

# Town of Eliot

## Budget Committee Meeting

### June 8, 2022

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**Call to Order:**

The meeting was called to order @ 5:06 PM by the Chair.

**Budget Committee Members:** Donna Murphy, Brad Hughes, Denny Lentz, Diane Holt, and Reggie Fowler. Jean Hardy did not attend. Brad and Reggie attended via Zoom.

**Public Comment:** William (Bill) Widi and Eugen (Gene Wypyski). members of the public, were in attendance. Donna asked them if they wished to address the Committee.

- Mr. Wypyski asked if he could ask a couple of questions concerning our letter to the citizens {of Eliot} regarding the June 14<sup>th</sup> ballot. His first question was about ballot question #18 (Capital Improvements) – he asked for an explanation as to why the Committee reduced the Paving budget by one-half million dollars.
- Donna answered that the original request for this budget was \$500,000, as had been the case for the past few years and was considered to be sufficient by the department head. The amount requested by the Town Manager was \$1 million. The Budget Committee asked the Town Manager to provide additional information explaining this increase and what he proposed to do with the extra half million dollars. The Town Manager did not provide the requested information. Donna further stated that we have an obligation to the voters when we make recommendations that we have adequate information concerning budget items so we can make informed recommendations. Because that information was not provided to us, we could not support the \$1 million request.
- Denny noted that the other side of this is that we always received a detailed plan from the Public Works Director telling us which roads he felt needed work in the budget year. We asked for that this year.
- Gene said it was his understanding that such a list was unavailable.
- Ed informed Gene that several years ago the Town had an extensive and expensive professional study of all of its roads. The roads were all rated, they were assigned a number of years before they would need resurfacing, and we have been working off that list ever since. He further said he could not understand why the Town Manager said there was no list for this budget available.
- Gene, Bill Widi and Ed all started speaking at once, and Donna brought order to the conversation. She cautioned attendees to wait their turn so everyone had a chance to be heard.
- Gene was given the floor, and said that, yes, the Budget Committee did mention an engineering study in its explanation of its budget recommendation of \$500,000, but that amount was recommended seven years ago, and that amount is now meaningless to justify anything, if we carried that amount to today, we should be closing in on three-quarters of a million dollars. He further explained that he is suggesting that the Budget Committee recommendation does not make any sense because the Town does not have information readily available to tell us which roads are going to be paved. He further said a normal reading of a newspaper tells us that paving costs have increased 40% since January, so \$500,000 is really only going to buy us \$300,000 of actual paving. He said he is at a loss as to why we made a decision to fall back on a number that does not make sense.
- Denny said that the budget did not make sense either because there was not list provided.

- Gene then asked “so, you don’t trust them without this detail?”.
- Denny then said we were not able to talk to them, that was eliminated from our normal process. The Town Manager said that we could not speak to department heads; so, we could not get details like we always did.
- Gene then remarked “so we’re not going to do things like we did in the past and that is a problem?”.
- Denny responded with the fact that we asked for a plan or the logic behind the amount, but we did not get that, to which Gene replied that he read the response and what it said was they did not have that level of detail.
- Diane said that the \$500,000 was the original amount requested by the department head, to which Gene responded “but again, I am trying to get the logic of why you would recommend a number that is basically seven years old, and we know the condition of the roads. Denny asked “what is the condition of the roads?”, to which Gene replied “you know the condition of our street.”
- Donna asked Gene for specific references so we know what he is referring to. Gene said he is referring to roads we commute on every day, and, again, Donna asked Gene to be more specific. Gene said he did not want to have a discussion of this road or that road, rather justification of why we would recommend an amount based on a seven-year-old study.
- Donna reiterated what had been said several times - that we asked for rationale behind the \$1 million budget and were not provided any. It is this Committee’s responsibility to make informed recommendations to the voters and we were denied any information to support the Town Manager request.
- Donna asked Bill Widi if he had anything to add. Mr. Widi said that the half-million dollars was a safe number for the department head. He further stated that the last Director of Public Works got run out of town so the current Director knew the \$500,000 was a safe number. He further stated he understood the logic of not politicizing the paving budget, since it is not in the best interest of the Town to do so.
- Donna responded that the reason Bill gave for the Director’s initial budget is not the reason he stated in previous budgets; to which Bill replied “he is not going to come out and say that” (about the former Director being run out of town).
- Gene then proceeded to his second question, asking us to explain how we could only recommend \$140,000 for the Training and Wage Reserve account for employees. He also said “And, before you say you weren’t provided the information, I know they have not fully developed the plan.”
- Donna answered that that is accurate, however, the amount requested was a pretty specific amount. How did the Town Manager come up with that number? That is what we questioned. She further added that she would be very concerned with turning over that much money with no plan in place. There is training money within individual departments. Further, she reiterated that when it comes to giving raises to employees, we have been clear in the past that if there is data and documentation that demonstrates employees in our town are not being paid a fair wage, then show us that documentation. This committee has historically supported additional positions, we supported the \$10,000 raise to the Fire Department head, and we are supporting a 5% raise this year for all non-union employees. The unions dictate raises for their members, and we have no control over that.
- Ed also said that individual departments have training budgets. The Town Hall employee budget is up 146% this year.

- Gene said this is all good stuff, but I keep coming back to the fact that we pay our Town Manager well to do professional management. He has been doing this for over 25 years. He has come in, assessed the needs, and tried to put some words around it to present to you, and I think your demand is unreasonable to a professional municipal manager with a very valuable staff who needs to be developed and matured in their career paths. Just to arbitrarily say we are not going to pay for this because we did not get the detail we wanted, I don't think is an acceptable response. You need to do better than this, you need to go the extra mile and do some investigation work. I don't see you out doing salary surveys.
- Donna responded that this (salary survey) is not our job. It is the job of the Town Manager to provide that to us. The job of the Budget Committee is to review the budget and make recommendations.
- Diane added that she has heard statements that we (the Budget Committee) don't support training and that is completely false. This really bothers me because I am all for training. Further, we asked for clarification because of the amounts budgeted for training. We asked for clarification, whether there was a plan over a few years or was this to be done all at once. We just wanted to understand where we were going with this. We never said no to training. As Donna said, the role of this Committee is to understand what is in the budget so we can respond to any citizen of this town who asks why we recommended an increase of 20% or 30% in a budget. If we cannot answer we look like idiots. We have to be able to support items or we cannot recommend them. We have gone through this budget more than once and have increased some things. It is not that we are against it, no more than we are against paving. We have a process on how we do things and I think sometimes people forget that. We simply make sure we can justify everything we put to the voters. People can disagree with us and that is fine. We sometimes disagree amongst ourselves.
- Ed added that he spent almost 40 years in the municipal setting, 32 of them as a police chief. Ninety percent of training his staff did was online, and is truer now than ever before. All we asked for was a plan of what was going to happen, why was so much budgeted when a good portion of on-line training is free. You need to keep in mind that the Town of Eliot has one of the highest elderly populations in this area, many of whom are on fixed incomes. Money we can save we do mostly for them.
- Gene asked "But what about the family that just moved here from Massachusetts with two kids who are ready for college? What about the couple where the husband works at the Shipyard and she is in a dentist's office? They don't have the security of fixed income, or risk-free income. These other incomes could go away."
- This prompted the beginning of a debate between Ed and Gene, and Donna stopped the discussion saying "We are not going to get into an argument over this."
- Gene then said that he guessed he does not understand the standard we require. He added that we are asking this of a guy who has been on board for only two or three months, so we ought to temper that. He said his opinion is that the kind of questions and details we were demanding were unreasonable. Our default is to deny and that does not get to the real need.
- Donna pointed out that we were not "demanding", we were "requesting" information that we are entitled to get as the Budget Committee. It is not a demand.
- Bill Widi was given the floor, and he asked if we got the wage study that Carol Granfield (Interim Town Manager) did while she was here. Donna replied in the affirmative. Bill noted again that we do not want to politicize pay increases. Details about who gets what is not healthy. Publicizing this will only serve to accelerate the exodus of people.

- Donna challenged Bill on this point, noting that these are public employees and their wages are public. We look at positions, not people. If you tell us Position A should have a wage of \$90,000 or Position B should have a wage of \$60,000 and you provide us with the documentation, we will support it.
- Bill then asked what we thought the Treasurer position was worth, citing the fact that he (Jordan Miles) left to take a position that paid him \$30,000 more? Donna and others pointed out that Jordan took a position where he was a supervisor of three or four people and the town was much larger than Eliot, so his responsibilities were greater in his new position.
- Denny asked to be heard. He opened by saying that if one looks at the goals and objectives of this Committee, they pretty much tell the story about where we came from and where we are going. Understandably the Town Manager was new, and I agree that he probably did not know all the details he was pressed to put on paper. Denny said he had to hand it to him for having done it. He said he felt where it all fell apart was communication. He understood when the Town Manager said we would not be able to talk to department heads and everything was to go through him. But that became an issue because we did not have details. Meetings we had in past years were not held this year. We invited the Town Manager to come to one of our meetings, but he did not. In his (Denny's) mind, the whole process was fractured and we were left trying to support the Town Manager and the Select Board as well as the public without any kind of detail. He said he personally was lost, not knowing what was a good number and what was a bad number. He felt it did not have to be this way, and, in his mind, it all started because we could not talk to department heads. In past years they came to meeting, we asked questions, they answered, and we had what we needed. This did not happen this year.
- Bill responded, saying he was going to be honest. He has had conversations with these people (department heads) and they did not want to come in for those meetings. They felt they were attacked by the Budget Committee year after year. Some discussion ensued, ending with Donna saying we had turned this around in recent years. She also noted when the Town Manager presented his budget, no one in attendance was allowed to ask any questions. Bill's opinion of that was that questions at that time would not have been as productive as they would have been after people went through the budget. He thought that the Budget Committee and the Select Board should meet after both groups kicked the budget around for a bit. He also added that he has spoken to Mr. Sullivan more than once about this, and he still maintains he was never invited to attend one of our meetings. After some discussion, it was agreed that perhaps this invitation was lost amongst the myriad of emails left for Mike by Carol. Denny added he would love to have Mike come to a meeting just to hash things out and get to understand each other.
- Brad wanted to make the two gentlemen in attendance aware that we invited Carol Granfield to one of our meetings to get an idea of what she thought we might expect to see in this budget based on her exposure. What we got for a budget was a whole lot different than what she presented as what she considered priorities for the Town. Secondly, he also did not see things he expected to be in this budget, such as a budget for senior citizen property tax relief. We weren't able to sit down and ask these types of questions. Brad also addressed Bill's point about politicizing wage increases by saying he did not expect a person-by-person detail, only a statement about the perceived problem and the planned solution. We did not even get that. This was a very disappointing process. A lot more discussion amongst the Select Board and the Budget Committee would have gone a long way in resolving some of the issues we had. Bill pointed out that Carol was only here two days per week. Brad responded that we were only

trying to get her perspective, it was proactive and it was refreshing to hear what she had to say. He concluded by saying that the word of the day is “communication”. Bill concluded by saying he would make a point to come to budget meetings next year, which was welcomed by the Committee members.

- Bill then brought up a problem the Town is facing that will need to be addressed in coming budgets, that is salt water infiltration of wells at homes along the river. He wants the Committee to be aware of this.
- Donna said that our expectation is that budget items like this should include appropriate documentation to support the request. This year would have had a very different outcome if the Town Manager had provided us with information we asked for or had communicated better at the meeting and allowed questions. Bill thanked us for our comments.
- Diane reminded us that last year the Budget Committee and Select Board met and openly discussed the budget and ironed out many differences. We were almost 100% in agreement. No meeting was held this year. Communication at this level would have solved a lot of this.
- Donna also noted that we, as a committee, always sit down at the end of a budget process and discuss things we should have or could have done better.

#### **Approval of Minutes:**

- Minutes of the April 13, 2022 regular meeting were reviewed. Donna noted four items that needed correction. The first was on Line 38, where a comma should be inserted after the word “after”. The second correction was to Line 48 to read that “Donna observed a Town Employee recording the meeting on an iPhone. Line 52 required the number “6” to be replaced with a bullet. Finally Line 65 should be “no” versus “not”. Denny moved to accept the minutes as amended, and Diane seconded the motion. The motion was approved, by roll-call vote, 5-0, with Ed abstaining since he was not at that meeting.

#### **Town Election:**

- Donna noted that there three incumbents running for the Budget Committee and two members of the public at large running for the three open positions on the Committee.

#### **Budget Committee Member Reports and Comments:**

- No members had any reports or comments

#### **Adjournment:**

- Motioned by Ed, seconded by Brad, to adjourn at 5:43 PM. Motion carried by roll-call vote, 6-0.
- Our next meeting is scheduled for July 13, 2022 at 5:00 PM. This will be a hybrid meeting.

Respectfully submitted,

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

Date Approved: August 10, 2022