TOWN OF EAST HADDAM
Board of Finance
Special Meeting Minutes
July 19, 2023
Nathan Hale-Ray High School
Auditorium
Via Zoom and YouTube Live

Participating:
Board of Finance Members:
Joseph Corbett
Bruce Dutch (remotely)
Todd Gelston
Tracey Gionta
Harvey Thomas
Absent: Rebecca Whatley

Others:
Rob Funk, Finance Director
Irene Haines, First Selectwoman
Cynthia Hughston, School Business Manager
Marc Piscotti, BOE
Brian Reas, Superintendent
Patricia Stricker, BOE
Linda Zemienieski, Executive Manager
And other members of the public in person and remotely

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Ms. Gionta called the meeting to order at 5:02 p.m. and the attendees said the pledge of allegiance.

Ms. Gionta reviewed the ground rules for the meeting. She encouraged the public to get their information on the Town's budgets from coming to meetings, viewing them on YouTube, or communicating directly with Board members (Finance, Selectmen, and/or Education) about their questions or concerns rather than relying on social media for information.

2023-2024 BUDGET REVIEW AND PUBLIC HEARING PREPARATION

a. Budget Discussion

- **Education Budget –** Superintendent Reis provided opening comments and reviewed how the Board of Education developed its budget. He advised that the East Haddam BOE budget for FY2023-2024 is the lowest of all of the surrounding towns. He stated that, at the request of the BOF, the BOE had created a prioritized list of budget cuts totaling approximately $400k; however, it was not his or the BOE's recommendation that the reductions be made.

Ms. Stricker noted the impact of state mandates on school budgets. She advised that there are 380 unfunded mandates covering transportation, special education, professional development, software, pre-kindergarten, ADA compliance, magnet school tuition, and other items. She said that the Town has a responsibility to the students and emphasized that the FY2023-2024 budget had been reviewed by the BOE, line-by-line, many times; however, after the cost of funding state mandated requirements, there is very little flexibility in the BOE budget.

Mr. Piscotti emphasized that the proposed reductions in the BOE budget were not being required by the BOF but, rather, the Board had requested information from the BOE about what would have to be cut to reduce its FY2023-2024 budget by $600k.

Mr. Piscotti reviewed the list of cuts the BOE would have to implement to achieve a $600k reduction, including a number of staffing cuts, eliminating several new positions, reductions in funding of sports and extra-curricular activities, and reduced security.

Mr. Reis responded to several questions presented by Mr. Gelston

- **Town Budget** – First Selectwoman Haines provided opening comments, reviewed how the Board of Selectman developed the Town's budget, and noted that the original budget the Town put forward was held to a 3.1% increase, with a 2.1% wage increase, in spite of a 9% increase in utilities, a 13% increase in the Town's health insurance premium, and 7% inflation. She provided an overview of how the department heads achieved additional reductions to the original budget and reviewed a prioritized list of cuts which resulted in lowering expenses by $554,664.00

  Mr. Funk responded to several questions raised by Mr. Thomas.

b. Guests and Audience Comments – Ms. Gionta advised that the BOF had received written communications from: Denise DiStephano, Lisa Dido, Barbara Hughs, Amber Liven, Melissa Jude, Kelsey and Wayne Caufield, Noel Carabino, Aiden Behilo, Lauren Lemar, and Nathan Mattatick.

The following guests and audience comments were also heard:

Keira Thompson – stated she is a parent, taxpayer, and member of the BOE. She stated that, at the direction of the BOF, the BOE had already reduced its original FY2023-2024 budget by $75k. She reviewed the increases in the school budgets of surrounding towns and noted that the East Haddam BOE budget increase was the lowest of all the school districts. She stated it is her opinion that a $600k cut to the BOE budget will be detrimental to the school system and urged the BOF to reconsider its request.

Isabella Laban – stated she is a Nathan Hale-Ray High School sophomore and commented that . a $600k reduction in the BOE's budget undermines the Town's motto "*Proud of Our Schools*", She said that eliminating one of the student resource officers is "mortifying" and makes students scared. She argued against several other specific cuts and asked the BOF to re-think its request.

Kerianne Kendall-Rand – stated that she is president of the Middle School Principal Advisory Council, a taxpayer and a parent. She noted that a $600k reduction in the BOE budget will significantly impact teachers, class size, activities, programs and services, and have a negative impact on students and the community. She implored the BOF to reduce its request to the BOE.

Kira Rand – stated that she is a member of the 2027 Class of Nathan Hale-Ray High School. She argued against the elimination of the Middle School math teacher and a custodian position and encouraged the BOF to reduce its request to cut the BOE budget by $600k.

Kimberly Parady – stated she was a member of the Nathan Hale-Ray Class of 2002 and has three children in the East Haddam schools. She said that, after the Covid pandemic, the math and reading teachers were instrumental in bringing her children up to grade level in those disciplines. She commented that she does not believe that now is the time to cut those positions and risk students backsliding.

James Francese – advised that he is a member of the BOE and stated that it is his opinion that all of the cuts on the BOE's list are "bad ideas". He specifically expressed concern with the reading teacher cuts and provided supporting data.

Kelsey Caulfield – stated that her family recently moved to Town and one reason they chose East Haddam was because of the school system. She expressed concern about cutting the position for an additional kindergarten teacher and cited several studies about the impact of class size on students. She noted that she hasn't spoken to anyone who is in favor of cutting the BOE budget and asked the BOF to reconsider their request. She also suggested holding separate votes on the Town's and BOE's budgets.

Ms. Gionta thanked Ms. Caulfield for her comments and stated that, due to the type of government the Town has, state codes do not allow them to bifurcate the Town's and BOE's budget at referendum.

Abigail Martin – said that she believes it is essential for the Town to meet student needs. She spoke against cutting any staff positions and the student resource officer.

Catherine Tarnarski – protested the proposed cuts in sports, extra-curricular activities and the academic achievements banquet noting the motivating factor all have on students.

Rose-Marie Evans – stated that the long-term impact of Covid and the prevalence of social media are counterbalanced by having enough staff to meet student needs. She stated that larger classes shortchange students. Ms. Evans further noted that the current situation regarding the BOE's budget should be a civic lesson to everyone that they need to come out and vote for what they believe in.

Michele Atkins – stated that she is a Middle School and Nathan Hale-Ray High School coach. She said that she is an advocate for school athletics and noted that sports teach students the individual and team qualities they need in life.

Liz Glidden – advised that she has children in the East Haddam school system and she is opposed to the proposed cuts in the BOE budget, particularly the math and reading teachers and the additional kindergarten position. She stated that some students are still lagging behind in reading and math due to the Covid pandemic.

Lisa Cahill – Ms. Cahill read a statement from reading specialist Meg Laterie. Ms. Laterie's statement did not support any personnel cuts or eliminating sports and extra-curricular activities noting her belief that doing so will have a lasting impact on students.

Ruth Massi – supported the comments of the previous speakers and discussed state mandates. She stated she disagreed with eliminating any staff positions and recommended the Town revisit the Public Works capital budget for additional savings.

Ms. Gionta suggested taking a five-minute recess. **Motion made by Mr. Thomas to recess the meeting. Mr. Corbett seconded the motion and it was unanimously approved. Motion carried and the meeting was recessed at 6:39 p.m.** The meeting reconvened at 6:47 p.m.

Eliza Anderson – stated she is a recent graduate of Nathan Hale-Ray High School and attributed her scholastic success not only to her hard work but also to her teachers, others at school who mentored her, and her participation in extra-curricular activities. She said that she believes cutting the extra-curricular activities budget will have a ripple effect on students.

Maureen Pierson – reviewed the two failed budget referendums and stated that citizens do not want to see any cuts in the BOE budget. She suggested donating the $100k the Town set-aside to fund the gap between emergency medical service response income and expenses to the East Haddam Ambulance Association and take the next year to resolve the conflict.

Sean Morrissey – stated he is a father of four children and is opposed to cutting staff. He addressed revisiting the Public Works' and other capital projects for budget reductions.

Linda Stuhlman – thanked the Boards for their work on the budget but stated that she believes it will fail referendum again. She provided introductory comments and objected when Ms. Gionta informed her she had reached the 3-minute speaking limit.

R. Wade Tomlinson – stated he is a taxpayer and father of two. He noted his children benefited from the pre-K program and extra-curricular activities. He said that he is not in favor of any budget that does not include increases in the schools' budget. He objected to the cuts in the BOE budget and recommended implementing sustainability projects, such as solar panels, to lower utility costs. He also recommended the budget referendums be scheduled when voters are not away on vacations.

Laurie D'Aquila – said that, historically, Town budgets fail when citizens are opposed to some action or project the Town is involved in. She stated that she believes the referendums for the FY2023-2024 failed because of the controversial issue of transferring the Town's emergency medical services response from the Ambulance Association to the Fire Department. She cautioned the Town to stop pursuing that plan unless it is committed to a long-term expense that the taxpayers cannot afford.

Jessica Hatfield – encouraged voters not to hold the budget "hostage" to the Ambulance Association or new assessments issues. She commended the BOE on its hard work and "meticulous process"; however, stated she believes it is irresponsible to make cuts in the BOE budget. (The microphone cut out mid-point in Ms. Hatfield's comments.)

Aiden Matetich – addressed the benefits of sports in his life and stated that they teach life skills and motivate him to be a good student. He encouraged the BOF to rethink cuts to the BOE budget.

Craig Mansfield – thanked all the Board members for their work on putting together what he believed was a "very reasonable" budget. He advocated that the BOF keep in mind the long-term planning process the Town has in place when it considers cutting capital projects. He also encouraged citizens to get out and vote at the next budget referendum and to urge their friends and neighbors to do the same.

Denise DiStephano – inquired about the contribution from the Unassigned Fund Balance and Ms. Gionta confirmed that $400k from the Fund Balance is included in the FY2023-2024 budget.

Sarah Anderson – expressed her disappointment at the low turnout at the prior budget referendums and encouraged parents to get out to vote at the next referendum.

Nancy Haslam – commended the Board members for all of their hard work and noted her disappointment at the low turnout at the earlier budget referendums. She noted that East Haddam has an outstanding school system and stated that staffing cuts will have a direct impact on the students. She pleaded with citizens to show up to vote at the next referendum.

James Franchese – complimented the students who spoke at the meeting on their civic engagement.

Aiden Matetich – stated he works as a school custodian and noted that the custodians are already exceptionally busy and cannot absorb a staff cut without increasing overtime.

Crystal Demeth – stated that she finds the proposed BOE budget cuts deeply concerning. She said that, as a single parent, she cannot afford pay-to-play and believes that both students and the schools will lose out if that happens. She stated that she feels the proposed cuts are an "insult" to students, school staff, and parents.

Ms. Gionta thanked everyone for their participation and asked that they complete a straw-poll on their way out. She encouraged people to stay to the end of the BOF's meeting, or to watch it on YouTube, because the remaining agenda items are "*when the business gets done*". She also urged residents to come out and vote at the next budget referendum and noted that students who are 18 and older can also register and vote.

c. Mill Rate Calculation – Ms. Gionta advised that, per state code, the Town's mill rate for FY2023-2024 had to be, and was, set by July 1st and cannot be changed until the next fiscal year. She stated that the Town is researching whether or not a refund can be issued to taxpayers in January if the revised budget would result in a lower mill rate; if not, any surplus will go into Fund Balance and will be used to offset the FY2024-2025 budget.

d. Possible Budget Resolution – Ms. Gionta solicited the input of the Board members regarding next steps on the FY2023-2024 budget and the members commented as follows:

Mr. Dutch stated that he did not disagree with any of the public comments he heard at the meeting and still stands behind the original budgets that were proposed which he believes were "common sense".

Mr. Corbett thanked everyone who came out for the meeting and stated that he was pleased to finally get public input. He noted that the BOF had not directed any specific cuts be made to the Town's or the BOE's budgets but rather wanted to know what it would look like if a one mill ($1M) reduction was made. He recommended the BOF implement a $250k reduction in the FY2023-2024 budget, split proportionately (60%-40%) by the BOE and the Town. He also suggested they revisit expanding the tax credit for low-income and elderly taxpayers.

Mr. Thomas stated that the revaluation and Ambulance Association controversy are not valid arguments for voting against the budget and noted that the BOF had made a reasonable accommodation for whatever comes to pass regarding the Town's ambulance service. He proposed accepting the BOS's Tier 1 and Tier 2 reductions in the Town's budget, excluding the elimination of one police officer position. He stated that he would not be in favor of making any changes to the BOE budget and noted that this exercise had shown that a substantial cut to the budget cannot be made without pain.

Mr. Gelston thanked the public for their participation. He supported Mr. Thomas' recommendation and stated that he feels it would address the public comments he heard indicating taxpayers simply wanted to eliminate any unnecessary costs. He stated he did not see any need to cut the BOE budget; however, he questioned the benefits of all of the state's unfunded mandates and encouraged citizens to "push back" on such legislation. At his request, Superintendent Reas provided Mr. Gelston with a comprehensive list of the state's unfunded mandates.

Mr. Dutch stated that he is disappointed that the previous budget referendums failed. He said that he feels even a minimum cut to the FY2023-2024 budgets the BOF presented at those referendums can "come back to bite" the Town but stated he will support the proposals on the table. He also noted that there is a need to get more citizens out to vote for Town referendums and elections.

Mr. Corbett reiterated that he feels that both the Town and the BOE should contribute to the budget reductions. Ms. Gionta agreed and BOE Chairman Piscotti stated the BOE would reduce its capital budget by $50k.

Mr. Funk advised that implementing the BOS's Tier 1 and Tier 2 cuts, exclusive of the elimination of a police officer, would result in a total reduction of $218,354.00 to the FY2023-2024 budget. He also reported that projected revenues will be increased by an unanticipated $45,294.00 LoSIP grant. Ms. Gionta recommended staying with the Board's original plan for using ARPA funds, which would result in retaining an approximate balance of $200k.

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

Motion made by Mr. Thomas to present to a Public Hearing on August 16, 2023, at the Nathan Hale High School, a total budget of $38,161,165.00 which reflects a $200,000 decrease from the Town Budget and $50,000 decrease from the education budget, based on the October 1, 2022 Grand List of $1,196,393,662.00. This budget reflects an increase over the FY2022-2023 of 2.44% in expenditures. Mr. Gelston seconded the motion and it was unanimously approved. Motion carried.

ADJOURNMENT

Motion made by Mr. Dutch to adjourn at 8:16 p.m. Mr. Gelston seconded the motion and it was unanimously approved. Motion carried.

Respectfully submitted,
/s/
Bruce Dutch
Secretary