TOWN OF EAST HADDAM
Board of Finance
Special Meeting Minutes
March 11, 2024
Municipal Office Building – Room 1 & 2
Via Zoom and YouTube Live

Participating:

Board of Finance Members:
Eric Kolasinski
Joseph Corbett
Todd Gelston (via telephone)
Maureen Goff
Harvey Thomas
Rebecca Whatley

Others:
Don Angersola, Facilities Director
Valerie Belles, Finance Director
Michael Callahan
Dr. Teresa DeBrito, Superintendent
Erik Dill, Selectmen
Irene Haines, First Selectwoman
Cindy Hughston, BOE Business Manager
Marie Morganti-Clucas
Patricia Stricker, BOE
Keira H. Thompson, BOE
James Francese, BOE
And other members of the public

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

Mr. Corbett called the meeting to order at 4:33 p.m. and the attendees said the pledge of allegiance.

2024-2025 BUDGET

a. Board of Selectmen Budget Presentation – First Selectwoman Haines provided introductory comments. She noted that there are still three union contracts to be negotiated this year; however, the BOS assumed a 2.5% Salary & Wage increase in their FY2025 Operating budget for those employees.

Ms. Haines reported that there is an overall increase in the Town's FY2025 Operating budget of 0.5%. She stated that the Long Range Capital Improvements Committee met on February 9th and rated the FY2025 Capital requests and noted that the Committee had eliminated about half of the requests and deferred a number of others. She further advised that several FY2025

Capital requests will be paid for with ARPA funds. Ms. Haines noted that the BOS had used a placeholder for Transfers To/From Other Funds equal to the FY2024 amount.

Ms. Haines advised that a projected 19.86% increase in the Town's health insurance premium had been included in the FY2025 Operating budget; however, they are still soliciting competitive bids and she expects the actual increase may be closer to 11-12%. She reviewed contractual obligations and market driven increases and stated that additional challenges to the budget include the Town's roads, bridges and culverts, as well as the proposed new Fire House for Company No. 2.

Ms. Haines reviewed several of the Town's economic development opportunities, including the redevelopment of the former town office site, Moodus center, and the community broadband network. She stated that the BOS is proposing that the Town use ARPA funding to get a number of projects shovel ready so that it can apply for grants. There was a brief discussion regarding the deadlines for using the ARPA funds.

Ms. Haines concluded her presentation and referenced the overpayment of taxes in FY2024 which was a result of the reduction in the mill rate after the tax bills were mailed out. She encouraged the BOF to use those funds to offset the Town's overall FY2025 Operating budget as a means to minimize any potential impact on the FY2025 mill rate.

Ms. Belles responded to questions from the Board of Finance and agreed to provide them with a breakdown of the Town's residential and commercial tax bases. There was a brief discussion regarding the Grand List and ARPA spending. In response to an inquiry from Mr. Corbett, Ms. Haines provided an overview of the process for the development of plans for the construction of a new firehouse for Fire Company No. 2.

b. Board of Education Budget Presentation – Dr. DeBrito presented the BOE's priorities, increases in contractual obligations, new requests, and reductions made to the FY2025 Operating budget. She reviewed the history of increases in the BOE's Operating budget over a 7-year period and noted that the average increase for that period is 2.95%. She noted that the BOE's proposed FY2025 Operating budget represents an increase is 6.34% over the previous fiscal year.

Superintendent DeBrito reviewed the list of FY2025 Capital requests that the BOE had received and noted the reductions that were made to the list. She stated that the BOE FY2025 Capital budget is 76% lower that what was approved for FY2024.

Dr. DeBrito responded to questions from the Board. There was a general discussion regarding the increase in tuition for special education students and Ms. Belles provided an explanation for how the state calculates its reimbursement to municipalities for that expense.

Mr. Thomas solicited input from the BOE members present concerning the impact of eliminating the new programs that were proposed for FY2025 and the BOE members provided their feedback.

c. Budget Calendar – Ms. Belles reviewed the previous year's departmental schedule for the BOF's budget workshops and there was a general discussion regarding the FY2025 workshop schedule.

APPROVAL OF MINUTES

a. Regular Meeting, February 12, 2024 – Mr. Corbett called the Board's attention to the minutes of their February 12, 2024 meeting. Ms. Whatley noted two typographical errors on page 3 of the minutes.

Motion made by Mr. Thomas to approve the minutes of the Regular Meeting of February 11, 2024 as amended. Ms. Whatley seconded the motion. Ms. Goff abstained from the vote and the motion was approved by a majority of aye votes. Motion carried.

b. Special Meeting – February 28, 2024 – Mr. Corbett called the Board's attention to the minutes of their February 28, 2024 special meeting.

Motion made by Mr. Thomas to approve the minutes of the Special Meeting of February 28, 2024 as written. Mr. Corbett seconded the motion. Ms. Goff abstained from the vote and the motion was approved by a majority of aye votes. Motion carried.

GUESTS AND AUDIENCE COMMENTS

The following citizens spoke at the meeting:

- Marie Morganti-Clucas – requested consideration be given to scheduling a 3:30 p.m. school bus to accommodate students' after school activities. She also expressed concern about reductions in the BOE FY2025 budget and the impact on students.

- Michael Callahan – stated that he has taken a strong interest in the budget planning process and noted that education is very important to him. He expressed his concern that the proportion of the proposed Town's budget to the BOE's budget doesn't "sync up" for him. He also expressed his frustration about the reduction in the state's contribution to municipalities for education.

Mr. Corbett thanked Ms. Morganti-Clucas and Mr. Callahan for their comments and noted that it is very helpful for the BOF to hear from taxpayers about their priorities.

FINANCE DIRECTOR'S REPORT

a. January 2024 Year-to-Date Budget Report – Ms. Belles called the Board's attention to the January 2024 YTD budget report in their meeting packets. She provided an overview of the report and responded to questions.

In response to a question raised by a member of the audience, Finance Director Belles advised that the Tax Collector confirmed that, as of the end of February, 97.24% of tax payments had been received.

b. Audit Update – Ms. Belles reported that the auditors have scheduled their field work to begin on March 25th and noted that it is very late this year. She stated that the auditors need two months to complete their audit and cautioned that the late start risks our ability to meeting the June 30th deadline.

NEW BUSINESS

a. Review and Discussion of East Haddam Budget Process Article – Ms. Whatley stated that she and Mr. Gelston had updated the FY2024 Budget Process article for FY2025. Mr. Thomas suggested two edits and Ms. Whatley stated she would circulate the updated article to the Board prior to publication.

GUESTS AND AUDIENCE COMMENTS

There were no additional guest/audience comments.

ADJOURNMENT

Motion made by Mr. Thomas to adjourn the meeting at 7:11 p.m. Ms. Goff seconded the motion, and it was unanimously approved. Motion carried.

Respectfully submitted,
/s/
Todd Gelston
Secretary