

Islesboro Select Board
Special Meeting
Town Office Meeting Room & via Zoom
Wednesday, April 15, 2026 @ 6:30 PM

APPROVED

4/22/26

MINUTES

Members Present:

Chair Shey Conover, Vice Chair Peter Anderson, Melissa Burns, Stephen Pendleton (5:40), Peter Rothschild (Zoom)

Others Present:

Financial Director Brian Bohanon, Murt Durkee

Others Present via Zoom:

None

Call to Order: Chair Shey Conover called the meeting to order at 5:33 PM, and a quorum was established.

FINISH FY27 BUDGET AND APPROVE

- Brian Bohanon explained the fixes and changes that were made in the spreadsheet.
 - There were some broken formulas and references, and fields that were not auto-updating. In FY25, the warrant that we voted on for section 47 had the wrong number in it, so that won't match previous warrant articles. Everything else does.
 - Brian looked at all the Town Meetings, and on the summary page that lists the budget numbers, he made sure the budget numbers match the articles voted on.
 - There was an error that came up on the spreadsheet for this year for FY24 budget numbers. The spreadsheet was referencing the actual numbers as opposed to the budget numbers. It does not appear that any recommendations were made to voters based on the erroneous data. It looks like it was just an issue here, from a historical perspective.
 - The highlighted field on the summary page indicates that there was a wrong figure for the warrant article for FY25. It was off by about \$12,000. What was in the warrant that we voted on was actually less than what was approved during the budget process. All the rest match and reference the warrant articles we voted on.
 - M. Burns asked about the figures with cents that showed up. We usually budget with whole dollars. Brian replied that we end up with cents when we do Cost-of-Living Adjustments (COLA). He has also removed auto-rounding from some columns.
 - Brian stated that the spreadsheet wasn't updating correctly and we hadn't met our target goal of being under 5% after the last meeting. After getting everything adding correctly, he removed \$100,000 from Capital Reserve for the roads, which brought us to under 5% for an increase. We can use what's in Capital Reserve

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and what's in budgeted funds for roads. In order to make the budget work, that was the easiest place to get it from.

- S. Conover thanked Brian for going through the detailed spreadsheet. It sounds like the work he's done will keep the errors from happening again. Having more than one set of eyes making sure all the formulas work feels like the right thing to do.
- Brian added that Janet has been handling the spreadsheets herself for several years. Going forward, he and Janet plan on this being a more collaborative process to make sure the numbers we're bringing to the townspeople are accurate.
- S. Pendleton stated that he believes the Town Treasurer should be responsible for the numbers, with the Town Manager overseeing it.
- S. Pendleton added that accounting software would be better than just spreadsheets for budgeting. B. Bohanon replied that the Town does use accounting software, and then presents a slimmed-down version of the budget on a spreadsheet, so it's more concise and easier to compare with past years. The accounts payable and payroll are within TRIO.
- P. Rothschild asked for a reminder about why and when we decided on the 5% number. B. Bohanon explained that the goal over the budget season was to try to get below a 5% increase. S. Conover added that after we got the budget requests and before looking at cuts, it was discussed that 5% felt like a responsible number.
- S. Conover supports the cut as presented. However, it is important for us to budget for roads. It seems we are trying to keep the increase under 5% when everything is getting more expensive. Last year we didn't budget anything for roads. Increasing that spending by \$300,000 in one year is a lot, but as long as we have \$200,000 in there to do paving now, that should be okay.
- B. Bohanon clarified that there is \$150,000 already in Capital Reserve for the roads, plus \$200,000 that's budgeted. Between those two figures we should be able to do something.
- M. Burns stated she believes the funds for paving should be prioritized for the existing main roads and not go to other projects, such as the proposed parking area on Ferry Rd.
- B. Bohanon stated the parking area doesn't need to be paved right away. That can be considered in a couple of years when we pave again. It would be best to tie that project in with other paving to keep costs down.
- P. Rothschild added that while the paving of the parking area doesn't have a timetable attached, in order to receive revenue from parking permits, we probably have to do the paving. Unlike other paving, it has the potential to generate revenue, but we don't need to attend to it at this moment.
- P. Anderson stated that if we come out of this with enough funds to achieve what we need to this year, this is the least impactful way to solve this problem. However, he doesn't love the idea of taking money away from the roads. Is there a way to take \$50,000 from roads and \$50,000 from somewhere else?
- S. Pendleton stated that if we were to reduce the road funds by only \$50,000, that would put us at a 5.9% increase, which may max out people's acceptance.
- B. Bohanon stated that if you add in the ferry tickets, it becomes a 6.9% increase.

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- S. Pendleton asked about the \$100,000 reduction for the Health Center. B. Bohanon explained that there was a private donation of \$100,000, increasing their revenue and reducing the Town's subsidy from \$200,000 to \$100,000.
- S. Pendleton stated it seems we weren't as diligent in evaluating why the Health Center request was that big of an increase in a single year. M. Burns stated the salaries were the biggest part of the jump for the subsidy. S. Pendleton stated a \$200,000 increase is not managing to the budget number that was given the previous year.
- Discussion about the Health Center budget. S. Conover stated that their subsidy went down last year because of the Federal CDS grant they received.
- P. Anderson stated that he feels that for any organization that receives a big subsidy, the Select Board should have a little more involvement with the design of their request. They made changes to their staffing that resulted in the need for more funding, and put them into place before they had the money to continue those positions. We're stretching ourselves thin.
- P. Rothschild stated that we don't have the expertise to determine what is necessary or appropriate. The time to consider it was when the Health Center presented their request.
- M. Burns clarified that we don't determine who works there or the level of service they provide. We provide a subsidy that they use however they want. If we make a reduction in the subsidy, they determine where they pull that from.
- S. Conover stated that she agrees with many points. From a process perspective, we would need several additional meetings to make cuts in the Health Center line. It's a subsidy issue, and that's an important clarification, but being in a small community, it's important to understand the impact of any cuts. We would need meetings with Health Center representatives, and we may not have the time to do that between now and the next meeting when we approve the warrant articles.
- P. Rothschild added that if we were to do that, we could get independent experts to advise us on what is necessary and what is an appropriate level of service.
- S. Pendleton added that we're not experts in any of the departments we're overseeing in the budget. We're looking at strictly the numbers. He's disappointed that we're here tonight having to do this because some of the numbers were incorrect. He's concerned that we're falsely building in a 5% number and feels we shouldn't take away road funds.
- B. Bohanon clarified that there are two different numbers for the roads, the Capital Reserve, and budgeted money in Public Works. The budgeted money has not been cut.
- M. Burns stated she is worried about what impact the cuts will have on the budget for next year, not just out of the roads.
- S. Conover stated that we are investing \$70,000 in an excavator. She feels this should be counted in the roads funds. We can only increase so much in any one year.
- P. Anderson stated he is inclined to side with Steve's suggestion of limiting what we cut from Capital Reserve. We know for a fact that we are going to need to fix the roads.
- M. Burns agrees with reducing the road funds by \$50,000 instead of \$100,000, because every three years, something hits hard that ends up coming out of our paving and Public Works budget.

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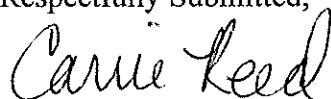
- B. Bohanon stated that the majority of the Public Works budget has actually been going to prevent major problems, such as road collapses, from happening again.

MOTION BY P. Anderson, seconded by S. Pendleton, to add \$50,000 back in to Road Reconstruction in Capital Reserves. No further discussion. Roll Call. Motion passed, 5 yes, 0 no. Unanimous.

- Brian stated with \$50,000 back in, the FY27 request is \$5,228,984.59; a 5.9% increase.
- S. Conover thanked Brian for going through the budget in detail so that we can feel confident in the numbers that we are approving.
- Brian stated that there was concern that wrong information was disseminated and we voted based on that, but from everything he can find, that didn't take place. It appears it was just a spreadsheet error that didn't affect anything.

MOTION BY S. Conover to adjourn meeting at 6:26 PM. No discussion. Motion passed, 5 yes, 0 no. Unanimous.

Respectfully Submitted,



Carrie Reed
Secretary