

Town of Mount Desert Selectboard
Special Meeting Minutes
February 27, 2023

Board Members Present: Chair John Macauley, Geoffrey Wood, Rick Mooers, Martha Dudman

Board member Wendy Littlefield was not in attendance.

Town Officials Present: Town Manager Durlin Lunt, Tax Assessor Kyle Avila, Finance Director Jake Wright, Town Clerk Claire Woolfolk, Public Works Director Brian Henkel

Members of the Public were also present.

I. Call to order at 6:30 p.m.

Chair Macauley called the Meeting to order at 6:30PM.

II. Selectmen's Reports

There were no Selectmen's Reports presented.

III. Unfinished Business

*A. Presentation of Service Groups/Non-profit Agency Funding Requests (M-Z)
Budget FY 2024*

Downeast Community Partners – Sharon Catus presented. Downeast Community Partners is requesting \$3,187.00. The amount equals 5% of the \$63,000.00 provided in services to the Town of Mount Desert. Downeast Community Partners spans Hancock and Washington Counties.

Warrant Committee Member Katrina Carter noted the amount is a 48% increase. The increase is approximately 5% across all towns, but that figure varies, depending on the services used per town.

Mount Desert Chamber of Commerce – Sue Spelhof presented. The Chamber of Commerce operates the Town's visitor center. 6400 people visited the center last year. Additionally, the Chamber assists with the Christmas festival and fundraisers. The Chamber serves 131 businesses. The Chamber is asking for \$28,500.00, an increase of \$1,000.00 from last year. The funds will be used for seasonal help.

Mr. Wood noted the Town finances 50% of the Chamber's cost, plus provides a free building. The dues received are less than the Town provides. Ms. Spelhof explained the Chamber tries to keep the dues affordable. The visitor's center is staffed six days a week in the summer and two days a week in the off-season.

Mount Desert Island Campfire Coalition – Anne-Marie Hart presented. The program provides heating assistance to needy families. Last year 67 households were assisted, 13 of

1 those households in Mount Desert. 97 households have been assisted so far this year. There
2 are no administrative fees; 100% of the funds received go to heating assistance.

3
4 Ms. Carter noticed there was virtually no financial information presented as requested. Ms.
5 Hart explained that the fiscal parent of the program is the Harbor House and there are no
6 administrative costs. This results in very little financial information.

7
8 **Mount Desert Island Historical Society** – Lisa Murray presented. The Historical Society
9 operates two campuses; the school and the Somesville Museum. They care for historic
10 collections and host the 3rd grade classroom program. The society offers historic publications
11 on broader island history.

12
13 The Historical Society is requesting \$15,500.00. This is a significant increase. The funds
14 will be used to maintain the Somesville bridge and museum. Welch Painting provided the
15 cost estimate presented. The Society will pay for replacing windows on the museum
16 building. Additionally, the funds requested will also provide wi-fi to the area and a port-a-
17 potty for the summer season.

18
19 Ms. Carter noted the 3rd grade program is now open to all 3rd graders on the island; will the
20 Historical Society expand their fundraising to reach out to other Towns? Ms. Murray
21 reported that they would not expand to fundraising in other Towns at this time. There are
22 other, similar organizations in other towns and they would be hesitant about encroaching.
23 They do supplement their finances through grants as well.

24
25 **Mount Desert Nursery School** – Sarah Hinckley presented. 60% of the families served by
26 the Nursery School are in Mount Desert. Other towns served are Southwest Harbor and Bar
27 Harbor. The school is asking for funding to assist with necessary capital improvements, door
28 replacement being the primary project. Additionally, food cost has increased.

29
30 Mr. Wood asked if this cost could be offset by tuition. Ms. Hinckley noted the employee
31 salaries are dependent on tuition.

32
33 Warrant Committee member Carmen Sanford noted the school has 22 volunteers; perhaps
34 they could help offset the cost of the door replacement? Ms. Hinckley agreed those
35 volunteers would likely help with the work.

36
37 Some fundraising activities are planned for this year. Additionally, they have applied for
38 grants.

39
40 Mr. Wood asked if the school's request was based on estimates received for the work. Ms.
41 Hinckley explained the school was unable to get an estimate.

42
43 **Mount Desert Nursing Association** – Angela Balacco presented. The Nursing Association
44 is requesting \$35,000.00. This amount is unchanged from last year's request. She pointed
45 out that Bar Harbor received a 60% request increase. The funds go for offsetting costs;
46 Medicare pays the organization .66 on the dollar. The Nursing Association is expanding into

1 Trenton and Lemoine. They engage in fundraising events, and they rely on donors. The
2 Nursing Association has a loan closet for adaptive equipment that is otherwise expensive to
3 procure. 65 of their patients are from Mount Desert.

4
5 Warrant Committee member Jaime Blaine noted the net income included in their financials
6 was a negative number. It was explained that the Nursing Association is doing some
7 financial cleanup. Mistakes were made in past years when the organization was using a
8 patchwork of temporary employees. This year they have succeeded in resolving some bad
9 debt. A new system has been implemented to ensure the organization is collecting what is
10 due in a timely manner.

11
12 **Northeast Harbor VIS** – Jerry Suminsby presented. The VIS is requesting \$5,000.00. This
13 has not changed since last year. The funds go to keeping clear the vistas on Sargent Drive
14 and on the corner of Peabody Drive. A tree service is now required for the work. Yearly
15 expenses run about \$10,000.00 to \$30,000.00 based on the work needed. The organization
16 has some endowments.

17
18 **Pretty Marsh Community Corporation** – Ellie Panco presented. The organization is
19 requesting \$2,500.00 to have a structural assessment of the building done.

20
21 **Seal Harbor VIS** – Christopher Willis presented. The VIS is responsible for Seal Harbor
22 Beach and the Village Green. They have three employees, one full time. Much of the
23 necessary funds are covered by private donations. They are asking for \$55,000.00, which is
24 unchanged from last year.

25
26 **SPCA of Hancock County** – Rhiannon Lewis presented. The SPCA is 100% funded by the
27 community; they receive no state or federal funds. They assist with pet adoption and receive
28 pet surrenders. They offer spay and neuter clinics, micro chipping and nail clipping service.
29 They have a pet food pantry as well. They are requesting \$2,000.00 this year.

30
31 Ms. Carter asked if requests to other towns have also increased. Ms. Lewis noted they
32 requested this amount from Mount Desert last year, but were approved for \$1,000.00. They
33 do not receive support from all Towns.

34
35 **WIC Nutrition Program** – No one was available to present.

36
37 *B. DRAFT Warrant articles for review and votes*

38
39 **Article 3. To see if non-voters shall be allowed, when recognized, to speak during the 2023**
40 **Annual Town Meeting.**

41 MOTION: Mr. Wood moved, with Mr. Mooers seconding, recommending for passage Article 3 titled
42 “To see if non-voters shall be allowed, when recognized, to speak during the 2023 Annual Town
43 Meeting” as presented.

44 Motion approved 4-0.

45
46 **Article 5. Shall an ordinance dated May 2, 2023 and entitled “Amendments to the Town of**
47 **Mount Desert Harbor Ordinance” be enacted?**

1 Clerk Woolfolk reminded the Board the only change to the Ordinance was the number of days required
2 for residency, changing from 180 to 183.

3
4 MOTION: Ms. Dudman moved, with Mr. Wood seconding, recommending for passage Article 5 titled
5 “Amendments to the Town of Mount Desert Harbor Ordinance” as presented.
6 Motion approved 4-0.

7
8 **Article 31. To see if the Inhabitants of the Town of Mount Desert will authorize the Board of**
9 **Selectmen, to negotiate and enter into an agreement with the Neighborhood House Club, Inc. for**
10 **management and maintenance of the municipal swimming pool, for a term of one (1) year**
11 **beginning July 1, 2023 under such terms and conditions as the Board of Selectmen, in its sole**
12 **discretion, deems to be in the best interests of the Town.**

13 MOTION: Mr. Mooers moved, with Mr. Wood seconding, recommending for passage Article 31 titled
14 “To see if the Inhabitants of the Town of Mount Desert will authorize the Board of Selectmen, to
15 negotiate and enter into an agreement with the Neighborhood House Club, Inc. for management and
16 maintenance of the municipal swimming pool, for a term of one (1) year beginning July 1, 2023 under
17 such terms and conditions as the Board of Selectmen, in its sole discretion, deems to be in the best
18 interests of the Town.” as presented.
19 Motion approved 4-0.

20
21 **Article 33. Shall the voters of the Town of Mount Desert authorize the Selectboard to negotiate**
22 **and complete the sale of the 2013 ambulance received by the Town by gift of the Northeast Harbor**
23 **Ambulance Service (“NEHAS”) on or about April 26th, 2022 by returning it to NEHAS for \$1**
24 **pursuant to the terms of the gift instrument by which NEHAS donated it to the Town?**

25 MOTION: Mr. Mooers moved, with Ms. Dudman seconding, recommending for passage Article 33 titled
26 “Shall the voters of the Town of Mount Desert authorize the Selectboard to negotiate and complete the
27 sale of the 2013 ambulance received by the Town by gift of the Northeast Harbor Ambulance Service
28 (“NEHAS”) on or about April 26th, 2022 by returning it to NEHAS for \$1 pursuant to the terms of the
29 gift instrument by which NEHAS donated it to the Town?” as presented.
30 Motion approved 4-0.

31
32 **Article 36. To see if the Inhabitants of the Town of Mount Desert will amend the policy adopted**
33 **March 1986 and amended May 4, 2010 and May 3, 2016 and entitled Town of Mount Desert**
34 **Investment Policy as described and deleted through strikethrough markings.**

35 MOTION: Mr. Mooers moved, with Mr. Wood seconding, recommending for passage Article 36 titled
36 “To see if the Inhabitants of the Town of Mount Desert will amend the policy adopted March 1986 and
37 amended May 4, 2010 and May 3, 2016 and entitled Town of Mount Desert Investment Policy as
38 described and deleted through strikethrough markings.” As presented.
39 Motion approved 3-0-1 (Dudman in Abstention).

40
41 **Article 37. To see if the Inhabitants of the Town of Mount Desert will vote to establish a new Debt**
42 **Service Operating Reserve Account. The Selectboard shall be authorized to use funds appropriated**
43 **to the Debt Service Operating Reserve Account to meet the goals of minimizing year to year**
44 **fluctuations in debt service expense and utilizing pro-rata allocation of net interest/dividends within**
45 **the Town’s reserve investment portfolio to subsidize future debt service payments. Said reserve**
46 **may not be used for debt service attributable to enterprise fund(s).**

47 MOTION: Mr. Mooers moved, with Mr. Wood seconding, recommending for passage Article 37 titled
48 “To see if the Inhabitants of the Town of Mount Desert will vote to establish a new Debt Service
49 Operating Reserve Account. The Selectboard shall be authorized to use funds appropriated to the Debt
50 Service Operating Reserve Account to meet the goals of minimizing year to year fluctuations in debt

1 service expense and utilizing pro-rata allocation of net interest/dividends within the Town's reserve
2 investment portfolio to subsidize future debt service payments. Said reserve may not be used for debt
3 service attributable to enterprise fund(s)." as presented.

4 Motion approved 3-0-1 (Dudman in Abstention).

5
6 **Article 57. To see if the Inhabitants of the Town of Mount Desert will vote to authorize the**
7 **Selectboard to transfer up to two hundred and fifty thousand dollars (\$250,000) from the Capital**
8 **Gains Reserve Account #400-24202 to reduce the 2023 – 2024 tax commitment. The exact amount,**
9 **as limited by the aforementioned maximum value, shall be determined by the Selectboard's timely**
10 **assessment of current and expected market conditions.**

11 MOTION: Mr. Wood moved, with Mr. Mooers seconding, recommending for passage Article 57 titled
12 "To see if the Inhabitants of the Town of Mount Desert will vote to authorize the Selectboard to transfer
13 up to two hundred and fifty thousand dollars (\$250,000) from the Capital Gains Reserve Account #400-
14 24202 to reduce the 2023 – 2024 tax commitment. The exact amount, as limited by the aforementioned
15 maximum value, shall be determined by the Selectboard's timely assessment of current and expected
16 market conditions." As presented.

17 Motion approved 4-0.

18
19 **Article 59. To see if the Inhabitants of the Town of Mount Desert will vote to ratify the overdraft**
20 **that occurred in Public Works for the year ended June 30,2022, in the amount of \$42,183.37. Said**
21 **overage was primarily caused by expenditures in Department 515, Waste Management exceeding**
22 **budgeted expectations by \$48,215.62 and Department 520, Buildings & Grounds exceeding**
23 **budgeted expectations by \$18,125.51. The overdraft was charged to the Undesignated Fund**
24 **Balance. Total appropriations for departments 501, 515, 520, 525, and 530 Highways, Waste**
25 **Management, Buildings & Grounds, Parks & Cemeteries, and Environmental Sustainability for the**
26 **fiscal year ended June 30, 2022 were \$2,729,726 and total expenditures recognized in said fiscal**
27 **year amount to \$2,771,909.37.**

28 MOTION: Mr. Mooers moved, with Mr. Wood seconding, recommending for passage Article 59 titled
29 "To see if the Inhabitants of the Town of Mount Desert will vote to ratify the overdraft that occurred in
30 Public Works for the year ended June 30,2022, in the amount of \$42,183.37. Said overage was primarily
31 caused by expenditures in Department 515, Waste Management exceeding budgeted expectations by
32 \$48,215.62 and Department 520, Buildings & Grounds exceeding budgeted expectations by \$18,125.51.
33 The overdraft was charged to the Undesignated Fund Balance. Total appropriations for departments 501,
34 515, 520, 525, and 530 Highways, Waste Management, Buildings & Grounds, Parks & Cemeteries, and
35 Environmental Sustainability for the fiscal year ended June 30, 2022 were \$2,729,726 and total
36 expenditures recognized in said fiscal year amount to \$2,771,909.37." as presented.

37 Motion approved 4-0.

38
39 **Article 61. To see if the Inhabitants of the Town of Mount Desert will vote to amend**
40 **appropriations for department 801 Debt Service within the general operating fund for the fiscal**
41 **year ending June 30, 2023 from \$1,736,705 to \$1,746,000. The difference in original and revised**
42 **appropriations will be charged to the Undesignated Fund Balance, subject to actual variance(s) in**
43 **audited activity. Such amendment in appropriations is necessitated primarily by the difference in**
44 **interest expense budgeted for and actually incurred for Bond Series 2018 Road Projects.**

45 MOTION: Mr. Wood moved, with Mr. Mooers seconding, recommending for passage Article 61, titled
46 "To see if the Inhabitants of the Town of Mount Desert will vote to amend appropriations for department
47 801 Debt Service within the general operating fund for the fiscal year ending June 30, 2023 from
48 \$1,736,705 to \$1,746,000. The difference in original and revised appropriations will be charged to the
49 Undesignated Fund Balance, subject to actual variance(s) in audited activity. Such amendment in
50 appropriations is necessitated primarily by the difference in interest expense budgeted for and actually

1 incurred for Bond Series 2018 Road Projects.” as presented.

2 Motion approved 4-0.

3
4 **Article 72. To see what sum the Inhabitants of the Town of Mount Desert will vote to raise and**
5 **appropriate for Department 801 Debt Service for the 2023 – 2024 Town Budget.**

6 MOTION: Mr. Mooers moved, with Mr. Wood seconding, recommending for passage Article 72 titled
7 “To see what sum the Inhabitants of the Town of Mount Desert will vote to raise and appropriate for
8 Department 801 Debt Service for the 2023 – 2024 Town Budget.” As presented.

9 Motion approved 4-0.

10
11 **Article 74. To see what sum the Inhabitants of the Town of Mount Desert will vote to raise and**
12 **appropriate for Department 991 Capital Improvement Plan transfers for the 2023 – 2024 Town**
13 **Budget.**

14 MOTION: Mr. Mooers moved, with Mr. Wood seconding, recommending for passage Article 74 titled
15 “To see what sum the Inhabitants of the Town of Mount Desert will vote to raise and appropriate for
16 Department 991 Capital Improvement Plan transfers for the 2023 – 2024 Town Budget.” As presented.

17 Motion approved 4-0.

18
19 **IV. Other Business (Addendum items may be considered at the Selectboard’s**
20 **discretion via majority vote to do so under Other Business or out of order.)**

21 *A. Such other business as may be legally conducted*

22 There was no Other Business.


23
24 **V. Adjournment**

25 MOTION: Mr. Mooers moved, with Mr. Wood seconding, to adjourn.

26 Motion approved 4-0.

27
28 The Meeting adjourned at 7:28PM.

29
30
31 Respectfully Submitted,

32 
33
34
35 Geoffrey Wood