

HARPSWELL *BULLETIN*

News for Harpswell Residents & Property Owners from the Town Office – Nov. '12
Town Web Site: www.harpswell.maine.gov

Note: This issue is devoted almost exclusively to providing information and background on the Treasurer position in Harpswell. Currently, the position is an elected one, but the Harpswell Board of Selectmen has placed an article on the November 6 ballot to have the position changed to being appointed. Included here is the information that has been on the Town's web site as well as additional background information on the pending question.

VOTE NOVEMBER 6, 2012 REGARDING THE TREASURER POSITION

To see if the Town will vote to change the method of selection of the Town Treasurer from being elected for a three-year term to being appointed for a three-year term by the Board of Selectmen effective as of the 2013 annual Town Meeting.

In recent years, Harpswell has been very lucky. It has had excellent treasurers. So why is the Board asking voters to change the selection process? The answer lies in the word "lucky." It has been largely a matter of luck that we have had such well-qualified individuals running for the office because as long as our Treasurer is elected, Maine law is such that the Town has no practical way to set appropriate qualifications for the position. What follows is an explanation of the reasoning behind the Board of Selectmen's proposal to change the current system.

The only qualification requirements set by the State for an elected Town Treasurer are that the individual be at least 18 years of age, a resident of the State of Maine and a citizen of the United States. The Selectmen find that those requirements fall far short of the qualifications needed for the Treasurer of the Town of Harpswell in this day and age.

When considering someone to be responsible for more than \$15 million, including the Town's budget and borrowings and the Harpswell share of both the County and MSAD #75 budgets, the State requirements are just totally inadequate. Having an appointed Treasurer will allow the Town to establish qualifications for the position when it becomes vacant. It will permit the Town to check references and to take all the normal steps that any prudent business operator would take in an effort to assure the employment of someone equal to the task.

Needed skills and knowledge for a treasurer encompass, among other items: cash and debt management, familiarity with applicable laws, regulations, generally accepted municipal accounting principles and practices, effective systems of internal controls, the handling of large sums of money, the ability to analyze financial management and recommend improvements where needed, management of bank relationships, analysis of the future impact of long-term borrowings and effectively reporting to the public on the Town's financial condition. In addition, much of the Town's financial business is now conducted remotely, via computer, and the Treasurer must be someone who is comfortable working with today's technology.

The appointed Treasurer will be appointed for a term of three years and please note that the Harpswell Board of Selectmen is delighted to have Marguerite Kelly in this sensitive position and the effort to make a change is in no way directed at her. Nor do the Selectmen have any plans to seek a change in the method of filling other elected positions. The proposal that you will see on the November ballot is intended to assure that future Treasurers will be fully qualified. It is a step designed to protect Harpswell from the experience of one local government which ultimately found it necessary to create an additional appointed position to assure appropriate handling of local finances.

Historical Context:

- March 2002 - Voters were asked by secret ballot vote to change the Road Commissioner and the Town Treasurer positions from being elected to being appointed. Both articles were rejected, Road Commissioner by 78% of those who voted, and Town Treasurer by 82% of those who voted.
- March 2006 - Voters were asked on the floor of Town Meeting by individual articles to change the Tax Collector, Town Clerk and Town Treasurer positions from being elected to being appointed. All three articles were defeated on the floor by a show of hands.
- In 2008, a Governance Committee issued a report (in the 2008 Annual Town Report) and related memorandum which are excerpted below:

The Selectmen formed the Committee [because] past efforts to change aspects of Town government had been unsuccessful and the Selectmen sought a study of specific issues, possible solutions and problems inherent in those solutions.....After considering issues around electing or appointing various officials, the Committee recommended that the road commissioner be appointed.....A seemingly more controversial yet perhaps more obvious question was whether to appoint the treasurer. On the one hand, a professional treasurer with training and education in the many aspects of municipal finances gives Harpswell a great advantage when handling its multi-million dollar budget. The current treasurer has been a tremendous asset and Harpswell has been lucky in that regard. The Town cannot count on this luck in the future. The only permitted requirements for an elected treasurer are that he or she be a resident of the state of Maine an at least 18 years of age. On the other hand, the election of Town officials provides a check on the power of the selectmen, and maintains a tradition that has served the Town well to-date. An elected treasurer can be recalled by the electorate, but no such mechanism is available when the treasurer has been appointed. With the treasurer question, the Committee simply presented the Selectmen with the arguments on each side of the questions, and made no recommendation.

Governance Committee members who favored continuing to elect the Harpswell treasurer offered the following:

- *The election of some officials, including the treasurer, provides checks and balances in local government in that it maintains a limit on the power of the Selectmen.*
- *The Town has a long tradition of electing the treasurer.*
- *An elected official can be removed from office by the electorate through the power of a recall ordinance, whereas, there is no comparable way in which the citizenry can remove an appointed official from office.*
- *The system of electing the treasurer has resulted in excellent treasurers over the years and there is no reason to believe that it will not continue to do so.*
- *Elected treasurers have been residents of the town and thus familiar with both the traditions and practices of Harpswell government.*
- *It is highly likely that appointing a treasurer would require a significantly larger salary than is now the case.*

Governance Committee members who favored appointment of a treasurer cited the following responses:

- *Under Maine law, Harpswell may not establish qualifications for an elected treasurer (or any elected position) beyond a few very basic items such as being a U.S. citizen. This is an increasing problem at a time when the work required of the treasurer becomes increasingly complex, calling for a stronger background in financial matters and specifically, municipal finance.*
- *As a practical matter, the search for a treasurer would be advertised and could be expected to draw applicants from a larger pool of candidates.*
- *With no meaningful qualification requirements for the post, there is a distinct possibility that a totally unqualified individual could be elected as treasurer. The position has not been drawing*

multiple candidates. There is no reason to believe that Harpswell's good luck of the past will continue.

- *Among towns in a size range comparable to Harpswell (4,000 to 6,000) Harpswell is the only town that elects its treasurer.*

A statutorily required public hearing was held on Thursday, October 18, 2012. See a link on the Town's home web page (harpswell.maine.gov) to view the public hearing in its entirety at the Selectmen's Meeting of October 18.

Some of the questions raised at the hearing are noted below:

Would the Treasurer have the independence permitted by separate election to scrutinize and monitor whether spending by Selectman falls within allowed amounts and for allowed purposes? The appointed Treasurer would have the same responsibility as an elected Treasurer.

If the Selectmen didn't like the advice of the appointed Treasurer, could they remove the Treasurer? An appointed Treasurer could only be removed for cause, such as not performing his/her duties or illegal acts.

Would the Treasurer become a full-time job and/or entail higher pay? Currently the Treasurer works an estimated 12 - 15 hours per week and there is no anticipated change in that schedule. However, as is common when developing a salary for an administrative position, we anticipate setting a rate of pay that is appropriate for the skills and experience of the individual appointed to the position. The Selectmen believe that the current pay, \$10,000, is not commensurate with the talent and expertise provided by the current Treasurer, particularly when taking into consideration the additional hours worked with the Budget Advisory Committee, Emergency Vehicle Committee, the group working on the design and location of a garage to house the paramedic vehicle as well as the time involved on bonding matters, capital planning, and fixed asset management. A salary range of \$15,000 to \$20,000 is under consideration and the salary will be included in the appropriate warrant item submitted for approval at the 2013 Town Meeting.

If the Treasurer were a Town staff member, would the Treasurer be subject to supervision by the Town Administrator to the degree that is now possible for other employees? Yes.

How would a future Treasurer be selected if the voters approve the appointment of this position? The Selectmen have said that they wish to appoint the current Treasurer. Should she not accept, the Town would begin advertising for the position. Each Board member could be involved in reviewing applications and conducting interviews. All Board members would be responsible for making the decision about whom to hire. Maine law permits job interviews to be conducted in executive session, and the Board of Selectmen will make known the qualifications of the candidate at the time of appointment.

Would the appointed Treasurer have to be from Harpswell? Not necessarily, but neither does an elected Treasurer.

If the voters decide that this position should be appointed will they be provided more detail, such as the amount of pay, at the annual Town Meeting in March? Yes, the Selectmen have committed to providing more detail to the voters at the annual Town Meeting.

VOTE NOVEMBER 6, Polls are open from 8am to 8pm

- **Merriconeag Grange** for Harpswell Neck and Mountain Road Voters
- **Old Orr's Island Schoolhouse** for Orr's and Bailey Island Voters
- **Cundy's Harbor Community Building** for Great Island Voters

TAXES DUE December 17, 2012—The second installment of the 2012 tax bill is due on Monday, December 17. You may pay by the following methods:

- **Credit and Debit Payments**: Must be made in person only. There is a 2.5% fee assessed to each transaction.
- **Cash or Checks** accepted in person or checks by mail.
- **Electronic Transfer** from a bank account: Through a relationship with Androscoggin Bank, the Town is making available a web-based payment service called AndroPay. There will be a \$1 charge for each transaction. Go to www.harpswell.maine.gov and click on the Online Services tab.

REDUCE, REUSE, RECYCLE

Recycling is required by any resident or taxpayer using the A. Dennis Moore Recycling Center. The Town receives revenue for selling newspaper, cardboard, cans, plastic, etc. and currently requires that the various recyclable commodities be sorted and put in the proper disposal location. In 2013, the Town will be considering changing to a single-sort recycling operation where all recyclables could be put in one container at the facility. We are looking for your feedback. If the Town made it easier for you to dispose of your recyclables, would you be a better recycler? Let us know, and please recycle this newsletter. Thank you.