and off at the end.

#### COMMITTEE REPORTS:

- Board of Appeals: Selectperson Willey asked if she was the board liaison to this committee. She and Chairperson Bates discussed this, and Willey said she would continue as liaison to this committee. Curtis will notify the Web Administrator to update the website.

- Conservation Commission: Selectperson Willey said the CC met on January 4, 2018. They are putting a team together for work at the Meadowbrook property, and they are creating a management system. They will be asking someone from the Select Board to be on that team.

The Nature Conservancy is working on a fish ladder designed for the CC. When the work begins, the Department of Marine Resources and the school students will get more involved.

The CC discussed their budget, and there will be an increase in their budget for next year. They will be asking the town for funds to show support to the Maine Coast Heritage Trust for the purchase of Clark Island. It would be the same idea as High Island. They are asking for a significant amount of money, so the CC will have a discussion about that.

The CC would like to appoint Tom Gorrill to finish out Les Hyde's seat on the Commission. The Select Board reviewed his resume. Chairperson Bates said Gorrill had been attending some of the meetings and he lives in Tenants Harbor.

On a motion by Selectperson Hall, seconded by Sawyer, it was voted 5-0 to approve the nomination of Tom Gorrill to fill the vacancy left by long standing Conservation Commission member, Leslie Hyde.

- Planning Board: Chairperson Bates said the Planning Board met at 7:00 p.m. on January 9, 2018 and the following items were discussed and acted upon:

- The building permit application to make structural renovations at 146 Patten Point Road was voted complete and approved.
- The preliminary plan for a 9-lot subdivision application at 162 Seal Harbor Road was voted complete (with the addition of an omitted lot line). The Board then found the application met the standards in the subdivision ordinance, Section 1, with sub-section E. pending DOT approval. The preliminary plan was approved. An onsite visit has been scheduled for 9:00 a.m., February 10, and a public hearing at 6:30 p.m. on February 13.

The Board reviewed the latest draft of the St. George Cable Landing Ordinance.

OLD BUSINESS: Selectperson Hall noted that the Select Board still needed to review the Trust Fund Investment Policy. Chairperson Bates will put this item on the next Monday's agenda for discussion, on how to proceed with this policy.

#### NEW BUSINESS:

- Pope Memorial Humane Society (PMHS) Agreement: Chairperson Bates presented the Animal Facility Care Agreement. Curtis said the quarterly amount is \$906, and it is a three-year agreement. Curtis said the PMHS calculated it to be \$1.40 per resident. Polky said the town needs to have a receiving facility. Polky said other kennels, in the past, have charged the town more. He said as long as the town pays the fee and PMHS has room, they had taken the dogs. They recently built a larger facility but even when they had a smaller building, they would make room. Polky said when the town has not had an animal control officer, the PMHS has stepped in and helped out.

A motion was made by Selectperson Willey, seconded by Sawyer to authorize the Town Manager to approve and sign the three-year Animal Facility Care Agreement with the Pope Memorial Humane Society. The motion passed, 5-0.

- Cemetery Committee: The Select Board received a copy of an email from John Falla, dated January 22, 2018. The email included the Select Board minutes of 9/17/17 and the Cemetery Committee Charge. Falla said five people had agreed to be on the cemetery committee. Falla said it was his understanding that Ray Emerson would attend meetings as the Town's Sexton and Jerry Hall would be the Select Board representative. Falla stated in his email, "Where Ray is out of state until March or April, I would expect we would wait for his return before we start meeting."

On a motion by Selectperson Elwell, seconded by Sawyer, it was voted 5-0 to approve the nominations of Joyce Davies, Randy Watts, Dale Wiley, Patty St. Clair and John Falla to the Cemetery Committee.

EXECUTIVE SESSION: At 7:28 p.m., on a motion by Selectperson Sawyer, seconded by Elwell, it was voted 5-0 to go into executive session pursuant to Title 1 MRSA Sec. 405(6)(A) to discuss the Town Manager's salary. The Select Board came out of executive session at 7:30 p.m.

On a motion by Selectperson Sawyer, seconded by Elwell, it was voted 4-1, with Selectperson Willey opposed, to increase the Town Manager's salary by \$3,900 (4.5%), starting on July 1, 2018.

At 7:32 p.m., on motion by Selectperson Elwell, seconded by Hall, it was voted 5-0 to adjourn the meeting.

Respectfully Submitted,

Marguerite R. Wilson  
Select Board Recording Secretary