



## TOWN OF WATERBORO NOTICE OF PUBLIC HEARING

The Waterboro Board of Selectmen will hold a Public Hearing at the Waterboro Town Hall, 24 Townhouse Road, on Tuesday, October 9, 2018 beginning at 6:00 p.m.

Public Hearing is to hear public comment concerning the November 6, 2018 referendum questions as shown below:

***ARTICLE 1:*** *“Shall the Town approve the proposed amendment to Section 212 of the Charter as printed below?”*

**Section 212 – Method of Abolishing the Town Meeting.** At any time, not less than fifteen percent (15%) of the registered voters of the Town may petition over their personal signatures for a referendum to vote upon the question abolishing the Town Meeting. The Board shall call such a public hearing to be held within thirty (30) days from the date of the filing of such petition with the Town Clerk. The proper election officials of the Town shall take such steps as may be necessary to place such question upon the ballot at the next general election or at a special election called for that purpose. If at such general election or special election a majority of the electors of the Town voting on the question shall vote for the abolition of the Town Meeting of the Town of Waterboro, the powers heretofore vested in the Town Meeting shall be conferred upon and exercised by the Board. The Board shall set the budget and final approval shall be by referendum vote of the registered voters of the Town. Once the Town Meeting is abolished pursuant to this Section, the procedures and time periods established in this Charter for Special Town Meeting or Annual Town Meeting shall apply to the regular or special budget referendum vote. The regular budget referendum vote shall be held on the second Tuesday in June of each year. To reinstate Town Meeting, the process shall follow the same procedure as was done establishing referendum voting. If the referendum process is adopted, approval of any appropriation in addition to or supplementary to the annual budget appropriation shall require an additional referendum, if such additional or supplemental appropriation exceeds a cumulative amount equal to one percent (1%) of the annual municipal budget as approved at the preceding Annual Town Meeting.

(Explanatory note: underlined text is the proposed new text)

**ARTICLE 2:** *“Shall the Town approve the proposed amendment to Section 904 of the Town Charter as printed below?”*

**Section 904 – Procedure to be Followed.**

1. The proposed budget prepared by the Administrator shall be reviewed by the Board which shall approve the preliminary budget with or without amendments.
2. The complete Town budget as approved by the Board shall be printed and distributed, and the Board shall fix the time and place for holding a public hearing on the budget, and shall give public notice pursuant to State law.
3. The Board shall then review the budget and recommend it with or without amendment to the Annual Town Meeting. The reviewed budget shall be made available to the public at least fourteen (14) days prior to the Annual Town Meeting.
4. The Board shall, in Article form, list those accounts which should lapse at the end of each fiscal year in the Annual Town Meeting Warrant; such funds shall be placed in the surplus account.
5. If the Town has abolished the Town Meeting and adopted the budget referendum vote, the following procedures shall apply:
  - a. If one or more operational budget items do not pass at the regular budget referendum vote, the Board of Selectmen shall hold two additional public hearings on the proposed revisions to those items before holding a special budget referendum vote on those items.
  - b. After the end of the current fiscal year and prior to the special budget referendum vote on the failed items, the budget for such items shall be set at 50% of the prior fiscal year budget for those items.
  - c. There shall only be one special budget referendum vote on any items that are not passed at the regular budget referendum vote.
  - d. If any item fails to pass at the special budget referendum vote, the budget for that item shall be set at the prior fiscal year budget for that item. This limit shall apply to the entire fiscal year, including any amount expended prior to the special budget referendum.

(Explanatory note: underlined text is the proposed new text)

**ARTICLE 3:** To see if the Town will vote to authorize the issuance of up to \$614,640.00 in general obligation bonds or notes of the Town to finance the costs of a new fire truck to replace the 1998 Engine 3 of the Town, with the details of such bonding (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:** (Total estimated debt service is \$614,640 of which \$500,000 is estimated principal, and estimated interest at a rate of 4.25% over 10 years is \$114,640. The Board of Selectmen and Budget Committee both recommend a "yes" vote as they both approved the truck replacement in concept in this fiscal year's budget, but no payment was needed until after July 1, 2019. This Referendum Question, if approved, authorizes the borrowing of funds for the purchase with the first payment not until fall 2019.)

**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 November 2018 election.

Bonds Now Outstanding and Unpaid	\$937,887
Interest to be Repaid on Outstanding Bonds	\$ 44,950
Total to be Repaid on Bonds Outstanding	<u>\$982,837</u>
Additional Principal Amount of Bonds Authorized But Not Yet Issued	\$ 0
Total Additional Bond to Be Issued If Approved By Voters	\$500,000
Estimate of Potential New Interest on Such Additional Bond	<u>\$114,640</u>
Total Additional Bond to Be Issued and Estimated Interest If Approved By Voters	<u>\$614,640</u>

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.

**ARTICLE 4 :** "Are you in favor of allowing ATV usage on certain Town roads if controlled by Municipal Ordinance?"