

**Town of Eliot
Special Budget Committee Meeting
Wednesday, September 6, 2023**

1. ROLL CALL

Chair Jeff Leathe called the special meeting of the Town of Eliot Budget Committee to order at 5:00pm. All members were in attendance: Jim Latter attended via Zoom and Jeff Leathe, chair; Reggie Fowler, vice chair; Diane Holt, secretary; and members Jim Latter, Donna Murphy, Brad Swanson, and Gene Wypyski attended in person. Town Manager Mike Sullivan attended the meeting, invited by the Committee to this special meeting to discuss Referendum Articles for the November election. Bill Widi, who sits on the Select Board, attended as a member of the public. There were also members of the public viewing via the live stream for portions of the meeting.

2. 10-MINUTE PUBLIC INPUT SESSION

There was no public comment.

3. REVIEW OF THE "TOWN OF ELIOT, MAINE SPECIAL REFERENDUM ELECTION WARRANT TUESDAY, NOVEMBER 7, 2023," ARTICLES #2 through #10.

The Chair opened the meeting by stating the reason for the special meeting and referenced the Town Manager's email dated August 23, 2023, which read in part, "I was informed today by Town Counsel that the Budget Committee and the Select Board under state law 30-A M.R.S. § 2528(5)(B)(1) subsection 5B a warrant article by secret ballot which requests an appropriation must be accompanied by a recommendation by municipal officers (Select Board, Budget Committee). The Town Clerk to have the ballots ready for printing and to meet all other requirements for the November 7 election must have the recommendations made by no later than September 8th. I apologize for any inconvenience this may cause you or the committee."

The Chair noted and Mr. Sullivan concurred that the Select Board agreed with Articles #2-10 at its August 24 meeting. The Chair informed members that the Committee has different options for recommendation on each of the articles: approve, not approve, or not recommend. Ms. Holt asked what the difference was between not approving and not recommending. The Chair thought not recommending would be used if the Committee did not have enough information. He asked Mr. Sullivan his understanding of the options; Mr. Sullivan said he thought the three options represented the positive, the negative, or no recommendation at all.

The Chair directed members to the brief overview the Town Manager had provided them, "Financial Articles for November 2023 with Rationale." The Chair added that he wanted to discuss during the meeting the status of the Town's general fund, the unassigned funds, and how the articles being discussed during the meeting might impact the Town's reserves. He added that he would like the Town Manager to speak to how much in reserves and unassigned funds a town like Eliot should have as well as where the Town is now with those funds and where the Town will be after funding articles 2 through 10 if they were to do so.

The Town Manager addressed the Committee, beginning as follows: "First of all, again, I'd like to apologize to the Chair and the Committee for this unexpected need for this meeting and I really appreciate you taking the time to come in off schedule and accommodate the need. So, the Chair had mentioned where we are, we just finished our FY22 audit, we've started out FY23 audits, and the general fund unassigned balance in the FY22 audit is \$5,370,121.00. If you were to approve all of

the requested items here, which is \$1,969,220.00, you would be left with a balance of \$3,400,901.00. Normally what's recommended to carry in an unassigned fund balance, or through cash (unclear) as states like to call it, is 10% of your total budget. I would recommend that that's a little thin. I don't agree with that recommendation. I think 20% is a more appropriate amount for a town the size of Eliot which would be about \$1.6 million. I think in light of that you'd have healthy reserves. The (unclear) account also has another \$1.9 million in trusts or funds for the Fire Department, Police Department, other departments, reserve accounts, so your total balance, other than monies that are in the sewer account, are around \$8 million. So, that's, also I'd like to point out, we believe that the FY23 budget will ask, as is usually the case, to add more to your unassigned fund balance, a little bit less than what you've been seeing historically, around the \$500-600,000 mark, I think, it's more likely \$300,000 or that area. That audit will begin in November, and we will have some exact figures when that is completed. I would like to congratulate and thank Kristin McNulty, our Finance Director, who is getting closer and closer to being at a good cadence. We were quite behind for the '21 audit, eight months later we were doing the (unclear) for the '22 audit, which is impressive, and three months from now, we'll start the '23 audit, so we're getting to a better cadence. I don't know if there are any other questions about where we are at."

Ms. Murphy asked the Town Manager to repeat the numbers in dollars that he mentioned in percentages for the unassigned fund balance. Mr. Sullivan responded saying that the Town budget is at about \$7.9 million, so to estimate, call it \$8 million, and therefore, 10% would be \$800,000 and 20% would be \$1.6 million. Mr. Fowler asked for an explanation for why the amount has to be 20% over 10%. Mr. Sullivan answered that the amount is whatever the Town decides and that 20% is just his recommendation. He added that even if the Committee approves Articles #2-10, the Town will have \$3.4 million in the unassigned fund account. Mr. Swanson said even if the Town spends the money needed for the articles, the Town is well over the 20% recommended for the account. Mr. Latter pointed out that with the existing fund balance at an estimated \$5 million, it is at about 60% of the Town's expenditures. Several members agreed. Mr. Latter added, "So, that is good almost to a fault as we are sitting on a lot of money that we raised from the taxpayer that we are not putting towards good use for the taxpayer. Is that a fair way to say it?" Mr. Sullivan said he would agree. Mr. Latter added that he was just trying to understand what the number is and what the number the Town is looking to move toward.

The Chair thanked the Town Manager and said that it is helpful to have an understanding as to where the Town is and where the Town might be at the end of all of this if the articles are approved, noting that it would be at a cash-positive position according to calculations.

Ms. Murphy said that in the past, the Town was at \$4-5 million with the reasoning at the time being that when it came tax time, if the Town had bills to pay, the Town did not have to borrow and then pay interest on that borrowed amount. She said, "I wonder if the Town Manager can speak to that and is that still a healthy amount and that we're not going to be doing that as we're waiting for tax money to come in."

Mr. Sullivan answered, saying, "Your tax position is, the recent audit will show you that your tax position grew by \$1.4 million last year. Your unassigned balance grew by about \$480,000, according to the audit. Right now, give or take, you carry about \$10 million in your checkbook which is an incredible amount and could be carried in your cash in a community. So, we talk about this unassigned fund balance, this doesn't take into account also what you've put into reserves which

are also monies that in any year (unclear) we can use that funding during the year. A good example is, right now, we're able to avoid any penalties from our contractor for the sewer because the state is sometimes slow in giving us the proceeds from our Payrex which come in every two weeks into Town, and we process it. We can expedite the payment because we have more than sufficient funds to pay the \$1.2 million or \$1.3 million that we're paying the contractor, many communities can't pay that so they have to wait for the funds to come in from the Maine Municipal Bond Bank before they can pay their bill. You have a great advantage where you have plenty of money. So, tax anticipation notes, I don't think are anywhere in your future, particularly if you were to keep \$2.5 or \$2 million. You're now at \$3.5 million even if you were to spend all of this. That's a lot of money. We write, well, it's a little different right now with construction going on, but we write about \$2, \$2.5 million worth of checks a month. And, if you have \$10 million in your check book, it's not going to affect it. So, to answer your question, and it's a great question, I think we're in no danger of having to go to tax anticipation notes, and I just think you're in a really fluid and well-funded position."

Ms. Murphy and Mr. Sullivan commented briefly on varying opinions on advisable percentages for towns of different sizes for unassigned fund balances.

Mr. Latter asked, "Just to clarify, our cash-flow position is the unreserved fund balance plus reserves and fund balances in other accounts. So, it's far more than the \$3-5 million that we have in unreserved fund balance. Correct?"

Mr. Sullivan answered that that was correct and mentioned other means that the Town received funds, including TIF money and other bills that the Town might be paying later that the Town still has cash on add for. He added that the Town has put \$2.5 million in investments which are paying good dividends so far. Mr. Sullivan said the Town is predicted to earn \$147,000 this year from the Town's investment bank that, if need be, could be liquidated within sixty days.

With no more questions for the Town Manager, the Chair moved members on to the articles. The Chair read each article and the Select Board's vote on the article. The Town Manager spoke about each article after the Chair read it.

The Town Manager's presentation at the Budget Committee explaining the purpose of the funds in the articles was from his written document "Financial Articles for November 2023 Warrant with Rationale." That document is included below to capture the Town Manager's presentation to the Committee. For the purpose of the minutes, the Committee's motion and vote are inserted following each article.

Financial Articles for November 2023 Warrant with Rationale

ARTICLE 2: To see if the Town will vote to appropriate and transfer from unassigned funds to Fire Department Reserve (Vehicles) the sum of \$500,000 for the primary purpose of replacing Truck #4.

Purpose: To invest in Fire Department equipment. This will allow the replacement of Truck #4 which is critical to public safety. If approved it will be over two years before Truck #4 arrives, it will replace an engine that is over 20 years old and no longer can be considered dependable in terms of fire service needs. Most parts for this safety vehicle must be obtained through the secondary market, machined individually or not replaced. This transfer has no impact on taxes and is being requested from existing and available funds.

Ms. Murphy moved, and Mr. Swanson seconded that the Budget Committee approve Article 2. The motion passed unanimously with a roll-call vote.

ARTICLE 3: To see if the Town will vote to appropriate and transfer from unassigned funds to Public Works Property the sum of \$500,000 for the primary purpose of redevelopment and repair of Murray-Rowe Park.

Purpose: To invest in this recreational asset, the funding would be to repair existing structures (i.e., dugout, fencing out buildings, parking, signage) as well as repair to the irrigation system (including the well pump) and the playing surfaces (baseball, soccer). We also hope to add "Pickleball Courts (2)" based on the popularity and requests for the activity as a recreational amenity. This transfer has no impact on taxes and is being requested from existing and available funds.

Mr. Fowler moved, and Mr. Swanson seconded that the Budget Committee approve Article 3. The motion passed unanimously with a roll-call vote.

ARTICLE 4: To see if the Town will vote to appropriate and transfer from unassigned funds to Land Bank Trust the sum of \$15,000 to reconcile the historic balance.

Purpose: To correct a past funding error, this would bring the balance of the Land Bank Trust fund to \$46,816. The intent of the trust is to offer a source of funding when critically important land may become available in Eliot for the Town to protect and otherwise promote sound land preservation practices. The Land Bank Trust is overseen by the Eliot Conservation Commission. This transfer has no impact on taxes and is being requested from existing and available funds.

Mr. Wypyski moved, and Mr. Swanson seconded that the Budget Committee approve Article 4. The motion passed unanimously with a roll-call vote.

ARTICLE 5: To see if the Town will vote to appropriate and transfer from unassigned funds to the General Assistance budget the amount of \$9,220 to reconcile the FY 2023 shortfall.

Purpose: As the article suggests the transfer is to correct a FY 2023 shortfall caused by unexpected increases in costs associated with General Assistance (fuel, rent, food), including but not limited to, higher rental subsidies, fuel requests and temporary housing demands. 75% of General Assistance costs are reimbursable from the State of Maine. We expect to recover approximately \$6,900 from the State subsidy. This transfer has no impact on taxes and is being requested from existing and available funds.

Mr. Swanson moved, and Ms. Holt seconded that the Budget Committee approve Article 5. The motion passed unanimously with a roll-call vote.

ARTICLE 6: To see if the Town will vote to appropriate and transfer \$200,000 from unassigned funds to the Grant Match Reserve Fund (Land Use).

Purpose: This request is to establish a "matching grant" fund for grant opportunities. There have been occasions where the Town of Eliot was limited by grant schedules to apply for a specific grant as there was no funding source in respect to the "deadline" dates. Any "match" or use of this fund would need Select Board approval and any board or commission requesting to utilize the fund. Planning, Aging in Place, Conservation, Police, Fire, Public Works, Community Service all are likely to access this fund as grant opportunities are realized, but it is open to all municipal departments (not

outside entities) with Select Board approval. This transfer has no impact on taxes and is being requested from existing and available funds.

Ms. Murphy moved, and Ms. Holt seconded that the Budget Committee approve Article 6. The motion passed unanimously with a roll-call vote.

ARTICLE 7: To see if the Town will vote to appropriate and transfer \$120,000 from unassigned funds to Police Department Reserve (Vehicle) for the primary purpose of replacing cruisers or purchasing other vehicles/equipment.

Purpose: This request is to order and upon arrival outfit two cruisers to replace two existing cruisers. The intent is to order these vehicles six months apart as to stagger their arrival, although there is a significant wait time presently for police package vehicles. We also hope to include a Harbormaster boat which also will be used for mooring checks, boat safety work and other river related safety needs.

The estimate for a boat and related equipment is in the \$25K range. It would also be available to other departments for occasional needs (CEO, Fire, Public Works, Assessor). This transfer has no impact on taxes and is being requested from existing and available funds.

Mr. Swanson commented that he was surprised to learn, given the amount of riverfront in Eliot, that the Fire Department did not have a motorboat and only a rowboat. He reminded members of the fatal accident on the river several years ago when the Town did not have a boat and could have used one in that emergency situation. Ms. Murphy said that at that time, because of that tragedy, the Select Board proposed, and the Budget Committee agreed, on funding for a motorboat but the Select Board never purchased the motorboat. Mr. Swanson asked if money had been appropriated for that purchase, and Ms. Murphy said yes, but the Select Board never made the purchase. She said every year since she has asked if the boat had been purchased two and when she asked last year, she was told the boat had not been purchased and the funding for that purchase was now in the Town's unfunded balance. Ms. Murphy said her question has always been, how could the Town see this as such an urgent matter and not see it through. Mr. Sullivan answered that the way the Town is now doing business has changed such that the Town currently has a harbormaster, rather than an occasional, seasonal employee in that role. He added that the harbormaster is now under the Police Department, and Officer William Dries has been appointed as harbormaster and has done an outstanding job on safety checks. Mr. Sullivan added that the Town is doing a much better job of collecting launching fees and is working to improve in that area. Committee members discussed the use of cameras at the Boat Basin to monitor off-hours activities at the boat ramp, including unlawful boat launching and vandalism. Ms. Murphy asked about the bathrooms being locked, which was the case when she was at the Boat Basin this summer. Mr. Sullivan answered that the bathrooms are open when there is a scheduled event at the Basin, and on Saturdays and Sundays when the police are on the grounds. He explained that vandals have damaged the bathrooms by ripping off doors and breaking urinals with rocks, so the Town has had to lock the bathrooms. He added that the Town has added a portable toilet on the grounds which is something other towns as Wells have done.

Ms. Murphy asked about the request for a new police car and if the \$50,000 included any trade-in money the Town might receive. Mr. Sullivan answered that the Town does receive trade-in funds and that the Town recently received \$6,000 on a trade-in. He reported on unexpected costs to

repair current vehicles and that the Town currently needs to replace two police vehicles as one vehicle has 158,616 miles on it and the other 142,000 miles on it. Ms. Murphy asked if given the Town will be making a purchase of two police vehicles cars in this budget, would the next budget not ask for another vehicle. Mr. Sullivan said he cannot say that as he does not know the mileage of every other police car and does not want to put himself in the position of saying one won't be needed and it may end up being needed. He said the proposed \$50,000 is an estimate and if it is not all needed, it would remain in the reserve account. Mr. Sullivan explained purchasing Crowne Victorias as police cars in the past and now preparing to purchase hybrid police cars in the future. Ms. Murphy asked the Town Manager, given the increased police presence she has seen around Town, if there is more mileage put on the vehicles. The Town Manager said he has not seen an increase in mileage. Mr. Leathe asked if the Town has a capital budgeting program that estimates costs in this area over the upcoming years. The Town Manager said all Town departments are forecasting costs for five years out and he hopes to have that information by the end of September. Mr. Sullivan added that departments, like the DPW, are working to purchase the same brand of vehicles for their fleets to streamline parts as a cost-saving strategy. He added that when they can, the Town is considering leasing a vehicle over purchasing a vehicle to meet needs and save on costs. Mr. Fowler asked about the future role of the harbormaster, and the Town Manager responded that a police officer represents a greater authority than a civilian harbormaster and that has been valuable, but the harbormaster position is a seasonal job. He shared with members the improved collecting of fees this past summer over past years with having a police officer in the role of harbormaster. In response to Mr. Latter's question, the Town Manager said that the Town would keep the harbormaster position under the Police Department. Ms. Murphy asked Mr. Sullivan about the numbers and if \$120,000 was a good amount, he answered that he thought it was.

Mr. Wypyski moved, and Mr. Latter seconded that the Budget Committee approve Article 7. The motion passed unanimously with a roll-call vote.

ARTICLE 8: To see if the Town will vote to appropriate and transfer \$25,000 from unassigned funds for the purpose of funding the Senior Tax Abatement fund.

Purpose: This request is to fund the Senior Tax Abatement Program for FY 2024 and possibly beyond. There was \$20,000 appropriated originally. In FY 22, \$3,481, FY 23, \$13,391 was abated) presently there is a balance of \$3,128 which is likely insufficient for the program in FY 24. This transfer has no impact on taxes and is being requested from existing and available funds.

Mr. Swanson moved, and Ms. Holt seconded that the Budget Committee approve Article 8. The motion passed unanimously with a roll-call vote.

The Chair asked if any members had a conflict of interest in discussing funds in the two articles concerning the Town Hall project. Members agreed that while Mr. Latter and Mr. Swanson are members of the Capital Improvement Committee, there was no conflict of interest as neither would benefit personally from the Town Hall project.

Mr. Sullivan suggested that as articles 9 and 10 both concerned the funding for the Town Hall project, he would like to discuss them together. The Chair agreed and added that the Committee would still vote on each article separately.

In response to Ms. Murphy's question, Mr. Sullivan said because the funds will be borrowed, the Select Board could borrow the money, but both the Select Board and Budget Committee need to

make a recommendation on borrowing and spending the money for the Select Board to spend it. The Town Counsel had clarified this to the Town Manager.

ARTICLE 9: To see if the Town will vote to appropriate and transfer \$600,000 from unassigned funds to Town Hall/Community Center Bond Reserve to offset overruns or applied to the interest and principal.

Purpose: This request allows a contingency for the Town Hall/Community Center Building Project. These funds would be used if the \$4 million dollars approved previously for bonding by the voters is insufficient. If the appropriation is not needed as a contingency, it may be used for ancillary costs (FF&E) or to offset future principal and interest. This transfer has no impact on taxes and is being requested from existing and available funds.

Mr. Swanson moved, and Mr. Wypyski seconded that the Budget Committee approve Article 9. The motion passed unanimously with a roll-call vote.

ARTICLE 10: Shall the Town: (1) approve capital projects for the expansion and renovation of the Eliot Town Hall/Community Center and repairs and improvements to the Eliot Police Station, including engineering and design costs, transaction costs and other expenses reasonably related thereto (the “Projects”); 2) appropriate a sum not to exceed \$4,000,000 plus any additional premium, to provide for the costs of the project; (3) authorize the Town Treasurer and Chair of the Select Board to issue, at one time or from time to time, general obligation securities of the Town (including temporary notes in anticipation of the sale thereof), in an aggregate principal amount not to exceed \$4,000,000, plus any additional premium, to fund the Projects; and (4) delegate to the Treasurer and the Chair of the Select Board the authority and discretion to fix the date(s), maturity(ies), denomination(s), interest rate(s), place(s) of payment, premium(s), call(s) for redemption (with or without premium), form(s), refunding(s) and other details of said securities, including authority to execute and deliver the securities on behalf of the Town?

FINANCIAL STATEMENT provided by Town Treasurer, Kristin McNulty

MUNICIPALITY OF Eliot

1. Total Municipal Indebtedness
 - A. Bonds outstanding and unpaid: \$1,436,629
 - B. Bonds authorized and unissued: \$ 0.
 - C. Bonds to be issued if this question is approved: \$5,680.000.

TOTAL \$7,116,3291. Total Municipal Indebtedness

2. Costs:

At an estimated maximum interest rate of 4.5%, the estimated costs of this bond issue will be: \$6,026,088.33 (20) Years Twenty

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|--------------------|----------------|
| Principal | \$4,000,000.00 |
| Interest | \$2,026,088.33 |
| Total Debt Service | \$6,026,088.33 |

3. Validity

The validity of the bonds and of the voters' ratification of the bonds may not be affected by any errors in the above estimates. If the actual amount of the total debt service for the bond issue varies from the estimate, the ratification by the electors is nevertheless conclusive and the validity of the bond issue is not affected by reason of the variance.

Purpose: This request allows the Select Board to move forward on authorizing a long-awaited renovation and expansion of the Town Hall. The primary objective of the project is to increase the meeting space to meet the growing demand.

The present Town Hall Meeting room will more than double in size, it will allow voting to take place at the Town Hall as well as provide space for additional programming. In addition, there will be two additional accessible meeting spaces, one will accommodate 20 and the other 10 participants. These rooms will also be used by staff when available and needed to meet with small groups of residents, vendors, applicants, or other such groups.

The Clerk's Office will be redesigned, including a drive-up window for limited service. Other offices will be reconfigured and renovated to serve the growing needs of Eliot.

The present design is 7,920 square feet (present 4,150) the estimate construction cost is \$3,681,150. Both the size and the costs have been significantly trimmed down to address both costs and needs. The building will be a "smart" design including both energy advances and security measures.

Mr. Swanson said that the trend for municipalities is toward removing voting from schools to ensure school safety and the security of voting equipment. Mr. Swanson and Mr. Sullivan described how the Town Hall renovation has been designed to accommodate space for voting. Members discussed this design and the other renovations to the Town Hall. They reviewed and asked questions about the draft sketch of the proposed Town Hall renovation, which is included in the Budget Committee's agenda document for September 6, 2023, and may be viewed on the Town's website. Mr. Sullivan and Mr. Swanson explained how the plans for Town Hall will improve the meeting room and the dais, meet ADA requirements, maximize the parking lot, accommodate events and meetings hosted by local groups, and other improvements. Mr. Fowler asked about the cost of the renovation project for Eliot households in relation to the number of permits and other transactions that Town Hall performs in a year. Mr. Sullivan said the cost of the project is estimated at \$87/household per year. Mr. Leathe asked about meeting and planning for future needs in the areas of technology, energy efficiency, and staffing, Mr. Sullivan responded by describing how those concerns were considered and will specifically be met in the new design of Town Hall.

Ms. Murphy asked about the drive-thru window and how the public would access it, specifically concerning the intersection of where people would be walking, and cars would be driving through. Mr. Sullivan answered that there is considerable space, more than is shown in the draft sketch. Ms. Murphy asked about setbacks, the Town's obligation to homeowners who abut Town Hall property, and if that process has happened. She also asked where Town employees would be working during the renovation. Mr. Sullivan said they have had conversations with the property owners to the one side of Town Hall where there is a residence, and that the Town Hall property will not be any closer to that private property than it is now. He added that the drawing before the Committee was not the final drawing but as the Capital Improvement Committee wanted to move forward with the project before costs increased, it is the latest drawing, that is to say, a more up-to-date drawing would and will better represent the proposed scale and placement of items. Mr. Sullivan said the

Town Clerk's Office may move to the front room in the Police Station during the renovation. He said other Town space would house employees and offices and that employees understand they will have to be mobile and flexible in providing services during the renovation, even to the point of going to residents to conduct Town business. Mr. Sullivan said the Town decided against renting off-site space as York did as it was too costly.

Mr. Fowler asked who proposed the \$4 million cost of the project and if the project had been put out to bid. Mr. Sullivan answered that the architect and the engineers came to the \$4 million cost through their estimates and research on current costs. Mr. Sullivan said that the \$4 million was based on construction costs as well as other reasonable costs, with total estimates of \$3,680,000 for the Town Hall and \$300,000 for the Police Station. He added that he is a little skeptical with prices rising and not having some contingency (interrupted). Mr. Fowler said the Town's costs for the new construction and renovations seem a bit pricey at just over \$500/square foot and shared that \$250/square foot would make for a very nice home. Mr. Latter responded that he agreed with Mr. Fowler that if the Town were building a 7,000-foot home these costs would be a lot but that the costs for a municipal building are substantially more than home costs. Mr. Latter added that when one compares this estimated cost with the current costs for municipal buildings, given the needs for ADA compliance and other code requirements, the cost per foot is in line with other municipal buildings. Mr. Fowler said that given his past work in museums and hospitals, this cost was still concerning. Ms. Murphy pointed out that the vault, a space that would not be in a home but is needed in a municipal building, will add to costs. Mr. Sullivan said the costs for the vault also include meeting fireproofing and climate-controlled requirements. Mr. Latter thanked Mr. Fowler for bringing up the cost issue as it is important for the Committee to discuss.

Mr. Leathe directed the discussion toward the financing options and UniBank Fiscal Advisory Services' analysis of the financial impact on the average single-family home in Eliot. Mr. Leathe directed members and the Town Manager to the four analyses in the Committee's packet for the meeting, which are included in the Budget Committee's agenda document for September 6, 2023, and may be viewed on the Town's website. Mr. Swanson said the decision on how to fund the project depends on how the Town wants to bond it and asked the Town Manager to explain the difference between going with the Bond Bank versus private bonding. Mr. Sullivan answered by reviewing the four options presented by UniBank Fiscal Advisory Services with the Committee and providing insight for each option. The Town Manager also shared borrowings by New England municipalities, including Bourne, Maine, and the borrowing rate for that day, September 6, 2023. He noted that he expected that the Town of Eliot would receive a strong bond rating, which would be good, and also that financial resources under the General Fund were not considered in the cost estimate to Eliot household and could, in the end, be lower than the estimate \$87/household. Mr. Sullivan discussed the pros and cons of being in a bond pool and the advantages of private bonding and the Bond Bank. Mr. Leathe said it would be beneficial to the Committee for the Town's bond advisor to meet with the Committee and Mr. Sullivan agreed that would be possible and a good opportunity to discuss better understand and the options and process.

Mr. Fowler moved, and Mr. Latter seconded that the Budget Committee approve Article 10. The motion passed unanimously with a roll-call vote.

4. SET AGENDA AND DATE FOR NEXT MEETING

The Chair said the Committee will meet again the following Wednesday, September 13, for its regular meeting. He reminded members that the new meeting time would be 6:00pm.

5. MOTION TO ADJOURN

Ms. Murphy moved, and Mr. Fowler seconded that the special Budget Committee meeting be adjourned. The motion passed unanimously. The meeting adjourned at 7:47pm.

Respectfully submitted,

Jeffrey Leathe, Chair

Date Approved: February 14, 2023

Diane Holt, Secretary