TOWN OF EAST HADDAM
BOARD OF FINANCE PUBLIC HEARING
NATHAN HALE-RAY HIGH SCHOOL AUDITORIUM
MONDAY, AUGUST 16, 2023 AT 7:00 PM
VIA YOUTUBE LIVE

Participating:

Board of Finance Members:

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

Others:

Irene Haines – First Selectwoman
Robert Funk – Finance Director
Cynthia Hughston – School Business Manager
Patricia Stricker – Board of Education
Linda Zemieniesky – Executive Manager
Members of the public

Ms. Gionta called the meeting to order at 7:00 pm and the attendees said the Pledge of Allegiance.

Ms. Gionta read the Call for the Public Hearing and provided opening comments. She thanked the members of the Boards of Selectmen, Finance, and Education, Mr. Funk, Ms. Zemieniesky, and Ms. Hughston for their continued efforts on the FY2023-2024 Budget.

Before opening the floor to public comment, Ms. Gionta requested that all comments be respectful, provide specific recommendations, and not include hearsay. There was a brief discussion regarding whether or not to restrict speakers to three minutes; however, it was decided to not impose time limits unless necessary.

Ms. Gionta opened the floor to comments and the following individuals spoke:

Rosemary Evans – stated it is her belief that the members of the Boards and Committees that manage the creation of the Town's budget are "experts in the art of compromise" and care about all of the taxpayers. She said that, as a taxpayer, the education of the Town's children is her primary interest but also expressed her concern about seniors on a fixed income. She appealed to the public to show up at the next budget referendum and exercise their civic duty and vote.

Denise DiStephano – inquired about the Town's use of ARPA funds and Ms. Haines provided information on two capital projects, totaling approximately $50k, that the Town will pay for with ARPA funding. Ms. DiStephano suggested shifting those funds to cover cuts to the BOE's operating budget. Ms. Stricker advised that, to date, there have been no cuts to the BOE's operating budget.

Ms. Gionta also noted that the BOF had agreed not to use ARPA funds to cover on-going operating expenses.

Linda Stuhlman – asked a process question and Ms. Gionta confirmed that changes can be made to a proposed budget after a Public Hearing; however, they could not be made after the Boards of Finance and Selectmen pass resolutions moving the budget forward to Town Meeting and referendum.

Ms. Stuhlman read a prepared statement in which she criticized the BOS, BOF, and BOE's methods and motives. She concluded her remarks by stating that spending is too high and imploring the Boards to "wake up".

Ms. Gionta responded to Ms. Stuhlman's comments and said that she would be happy to discuss specific questions or recommendations about the budget; however, it is unacceptable for Ms. Stuhlman to make demeaning statements about the Board members or insinuate that they have nefarious motives.

Ms. Stricker refuted several of Ms. Stuhlman's comments about BOE spending and provided a more reliable state resource for information on the ranking of the East Haddam schools. She also stated that Ms. Stuhlman's accusation that others wrote the statements students read at the July 19th BOF meeting was "highly insulting" to the students.

Jackie Endorf – stated she supports the proposed budget and doesn't want to see any cuts made to the BOE budget. She commented that, after three years of a stagnant budget, the Town cannot afford to continue to cut programs and progress.

Dean Pellitti – thanked the Board members for giving up their private time to do the Town's work. He stated that, given the rate of inflation, the current increase in the FY2023-2024 budget is within an acceptable range. He said that it is his believe that the revaluation influenced voters but noted that it would not be possible to cut enough out of the budget to offset the new assessed values. He encouraged people to get out and vote at the next referendum.

Ms. Gionta concurred that 96% of the increase in the tax bills is because the taxpayer's house is worth more today.

John Mott – thanked the Boards for their hard work and agreed that the rate of increase in the proposed budget is reasonable. In response to a question about whether or not the Town will issue credits for overpayments if a lower budget passes referendum, Ms. Gionta stated that they had asked the Town's attorney to look into that and that, due to the Town's structure of government, state statutes preclude it from issuing credits. She stated that any excess revenue remaining at the end of the fiscal year would remain in the General Fund and could help offset future budgets.

Emil Tillona – expressed his concern that any excess taxes he might pay would not be refunded. He stated he is a senior on a fixed income and feels like he is going backward. Mr. Tillona commented that seniors use less of the Town's services and encouraged the BOF and BOS to look into ways to help them.

Ms. Gionta introduced Attorney (Tim) who reviewed the CT statutes related to the Town's current situation. He confirmed that legal precedents in the state make it clear that municipalities cannot issue rebates or credits to taxpayers. He responded to questions from the public and there was a brief discussion about putting any excess tax revenues into reserves to offset next year's tax bills.

In response to questions raised earlier by Mr. Mott, Ms. Gionta reviewed the process for notifying the public about scheduled BOF meetings and Ms. Haines explained how the Town's emergency medical service calls are addressed and that she has applied to the state for a change in that structure.

Elaine Woods – stated that she had been incorrectly assessed for a fireplace in her house which does not, in fact, exist. She noted that she had not been aware of the error for several years because she had not thoroughly reviewed her property's assessment card and encouraged taxpayers to make sure the information about their property is correct.

Ms. Gionta stated the Town has a relief program for seniors and low income taxpayers and asked Tax Assessor Luciano to provide information about the program. Ms. Luciano provided an overview of the program and advised that it is also available to eligible veterans.

James Francesee – stated that while he doesn't always agree with the Board members, he also doesn't question their integrity or honesty and he feels such attacks are not how neighbors should behave. He implored taxpayers who make such claims to "stop shooting arrows".

Kim Dodge – asked about the cost to hold a referendum and Ms. Haines informed her it was between $3k to $5k. Ms. Dodge stated that 61% of the population lives paycheck-to-paycheck and suggested cutting items, such as the $60k earmarked for a sidewalk study in Moodus, to reduce the budget. She stated that there is a tipping point whereby paying more in taxes results in the taxpayer not having the funds to pay for her basic needs. She encouraged the Boards to find additional compromises and produce a budget she can vote yes on.

Mark Skwarek – inquired about Town departments' incentive to come in under budget and Ms. Gionta confirmed that the Town and BOE generally come in under budget and, at the end of the fiscal year, the excess funds are retained in the General Fund. Ms. Stricker and Ms. Hughston responded to a question about the number of students that attend magnet schools.

Amalia Shaltiel – suggested the income levels for the municipal tax relief programs should be adjusted upwards. She encouraged the Board members and the public to push the state to return more income tax revenues to municipalities to lessen the property tax burden and suggested the Town consider adopting a charter. She stated she was not in favor of Ms. Haines proposal to shift responsibility for responding to emergency medical service calls to the Fire Department.

Paul Stuhlman – thanked the Board members for all their hard work. He suggested the needs of the Town's retiree taxpayers should be kept in balance with the needs of the Town's students.

Gene Peterson – In response to a question from Mr. Peterson, Ms. Gionta reviewed the timeline of budget meetings and referendums.

Pat Sorrello – suggested that the Town's problem is that it has three schools which it cannot afford and stated it is up to the Town leaders to find alternative solutions to the BOE budget. He stated that he believes the budget will fail referendum again.

Ms. Haines pointed out that the BOS has no control over the BOE budget and confirmed that the Town and BOE take advantage of cost-sharing opportunities and regional services. Ms. Stricker stated that participating in a regional school system has been considered; however, there are number of barriers that preclude the BOE from pursuing that option. She noted that unfunded state mandates are a significant driver of the high cost of education.

Laurie D'Aquila – stated that it is not clear from the public comments whether the budget is too high or too low and reiterated her recommendation to conduct an exit poll at the next referendum. She reviewed the situation with the Ambulance Association and refuted several of Ms. Haines comments. Ms. D'Aquila advised that the CT Department of Public Health will make the decision about who will respond to the Town's emergency medical service calls in the future. She disagreed with Ms. Haines statement that "she has done things at the state level to help emergency medical services".

Michael Callahan – thanked everyone for their work and inquired about the revaluation's impact on the Town's top ten commercial taxpayers. He noted that it appeared that some of the biggest commercial entities are paying less in taxes this year than two years ago and he asked if the revaluation firm had provided any justification for that. He also asked if the revaluation could be phased-in over a two-year period.

Tax Assessor Luciano responded that the median property increase, after the revaluation, was 36% but the median increase for commercial property, which is 4% of the Town's tax base, was only 3%; consequently, because the mill rate went down, commercial property taxes were less this year. She advised that the state can throw out any revaluation that it deems is either too high or too low.

Jessica Hatfield – thanked the Board members for their work. She stated that one way to reduce the tax burden on private taxpayers is to attract more businesses to Town and, therefore, she did not support any recommendation to eliminate capital projects that have that goal in mind. Ms. Hatfield noted that the Town's taxes are not as high as many other CT towns and deferring essential projects will cost more in the long-run. She recommended the Town conduct an exit poll at the next referendum and ask if the voter feels taxes are too high or too low, also how to best communicate to the public when public meetings are scheduled.

Terry Gerrity – thanked the Board members for the time they put into the budget and noted that it is the citizen's responsibility to be informed. She commented on the impact that larger class sizes in regional schools would have on students. She stated that comments made earlier in the meeting attacking Board members and students were "outrageous and uncalled for" and an insult to the students who spoke at the July 19th BOF meeting.

Ms. Gionta closed the floor to public comment stating she had several written communications she would like to read. She read the correspondence from the following individuals:

- Richard Neely – who stated that, in his opinion, the BOS and BOF "…*don't really respect the taxpayers and voters of East Haddam"* since they didn't lower the budget after it failed the first

referendum. He recommended reducing the BOE budget "…*to the level it was in 2021-22"* and stated, "*I intend to vote "NO" at the next Budget Referendum unless you reduce the budget at least back to the 2021-22 level".*

- Dr. Chet Slabinski, PhD – who commented on the year-over-year increase in the BOE budget and stated, "*The education budget has become unsustainable."* He also stated that the BOS has done a good job communicating with the public about the Town's budget; however, he has seen nothing similar from the BOE. He encouraged the BOE to share more information about *"…what is being added, what is being eliminated, what expansion is proposed, what the unions require, which are needs versus wishes.* and *how is the school dealing with today's sensitive and controversial social topics".* Dr. Slabinski suggested holding separate referendums for the Town's and BOE's budgets.

  In response to Dr. Slabinski's comments regarding the need for the BOE to communicate more about their budget, Ms. Stricker reviewed the process and timeline for developing the BOE's budget, noted that meetings are posted on the Town's website, are open to the public, and most are recorded and available on YouTube. She advised that per state statute, a separate vote on the BOE budget is not allowed.

- Katherine Klein – asked, "*What steps are the Town taking to partner with nearby towns to combine resources and share expenses?".*

  Ms. Haines reviewed a list of cost-sharing and regionalization efforts the Town participates in with surrounding municipalities.

Ms. Haines reviewed the sequence of reductions to the Town's FY 2023-2024 budget and reiterated that the overall increase to the combined Town and BOE budget was 2.44%. She noted that the budgeted expense for the Moodus sidewalk study is $12k, not $60k as stated in an earlier public comment. She stated that the investment could lead to securing state grants for the project which will enhance the Moodus business district and potentially attract new businesses to the area which would result in a larger commercial tax base for the Town, lessening the tax burden on private taxpayers.

In response to comments made by Mr. Robert Simmons, Ms. Stricker advised that the BOE's budget is on the Town's website; however, the BOE has no control over how it is posted. She discussed state mandates for having a therapist and mental health experts on staff and agreed that the BOE can look into more ways to communicate and promote student achievements.

There were no additional question or comments raised by the public at the hearing and Ms. Gionta closed the meeting at 9:54 p.m.

Recorded

Respectfully submitted,

Bruce Dutch
Secretary