
TOWN OF ELIOT, MAINE

BUDGET COMMITTEE AGENDA

TYPE OF MEETING: IN PERSON WITH REMOTE OPTION

DATE: Wednesday, July 12, 2023

PLACE: TOWN HALL MEETING ROOM AND REMOTE VIA OWL/ZOOM

TIME: 5:00 PM

PLEASE NOTE: It is the policy of the Budget Committee that all correspondence be submitted to the Chair of the committee

- 1) **ROLL CALL**
 - a. Quorum, Conflicts of Interest
- 2) **10-MINUTE PUBLIC INPUT SESSION (Community Participation is Encouraged)**
- 3) **REVIEW AND APPROVE MINUTES**
 - a. June 14, 2023
- 4) **BUDGET COMMITTEE MEMBERS: REPORTS ON INDIVIDUAL MEETINGS AND OTHER COMMENTS/SUGGESTIONS**
- 5) **REMOTE PARTICIPATION POLICY**
- 6) **REVIEW TOWN OF ELIOT CHARTER (11.3.2015) ARTICLE 6. FINANCIAL PROCEDURES**
- 7) **REVIEW AND DISCUSS UPDATES TO THE BUDGET COMMITTEE BYLAWS (Last updated: December 2016)**
- 8) **OTHER BUSINESS**
- 9) **CORRESPONDENCE**
- 10) **SET AGENDA AND DATE FOR NEXT MEETING**
 - a. Finalize Updates to the Budget Committee Bylaws and Circulate to the Select Board and Town Manager for comment
 - b. Discuss Town of Eliot Department/Employee Organizational Chart
 - c. Begin Planning for the FY25 Budget Committee Process
 - d. **Next Meeting Date: Wednesday, August 9, 2023**
- 11) **MOTION TO ADJOURN**

To view a live remote meeting:

- a) Go to www.eliotme.org
- b) Click on "Meeting Videos" – Located in the second column, on the left-hand side of the screen.
- c) Click on the meeting under "Live Events" – The broadcasting of the meeting will start at 5:00pm (Please note: streaming a remote meeting can be delayed up to a minute)

Instructions to join remote meeting:

To participate please call into meeting 5 minutes in advance of meeting start time. Please note that Zoom does state that for some carriers this can be a toll call. You can verify by contacting your carrier.

- a) Please call **1-646-558-8656**
 1. When prompted enter meeting number ID: **890 7917 7005**
 2. When prompted to enter Attendee ID
 3. When prompted enter meeting password: **584598**
- b) Members of the Public calling in, will be first automatically be placed in a virtual waiting room until admitted by one of the members of the Budget Committee. Members of the public will be unmuted one at a time to allow for input. Please remember to state your name and address for the record.
- c) Press *9 to raise your virtual hand to speak

ZOOM LINK: <https://us06web.zoom.us/j/89079177005?pwd=b2dJcG9XbzhoQXISM3Z5UEZLMk0rUT09>

**Town of Eliot
Budget Committee Meeting
Wednesday, June 14, 2023**

1. Call to Order

Chair Donna Murphy called the meeting to order at 5:00pm and welcomed the new members, Jim Latter and Brad Swanson. This is the first Budget Committee meeting of the 2023-2024 fiscal year and following the election of two new members by the Town on June 13, 2023. In attendance in person were Reggie Fowler, Diane Holt, Jim Latter, Jeff Leathe, Donna Murphy, Brad Swanson, and Gene Wypyski. Ann Lukegard, recording secretary, attended in person. Bill Widi was in attendance as a member of the public.

2. Welcome New Members

Chair Murphy welcomed Jim Latter and Brad Swanson as newly elected members to the Committee. She noted that both members had been sworn in by the Town Clerk. Members joined her in welcoming them and went around the room to introduce themselves as did the new members.

3. Election of Officers

Chair Murphy opened the floor to the purpose of nominating and electing officers. Jim said he had heard that past elections were done by secret ballot, and he asked the court for an opinion. Jim read the opinion from the Maine Municipal Association (MMA) that says, "Secret ballot is not a permissible method of voting in any meeting that is required by Maine's Freedom of Access Act." He asked that it be an open election. Donna agreed and said in the past secret ballot was done as directed by the Town Clerk. She agreed that election of officers would not be by secret ballot. Others commented briefly.

Jeff Leathe was nominated by Donna, seconded by Reggie to serve as chair. Gene Wypyski was nominated by Brad, seconded by Jim to serve as chair. Members elected Jeff to be chair by a vote of 6-1. Jim moved and Donna seconded that the Committee reconsider its vote to unanimously elect its chair. The motion passed by a vote of 7-0. Jim moved and Donna seconded that members reconsider their votes for chair, members elected Jeff Leathe as chair by a roll call vote of 7-0. Members congratulated Jeff as Donna handed him the key.

Jeff continued the meeting as Chair and asked for nominations for vice chair. Gene Wypyski was nominated by Jim, seconded by Brad to serve as vice chair. Reggie Fowler was nominated by Donna, seconded by Diane to serve as vice chair. Members elected Reggie to be chair by a roll call vote of 4-3. Jim noted that as he was not in the majority of voting he could not move to reconsider the vote and recommend voting unanimously to elect the vice chair. As such, Donna moved, and Brad seconded that the Committee reconsider its vote to unanimously elect its vice chair. The motion passed by a roll call vote of 7-0. Donna moved and Jim seconded that members elect Reggie vice chair, members elected Reggie Fowler as chair by a roll call vote of 7-0.

Diane Holt was nominated by Reggie, seconded by Donna to serve as secretary. Diane was elected secretary by a roll call vote of 7-0.

42 In summation, the Budget Committee elected Jeff Leathe to be chair; Reggie Fowler to be vice chair;
43 and Diane Holt to be secretary.

44

45 **4. Election of a representative for union contract negotiations.**

46 Chair Leathe opened nominations for a Budget Committee representative for union contract
47 negotiations. Gene suggested delaying the election as there are no contracts to be negotiated by the
48 Town this fiscal year. Donna said it was still important that the Committee elect a member to the
49 post and that this first meeting of the new fiscal year is the time to do so. Jim stated that the Budget
50 Committee member role in union contract negotiations is an advisory one and that that member
51 does not have a vote. Donna disagreed stating that the Budget Committee member is a full member.
52 Jim said his reading of the Charter says that is not the case, but he agrees that it is important that
53 the Committee has a representative. Jim said that the Select Board’s approval of a tentative
54 agreement is a binding vote.

55

56 Jim Latter was nominated by Brad, seconded by Reggie to serve as the Budget Committee
57 representative for union contract negotiations. Donna nominated Reggie but Reggie did not accept
58 the nomination citing that he was not familiar with the process. Jim spoke about his experience as a
59 negotiator in Beverly MA. The floor was open to discussion. Gene pointed out that there were no
60 negotiations scheduled for the coming year. Donna said that this is the appropriate meeting in
61 which to elect someone as representative in case anything might come up. Diane agreed. Jim said
62 that his understanding in his reading of the Charter that a Budget Committee representative to that
63 committee would be advisory and not have a vote. Donna disagreed, saying that the final vote
64 comes before a public meeting at the Select Board meeting, and they have the final vote. Jim said
65 his reading of the Charter is that the Select Board votes on any tentative agreement, and Donna
66 responded, “Correct but you are part of the negotiating committee.” Jeff said, “The advisory role is
67 the role we would want to play.” Jim was elected to the post by a roll call vote of 7-0.

68

69 **5. Public comment.**

70 Bill Widi commented as a member of the public that the Budget Committee and Select Board
71 achieved 100% agreement this year and that the voting process was not contentious. He said he was
72 attending the meeting as a show of good faith. There was no other public comment in person or on
73 Zoom. The Chair closed the public comment.

74

75 **6. Approval of minutes.**

76 The Chair asked members for any edits or changes to the draft May 10, 2023, minutes. The
77 recording secretary noted that the Committee’s approved April minutes from three meetings had
78 not been posted on the Town website and should she send a reminder to the Town Clerk, the Chair
79 asked that she do so. There were no edits or changes to the draft May 10, 2023, minutes. Donna
80 moved and Diane seconded that the minutes from the Committee’s May 10, 2023, meeting be
81 approved. The motion passed with a roll call vote of 5-0-2 with the two new members abstaining as
82 they were not active members at the time of the meeting.

83

84 **7. Budget Committee by-laws.**

85 The Chair opened discussion to the Committee by-laws. He informed members that the Committee
86 had had a short introduction to the Budget Committee bylaws through Gene’s presentation at the
87 last meeting, and that that will be an agenda topic at the next meeting. Jeff said he had a
88 conversation with Wendy, the Town Clerk, about by-laws v. Charter v. mission statement v. policies
89 and procedures statements and what was settled on was that the Committee should have a Charter

90 and by-laws but does not need a mission statement or policies and procedures statement. Further,
91 he said, the Committee can incorporate within the bylaws the Committee has procedural changes
92 and process-oriented items, how the Committee wants to do certain things moving forward. He said
93 it was a good solution, rather than creating a new document for policies and procedures. He added
94 that if everyone agrees with that, the Committee can move forward in that fashion and that it will
95 take more than one document and more than meeting today and table it to the next meeting or
96 have more discussion at this meeting and then at the next meeting. Gene said he did not go as far as
97 Jeff is proposing but had made some simple changes. Gene handed out printed copies of his
98 suggested edits which he had presented at the May meeting. Members agreed to discuss the
99 suggested changes at the July meeting after members had time to look at the documents. Diane
100 asked if Jeff had a list of proposed changes members could look at before the next meeting. Jeff said
101 he had commentary to speak about these changes but that he did not specifically write down a list
102 of proposed changes. Donna thought it would be helpful if the Chair's thoughts or anyone's
103 thoughts were emailed ahead of time.

104
105 Gene asked Jeff what his big picture view is in terms of policies and procedures as chair of the
106 Budget Committee. Jeff answered that his areas of concern included organizational and procedural
107 aspects of how the Committee operates, particularly how members can work together moving
108 forward. Jim said that many of the bylaws are defined in the Charter. He suggested taking the
109 relevant portion of the Charter and maybe adding that to the bylaws. He said that they do not want
110 to define a bylaw the same as a Charter because if something gets changed, the Charter takes
111 precedence and that what is stated in the by-laws must adhere to what the Charter says. He
112 suggested starting from the relevant part of the Charter. Jeff agreed and said the Committee ran
113 into the issue this past year where the bylaw said one thing and the Charter another. Jim shared as
114 an example how on a council he sat on one member could table an issue to the next meeting, calling
115 it a nuclear option, and said it was written into the council's bylaws but not in the Charter. He added
116 that that is the type of item that should be defined. Reggie asked Jim to clarify, and Jim did. He
117 explained how tabling an item can be used but it must be used for administrative purposes and
118 sparingly.

119
120 Diane asked Jeff if members should email any thoughts on the bylaws to him. Jeff answered that is
121 fine or just bring those thoughts to the meeting for discussion. Brad asked if Jeff will be emailing
122 members in advance with materials for the next meeting. Jeff said yes and that concerning
123 communications, he wants to make sure all members have the same materials and information in
124 front of them. Donna said that historically all communications have gone through the Committee
125 Chair and then to the Town Manager and to the Chair and then to Committee members. She spoke
126 about members going outside the Committee to get information. Jeff said he would like to keep
127 materials and information in one shared space for members that could be maintained by Diane as
128 the secretary or Ann as the recording secretary. Donna suggested being mindful of the work given to
129 the recording secretary as that is a paid position. Brad suggested using Google docs or a cloud-based
130 system. Gene said the Conservation Commission is using such a system for document sharing. Diane
131 said a board she is on in Florida uses Google. Jim pointed out that members meeting or
132 communicating online becomes a meeting. Donna said all communications should go through the
133 Chair. Jeff said that last year deliberate conversations held by members outside Committee
134 meetings were an issue and that there needs to be clarity on how members speak outside
135 Committee meetings to Town officials and that when they do have such discussion, they need to
136 report on having done so and share content of the conversation with all members. Jeff said he
137 would like to put this in the by-laws. Reggie said the practice had been a distraction. Jeff added that

138 if each Committee member is speaking to Town staff members, department heads, the Town
139 Manager or other board members, it can become annoying for the individuals being engaged, and
140 members need to be mindful of that. Brad said a shared folder for notes from outside Committee
141 interactions would be good to have. Jim mentioned something about a deep dive. Jeff added that
142 members had gotten a little too busy internally. Bill Widi, a member of the public who is also on the
143 Select Board, shared that he, as a Select Board member, cannot just go talk to the Police Chief but
144 has to go through the Town Manager. Donna said that has been the standard with the Budget
145 Committee and that such a request needs to go through the Budget Committee Chair.

146
147 Jeff spoke about the budget process moving forward. He said not having meetings with department
148 heads hindered the process last year and that as part of the budgetary schedule this year he would
149 like to schedule meetings with department heads. Jeff pointed out that direct communication with
150 department heads will help the Committee get the answers they need and that the Committee
151 through the Chair can then ask questions of the Town Manager if needed. He added that the
152 Committee's biggest area of improvement would be having the right approach. Diane agreed, saying
153 that meeting with department heads is very important as are meetings with the Select Board so
154 everyone can work together. Jeff agreed. Brad said from his experience in Middleton MA, joint
155 meetings are very helpful. Donna said historically the Committee has received the budget and then
156 scheduled meetings with Select Board and department heads within the following months. Jeff said
157 a dialogue is important and that he was pleased with the past cycle where the Budget Committee
158 and Select Board agreed on every article and had good communications. Donna said that past
159 meetings with department heads were extremely helpful. She added that it is okay for the Budget
160 Committee members to disagree with the Select Board as long as they can explain why they voted
161 as they did. She said she felt in some cases this past year her hand was being held to the fire and she
162 voted as she did as she did not want to hinder Town operations. Reggie said there was a lot of
163 stumbling over the past two years but that the Budget Committee did not fall down. He added that
164 the Budget Committee needs to establish strong communications and rapport with the Town before
165 going deep into its work scrutinizing the proposed budget. He said he liked Jeff's idea and that he
166 thought last year's process was not bad with 90% of items sailing through and only difficulty with
167 10%. Jeff said over the next few months, the Committee will work on the process. Brad asked when
168 the Committee would meet with department heads, and Jeff answered early on. Diane pointed out
169 that it would be dependent on when the Town Manager requires the departments to have their
170 budgets done. Donna said they had been done before Christmas but this year they came in in
171 January.

172
173 Jeff reviewed in general the calendar ahead for the Committee. He said typically the Committee
174 meets 20 to 25 times a year. He said this past year the Town Manager presented the budget to them
175 on January 12 and that the Citizens' Option meeting was held on March 27. Donna pointed out that
176 the Budget Committee had to have its recommendations submitted by the first week of March.

177
178 Jim referred to the budget handout and asked if it was a TRIO software report, Gene answered that
179 TRIO was only used for monthly reports.

180
181 Jeff continued with scheduling and suggested for discussion an April 13 reconciliation meeting with
182 the Select Board, giving them significant time prior to the June election date. Jim asked to return the
183 conversation to meetings with department heads and said that there is no way the Committee can
184 compel the Town Manager to allow department heads to meet with the Budget Committee. He
185 agrees doing so is a good idea but how does the Committee move forward if it cannot. Jeff said it

186 states in the Budget Committee by-laws that the Committee can invite anyone they want to its
187 meetings.

188
189 Jeff said, “Whenever you have an organization with \$20 million dollars running through its bank
190 accounts like we do and have one person in the whole organization corralling all of that information
191 through that mouthpiece, from an auditor’s perspective, you have to be professionally skeptical that
192 everything is okay. So, I think it’s in Mike’s best interest, in the Town Manager’s best interest to
193 share information and employees rather than putting himself in a situation where he controls
194 everything. And if something ultimately blows up, if we have an embezzlement or we have \$5
195 million dollars we didn’t know we can now invest or something drastic happens, it’s his fault
196 (interrupted)”

197
198 Jim turned to Bill Widi, a member of the public in attendance who is also a member of the Select
199 Board, and asked if the Select Board has a position on that.

200
201 Bill Widi said, “Jeff you made a joke that the last thing you want is department heads coming in here
202 and saying, ‘oh, I wished I never talked to that committee again.’ That is exactly what they said three
203 years ago, every one of them. Now it is a different committee, different people, okay, Mike is going
204 to protect our people, the Select Board feels the same. I’m just speaking for myself to be clear, I
205 want to tell you, but I got a pretty good idea of the pulse of the Select Board, and they want to
206 protect the people. So, if you have parameters that these department heads aren’t feeling like they
207 are being attacked or have some, maybe have some written questions that they can come in and
208 answer and then some follow-ups to those. I don’t think that’s going to be a difficult thing to do but
209 if it’s just going to be the Wild West, I don’t see it happening.”

210
211 Jeff said, “That’s not how it’s going to be.”

212
213 Mr. Widi continued, saying, “That was one thing. Be careful what you say about what other towns
214 do because all the towns around here say yes-or-no on budget voting. They don’t do the Budget
215 Committee recommends the numbers like (unclear), every other town it’s either yes no. So, if we’re
216 going to go down that route, I would be pushing to go yes no. I actually think that consolidates your
217 no votes, which I think is actually a good thing for descending people. You wouldn’t have an issue
218 like we had in the special town meeting. I’m just putting it out there, I’m not trying, you know, to be
219 difficult about it. I would be in favor of a reconciliation meeting prior to the Citizens Option.
220 (Unclear) It might help bring down some of that mudslinging at the Citizens Option and if we have to
221 have another one after, fine. But if we schedule that reconciliation meeting prior to it, I think that
222 would be more helpful, in my opinion.”

223
224 Donna said, “I take exception to what was just said. And I do recall years ago, when I first sat on this
225 Budget Committee, there was a lot of disrespect, there was (unclear), and you can watch it on tape,
226 and I said repeatedly that when we started having joint meetings, (unclear) that we would use that
227 opportunity to clarify and not to be arguing those positions. You can watch for yourself the last
228 three years that we were able to meet with them, was that conversation and I heard very differently
229 from the department heads from what was just presented here, that they did appreciate the
230 opportunity to (unclear). And you can watch it on tape and see for yourself.”

231
232 Diane said it does not have to be adversarial and that no one on the Committee wants that but
233 would rather work together. Diane stressed that achieving transparency and openness on both sides

234 would eliminate any adversity or nastiness or whatever anyone wants to call it. She added that the
235 voters want everyone to work together, voters put everyone in this position so they would work
236 together, and she feels they can do it.

237
238 Jim responded to Donna saying, “Be that as it may, there is nothing we can (pause) the department
239 heads don’t report to us as an organization. They report to the Town Manager, they report to the
240 Town Manager. We can’t compel that to happen. They may want to come here but there may be
241 good reason for the Town Manager and his management style to not have them come here. There
242 might be something going on, there might be a personnel issue, something he can’t share. He might
243 decide he wants to, that the Town Manager may not want someone speaking to the Budget
244 Committee if there is a personnel issue, there might be something he can’t share. He might decide
245 he wants to present, let’s for the sake of argument say, we’ve developed a rapport with the Town
246 Manager, he understands it’s in his best interest to bring the department heads forward to this
247 Committee which I think in the long term it is. I really do. He might have a department head where
248 there is a personnel issue or there’s something going on and he wants to come in and present that
249 department of redundancy department budget. Well, why are you here now? Well, there’s
250 something going on, I can present this budget. He’s just doing then en masse now. If we were talking
251 to ten department heads in one budget season, one of the department heads came and said, yeah,
252 Jane’s having an issue, there’s been an issue with George, whatever his excuse is, and he says I’m
253 going to present this budget, well, okay. He’s just doing that across the board which makes it an
254 uncomfortable situation. It wasn’t in the wrong, I’m just surmising what may have happened. The
255 point I am getting to is that the way we get the department heads in here is to build the rapport
256 with the Board of Selectmen and the Town Manager so that they don’t feel as if they have to protect
257 their employees by presenting them forward to this board. Getting to that level of rapport is in
258 everybody’s best interest whether it’s valid or not, Bill just said that there was a situation where the
259 Town Manager and the Board of Selectmen felt that they did not want to bring forward department
260 heads to this Committee because the department heads were not comfortable doing it. I don’t know
261 how that happened but the fact that that situation exists is what we need to remedy to get to the
262 next step.”

263
264 Donna responded saying, “I heard differently from department heads. Department heads talk,
265 everybody talks, and you hear conflicting information. I am not suggesting we compel anybody. I’m
266 not telling you to take my word for it, I’m saying if you’re really curious and want to look, there were
267 joint meetings that were held with the previous Town Manager (unclear) and people were not
268 attacked. (Unclear) I’m not saying take my word for it, I’m also not saying take anybody else’s word
269 for it. See it with your own eyes and hear it and make your own determination.”

270
271 Diane said, “Some of the department heads I talked to said it was a new experience for them, so
272 they felt uncomfortable doing it, which is common when you’re first doing it. But in the same realm,
273 we got the immediate questions answered so we didn’t have to keep sending questions three or
274 four times trying to get answers. Because either he didn’t understand what we were asking, or he
275 didn’t have the knowledge in detail enough that the department heads would have had. You know,
276 so it wasted everybody’s time, it did.”

277
278 **8. Budget Committee member reports/comments**

279

280 Jeff moved the meeting on to the next agenda item. Donna, as the former Chair, explained to all
281 members the purpose of this agenda item as to allow members the opportunity to share
282 information.

283
284 Jeff took the opportunity to go through some items, those he had touched on and those he had not.
285 These items included establishing control of the documents members receive and discuss in an
286 orderly and organized fashion; being mindful as a member in discussions with town leaders and
287 employees of one's role as a Committee member; utilizing a roundtable seating format Committee
288 meeting as the Committee works as a discussion group and the floor is rarely occupied by the public;
289 publicizing budget meetings with departments heads as those meetings may draw the interest of
290 the public; and assigning the recording secretary with online, remote meetings responsibilities to
291 allow Chair to act as Chair.

292
293 Jeff said, "The Budget is unique, is a unique committee in terms of how the Town of Eliot is
294 governed, and Bill talked a little bit about that. We're elected by the Legislative Body, the
295 townspeople, to independently represent their financial decisions. And I think as part of that they
296 fully expect us to understand the ramifications of financial decisions which you can't just get from
297 one person who supposedly knows every single detail about a \$20 million budget which he has only
298 been working with for a year or two. I do think we have a strong, a strong election desire to make
299 sure we do feel comfortable at the end of the day when we put our names on these spendings that
300 we know what we are talking about. But, as Jim said and others have pointed out, we don't make
301 policy, we don't have executive powers over the Town's employees, they don't report to us. They
302 never will and they shouldn't. The only thing we can do as a Committee is make recommendations
303 on all matters of finance that have an influence on the voting matters that come up. We're required
304 to vote on any proposed articles which may have a financial impact, and I think in this last go-around
305 this notion of should we authorize a \$4 million dollar project to move forward, which we are going
306 to have to spend money on to make it move forward, frankly was an incorrect approach by the
307 Select Board and the Town Manager, and I don't think that can happen again based on the Charter.
308 The principal issue which we've talked about for the last two years is that we simply have not been
309 given enough timely access to the required financial information to make the decision that we have
310 been required to make. There are some facts here that I think everybody knows but I'll just repeat
311 those reasons for this. The accounting record-keeping and the internal controls have been weak, all
312 you have to do is read the most current audit report which is, and then the one that hasn't been
313 filed yet which is very much in arrears. There has been a lack of reconciling monthly bank
314 statements. There have been many months delay in finalizing the audit. We had a whole bunch of
315 excess cash which we suddenly realized we could invest and make money on, which is great, but we
316 lost a lot of money last year because we didn't do that. The Town financial software is admittedly by
317 the Town Manager antiquated and accounting financial staffing is light. Those all add up to make our
318 job more difficult. And they are facts. Cooperation from the Town Manager has been lacking as
319 noted in our annual letter to the Town and Bill explained a little bit about the mindset behind that
320 and I think Bill and all of us agree, we need to work together to see if we can make some progress in
321 that area, and I'm not pointing fingers at anybody, we all need to work together to make that
322 happen and want to make that happen. And, as I mentioned, all the local towns do talk directly with
323 the department heads, and I didn't sense in any of the reporting that I read in all those towns that
324 there's a lot of problems with that. I didn't see anything that indicated that that had been a
325 problem. So, I don't know why there's a problem here. I think that's our biggest challenge in the
326 budget cycle. So, those are my initial sort of thoughts. For the next meeting, I think we should
327 review and discuss the Charter, just to make sure, you know, it's just a handful of words but people

328 do tend to discern different meanings from those words. I'd like to make sure we're all on the same
329 page as to what exactly our Charter is. I'd like to update our by-laws. There are a lot of things in
330 there we could probably spend a whole meeting or more working on that, but it would be really
331 worthwhile doing. We will initiate a remote participation policy, but that really goes without saying,
332 the Planning Board, other boards all have the standard format, so we just need to adopt that
333 basically."

334
335 Donna said the Committee had already adopted the remote participation policy. Jeff answered that
336 he had not seen it. Gene said the Town Clerk had not received a signed copy. Gene said that in the
337 posted minutes of August 11, 2021, it says the policy is attached and it is not. Jeff said that can be
338 taken care of.

339
340 Jeff continued to discuss improving financial reporting and spoke about and presented the 577-page
341 printout from Accounts Payable produced by Payroll that is difficult to read due to its length and
342 that a summary report would better serve to update the Committee. Donna said she does read it.
343 Brad said there is a summary page. Jeff said he looked around at how other towns reported and that
344 Kittery and its Town Manager Kendra Amaral does a really good job sending out monthly and
345 especially quarterly reports. He noted that she sends them out every two to three weeks after the
346 end of the quarter and very much on time. Jeff handed out to members a copy of Kittery's third-
347 quarter report which includes summary pages. He thought she could summarize that in one report
348 and that would be an A+. Brad pointed out that the report in the Kittery report is a Munis report
349 which is not always the best software, but it is good for accounting and reporting. Reggie asked if
350 this is where Jeff wants the Town to go or should members just glean information from this. Jeff
351 answered that that was a good question. He added that he has talked to the Mike, the Town
352 Manager, and he is very much against giving the Budget Committee any more information than they
353 are giving the Select Board. Jeff added that he does not think the Select Board is receiving a package
354 like this, alluding back to the Kittery quarterly report and he thinks it would benefit the Select Board
355 to receive such a package. Jeff shared that he understood staffing issues related to getting monthly
356 reporting does and that he had offered to help with putting in monthly numbers, but the Town
357 Manager did not like that idea. Jeff said a second approach would be for the Budget Committee to
358 come with what it thinks is a reasonable quarterly package for elected officials to receive, written by
359 the Town Manager with input if wanted from the Select Board, as to where the Town is concerning
360 revenue, expenses, capital projects, cash flow, investments, and so forth, allowing everybody to be
361 on the same page as to exactly where the Town is. He said this will make each budget cycle easier as
362 everyone is on the same page, and everyone knows where we are and where we are going. Jeff said
363 the Kittery example is purely educational and meant to be helpful. Donna said that the current
364 monthly reports available to the Town are created with the push of a button and are already
365 available. She asked if Jeff is suggesting the Town no longer receive those reports. Jeff said no and
366 he is presenting the Kittery example as a means for the Committee to consider a better way to
367 communicate information. Members discussed materials they were receiving now and looked over
368 the Kittery example and discussed it and accounting software. Diane asked if the Town was looking
369 into new accounting software. Jeff said Mike is not interested in doing that now. Jeff said that brings
370 the Committee back to the question of are they receiving enough financial information in real time
371 to understand what is going on and that would help the Committee in the budget process.

372
373 Bill Widi addressed the Committee, saying, "I talked to the Town Manager about this actually today.
374 He, the auditor, and I'm not saying that we make a decision based on what the auditor's opinion is,
375 I'm just saying, the auditor was not in favor of our switching from Trio at this time. I do want to say

376 that the audit years that we are in arrears were Dana Lee Town Manager years, they were not the
377 current Town Manager. He didn't come until November of a year that hasn't even been started yet.
378 And we are, our investments are making money. \$140,000 of free money last year, so, that was
379 something that wasn't happening. We were somehow the only municipality in the world who was
380 losing money in 2020, 2021, and when the new Town Manager came in that was one of first things, I
381 actually distinctively remember that conversation. He said are you guys crazy, you're the only
382 people losing money right now. And so, he did make that change right away. In addition to that, he
383 switched from Key Bank to Kennebunk Savings, and he saved an additional \$17,000 a year in bank
384 fees. So, just this past year, he saved us \$57,000 dollars based on him and the prior Town Manager."

385
386 Jeff asked Bill if he thought in his view if the Town was adequately staffed in that function?

387
388 Bill answered, "I think if you want quarterly reports, there's a million, he's got a million things going
389 on. I think let's start with biennial and work our way from there maybe. I know when we get an
390 annual report, I suppose you guys get the same thing which will be coming in the next month or so
391 when the fiscal year closes out, but you want one every six months, I think that's a more reasonable
392 ask at this time. Or if you wanted to do quarterlies, I'm open-minded to that, I think Mike would be
393 too, but you know where they're chasing their tail trying to get this audit stuff done, the audit stuff
394 needed to get done because we needed to go out for the TIF so that needed to be number one
395 priority. You gotta deal with this stuff in the right order. So, that's what's been happening. You
396 noticed, I understand the frustration, but I think some understanding that of, it was a house on fire
397 and we're working on systematically righting the ship here and it's getting better every day. So, if we
398 can get you more information, I'm in favor of that but I don't think quarterly is reasonable at this
399 time. If you want it every six months, I think I can make that happen."

400
401 Brad asked how many town accountants the Town has had in the last five years. Bill gave the recent
402 history and said three. Jeff asked Bill if the Town had only one person for the role, Bill answered one
403 with Mike helping out and Melissa handles payroll. Brad spoke to the importance of long-lasting
404 town employees, stating that having a revolving door in any department slows things down and
405 causes delays. Jeff agreed and said it's not unusual, but it is a problem and that his sense is there
406 might have been some money available in the last budget to have addressed some of the staffing
407 shortage.

408
409 Jeff added, "So, if someone leaves and all that engrained knowledge leaves with that person, we're
410 not starting from minus five again, we have someone who is actually trained to take over." Brad
411 agreed it's the biggest problem right now.

412
413 Donna spoke to the procedure for requesting the proposed quarterly reports. She said, "As far as
414 requesting these quarterly reports, I would recommend that we take the proper channels, if this
415 Committee agrees to request those reports, and that should go through the Chair and not through a
416 single selectman sitting here at a meeting because he cannot act as a member of the Select Board
417 without their approval." She added that the channels for such a request is from the Chair through
418 the Town Manager.

419
420 Jim said, "I understood Mr. Widi, he said as soon as he got here, he did not represent the Board, he
421 represented an individual. I think he was trying to be informative, not out of line."

422
423 Donna said, "I'm stating that because he offered to make it happen."

424
425 Jim said, "He offered to (unclear), excuse me, Mr. Chair, it was my taking that he offered to advocate
426 for that position."

427
428 Donna said, "He made a statement. I'm not attacking him. I'm just making a point that this
429 Committee is the one who agrees to or requests information that goes through the Chair."

430
431 Jeff spoke to the Committee's transition from the prior fiscal year to the current one. He praised
432 past Budget Committee members Jean Hardy and Denny Lentz for serving the Town for many years.
433 He spoke to the importance of public service, the amount of time and energy it requires, and his
434 fear that interest seems to be waning in public service. The Chair praised Donna Murphy, citing that
435 she has been on the Budget Committee since 2013 and Chair of the Committee since 2014, a long
436 time to serve. He thanked her for staying on to finish out her term as a member and assist the
437 Committee as it moves forward and particularly to assist him as he takes on the duties as Chair.
438 Donna added that Ed Strong deserved the Committee's thanks as well for his long service and
439 wealth of knowledge. All agreed.

440
441 Jim said to Donna, "I kind of came in here, Donna, like a bull in a China shop and I kind of came at
442 you a little bit and I hope you understand that I'm just trying to lay down a baseline and I'm trying to
443 understand how things happen. And I applaud your years of service, it's not easy. I've done work like
444 this in other places for a long time and everybody hates me, and I got reelected by twelve votes, I'm
445 probably doing my job. So, I'll say thank you for your service and for your leadership over the years.
446 All that said, a lot has happened, but nothing has happened to this Committee as it is constituted.
447 Today is a new day. You said we didn't get this, and we didn't get that, and that may have
448 happened. We didn't get information or things didn't happen, let's move forward and make our
449 decisions collectively as to what happens. And I appreciate the institutional knowledge. You bring a
450 lot of information and I applaud that service, but nobody's never not given me information on this
451 Committee because I've only been here for about four hours."

452
453 Donna responded saying Jim could poll the three members and the members they just spoke of to
454 understand the Committee has not had these issues until the last two years. She added information
455 may have been received late, but the Committee always got the information until the last two years.

456
457 Brad made a closing comment, saying, "I've seen a lot of people over the last couple of years beat
458 up on our new manager and I would urge everybody to remember that there was a committee of, a
459 very good committee put together with I don't know how many years of municipal experience on
460 that committee, that went through fifty different candidates and got down to three and by
461 recommendation was really down to two, Mr. Sullivan being one of them. He is a very well-
462 respected manager in Massachusetts. And I know we're always going to have this thing about
463 Massachusetts but when I talk to people that used to work with him, up until he retired, they miss
464 him greatly and wish he had never left. So, I would urge everybody to remember, you might not get
465 along with Mr. Sullivan, but he is a good manager. I just wanted to point that out."

466
467 **9. Adjournment**

468 The Chair asked for a motion to adjourn. Reggie motioned and Donna seconded that the meeting be
469 adjourned. The motion passed by a roll call vote of 7-0. The meeting was adjourned at 6:34pm.

Respectfully submitted,

Jeffrey Leathe, Chair

Date Approved:

Diane Holt, Secretary

REMOTE PARTICIPATION POLICY - Town of Eliot, Maine, Budget Committee

Pursuant to 1 M.R.S. § 403-B. Remote Participation in Public Proceedings, and after public notice and hearing, the above-named body adopts the following policy to govern the participation, via remote methods, of members of the body and the public in the public proceedings or meetings of the body.

Members of the body are expected to be physically present for meetings except when not practicable, such as in the case of an emergency or urgent issue that requires the body to meet via remote methods, or an illness or temporary absence of a member that causes significant difficulty traveling to the meeting location. The chair or presiding officer of the body, in consultation with other members if appropriate and possible, will make a determination that remote methods of participation are necessary in as timely a manner as possible under the circumstances. A member who is unable to attend a meeting in person will notify the chair or presiding officer of the body as far in advance as possible

Remote methods of participation may include telephonic, or video technology allowing simultaneous reception of information and may include other means necessary to accommodate disabled persons. Remote participation will not be by text-only means such as e-mail, text messages, or chat functions.

The public will be provided a meaningful opportunity to attend via remote methods when any member of the body participates via remote methods. If public input is allowed or required at the meeting, an effective means of communication between the body and the public will also be provided. The public will also be provided an opportunity to attend the meeting in person unless there is an emergency or urgent issue that requires the entire body to meet using remote methods.

Notice of all meetings will be provided in accordance with *1 M.R.S. § 406 Public Notice* and any applicable charter, ordinance, policy, or bylaw. When the public may attend via remote methods, notice will include the means by which the public may access the meeting remotely and will provide a method for disabled persons to request necessary accommodation to access the meeting. Notice will also identify a location where the public may attend the meeting in person. The body will not restrict public attendance to remote methods except in the case of an emergency or urgent issue that requires the body to meet using remote methods of attendance.

The body will make all documents and materials to be considered by the body available, electronically, or otherwise, to the public who attend remotely to the same extent customarily available to the public who attend in person, provided no additional costs are incurred by the body.

REMOTE PARTICIPATION POLICY - Town of Eliot, Maine, Budget Committee

All votes taken during a meeting using remote methods will be by roll call vote that can be seen and heard if using video technology, or heard if using audio technology only, by other members of the body and the public. A member of the body who participates remotely will be considered present for purposes of a quorum and voting.

This policy will remain in force indefinitely unless amended or rescinded.

Dated: July 12, 2023

Budget Committee Member Signatures:

Jeffrey Leathe, Chair _____

Reggie Fowler, Vice-Chair _____

Diane Holt, Secretary _____

James Latter _____

Donna Murphy _____

Bradford Swanson _____

Eugene Wypyski _____

→ **ARTICLE 6**
FINANCIAL PROCEDURES

Section 6.1 Fiscal Year

The fiscal year of the Town shall begin on the first day of July and end on the last day of June of the following year inclusive.

State Law Reference: Title 30-A, MRS, Section 5651

6.2 Budget

The budget shall provide a complete financial plan of all Town funds and activities for the ensuing fiscal year, and except as required by this Charter, shall be in such form as the Town Manager deems desirable or the Select Board or any adopted budget referendum ordinance may require. In organizing the budget the Town Manager shall utilize the most feasible combination of expenditure classification by fund, organization unit, program purpose or activity, and object. It shall begin with a clear general summary of its contents; shall show in detail all estimated revenue, and all proposed expenditures, including debt service, for the ensuing fiscal year; and be so arranged as to show comparative figures for actual and estimated revenue and expenditures of the current fiscal year, and actual revenue and expenditures of the preceding fiscal year.

6.3 Budget Committee

There shall be a Budget Committee consisting of (7) seven members elected for staggered three (3) year terms. The Budget Committee shall have the responsibility of reviewing and evaluating the Town Budget. This Committee shall function as a sub-committee of, and report back to, the legislative body. The Budget Committee shall act independently from the Select Board and the Town Manager. The Budget Committee shall, by majority vote of the committee members present and voting, make recommendations regarding and included in each warrant article having a financial impact whether at the Annual Meeting or at a Special Town Meeting.

Vacancies of the Budget Committee members, other than anniversary term expirations, may be filled by the budget committee as soon as possible, after posting the vacancy for 14 days. Each appointee shall serve until the next Town election.

One member of the Budget Committee or a designee shall serve as a member of the town's negotiating team that will negotiate all labor contracts for the Town of Eliot.

6.4 Submission of Budget, Budget Message, and Budget Schedule

Not later than the first week in January, the Town Manager shall submit to the Select Board and Budget Committee a proposed budget for the ensuing fiscal year with an explanatory message and calendar schedule for the entire Budget preparation.

The Manager's budget report shall explain the budget both in fiscal terms and in terms of the work programs. It shall outline his or her proposed financial plan for the Town for the ensuing fiscal year, describe the important features of the budget, indicate any major changes from the current year the financial plan, expenditures and revenues together with the reasons for such changes, summarize the Town's debt position and include such other material as the Manager deems desirable or the Select Board or Budget Committee shall request.

6.5 Budget Review Process and Schedule

The Select Board shall review the Town Manager's proposed budget when presented and shall reconsider the budget for final approval after the Budget Committee has reported its recommendations to the Select Board; such final approval shall be in accordance with the provisions set forth in Section 6.6 below.

The Budget Committee shall meet during the development of the proposed budget. The Budget Committee shall meet to review the proposed budget prepared by the Town Manager and to make recommendations concerning such budget. Prior to the adoption of a final budget by the Select Board, the Budget Committee shall meet and adopt recommendations concerning such final budget to be included in a Town Warrant at the Town Meeting by Referendum Vote.

The Town Manager shall provide copies of supporting plan documents for the proposed budget as requested by the Budget Committee. The documents shall be submitted to the Budget Committee within five (5) business days of the request. If a document is not available, a written explanation as to why it is not available shall be provided within said five (5) business days.

As scheduled, the Town Manager shall deliver to the Budget Committee copies of the proposed final town budget at least five (5) business days prior to the Budget Committee's final vote. The recommendations of the Budget Committee shall be reported to the Select Board prior to final approval of the budget by the Select Board. The Budget Committee's recommendations shall be included in the Town Warrant.

6.6 Select Board Action on the Budget

A. Final Review and Approval. The proposed final budget prepared by the Town Manager shall be reviewed for final approval by the Select Board at a Select Board meeting after the receipt of the recommendations of the Budget Committee. At such a meeting, the Select Board shall consider the recommendations of the Budget Committee and approve the proposed budget with or without amendment.

B. Publication of the Budget. The Select Board shall publish a general summary along with the detailed budget and the recommendations of the Budget Committee in the Town Report. Copies of the budget and the Budget Committee's recommendations shall be available at the Town Office following the final approval of the budget by the Select Board as per the Town Manager's schedule. The Select board shall hold a public hearing on the proposed budget at least 30 days in advance of the Referendum Vote.

C. Vote on Budget. The budget shall be voted upon by Referendum Vote at the Annual Town Meeting through separate appropriation articles consistent with the proposed budget format and any adopted budget referendum ordinance.

The Select Board and Budget Committee recommended vote count numbers and dollar amounts only shall be published on the warrant with the article.

Any appropriation article that is approved, and which contains two or more specific sub-appropriations within said article, is restricted to the amounts specified in the sub-appropriations as presented, which may not be moved, interchanged, or otherwise commingled in any fashion without approval at a Town Meeting.

D. Budget funding provision in the event an appropriation article is not approved.

In the event an appropriation article is not approved, the appropriation for the immediately preceding year shall constitute the appropriation for the following fiscal year. In the event an

appropriation article is not approved, and the appropriation did not appear on the ballot for the immediately preceding year or it was submitted by voter petition, no appropriation shall be deemed to have been made. The Select Board may call one additional referendum election in the same fiscal year to vote on appropriation articles that were not approved or that are for a similar purpose.

E. Adoption.

1. Adoption of the annual Municipal Budget shall constitute appropriations of the amounts specified therein as expenditures from the funds indicated, and shall constitute a levy of the property tax thereby required. A copy of the budget as finally adopted by Town Meeting or Referendum Vote shall be prepared by the Town Manager and submitted to the Select Board for certification. The certified property tax levy shall be distributed by the Town Manager to the Town Clerk for record retention and to the Assessor for the proper calculation of the tax rate and tax levy.

2. If the Budget has not been finally approved before the Fiscal Year begins, the Town is authorized to continuing spending from an Unassigned Fund balance an amount up to 1/12 of the budgeted amount of the preceding fiscal year per month until a new budget is approved at a Town Meeting.

6.7 Administration of Budget

Before the beginning of the fiscal year, the head of each office, department or agency shall submit to the Town Manager, when required by the Town Manager, a work program for the year. This program shall show the requested allotments of appropriations for such office, department or agency, by defined period, for the entire fiscal year. The Town Manager shall review the requested allotments in the light of the work program of the office, department or agency concerned, and may revise, alter or change such allotments before approving them. The aggregate of such allotments shall not exceed the total of voted approved appropriations available to said office, department or agency for the budget year.

6.8 Tax Anticipation Borrowing Guidelines

In the event that the Select Board determines it necessary to borrow money in anticipation of taxes, the Select Board shall adhere to the guidelines for Tax Anticipation Note Borrowing as detailed in MRS 30-A, Section 5771. The following guidelines shall be followed:

- A. Invitations to bid shall be extended to lending institutions at the same time.
- B. Invitations shall be dated and delivered to the invited lending institutions at least ten (10) business days prior to the bid opening.
- C. Invitation to bid shall specify the maximum amount to be borrowed;
- D. The method of borrowing shall be clearly defined; i.e., "as needed or lump sum";
- E. Invitation shall specify planned maturity dates of said notes, and shall require the option to prepay without penalty;
- F. Invitation shall show estimated planned borrowing and repayment schedule. (Does not apply if borrowing is on a lump-sum basis.);
- G. Invitation shall state date, time and place bids are due, and shall indicate date bids will be opened and awarded;

H. Invitation shall inform of the Town's right to accept or reject any or all bids, provided that it is in the Town's best interest to do so;

I. Bidder shall be asked to submit interest rates in multiples of one- hundredth (1/100) of one percent (0.01%);and

J. The Town must specify the method by which interest shall be calculated;

6.9 Public Records

Copies of the budget and the capital program as adopted shall be public records.

State Law Reference: Title 1, MRS, Section 401

6.10 Lapse of Appropriations

General fund appropriations, except an appropriation for a capital expenditure, shall lapse at the close of the fiscal year to the extent that they have not been expended or encumbered, or except as prohibited by law, as set forth in this section. Such funds shall be transferred to the Unassigned Funds account. An appropriation for a capital expenditure shall continue in force until the purpose for which it was made has been accomplished or abandoned. The Select Board may, on advice of the Town Manager, carry forward unexpended general fund appropriations, as deemed appropriate, to the same department for the next fiscal year.

State Law Reference: Title 30-A, MRS, Section 5801

6.11 Annual Audit

The Town Manager shall each year, by November 1st, engage a certified public accounting firm, with the approval of the Select Board, for the purpose of conducting the annual audit of the prior fiscal year's municipal finances, as authorized by law.

State Law Reference: Title 30-A, MRS, Section 5823

Town of Eliot, Maine Eliot Budget Committee
1333 State Road Eliot, Maine 03903
December 2016
By-laws

1. The Eliot Budget Committee shall consist of seven (7) members. Members shall be elected for staggered three (3) year terms by the legislative body.
2. At the first meeting following the Annual Town Meeting, the Budget Committee shall elect its officers. The officers shall consist of Chair, Vice-chair, and Secretary and shall be filled by members of the current elected committee.
3. The Budget Committee shall elect one member of the Budget Committee or a designee to serve as a member of the town's negotiating team that will negotiate all labour contracts for the Town of Eliot.
4. The Budget Committee shall operate under the current Maine Moderator's Manual.
5. No meeting shall be held or a recommendation considered without a majority of the Committee present.
6. Any motion or vote shall carry by a majority of the members present.
7. All recommendations of the Committee shall be voted on at a regular meeting called by the Chair to consider matters of the Committee's business. Members may participate by video conference and may vote provided they have reviewed the relevant material.
8. The Budget Committee will maintain minutes for each meeting. The minutes shall be reviewed, and approved or amended at the next regular meeting, and then submitted to the Town Clerk for filing purposes as soon as possible.
9. The Secretary or Chair of the Budget Committee shall maintain a file of all correspondence and documents to be turned over to the Town Clerk at the end of the fiscal year.
10. The Budget Committee shall normally meet on the second Tuesday of each month and as scheduled by the Chair. A public notice shall be given seven (7) days prior to the public proceeding, except that for regularly occurring meetings or unusual and sudden circumstances, when a minimum of three (3) days' notice shall be provided.
11. The Budget Committee shall establish and submit to the Town Manager, an annual budget to cover its administrative activities.
12. The Budget Committee shall annually hold a public hearing on final budget recommendations a minimum of thirty (30) days prior to the Referendum vote.

13. Vacancies of the Budget Committee members, other than anniversary term expirations, may be filled by the Budget Committee as soon as possible, after posting the vacancy for fourteen (14) days. Each appointee shall serve until the next Town election.

14. The Budget Committee shall, by majority vote of the committee members present and voting, make recommendations regarding and included in each warrant article having a financial impact whether at the Annual Meeting or at a Special Town Meeting.

15. The Budget Committee may request, through the Town Manager, the attendance of a representative or member of the Select Board, Town Manager or any Department or Agency where the Committee determines their presence is necessary.

16. The Budget Committee may appoint advisory subcommittees for special studies.

17. The Budget Committee may request the presence or advice of any qualified individual to aid in its decision-making process.

18. The Budget Committee may request joint workshops with the Select Board and Town Manager throughout the annual budgeting process.

19. The Budget Committee shall prepare and submit to the Select Board all budget recommendations in accordance with the Town Manager's budget calendar.

Donna Murphy, Chair
Jim Tessier, Vice Chair
Denny Lentz, Secretary
Steve Furbish
Noah Lemire
Ed Strong