Minutes  
Town Council Special Budget M  
March 21, 2019  
Town Hall Annex

1. The meeting was called to order at 7:00 PM.
   Present: Jonathan Hand, Joan Lewis, Carolyn Arabolos, Mike Sobol, Julie Blanchard, Lisa Conant (arrived 7:27 PM).
   Also present: John Elsesser, Town Manager; Amanda Backhaus, Finance Director
   Absent: Matthew O’Brien

2. The Pledge of Allegiance was recited.

3. Unfinished Business:
   A. 18/19-56: FY 2019/2020 Budget:

   Council members reviewed various sections of the budget, including the Town operating budget, revenue and the appendices. John Elsesser noted that deliberations must be complete and the Council’s proposed budget finalized by April 1st. He provided an overview as follows:

   Town Council:
   We are continuing with the adjustments made to the Council Clerk stipend last year. Newsletter printing is up a little. We also had a special explanatory text publication. We are well over this year on awards and recognition under the Public Relations line item but we think the current level should suffice.

   Town Manager:
   Right now a 2.5% placeholder is in the budget as an assumption for salary. We want to lower it to 2.25% - we have been watching other mediation and it is back to 2.25. This would save $9100. We can have the information by department for the meeting on 4/1. There is also a spreadsheet showing all salaries.

   Finance Administration: There are no significant changes. We added a little extra for conferences and training.

   Accounting: Changes here have to do with steps for salary. We are also trying to get some professional development for the Town Accountant.

   Tax Collector: There are not a lot of changes. Advertising costs are up. There is an increase for the attorney.

   Assessor: No change except salary. Over the years there have been some modest reductions in training.

   Board of Assessment Appeals: We put some extra in for the revaluation year, which requires more meetings for elected officials who get paid.

   Information Technology: This went up $3700 because of license fees. In the proposed budget we eliminated OpenGov, which has an annual license fee of $7,000 but not a lot of users. It was also a lot of staff time to create the data to stay current. Amanda noted that a lot of this
information is available in the monthly finance reports. People can also request information from our office. We can add a link to the OPM site which has gotten better and allows some comparisons. The other big change is that we are re-implementing an annual budget for the CoventryVision Committee so we can buy equipment.

**Planning Office:** Last year the North Central Conservation budget fell out – we are putting it back in. The Planning Office also took salary reductions due to the turnover of the Zoning Agent.

**Discussion regarding a recent citizen recommendation to hire a consultant to evaluate Police Department staffing:** John Elsesser noted that the Town of Tolland has hired two consultants, and the Town of Mansfield has hired three. The last time we had a consultant in 1981 they recommended we go to 16 police officers and we just reached that level. A consultant will cost $40,000- $60,000. John is not in favor of hiring consultants unless you are willing to implement their recommendations. We have done three fire studies and implemented a good portion of those recommendations, so they were not a waste of money. We don’t hire a lot of consultants. It doesn’t mean we can’t do it but we tend to do so when there is a real need.

**Conservation Commission:** We want to print more trail brochures. We always run out, plus there are new ones.

Lisa Conant arrived at 7:27 PM.

**Economic Development:** If we want to join the Windham Chamber of Commerce it will cost $500. We also added money for Eric Trott to purchase meals when he attends the monthly Chamber meetings. We still have support for the Main Street program. We had a plan that we were working on with Mansfield, Tolland and Bolton. We would like to use some of those funds to get a regional person to provide assistance with marketing and communications. We also want to have some program activities funds to continue to support events like Arts on Main going forward. They have to start self-funding. They are trying to keep a comprehensive program going in the Village. They are doing a Google workshop on search engine optimization in late April or early May. We need 50 people minimum so we are inviting four towns and chambers.

**Inland Wetlands:** The big item is $35,000 for the North Central Conservation District. We plan to hire them to become our wetland agent. With the projects we currently have Todd Penney is needed as an engineer and we need to free him up from wetland duties. It is more economical to go this route. We have needed to do this for a couple of years with all the construction projects we have. This is a better value.

**Planning & Zoning Commission:** The change in this area is that we are going through an update to the Plan of Conservation and Development and at the end of the process we have to print it. A certain number of copies are required but we are going to reduce the printed quantity from last time.

**Legal Counsel:** We did ok in this area last year - this year it is running higher. It is always unpredictable and we didn’t want to really make cuts here.

**Probate Court:** This is up because they asked for a security upgrade. John agrees with this request. It is prudent based on the type of cases they often get.

**Town Clerk:** Changes are salary only.
Elections: The Registrars of Voters are coming in to meet with the Council on Monday so we can discuss this at that time. They had asked for $44,000 this year. We have a budget of $28,000 and we are already close to that amount. Joan Lewis said that this has been a problem for years and is difficult to resolve. John said he cut their request to $37,000 which is a 30% increase and he thinks it should be cut to 2.25% too. Mike Sobol asked what happens when there are multiple referendums. Amanda said in those cases that’s what a contingency would be for. This proposed budget is based on a standard year. Mike said if they have a budget, once it’s gone then it’s done. John replied that is not the way they operate. They overspend and make no modifications. The State has also required mandatory training to be a registrar. We have only one person in the department who has gone through that certification process.

Town Hall office building: This shows a decrease for the split of custodial services to appropriately allocate where time is spent at different facilities. We continue to have discussions of issues with cleaning and our contract with the Board of Education. An update on the issues requested will be available at the next Finance Committee meeting. Some of the other reductions in this area reflect that our employee assistance program is now covered under our insurance. Central Supply also went down.

Building inspection: We had a minor increase. We are contracting with the Town of Bolton and there is an inflationary increase for professional services.

Sundry: Workers Comp went down but you have to increase it by the wage rate. Liability and property was also a zero.

Pension, social security: Pension is up based on smoothing of investments. This year we are not getting great returns on the stock market. We also had some significant payouts.

Health Insurance: The OPEB evaluation is in our budget. In general, we don’t provide post-retirement health insurance to employees. A couple of people can opt in. We have two. The real obligations under State law are that teachers can buy the same coverage they had as an employee. This causes an implicit rate subsidy that raises everyone else’s costs. We have to show that benefit cost and it requires an audit. It is not our expense and we recommend it be removed from the Town budget and charged to the ECHIP fund. We are also carrying a 5% insurance rate increase. We had another employee hit the stop loss gap so that expense will not be carried forward and can be removed. We are down from our original estimate of an increase of 5% to 3.7%. This reduces the Town budget by $10,000 and the Board of Education budget by $40,000.

Contingency: We have kept this budget the same. We reduced claims and losses by $5,000 although we probably will spend that this year. We’ve been having a bad week. A 5-year-old medium dump truck blew an engine 30 days outside of warranty. The dealer is asking International to give us a courtesy extension. We are putting in a used engine and may need to ask for an appropriation.

Debt service: John has asked Amanda to talk with our financial advisor. For the bond we are carrying 3.5% and the Feds just announced they are not raising interest rates for this quarter. As part of that we might want to look at moving some things around including CNREF.

Revenues: Right now we are at a .75 mil increase. Most of that is reductions in State revenue – Education Cost Sharing plus the imposition of teacher pension. For all of the impact to be attributable to the State we would need to reduce an additional .11 mills. We could make some
adjustments by starting things later. Historically the public has been more receptive to an increase of half a mil or below. Three years ago had a .8 increase - we are already below that. We still feel fairly comfortable at this point that the Governor’s numbers are a worst-case scenario. We think they’re going to try not to be so aggressive with the ECS reductions. We were expecting a reduction of $380,000 but are currently at $550,000. The Governor’s package is getting chipped away so we don’t know where the money is going to come from. People don’t want tolls or other tax increases, but they also don’t want to cut services either. Employment levels are at 1980 levels. We’re not going to really know before we have to make a decision at the local level. We also have to tell people that they approve spending; they don’t approve the mil rate. The Council sets that. If the State doesn’t do the cut, then the Council can make an adjustment when the mil rate is set in June.

Mike Sobol asked if we can we keep a running list of potential adjustments. Amanda said she will email out a list with the items that have been brought up. John said we can possibly schedule an additional meeting next Wednesday if we don’t finish on Monday.

Mike Sobol said he thinks it needs to be recognized how conservative all these budgets are. When the Town is trying to move forward, every year we are handcuffed by these reductions in revenue from the State. John gave kudos to Superintendent Petrone and the Board of Education for putting forward a very respectable budget. There are a lot of big budget drivers and mandates coming from the State. He said that questions are welcome between now and when the Council needs to make decisions. Amanda will distribute an Excel document that can be used to make calculations.

4. **Adjournment:**
   Motion #18/19-240: Carolyn Arabolos moved to adjourn the meeting at 9:11 PM. The motion was seconded by Jonathan Hand and carried on unanimous vote.

Respectfully submitted,

Laura Stone
Town Council Clerk

*Note: These minutes are not official until acted upon by the Town Council at its next regular meeting. Those meeting minutes will reflect approval or changes to these minutes.*