TOWN OF EAST HADDAM
Board of Finance
Special Meeting Minutes
August 16, 2023
Nathan Hale-Ray High School
Auditorium
Via Zoom and YouTube Live

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

Others: Denise Dill, Tax Collector
Eric Dill, Selectman
Rob Funk, Finance Director
Theresa Govert, Selectwoman
Irene Haines, First Selectwoman
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 10:05 p.m. The pledge of allegiance was dispensed with since it had been recited earlier in the evening at the beginning of the Public Hearing.

CORRESPONDENCE

There was no correspondence discussed at the meeting.

2023-2024 BUDGET

a. Discussion and Potential Adjustments Following the Public Hearing – Ms. Gionta polled the Board members regarding whether or not to make further cuts to the FY2023-2024 budget.

Mr. Corbett stated he was comfortable moving forward with the previously agreed to $250k reductions.

Mr. Gelston stated he would like to see additional reductions to the budget and suggested that not moving forward with the purchases of the front-loader and dump truck for Public

Works would save approximately $200k-$300k. In response to an inquiry from Ms. Gionta, he confirmed that the Public Works Director did not tell him the purchases could be pushed out. Ms. Gionta noted that ARPA funds had been earmarked for the purchase of those two pieces of equipment and delaying those purchases would free those funds up for other capital projects

Mr. Funk cautioned the Board that delaying the purchase of the front-loader and dump truck this year and moving other capital projects from the General Fund into the ARPA bucket will result in a contribution from the General Fund to the Capital Projects account that is comparatively low in FY2023-2024 (approximately $300k) when compared to recent years. Returning in FY25 to the $700k level that has been funded in recent years would require a substantial increase for the FY25 budget.

Mr. Thomas agreed that deeper cuts would need to be made to get the budget passed at referendum. He suggested asking the Town and BOE to cut their budgets by an additional $200k and $150k respectively, resulting in a total $400k reduction to the Town's budget and a total reduction of $200k in the BOE budget. He stated that he feels those Boards should determine where the cuts should be made.

Mr. Dutch agreed with Mr. Thomas' proposal; however, he stated he did not have a definitive grasp on what level of cuts would be acceptable to the public. He noted that a portion of the public that turned out did not appear to want any further cuts at all.

There was a general discussion regarding what reduction would be impactful and Ms. Gionta stated she did not want to "dig a hole too deep" for the Town to climb out of. She suggested asking the BOS and BOE to cut a total of $300k and $200k out of their budgets respectively. Mr. Gelston suggested increasing the Town's portion to $400k. Ms. Gionta noted that even with an overall reduction of $500k, most residents' tax bills would still be higher than last year.

b. Guests and Audience Comments – There were no guests or audience comments at the meeting.

c. Vote to Send Budget to Town Meeting – Ms. Gionta polled the Board regarding moving forward with a total $500k reduction, split between the BOS and BOE as she previously suggested and the members concurred with her suggestion.

Motion was made by Mr. Dutch to utilize $400,000.00 of unassigned fund balance to offset the Fiscal Year 2023-2024 budget Mr. Gelston seconded the motion and it was unanimously approved. Motion carried.

Motion was made by Mr. Thomas to present to the Annual Budget Meeting scheduled to be called by the Board of Selectmen for August 29, 2023 at 8:00 pm at the Nathan Hale-Ray High School Auditorium, a total expense budget of $37,911,165.00 based on the Grand List as of October 1, 2022 of $1,196,393,662.00. The budget would require an increase over the revised 2022-2023 budget of 1.76% in expenditures and, with the

mill rate being set by the Board of Selectmen on June 27, 2023 at 25.75 mills, a 4.04% increase in tax revenues. Mr. Gelston seconded the motion and it was unanimously approved. Motion carried.

Motion made by Dutch to set aside $545,000.00 of anticipated surplus tax revenues collected during FY24 to be reserved separately in the FY24 fund balance, to be used to offset the Fiscal Year 2024-2025 mill rate. Mr. Corbett seconded the motion and it was unanimously approved. Motion carried.

OLD BUSINESS

There was no old business discussed at the meeting.

NEW BUSINESS

a. Grant Acceptance – Historic Document Preservation Grant – Ms. Gionta stated that this is a grant that the Town Clerk applies for and receives each year. She noted that the Board authorized this grant application on April 10, 2023.

Motion was made by Mr. Gelston to accept a grant in the amount of $6,000.00 from the State of Connecticut Library for the purpose of historic document preservation (account 26041-43000) and to recommend that the Board of Selectmen schedule a Town Meeting for approval. Mr. Corbett seconded the motion and it was unanimously approved. Motion carried.

b. Grant Acceptance – Community Foundation of Middlesex County (M'Jones) Grant to support summer youth grants – Ms. Gionta called the Board's attention to materials in their meeting packets related to this agenda item. She stated that the Recreation Department has been awarded a donation of $1,000.00 to support summer 2023 camp programs and there is no required town match.

Motion was made by Mr. Dutch to accept a grant in the amount of $1,000.00 from the M'Jones 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. Corbett seconded the motion and it was unanimously approved. Motion carried.

c. Grant Acceptance – FEMA Assistance to Firefighters grant with 5% town match. Grant to support purchase and deployment of 3 radio base stations – Ms. Gionta called the Board's attention to a copy of an award letter regarding this agenda item in their meeting packets and noted that the Board authorized this grant application on February 13, 2023. She advised that this grant was awarded for a total budget of $20,085.00, of which the Town must provide matching funds of 5% ($956.43). She further stated that this means that the maximum funds coming from FEMA will be $19,128.57.

Motion was made by Mr. Gelston to accept a FEMA Assistance to Firefighters grant in the amount of $19,128.57, revenue account 33250-43000-C0226 and expense account 33250013-58926-C0226, with a required Town match of 5% ($956.43), for the purpose of acquisition and implementation of three radio base stations, and to recommend that the Board of Selectmen schedule a Town Meeting for approval. Mr. Dutch seconded the motion and it was unanimously approved. Motion carried.

d. Budget Appropriation Request - to appropriate unexpended education funds from FY22 as verified by the FY22 audit - to Education Capital Reserves in FY23 – Ms. Gionta called the Board's attention to a copy of a letter from Superintendent Reas in their meeting packets stating that, in accordance with the Board of Finance Fund Policy that the audited remaining funds from the Board of Education from each fiscal year be transferred to Reserves, the Board of Education is requesting a transfer of their remaining funds from the 2021-2022 fiscal year. She stated that the unexpended funds from the BOE's FY22 operating budget total $360,713.00 and have been verified by the FY22 audit.

Motion made by Mr. Dutch to approve a transfer in the amount of $360,713.00 from the General Fund (10549010-58928) to the Board of Education Capital Reserve Fund (3320-10506-25790) and to request that the Board of Selectmen schedule a Town Meeting for approval. Mr. Thomas seconded the motion and it was unanimously approved. Motion carried.

e. Request for budget transfer – to transfer $8,000 from the FY23 Economic Development Commission operations budget to Contribution to Capital and to set up a capital project to be used as match for the DEEP grant for the design and survey of a bike trail on Route 82 Town Street. The DEEP grant match requirement from the town is 20% - Ms. Gionta advised that the Economic Development Commission has asked to transfer funds from its FY23 operating budget to Contribution to Capital and to set up a capital project to be used as matching funds for the DEEP grant for the design and survey of a bike trail on Route 82 Town Street. She noted that the DEEP grant match requirement from the Town is 20%.

Motion was made by Mr. Gelston to transfer funds in the amount of $8,000.00 from FY23 account 10546031-53010 (Purchased Professional Services) to account 10549010-59700 (Transfer to Capital Projects) and to create a capital project in the capital reserve fund for Bike Trail Design & Survey. Additional funding will be added to this capital project through the CT DEEP Connecticut Trails and Recreational Program Grant (to be accepted in a separate action in the future). Motion was seconded by Mr. Corbett and it was unanimously approved. Motion carried.

f. Request for FY23 Capital Budget Transfer – AEDs for Library – Ms. Gionta called the Board's attention to a letter in their meeting packets from Fire Marshal Angersola asking to reallocate funds from two library capital projects to fund the purchase of AED's to be located at the two libraries.

Motion was made by Mr. Thomas to transfer $3,221.00 from Project C0145 and $1,339.00 from Project C0232 within the capital reserve fund to create a capital

project totaling $4,550.00 titled "Purchase of AEDs for Libraries". Motion was seconded by Mr. Gelston and it was unanimously approved. Motion carried.

AUDIENCE AND GUEST COMMENTS

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

ADJOURNMENT

Motion made by Mr. Dutch to adjourn at 10:55 p.m. Mr. Gelston seconded the motion and it was unanimously approved. Motion carried.

Respectfully submitted,
/s/
Bruce Dutch
Secretary