

MEETING NOTICE

The Special meeting of the Ellsworth City Council will be held on Wednesday, April 24, 2024 at 6:15 PM
in the Ellsworth City Hall Council Chambers

Facebook: <https://www.facebook.com/ellsworthme>

YouTube: <https://www.youtube.com/c/CityofEllsworthMaine>

AGENDA

1. Call to Order.
2. Pledge of Allegiance.

NEW BUSINESS

3. Public Hearing and action on Council Order #042410 authorizing loans of up to \$1,844,341 through the State School Revolving Renovation Fund
4. #042411, the Ellsworth School Budget Resolutions for FY 2025.

Actions taken pursuant to items 1 – 4 must be taken by a **recorded** vote.

ORDER APPROVING STATE/LOCAL EPS FUNDING ALLOCATION FOR PUBLIC EDUCATION FROM PRE-KINDERGARTEN TO GRADE 12 FOR ELLSWORTH SCHOOLS FOR FY 2025

School Administrative Unit Contribution to Total Cost of Funding Public Education from Pre-Kindergarten to Grade 12 (as required by Maine Revised Statutes, Title 20-A, §15690(1 A-B)):

City Council Order #042411A: ORDERED that the City will appropriate for the total cost of funding public education from pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act (**Recommend \$7,950,399.34**) and to see what sum the municipality will raise as the municipality's contribution to the total cost of funding public education from pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act in accordance with the Maine Revised Statutes, Title 20-A, section 15688.

The School Board Recommends \$7,950,399.34

“Explanation: The school administrative unit's contribution to the total cost of funding public education from pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act is the amount of money determined by state law to be the minimum amount that a municipality must raise in order to receive the full amount of state dollars.”

ORDER APPROVING NON-STATE FUNDED SCHOOLS CONSTRUCTION DEBT SERVICE FOR ELLSWORTH SCHOOLS FOR FY2025

pg. 1

** Agenda items with backup material.

* ** Consent Agenda items with backup material.

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Appropriation for Non-state-funded Debt Service Allocation (as required by Maine Revised Statutes, Title 20-A, §15690 (2A)):

City Council Order #042411B: ORDERED that the City will raise and appropriate for the annual payments on debt service previously approved by the legislative body for non-state-funded school construction projects, or non-state-funded portions of school construction projects in addition to the funds appropriated as the local share of the school administrative unit's contribution to the total cost of funding public education from pre-kindergarten to grade 12.

The School Board Recommends \$82,345.63

"Explanation: Non-state-funded debt service is the amount of money needed for the annual payments on the municipality/district long-term debt for major capital school construction projects that are not approved for state subsidy. The bonding of this long-term debt was previously approved by the voters or other legislative body."

ORDER RAISING AND APPROPRIATING ADDITIONAL LOCAL FUNDS FOR ELLSWORTH SCHOOLS FOR FY2025

Appropriation of Additional Local Funds (as required by Maine Revised Statutes, Title 20-A, §15690 (3 A-B)):

City Council Order #042411C: ORDERED that the City of Ellsworth raise and appropriate **\$6,211,261.52** in additional local funds, which exceeds the State's Essential Programs and Services allocation model by **\$6,211,261.52** as required to fund the budget recommended by the school board?

The School Board recommends **\$6,211,261.52** for additional local funds and gives the following reasons for exceeding the State's Essential Programs and Services funding model by **\$6,211,261.52**. **This amount is needed to cover the School Department's expenses that are not recognized or fully funded by the State's funding model: Facilities/Maintenance costs, Special Education costs, Technology costs, Transportation costs, Professional Development costs, and System Administration costs.**

Explanation: The additional local funds are those locally raised funds over and above the school administrative unit's local contribution to the total cost of funding public education from pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and local amounts raised for the annual payment on non-state funded debt service that will help achieve the (municipality/district) budget for educational programs.

NOTE: City council approval of this order requires 4 affirmative votes, see 20-A M.R.S.A. section 15671-A(5)(B)(2) (requiring for council approval "a majority of the entire membership of the council")

ORDER APPROVING TOTAL SCHOOL OPERATING BUDGET FOR ELLSWORTH SCHOOLS FOR FY2025

Total Budget Article (as required by Maine Revised Statutes, Title 20-A, §15690 (4A)): *(A school administrative unit must include a summary article indicating the total annual budget for funding public education from pre-kindergarten to grade 12 in the school administrative unit. The amount recommended must be the gross budget of the school system. This article does not provide money unless the other articles are approved.)*

City Council Order #042411D: ORDERED that the City of Ellsworth will authorize the School Board to expend for the fiscal year beginning July 1, 2024 and ending June 30, 2025 from the school administrative unit's contribution to the total cost of funding public education from pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act, non-state-funded school construction projects, additional local funds for school purposes under the Maine Revised Statutes, Title 20-A, section 15690, unexpended balances, tuition receipts, state subsidy and other receipts for the support of schools.
Recommend \$29,729,280.28

ORDER APPROPRIATING AND RAISING FUNDS FOR ADULT EDUCATION FOR FY2025 AS REQUIRED BY THE MAINE REVISED STATUTES, TITLE 20-A M.R.S.A. §8603-A(1)

Adult Education as required by Maine Revised Statutes, Title 20-A, §8603-A (1):

City Council Order #042411E: ORDERED that the City of Ellsworth appropriate **\$288,250.31** for Adult Education and raise **\$288,250.31** as the local share; with authorization to expend any additional, incidental, or miscellaneous receipts in the interest and for the well-being of the adult education program.

ORDER TO RAISE LOCAL FUNDS FOR FOOD SERVICE IN THE ELLSWORTH PUBLIC SCHOOLS FOR FY2025

City Council Order 042411F: ORDERED that the City authorizes that the sum of **\$132,323.74** is hereby raised for All Other Expenditures (the Food Service Program) for Fiscal Year 2024-25; and that the Ellsworth School Department is authorized to expend any unexpended balances, and additional, incidental, or miscellaneous receipts in the interest and for the well-being of the food service program.

ORDER TO AUTHORIZE EXPENDITURE OF GRANTS, RESERVES AND OTHER RECEIPTS FOR SCHOOL DEPARTMENT PROGRAMS

City Council Order #042411G: ORDERED that in addition to amounts approved for the Fiscal Year 2024-25 School Operating Budget, the School Board be hereby authorized to expend such other sums as may be received from federal or state grants or programs or other sources during the fiscal year for school purposes, provided that such grants, programs or other sources do not require the expenditure of other funds not appropriated for the School Operating budget

ORDERS TO AUTHORIZE THE ESTABLISHMENT OF RESERVES FROM BALANCE OF FUNDS AT YEAR END

City Council Order #042411H: ORDERED that the City authorizes the School Board to appropriate funds from the ending balance of the school general operating funds for Fiscal Year 2023-24 to establish a reserve for unanticipated Facilities and Maintenance costs, and authorizes the School Board to expend those funds.

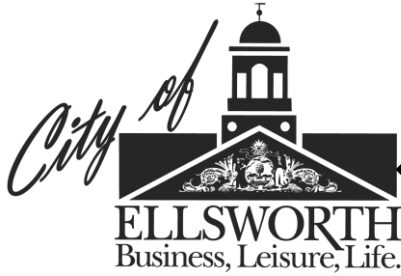
Recommend: \$100,000.00

5. Adjournment.

** Agenda items with backup material.

* ** Consent Agenda items with backup material.

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Office of the Finance Director

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MEMO

To: Ellsworth City Council
From: Anne Laine
Date: 24 April 2024
Re: State School Revolving Renovation Fund

Ellsworth City Council,

The School Department requests to borrow an amount not to exceed \$1,884,341 from Maine Municipal Bond Bank's School Revolving Renovation Fund under the Maine School Facilities Finance Program. Additionally, 50.79% (estimated to be \$936,741) is expected to be forgiven and 49.21% (estimated to be \$907,600) is expected to be repaid over 10 years at 0% interest. The proceeds of this loan will be used to fund the cost of the following Life Safety Improvements-school renovations and improvements at Hancock County Technical Center:

- Installation of fire suppression (sprinkler) system.
- Upgrade to fire alarm system
- Replacement or major upgrade to elevator

* Useful life estimate of all upgrades is 20 years

If the Council approves, I suggest the following motion:

Move to approve the request of the Ellsworth School Department to borrow \$1,884,341 from MMBB's School Revolving Renovation Fund (SRRF) as set forth in Council Order# 042410.

Thank you,

Anne Laine
Finance Director

ELLSWORTH CITY COUNCIL PUBLIC HEARING

The Ellsworth City Council will hold a public hearing on Wednesday, April 24th, 2024, at 6:015PM, in the City Hall Council Chambers, 1 City Hall Plaza, Ellsworth, Maine, on the following orders:

- Order authorizing loans of up to \$1,844,341 through the State School Revolving Renovation Fund

Citizens may appear in person to make comment or ask questions during the public hearing.

Toni Dyer
Ellsworth City Clerk

[Note: must be published and posted 10 days prior to the public hearing.]

CITY OF ELLSWORTH

Council Order # 042410

TITLE: Order authorizing loans of up to \$1,844,341 through the State School Revolving Renovation Fund

Pursuant to Section 5772 of Title 30-A of the Maine Revised Statutes, as amended, the City Charter, and all other authority thereto enabling, and upon 10 days public notice as required by Section 7.09(c)(1) of the City Charter, **by the City Council of the City of Ellsworth be it hereby:**

ORDERED that pursuant to 30-A M.R.S. §5772, the City Charter, as amended, and all other authority thereto enabling, the Treasurer and the Chair of the City Council are hereby authorized, in the name of and on behalf of the City, to borrow an amount not to exceed \$1,844,341 (the "SRRF Loan") through the Maine Municipal Bond Bank's (the "Bond Bank") School Revolving Renovation Fund under the Maine School Facilities Finance Program, of which 50.79% (estimated to be \$936,741) is expected to be forgiven and 49.21% (estimated to be \$907,600) is expected to be repaid, the proceeds of which are hereby appropriated to fund the costs of the following school renovations and improvements (including costs of issuance, capitalized interest, and any other costs related or ancillary thereto) (referred to as the "Projects"):

Loan Amount	Description	Useful Life (est.)
\$1,844,341	Hancock County Technical Center – Life Safety Improvements (Installation of fire suppression (sprinkler) system; upgrade to fire alarm system; replacement or major upgrade to elevator)	20 years

ORDERED that to evidence and memorialize the portion of the SRRF Loan to be repaid, the Treasurer is hereby authorized, in the name of and on behalf of the City, to issue the City's general obligation bonds (the "Bonds") and notes in anticipation thereof (the "Notes").

ORDERED that each year that any of the Bonds remain outstanding, the City shall levy a tax in an amount necessary to meet, with other revenues, if any, available to the City for that purpose, the payment of the annual installment of principal and the annual interest on such Bonds.

ORDERED that said Bonds and Notes (including any bonds or notes required to provide for exchanges or transfers of Bonds or Notes previously issued), shall be executed and delivered in the name of and on behalf of the City by the manual or facsimile signatures of the Treasurer and the Chair of the City Council (provided that at least one of such signatures shall be a manual signature), sealed with the seal of the City, attested by its Clerk.

ORDERED that the Treasurer is authorized, in the name of and on behalf of the City, to establish, determine and approve the time of the sale, award and settlement of the Bonds and Notes, the form, date, maturities (not to exceed the maximum term authorized by law), denominations, interest rates, payment dates, provisions for early redemption, with or without premium, before their stated maturity date, as provided in Title 30-A, §5772(6) of the Maine Revised Statutes, as amended, and all other details of such Bonds and Notes, including the timing and provision for their sale and award, which may be through a

public offering or a private placement, or a combination thereof, on a competitive or negotiated basis, or a combination thereof, such establishment, determination and approval to be conclusively evidenced by her execution thereof.

ORDERED that the Treasurer is authorized, in the name of and on behalf of the City, to do or cause to be done all such acts and things, including to select a financial advisor, underwriter, or paying agent /registrar for such Bonds and Notes, and to approve, execute and deliver all contracts, bond purchase agreements, loan agreements (including but not limited to one or more loan agreements with the Bond Bank), letters of representation or other agreements required to participate in the Depository Trust Company Book-Entry Only System, tax or arbitrage certificates, continuing disclosure agreements, official statements or other offering document, investment agreements, and any other closing certificate, instrument, document or agreement, as may be necessary or advisable in order to accomplish the issuance of the Bonds and Notes and the investment of the proceeds thereof (the "Bond Documents"), and in order to maintain the tax-exempt status of such Bonds and Notes (as applicable) and, to the extent available under the Code, to designate the Bonds and Notes as qualified tax-exempt obligations for purposes of Section 265(b) of the Internal Revenue Code of 1986, as amended (the "Code"), which Bond Documents may be in such form and contain such terms and provisions including, without limitation, the waiving of the City's sovereign or governmental immunity with respect to the enforceability of any of the forgoing, which waiver of sovereign or governmental immunity is hereby authorized, confirmed and approved, and such other details as she shall establish, determine and approve, such establishment, determination and approval to be conclusively evidenced by the execution thereof.

ORDERED that if the Bonds and Notes (or any portion thereof) are issued on a tax-exempt basis, the Treasurer is authorized, in the name of and on behalf of the City:

- To covenant, agree and certify, (A) that no part of the proceeds of the issue and sale of such Bonds and Notes shall be used directly or indirectly to acquire any securities or obligations, the acquisition of which would cause such Bonds or Notes to be "private activity bonds " or "arbitrage bonds" within the meaning of Sections 141 and 148 of the Code, and (B) that the City will file any required reports and take any other action that may be necessary to ensure that interest on the Bonds or Notes is and remains exempt from federal income taxation, and that the City will refrain from any action that would cause interest on such Bonds or Notes to be subject to federal income taxation; and
- To designate such Bonds or Notes as qualified tax-exempt obligations for purposes of Section 265(b)(3) of the Code, to the extent such designation is available and permissible under said Section 265(b)(3).

ORDERED that the term "cost" or "costs" as used herein and applied to the Projects, or any portion thereof, includes, but is not limited to (1) the purchase price or acquisition cost of all or any portion of the Projects; (2) the cost to design, construct, renovate, improve, furnish and equip the Projects; (3) the cost of land, easements and other real property interests, landscaping and site preparation, all appurtenances and other fixtures, facilities, buildings and structures either on, above, or under the ground which are used or usable in connection with the Projects; (4) the cost of feasibility studies, surveys, environmental studies and assessments, engineering, plans and specifications, legal and other professional services associated with the Projects; and (5) issuance costs, including premiums for insurance, capitalized interest and other fees and expenses relating to the issuance and delivery of the Bonds and Note.

ORDERED that the investment earnings on the proceeds of the SRRF Loan, if any, and the excess proceeds of such SRRF Loan (including original issue premium), if any, whether arising from completion of the Project under budget, delay or a change in scope of the Project, or abandonment of the Project or for any other reason, are appropriated for the following purposes, such proceeds to be held and applied for the following purposes, in the order of priority determined by the Treasurer:

- To any other project or improvement (a) that has been approved as part of the City's capital improvement plan or (b) for which the City Council has authorized issuance of the City's bonds;
- To pay debt service on the Bonds; and
- If issued on a tax-exempt basis, in accordance with applicable terms and provisions of the Arbitrage and the Use of Proceeds Certificate delivered in connection with the sale of the Bonds or Notes, including but not limited to deposit to the City's general fund.

ORDERED that if the Treasurer, Chair of the City Council, or Clerk are for any reason unavailable to approve and execute the Bonds or Notes, or any Bond Documents, the person or persons then acting in any such capacity, whether on an interim or acting or temporary basis, as an assistant, a deputy, or otherwise, is authorized to act for such official, in the name of and on behalf of the City, with the same force and effect as if such official had himself or herself performed such act.

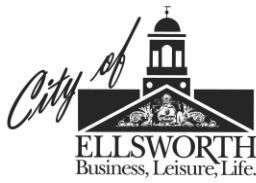
ORDERED that if any authorized representative of the City who has signed or sealed the Bonds and Notes shall cease to be such officer or official before the Bonds or Notes so signed and sealed shall have been actually delivered by the City and / or authenticated, such Bonds or Notes nevertheless may be issued, delivered and authenticated with the same force and effect as though the person or persons who signed or sealed such Bonds notes had not ceased to be such officer or official; and also any such Bonds or Notes may be signed and sealed in the name of and on behalf of the City by those persons who, at the actual date of the execution of such Bonds or Notes, shall be the proper officers and officials of the City, although at the nominal date of such Bonds or Notes any such person shall not have been such officer or official.

ORDERED that during the term any of the Bonds are outstanding, the Treasurer is authorized, in the name of and on behalf of the City, to issue and deliver refunding bonds, on either a current or advance refunding basis, to refund some or all of the Bonds then outstanding, and to establish, determine and approve the time of the sale, award and settlement of such refunding bonds, the form, date, maturities (not to exceed the maximum term permitted by law), denominations, interest rates, payment dates, and all other details of such refunding bonds, and to provide that any of such refunding bonds may be made subject to call for redemption, with or without premium, before their stated maturity dates, such establishment, determination and approval to be conclusively evidenced by her execution thereof, and to execute and deliver, in the name of and on behalf of the City, such additional Bond Documents as may be reasonable or necessary with respect to such refunding, and each refunding bond issued hereunder shall be signed in the same manner as the Bonds.

ORDERED that while any of the Bonds remain outstanding, all authority granted pursuant to this Order shall be, remain, and continue in full force and effect without the necessity of any further action of the City Council.

ORDERED that the City may pay certain costs of the Project prior to the issuance of the Bonds and Notes (referred to as "original expenditures"); to that end, the City hereby declares its official intent to

reimburse itself for such original expenditures from the proceeds of such Bonds and Notes, and this Order shall constitute the City's declaration of official intent pursuant to Treasury Regulation §1.150-2.



City Clerk

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MEMO

To: Ellsworth City Council

From: Toni Dyer

Date: April 23, 2024

Re: School Budget Resolutions FY2025

Ellsworth City Council,

The Ellsworth School Department has presented their FY 25 budget to the City Council. Requirements of the Department of Education mandate approval of certain school resolutions as they are related to funding.

The Ellsworth School Department budget summary is included for review. Local Share totals \$14,376,330.23 for the upcoming school year. The total school budget, including state funding totals \$29,729,280.28. The Local Share, or \$14,376,330.23 can be calculated using the resolutions to be approved by adding together the following items:

- Council Order # 042411A- Regular instruction \$7,950,399.34
- Council Order # 042411B- Debt Service \$82,345.63
- Council Order #042411C EPS \$6,211,261.52
- Council Order #042411F Food Service \$132,323.74

The FY 2024 School Budget local share was \$13,176,077.14. This FY 2025 budget is an increase of \$1,200,253.09 or 9.11%.

The first 4 resolutions must be a separate recorded vote.

Recommended motions should be:

Move to approve Council Order _____ as presented.

Thank you,

Toni Dyer

Toni Dyer

FY2025 BUDGET				
Ellsworth School Department				
as Presented 04/15/2024				
Cost Center	Expenses			
	2023-2024	2024-2025	Difference FY 24-FY 25	% Inc/Dec
Regular Instruction	\$8,126,912.67	\$9,532,415.73	\$1,405,503.06	17.29%
Special Education Instruction	\$5,466,488.84	\$5,934,398.98	\$467,910.14	8.56%
Career Technical Education	\$2,097,963.57	\$2,289,091.38	\$191,127.81	9.11%
Other Instruction	\$777,335.71	\$880,797.22	\$103,461.51	13.31%
Student and Staff Services	2,047,870.32	\$2,415,696.15	\$367,825.83	17.96%
System Administration	\$776,102.38	\$888,621.43	\$112,519.05	14.50%
School Administration	\$1,044,492.87	\$1,131,941.10	\$87,448.23	8.37%
Facilities	\$2,958,003.59	\$3,075,058.48	\$117,054.89	3.96%
Transportation	\$1,163,749.79	\$1,459,123.56	\$295,373.77	25.38%
Debt Service	\$2,083,022.87	\$1,989,812.51	-\$93,210.36	-4.47%
Other (Food)	\$73,237.51	\$132,323.74	\$59,086.23	80.68%
TOTAL	\$26,615,180.12	\$29,729,280.28	\$3,114,100.16	11.70%
Adult Education	\$293,193.64	\$288,250.31	-\$4,943.33	-1.69%
GRAND TOTAL	\$26,908,373.76	\$30,017,530.59	\$3,109,156.83	11.55%
	Revenues			
	2023-2024	2024-2025	Difference FY 24-FY 25	% Inc/Dec
Mill Rate Expectation (local contribution)	\$7,973,447.67	\$7,950,399.34	-\$23,048.33	-0.29%
Additional Local	\$5,043,607.22	\$6,211,261.52	\$1,167,654.30	23.15%
Gen Fund Balance Forward	\$750,000.00	\$1,000,000.00	\$250,000.00	33.33%
CTE Balance Forward	\$90,000.00	\$90,000.00	\$0.00	0.00%
Tuition	\$2,357,875.00	\$2,540,000.00	\$182,125.00	7.72%
CTE Assessment	\$60,000.00	\$75,000.00	\$15,000.00	25.00%
Food Service Allocation (Local)	\$73,237.51	\$132,323.74	\$59,086.23	80.68%
Non State Funded Debt Service (Local)	\$85,784.74	\$82,345.63	-\$3,439.11	-4.01%
State Debt Service Reimb	\$1,997,238.13	\$1,907,466.88	-\$89,771.25	-4.49%
State Subsidy Allocation	\$6,231,710.36	\$7,500,543.28	\$1,268,832.92	20.36%
State CTE Allocation	\$1,783,996.49	\$2,072,439.89	\$288,443.40	16.17%
Miscellaneous Revenue (state agency client, sped, transportation)	\$168,283.00	\$167,500.00	-\$783.00	-0.47%
Total	\$26,615,180.12	\$29,729,280.28	\$3,114,100.16	11.70%
Total Local Appropriation	\$13,176,077.14	\$14,376,330.23	\$1,200,253.09	9.11%
Adult Education	\$293,193.64	\$288,250.31	-\$4,943.33	-1.69%
Grand Total-Local Appropriation	\$13,469,270.78	\$14,664,580.54	\$1,195,309.76	8.87%