TOWN OF EAST HADDAM
Board of Finance
Special Meeting Minutes
July 11, 2023
Municipal Office Complex
Meeting Room 3
Via Zoom and YouTube Live

Participating:

Board of Finance Members:

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

Others:

Rob Funk, Finance Director
Cynthia Hughston, BOE Business Manager
Linda Zemienieski, Executive Manager
Paul Stuhlman
And other members of the public

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Ms. Gionta called the meeting to order at 7:05 p.m. and the attendees said the pledge of allegiance.

APPROVAL OF MINUTES

The Board reviewed the following minutes:

a. Regular Meeting, June 12, 2023

Motion was made by Mr. Corbett to approve the minutes of the Regular Meeting of June 12, 2023 as written. Mr. Gelston seconded the motion and it passed unanimously. Motion carried.

b. Public Hearing, June 13, 2023

Motion was made by Mr. Thomas to approve the minutes of the Public Hearing of June 13, 2023 as written. Mr. Gelston seconded the motion and it passed unanimously. Motion carried.

c. Special Meeting, June 13, 2023

Mr. Corbett requested the following revision be made to the motion at the end of page 3 of the June 13th special meeting minutes: *"... Mr. ~~Thomas~~ Gelston, and Ms. Whatley voted nay. Motion carried."*

Motion made by Mr. Corbett to approve the minutes of the Special Meeting of June 13, 2023 as amended. Mr. Gelston seconded the motion and it passed unanimously. Motion carried.

GUESTS AND AUDIENCE COMMENTS

There were no guest/audience comments raised for discussion at this time in the meeting.

CORRESPONDENCE

Mr. Funk advised that an email from Mr. Ken Tosi had been received on July 7th with questions regarding the budget. Ms. Gionta advised that First Selectwoman Haines had also received Mr. Tosi's email and responded to his questions.

CHAIRMAN'S REPORT

a. Board Subcommittee Reports

i. Communications – Mr. Gelston reported that there was no new update to this agenda item.

ii. Long-Range Capital Improvements Committee – Ms**.** Gionta reported that there was no update to this agenda item.

iii. Financial Policies – Ms. Gionta reported that the meeting scheduled to work on updates to the BOF's General Fund Revenues policy had to be cancelled but it will be rescheduled.

b. Liaison Reports

i. **Redevelopment Agency** – Mr. Thomas reported the following:

- The state had approved the Redevelopment Agency's grant application for funding to do brownfield environmental testing at the old Town Office site.

- Centerbridge Group's revised development plan is on the Planning & Zoning Commission's July 11th meeting agenda for consideration. Mr. Thomas noted that regardless of whether or not P&Z determines the proposal complies with the Town's Plan of Conservation and Development, the Agency is not yet ready to move forward with any development plan.

FIRST SELECTMAN'S REPORT

First Selectwoman Haines was not in attendance at the meeting; consequently, discussion of this agenda item was postponed.

FINANCE DIRECTOR'S REPORT

a. May 2023 Year to Date Budget Report

Mr. Funk called the Board's attention to the May 2023 YTD Budget Report in their meeting packets. He reviewed the report and noted that the Town's expenditures are at 84% of what was budgeted and that most departments' are trending at or below what was budgeted. He reviewed revenues to date and noted that they are also higher than projected. Consequently, he stated that he expects an increase to Fund Balance at the end of the fiscal year. He responded to several questions from the Board.

b. Audit Update

Mr. Funk reported that the Town's audit was completed on June 23, 2023 and filed with the CT Department of Policy and Management on time. He stated that CLA submitted the audit "unmodified". He responded to several questions from the Board and advised that the only management note that the auditors provided was that the Town should strive for more timely closing of the books going forward but also recognized that the Finance Director's position had been vacant for six months during Fiscal Year 2022-2023.

OLD BUSINESS

There was no old business discussed at the meeting.

NEW BUSINESS

a. FY23 Capital Budget Transfer request

Ms. Gionta provided information regarding this agenda item. Mr. Funk provided additional details and responded to questions from the Board.

Motion was made by Mr. Thomas to transfer funds $223,581 within the capital reserve fund from Projects C0176, C0185, C0196, C0197, C0209, C0210, C0240, C0241, C0242, C0243, C0263 & C0264 to Projects C0208, C0211 & C0239 (as detailed in the accompanying letter) to reallocate unexpended capital from completed projects in order to cover the cost of price increases in existing approved projects and to reduce the amount of required General Fund contribution as reflected in the revised FY24 proposed budget. Motion was seconded by Mr. Gelston and it passed unanimously. Motion carried.

b. Grant Acceptance – Edmund T. and Barbara S. Delaney Fund and Whelen Family Fund at the Community Foundation of Middlesex County – for Summer Day camp Activities

Ms. Gionta called the Board's attention to a grant award letter, related to this agenda item, in the meeting packets. Mr. Funk advised that the grant does not have a matching funds requirement.

Motion was made by Mr. Corbett to accept a grant in the amount of $5,000 from the Edmund T. and Barbara S. Delaney and Whelen Family Fund at the Community Foundation of Middlesex County for the purpose of supporting Summer Day Camp Activities, Revenue account 28045-44709-R1099 and expense account 28045033-56900-R1099, and to recommend that the Board of Selectmen schedule a town meeting for approval. Mr. Gelston seconded the motion and it passed unanimously. Motion carried.

Ms. Gionta called for a recess at 7:40 p.m. The meeting reconvened at 8:06 p.m.

c. Budget referendum results and next steps

Ms. Gionta reported that the budget referendum had failed 485 to 758. Mr. Funk distributed a document outlining prospective dates to bring a third budget to a Town referendum.

There was a general discussion regarding potential approaches to modify the proposed FY2023-2024 budget. Ms. Gionta called Ms. Whatley and Mr. Dutch on the phone and they participated in the discussion remotely. She advised that Mr. Thomas had suggested going back to the Boards of Selectmen and Education with a dollar amount to reduce their budgets and let them decide where the reductions should be made.

The Board agreed with Mr. Thomas' suggestion and the consensus was to set a goal of a total $1M reduction to the budget, split proportionately between the Town (40%) and the Board of Education (60%). Ms. Gionta noted that any reduction made to the FY23-24 budget would not impact citizens' tax bills this year because the mill rate has already been set and bills mailed out. The Board agreed to draft a communication to explain to citizens how their tax bills will be impacted both this year and the following year.

The Board agreed to schedule a special meeting on July 19, 2023 at 5:00 p.m. to consider the Board of Selectmen's and Board of Education's budget reduction proposals.

OTHER

There was no other business discussed at the meeting.

GUEST AND AUDIENCE COMMENTS

In response to an inquiry from (Paul Stuhlman), Ms. Gionta confirmed that the 2023 tax bills had been mailed to property owners and payment is due by August 1st. Ms. Zemienieski provided additional clarification.

ADJOURNMENT

Motion made by Mr. Corbett to adjourn at 8:35 p.m. Mr. Gelston seconded the motion and it was unanimously approved. Motion carried.

Respectfully submitted,
/s/
Bruce Dutch
Secretary