

**TOWN OF LINCOLNVILLE
SELECT BOARD MEETING
February 12, 2024**

Present: Chair Ladleah Dunn, Vice-Chair, Keryn Laite, Jr., Mike Ray, Stephen Hand, Robyn Tarantino and Town Administrator, David Kinney

1. **Executive Session – Title 1 MRSA § 405(6)(E) regarding the rights and duties of the Board:**

Laite made a motion, seconded by Tarantino, that the Board enter executive session pursuant to Tile 1 MRSA Section 405 (6)(A) to discuss the legal rights and duties of the Board. Vote: 3-0 (Ray and Hand joined session in progress).

The quote was read by Ray.

2. **Citizens' Forum:**

There were none.

3. **Administrator's Report:**

David Kinney, the Town Administrator, noted:

- **Budget:** Kinney is diligently working on the budget, which the Select Board will receive on February 13 & 14, 2024.
- **Harbor:** Kinney has been working on the paperwork for the recent storm damage repairs, which the Board will need to consider asking the voters to transfer funds from undesignated funds into a “storm damage account” to pay for the repairs and later seek reimbursement from FEMA and MEMA for some or all of those funds.

Kinney asked if any of the Select Board members were interested in seeing the damage firsthand. The Board decided to meet at the beach prior to the next Select Board meeting on February 26 at 5:30 PM.

- **Harbor Fees:** Kinney announced that all harbor fees are due on or before March 8, 2024, to avoid a late fee.

4. **Meetings & Announcements:**

Administrator Kinney read the meetings and announcements.

5. **Upcoming Community Events:**

There were none.

6. **Meeting Minutes – January 22, 2024:**

Laité made a motion, seconded by Tarantino that the Board approve the January 22, 2024, meeting minutes as presented. The motion passed on a 5-0-0 vote.

7. **Financial Advisory Committee Update:**

Linwood Downs, Chair of the Financial Advisory Committee, gave his presentation to the Board pertaining to the performance of the Town of Lincolnville's investment accounts for the previous year.

The basic charge of the Financial Committee is to come up with a policy for reserve levels for the town and the budget for the overall assets and balance sheet and decide how to invest the town's reserve funds. The Committee recommended that the Town reserves @ 25% of operating budget or 90 days of expenditures.

Downs provided the Board with the following info on reserve levels:

- For the fiscal year end June 2022, our policy recommends roughly \$2.4-2.5 million in reserves on a \$9.5-10 million base expenditure level – 3 months' of expenditures.
- As of the end of the 2022 fiscal year, Lincolnville had approximately \$4 million in unassigned reserves and \$2.6 million in assigned reserves.
- Of those assigned reserves, Capital Reserve Funds, of approximately 2.276 million were being held in investments in various assigned sub-accounts, and \$296,000 in reserves were assigned for other purposes.

Downs provided the Board with the following info on reserve investments:

- The Town's Investment Manager is First Advisors, who charge the town .50 of 1 percent as a management fee.
- As of December 31, 2023, reserves investment allocation were the following:
 - Cash or Fixed Income 74% (\$3.447 million)
 - Equity Funds 26% (\$1.211 million)
 - Total (4.658 million)
- Approximately \$3.5 million was allocated more towards short-term US bonds, and cash funds as well as bank CDs – very low-earning assets – increase/ decrease in market value when interest rates rise or fall.
- Income for 2023 was \$145,885 while unrealized and realized market gains totaled \$230,524 for a total net increase in value of \$376,409 before net withdrawals.

Downs explained that the Financial Advisory Committee recommended that the Select Board think about whether or not to give The First the ability to change the allocation index from 75%/25% to more of a 50%/50% split. The benefit would be to improve the overall expected return profile.

Kinney recommended if this is something the Board wants to change, it would be appropriate for the Select Board to give the Financial Advisory Committee guidance.

Dunn suggested the Select Board have a future conversation to seek more information presented by the Financial Advisory Committee to the Select Board for their consideration.

The Board thanked Downs for attending the meeting and giving his thorough presentation and they look forward to a future discussion.

8. **Land Use Committee – Request to participate in the selection of facilitation services:**

The Land Use Committee recommended seeking permission from the Select Board to appoint Jeanne Hollingsworth as a liaison to work with two Select Board members (Dunn & Hand) to help with the review and selection of the facilitator.

Laite made a motion, seconded by Tarantino, that Land Use Committee member Jeanne Hollingsworth, as the Land Use Committee representative, be invited to participate with Selectperson Dunn and Hand in the review of any facilitation services proposals received. The motion passed on a 5-0-0 vote.

9. **Resignation – Cheryl Nevius. Recreation Commission:**

Ray made a motion, seconded by Hand, that the Board accept with regret the resignation of Recreation Commission member Cheryl Nevius. The motion passed on a 5-0-0 vote.

The Board thanked Nevius for her time on the Recreation Commission.

10. **Board of Appeals suggested Land Use Ordinance modification:**

Kinney explained that the Board of Appeals recently heard an appeal, which he provided the Select Board with a copy of the decision, and now the Board of Appeals recommends that the Select Board consider making some changes to the Land Use Ordinance regarding notification when someone applies for a Commercial Site Plan.

The Board of Appeals thinks this change would be in the Town's best interest to require that town staff be in charge of sending out notices to all abutters, instead of the developer being in charge of sending notices.

Ray suggested that the developer be required to send notices to the appropriate abutter. However, if there is confusion from the Appeals Board on how the abutters get notified, the Select Board should review this matter.

The Board recommended that the Planning Board and the Appeals Board weigh in on their recommendations to the Select Board and find out what other neighboring towns do to handle these situations.

Hand was not in favor of making a suggested motion without obtaining the recommendations from the Lincolnville Planning Board, Code Officer, or the Appeals Board.

No action was taken.

11. **LD 646 – An At to Fully Reimburse Municipalities for Lost Revenue Under the Property Tax Stabilization for Senior Citizens Program – Authority to Testify on Behalf of the Board:**

Hand made a motion, seconded by Laite, that the Board authorize Selectperson Ray to provide testimony to the Joint Standing Committee on Appropriations and Financial Affairs at their February 13, 2024, public hearing in support of LD 646. The motion passed on a 5-0-0 vote.

12. **Recreation Area Oversight Policy – Possible Amendments:**

Laite made a motion, seconded by Tarantino, that the Town of Lincolnville Recreation Areas Oversight policy be adopted and forwarded to the School Committee for consideration. The motion passed on a 5-0-0 vote.

Kinney explained that now that the Select Board has adopted a policy, the Town would like to find someone to take over the mowing and weed whacking at the Lincolnville Central School ball fields by July 1, 2024.

Kinney asked the Select Board for guidance on how the town would be able to fund this request and suggested that the Town seek pricing and move up the date that the Town of Lincolnville would take over the responsibilities for the upkeep and maintenance at said location.

Matthew Deane, Public Facilities Director, felt that the Town of Lincolnville may receive a better deal if the mowing contract also includes the Fire Department, Town Office, Parks, and the Lincolnville Central School.

Deane recommended pushing for a start date of April 1st and not waiting to take over in July.

Dunn suggested the Board go ahead and do what is in the best interest of the Town starting at the beginning of the season and seeing that request through.

Kinney and Deane explained they will work with the Lincolnville Central School and start planning to implement the policy as soon as spring is here.

13. **Town Administrator Employment Agreement:**

Laité made a motion, seconded by Hand, that the Board approve and sign the Employment Agreement by and between the Town of Lincolnville and Town Administrator David B. Kinney. The motion passed on a 5-0-0 vote.

14. **Selectperson Update(s):**

Hand: He attended the Heart & Soul Summit which produced some great results.

Laité: No updates at this time.

Ray: Updated the Board on the MCOG monthly newsletter, which was included in their packets.

Tarantino: Reported that the Knox County Budget, which she reported on last time, it appears that the \$580,000 that they thought had not been taken out in the beginning had been taken out twice. Therefore, they ended up splitting the difference where the county will come up with \$290K from a rainy-day fund and added \$290 to the budget.

Dunn: Dunn pointed out the information submitted to the Select Board, under non-agenda items, regarding the work that the Town of Rockport adding their own Emergency Management Services.

15. **Treasurer's and Payroll Warrant(s)-Approve & Sign:**

Laité made a motion, seconded by Ray, that the Board approve and sign the Treasurers and Payroll warrants. The motion passed on a 5-0-0 vote.

16. **Executive Session – Title 1 MRSA § 405(6)(C) regarding possible acquisition or disposition of real property:**

Hand made a motion, seconded by Ray, that the Board enter executive session pursuant to Title 1 MRSA Section 405 (6)(C) to discuss the possible acquisition or disposition of real property. The motion passed on a 5-0-0 vote.

17. **Adjourn:**

Laité made a motion, seconded by Hand, to adjourn. The motion passed on a 5-0-0 vote.

Respectfully submitted,

Melissa A. Geary
Administrative Assistant