TOWN OF EAST HADDAM
Board of Finance
Special Meeting Minutes
May 24, 2023
Municipal Office Complex
Meeting Rooms 1 and 2
Via Zoom and YouTube Live

Participating:

Board of Finance Members:

Joseph Corbett
Bruce Dutch
Todd Gelston
Tracey Gionta
Harvey Thomas
Rebecca Whatley

Others:

Rob Funk, Finance Director
Denise Dill, Tax Collector
Eric Dill, Selectman
Jessica Hatfield
Cynthia Hughston, BOE Business Manager
Brian Reas, BOE Superintendent
Patricia Stricker, BOE
Linda Stuhlman
Paul Stuhlman
Laurel White
Deborah Winshell
Linda Zemienieski
And other members of the public

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Ms. Gionta called the meeting to order at 6:00 p.m. and the attendees said the pledge of allegiance.

2023-2024 BUDGET REVIEW AND PUBLIC HEARING PREPARATION

a. Guests and Audience Comments

Laurel White asked if the Board's survey on why the budget failed referendum indicates if the public would be more responsive to cuts in the budget or more clarity on funding for the Town's emergency medical services. Ms. Gionta responded that that is what will be discussed at this meeting.

Patty Stricker thanked the Board for their work on the FY2023-2024 budget. She noted that the budget meetings held by the Town, BOE, and BOF were not well attended by the public and that not many turned out for the budget referendum. She encouraged the public to show up for the next budget referendum and, in the future, to take a more active role in the budget workshop meetings.

Deborah Winshell stated that she supported the comments of the previous speakers and said that it is her belief that the people that voted no on the budget did so because of the Ambulance Association controversy and do not necessarily want to see any cuts to the budget.

b. Survey Results Discussion

Ms. Gionta stated that quite a few responses to the budget survey indicated that people voted no on the budget because they did not feel there was enough information regarding the Town's proposal to discontinue its relationship with the Ambulance Association and move its emergency medical response responsibilities under the Fire Department; however, she felt there were a number of other responses that were not as clear cut. She noted that funding for the proposal had not been included in the FY2023-2024 budget because a decision on the issue has not been finalized.

Ms. Gionta reviewed all of the opportunities the public have to be informed about the budget and the budget process and noted her frustration about those who show up in the final days of the process and "hijack" the vote.

Ms. Gionta queried the Board on their interpretations of the responses to the budget survey that was on Facebook and the Town's website:

- Mr. Gelston stated that he felt the survey indicated the public is concerned about the ambulance situation but noted that it also raised a number of questions that should be addressed. He further stated that he feels the responses indicate that some cuts should be made to the proposed budget.

- Mr. Corbett noted the low turnout at the referendum and stated that he feels the ambulance controversy was the main cause for the no votes. He stated that he shares the public's frustration with the lack of information about the proposal to move the responsibility for emergency medical response under the Fire Department.

- Mr. Dutch agreed that the survey indicated the main reason for the no votes was the ambulance controversy; however, he noted that there were some people who indicated they want to see reductions to the budget. He pointed out the challenges the Town is facing with the Ambulance Association have been faced by several previous administrations but he is of the belief that the issues can be resolved.

- Rebecca Whatley stated that some of the responders to the survey do not have a clear understanding of what the actual impact of the revaluation will be on their property tax. She suggested revisiting the topic in the Citizens' Guide to the Budget to provide a more understandable explanation. She also noted that there were a number of comments regarding the BOE budget and suggested the BOF may want to revisit that part of the overall budget.

c. Budget Discussion

Ms. Gionta advised that she had met with Finance Director Funk prior to the meeting to discuss a possible solution for the concern about the fact that there was no funding in the Town's budget to address the issue of the Town's emergency medical response needs. She proposed adding $100k to the Contingency budget for Ambulance Funds and advised that the expense would be offset by $46k savings realized by sharing the cost of the services of Officer Rhodes with the town of Hebron for the Police Accountability Act project, $36k savings realized by a reduction to the FY23 Capital budget, and an expected $18k increase in revenues from Transfer Station tipping fees.

Ms. Gionta stated that she does not feel it would be responsible to cut the budget or dip any further into the Unassigned Fund Balance. She noted that the solution she and Mr. Funk developed would have no impact on the budget's bottom-line or the new mill rate.

In response to a question raised regarding why the percentages for total FY2023-24 expenses and required taxation amount are not the same, Mr. Funk clarified that revenues for FY2023-2024 were projected to be lower than the previous fiscal year, therefore, the reliance on taxation must be greater than just the increase in expenses to make up for the lost revenue. He responded to additional questions from the Board members.

There was a general discussion regarding Ms. Gionta's proposal. Mr. Corbett expressed concern that $100k may not be sufficient. Ms. Whatley recommended that the Ambulance contingency should be explicitly addressed in the Citizen's Guide. Mr. Gelston stated he would like to get a better understanding of the Fire Department's budget for taking on the emergency medical services responsibility.

Ms. Gionta asked Selectman Dill to provide the BOF with comments on the FY2023-2024 budget and the Ambulance Association issue. Mr. Dill stated that the BOS had made every effort to deliver a budget which included only required increases to the BOF. He advised that he had not been involved in the negotiations with the Ambulance Association and the Fire Department that led to the current proposal and he could not say whether or not the Fire Department's expense projections were reasonable.

There was a general discussion regarding Mr. Gelston's request and it was agreed to invite representatives from the Fire Department to attend the next regular BOF meeting to go over the proposed increase in its budget related to assuming responsibility for the Town's emergency medical services and to respond to questions.

d. Mill Rate Calculation

Ms. Gionta noted that the solution she and Mr. Funk developed to address the public's concern about allocating funds in the budget for the Town's emergency medical services needs is acceptable to the Board, there would be no change the FY2023-2024 budget's bottom line and, therefore, no change to the calculated rate of 25.75 mills.

e. Possible Budget Resolution

Motion made by Mr. Thomas to utilize $400,000.00 of the Unassigned Fund Balance to offset the Fiscal Year 2023-2024 budget. Mr. Dutch seconded the motion and it was unanimously approved. Motion carried.

Motion made by Mr. Thomas to present to a Public Hearing on June 13, 2023, at the Nathan Hale High School, a total budget of $38,411,165.00 based on the October 1, 2022 Grand List of $1,196,393,662.00. This budget reflects an increase of the FY2022-2023 of 3.11% in expenditures, a mill rate decrease of 6.04 mills, and a 4.04% increase in tax revenues. Mr. Dutch seconded the motion and it was unanimously approved. Motion carried.

Mr. Gelston recommended the Town put out lawn signs announcing the date, time, location, and purpose of the Public Hearing. Ms. Zemienieski agreed to have the signs made up.

f. Citizens' Guide to the Budget

Ms. Gionta advised that the Citizens' Guide to the Budget would be updated appropriately and published.

g. Guests and Audience Comments

In response to a question raised by Mr. Stuhlman, Ms. Gionta confirmed that adding a $100k Ambulance Contingency did not impact the budget's bottom line and reviewed how that had been achieved.

Tax Collector Denise Dill advised that municipalities must perform property revaluations every 5 year as required by state statute. She stated that, on average, residential property values went up 36% while commercial properties went up 3% resulting in an increase in residential property taxes and a decrease in commercial property taxes. She also noted, the is not statistically possible for the BOF to reduce the budget enough for property owners to experience a noticeable change in their taxes.

In response to a question raised by Ms. Stuhlman, Ms. Gionta reviewed the timeline and process for creating the Town's annual budgets. Ms. Stuhlman discussed the economic challenges faced by citizens and expressed concern over the perceived lack of transparency regarding the proposed changes to the status of the Ambulance Association.

OTHER

There was no other discussion at the meeting.

ADJOURNMENT

Motion made by Mr. Dutch to adjourn at 7:50 p.m. Ms. Whatley seconded the motion and it was unanimously approved. Motion carried.

Respectfully submitted,
/s/
Bruce Dutch
Secretary