



Town of Southwest Harbor
Warrant Committee Meeting Minutes
Monday February 24, 2025
6:00-8:00 p.m.
SWH Town office and via Zoom

Chair Anne Trotter called the meeting to order at 6 p.m.

Attending: Mark Amstutz; Priscilla Ksionzyk (via Zoom); Lydia Goetze, Don Lodge; Ellen Pope; Alan Rosenquist (via Zoom); Anne Trotter; Carl Wrubel; Town Manager, Karen Reddersen; and Finance Manager, Becky Gatcomb (via Zoom).

Agenda: Carl Wrubel moved that the agenda be approved as amended, seconded by Lydia Goetze, and approved unanimously.

Ann welcomed the group and entertained comments before beginning the budget review.

Ellen Pope moved that the minutes of the warrant committee meeting of 2/20/25 be approved as amended, seconded by Don Lodge and approved unanimously.

Before meeting with Andy Cline and Kristin Hutchins from the Tremont/SWH Ambulance Service, the committee heard from Town Manager, Karen Reddersen. She reported that revenue from our contract with Tremont for police services could be shown in a different budget line, 'other business,' and represents a potential savings for FY26. Karen asked that our police contact with Tremont be added to the agenda in "other business". In discussion, Karen mentioned that \$332,775 revenue from police services to Tremont in FY25 could be used to reduce the needed town appropriation for FY 26, and made specific suggestions how to allocate it. This would have to be approved by the select board before being incorporated into the FY26 budget. The specific recommendations are:

\$120,930 from the CIP: \$50,000 police cruiser; \$46,819 dispatch console; \$24,11,845 police protective equipment; \$16,750 CIP Fire Dept radios; \$195,095: CIP \$50,000; Highway paving reserve, \$145,000

The committee discussed the desirability of finding additional reductions.

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Reserves Revisited

Karen provided updates that had been requested, including the Pemetec School budget (handout).

Chief Hall provided data and info on services from Hancock County.

He provided year-to-date call data and can provide yearly comparisons in the future.

Chief Hall is open to deferring the proposed appropriation for the “police recruitment reserve” (line 220-72) for a savings of \$13.2k.

Mark feels strongly about reducing the budget by \$100k, with a goal of reducing the FY 26 property tax increase to less than 15%, and the committee discussed revisiting CIPs and reserves for other potential ways to reduce the property tax increase. Ideas included consideration of cuts across the board, and there was no agreement.

Mark offered to develop a list of CIP and reserve items that could potentially be cut, for the committee to review. Karen said that a combination of CIP and reserves could be a good path to reaching a goal for expense reductions. Process-wise, Karen clarified that the select board plans to review the warrant committee’s recommendations. The WC chair will meet with the select board to represent the committee’s findings and recommendations and all are encouraged to attend the meeting.

Perhaps the float costs could be spread over two years as a cost-saving.

In future, comparisons to other town budgets would be helpful as benchmarks.

Southwest Harbor/Ambulance Services

Andy Cline and Kristen Hutchins joined the committee at 7 p.m. Andy Cline began by referring to data regarding the total number of runs. He noted that two-thirds are SWH coverage data, which is important because it shows the number of calls that are non-transports and are currently not charged for wellness checks and ‘lift assists.’

Although a state law now requires payment for ‘non-transports,’ the T/SWHAS and other Island providers do not charge for non-transports believing it could suppress calls for help.

Insurance reimbursement is individual to coverage and services received and thus, unpredictable. It was noted that response time is fast, about 10 minutes.

Andy spoke about the business model and plan ahead: The promise held of findings from a joint Emergency Medical Services task force (EMS), which is in formation with the hope of finding a model that takes advantage of many members of our emergency services.

It was noted that NEH asked Mt. Desert to take over their ambulance services.

What are models to consider? Take best advantage of the resources we have; economies of scale.

Karen and Jesse Dunbar are working together to recruit and orient members of the new committee.

SWH select board will approve members at a meeting on March 11. There are de facto positions that

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represent town administration, emergency departments, and community members at-large.

Andy noted that the current policy for annual draws from reserves for operations is 4%, but the last two years have seen 10-12% draws, in addition to town support, appropriations, and donations, which is unsustainable. The proposed draw the coming year is 7%.

State law holds rates for ambulance increases to 5% per year

Insurance fees are controlled by insurers.

SWH/TAS plans to raise its fundraising goals from individuals and businesses and through events, such as the golf tournament, which netted more than \$12k last year (all vowed to support this year—June 14).

SWH receives money back in the form of fees for dispatch and other miscellaneous items.

Andy spearheads grant proposals and stewardship, in addition to executive oversight and other responsibilities.

Kudos to the service for outstanding service!

It was felt that there is potential for donations—not current users, necessarily, but people who would understand the need for services and contribute to endowment and to operations. Andy welcomes any and all development counsel.

Housing ability/cost is a primary concern in terms of an obstacle for younger people to live on MDI to work or serve.

A remount of a current ambulance box on a new chassis will save more than \$80k over a new vehicle.

Karen he shared her hope that, following the joint task force work and report, the SWH/TAS will have a comprehensive plan for review during planning and budgeting FY27.

Employee Benefits

The committee agreed that it has previously and satisfactorily reviewed employee benefits in detail.

Other Expenditures

County tax is increasing 14.6%; no supporting information is available (Chief Hall provided a summary handout).

Pemetic School budget was discussed, with total number comparisons.

MDIHS budget is final, Pemetic School is not; a handout differs from the WC budget.

There is a systemic problem regarding the timeliness of budget submissions from Pemetic School administration, which is believed to relate primarily to projections for health insurance.

Some costs are based on ‘mandated’ costs (those required by State or Federal legislation and law).

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The committee noted the absence of data regarding enrollment and other related indicators. Per pupil costs are high at Pemetic School, which also reflects the high quality of the curriculum.

Karen will try to firm up the school budget by 2/27 meeting.

Other business

Karen reported on the Seawall Road status; ANP decisions are pending, and she continues to follow closely.

Karen reported on FY 25 Tremont Police Revenue Allocation-First Responders Package. The town manager and finance manager propose applying some CIP priority costs to the balance.

The pavement reserve will be depleted with additional costs for the Main Street project (driveway connections and similar); check in on this on 2/27.

Don moved to endorse Karen's proposal for reallocation of select funds, Mark seconded, and approved unanimously.

Karen said that there is time to adapt budget changes and submissions for the Warrant Report.

Next Agenda 2/27/25

Reporting to the select board and others

Discuss additional potential cuts (Mark will send a spreadsheet)

Warrant article vote

Karen will check the availability of a space for a potential room is the WC meets on 3/3 meeting.

Lydia moved to adjourn the meeting at 8:20 p.m., seconded by Don, and approved by all.

Respectfully submitted,
Ellen Pope
Secretary

