

Town of Brunswick, Maine
Finance Committee Meeting
Monday, December 22, 2025 at 9:00 AM
Council Chambers, 85 Union Street

Committee Members: Councilor Nathaniel Shed
 Councilor Steve Weems
 Councilor James Ecker

Staff: Finance Director / Town Manager, Julia Henze
 Deputy Finance Director, Derryen Plante

1. Acknowledgement that meeting was properly noticed

Town Manager Henze confirmed that the meeting was properly noticed.

2. Adjustments to agenda / Public Comment

Chair Shed requested that a discussion regarding the establishment of a culvert reserve fund be added to the end of the meeting agenda. Councilor Ecker inquired about adding agenda items in future meetings to facilitate discussion with new committee members joining in January. Councilor Ecker also requested a future agenda item focused on infrastructure and road funding, including historical funding levels, project types, associated costs, and long-term cost trends. The stated objective is to improve the Committee's understanding of how road projects are prioritized, given their significant impact on the Town's expenditures. Manager Henze confirmed that such a discussion would encompass the history of road funding, categories of projects, cost structures, and trend analysis.

3. Review of meeting minutes from 11/17/2025

Councilor Ecker requested that the PowerPoint presentation previously used to review the outcomes of the Senior Property Tax Assistance Program be attached to the November 17, 2025 meeting minutes, as it had not been included in the materials posted to the Town's website. Following this requested amendment, the minutes were approved by Chair Shed and Councilor Ecker.

4. Annual Comprehensive Financial Report June 30, 2025

Manager Henze presented the Annual Comprehensive Financial Report to the Finance Committee. She noted that the auditor's opinion remains outstanding and is the only remaining component of the report. The ACFR is required to be submitted to the Government Finance Officers Association (GFOA) and the Municipal Securities Rulemaking Board by December 31, 2025, in accordance with the Town's debt obligations.

Manager Henze highlighted sections of particular relevance to the Committee, including the Management's Discussion and Analysis beginning on page 15, which provides a narrative overview of the fiscal year. She reported that the Town's outstanding debt, as

shown on page 63, totals \$45,234,873 in principal. Total debt service for fiscal year 2026 is projected at \$4.7 million.

Chair Shed requested clarification regarding the presentation of interest rates shown as ranges within the debt schedules. Manager Henze explained that municipal bonds are issued as separate obligations each year, with interest rates set at the time of issuance, rather than as a single fixed-rate instrument. By contrast, the debt incurred for the purchase of Maquoit Woods did not qualify for tax-exempt public benefit financing and was therefore funded through a taxable bank loan with a fixed interest rate.

Manager Henze also reviewed the Town's capital assets schedule on page 61, including buildings, vehicles, and roadway infrastructure. In response to a question from Chair Shed regarding the use of this schedule, Manager Henze explained that while it is primarily an accounting tool, depreciation schedules are reviewed when determining appropriate contributions to capital reserve accounts.

Councilor Ecker asked how unspent capital appropriations are handled at the end of a fiscal year. Manager Henze explained that funds appropriated from the general fund balance for specific capital projects remain in the capital project fund until the project is completed. Any remaining funds are returned to the general fund upon completion. She further clarified that appropriated funds may not be redirected to other projects, even if a project is delayed. Manager Henze noted that the Finance Director reviews the status of capital projects each spring to identify any projects that may have been abandoned, at which point eligible funds may be returned to fund balance. Only funds originally appropriated from the general fund balance may be reallocated in this manner.

Councilor Ecker inquired about the number of active capital projects currently underway. Manager Henze estimated that between 15 and 20 projects are ongoing. Councilor Ecker expressed interest in receiving a comprehensive schedule showing each project and its current status.

5. Popular Annual Financial Report June 30, 2025

Manager Henze presented the Popular Annual Financial Report, which is also submitted to GFOA for consideration for an annual award. She explained that the PAFR draws from the ACFR but is designed to present financial information in a more accessible and reader-friendly format. The report includes multi-year data related to governmental activities, business-type activities, the general fund, and tax information. Manager Henze invited committee members to provide input on additional content they would like included in future editions.

Councilor Weems suggested expanding the report's discussion of Tax Increment Financing (TIF) districts, and Manager Henze agreed that additional TIF information would enhance the report. Chair Shed and Manager Henze then discussed various fund types and revenue sources, including recreation special revenue funds, ambulance revenue, and the processing facility. Councilor Ecker requested information regarding revenues associated with the

closure of the Town's solid waste facility, and Manager Henze provided background on the closure, current costs, and anticipated future plans.

6. Review November 2025 Financial Reports

Manager Henze noted that reported expenditure percentages include encumbrances. She provided the example of the Public Works Department, which encumbers annual contract amounts but disburses payments on a monthly basis. She also noted that revenue abatements are higher than typical due to the recent property revaluation, which is not unusual in such circumstances.

7. Finance Committee 2025 Year in Review

Manager Henze presented a summary schedule of Finance Committee meetings held throughout the 2025 calendar year, including the major topics discussed at each meeting.

8. Discussion on Establishing a Reserve Fund for Culverts

Chair Shed asked about the process required to establish a reserve fund dedicated to culverts. Manager Henze explained that the initial step would be to conduct a comprehensive inventory of culverts, including size, age, and condition, followed by an assessment of vulnerability. Replacement costs would then be estimated, and a depreciation schedule developed to inform appropriate reserve funding levels.

9. Adjourn

The meeting was adjourned.