TOWN OF EAST HADDAM
Board of Finance
Special Meeting Minutes
May 16, 2023
Municipal Office Complex
Meeting Rooms 1 and 2
Via Zoom and YouTube Live

Participating:

Board of Finance Members:

Bruce Dutch
Todd Gelston
Tracey Gionta
Harvey Thomas
Rebecca Whatley

Absent:

Joseph Corbett

Others:

Rob Funk, Finance Director
Irene Haines. First Selectwoman
Linda Zemienieski
And other members of the public

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Ms. Gionta called the meeting to order at 8:15 p.m. and the attendees said the pledge of allegiance.

GUESTS AND AUDIENCE COMMENTS

There were no guest or audience comments discussed at this time in the meeting.

2023-2024 BUDGET

Ms. Gionta stated that the FY2023-2024 budget did not pass referendum. Consequently, the Boards of Education, Selectmen, and Finance will have to revisit the proposed budget and then another Public Hearing, Town Meeting, and referendum will have to be scheduled.

Ms. Zemienieski reviewed the timeline for the last budget that had failed in referendum. It was agreed that the Public Hearing for the revised budget would be scheduled for June 13th, the Town Meeting for June 27th, and the referendum for July 11th. Ms. Gionta noted that CT statutes mandate that the mill rate be set by July 1st, therefore, the Board of Selectmen will have to set the Town's mill rate prior to the next referendum.

There was a general discussion regarding the reason behind the failed vote and the consensus was that the economy in general and citizens' concern about the impact of the recent revaluation on their property taxes were most likely the primary reason for the "no" votes and a secondary reason could be the belief that there is a lack of clarity regarding the expense for the proposed changes to the Town's ambulance service.

In response to a question raised by Mr. Thomas, Mr. Funk advised that to achieve a zero mill rate increase, $1.2M would have to be cut from the budget. There was a general discussion about Mr. Thomas' suggestion that the BOF set a maximum goal of cutting $1M (BOE - $600k and BOS - $400k) from the budget. The consensus was that it would be extremely difficult to cut the budget by that amount; however, it was agreed that those figures could be set as the outermost goal.

Ms. Haines stated that department heads and the Board of Selectmen had already substantially reduced the Town's budget before it was submitted to the BOF and she did not feel it would be responsible to cut as deeply as it would require to get to a zero mill rate increase.

Ms. Gionta advised that she will try to get a better understanding about the reasons the budget did not pass referendum.

a. Set Mill Rate for 2023-2024

Action on this agenda item was postponed.

APPOINTMENT OF AUDITOR

Mr. Funk advised that the Town is required to appoint its audit firm 30 days prior to the end of the fiscal year. He stated that the cost for the FY23 audit is $53,500.00 which includes the audit, the state and federal single audits, and the Annual Comprehensive Financial Report (formerly the CAFR).

Mr. Funk noted that when the 2019 RFP for audit services was issued, it called for a three-year contract for the audit of fiscal years ended 2020, 2021 and 2022, with the option of a two-year contract extension for fiscal years 2023 and 2024. He stated that the FY22 audit will complete the third year of the Town's contract with Clifton, Larson and Allen LLC (formerly BlumShapiro).

There was a general discussion regarding the possibility of moving the audit schedule up.

Motion was made by Ms. Whatley to appoint Clifton, Larson and Allen LLC as the Town of East Haddam's Auditor for the July 1, 2022 to June 30, 2023 fiscal year audit. Mr. Gelston seconded the motion and it was unanimously approved. Motion carried.

GUEST AND AUDIENCE COMMENTS

There were no guest or audience comments discussed at this time in meeting.

ADJOURNMENT

Motion made by Mr. Dutch to adjourn at 9:05 p.m. Mr. Gelston seconded the motion and it was unanimously approved. Motion carried.

Respectfully submitted,
/s/
Bruce Dutch
Secretary