

Town of Mount Desert
SelectBoard Meeting Minutes
Regular Meeting
Monday, May 4, 2020, 4:00 PM

This Meeting was held via remote access.

SelectBoard Members Present: Chair John Macauley, Rick Mooers, Wendy Littlefield, Matt Hart, and Martha Dudman

Public Officials Present: Fire Chief Mike Bender, Public Works Director Tony Smith, Town Manager Durlin Lunt, Treasurer Kathy Mahar, Town Clerk Claire Woolfolk, Harbormaster John Lemoine

Members of the public were also in attendance.

Call to order at 4:00 p.m.

Chair John Macauley called the Meeting to order at 4:00PM.

I. II. Minutes

A. Approval of Minutes from April 21, 2020 meeting

MOTION: Ms. Dudman moved, with Ms. Littlefield seconding, approval of the Minutes of April 21, 2020, as presented.

VOTE:

Rick Mooers: Aye; Wendy Littlefield: Aye; Matt Hart: Aye; Martha Dudman: Aye; Chair John Macauley: Aye
Motion approved 5-0.

II. Appointments/Recognitions/Resignations

None presented.

III. Consent Agenda *(These items are considered routine, and therefore, may be passed by the Selectmen in one blanket motion. Board members may remove any item for discussion by requesting such action prior to consideration of that portion of the agenda.)*

A. League of Towns Meeting Minutes of April 28, 2020

B. Hancock County Commissioners Meeting Minutes of March 17 and March 26, 2020

MOTION: Mr. Mooers moved, with Ms. Littlefield seconding, acceptance of the Consent Agenda as presented.

VOTE:

Rick Mooers: Aye; Wendy Littlefield: Aye; Matt Hart: Aye; Martha Dudman: Aye; Chair John Macauley: Aye
Motion approved 5-0.

IV. Selectmen's Reports

Mr. Hart inquired of Fire Chief Mike Bender about the 24/7 coverage of firefighters, and how the budgeting looks. Will 24/7 coverage continue to be necessary beyond the mid-May mark?

1 Chief Bender reported that while he can provide some estimates from review of the past two
2 weeks and projecting that out through May with regard to payroll budgeting, he did not have a
3 picture of what truck maintenance and building maintenance would be by the end of the year.
4

5 Chief Bender thought it possible that 24/7 coverage would not be required beyond May 15, unless
6 a spike in confirmed cases of the Covid-19 virus occurred. The 24/7 coverage is an attempt at
7 keeping staff safe in a controlled environment. He was mindful of the impact on safety with the
8 influx of seasonal residents and tourists returning to the area.
9

10 Chief Bender noted there were only about five or six people covering the 24/7 shifts. There were,
11 so far, no complaints about the work. 24/7 coverage was a Town decision and not State
12 mandated.
13

14 Chair John Macauley reported that Dr. Julian Kuffler of Somesville has voiced interest in joining
15 any task force created by the Town as a medical representative. Chair Macauley was not sure
16 such a Task Force was required at this point and felt the discussion should be revisited.
17

18 Town Manager Durlin Lunt reported The Town of Bar Harbor had planned for such a Task Force.
19 They are now rethinking the need. They questioned whether the role of such a Task Force would
20 be of any significance. It may be an extraneous addition at this time. At the time the Task Force
21 was previously discussed the State's phased re-opening plan was not in place. The Town will
22 have to abide by the State's plan at this juncture. It was not clear if there were any further
23 proactive actions that could be taken by a Task Force at this point.
24

25 Ms. Littlefield agreed with the sentiments shared, provided Town businesses and residents are
26 following the State guidelines. Manager Lunt noted the State has the authority to set guidelines;
27 the Town has the authority to enforce those guidelines. Police would be enforcing State
28 guidelines.
29

30 Ms. Littlefield referred to an email she shared with the SelectBoard from a local seasonal
31 business, assuring her they were aware of the State guidelines and their willingness to follow
32 them.
33

34 Chamber of Commerce representative Nina St. Germain suggested inviting the Chamber of
35 Commerce to regular Board Meetings. Perhaps they can help facilitate some of the adjustments
36 that may be implemented as re-opening is phased in. Ms. St. Germain thought that was what the
37 Town of Bar Harbor was considering. She felt that while the State is implementing guidelines,
38 the Town might have some details to work out within the community.
39

40 Public Works Director Tony Smith cautioned that any changes implemented must be verified as
41 not violating local ordinances.
42

43 **V. Unfinished Business**

44 None presented.
45

46 **VI. New Business**

47 *A. Presentation and review of FY 2018-2019 Financial Reports and Audit by James W. Wadman*
48 *CPA*

49 CPA James Wadman noted he emailed to SelectBoard members his usual financial handouts.
50

1 Mr. Wadman pointed out newly-added sections to the audit that include debt service information
2 and post-employment benefit disclosures. Additionally, the beginning net position is required to
3 be restated to reflect nearly one million dollars additional liability related the post-employment
4 benefit disclosures.

5
6 The Town is maintaining a fund balance in the 18% range. The year ended with slightly more
7 than \$3.1 million in unassigned fund balance. This is over 18% of the Town's expenses. Other
8 Municipalities were included in the report as a comparison.

9
10 Mr. Wadman touched on the following highlights:

11
12 Page 10 - The Statement of Net Position is where all the Town's activity and new liabilities are
13 found. This includes long-term assets and debt that doesn't come into play in relation to the
14 Operating Fund.

15
16 Page 11 - Operating Activities for the year show the expense and cost of operating the Town
17 along with operating revenues. The bulk of the revenue comes from property and vehicle excise
18 taxes. On that page in the Net Position section, the previously noted Beginning Net Position can
19 be found. This is included due to the school employee retiree/health insurance benefits. This
20 figure brings over \$925k of new liability to the Town.

21
22 Page 12 - The Financial Statements follow the Town's same internal accounting system. This is
23 where liquid assets can be found, cash investments, and receivables.

24
25 Page 14 - Expenses to be covered for a one-year period can be found here, as opposed to long-
26 term activity.

27
28 Beginning on page 21 through page 57 - There are an additional 36 pages of notes to the financial
29 statements presented.

30
31 Beginning on Page 25 and continuing to Page 26 - Shows the various fund balances. These
32 balances are broken out into further detail.

33
34 Page 37 - Notes start here regarding the Maine Public Employees Retirement System (PERS) for
35 both school and Town employees. These notes continue for several pages.

36
37 Beginning on Page 42 and continuing to Page 56 - There are similar disclosures for other post-
38 employment benefits. This includes life and health insurance benefits for both school and Town
39 employees.

40
41 Page 57 - The Government-wide Net Position related to the Maine Education Association
42 Benefits Trust is restated. This reduced the Town's Net Position by over \$925k. This is a new
43 change this year. These liabilities will be studied, and ten-year trends will be developed to better
44 determine the direction in which they are heading.

45
46 Page 58 - Financial Statements showing budget versus actual operating statements for the general
47 operating fund. This shows original versus final budget, and actual operating results for the year.
48 The plan was to reduce the surplus by \$500k. Actual results were an increase in the fund balance
49 of slightly over \$173k.

50

1 Page 59 – Shows a Net Pension Liability. Below the Net Pension Liability is the percentage of
2 funding for the Maine PERS and the State Employees and Teachers Plan. It shows the
3 percentage of liability that has been funded for the past five years. This shows the percentage of
4 the liability funded by the assets. This amount has grown closer to 100% funded in the past two
5 years.

6
7 Page 60 – Shows the Participating Local Districts Plan for the non-teacher employees of the
8 Town.

9
10 Pages 67 and 68 – Show budgeted versus actual Revenues. Revenues were above budget for the
11 fiscal year.

12
13 Pages 69 and 70 – Show Expenses. This shows favorable variances of over \$561k below budget.

14
15 Ms. Dudman asked if these expenses were unusual. Mr. Wadman did not feel it was unusual.
16 These pages show where variances occur. A large portion of the variance can be attributed to the
17 Police Chief's salary, due to his shared position with the Town of Bar Harbor. Explanations of
18 some of these variances could be found on Page 9 of the audit. It shows the Town has good
19 control over their budget.

20
21 Page 71 – Shows the Unassigned Fund Balance. \$500k of this amount was used to reduce the tax
22 commitment.

23
24 The report covers various reserves and other funds, breaking them out in more detail.

25
26 The Town's debt is compared to other Towns. Debt is looked at as a percent of State Valuation.
27 The State's maximum allowed debt is 15%. On Page 25, debt stipulations are discussed. The
28 Town is at .92% - well within the allowed amount.

29
30 There is no management letter or comments attached to the audit. There were no real issues
31 found while performing the audit, other than minor software-related delays. Those software
32 issues have been remedied. The next audit has been scheduled to start October 2020; several
33 weeks earlier than the previous audit. Treasurer Kathy Mahar explained the software changes to
34 the system. The system is being watched on a monthly basis to proactively address any problems
35 that may arise.

36
37 *B. Consider new pay rates for seasoned Election and Ballot Clerks to \$20.00/hour; Warden to*
38 *\$22.00/hour*

39 MOTION: Ms. Littlefield moved, with Mr. Hart seconding, approval of the stated rates of pay,
40 based on the Town Clerk's memo for those Clerks that are diligent and meticulous.

41
42 Town Clerk Claire Woolfolk noted she sets the rates. New Clerks in training remain at the
43 current payrate.

44
45 Ms. Littlefield amended her Motion.

46
47 AMENDED MOTION: Ms. Littlefield moved, with Mr. Mooers seconding, approval of new pay
48 rates for seasoned Election and Ballot Clerks to \$20.00/hour; Warden to \$22.00/hour, as
49 presented in the Town Clerk's memo dated April 22, 2020.

50

1 Election Official Sally Merchant noted that there will be more liability this year. Ms. Merchant
2 assured the SelectBoard that those doing the work are being paid for the responsibility inherent in
3 the job, and that they take the work very seriously.
4

5 Mr. Hart noted the memo states the raise is for “seasoned” Clerks. No definition of what is
6 considered “seasoned” is provided. A stated amount of experience as a Clerk might make it
7 clearer. Clerk Woolfolk considered a Clerk working each election for between five and eight
8 years to be “seasoned”.
9

10 It was agreed that details of how a Clerk’s payrate is determined would be a good idea.
11

12 The Motion was once again amended.
13

14 SECOND AMENDED MOTION: Ms. Littlefield moved, with Ms. Dudman seconding, approval
15 of new pay rates for seasoned Election and Ballot Clerks to \$20.00/hour; Warden to \$22.00/hour,
16 as presented in the Town Clerk’s memo dated April 22, 2020. New Clerks in training would
17 receive the current payrate of \$15.00 an hour for the first five years. At that time the Town Clerk
18 would assess the Clerk’s abilities to determine whether or not additional training was required,
19 and whether a payraise to \$22.00/hour was appropriate.
20

21 Mr. Mooers noted that a salary schedule should be created justifying each ability level and
22 payrate. Otherwise the system is at risk for being arbitrary and capricious. Payrates should be
23 standardized in some fashion. Chair Macauley agreed with Mr. Mooers’ thoughts on the subject.
24

25 Ms. Littlefield suggested tabling the issue until a salary schedule and list of skills required was
26 presented. The Board agreed.
27

28 MOTION: Mr. Mooers moved with Mr. Hart seconding, that all previous Motions put forth on
29 this issue be Stayed and the Item be Tabled until the May 18, 2020 SelectBoard Meeting.
30

31 VOTE:

32 Rick Mooers: Aye; Wendy Littlefield: Aye; Matt Hart: Aye; Martha Dudman: Aye; Chair John
33 Macauley: Aye
34

35 Motion approved 5-0.

36 *C. Consider holding the 2020 Annual Town Meeting Secret Ballot Election along with the State*
37 *Primary and Referendum Election on July 14, 2020 and to post a separate warrant for this*
38 *election.*

39 MOTION: Ms. Dudman moved, with Mr. Hart seconding, holding the 2020 Annual Town
40 Meeting Secret Ballot Election along with the State Primary and Referendum Election on July 14,
41 2020 and to post a separate warrant for this election, as presented.
42

43 Mr. Hart asked how the Town would proceed if State of Emergency requirements make this date
44 impossible. Town Clerk Woolfolk believed the State would send a directive to the Towns, as
45 happened when the election was postponed from the June date. That directive would include
46 amended dates and scheduling requirements the Town would follow.
47

48 VOTE:

49 Rick Mooers: Aye; Wendy Littlefield: Aye; Matt Hart: Aye; Martha Dudman: Aye; Chair John
50 Macauley: Aye
51

Motion approved 5-0.

D. Consider public hearing on May 18, 2020 to amended warrant articles 30, 31, and 32 as presented by the Treasurer to the Board on Tuesday, April 21, 2020.

MOTION: Mr. Mooers moved, with Mr. Hart seconding, approval of a public hearing on May 18, 2020 for amended Warrant Articles 30, 31, and 32 as presented by the Treasurer to the Board on Tuesday, April 21, 2020, as presented.

Ms. Dudman noted that discussion was held at the last meeting regarding the possibility of amending the Warrant Article that addresses the term of the lease for the Bait Shed. Perhaps this Public Hearing was an opportunity to open that discussion. Ms. Dudman inquired of Public Works Director Smith if he'd had a chance to look into the legality of such an amendment.

Director Smith reported that he looked into the question. A change can be made on the Floor of Town Meeting. Director Smith anticipates additional information on the lease being presented to the Town. He suggested that for now the item be left as is.

Treasurer Mahar reported she had done some forecasting on the revenues going forward. She believes the Town can anticipate a \$90,000 loss of excise revenue. Revenue sharing will see a loss of \$8,000. Investment Incomes will see a loss of \$4,000. Homestead Reimbursement will be down \$10,000 to \$15,000, depending on how the Government decides to reimburse. If the Articles are left the way they are, and there are no other drastic reductions in revenue, the Town's fund balance mentioned in the audit report will decline from 18.2% to 10%. In light of those figures, she asked whether it was better to hold a Public Hearing now or wait till closer to Town Meeting. Some of those figures might change in the interim, which would require another Public Hearing. A Public Hearing now may be premature.

Ms. Dudman agreed Treasurer Mahar's assessment was a wise one. There was time at this juncture for a Public Hearing. Given the difficulty in predicting what may happen, Ms. Dudman agreed it might be wise to wait.

In light of Ms. Mahar's comments, Mr. Mooers withdrew his Motion.

MOTION: Mr. Mooers moved with Ms. Dudman seconding, to Table Item IV.D to a later date.
VOTE:

Rick Mooers: Aye; Wendy Littlefield: Aye; Matt Hart: Aye; Martha Dudman: Aye; Chair John Macauley: Aye

Motion approved 5-0.

E. Consideration of Public Works Director Tony Smith's recommendations presented on page 4 of 4 of his memo to Town Manager Lunt dated April 29, 2020 titled Beech Hill Cross Road Culvert Replacement:

- 1) We retain VHB to provide us with the Scope of Services just described at a lump sum cost of \$12,800 for the Cross Road culvert project.
- 2) A contingency amount of funding in the amount of \$2,200 be approved to be used to address unforeseen circumstances that might arise during the work and to be spent at my discretion as necessary and warranted.
- 3) That the total amount for design, preparation of the Grant application and contingency funding in the total amount of \$15,000 be approved to be drawn and subsequently spent from the Public Works Road Reserve Account Number 4050100-24573 with a current balance of approximately \$119,950 leaving a balance of approximately \$104,950 if my request is approved.

- 4) That I be authorized to execute the agreement with VHB on behalf of the Town for them to provide the services described above.

MOTION: Mr. Hart moved, with Mr. Mooers seconding, approval of Public Works Director Tony Smith's recommendations presented on page 4 of 4 of his memo to Town Manager Lunt dated April 29, 2020 titled Beech Hill Cross Road Culvert Replacement:

1) Retain VHB to provide the Town with the Scope of Services just described at a lump sum cost of \$12,800 for the Cross Road culvert project.

2) A contingency amount of funding in the amount of \$2,200 be approved to be used to address unforeseen circumstances that might arise during the work and to be spent at Director Smith's discretion as necessary and warranted.

3) The total amount for design, preparation of the Grant application, and contingency funding in the total amount of \$15,000 be approved to be drawn and subsequently spent from the Public Works Road Reserve Account Number 4050100-24573 with a current balance of approximately \$119,950 leaving a balance of approximately \$104,950 if the request is approved.

4) Director Smith be authorized to execute the agreement with VHB on behalf of the Town for them to provide the services described above.

As presented.

VOTE:

Rick Mooers: Aye; Wendy Littlefield: Aye; Matt Hart: Aye; Martha Dudman: Aye; Chair John Macauley: Aye

Motion approved 5-0.

VII. Other Business

A. Such other business as may be legally conducted

Harbormaster John Lemoine reported a potentially major electrical failure occurred at the marina earlier in the day. Harbormaster Lemoine will be asking for approval to spend approximately \$20,000 out of the Marina CIP line to repair a submerged cable that has failed, destroying the cable and the pedestal to which it was connected. The repair will have to be done prior to the summer season. He will prepare a detailed request for the Board and present it in the near future.

VIII. Treasurer's Warrants

A. Approve & Sign Treasurer's Warrant AP2063 in the amount of \$296,189.09

MOTION: Ms. Littlefield moved, with Ms. Dudman seconding, approval and signature of Treasurer's Warrant AP2063 in the amount of \$296,189.09, as presented.

VOTE:

Rick Mooers: Aye; Wendy Littlefield: Aye; Matt Hart: Aye; Martha Dudman: Aye; Chair John Macauley: Aye

Motion approved 5-0.

B. Approve Signed Treasurer's Payroll, State Fees, & PR Benefit Warrants AP2061, AP2062, and PR2023 in the amounts of \$70,326.10, \$447.02, and \$113,569.50, respectively

MOTION: Ms. Dudman moved, with Mr. Mooers seconding, approval of signed Treasurer's Payroll, State Fees, & PR Benefit Warrants AP2061, AP2062, and PR2023 in the amounts of \$70,326.10, \$447.02, and \$113,569.50, respectively, as presented.

VOTE:

Rick Mooers: Aye; Wendy Littlefield: Abstains; Matt Hart: Aye; Martha Dudman: Aye; Chair John Macauley: Aye

Motion approved 4-0-1 (Littlefield in Abstention)

C. Acknowledge Treasurer's School Board AP/Payroll Warrants 22 in the amounts of \$168,314.62

1 MOTION: Mr. Mooers moved, with Ms. Littlefield seconding, acknowledgement of Treasurer's
2 School Board AP/Payroll Warrants 22 in the amounts of \$168,314.62, as presented.

3 VOTE:

4 Rick Mooers: Aye; Wendy Littlefield: Aye; Matt Hart: Aye; Martha Dudman: Aye; Chair John
5 Macauley: Aye
6 Motion approved 5-0.

7
8 Public Works Director Tony Smith reported that Patrick Jordan of R.F. Jordan passed away the
9 previous night. This will affect the Main Street project.

10
11 **IX. Adjournment**

12 MOTION: Ms. Dudman moved, with Mr. Hart seconding, adjournment.

13 VOTE:

14 Rick Mooers: Aye; Wendy Littlefield: Aye; Matt Hart: Aye; Martha Dudman: Aye; Chair John
15 Macauley: Aye
16 Motion approved 5-0.

17
18 The Meeting adjourned at 5:09PM.

19
20
21 Respectfully Submitted,

22 
23
24
25 Wendy Littlefield, Secretary