

Town of Eliot

Budget Committee Meeting

January 19, 2022

Call to Order:

- The meeting was called to order @ 5:00PM by the Chair.

Budget Committee Members: Donna Murphy, Brad Hughes, Denny Lentz, Ed Strong, Diane Holt, and Jean Hardy. Reggie Fowler was not in attendance. Ed Strong and Diane Holt (in Florida) and Jean Hardy (at home) attended via Zoom.

Public Comment: No members of the public were in attendance; no one joined via Zoom during the meeting nor did anyone call in during the meeting.

Approval of Minutes:

- The minutes of the January 5th, 2022 meeting were reviewed. Donna had edits to three lines, all of which required a space to be inserted. Ed motioned to accept the minutes as amended, and Denny seconded the motion. The motion carried 6-0 by roll call vote.

Budget Review:

- Brad opened the discussion with questions he had concerning several **Non-Tax Revenue** items in Tab 1 of the budget. First, he questioned why there was no budget for Interest on Investments as has been budgeted in the past. Second, he questioned why we budget for Sewer Admin Revenue when we have not posted any actual revenue in the past. Third, he noted that no funds have been received from MDOT for road projects for Fiscal 2021-2022, and he wants to know when we expect to receive those monies. Fourth, the budget for Wood Debris at the Transfer Station was increased by \$4,000 and he is asking why it has been increased. Fifth, we annually budget revenue from York Hospital for CSD in the amount of \$11,500, yet for the past two years we have received nothing. He wants to know why and how grant monies are obtained. Lastly, historically the budget includes revenue from TIF funds to offset a portion of salaries, wages and benefits of certain Town personnel who spend a fair amount of their time on TIF matters. The Town Manager has declared that we do not need these funds and therefore he is not budgeting for it. Brad would like to understand why “needing the revenue” would be of consequence.
- Brad then opened the discussion of the budget for **Administration** in Tab 2 of the budget. He noted that the budget for Travel & Training in the **Town Office** section of Administration increased by \$3,675, and, while the Town Manager mentioned this in his presentation on January 12, Brad would like to get more specifics as to what the Town Manager is proposing for Training. Brad also noted that this comment applies to the same budget item under **Clerk’s Office** (up \$5,500) and **Land Use** (up \$3,000) sections of the total Administration budget. Diane wondered if perhaps this would be a one-time expenditure or would be on-going. Brad next questioned why Bank Service Fees and Charges is budgeted to increase by \$4,000; he asked for documentation surrounding a \$24,000 increase in Software Licensing; and he questioned why we are seeing no decreased electrical costs from the solar array (this is a Town-wide question).
- Donna noted that there were substantial increases in wages paid to the Tax Assessor (14.6%), the Planner (30.6%) and the Land Use Assistant (19.7%). This was met with considerable

discussion regarding the current labor market and the cost of hiring in this market. There was also discussion of the role of the Budget Committee in this area, with no real consensus of opinion in the matter. It was agreed that we should, at a minimum, ask for justification of the increases, whether it be to meet market demands or to compensate for additional job functions. This will be in our questions for the Town Manager.

- The conversation then moved to **Hearings and Elections** and **General Assistance** (both in Tab 2). Donna noted the budget for Advertising under Hearings and Elections (\$1,600). The line item denotes the Weekly Sentinel as the medium, but, as Donna pointed out, the Sentinel has not delivered to sections of Eliot for quite some time. Perhaps another medium is going to be used?
- Under **Fixed Assessments** (Tab 3) it was noted that the difference column was incorrect. Once again, the fact that no TIF assessments for wages and benefits of Town personnel for time spent on TIF matters was not included.
- There was considerable discussion about the profitability of the **Community Services Department** (Tab 5), and what its philosophy is concerning programs offered to the public (profit or no?). Brad pointed out that the taxpayers have been supporting approximately \$100,000 to \$150,000 of the department's costs, and taxpayers seem supportive. Jean pointed out that this is a Town department who is asking for a lot less than the Wm. Fogg Library, which is not a Town department, so this is not worth discussing. There was a question about the budget for Printing/Advertising, which is budgeted at \$4,500 (a \$2,500 increase), while actual expenses have been zero dollars in the last two years. In addition, there was \$10,000 budgeted for gasoline, but there has been no actual expenditure since 2016.
- **Debt Service** (Tab 6) generated no questions.
- The conversation then moved to the **Fire Department** (Tab 7) where the only question concerned electrical costs, as it has with other departments.
- The **Police Department** (Tab 8) budget generated several questions. Ed focused on salary and wage increases for the policemen and detectives, which is showing a \$97,318 increase (not even considering payroll taxes and retirement costs). Brad thought this was because we were adding the School Resource Officer at a higher cost this year, but Ed thought it could not amount to all of that. Donna did some quick calculations, and the increase for each officer and detective was 5% or better in the Master Wage Schedule. That schedule noted that non-union members were receiving a 5% increase, while union members were receiving 2% raises. Obviously, there is an incongruity here and it needs explanation. No one knows if a union contract has been agreed upon. The budget for uniforms is showing an \$11,000 decrease, which is unusual. And, again, the budget for electricity was highlighted.
- The group was running out of steam at this point, and had agreed to end the meeting no later than 7:00 PM. As the time was near, the Chair moved to the next agenda item.

Budget Committee Member Reports/Comments:

- Jean once again expressed her displeasure with the way things are being handled by the Town Manager, especially with regards to the union contracts and his reference to this Committee as the "Budget Advisory Board". Ed and others also commented about the Town Manager's presentation of the budget (January 12th), and the fact that no one was allowed to ask questions during or after the presentation. Brad said that the lack of detail in the presentation was disappointing, and this goes to support our previous requests to have the department heads prepare a cover letter explaining significant items in their budgets. There was discussion of

what to do about these things, but it was ultimately agreed that we would wait to see what kind of response and the timing of the response to our budgets would be received.

- Donna wanted to discuss the Library MOU again, and it was agreed to put it on the agenda for our next meeting.
- No other member had any comments or reports.

Adjournment:

- Motioned by Ed, seconded by Denny to adjourn at 6:42 PM. The motion was approved 6-0. Our next meeting is currently scheduled for Wednesday, January 26, 2022 at 5:00 PM. This is a hybrid meeting.

Respectfully submitted,

Donna Murphy, Chair

Brad Hughes, Secretary

Date Approved: January 26, 2022