

**East Hampton Board of Finance**  
**Thursday, November 29, 2007**  
**Special Meeting**  
Town Hall Meeting Room  
7:15PM

**Minutes**

Members Present: Ted Hintz, Sharon Kjellquist, Judy Isele, Kurt Kominski, Henry Thorpe, Barbara Moore, and George Pfaffenbach

Other Attendees: Finance Director Jeff Jylkka

1. Call to Order

Chairman Hintz called this meeting to order at 7:16PM followed by the pledge of allegiance.

2. New Business

• 2008 – 2009 Budget discussion highlights:

Chairman Hintz advised members that at the end of last year there was a motion to have a zero base budget. He recently asked department owners if they were aware of this and the response was “what is it?”; Chairman Hintz provided the members with documentation outlining what zero-base budgeting is as well as pros and cons to this type of budgeting. He then informed the members that he’d like them to discuss it.

It was noted that department owners were given a year to think about and plan to apply this type of budgeting process.

Jeff advised the group that last year’s process was more performance based; department heads did a good job last year in trying to eliminate what isn’t needed in their budgets.

Could be a good year to implement given there is a new town manager

It is going to be difficult to get a budget through this year because household expenses keep going up, e.g., cost of fuel.

There is concern that department owners will create their budgets and the BOF and then Town Council will cut them.

Communication is critical; public concern is with the bottom line and how it impacts them.

Department owners may put together what they want but the Town Manager is going to develop what he sees as appropriate based on the budget policy statement (same approach that is followed every year)

Some departments have uses zero base; some have not. Those that do, don't refer to it as zero base.

Question asked: Was any guidance provided to department owners to support the policy statement. Answer: No, the town manager provided the policy statement to department owners.

Suggestion was made to change the name, not use zero base because it has a negative connotation. The approach is to allow department owners to identify where they can be more effective with the budget they have; allow them to think out-of-the-box.

Recommendation was made to set an expectation with the department owners as to what they BOF would like to see; provide them with a list of questions and ask that they provide a response to the questions; this way they can prepare and build their budgets appropriately; Additional recommendation was to build these questions and responses into the budget so that they department owner may be held accountable for their actions.

The sooner there is communication of the expectations; the better.

Outcome: convey to department owners the theory; change the name; include questions that will help the department owner build their budget as well as convey to the BOF what their intentions are (priorities, efficiencies, waste elimination, etc..) Henry Thorpe to pull together a description. Topic to be discussed at the next meeting.

**Additional Discussion:**

Chairman Hintz asked how members felt about separating the Town and Board of Education budgets and therefore allowing residents to vote on each separately; there were mixed responses, a few definitive no comments but most indicated they would entertain the thought and that more information was needed before an opinion could be given, such as what would it work, what are the logistics, how have other towns handled it when one budget passes and the other does not, how do you handle capital, etc. Outcome: bring up topic at Monday's tri-board meeting

Next meeting is scheduled for December 17<sup>th</sup>; need assignments to boards and commissions. Each member is to send Chairman Hintz the boards/councils they would like to be a liaison for; Chairman Hintz to present list to group at next meeting, then discuss and finalize.

Budget Calendar: members discussed the proposed budget calendar.

Discussion included:

Public hearing: last year no one attended (5 showed up); the complaint was that there wasn't sufficient public notice; unfortunately even though we asked to have information published in the Rivereast it doesn't always get published.

Suggestion to post-pone discussion of revenues because they don't usually have the information at the time of the workshops. Jeff indicated it was worth talking about and as updated information is available it would be provided to the BOF as it was last year.

There was consensus that setting the mil rate later was effective; setting it once they had just about all the information needed so that the likelihood of it changing was slim; did this last year and it worked well.

Add the date the mil rate will be set to the calendar

Add dates for communications to the public; need to consider paying for ads so that critical dates/information is provided, such as before the public hearing, the workshops, and before the vote. Additional dates to add to the calendar for communications: 3/12, 3/19, 3/21, 4/5, and 5/2.

There should be a reminder to the Rivereast that we are a customer and as such we need to work together.

The budget calendar should be published as soon as it is approved; noting that it is subject to change.

Need to utilize the board a Shaw's, the road signs, etc. In the future individuals will be able to identify town topics they are interested in and will receive email alerts on the topics selected.

A draft of the calendar will be brought to Monday's tri-board meeting; BOF plans to finalize at their next meeting

- Discuss and take possible action on Board of Finance budget policy statement: Not necessary.

### 3. Adjournment

A motion was made by Sharon Kjellquist, seconded by Judy Isele, to adjourn the meeting at 8:45PM. Motion approved 7-0.

Submitted by:  
Karen Lee