

## **Frye Island Incorporated**

Minutes from meeting Saturday, July 12, 2008

Meeting was called to order by Joe Potts at 8:02 am

Attendance: Joe Potts, Ed Charrette, Jacque Ossi, Neill Bovaird, Dave Lowe, and Nancy Donio

1. There were no comments from the public.
2. The minutes of the previous meeting dated 06/14/08 were approved. It was asked that minutes be sent via email to all board members prior to the next meeting. Ed Charrette and Nancy Donio gave an update to the Marina parking issue that was in the 6/14/08 minutes. Dave Bond of the Marina Committee researched and discovered that lot #1995 is already on the Marina rolls and therefore can be used for Marina purposes if needed. Nancy informed the committee that the Marina Committee had created a parking report that was presented at the last Marina Committee meeting. She had a copy if anyone wanted to review it.
3. Financial Report: Joe provided everyone with an updated Financial Report for FII. The error on the sheet dated 5/30/08 from last month had been fixed.
4. Discussion Items:
  - a. Status of Easement on Lot 1768 for Stevens Family:  
A payment for the easement has been made and recorded on our lot with the County. This item is officially closed.
  - b. Sign Removal:  
We received a letter from John Crosby re the abundance and size of signs. Deed covenants from FII restrict signs to those marking a property's owner (family name) and house number. The signs referred to in the letter were more advertising of vendors and real estate for sale. Some of the signs were banners. As per the covenant, people were notified and the signs are being removed.
  - c. Real Estate Policy Revisions:  
Noting new noted.
5. Old Business:
  - a. Bid on Lot 1349 as a privacy lot for the Meserve Family closed. Joe Potts made a motion at the Selectmen's meeting to release the Town of its \$28,000 lease payment for this year. It was requested that the monies be placed in the Island Improvement Fund. A discussion ensued that the Community Center needs some repairs in particular the Kitchen needs to be repaired and updated. Joe Potts informed the Committee that the BIT would need to take the lead on this and that the monies should come from the Island Improvement Fund. A question was asked regarding "funds".

An educational discussion on the Town's reserve funds (Island Improvement Fund, Equipment Fund, Capitol Fund, Water Fund, Recreation Fund, and Re-evaluation Reserve) as well as Enterprise Reserve Funds (Golf Operating, Golf Equipment, Ferry Operational, Ferry Equipment, and Yacht Club Equity) that exist took place. Joe Potts explained the purpose of these funds and their approximate value if he knew. It was asked how these Funds were funded. Joe explained that some of these funds are funded through the Town Budget while others are funded through monies generated by the funds source (i.e.: Yacht Club Equity). There is also an Undesignated Reserve that is designed to help the Town in undue hard times. It is best to have 3 months of Town operating costs in the fund which is about \$350,000. At the end of 2006 there was approximately \$289,000 in this fund. This fund is funded by any monies leftover from the Town Budget at the end of their fiscal year. The Town's Fiscal Year is from January 1<sup>st</sup> – December 31<sup>st</sup>. Sometimes this can create a fiscal problem due to the volatility of Frye Island's portion of the SAD #6 School Budget. The Town is aware of what the payment will be for the first half of the year, but has to estimate the second half of the year. This year the Town estimated a 12% increase based on past year's increases. The increase however turned out to be 26%. Therefore the Town's Budget will have a shortfall of about \$70,000. The Town is trying to make it up in other areas which will cause there to be no extra monies available this year to go into the Undesignated Reserve.

6. New Business:
  - a. A 2009 Cash Flow Budget was presented to the Board for their review.
  - b. Due to the sale of property and the Easement payment made minus the release of the Town from their Lease payment, FII is looking at about \$11,000 in income. It was decided to seek bids to make some of the improvements needed to the Community Center that would fall within that available dollar amount. In particular, we would be looking for bids in regards to the replacement of warped clapboards on the exterior of the building as well as the staining and re-painting of the entire exterior. All were in agreement re this and it was decided to approach Wayne Fournier re the obtaining of these bids.
  - c. A review of the first run of the 2009 Budget was completed. A motion was made by Neill Bovaird and seconded by Ed Charrette to increase the Town's Lease Payment to \$35,000 for 2009 due to increased property values. All were in favor and the motion passed. A letter would be sent to Wayne Fournier regarding this decision.
7. Future meeting dates were reviewed.
8. The meeting was adjourned at 9:19 AM