

**Minutes for Waterboro Budget Committee Meeting
April 4, 2022, at Waterboro Town Hall
3:00 p.m. Meeting**

1. Meet with Interim Town Administrator Matt Bors to vote on an article for the Municipal Warrant regarding ordering/purchase of an ambulance

Chairman Southworth started the meeting at 3:01 p.m.

Attendance: Budget Committee Members: James Southworth, John Burrows, Diane Seehagen, and Thomas Lee. Thomas Lee arrived at 3:15 p.m.

Other Attendees: Matt Bors, Dennis Abbott, Julie Giles, David Lowe, and Laura Lowe.

The article came about after a Workshop with the Selectmen, Department Heads, and Budget Committee members on March 22, 2022. Because it takes approximately 18 months to receive an ambulance after ordering, that we should look into going to the voters in this fiscal year to see if they will approve the ordering of an ambulance that will be financed in FY 2023-2024. Below is the Article that will be presented to the voters if approved by the Selectmen tomorrow evening during their meeting: The highlighted areas will be filled in before this article goes to the voters after the Budget Committee and Selectmen vote on it:

ARTICLE 3: To vote by secret ballot on the following Article: To see if the Town will vote to authorize the purchase of a new ambulance and to finance said purchase through the issuance of general obligation bonds or notes in anticipation of such bonds or a lease-purchase agreement in a principal amount of up to \$310,000 and to appropriate the proceeds thereof for the purpose of financing the costs of a new ambulance, with the details of such borrowing (including provisions that the bonds may be prepaid or subject to call for redemption with or without premium and the dates, maturities, denominations, and interest rates(s) to be determined by the Board of Selectmen.

Explanatory Note: Our 2013 ambulance is in need of frequent repairs due to its age. This vehicle is critical for the delivery of Advanced Emergency Medical Care. Generally our primary ambulance is moved to the back line after five years to prolong the life of the vehicle. This vehicle has now seen nearly ten years of service. Due to the current market, availability of a replacement is in about 18 months. Therefore we are asking the voters to authorize the ordering of this ambulance now with payments not to start until Fiscal Year 2023-2024.

(Note: Total estimated debt service is \$363,514.79, of which \$310,000 is principal and estimated interest at a rate of 3.25%, over 10 years is \$53,514.79. The Town anticipates that it will order the ambulance in this fiscal year (22-23), but that the ambulance will be delivered and the financing for the purchase will

not take place until next fiscal year (23-24).) The Board of Selectmen recommends a "xxx" vote. The Budget Committee recommends a "xxx" vote.

Financial Statement: The issuance of bonds by the Town of Waterboro is one of the ways in which the Town borrows money for certain purposes. The following is a summary of the bonded indebtedness of the Town of Waterboro as of the date of the Town Meeting.

Bonds Now Outstanding and Unpaid	\$1,686,593.29
Interest to be Repaid on Outstanding Bonds	\$ <u>100,329.72</u>
Total to be Repaid on Bonds Outstanding	\$1,786,923.01
Addtl Principal Amt of Bonds Authorized But Not Yet Issued	\$ 0.00
Total Additional Bond to Be Issued If Approved By Voters	\$ 310,000.00
Estimate of Potential New Interest on Such Additional Bond	\$ <u>53,514.79</u>
Total Addtl Bond & Interest if Estimated Interest if approved	\$ 363,514.79

When money is borrowed by issuing bonds, the Town must repay not only the principal amount of the bonds but also interest on the bonds. The amount of interest to be paid will vary depending upon the rate of interest and the years to maturity at the time of issue. The validity of the bonds and of the voters' ratification of the bonds may not be affected by any errors in the estimates made of the costs involved, including varying interest rates, the estimated cost of interest on the bond amount to be issued and the total cost of principal and interest to be paid at maturity.

John Burrows made a motion to approve Article 3. Thomas Lee seconded the motion. The motion passed 4 -0.

2. Vote on accepting minutes for February 28 & March 10, 2022 meetings

Thomas Lee made a motion to approve the minutes of the February 28 & March 10, 2022 meetings. John Burrows seconded the motion. The motion passed 4 – 0.

3. Adjourn

John Burrows made a motion to adjourn the meeting at 3:30 p.m. Thomas Lee seconded the motion. The motion passed 4 – 0.