



SELECT BOARD BUDGET MEETING

Town of Southwest Harbor

Town Office & Via Zoom*

6:00 p.m. ~ Monday, January 12, 2026

BUDGET MINUTES

1. **CALL TO ORDER:** Burby called the meeting to order at 6:00 p.m.
2. **ROLL CALL:** Chair Noah Burby, Vice Chair Chapin McFarland, Natasha Johnson, Carolyn Ball, Dan Norwood, Town Manager Karen Reddersen, Finance Manager Becky Gattcomb, and Town Clerk Jennifer LaHaye

A. Excused Absences (*if any*) None

3. **ADOPTION OF AGENDA:** *Request of the Town Manager for a motion to adopt the agenda as presented.*

Ball motioned to adopt the agenda as presented Seconded by Johnson. Vote: 5-0-0.

4. BUDGET REVIEW:

Town Manager Karen Reddersen welcomed the Select Board members to the start of a budget season. She provided a basic overview of the budget discussions for the evening.

Highway/CIP (Tab 18)

Scott Alley and Town Manager Karen Reddersen presented the Highway budget, noting a 5% increase in cost for utilities, fuel, and maintenance. Reddersen highlighted the need for additional signage based on the replacement requirements, and Burby reminded the board that state law will require parking lot signs to display parking fees.

The Board discussed Tree maintenance, noting there are situations where the Highway Department is not equipped to handle certain situations with downed trees. Alley gave the example of requiring a boom truck to reach a tree on a power line. Manager Reddersen shared a recent incident where the department managed a tree down on a line, but emphasized they will do their best within their capabilities. She clarified that, in some cases, responsibility falls to the municipality.

The Board discussed snow plowing and considered adding funds to the reserve line for future needs. Options included vending out the work or handing it internally, Town Manager Reddersen noted that following the recent School Board meeting Superintendent Michale Zboray agreed to reduce the school budget request by \$20,000, if Manager Reddersen could build snow plowing services within the municipal budget rather than increasing the school budget. Manager Reddersen suggested outsourcing if the Highway Department cannot take on the additional workload and Johnson recommended budgeting for this fiscal year and revisiting the issue next year.

The Board reviewed safety supplies and tree maintenance budgets, deciding to keep current amounts but revisit for further discussion if needed.

Town Manager Reddersen reported one notable increase in the CIP would be the lift system. Alley elaborated this lift system would allow for more maintenance on the larger vehicles and a safe way to get under the larger trucks. Manager Reddersen noted that it will be important to be able to protect the Town's assets and machinery.

Harbor/CIP (Tab 11):

Town Manager Reddersen presented the Harbor Budget on behalf of Rob Leavitt who is currently on planned leave. She noted members would see a salary request from Harbormaster Leavitt. Manager Reddersen reported adjusting the request to be more aligned with union requests in other departments. She noted the Harbormaster's request was more than what she built into the draft budget.

Manager Reddersen reviewed the increases that included water & sewer increase of 15%, along with internet, portable toilets that allowed for year-round restroom facilities. Discussion of a salary increase for the Deputy Harbormaster took place. Norwood said he would like to see an increase. It was agreed a 12.8% increase would be built into the budget. This would come to \$26.32 an hour. Norwood discussed the Deputy's willingness to participate in trainings and has brought him to a more knowledgeable level. Members feel an increase would be appropriate.

Code Enforcement/LPI (Tab 4):

CEO Jarrod Kushla and Town Manager Reddersen presented the Code Enforcement budget to Select Board members. General discussion was made, Manager Reddersen noted the increase was more due to hiring agreement, and a new equipment line of Software package that other local CEOs recommend. It was noted there was no overtime line item. McFarland noted there are many long meetings related to the Planning Board that the CEO would need to attend. Manager Reddersen noted that generally in the past the CEO has flexed their schedule. Ball noted that the position would be comp time eligible.

Municipal Buildings (Tab 9):

Town manager Reddersen reported anticipated increases in electricity and water/sewer costs (15%). The Board discussed exterior lightings needs and received an update on IT improvements for meetings including the addition of an Owl device at the Fire Station to support Zoom capabilities.

Debt Services (Tab 7):

Town Manager Reddersen provided an overview of Debt Service, noting a significant increase due to the Wastewater Treatment Plant. Several debts are expected to be paid off within the next five years. An error was identified in Line 87 of the budget, which currently lists \$175,000 for this year; that amount should be corrected to zero. The request for next year will remain at \$125,417.

Insurance (Tab 8):

The Board reviewed insurance coverage, excluding health insurance, which will be addressed in a future budget meeting. Town Manager Reddersen reported an expected 9% increase in insurance coverage cost.

- 5. NEXT MEETING DATE:** *Adoption of a motion to confirm the date of the next regular meeting for Tuesday, January 13th at 6:00 p.m. in the Town Office meeting room.*

Johnson motioned to confirm the next meeting at Tuesday, January 13th at 6:00 p.m. Seconded by McFarland. Vote: 5-0-0.

6. ADJOURNMENT:

McFarland motioned to adjourn the meeting at 7:24 p.m. Seconded by Johnson. Vote: 5-0-.

Respectfully Submitted,

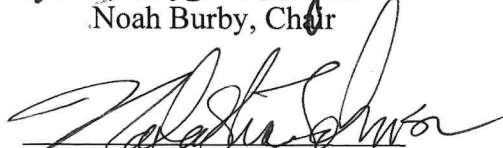
Jennifer E. LaHaye

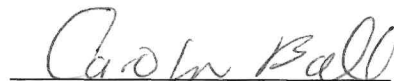
Town Clerk


APPROVED


Noah Burby, Chair


Chapin McFarland, Vice Chair


Natasha Johnson


Carolyn Ball


Dan Norwood