

**MINUTES OF THE SELECTMEN/EXECUTIVE
COMMITTEE MEETING
TOWN OF FRYE ISLAND
AUGUST 29, 2009**

The meeting was conducted at the Community Center.

The meeting was called to order at 08:02 AM by John Nun.

SELECTMEN: John Nun, Mark Thomas, Jimmy Kuiken.

BIT EXECUTIVE COMMITTEE: Bruce Nisula, Joe Potts, Bob Miner, Dave Bond,
John Nun, Mark Thomas, Jimmy Kuiken.

TOWN MANAGER: Wayne Fournier

TREASURER: Joe Potts

PETITIONS FROM THE PUBLIC

Harry Holgerson provided a written request for the Board to provide for employee benefits in the form of free personal travel on the ferries.

The petition had not been formally discussed with John Crosby nor Wayne so the Board asked the employees to first work the request with their managers and tabled the petition until the next Board meeting on 26 September 2009.

Nancy Donio raised a concern over Town funding for security following an attempted break-in at her cottage.

OLD BUSINESS

1. Project Updates (see Attachment A, Manager's Notes); Additional Discussion:

• **Water System Upgrade:**

Wayne reported that the Town has spent \$41,903.60 to date with an additional \$26,949.50 pending.

- **EMS Agreement with Raymond:**

Wayne reported that Casco has a reciprocal agreement with Raymond but that we are unable to do this. The up-front costs are not a major issue, the problems are in the fine print.

2. **Other Old Business:**

None

NEW BUSINESS

1. **Determine Direction for the Transportation Committee:**

There was a long discussion during which it became readily apparent that there is enough to keep the Transportation Committee busy for some time. Summary of comments:

- Carve out a piece; Determine a minimum amount of construction to solve safety and parking problems.
- Develop a forecast consistent with island build out from the current <500 homes.
- Spread costs out over an extended period (who pays?, include O&M). Emulate the Water Reserve Approach. Continue to look at grants.
- Give priority to peaks. Look at other ways to handle peak periods.
- Consider tapping the Island Improvement Fund, currently >\$300K.
- Consider raising prices of ferry tickets.
- The key is a Long Range Plan with interim Short Term Plans. Must be integrated into the Town Comprehensive Plan.

The Town Manager and the Transportation Committee were asked to cooperate with the Planning Board in developing plans to move ahead.

2. **2010 Fire Works:**

Wayne has included a line in the draft 2010 budget for Fire Works on the 4th of July.

3. **Discuss Bank Deposit Safety:**

In accordance with Joe's recommendations the Board agreed that:

- We are NOT comfortable with Fannie Mae Mortgage Backed Securities as protection.

- We should DISCONTINUE the Repro (sweep) arrangement to get the unlimited FDIC TAGP protection.
- We should keep the Savings/CD investments at or below the FDIC insured limit.

Therefore, the Town Treasurer will take necessary actions to implement the above conclusions.

4. Community Center Recreation Room Floor:

Tile has been donated by Mr. Vesprini. Joe Potts said that FII would donate the amount of \$4,300 to cover the costs.

MOTION by John Nun to authorize expenditure of up to \$4,300 from the Recreation Reserve to repair/replace the Recreation Room Floor in the Community Center, second by Jimmy Kuiken – UNANIMOUS.

5. Authorize Additional Funds to Continue Water Line Replacement:

MOTION by Mark Thomas to authorize expenditure of additional \$33K from the Water Reserve to Continue installation of water lines, second by John Nun – UNANIMOUS.

6. Tax Receipts:

Wayne reported that Town property tax receipts are up by approximately \$86K vs \$35K budgeted.

7. Foreclosures:

Two cottages were added to the automatic foreclosure list due to non-payment; Wayne has talked the owners and one is expected to settle in September; he has not heard from the other.

8. Beach 9 Encroachment:

Wayne reported that there was a 20 – 25 feet encroachment. The Town Attorney has said that the adverse possession claim is a weak case and should not stand up. The Town (FII) has filed a “unable to present proof” notice with the court. Joe indicated that FII was taking this on as the legal owner of the property. Wayne said the Town will give 2 weeks notice to remove the rocks; if not removed the DPW will do so and a bill will be sent to the trespassing party(s). On the other side notice is being served on the adjacent lot owner to remove the no trespassing signs and to not use the beach area as a personal driveway.

9. Long Beach Marina...Restricting Boats from the Beach:

As for other (all) beaches, a lack of enforcement of existing policies has led to problems – Dave Bond recommended putting up ropes and signs at South Beach all the way to the marina jetty to prevent beaching and mooring of boats in swim areas. It was noted that a number of boats are now moored off Beach 10; suggested that owners ID their moorings. Also was suggested enforcement of no overnight “storage” of personal property on the beaches.

10. Candidates for Next Three-year Terms, 1 Selectman, 1 BIT Representative:

John Nun’s and Bob Miner’s terms expire this year; at this point Wayne has not had any indication of potential candidates. John Nun said he would run for another term.

11. Other New Business:

- **RSU/SAD-6 Referendum:**

The Town polls will be open 8 September at the Community Center.

- **State of Maine Citizen’s Initiatives:**

State Referenda scheduled for the 3 November election:

Motor Vehicle Excise Tax – will not have a significant effect on Town revenues.

TABER-2 - may require more referendum votes, could affect LD-1.

School Consolidation Repeal – probably no effect on the Town.

- **Board Member Absences:**

John Nun and Bob Miner will not be available for the 5 September meeting.

- **State Assessment:**

The draft state assessment for 2010 stands at \$164M, down about 6%.

- **Marina MILFOIL:**

Divers are cleaning MILFOIL out of the Island marinas.

- **Misappropriated Golf Carts:**

Multiple golf carts were recently misappropriated. One [renter] juvenile has been charged.

- **FII/BIT Voter Lists:**

Joe Potts has corrected inaccuracies in the lists.

REVIEWS and REPORTS

1. Meeting Minutes:

MOTION by John Nun to approve minutes of EXCOM meetings of 25 July 09, amended to delete Mark Thomas from attendance as BIT member, second by Jimmy Kuiken – UNANIMOUS.

Joe Potts to make correction prior to posting to the Town web site.

2. Treasurers Report (See Attachment B):

Joe Potts had nothing to add to the report at Attachment B.

3. Golf Report:

Golf revenues for August are down to approximately \$7K vs \$13K the previous month.

The clubhouse addition is running under budget.

MOTION by John Nun to authorize expenditure of up to \$4,800 from the Golf Operations Reserve for HVAC, second by Jimmy Kuiken – UNANIMOUS.

MOTION by Mark Thomas to authorize additional expenditure of \$740 from the Golf Operations Reserve for the clubhouse kitchen, second by Jimmy Kuiken – UNANIMOUS.

4. Marina Report:

The next Marina Committee meeting will be on September 2009. Three incumbents are up for re-election – Dave Bond, Mike Hurley and Jim Anderson.

MOTION by John Nun to adjourn meeting of the EXCOM at 11:10 AM second by Jimmy Kuiken – UNANIMOUS.

BUDGET COMMITTEE

The meeting was conducted at the Community Center.

Meeting was called to order at 11:20 AM by John Nun.

Members present: John Nun, Mark Thomas, Jimmy Kuiken, Bruce Nisula, Joe Potts, Bob Miner, Dave Bond.

Town Manager: Wayne Fournier

Treasurer: Joe Potts

The Committee members reviewed the draft budget. Minor adjustments were made to the draft budget.

MOTION by John Nun to adjourn the Budget Committee meeting at 12:50 PM second by Jimmy Kuiken – UNANIMOUS.

Respectfully submitted,

John B. Nun
First Selectman

Attachment A: Manager's Report, 29 Aug 2009
Attachment B: Treasurer Report, 29 Aug 2009

**Attachment A
Managers Report
August 29, 2009**

1. **Water System Upgrade:** The second phase of the water line installation is almost complete. The connections will have to be made to the side streets and to the cottages when the system is shut down in the fall. The next phase will be to install new piping from the end of the new pipe at White Way down Ridge Road to the intersection of Birch Road and Highpoint Drive. There remains \$34,291 in the expense account for this project with an additional \$41,000 in the Water Reserve. We would like to set up phase three to do ridge Road, purchase the pipe for that phrase with the monies remaining and start the installation.

2. **Discretionary Ferry Funding Program:** We applied for an American Recovery & Reinvestment Act / Discretionary Ferry Fund grant to refurbish the ferries. We know that our application was submitted to the regional director of the Federal Highway Administration for consideration but we haven't heard whether we have been approved or denied.

That being said, Richard Flowerdew, John Crosby and I met with Hannah Pingree, Speaker of the Maine House of Representatives and Jackie Potter, Senior Policy Adviser for Congresswoman Chellie Pingree this week. We gave them a tour of the Island, discussed our infrastructure and the fact that we have to fund all of our infrastructure improvements with residential property taxes, we identified the impact that build-out to 750 cottages would have on our infrastructure, and we reviewed with them the ever increasing burden the SAD 6 tax bill has on our ability to afford the infrastructure improvements that are required. I was very impressed with Ms. Pingree. However, she and Ms. Potter both said that they felt our chances of receiving grant money was very slim for the following reasons:

- All of the homes on Frye Island are seasonal second homes so identifying "hardship" as a justification for a grant is out of the question.
- We have no students that commute to school
- We have no people that need to commute to work. Yes, we do have some people that stay on the Island and travel to work but don't have to. They can always stay at there off Island home.

The competition for these funds is full of communities that can legitimately claim these issues as reasons for requesting financial assistance. They both felt that our best bet was to somehow cap our payments to SAD 6 but had no immediate suggestions. There will be a referendum vote in November to repeal the School Consolidation Statute. My impression was that they felt we should see how that comes out before we go any further.

3. **Ferry E – Ticketing / Data collection project:** We selected Acute Technology LLC. from Vermont to develop the software and provide the hardware we need to implement the E-Ticket system at a cost of \$22,450. They have begun the development process and anticipate having the system up and running by May 15th of next season.
4. **Lot 273:** Will be meeting with Mr. & Mrs. Zea on Friday, July 24th to discuss the remedy.
5. **Ferry Fees – First Coast Realty Development :** Will be meeting with Mr. Zea on Friday July 24th to discuss remedy.
6. **Labor Department Inspection:** I met with the Department of Labor to discuss the violations we had received. For the most part everything was acceptable. We still have a few issues with training and Hepatitis “B” vaccinations for some of our volunteer fire fighters. The difficulty we have is their availability. All of the people on the roster are not always on the Island so it takes awhile to get them through the program. This is a fact that we have little control over, and it is not inconsistent with other fire departments, but I am not sure the Dept. of Labor will accept the reason for the delays.

We were unable to convince the Dept. of Labor that we were in the process of getting everything done. They abated most of the fines because we had made the necessary but they still charged us \$1050.00.

7. **Break-Ins:** Additional evidence has been discovered since the Island opened which has been forwarded to the State Crime lab for analysis. The investigation continues to proceed quite favorably. Chief Beaulieu continues to work with the District Attorneys Office to identify the perpetrators and get a conviction. The case is now being prepared for prosecution. Chief Beaulieu has requested that all of the victims check to see if they have any L.L.Bean apparel missing and if so email him with the information.

Attachment B Treasurer Report August 29, 2009

Monthly Financial Summary - June 2009

Department	YTD Actual	YTD Budget	Difference to Budget	Notes
Town Operations				
01 - General Government				
Revenue	2,202,320	2,203,925	(1,605)	
Expenses	147,398	152,964	5,566	
05 - Public Works (includes Water, Roads and Trash)				
Revenue	10,966	12,402	(1,436)	
Expenses	218,608	220,481	1,873	
15 - Public Safety Expenses				
Police Dept	21,205	25,538	4,332	
Fire Dept	22,277	22,695	418	
Emergency	0	0	0	
20 - Recreation				
Revenue	0	0	0	
Expenses	12,353	12,983	631	
40 - Non-Municipal (includes SAD 6, Cumberland County and Water Bond repayment)				
Expenses	560,158	560,289	131	
YTD Expenses	981,999	994,950	12,951	
YTD Net Income	1,231,287	1,221,376	9,911	
Enterprise Operations				
71 - Frye Island Ferry Operations				
Revenue	141,429	151,650	(10,221)	
Expenses	127,779	156,316	28,538	
YTD Net Income	13,650	(4,667)	18,317	
73 - Frye Island Golf Club				
Revenue	75,006	78,794	(3,788)	
Expenses	86,870	86,650	(220)	
YTD Net Income	(11,863)	(7,856)	(4,007)	
83-2 - Frye Island Yacht Club - Equity Operation				

Revenue	16,400	15,469	931
Expenses	8,477	8,532	56
YTD Net Income	7,923	6,937	987
83-4 - Frye Island Yacht Club - Rental Operation			
Revenue	60,450	71,164	(10,714)
Expenses	10,838	12,325	1,487
YTD Net Income	49,612	58,839	(9,227)

Notes: (1) None at this time

Reserve Fund Summary				
	Reserve Fund Name	Posted	Pending	Net
1 - General				
300-10 Capital Funds				
Reserve		39,005.77	0.00	39,005.77
	300-20 Water Reserve	91,110.45	(49,600.00)	41,510.45
	300-40 Recreation Reserve	4,837.25	0.00	4,837.25
	300-50 Equipment Reserve	9,342.19	1,000.00	10,342.19
	300-60 Public Safety Reserve			
	Fire Department Partition	58,994.82	0.00	58,994.82
	Police Department Partition	2,538.76	0.00	2,538.76
	300-64 Fire Department Operations Reserve	0.00	0.00	0.00
	300-70 Island Improvement Reserve	310,378.76	27,515.00	337,893.76
	300-80 Revaluation Reserve	2,260.09	0.00	2,260.09
	300-85 School Operations Reserve	0.00	0.00	0.00
	Unreserved			
	Undesignated Fund Balance	352,922.00	(27,608.31)	325,313.69
	Total	871,390.09	(48,693.31)	822,696.78
2 - Special Revenue/Grants				
	296-01 Due To/From	7,341.74	0.00	7,341.74
	Total	7,341.74	0.00	7,341.74
3 - Enterprise				
	300-03 Golf Operations Reserve	59,239.91	21,160.00	80,399.91
	300-04 Golf Equipment Reserve	13,559.45	0.00	13,559.45
	300-06 Yacht Club Equity	28,257.59	11,387.00	39,644.59

Reserve			
300-12 Ferry Capital			
Reserve	226,153.07	(16,687.19)	209,465.88
300-13 Ferry Operations			
Reserve	98,592.88	(2,019.00)	96,573.88
Total	425,802.90	13,840.81	439,643.71

Account Name	Investment Summary		
	Working	Investments	
Liquid Accounts			
1-110-00 Gorham Savings - Ckg	721,577.71		
1-110-12 Merrill-Lynch			
Investments		1,326,977.69	
1-110-33 Gorham Savings - Sav		399,747.93	
1-145-10 Stock Equity Prin Fin		6,281.22	
Sub-total	721,577.71	1,733,006.84	
Reserve Allocation Totals		Posted	Pending
1 - General		871,390.09	(48,693.31)
2 - Special Revenue/Grants		7,341.74	0.00
3 - Enterprise Reserve Funds		425,802.90	13,840.81
Sub-total		1,304,534.73	(34,852.50)
Total		428,472.11	34,852.50
Net - Other Monies Held in Savings / Investment			463,324.61

***** **Notes** *****

1. Online Town information can be found at:

Trio Journal Entries: <http://www.fryeisland.com/local/trio/>

Public Financial Information: <http://www.fryeisland.com/tdoc/financial.htm>

2. Beano Money in Key Bank Savings:

1,594.81 As of 12/31/08