TOWN OF EAST HADDAM
Board of Finance
Special Meeting Minutes
June 13, 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
Rebecca Whatley

Others:

Brian Reas, Superintendent
Rob Funk, Finance Director
Irene Haines, First Selectman
Robert Casner
Laurie D'Aquila
Linda Zemienieski
And other members of the public

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Ms. Gionta called the meeting to order at 8:37 p.m. and the attendees said the pledge of allegiance.

2023-2024 Budget

a. Discussion and Potential Adjustments Following the Public Hearing

Ms. Gionta solicited feedback from the Board regarding comments made during the Public Hearing on the Budget.

Mr. Corbett stated he felt that the BOF should react, as best they can, to the will of the community. He noted, however, that the Board hadn't received any pushback from the public during the budget workshop process and he would prefer some direction from the community as to where they would like cuts to be made. He stated that he feels the Board produced a healthy budget but suggested a potential reduction of $250k which would include the $64k of excess funds in the Firefighters pension fund, $45k from the state mandated Police Accountability program, and splitting the balance between the BOE and Town's budgets.

Mr. Gelston stated he appreciated the input from the public. He felt the Board needs to avoid making unnecessary reductions to the budget but should make cuts where appropriate to show a

good faith effort. He also recommended addressing the questions raised at the Public Hearing on the Town website and encouraged the Town's officials to avoid a legal contest with the East Haddam Ambulance Association (EHAA). He suggested the Town create a bi-partisan sub-committee to study the challenges with the EHAA and make a recommendation on how best to resolve them.

Mr. Thomas noted that, at the Public Hearing, five citizens had spoken about the Town's dispute with the Ambulance Association and six stated they wanted their taxes reduced; however, only one provided any concrete suggestions. He emphasized that it should be made clear to the public that it is not within the BOF's responsibilities to resolve the dispute regarding who will provide the Town's emergency medical services; it is the Board's singular responsibility to allocate funding for the program. He noted that any cuts the BOF makes to the budget will upset supporters of the affected programs and services, consequently, if the Board decides to make any changes, it is his recommendation to take another $100k out of Fund Balance rather than impacting any of the Town's services.

Ms. Whatley agreed that the BOF had made its best effort to put forth a responsible budget with the information it had been provided and had made numerous adjustments across the budget during their budget workshops. She stated that she feels the Board needs to listen to the public and act accordingly but is struggling with where additional reductions can be made. Additionally, she suggested that the public be provided with the appropriate contact information where they can make inquiries as to why the value of the Town's largest taxpayer's commercial property was revalued to such an extent it resulted in a $200k reduction in their property taxes.

Mr. Dutch stated that he believed the Town did an excellent job turning in a "barebones" budget while still meeting all of its responsibilities for services and programs. He expressed concern about the low turnout for the budget referendum and stated that he feels any reductions in the budget at this point would be arbitrary. Mr. Dutch stated he would like to have more information about the impact of the re-assessment process.

Ms. Gionta stated that the Town has put forward a budget with a zero mill rate increase for three years in a row using infusions from Fund Balance and noted that the BOF cannot continue to do that indefinitely. She expressed frustration about the public's lack of specifics about what to cut in this year's budget. Ms. Gionta emphasized that the BOF has addressed its responsibility to allocate funds for the Town's emergency medical services needs and asked citizens who are "stirring up opposition" to the budget based on the dispute about who will provide those services to please stop.

In response to a question from the Board, Mr. Funk reviewed several scenarios regarding how the budget and mill rate would be impacted using the $64k surplus from the Firefighters' pension fund plus an additional $100k from Fund Balance.

There was a general discussion regarding how to reduce the budget both with and without a reliance on Fund Balance. There was a consensus of the Board not to take any additional funds from Fund Balance. The Board discussed potential reductions to the Capital budget and Ms.

Gionta noted that they had already thoroughly scrutinized the Capital expenditures during their budget workshops. She also emphasized that any impactful cuts to the budget will affect services, programs and/or staff.

Motion made by Mr. Dutch to send the FY2023-2024 Budget, as presented earlier, with small adjustments, back to referendum and to encourage citizens to come out to vote at the referendum. Mr. Thomas seconded the motion.

Ms. Gionta advised that Mr. Funk had prepared an official motion to be used for moving the FY2023-2024 budget forward and Mr. Dutch withdrew his previous motion

Motion made by Mr. Dutch to present to the Budget Town Meeting, to be called by the Board of Selectmen for June 27, 2023 at 8:00 p.m. at the Nathan Hale Ray High School Auditorium, a total budget of $38,411,165.00 based on the Grand List as of October 1, 2022 of $1,196,393,662.00. The budget would require an increase over the Fiscal Year 2022-2023 budget of 3.11% in expenditures, a mill rate decrease of 6.04 mills, and a 4.04% increase in tax revenues. Mr. Thomas second the motion.

Mr. Corbett requested the Board specify an amount it will reduce the budget by if it fails referendum a second time. Ms. Gionta indicated they could ask the public in an exit poll, if they voted no, to indicate a dollar amount that they would like to see the budget reduced. Mr. Thomas encouraged the Board to also provide information at the voting place that will inform the public of the action the BOF has taken to fund the Town's ambulance service, irrespective of who provides that service, and information regarding how much the budget would have to be reduced to achieve specific reductions in the mill rate and what impact the reduction would have on Town services and programs. Ms. Gionta called for a vote on the motion.

Mr. Thomas, Mr. Dutch, and Ms. Gionta voted aye; Mr. Corbet, Mr. Thomas, and Ms. Whatley voted nay. Motion failed.

There was a general discussion regarding why the above motion failed. In response to a question raised by Mr. Dutch, Mr. Corbett stated that he would be in favor of the motion if the BOF agreed to a specific decrease in the FY2023-2024 budget if it fails referendum a second time. Ms. Gionta stated that she could not support a $250k-$500k reduction; however, she suggested a $100k reduction could be tolerated if the public understands what services and/or programs the cuts would impact.

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In response to a question raised by Mr. Corbett, Ms. Gionta confirmed that the Board could not make any changes to the budget prior to the next Public Hearing.

b. Guest and Audience Comments

Mr. Casner expressed his disappointment that the BOF had not made any reductions to the FY2023-2024 budget. He stated that he feels the citizens are looking for adjustments, will not support the same budget proposal, and that it will be voted down again.

Ms. D'Aquila(?) advised that East Hampton had denied its Ambulance Association's request for $174k in its FY2023-2024 budget; however, had awarded it $280k in ARPA funds. She added that East Hampton's budget had been voted down because its citizens considered the BOE and the ambulance budgets to be insufficient. She further noted that the Haddam Ambulance Association had received a 27% increase in its contribution from the town.

c. Adjournment

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

Respectfully submitted,
/s/
Bruce Dutch
Secretary