

**Town of Eliot
Budget Committee Meeting
Wednesday, October 11, 2023**

1. ROLL CALL

Chair Jeff Leathe called the regular meeting of the Town of Eliot Budget Committee to order at 6:00pm. Members in attendance in person were Jeff Leathe, chair; Brad Swanson; Gene Wypyski; and Diane Holt, secretary. Reggie Fowler, vice chair, and Donna Murphy attended via Zoom. Jim Latter had been excused from the meeting and was absent. Bill Widi and Cabot Trott, Select Board members, were also in attendance. The Chair asked if any members had a conflict of interest with any item on the agenda for the meeting and no one did.

2. 10-MINUTE PUBLIC INPUT SESSION

The Chair opened the public comment session. There was no public comment.

3. PRESENTATION AND DISCUSSION OF FISCAL YEAR 2022 AUDIT RESULTS: MR. RON SMITH, TOWN OF ELIOT AUDITOR AND OWNER OF RHR SMITH CPAS (VIA ZOOM)

Agenda item #3 was postponed as Mr. Smith was not present at the meeting via Zoom at this time and until he was in attendance. The Chair asked Mr. Ferraro, the Town Assessor, to present his information on how the Town of Eliot calculates the annual MIL rate.

4. PRESENTATION AND DISCUSSION OF HOW TOWN OF ELIOT CALCULATES THE ANNUAL MIL RATE: MR. DONALD FERRARA, TOWN OF ELIOT ASSESSOR (IN PERSON)

Mr. Ferrara referenced the ten-page packet he had shared with members, and which is attached at the end of the minutes. He said the packet is also available as a PowerPoint presentation. Mr. Ferrara emphasized that understanding how the numbers work is key to making real-time decisions for the Town. Mr. Ferrara began with page two of the packet, lines 1-3.

The Chair stopped Mr. Ferrara's presentation to make sure members on Zoom had the ten-page packet. Mr. Ferrara emailed Mr. Fowler and Ms. Murphy the packet. Ms. Murphy suggested the document also be shared on the Zoom screen for members of the public to follow along with the presentation. Ms. Murphy also suggested the Town Clerk send out the document the following day via the Town alert email system for members of the public to have it. Mr. Ferrara was able to share the packet on the Zoom feed for the meeting.

Mr. Ferrara returned to page two of the packet. He said the first step in the process is to determine the number that the Town is valued at. He spoke about the first number, \$1,330,226,200.00 which is labeled "1. Total taxable value of real estate" and said this number does not include homesteads or business equipment tax exemption.

Mr. Wypyski asked for clarification that line one represented all residential and business properties, and Mr. Ferrara answered that line one is all real property. Mr. Ferrara answered Mr. Wypyski's follow-up question to say that both residential and business properties receive the same rate.

Mr. Smith joined the meeting via Zoom, and the Chair welcomed him and said he would follow the Town Assessor's presentation, which was fine with Mr. Smith.

Mr. Swanson asked Mr. Ferrara if line one does not include exempt property, and Mr. Ferrara answered that it did not and that the number represents “real taxable property.” Mr. Wypyski asked what percentage of that number (\$1,330,226,200.00) was residential versus business. Mr. Ferrara did not know off-hand and said he would have to look that up, but his estimate would be 90-10. Mr. Ferrara explained how he assesses the numbers to reach his final number. Mr. Leathe asked how the \$1,330,226,200.00 number has changed over the years, Mr. Ferrara answered that he did not know as he has only been in the assessor’s position for the last few months. In terms of how much that number has changed over the past year, Mr. Ferrara answered that he did not think it had changed that much and added that there was an increase in commercial businesses along Route 236 but not much change year to year.

Mr. Ferrara followed along his packet to inform members about the Town’s procedures. He said that Maine Revenue Services online provides each Maine town’s worth and MIL rate.

Mr. Ferrara discussed Line 4, Homestead Exemptions, and explained how the state reimburses the Town. He said that of the 3,182 properties in Eliot 1,919 are homestead exempt. He explained it is not hard to qualify for: property owners fill out an online application, the exemption is not income-based, and the only requirements are that a resident owns his/her home for at least 12 months, and it is his/her primary residence.

In discussing Line 5, Business Equipment Tax Exemption (BETE), Mr. Ferrara explained that this exemption is intended to help grow Maine businesses. Mr. Ferrara referred back to line two, “total taxable value of personal property” which is \$9,626,807.00. He explained, “This is the other side of personal property, most personal property is eligible to be BETE-exempt, that is what it’s called. It’s an exemption by the state where we remove that value of personal property from their personal property tax bill and the state will only reimburse us 50% of that value. The idea of it is to allow businesses to take the revenue that they would have spent on those taxes and put it back into their business to help grow Maine businesses.”

Mr. Ferrara said that Line 5 shows that the 50% reimbursed to the Town by the state under BETE is \$11,863,050.00. In response to Mr. Leathe’s question about how are these numbers calculated and by whom, Mr. Ferrara said that the total exempt value of all BETE qualified property in Eliot is done in-house (by Town staff) with assistance from the local businesses themselves. Mr. Ferrara expounded on how this process is undertaken to ensure numbers are accurate and based on actuality. He said the application is online. Mr. Ferrara added that most, if not all, of Eliot business owners know about this and that he is happy to assist any business owner with BETE.

In discussing Line 6, Total Valuation Base, Mr. Ferrara said that this is where all the numbers come together. He directed members to Line 6, the Town’s total valuation base which includes Line 3’s total taxable value of real estate and personal property of \$1,339,853,007.00 and adds in Homestead exemption reimbursement value of \$36,461,000.00 and BETE exemption reimbursement value of \$11,853,050.00, combined these numbers represent the total valuation base for the Town of Eliot which is \$1,388,167,057.00 and this is the number on which the Town bases the MIL rate.

Mr. Ferrara turned to page 6 of the packet and discussed Lines 7-11, Appropriated Funds. He said these numbers represent how much the Town collects in taxes. Mr. Ferrara provided information on each of the four categories listed (Lines 7-10) and how that funding works. Members discussed each

item, including the TIF, “tax increment financing” district, which referred to Cumberland Farms, the Eliot Commons strip mall, and businesses and properties on Route 236. Mr. Ferrara said that for the Town to function, the Town needs to collect the total amount shown on this page, \$20,952,209.00.

Turning to Lines 12-14, Allowable Deductions, Mr. Ferrara said these figures represent the amount the Town is getting from other sources that the Town does not need to collect in property tax. He spoke specifically about what each amount represents and how he works with the Town Finance Director on the numbers.

Going to page 9, Lines 16-23, Final Calculations, Mr. Ferrara said that this is where it gets complicated, stating, “This is where those numbers all come in, this is where we determine our MIL rate.”

Mr. Ferrara directed members to the amount at the top of Line 16, Column C, \$17,419,075.22, and said this amount is the maximum the Town of Eliot can collect. In response to Mr. Leathe’s question, Mr. Ferrara said the Town does not want to collect as much as it can but as much as it needs. He spoke about the 5% Overlay allowed by the state which makes sure the Town is not ever unable to pay something. Members asked questions about the overlay and Mr. Ferrara expanded on his explanation, providing examples and scenarios.

Ms. Murphy said, “So, I think it was in the last meeting when we met with the Town Manager, and there was a significant amount of money that was moved from the undesignated fund with a statement that we had more than we needed in there, and if all those articles were approved by the townspeople that we would still have more than we need, so why would we then take \$415,000 and put it back in there rather than save the taxpayers some money and put in a lower amount?”

Mr. Ferrara answered, “Yuh, no, absolutely. So, the reason that that one \$415,000 is, if you look at last year, I think it was \$525,000 is what the overlay was, this year, I dropped it down to \$415,000, the MIL rate still increased. It’s due to budget increases that we have had through the Town, it’s due to the pay down the TIF fund that we have where before we were taking some of those funds and we were putting it back toward the General Fund to help pay down the MIL rate. So, if we hadn’t had any overlay, we would have to just raise it, whatever it would have needed. I think it would have been like forty-five cents versus fifteen cents. But, because we had a little bit of that, I was able to chalk out some of the overlay and then raise the rest through the MIL rate, so it was not as much of an abrasive change.”

Ms. Murphy said, “But that is not my question. My question is that the Town Manager in front of the Budget Committee stated that we, even with all those articles that were approved in November, still have a significant amount, more than we need in the Undesignated Fund balance. So, why would we then, why wouldn’t we reduce this even further to save taxpayers money if we already have enough in the Undesignated Fund?”

Mr. Ferrara said, “So, the reason for that with me, for this calculation, is that I’m not in charge with what we’re doing with the Undesignated Fund. So, I can’t put that in here and so well we have this, so we don’t need this anymore.”

Mr. Swanson and Mr. Ferrara exchanged thoughts on this.

Ms. Murphy followed up, saying, “And again on the information that the Town Manager provided for us, is it the Town Manager that would direct you as to what percentage to use for that overlay?”

Mr. Ferrara answered, “No. It’s actually not the Town Manager’s decision what that overlay should be. If he’d like to give input, I’m always open to things like that. But it is not up, he can’t come over and say that we’re going to collect this much overlay this year.”

Ms. Murphy asked, “Who makes that decision?”

Mr. Ferrara answered, “Me. The assessor is actually the one that determines what the overlay is going to be.”

Ms. Murphy asked, “So, then it would be within your realm, or your decision of whether or not to collect the less?”

Ms. Ferrara answered, “Yes, that kind of comes back to I actually lowered it \$100,000 this year so we did not have to raise our MIL rate all that much. While still keeping enough in there to cover any unforeseen expenses, and then if anything were to happen next year and if there were more budget increases, we wouldn’t need to then jump everything up, we would then be able to cut into the overlay again a little bit.”

Mr. Swanson, who serves as a municipal assessor in Massachusetts, said the overlay is set by an assessor or board of assessors. Mr. Leathe asked if this is standard operating procedure, and Mr. Ferrara answered it is. Mr. Leathe asked if the overlay is to be thought of as a safety fund for towns. Mr. Swanson said it would be a safety fund for tax purposes. Mr. Ferrara agreed and said for tax purposes and that the actual definition is “unallocated funds toward tax purposes.” Mr. Ferrara and Mr. Swanson agreed that if the Town does not use it, then it goes back over. Discussion followed about legal situations concerning the tax rate and overlay.

In explaining the last step in determining the MIL rate, Mr. Ferrara returned to page 9 of the packet. He referenced Column A, Line 17 for the absolute minimum the Town needs to collect in taxes which is \$16,589,595.45, and Column A, Line 18, for the absolute maximum the Town can collect in taxes which is \$17,419,075.22. In both cases, the amount is divided by the Total valuation base from Line 6 on page 5, which is \$1,388,167,057.00, to determine the MIL rate. In the first case, the MIL rate would be at a minimum \$11.95 (Line 17, Column C) or at a maximum \$12.55 (Line 18, Column C). Mr. Ferrara noted that numbers on Line 19 and below conform to state reporting requirements and as such the numbers are reported divided out and not as a total sum. Mr. Ferrara provided an explanation for the other numbers on the page, what they represent, and how they were calculated. He directed members to the bottom line on page 9 which shows the Town will collect \$17,005,046.45 in taxes which includes Homestead and BETE reimbursements from the state at a MIL rate of \$12.25.

Mr. Swanson asked what the MIL rate was last year, and Mr. Ferrara answered \$12.10. Mr. Wypyski asked if in the end the MIL rate at \$12.10 is the average of the minimum \$11.95 and the maximum at \$12.55. Mr. Ferrara answered yes and explained that he selects a number that provides the Town with enough of a cushion so the Town would be okay.

Mr. Leathe asked about the calendar of the assessor’s work, and Mr. Ferrara answered that normally his work is done in July to August, because the Town’s first payment is in November.

Discussion turned to the Town schedule with the Town's budget being approved in June. Mr. Ferrara discussed scenarios for the Town given various scenarios.

Ms. Holt said she appreciated Mr. Ferrara coming in as she learned a lot from his presentation. All members thanked Mr. Ferrara for his presentation.

3. PRESENTATION AND DISCUSSION OF FISCAL YEAR 2022 AUDIT RESULTS: MR. RON SMITH, TOWN OF ELIOT AUDITOR AND OWNER OF RHR SMITH CPAS (VIA ZOOM)

The Chair welcomed Mr. Smith and asked him to talk about the process he and his team undertake to do a municipal audit. Prior to the meeting, Mr. Smith shared with the Committee the two letters dated August 16, 2023, that he had sent to the Select Board; those letters are attached at the end of these minutes. Mr. Smith said his team uses the last four months of the fiscal year (March to June, July) to complete a "pre-audit." He said it is then dependent on the municipality's readiness to begin the full audit in August, September, or October. Mr. Smith said over the past two years Eliot has not been ready to begin a full audit. Mr. Leathe asked if the audit report for 2022 was completed, and Mr. Smith said it was. Mr. Smith said currently they have the audit for 2023 underway. He said the expectation is that the Town will have a conversation about the completed 2023 audit in December or January, and that it depends on where Kristin McNulty, the new Town Finance Director, is in her work. Mr. Smith foresaw the 2024 audit to be completed between November 1 and December 15, a more reasonable time period as Ms. McNulty gets settled in and caught up. Mr. Smith noted that Ms. McNulty has been bogged down by the work she inherited that the Town is catching up with.

Mr. Leathe asked Mr. Smith to go through the six major points he presented in the Management Letter dated August 16, 2023. Mr. Smith shared his thoughts on what municipalities and regulators are experiencing currently. He also spoke about what has put the Town of Eliot behind. The two most eye-catching items Mr. Smith said in the Management Letter were: "cash is king," and working on getting Ms. McNulty up to date which is being rectified by Mr. Sullivan and Ms. McNulty by reconciling cash accounts which are the Town's biggest asset.

Mr. Smith spoke about his ongoing interaction with the Bond Bank and State Auditor to best understand the current situation. He said he feels Eliot is headed in the right direction. Mr. Smith added that he works with state entities to see how municipalities can best be supported.

Mr. Leathe asked if Mr. Smith thought the Town should change its accounting software, Mr. Smith thought the Town was not using its current software to its fullest capability and that getting caught up is the first priority and then see if this is the best product for the Town.

Mr. Swanson asked Mr. Smith if the Management Letter following the 2023 audit will look better than the Management Letter for 2022. Mr. Smith thought it would look similar and added that the more appropriate question to ask is "was there progress made in Eliot?" and he said the answer to that would be yes.

With no further questions from the members, Mr. Leathe thanked Mr. Smith for his time and presentation.

5. DISCUSSION OF PROPOSED ORDINANCE CHANGES AROUND TOWN OF ELIOT VOTING PROCEDURES: MR. WILLIAM WIDI, VICE-CHAIR OF THE ELIOT SELECT BOARD (IN-PERSON)

Mr. Leathe said he invited Mr. Widi to the Budget Committee meeting to discuss the proposal made by the Select Board concerning the Town's voting procedures. Mr. Leathe said Mr. Trott, a Select Board member, was also in attendance.

Mr. Widi addressed the Committee. He said there are three substantial changes being proposed by the Select Board for voters. He said the first change is consolidation of the number of questions on the ballot.

Mr. Widi read the following from the existing Town Meeting ordinance, Chapter 2, Article 3, Section 2-72: "The purpose of this article is to: 1. Enhance the annual town meeting process, 2. Clarify, classify, and consolidate the number and make-up of appropriation articles to be voted by referendum ballot, 3. Provide for the continued funding of existing municipal services, without unnecessary disruption, in the event an appropriation article is not approved, 4. Reduce the number of articles to be voted on annually by granting to the select board the continuing authority to act on routine administrative matters instead of voting on them annually at town meeting."

Mr. Widi reviewed the four areas he read aloud and said that he thought two of the four, #2 and #4, were not accomplished. Mr. Widi spoke about consolidating the budget items so as to have a ballot that is not three pages long but is a front-and-back document.

Mr. Wypyski asked, "So, with respect to how this will be, assuming this is approved by the voters in November, so next time we vote this way for these items, will the voter see them collapse from 27 to like eight or nine or something?"

Mr. Widi answered, "Yes."

Mr. Wypyski asked, "Will the voter have access, you know, it's very (unclear), you know the voter can see, you know, to some extent, a lot of detail, and detail is going to be consumed into nine categories. Will the voter have, at some point, access to that detail?"

Mr. Widi answered, "Yes, a lot of them will be like, Mike [Town Manager] did it this year with a little chart that said this amount for the William Fogg Library, and you know, (unclear) this amount for whatever outside agency, it will still be broken out that way."

Mr. Wypyski asked, "So, the detail will still be available to the voters?"

Mr. Widi responded, "To some extent, some of it you have to (interrupted)."

Mr. Swanson said, "The budget itself will be available to look at anyways."

Mr. Widi said, "Right, right. But some of it we will try to make it easier to digest. But ultimately, I think Mike's going to, he'll end up proposing exactly, you know, what he wants the, to break out, like we're in fiscal operations where you put debt services, (unclear) accounts, town standing committees, certainly those will be broken out under that one question, yes/no, but there will be dollar amounts for each of those sub-categories."

Mr. Wypyski said, "As opposed to \$8 million for this and such and you don't know what makes that up?"

Mr. Widi said, "Yes. And, a lot of time, as you probably have heard from constituents, some people are like, I don't understand why this isn't lumped with this, why are we voting on this, I thought I

voted on this in this article, now it will be a little more clear now that it's all under one overarching question with some categories in that question as yes or no."

Mr. Wypyski said, "Okay."

Mr. Widi said, "So, that's really the one change about consolidation. Two is the removal of the Citizens Option. And I know some people may feel strongly about this. It has been used about two time, at least three times."

Mr. Trott said, "Three." Mr. Trott and Mr. Widi discussed the number briefly.

Mr. Widi said, "So, and it's always used by the library. Now, there is a, there still is a, even removing, there is still a mechanism for the voters to put a different number on the ballot. Just a written petition, no different than an ordinance or anything like that. Continually we've heard that we, specifically from the Budget Committee, want more oversight over the library. Would that be pretty fair to say? Well, you're never going to get that oversight unless you force them to work with you. And the only way that you can do that is you have to remove the Citizens Option, make them do it through representation, if they want to do their own number. The way that we have Citizens Option structured currently, you actually incentivize people not to go. So, in 2020, only one member of the Budget Committee went to that Citizens Option Meeting, and it is because the threshold is that you need to get to that seventy-five people in the room or I think it's seventy-four. Seventy-four people in the room. But if you're off the dissenting opinion then your incentive is actually not to be there because you could be one person short. Right? So, from a strategic standpoint, it makes sense not to show up. Is that really the best way you want to run your government and determine how you put things on the ballot by incentivizing people not to show up?"

Ms. Holt asked about the petition process. Mr. Widi answered that signatures from ten percent of the electorate would be needed. He spoke about his own experience doing a citizen's petition and said it was easier to get signatures than it is to get people to attend the Citizens Option Meeting. Mr. Widi also noted that once an item is voted on and people leave the meeting, the meeting is no longer a Citizens Option meeting as the quorum is no longer met and becomes an informational meeting. Mr. Widi said he understands the Citizens Option Meeting allows people to exercise their voice but that there is another mechanism. Mr. Widi said not having the Citizens Option Meeting also condenses the budget review schedule, where currently the Select Board and Budget Committee must have their numbers locked by March, now that deadline could be moved to April.

Mr. Widi discussed changing the voting choices to yes or no. He explained, "If you are a Select Board or a Town Manager, do you want to risk your budget being a no? Now, today, if Mike [the Town Manager] wants to put something forward and the Select Board agrees with it, we can say 'okay, we're going to put it forward.' And then you'll have the Select Board recommendation, and then the Budget Committee recommendation that may be \$10,000 lower, and then you'll have a none of the above. And then you have people just blanking it, blanking the question. When you make it a yes/no, that none of the above and the lower amount, the Budget Committee's amount, I'll say, for argument's sake, those all get consolidated into one no. So, then if you're a Town Manager or a Select Board, there's an incentive to work with the Budget Committee to find a number where everybody can all agree and don't risk it being a no. Now, the way it will be structured on the ballot, it will say, do you want to approve X amount of dollars, yes or no. Then it will say Select Board recommended number, it will say Budget Committee recommended number,

but they are not going to be selecting the Budget Committee's recommended number or the Select Board's recommended number, they are going to be selecting yes or no. They will see both our recommendations. If you recommend a much lower number, they are still going to see that. But it is going to consolidate into a yes or no."

Ms. Holt asked, given that this change is based on the Committee and Select Board working together, will there be a meeting where the two groups would come together to work to agree on the numbers?

Mr. Widi answered, "What it is going to do is that it is going to set parameters on us where we have to work together." He said there would be no need for special meetings and people would not feel like they are on the Select Board side or on the Budget Committee side. Mr. Widi added that if the Town does not like this new format, the Town can go back and change it.

Mr. Leathe asked about the scenario where if the voters vote no on an item, the budget for that item would revert back to the prior year's number. Someone at the meeting said that was state law. Mr. Leathe continued saying that he would find it to be unfavorable in the case where, for example, if he worked for the Town and he was anticipating a raise in the next budget, but the said item reverted back to the prior year's budget, and he then might not receive his raise. Mr. Widi said that remains a viable option today if the majority of voters selected "none of the above." Mr. Widi and Mr. Leathe discussed this situation further and its impact on departments and the Town. Mr. Leathe was concerned that such a situation would limit growth and opportunity by having this potentially happen.

Mr. Trott said in the case of a labor contract, if that department's budget reverted to the prior year, the Town Manager would have to find money elsewhere because the Town has a contractual agreement. Mr. Trott said this was the situation the Town had when it had to call a special town meeting in the summer of 2022 because the Town voted down the Workman's Compensation funds. Mr. Trott added that the Town needs to educate voters on what they are voting on, meaning that that information is always available to the voters, and that the voters have to take some responsibility to be fully informed. Mr. Swanson said this is like the old town meeting where voters would vote yes or no and that this sounds like what the Town is trying to get back to. Mr. Widi said even on the floor of a town meeting, no one can make the budget number lower than it was the year prior.

Ms. Murphy said, "We have seen in the past, last year, the voters voted, and that vote was not respected. They had a special town meeting in July to overturn what the voters voted for. You change the system, and the voters say no we want last year's number, are you going to respect that or are we going to be looking at another town meeting in July? Are you also going to come forth with restrictions on having those special town meetings to overturn the voters?"

Mr. Widi said, "In my opinion and for me personally, I have no appetite for another special town meeting. It is one of the reasons for this change."

Ms. Murphy said, "Again, my question would be, you're limiting now and removing choices from our voters. They are the Legislative Body in this Town. We're now, through this, should this pass, they're getting less information, having less opportunity to have their voice heard. So, if they're voting, if this passes, and they're voting in June, are you going to respect that vote even if it goes the way you don't want it and it goes to last year's number, which is a lower number. Or are they then going to disrespect the voters and then have a special town meeting to try and pass it?"

Mr. Trott said, "I don't want to have special town meetings. It does make for bad neighbors sometimes, but I also take offense to being, that we disrespected voters. We followed state statutes and the ordinances of this Town to have a special town meeting. We did not break any laws."

Mr. Trott said that he heard from people that they were confused after voting and that that was the reason for the special town meeting. He added that the voters have to take responsibility themselves to get the information and that he did not disrespect the voters. Ms. Murphy said she did not say Mr. Trott disrespected the voters and did not say any laws were broken. She added that she had heard the opposite from people about the process and that anecdotal information is not factual information. Ms. Murphy asked her question again, and Mr. Trott said that no one wants to attend special meetings.

Discussion turned to having an informed electorate and attending Select Board meetings. Mr. Trott said it was important to educate voters and to improve communications with the voters. Mr. Swanson said there would be less confusion at the ballot box if both committees were in agreement. Mr. Fowler said that the Select Board and Budget Committee have been in agreement on 70-80% of the items. Mr. Swanson said historically it has been challenging and he'd like to see it more around 95%. Mr. Leathe said he thought the two groups were in agreement last year and had made progress. Mr. Leathe added that where agreement is not possible, good open discussions will help make the budget clear to the voters and as such, is important. Mr. Fowler said the two groups agreed on 80-90% of the items but there was a good 10% where the Budget Committee did not get information and that was where and why the Budget Committee stayed with the numbers from the prior year. Ms. Holt followed up in agreement with Mr. Fowler, saying there may be information concerning a proposed item that the Select Board has but the Budget Committee does not have or visa versa, and that by meeting and discussing differences, it can lead to a better outcome. Mr. Swanson reiterated from his experience the importance of the Select Board and Finance coming together to review and discuss the items. Both Ms. Holt and Mr. Swanson said, "And that's the way it should be."

Ms. Murphy stated that over the past two years the Budget Committee has asked for more information and joint meetings with the Select Board and been denied its requests. She added that changes in ordinances and processes are not needed to have important joint conversations. Ms. Murphy said that as recently as last month, the Budget Committee was given last-minute information, and that the information Mr. Widi is presenting this evening is last-minute information. Mr. Widi said that this has been discussed publicly at Select Board meetings. Ms. Murphy said that the Budget Committee should not have to go digging for this information and if it was known to the Select Board and Town Manager, the information should have been shared with the Budget Committee. She also said in September the Budget Committee had to hold a special meeting because it did not receive information in a timely manner. Mr. Widi said the Budget Committee had to hold a special September meeting because it did not meet in August. Ms. Murphy disagreed, deferring to the Chair on that matter.

Discussion continued about the proposed changes to the ballot. Mr. Widi said he has been talking about changing to a yes/no vote for more than two years. Mr. Leathe asked about the Budget Committee's requirement to hold a meeting with townspeople prior to the election. [Budget Committee Bylaw #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.] Mr. Leathe asked if the Charter was going to be changed. Mr. Trott said the Charter is not going to be changed at this

point, but a Charter review is due for the Town. Discussion turned to the creation of the Charter Commission which the Select Board has on its agenda to discuss. Mr. Leathe said per the Charter, the Budget Committee will hold a public meeting.

Mr. Leathe said, "I would also like to put on the record that the last month or so Mike [Town Manager] and I have spent a lot more time together and having Don Ferrara come in tonight was fabulous and having the auditor come in. We're certainly making progress on trusting each other and working better together." He added the Budget Committee just wants to make sure it is in the loop and clear on the issues.

Mr. Fowler was disconnected via Zoom from the meeting due to a technical issue.

Discussion continued on improving communications and budget processes, particularly in the purchasing of high-ticket items like police vehicles. Improving voter turnout in Eliot was discussed.

Mr. Leathe said he had asked the Town Manager if the Budget Committee would receive a detailed budget with specific costs and that is not consolidated too much as those specifics are vital to the Committee's review and discussion. He said the Town Manager agreed with that. Mr. Leathe elaborated, saying that the concern for the Committee is that with too much consolidating, they would receive a one-number line item for each department. Mr. Leathe said the Town Manager said that is not going to happen. Mr. Widi said he feels communications will improve. Mr. Leathe said it is vital for him and other members of the Committee to have information about the Town's budget, especially when they encounter residents at the Eliot Festival Days and other events and places and are asked questions about the budget. There was discussion about other towns who use the yes/no ballot style.

6. BUDGET COMMITTEE MEMBERS: REPORTS ON INDIVIDUAL MEETINGS AND OTHER COMMENTS/SUGGESTIONS

The Chair asked members for reports or comments. Mr. Wypyski shared with members a portion of the Town Manager's report to the Select Board where he speculated on items that might cause issues in the upcoming Town budget for 2025 due to increased pricing and other matters. Mr. Wypyski read the items from the report. Mr. Leathe thanked him for that information.

Mr. Leathe reported on his conversations with the Town Manager on how the Budget Committee and Town Manager can work together better.

7. REVIEW AND APPROVE MINUTES

Members reviewed draft minutes for meetings on September 6, 2023, and September 13, 2023.

Ms. Murphy moved, and Ms. Holt seconded that the minutes for September 6, 2023, be tabled until additional information can be added and reviewed at the next Budget Committee meeting. The motion passed by a roll-call vote of 5-0.

Ms. Murphy moved, and Ms. Holt seconded that the minutes for September 13, 2023, be approved as amended. The motion passed by a roll-call vote of 5-0.

Ms. Holt asked for an update on the status of the Budget Committee approved minutes being posted onto the Town website. Ms. Lukegord, the recording secretary, reported that the minutes

were now up to date on the Town website and that the Town Clerk thanked her for sending the reminder and that posting the minutes was an oversight during a busy time at Town Hall.

8. OTHER BUSINESS

There was no other business.

9. CORRESPONDENCE

There was no correspondence.

10. SET AGENDA AND DATE FOR NEXT MEETING

The Chair said the Committee will meet for its regular monthly meeting on Wednesday, November 8, at 6:00pm. Mr. Leathe said the agenda for that meeting will include reviewing the schedule for the upcoming budget season. He said he may ask the Town Manager to attend that meeting. Mr. Leathe said there would also be a presentation at the meeting in person by Brian Jamros and Kathleen Glowacki from the Town's investment firm, Bartholomew & Company. Ms. Murphy asked that the outcomes of the Town's November 7th Election be part of the agenda and Mr. Leathe added that item to the agenda.

11. MOTION TO ADJOURN

Ms. Murphy moved, and Mr. Holt seconded that the Budget Committee meeting be adjourned. The motion passed unanimously. The meeting was adjourned at 8:15pm.

Respectfully submitted,

Jeffrey Leathe, Chair

Date Approved: February 14, 2024

Diane Holt, Secretary