

Town of Portage Lake
Special Town Meeting Minutes
Tuesday, August 30, 2011 6:30 P.M.
Portage Lake Municipal Building

AROOSTOOK, ss

STATE OF MAINE

There were 28 residents and 1 non-resident present.

Meeting called to order at 6:30 p.m. then and there to act on the following articles to wit:

ART. 1 To elect a moderator to preside at said meeting.

Two nominations were cast for Nancy Flint to be the moderator. Nancy Flint is elected and sworn in as moderator to preside over the meeting.

ART. 2 To see if the Town will vote to raise and appropriate \$1,409.00 for Annual Membership Dues.

Description: This article is to correct the amount raised in Article 22 at the March 25, 2011 Annual Town Meeting.

BOARD OF SELECTPERSONS RECOMMEND APPROVAL

Motion made in the positive, seconded.

Discussion:

Judy Moreau: Maybe somebody could refresh people's memories as to why this has come up now.

Christy Dicker (Selectboard Chmn.): Because the amount was incorrectly written in town book Article 22, and now we need to correct it.

Judy Moreau: Which one of the dues is this going to be? Do you know? Is there a specific one?

Christy Dicker: I believe part of it is MMA, I'm not sure. I don't have my book with me right now but...They just weren't added up correctly so I don't know exactly. Whatever has not been paid at this time is what it will be. The numbers are correct for the dues, but the actual amount was not added up correctly, that's all.

Motion carries.

ART. 3 To see if the Town will vote to raise and appropriate for General Administration an additional \$5,000.00.

BOARD OF SELECTPERSONS RECOMMEND APPROVAL

Motion made in the positive, seconded.

Discussion:

Judy Moreau: At the annual Town Meeting we voted to raise \$67,590. Now why do we need the \$5,000?

Christy Dicker: The photocopier. Because at the town meeting it was not...

Judy Moreau: Excuse me, my mistake.

Christy Dicker: The last I knew everybody was in favor of the new photocopier. That's what that was for.

Judy Moreau: I'm sorry, Christy. Excuse me.

Motion carries.

ART. 4 To see if the Town will vote to raise and appropriate for Town Officers an additional \$3,000.00.

BOARD OF SELECTPERSONS RECOMMEND APPROVAL

Motion made in the positive, seconded.

Judy Moreau: Now my question comes. At the annual town meeting we raised \$67,590. Why the excess?

John Edgecomb (Interim Town Manager): When we put the final numbers in the budget from two weeks ago to get us through the year, which would include Hollie, the selectmen, myself, and Tammy Getchell and Lewis Cousins, who have been here helping with bills and things of that nature, we were short. So, I requested \$3,000, I think I have it adequately covered. I was a little on the conservative side, so you won't run out. I don't think you are going to need the full \$3,000, but that is my recommendation to you. Does that answer your question?

Judy Moreau: I guess.

Barb Pitcairn: I guess my question is why have we needed Lewis Cousins, who is a Code Enforcement Officer, and Tammy Getchell?

John Edgecomb: Tammy Getchell is the Treasurer and Lewis Cousins is an assessor. They do different sets of paperwork and different work, so....Lewis probably won't be as necessary as Tammy, but he does a lot of the state forms like the LD1 forms and things of that nature.

Barb Pitcairn: Couldn't that come out of our assessing? We have allotted \$8,000 for assessing this year. Article...

Danny Higgins: Why do we need so many assessors?

John Edgecomb: You don't.

Danny Higgins: You know, I've got assessors that don't even return my phone calls. So why do we have more assessors?

Dave Pierce (Selectboard member): Do you want me to be blunt with that?

Danny Higgins: Yeah.

Dave Pierce: All these people are working together to straighten out the previous 20 years of mis-uh-whatever, the jumbled accounts system that we had. What they are doing is straightening out all the books to get everything documented and to be able to have a starting point to move forward. So everything is accounted for and it has been jumbled for many, many years.

Danny Higgins: Alright. David, I respect you for the job that you are doing, but in the past 5 years I have served with Christy. We never had lawyers involved. In the 5 years since, we seem to have lawyers involved in everything. My question to you is why?

John Edgecomb: May I make a point of clarification? Lewis Cousins as assessor isn't coming in to assess you, he isn't doing that.

Danny Higgins: That wasn't the question.

Christy Dicker: That question, Danny, doesn't have anything to do with what we are talking about, unfortunately. That is another time, the lawyer issue.

Danny Higgins: David made the point to address me, and I made the point to address David.

Dave Pierce: This money, this appropriation that's talked about here, has nothing to do with lawyers. From what I understand there has been issues with the previous Code Enforcement Officer and whatnot, and that is why we have had to have lawyers in the past few years. That is my understanding.

Danny Higgins: We seem to be working lawyers upon lawyers now.

Dave Pierce: That should come to an end.

Danny Higgins: We as taxpayers are paying for this. I mean, I pay for my own personal lawyers.....

Barb Pitcairn: The article I'm referring to is Article 16 that we rose and appropriated \$6,000 and another \$2,000 from surplus for the purpose of assessing. So if we haven't used those funds, some of those could be used to help pay Lewis...

Dave Pierce: Absolutely, I guess.

Kathy Gagnon: Lewis and Tammy have been helping us to get our tax...so we can get to do our taxes. That's what they have been here for. Because I don't have a clue how to do taxes, Rita did all that, Francis did all that. So there was no way that I could even begin. We wouldn't have our tax bills for at least another month. I've been saying July, I've been saying August...If it wasn't for Tammy and Lewis being here from Mapleton to do what they do in Mapleton to help them get their taxes out, we wouldn't be where we are at right now. We are at the point where we are hoping to run tax bills on Thursday.

Paul Nason: Who done the taxes last year?

Kathy Gagnon: Francis did.

Judy Moreau: Is Randy Tarr still on board as an assessor.

Kathy Gagnon: Yes. Nothing's changed. In Mapleton, it's not like here where you have an assessor agent come in. Here your town manager and town clerk do all the work that the three or four people do in Mapleton. Because they are a little bigger than we are, plus there is three towns that they do simultaneously, or one at a time, but each one gets done. If they are doing something for Mapleton, they do it for Castle Hill and Chapman. And Tammy and Lewis are the ones that get them to the point where they print their tax bills, and that is why they were both here.

Anita Theriault: Is it safe to say that these are costs associated with the transition?

Christy Dicker: Yes. And it might not be spent; if it's not spent it goes back into the surplus. It's just to cover the transition, exactly.

Dave Pierce: And if there are assessment monies available, then they can be used.

Motion carries.

ART. 5 To see if the Town will approve, as estimated, the following Anticipated Revenues:

URIP	\$10,900
Revenue Sharing	18,000
Other Revenues	<u>101,800</u>
	130,700

BOARD OF SELECTPERSONS RECOMMEND APPROVAL

Motion made in the positive, seconded.

Discussion: None. **Motion carries.**

ART. 6 To see what sum the Town will raise and appropriate from Surplus for the purpose of reducing 2011 taxes.

BOARD OF SELECTPERSONS RECOMMENDS

\$100,000.00

Description: The 2011 annual meeting approved \$22,048 from Surplus to be used for specific purposes. Article 6 adds \$77,902 for a total of \$100,000 from the Surplus to reduce overall taxes.

Motion made in the positive, seconded.

Discussion:

Judy Moreau: The article we just voted on, Article 5, the \$130 thousand plus. Is that to reduce taxes also?

Nancy Flint: Those are revenues that you are accepting, money that the town gets.

Judy Moreau: OK. How are they going to be used?

John Edgecomb: To reduce taxes.

Dave Pierce: Yeah, some's coming in, some's going out.

Judy Moreau: So in actuality, there is going to be \$230 thousand plus to reduce taxes? Right?

John Edgecomb: Yes.

Anita Theriault: I was just wondering....I had looked at the school budget when it came out in June and does anybody know what the actual figure was that our taxes had gone up over last year's as far as the school budget is concerned?

John Edgecomb: May I address it without knowing exact? It is about \$10,000 a month.

Anita Theriault: OK. So it's about \$120,000. That is about what I had seen, about \$122,000 more over last year's. So, by appropriating some of this money, then hopefully the taxes won't change too much over last year?

John Edgecomb: It won't change too much.

Dave Pierce: They are going down. That's the plan.

Barb Pitcairn: Article 5 is not appropriating those revenues to reduce our taxes. It is just accepting them as revenues. Then Article 6 is going to take \$100,000 from surplus which... What's the balance of the surplus account? Do we have a balance on that account?

John Edgecomb: Be more specific. A balance on surplus or a balance on your checkbook?

Barb Pitcairn: Well, surplus has always been in the checkbook, so what's the balance on the checkbook?

John Edgecomb: The balance on the checkbook as of today is \$400,000.

Barb Pitcairn: Does that include the CDs that were cashed in?

John Edgecomb: It includes all the cash you have.

Barb Pitcairn: It includes the CDs you cashed in.

John Edgecomb: The CDs, your reserves, everything you have for cash of any sort. Your surplus, your undesignated surplus as of December 31 was \$529,000. I hope I have that number right. I can look it up if you want me to.

Barb Pitcairn: So the only other remaining question I have is, where is the TIF money?

John Edgecomb: It's in....well, I can't answer that. \$309,000 is TIF money, it was in those numbers that I just gave you. Does that....?

Barb Pitcairn: It doesn't sound good, John.

John Edgecomb: Why is that?

Barb Pitcairn: Because you just said there is \$400-some-odd thousand in the checkbook, and our surplus is obviously in there, and \$309,000 of that is not money that we can use.

Dave Pierce: Tax bills haven't gone out yet, either.

John Edgecomb: I don't understand.

Barb Pitcairn: TIF can't be used...

John Edgecomb: Oh, I see. \$309,000 is the TIF money for those programs. When your checks start flowing in when you pay your taxes, you are going to have lots of cash in your accounts. We have been using TIF money and other reserve monies to maintain the town during this 7 month period when there was no cash coming in. Does that help at all? Of the \$309,000, you know, it isn't sitting there in a C-DAR or anything else. Part of it is in a \$134,000 account, but you really need to set it up as a \$309,000 account. And it will be an account, not cash.

Danny Higgins: Using TIF money to offset these accounts, I don't believe is legal.

John Edgecomb: To offset your upcoming tax bill...

Danny Higgins: No. The accounts that you just stated to Barbara...

Dave Pierce: It is not offsetting anything, the money is in there. And then when taxes come in there will be a lot more money in there.

Danny Higgins: But you also said it's being spent now...correct?

John Edgecomb: Let me take a little different approach at it. You have money in the bank, it doesn't know whether it's a payment dollar or a TIF dollar, it doesn't know what it is. And you are spending that money to get yourself from January until now. You still have \$309,000 in your TIF.

Anita Theriault: That amount is going to stay \$309,000?

John Edgecomb: Until you decide to spend it on one of those ten projects.

Dave Pierce: And it will grow as we get paid taxes into that.

Judy Moreau: Is this because the two C-DARS accounts...the \$309,000 hasn't been named the TIF Fund or the Portage Lake Development Fund, or whatever?

John Edgecomb: It wouldn't matter when you name a fund on an account sheet TIF. It doesn't identify itself with a dollar over here in your savings account. It just doesn't. When you have cash at home to run your home, it doesn't say that you had savings to buy an automobile.

Judy Moreau: Oh, yeah, but with this TIF account, you are not supposed to use \$1 without....

John Edgecomb: We're not.

Dave Pierce: That's why there is \$400,000 in the bank and there is \$309,000 in the TIF. We aren't using that money.

Judy Moreau: Yeah, but he just said...

Dave Pierce: It's getting confused.

John Edgecomb: I understand what Dave just said. And if you want to identify \$309,000 of that \$400,000 as TIF money you can, but you also have other reserve accounts that you have held in reserve for purchases of certain types.

Judy Moreau: But we are not concerned with that. What we are concerned with is the TIF money, the \$309,000. Period.

John Edgecomb: What do you want to know about?

Judy Moreau: You just said that we were using it to run the town.

John Edgecomb: I said it doesn't identify itself. The dollars in the accounts don't say TIF beside them, we are using money. You have \$309,000 in your TIF and you have \$400,000 in your savings.

Paul Nason: John, what's the hold up on the taxes this year? Why are they not out?

John Edgecomb: Probably the single largest thing was the transition from one manager to the other, and the second big item was assessing. The assessing agent didn't get his stuff back into the town.

Paul Nason: We used to have the town meeting and then assess in April and then in May we would have taxes. This is almost Labor Day...

John Edgecomb: We are going to be working on your taxes bills this week. Hopefully they will be getting out that quick also.

Paul Nason: So that money will be coming in as soon as you get your taxes out.

John Edgecomb: Correct.

Kathy Gagnon: I think everybody, including myself, thought that this TIF money was all in a separate account. I think that is where everybody is coming from, is it needs to be in a special account and it never was. I do have to credit Francis and when he was here and the last taxes were done, he did two checks, one to Maine Woods and one to a savings account that is TIF. That type of system had never been set up before when the TIF started 11 or 12 years ago, whatever it is. So now that has started and we are going to continue, or I am going to continue with that process, or whoever is going to be doing the AP. It is going to be done that way rather than ignoring the whole fact. I think that's where everybody is coming from, is they expected all the money to be in one account. At some point in time in the future, I think that is what we are planning on doing. I'm not sure. We are not spending that TIF...the money is in the account and we are not spending it. I mean we are spending it to pay our bills but in the long run if we were to shut down, and all our money were to come together that money would be put in an account to be spent only on our wishes.

Anita Theriault: If you have to come up with \$309,000 you can come up with it, because it's there.

Danny Higgins: I have to apologize to the selectpeople because I was involved in the TIF. I was opposed to it to the bitter end, I tried to get a 10 year TIF. SO for any confusion that arises tonight about the TIF and where the money should go, the blame lies partly with me. And I apologize to the taxpayers for the confusion it has caused.

Anita Theriault: If there were to be some expenses, would the town actually go below the balance of \$309,000? If, let's say, there was some expense that came up, would the town go less than that or keep at least that much in the checking?

John Edgecomb: If the town continued to operate without getting their tax bills out, they would eventually either not pay their bills or go below the \$309,000. One of the two.

Barb Pitcairn: In my opinion, I don't think the town is at a healthy enough stage yet to take \$100,000 from our surplus. I don't think it is surplus, because it is all of our other accounts. To reduce our taxes this year, it would be nice to be able to reduce our taxes, but I think we would be cutting ourselves short. WE have a big county tax bill due in a couple of weeks, we have almost \$60,000 due to SAD in the next couple of weeks. Those taxes aren't coming in until October. I know what you have done is a lot of work, but this year I don't think we are strong enough financially to take \$100,000 and an additional \$130,000 for a total of \$230,000.

Marcelle Gagnon: I just wanted to know what the specific purposes the \$22,048 was to be used for?

John Edgecomb: The first thing I must tell you is the \$22,048 was my mistake. It is actually \$21,036. I chased that number and tried to find out why I made that mistake; I don't know. It was for Article 16, which was \$2,036 surplus to be used for assessing. Then Article 20 and 21 were \$4,000 for use on abatements and \$15,000 used for discounts. So I added those three up. There was also a \$20,000 emergency usage, I didn't even count that because that is only going to be used for an emergency. The other thing that I had done, here , is I had taken that \$21,036-it's written \$22,048-and I generalized that money. It does not have to be a specific use anymore. It all goes to reduce taxes. A better way of doing the math, add up your expenses and find out how much you want to put against those expenses to lower taxes, which is the reason that I gave you that detail sheet of the revenue estimates that I have found.

Marcelle Gagnon: Why couldn't we use that \$100,000 and leave it in the surplus?

John Edgecomb: You actually can, but that will raise your mil rate considerably.

Marcelle Gagnon: How much would the mil rate be reduced if we did use the \$100,000?

John Edgecomb: If you use what is recommended here, your mil rate is going to be in the low 17's.

Marcelle Gagnon: What is it now?

John Edgecomb: It would have been 19 based on what Francis had done last year. Remember Francis had a half year at 9.5, that would have made it 19. I think it was actually going to go up a little bit more, too, with the school coming in the way it did.

Danny Higgins: Until we get the school situation straightened out, I'm very much in favor of this article to reduce taxes. Eventually we are going to get back to square one, so in the meantime, we are going to have to take the \$100,000.

Motion carries.

Announcement:

Christy Dicker announces that October 3, 2011, is the scheduled date for the re-election. Dave Pierce said it had to be 45 days from the date signed by the judge. Discussion on the selectmen election issue.

Public Discussion:

Barb Pitcairn: Can I get a clarification? Did we vote for \$230,000 to reduce taxes or \$100,000?

John Edgecomb: \$230,000 is the right number.

Barb Pitcairn: We did not appropriate revenue sharing, we did not appropriate excise tax, we did not appropriate any of that in a warrant, John. We appropriated \$100,000 in a warrant, Article number 6 on this paper.

John Edgecomb: You certainly can do what you would like with that, go back and visit the article and appropriate it. But that article has been used for a long time. I understand what you are saying, you are looking for the words that say “and appropriate it to reduce taxes”. I understand.

Nancy Flint: By it being an income, it reduces taxes.

Barb Pitcairn: In the past we used excise tax to reduce taxes.

John Edgecomb: Correct.

Barb Pitcairn: It was an article.

John Edgecomb: No it was not. You have not been appropriating consistently for a long time. You have appropriated revenue sharing and the URIP from time to time, but...The reason that I put that together was so you could see the history of the revenues that have been coming in and our best estimate as to what they were going to be so that you would know that \$230,000 was being appropriated to the \$400,000 that you expense out for the town.

Francis Grey: Question—Is that election an open race or is that a closed race?

Christy Dicker: It’s between the two people.

Francis Grey: Between the two existing candidates.

Christy Dicker: Yes.

Motion to adjourn moved and seconded.

Motion carries.

Meeting adjourned at 7:10 p.m.

Respectfully Submitted,

Corrine Routhier