

**MINUTES  
COVENTRY TOWN COUNCIL  
MARCH 29, 2021  
7:00 P.M. – SPECIAL BUDGET MEETING  
TOWN HALL ANNEX & VIRTUAL**

**1. Call To Order, Roll Call:**

The meeting was called to order by Blanchard at 7:00 p.m.

Members present:

Julie Blanchard – Chair

Lisa Conant - remote

Jonathan Hand – remote

Matthew O'Brien, Jr. - remote

Matthew O'Brien, Sr. - Vice Chair

Lisa Thomas

Richard Williams – Secretary – remote

Members absent:

Also present:

John Elsesser – Town Manager

Amanda Backhaus – Finance Director - remote

**2. Pledge Of Allegiance:**

Council members and Staff stood to recite the pledge.

**3. Unfinished Business:**

**3.A. 20-21-56: FY 2021/2022 Budget**

**1. Discussion/deliberations**

Backhaus provided documentation that was shared on the screen. There have been small changes to the Town Manager's budget. These include items up for consideration to be purchased now (by June 30, 2021) from the 1.5% fund. With these changes General Government goes from \$10,721.114 to \$10,609.232.

Elsesser said the BOE budget and Debt Service portions remain the same. Capital goes from \$766,630 to \$720,030 with lake management grant revenue, use of federal funds for school AC, removal of the band room compressor project, network refresh increase, and the suggestion to purchase now the police video recording equipment. Elsesser said we learned we can apply for a different lake grant that is funded by boating registration fees. We feel we have a strong chance of being awarded some funds because our lake experts are developing some science for hydrilla control by affecting the tubers of the plant. We should find out about the awarding of \$60k or part thereof by the end of March.

Elsesser and Backhaus spoke to the Munistat financial advisor, Bill Lindsey, about keeping the estimated debt service the same for next year for the school roofs and library. They are waiting to hear back if Lindsey feels the debt service can be tweaked. Another item spoken about with Lindsey is if it would pay for us to refinance some old debt of \$2 mill. The costs are fairly high for refinancing. Depending on his analysis the advanced refunding may be changed in the package. Callable bonds are \$2.5 mill. and some of those are 4% coupons. If refunding does become legal again everyone is going to rush to market. Lindsey will have this information to us for next Monday. Backhaus is thinking the refinancing and debt scheduling to be estimated at \$20k - \$30k.

Williams asked about the \$100k for the library that has been part of the premium dollars. Elsesser said that is intended for the elevator and mechanical systems.

O'Brien, Sr. said there is no real place for cuts in the proposed budget. The process was to look for items to be purchased now with the 1.5% fund that will lower the impact to taxes without impacting the plans. Then we looked at other funds available that will allow us to provide the same services to residents.

Conant asked if the police officer was to backfill a current vacancy. O'Brien, Sr. said this is for the position that was eliminated in last year's budget so this is funding a new position that is covered under ARP. Thomas asked if there is a definite statement in ARP that the funds can be used for that purpose. Backhaus said the wording indicates funds available to restore positions that were cut due to covid. O'Brien, Sr. said the wording is very clear that ARP funding cannot be used to reduce taxes. Elsesser concurred with that and there is recognition that towns had to make difficult decisions because of the circumstances last year and this is a restoration of a cut.

O'Brien Sr. said the Rec department had lost revenue of \$345k due to the virus. Some revenue will be collected between now and the end of the fiscal year. Elsesser said the Rec budget should become more stable this year. The \$30k has been put back to the beaches in order for the budget to stay afloat. The line item for the Rec Program position will remain as it was last year. Thomas said that is a good temporary fix. She encourages the Council to start talking about putting the whole of the Supervisor's salary back into the General Fund. Even before covid the Rec department was starting to have trouble. Backhaus said the majority of towns in Connecticut have the recreation supervisor's salary in the general fund because the towns are committed to maintaining that salary. Otherwise without enough revenue the recreation supervisor could be laid off. From an accounting standpoint it is easier to see the whole picture of total costs and total revenues if all recreation data is accounted for in one location. Elsesser said it is better to have the Rec Supervisor's salary in the General Fund because the department does not respect the fiscal year because the programs flow through the end of a fiscal year into a new one.

Backhaus said ~ \$10k is recoverable for the property tax deferment program. Some funds may be recoverable for COVRA costs because more waste was generated by

people staying home during the pandemic. Thomas asked about the looming costs for waste water treatment. Elsesser said the rescue act calls out sewers. There are two capital projects in this year's budget. One is for a liner that goes under the lake. The sewer fund could go to debt service. Elsesser has to speak to the chairman of the WPCA about this option. Backhaus said that could leave us in a hole so we have to be careful with six to seven years to pay off the debt service.

O'Brien Sr. said the BOE has built 10% into health insurance. They don't necessarily need that amount of money in the reserve account. Reducing that would have no impact on students or the BOE's operations. Food service is now paid for with a federal program. This experienced large surpluses during the summer. This had generated income of \$50k - \$60k through February with another \$60k in COVID savings. O'Brien, Sr. suggests transferring the COVID savings out of that account to put it elsewhere or give it back to the General Fund. BOE can use \$30k for capital projects and pay the pension for some of the people in food service so they can absorb the cafeteria fund. There has been \$146k sitting for a year in the tuition budget account from students out of district. This is under the BOE's discretion to use it and spend it any way they want. People are not aware of this as another source of funding for BOE. ESSR funds are also available to BOE. Thomas asked if there are strings attached to the money in the tuition account. Backhaus said a prior Council decided it is to be used to offset tuition. O'Brien, Sr. said there will be staff turnover on the BOE side and there will be salary savings from that. Backhaus said she does not see these being teacher retirements rather they are for paraeducators, secretaries, etc.

Elsesser said one goal is that the Capital budget does not go lower and we should start building it up. Putting more money there gives us more flexibility.

Blanchard asked about the preschool monies. Elsesser said the preschool program is operating at 80% of capacity. It was not closed very long to see lost revenues. There may be monies available to augment the funding for the preschool; that may be part of the \$500k.

O'Brien, Sr., Blanchard, and Hand met with some firefighters to speak about the points and payment system. O'Brien, Sr. said it seems there has been miscommunication and assumptions about the system on both sides. Hand agreed with this assessment and feels better communication was achieved about what is being proposed and what has been offered is something a bit better than they have now. O'Brien, Sr. said the fire department was slated for \$80k for the points system. An additional \$14k has been added for the officers' stipends. They thought the \$14k was being subtracted from the \$80k. Throughout the year the volunteers accumulate points and then the money is divided out per point. One proposal is to increase the qualifications to receive points which the volunteers are okay about and to remove events from the points system. Removing events from point qualification upset the volunteers. Events can be the inspection of equipment or buildings as well as parades. A change to the definition of events satisfied the volunteers. Backhaus' proposal is the addition of a cost of living increase be added to the points systems payment. That would be ~\$1,400 added.

O'Brien, Sr. said that may be acceptable to the volunteers. The points system is an incentive to get new people to volunteer for the fire department. Hand said this system is a good bargain for what we get out of our volunteers. What was made clear to Hand at the meeting is that the interim officers have not received a stipend. O'Brien, Sr. is suggesting paying points out at \$12 each. That would add \$5,500 - \$6,000 to the \$80k. The suggestion is to also fund the Special Operations Equipment with \$10k. O'Brien, Sr. is recommending that we pay for that this year. Cold water wetsuits that have holes in them is one example of the equipment needed. Thomas said she spoke with Jim McLoughlin about special operations equipment and the needs are more than \$10k. O'Brien, Sr. said that is what the fire department asked for in their budget presentation. Elsesser said they have other money in the budget that can be used for such equipment. O'Brien, Sr. said they are not doing fundraising anymore as the Associations. Backhaus said there is the question of how the money is spent from fundraising. It may work better if they are raising funds for specific equipment.

Elsesser said they will be looking further at Building Permits, Conveyance Tax, and fingerprinting.

O'Brien, Jr. said he received a message regarding the logging nearby 2000 Main Street for the pathway. Elsesser said LOCIP funds are being used for trails management where trees are falling down. The Town has liability when we have trees falling on public property where people may be walking. This is still a town road.

Elsesser added he answers all emails sent to him. He does not answer Facebook chatter.

Thomas would like to vote on the budget all at once. Hand is more comfortable also but the Council will not have to spend very long on this portion at the next meeting.

**4. Miscellaneous/Correspondence:**

**4.A. \* Correspondence Emailed To Budgetcomments@Coventryct.org From 12 PM on March 11, 2021 to 12 PM on March 25, 2021**

**5. Adjournment:**

**Motion:** I move that the Council adjourn at 8:19 p.m.

By: O'Brien, Sr.

Seconded: Hand

Voting:

For: O'Brien, Sr., O'Brien, Jr., Hand, Blanchard, Williams, Conant, Thomas

Against: None

Abstain: None

Respectfully Submitted,  
Yvonne B. Filip  
Yvonne B. Filip, Town Council Clerk

***PLEASE NOTE: These minutes are not official until approved by the Council at the next Council meeting. Please see the next Council meeting minutes for approval or changes to these minutes.***