

**Town of Eliot
Budget Committee Meeting
Wednesday, May 10, 2023**

1. Call to Order

Chair Donna Murphy called the meeting to order at 5:08pm after repairing issues with online audio. In attendance in person were Donna Murphy, Jeff Leathe, Gene Wypyski, Denny Lentz, and Diane Holt and remotely were Reggie Fowler and Jean Hardy. Ann Lukejord, recording secretary, attended in person. There were no members of the public in attendance.

2. Public Comment

There was no public comment.

3. Approval of the Minutes

The Committee approved minutes for three meetings in April. Gene motioned and Denny seconded that the Committee accept the minutes as written for the April 12, 2023, meeting. The motion passed by a vote of 6-0 with one abstaining vote. Diane abstained as she was not in attendance at the April 12, 2023, meeting. Diane motioned and Gene seconded that the Committee accept the minutes as amended for the April 13, 2023, meeting. The motion passed by a vote of 6-0 with one abstaining vote. Reggie abstained as he arrived late to the April 13, 2023, meeting. Gene motioned and Jeff seconded that the Committee accept the minutes as written for the April 26, 2023, meeting. The motion passed by a vote of 6-0 with one abstaining vote. Jean abstained as she was out sick and did not attend the April 26, 2023, meeting.

4. Budget Committee by-laws

The Chair opened the discussion, stating that Gene had requested this item be put on the agenda. Gene handed out copies of the Budget Committee by-laws with his suggested edits to items #3, 10, and 15. He read aloud the three items and his suggested edits and provided an explanation why he thought each change was important. They were as follows:

Existing #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.

Gene suggested updating #3 to read: The Budget Committee shall elect one member of the Budget Committee or a designee to serve as a member of the team that negotiates all collective bargaining agreements for the Town.

#10. Refers to the day of the week the Budget Committee meets as Tuesday and Gene suggested it be corrected to Wednesday as that is now when the Committee meets.

Existing #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.

Gene suggested updating #15 to read: The Budget Committee may request the attendance of a representative or member of the Select Board, Town Manager or any Department or Agency where the Committee determines their presence at a Budget Committee meeting is necessary.

Jean said anything the Committee does must conform to the Charter as the Charter is precedent. On changing #10, Jean said that with the election of two new members in June and new officers following that, it might be best to wait to see what the Committee wants to do in terms of meeting time and day after the members are elected. She said changes to #15 will also have to conform with the Charter and the Charter takes priority. Donna agreed with Jean and suggested any changes be made after the two new members have joined the Committee. She said she would like to look at the Charter and make sure the language is the same and that the Committee is following the Charter. Jean said if changes were not congruent with the Charter, then townspeople would have to vote. Donna said the language in the proposed changes has to fit the Charter. Gene said he reviewed the Charter and found nothing inconsistent with what he is recommending. Donna said she would like to review the Charter as well. She suggested again tabling the proposal until new people are in place on the Committee before any final vote was taken on it.

Jeff said the Town's remote participation policy should be attached to by-law #7 which addresses members voting at regular meetings and via video conferencing. Denny agreed. Donna agreed that should be done. She said the Committee had voted and adopted the Town's remote participation policy two years ago. Gene asked what the language would be for that, and Donna answered that they would take it straight from the policy.

Jeff asked if changes to the Budget Committee by-laws can be made at will or does the Committee need to go through the Select Board or the voters. Donna answered that the Budget Committee members would vote on any proposed changes and then as an independent committee, submit those changes to the Town Manager as a courtesy but also so the Town can see if anything violates the Charter. Denny agreed.

Denny suggested the word "scheduled" be added before "Budget Committee meeting" in by-law #15. Diane said she agrees with Gene in updating #3 from "labour contracts" to "collective bargaining agreements" as that is the more appropriate and current term. Donna said they need to see what the Charter says. Gene thanked members for looking at his proposed changes. Both Denny and Jeff said it was good to do. Donna asked members if they wanted to put proposed changes to the by-laws on the agenda for the next meeting, knowing the Committee will have two new members and new officers. All agreed.

5. Budget Committee member reports/comments

Jean shared that she was attending remotely as she had a broken arm and bruises and significant pain caused when walking her dog who suddenly got spooked and pulled her off her feet. Everyone wished Jean the best. Jean asked the members to refresh her memory if the Town was planning to renovate the town hall for a million dollars or something. Donna said that the amount would be more like over \$3 million and that the request from the Select Board is to approve bonding for renovation of the town hall. Gene said no that is not what it is. Donna asked Gene not to interrupt and let her finish. Gene said the request is not for bonding. Donna asked Jean Hardy to continue. Jean asked if the Budget Committee ever looked at this and made recommendations. Gene Wypyski said the Budget Committee did not need to do so. Donna rebuked Gene for interrupting. Donna said anything that comes before the Town that is fiscal should also be brought to the attention of the

Budget Committee for discussion and recommendations. Donna added that issues like this have come before the Budget Committee and that in this case the Select Board and the Town Manager made a conscious decision not to have the Budget Committee look at this. Jean Hardy responded that that is in violation of the Charter. Jean asked that since it did not go to the Budget Committee and did not follow the Charter, would it be a legal vote. Jean added that she would rather such funds go to hiring another school resource officer considering what is happening in the country concerning gun violence at schools and that a town hall is not a prudent use of the Town's money. Jean added that she would also rather see the Town look into having professional, paid firefighters. Donna said the Town has professional firefighters, but they are not reimbursed at a rate that someone is who is working for the Town full-time. Jean praised the Town firefighters, and said they need to be full-time.

Gene said that at the next Select Board meeting which would be taking place the next day, the Select Board will be voting on the warrants and issues. He encouraged members to look at the Select Board agenda and come to the meeting in person or via Zoom and ask questions. Gene said his understanding is crystal clear that this item does not require the Budget Committee's review as the Town Manager is not asking for any money. He said the Town Manager and Select Board are simply asking to proceed with looking at a plan and a budget. Gene added there is no money in this vote, it's not fiscal, it's an advisory vote. Donna asked Gene if what he is saying is, even though they are looking at an amount of money that needs to be spent right now, which does make it a fiscal issue, does Gene feel it is not a fiscal issue? Gene responded that Donna should read the wording, it is not a fiscal issue, they are not asking for approval of money, they are asking for approval to proceed on the project which would include financing. Donna reiterated that as such it is a fiscal issue and should have come before the Budget Committee. Gene disagreed, saying that at some point it will be a fiscal issue but that this vote is not a fiscal question, only asking that the Town may proceed with this project. Donna asked Gene what were they going to proceed with if they were not going to spend any money. Gene answered that he suggested she attend the Select Board meeting and ask. Donna said she is asking him as he just made a statement that this is not a fiscal matter, but they are moving forward with the project, so she is asking Gene if it is not a fiscal matter, what are they moving forward on the project with. Gene said he was not going to argue with Donna and that he suggested she go to the meeting and ask.

Jean said she wanted to point out that she is a member of the Budget Committee, not the Select Board. She also wanted to point out what it says in the Charter and read the following from the Charter under 6.3 Budget Committee: "The Budget Committee shall, by a 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."

Jean added that this is the Charter of the Town which the Town must follow. Budget negotiations have closed, and the Town Manager and Select Board cannot just decide at this point to add something else. She added that this vote would not be a legal vote as they have not followed the Charter.

Donna said she was going to read the warrant article, Article 25, and open up the floor for comments. She read: "To see if the Town will authorize the expansion and renovation of the Eliot Town Hall/Community Center and repair and improvements to the Eliot Police Station by authorizing the municipal officers to borrow a principal amount not to exceed \$4,000,000 through

the issuance of general obligation bonds on behalf of the Town of Eliot on such terms as they deem in the best interests of the Town to finance the project, including any necessary legal, surveying, design, construction and similar services; and authorize the selectmen to procure services and execute any contracts or documents necessary to accomplish the actions authorized herein.”

Donna said the Select Board is asking the townspeople to authorize an amount not to exceed \$4 million which makes it a fiscal matter that should have come before the Select Board and the Budget Committee for recommendation, and that did not happen. Denny said if it involves money, it should come before the Budget Committee. He agreed that if it's an advisory vote and there is no money involved, it does not have to come before the Budget Committee. Reggie said it seems to be an item that the Budget Committee should at least be aware of and that that is a large amount of money which means it has to be in the budget somewhere.

Donna said she is going to back up what she originally said and that she had been correct. She said that the Select Board is asking about bonding and asking citizens to authorize to bond up to \$4 million. She said she was correct, and then yielded the floor to Gene. Gene said that was his understanding is that it is a vote to proceed with this effort, it is not a vote to request any funding from anybody. Donna said it absolutely is as it is asking the Town to authorize expansion and authorize the municipal officers who would be the Select Board and other officers to borrow a principal amount not to exceed \$4 million through the issuance of a general obligation bond. She added they are asking this Town to authorize them to take bonds out not to exceed \$4 million and that is a fiscal matter. Gene said that is what the Legislative Body will vote on. Donna said the Charter is clear that the Budget Committee make a recommendation on that. She said the issue here is that it never came before us, and I see there is no recommendation from the Select Board as stated in the Charter. She said it should have come before the Budget Committee for a recommendation and it did not, so that is a good question that Jean Hardy is posing on whether or not this is a legal vote.

Denny said the other issue is why wasn't this at the Citizen's Option Meeting. He added that those in attendance had all the other articles that the Select Board voted on. Donna said she does not have an answer on that, and it should be asked of the Select Board or the Town Manager. She added we did ask about this and were told it was not a fiscal matter and that is why it did not come before us. Donna said she would have to look at the date that this became available for the public to look at. Denny followed up if it could have been available at the Citizen's Option Meeting. Donna said she did not have an answer for that.

The Chair went around to every member to see if he or she had anything further to say on this matter before moving on. Reggie said it doesn't make sense that it wasn't on the list for the Citizen's Option Meeting. He added that there's no way they were going to raise bonds in the last couple of weeks and that this did not just come up out of thin air. He agreed that it seems odd. Jean said if the article moves forward there would be a legal challenge. Jean reiterated that the Town must follow the Charter and that throughout this budget season, the Charter has not been followed. Denny had nothing to add.

Jeff read from the Charter 6.3, “The Budget Committee shall, by a 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.” Jeff said this is the first he has heard of Article 25 and of the Select Board going public with it. Donna

said she had heard some conversation, she could not remember where, about this prior to the Citizen's Options Committee but that it did not come before the Budget Committee. Gene said that none of this is news to him because he attends the Select Board meetings regularly and that this has been in the hopper and discussed. He added that perhaps he should have raised it with the Budget Committee when he first heard about it several weeks ago, he could not tell members when but it was discussed in the context of being more or less advisory. Gene said that it was not a financial request. Donna asked Gene then why was the word "authorized" in the article. She added that it is not the Budget Committee's responsibility to go digging for information, it is the responsibility of the Town Manager to present the articles to the Budget Committee. Donna stressed it is not the responsibility of the Budget Committee members to attend all the meetings and gather information from there and go to them and ask for it. Denny said the idea of renovating the town hall has been floating around for years, it has been debated before whether renovations are needed or build a new town hall for years, so he said he is a little suspicious about the way this has come up. Diane said she was surprised the article was not brought up at the Citizen's Option Meeting, especially if it is that hot of an issue. Members talked about the articles that were listed and handed out to attendees at the Citizen's Option Committee. The document was shared, and the articles only listed up to #24. Members looked at the wording for Article 25. Jeff said the Budget Committee has never talked about Article 25, and Donna said it was because it had never been presented to the Committee.

Donna asked for discussion on other matters. Jeff asked about the status of the Town letter. Donna said it was all set, the Committee had met its deadline and submitted the letter to the Town Clerk. Jeff told members he had met with the Town Manager about his finalized spreadsheet. Members asked for copies via email and Jeff handed out the printed copies he had with him. Members thanked Jeff for putting the spreadsheet together.

Jeff explained a few items on the spreadsheet. He said that he put Article 18, Capital Improvements, and Article 19, Reserve Accounts, at the bottom of the spreadsheet and not as part of the budget as money for those two articles is not being raised through taxes. Jeff also said that the \$293,350 is being put toward sewer work is an enterprise fund and is not part of the budget; he added that the Town Manager said the \$293,350 will be part of the budget for the following year. Donna agreed and said Articles 18 and 19 do not require raising taxes and do not impact the mill rate. Donna agreed with Jeff that only those who use the sewer (ratepayers) will pay that part of the budget. Jeff said the Budget Committee approved everything on the spreadsheet with the exception of the MSAD as they have nothing to do with that.

Jeff said moving forward he would like to have the Finance Director update the form each month, which should not be hard or time-consuming to do and not a big ask but he has met with some resistance. He said the Town Manager said that was not going to happen. Jeff said he thinks persistence will pay off as it's not that complicated so he will stay with it. Denny and Gene thought that was good. Donna thanked Jeff for his work. All members appreciated the spreadsheet and Jeff's work.

Denny asked when the next Budget Committee meeting is, and Donna said the second Wednesday in June will be the day after Town elections. Jeff said this is Jean Hardy's and Denny Lentz's last meeting. There was some concern that there were no cupcakes. Discussion focused on when the two new members start and when their terms start. Following being sworn in, the new members

will join the Committee for the June meeting. Members thanked both Jean and Denny for their dedication and hard work.

6. Adjournment

Reggie motioned and appropriately Jean and Denny co-seconded that the meeting be adjourned. The motion passed by a roll call vote of 7-0. The meeting was adjourned at 5:50pm.

Respectfully submitted,

Donna Murphy, Chair

Date Approved: June 14, 2023

Jean Hardy, Secretary