

# Town of Eliot

## Budget Committee Meeting

### February 23, 2022

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#### **Call to Order:**

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

**Budget Committee Members:** Donna Murphy, Brad Hughes, Denny Lentz, Ed Strong, Diane Holt, Jean Hardy, and Reggie Fowler. Reggie's attendance was delayed until 5:35 PM. Ed Strong, Diane Holt, Jean Hardy and Reggie Fowler 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 February 16, 2022 meeting were reviewed. Donna noted one change on Line 34. "the" was changed to "these". Ed motioned to accept the minutes as amended, seconded by Denny. Motion carried by a 6-0 roll (Reggie not yet in attendance).

#### **Police Contract:**

- Brad asked if he could make a remark before this discussion began, and was given the floor by the Chair. Brad said that he wanted to go on record as having voiced dissatisfaction in the way the Town Manager has handled this budget process. He said he is very discouraged about the whole process this year, the Town Manager does not want to talk to us, he doesn't want to respond to our questions, there is no interaction with us. There is just total animosity, and it is not right. Ed agreed, and then said that he went back and double checked the budgeted Police wages and they are correct.
- Brad disagreed, and asked Ed to send his calculations so Brad could compare Ed's to his calculations. Ed said that he had thrown his calculations away. Brad then sent his own Excel spreadsheet to Ed (with some difficulty), and asked Ed to review those and note where Brad is wrong in his calculations. Brad thought the TM's numbers were about \$20,000 overstated, and he wondered if he was using the correct starting wages, or if he had missed some nuance in the wage and bonus increments. Ed cited shift differential and payments for uniforms as possible differences. Donna verified with Ed that the policemen get the uniform allowance whether they spend it on uniforms or not. Ed said yes, it is part of their wages. He further said that this is a very convoluted contract, with shift differentials and uniforms, and he does not know how they did this.
- Jean asked Donna when she requested the copy of the contract, and Donna said Thursday morning at 8:32 AM (Thursday February 17). Jean said the Town Manager has five business days to provide what we ask for. Jean voiced her concern that the Town Manager is not following the Town Charter, he is not following State statute, and he just does what he wants regardless of the rules. And that is not congruent with the way this town has been working, and we need to address it.
- Donna said that, in this instance, there has not been five working days lapsed yet. The staff does not work on Friday and Monday was a holiday (Presidents Day). Jean felt this should be clarified – just because they have Fridays off does not mean that it is not a business day. Donna further

said it doesn't matter, we can cite Charter but there's no teeth in it (the Charter), and we need the Select Board to back us up. And we do not have that back up. Jean said there is teeth at the State level. Donna said yes, but try and find someone to enforce that. That is our problem, but the bigger problem is that we have a Town Manager that does not want to work with us.

- Jean said we need to address this, and if we don't make this known to the Select Board then it won't get addressed. Every time the Town Charter and/or the State statutes are violated it needs to be brought to the attention of the Select Board.
- Donna said she thinks we need to bring this to the attention of the Legislative Body. That is who we report to. We need to tell them that the Town Manager seemingly does not want to work with us, he does not want to provide us with information, and that is curious because one would think that if he wants us to support his budget that he would give us what we ask for.
- Brad said that we can do this through our budget newsletter. Simply tell them about the issues we have had, and tell them we were not given information and therefore we cannot support what we cannot justify.
- Before the discussion began Brad suggested we talk about whether we would be able to hold a meeting on March 3<sup>rd</sup>, since we have been informed that our scheduled March 2<sup>nd</sup> meeting might conflict with another committee meeting. After some discussion it was agreed we would hold our next meeting on March 3, 2022 at 5:00 PM.
- Brad next addressed the concern about recommending adjustments that are immaterial in dollar amounts, that recommending several low-dollar adjustments to the proposed budget could be viewed negatively. He wanted to know how the Committee felt about this.
- Diane said that in the past year she felt very comfortable with our recommendations, that we were provided sufficient information to validate the budget or make adjustments to it. This year we do not have that comfort level, no one answered our questions adequately. She does not mind if we "poke the bear" so to speak.
- Jean said she is a process person, and the process is not being followed. And we need to make people aware of this now.
- Ed agreed with both Brad & Jean. He also noted he was able to print the police wage calculations in the spreadsheet I had emailed.
- Reggie expressed concern that proposing numerous adjustments might give us negative attention, and he is not quite sure that is good for us at this time.
- Donna said that we have a job to do, and she does not mind negative attention as long as we do our job.
- Donna then suggested that we move on to the next agenda item.

#### **Library MOU:**

- Brad suggested that this be discussed during the review of our budget recommendations.

#### **Budget Review and Vote:**

- Denny thought perhaps we should first review the list Brad provide entitled "Resolution of Questions to Town Manager", since it showed a few items that Brad noted nothing was adjusted (i.e., no recommendation), but Brad questioned whether we might have a recommendation to make tonight. After some disorientation as to what document that was, it was agreed to deal with those as we voted on each budget.
- Donna suggested we start with Administration, but the first recommended adjustment to that budget involved assessing the TIF Reserve Fund for salaries and benefits of certain

administrative people, so Brad suggested we start with Non-Tax Revenue (since that is the first piece of this adjustment). Brad then explained the reason for three adjustments to record this budget recommendation. Donna then made a motion to recommend a budget of \$4,939,204 for Revenue. Brad seconded. The motion carried, by roll call vote, 7-0.

- The second part of this adjustment requires an increase for the wages and benefits under Fixed Assessments. Donna motioned that we recommend \$1,514,641 for Assessments. Brad seconded. The motion carried, by roll call vote, 7-0.
- The discussion then moved to Administration, and there were several adjustments to that budget proposed by the Town Manager:
  1. The first adjustment is a reduction in wages and benefits equal to the amount increased in Assessments, \$73,590.
  2. A decrease in Travel & Training for \$3,675. We have twice asked the TM to provide some documentation as to who, what, where and at what cost, but he has yet to provide that. This adjustment reduces the increase budgeted by the Town Manager. In general, we cannot support budgets for which there is not sufficient documentation for amounts budgeted.
  3. A decrease in the advertising budget of \$1,800 – same reason as above.
  4. A decrease in software licenses of \$4,000. Brad noted that the TM requested a \$24,000 increase in this line item, and did give us some explanation of why, but one item (NearMap) was in conflict with the Planner's budget to enhance GIS Mapping. The Committee felt this reduction was appropriate for this item.
  5. A decrease in electricity of \$1,800. Brad made a couple of comments here before going further with this item. First, he said this reduction is because electrical rates are down because of our solar array, and the Town Manager budgeted an increase in total costs, while we feel a reduction is appropriate. This is an amount we calculated based on six months year to date activity. He then noted that, in his days as an auditor, they used what they termed a "materiality measurement". If a proposed adjustment fell under a certain amount, or one considered material, they were added to a list left there to be reviewed later. This line item, while it affects Administration, it also affects the Fire and Police Departments, and the total adjustment is really not that much when considering our overall expense budget of \$8 million. There was some discussion about this, and all agreed to ignore this in our deliberations.
  6. The last item deals with Workers Compensation, where the Town Manager decided to post 100% of the Town workers compensation costs under Administration. The Committee feels this is inappropriate and should be allocated to each applicable department. Total adjustment is \$61,910.
- Donna motioned that we recommend \$1,392,244 for Administration. Denny seconded. The motion carried, by roll call vote, 7-0.
- A reduction in the Town Committees budget of \$1,500 which was for the Bicentennial Committee. This committee should be disbanded. Donna motioned to recommend \$35,420 for Town Committees. Ed seconded. The motion carried, by roll call vote, 7-0.
- Donna motioned to support the Town Manager budget of \$11,600 for Social Services. Brad seconded. The motion carried, by roll call vote, 7-0.
- Brad spoke about the William Fogg Library, and reminded the Committee of the two years we have spent attempting to reach some understanding with the library in terms of financial

oversight. Our most recent with a memo to the Town Manager and the Select Board requesting that an exploratory question be placed on June's ballot asking residents if they favored such an agreement be reached. The best we got was a "thank you" from the Town Manager. Since, at this point we need to decide on a recommendation, Brad made a motion that we recommend "None of the Above" on this matter, which brings it back to last year's budget amount. Donna seconded. The motion carried, by roll call vote, 7-0.

- Donna motioned to support the Town Manager budget of \$115,270 for Debt Service. Brad seconded. The motion carried, by roll call vote, 7-0.
- We had discussed a question of advertising in the Hearings & Elections, but the Town Manager answered this to our satisfaction. Donna motioned to support the Town Manager budget of \$28,245. Ed seconded. The motion carried, by roll call vote, 7-0.
- Two increases in the Fire Department budget were recommended. The first was \$985 for electricity and the second was \$6,700 for Workers Compensation. Donna motioned that we recommend a budget of \$229,071 for the Fire Departments. Brad seconded. The motion carried, by roll call vote, 7-0.
- Donna motioned to table a vote on the Police Department until our meeting on March 3<sup>rd</sup>. Brad seconded. The motion carried, by roll call vote, 7-0.
- Two changes in the Public Works budget were recommended. The first was the Workers Compensation increase of \$20,395; and the second was a decrease in supplies budgets of \$3,600. Donna motioned to recommend a budget of \$939,792 for Public Works. Ed seconded. The motion carried, by roll call vote, 7-0.
- An \$6,515 increase in the budget for Winter Roads was recommended for Workers Compensation. Donna motioned to recommend a budget of \$219,548 for Winter Roads. Ed seconded. The motion carried, by roll call vote, 7-0.
- Donna motioned to support the Town Manager budget of \$2,000 for Roads & Bridges. Ed seconded. The motion carried, by roll call vote, 7-0.
- Donna motioned to support the Town Manager budget of \$57,296 for Summer Maintenance. Reggie seconded. The motion carried, by roll call vote, 7-0.
- An increase in the Transfer Station budget of \$2,885 was recommended for Workers Compensation. Donna motioned to recommend a budget of \$272,423 for the Transfer Station. Diane seconded. The motion carried, by roll call vote, 7-0.
- Donna motioned to support the Town Manager budget of \$135,000 for Stormwater. Denny seconded. The motion carried, by roll call vote, 7-0.
- Two adjustments were recommended for Community Services. The first is an increase of \$6,575 for Workers Compensation, and the second is a reduction in the Gasoline line item of \$10,000. The latter has not been budgeted since 2016, and, while the department has contracted for bus service with MSAD35 in the past, the cost has not been recorded under this line item. We have asked for clarification, but have received none to date. Donna motioned to recommend a budget of \$439,348 for Community Services. Brad seconded. The motion carried, by roll call vote, 7-0.
- Donna motioned to support the Town Manager budget of \$20,000 for General Assistance. Ed seconded. The motion carried, by roll call vote, 7-0.
- There was considerable discussion about Reserves, and whether or not the Police Department back pay is in the Town Manager budget of \$221,365, \$190,421 of which is funding the Wage (or Contract) reserve. Brad had proposed an adjustment that Ed did not agree with – he did not think any part of that increase was related to the police wage increases. Brad said he is not sure

either, but the Town Manager is not forthcoming as to what is in that budgeted increase. Brad thinks it is DPW and Police. Donna motioned to postpone discussion of this item until our March 3<sup>rd</sup> meeting. Denny seconded. The motion carried, by roll call vote, 7-0.

- An increase of \$1,095 for Workers Compensation for the Harbormaster and Animal Control Officer budgets in Public Safety; and a decrease Of \$2,500 is recommended in the streetlight budget. Donna motioned to recommend a budget of \$299,699 for Public Safety . Reggie seconded. The motion carried, by roll call vote, 7-0.
- Under CIP, the Committee had agreed on two adjustments. The first was a decrease in the Police Cruiser budget for \$8,000. We have asked for the State bid on these items, but have not received it, hence the adjustment. Next was the decrease of \$500,000 in paving, which is an increase for which we have requested documentation. Also, Brad reminded the Committee that there were two questions posed to the Town Manager about CSD parks maintenance and DPW plow truck reserve funding that are unresolved in Brad's mind. Under CSD he noted that in last year's CIP budget, which also projected this years and next year's funding, CSD had a budget of \$37,000 projected for this year, mostly in parks maintenance. Also, DPW had two items, which were funding reserves to replace plow trucks (\$52,000) and pick-up trucks with plows (\$25,000) for a total of \$77,000. It was agreed to recommend \$31,000 for CSD and \$75,000 for DPW to this budget for these items. Donna motion to recommend a budget \$945,700 for CIP. Brad seconded. The motion carried, by roll call vote, 7-0.
- This ended the budget discussion.

#### **Budget Committee Members Reports/Comments:**

- Donna reiterated the items we have postponed for discussion until the March 3<sup>rd</sup> meeting. No other member had comments.

#### **Adjournment:**

- Motioned by Ed, seconded by Diane to adjourn at 6:42 PM. The motion carried by a 7-0 roll call vote. Our next meeting is scheduled for February 23, 2022 at 5:00 PM. This is a hybrid meeting.

Respectfully submitted,

*Donna Murphy*, Chair  
*Brad Hughes*, Secretary

Date Approved: March 3, 2022