1. **Call To Order, Roll Call:**
The meeting was called to order by O’Brien, Sr. at 6:06 p.m.

Members present:
Lisa Conant - remote
Jonathan Hand - remote
Matthew O’Brien, Jr. – remote
Matthew O’Brien, Sr. - Vice Chair - remote
Lisa Thomas
Richard Williams – Secretary - remote

Members absent:
Julie Blanchard – Chair

Also present:
John Elsesser – Town Manager
Amanda Backhaus – Finance Director - virtual

2. **Unfinished Business:**
2.A. 19/20-51: Consideration/Possible Action FY 20/2021 Budget
O’Brien, Sr. began by saying the Council knows Coventry, the state, and the nation are in a turmoil. The virus has caused a lot of harm and has deeply impacted many of us while it affects our economy. Some are not certain of their futures. There is worry about paying the rent or mortgages and taking care of our families. Taxpayers are in a difficult situation. That is why the Council has determined it will come forward with a no-tax increase budget. All Members continue to be in support of a no-tax increase budget per a roll call response.

Hand expressed surprise that Blanchard is not present for this special budget meeting.

The goal to focus on tonight and Monday is based on the collection rate of 98% for property taxes. Backhaus feels this is a realistic number to be used for planning. The Town will receive 43% of property taxes from escrowed accounts. The 98% rate suggests there will be $255,000 less collected in taxes during the regular collections. Hand thinks the rate shows the Council is recognizing the reality of the situation; he is comfortable with this figure based on Backhaus’ recommendation.

**Motion:** I move that the Council agrees to make an assumption of a 98% collection rate for the purpose of calculating the FY 20/21 budget.

By: Hand  Seconded: Conant

Voting:
O’Brien, Sr. continued we are considering next year and taking that into account because of the State’s deteriorating finances there is the possibility of mid-year grant cuts. We should also keep in mind that we don’t want to create a big hole in the budget or hold some in reserves in the event of mid-year grant cuts.

The BOE met last night with information provided today. The BOE has offered to make cuts in their budget of $150,000. O’Brien, Sr. expressed thanks for the BOE for this activity. Backhaus provided a budget cut analysis document.

The BOE is suggesting using non-COVID-19 savings in this year’s budget to pay for the Wanrack in the amount of $83,000. It is suggested to move $35,000 from COVID-19 savings to the contingency fund to have a cushion. There was consensus from the Council. Williams feels it is a good idea to have some contingency funds. Hand agreed and wanted to highlight the source of the funds as being virus related savings. Conant added the proposed cuts from the Town budget suggested by Elsesser and Backhaus have not been discussed in detail. Backhaus explained:

- A small mower was removed from capital.
- The BOE grant is not available for the van.
- Two police cars and a service truck were moved to debt service. The debt service still remains at zero.
- The BOE offered to take all of capital items out of capital.

O’Brien, Sr. said the last item is a difficult decision and described the ramifications. This has happened two or three times when the State eliminates grants mid-year for capital items. If there have to be cuts to the operating budget mid-year, we lose a tool in the toolbox. BOE chose not to make any changes to the operating budget.

Thomas asked about the suggestion to reduce lake management based on analysis. Elsesser stated part of the analysis was in terms that the lake treatment has not happened until July. There is some reserve for the unexpected, such as a $10k shift to treat the lake and the fanwort in Eagleville Lake, and add in the cost of the benthic barriers. There is a $20k cushion if something happens that must be addressed. Thomas stated we have to understand the economic impact if the lake loses its value. She is reassured by Elsesser’s explanation. Elsesser added money from the Council’s 1.5% fund can be requested for something needing quick action like asking Dr. Kortmann to look at something happening in the lake. To Thomas’ point we invest in the lake to make sure it is not harmed.

O’Brien, Sr. commented on the proposal for two police cruisers. Typically, we buy one per year. The recommendation is to take it out of the budget this year and eliminate the lease going forward. That would be a one-time purchase of $53k for the car and a $11,550 lease is eliminated. Backhaus feels the money will be available for this purchase and hold the purchase for the second cruiser from capital in the 20/21 budget. O’Brien, Sr. feels we should hold off on capital purchases for anything that is not immediately necessary. Hand recalls hearing the PD is in need of cruisers and they put in for two. We are in belt tightening mode. Are we in a dire situation in regards to cruisers? Hand appreciates the
suggestion to purchase one from this year’s budget. However, have we assessed how bad we need one this year? Backhaus stated if one is not purchased from the current budget, we will need to purchase two from next year’s budget. Elsesser added we need to look at the operating budget, too, as repair costs are starting to skyrocket. Hand opined this one-time purchase would be smoothing the budget. Conant agrees this is a good plan as do Williams and O’Brien, Jr.

O’Brien, Sr. suggested each member look at the operating budget. There are a number of things going on, such as removal of the ability to hire a police officer and delaying the promotion of an officer. Backhaus and Elsesser have worked with two unions and are still in discussions. The non-union employees would be receiving a zero increase. Difficult decisions have been made in this very unusual and concerning time that call for these measures. Backhaus stated freezes of raises and the promotion are the biggest cuts. Also, the freezing of the staff position and the officer addition.

The library is coming in at a zero increase. Kahn proposes zero pay increases other than a small increase for the minimum wage increase. Kahn reduced program costs. This brings the library down to the historical service level while still being able to function. Williams looked at the IRS 990 form for the library for 2017 and 2018. That form reported $537,000 in investments and cash of $140,000 at hand. Backhaus cautioned that may need further inquiry as it could be the endowment with restrictions on it. Elsesser added a small organization should have almost six months of operating expenses available. June Loomis, a former librarian, set up a trust. Backhaus will follow up on how the endowment can be used. Williams continued the library operating expenses are $50k - $60k less than the operating costs so he expects another $60k can be added to the fund. Thomas is not comfortable in having this discussion since not all members have the document in front of us. Some of that money could be used to offset or subsidize the operating budget for next year. Elsesser added most non-profits have a variety of fund sources. We will get more information and report back to the Council about the endowment. Williams feels that operation needs to be reduced. Thomas call a point of order that all members should have the document Williams is referring to and someone should be here to explain it. It is not appropriate to have this discussion at this time; it is unfair to Kahn. Hand stated we don’t have enough information in front of us to discuss this. Williams stated that regardless the amount of money spent on the library should be reduced. There is a staggering amount of employees. Williams proposes we reduce the budget. He sees a lot of labor. Conant disagrees with that. Hand added that is not properly seeing the value of the library has to the community. Williams restated some of the labor needs to be reduced. Hand opined some measure of the worth of the library to the community has to be included. Conant restated she does not agree with Williams assessment. Williams continued there are too many employees; they run 240 hours of payroll hours and the library is open for 43 hours per week. For the size of the building it is overstaffed, in his opinion. That is the place to reduce cost. Elsesser reminded the members those were comparative statistics to other libraries during the presentation a few weeks ago. Williams said we can spin it anyway we want. O’Brien, Jr. asked if the hours have been reduced during the closure? Elsesser stated they have been doing work and helping the community with children at home that are getting bored. They will be setting up a drop box for patrons to pick up books and other materials in circulation. Kahn is working with other surrounding towns in setting up equitable service. Hand added the building is on multiple floors and there is a requirement to make sure of the safety and security of the patrons.
O’Brien, Sr. asked how the registrars can justify $510,000? Elsesser stated that is a reduction of $5,000 from part-timers and assistants and $1,000 from moderators. Thomas has looked through the capital and had similar thoughts in reductions. She is on board and in agreement. She feels this is moving forward in an agreeable and transparent way. Thank you to Backhaus and Elsesser.

O’Brien, Sr. said the fund balance is about $200,000 which is around 13%. Adding the $68,000 from the BOE brings that to about $250,000. The management report from the BOE is the total savings expectation from COVID-19 is $158,000. That is the minimum that is expected to be received. Elsesser stated we cannot encumber salaries. The BOE is not looking to do that until the transportation contract is settled and they expect the number to grow.

O’Brien Sr. would like to discuss asking the BOE to do more in finding savings as that budget is 6.9 times more than the Town’s. Williams agreed. From the percentage the BOE is of the total budget it is apparent where it needs to come from. O’Brien, Jr. agrees. Based on what other towns are reporting in COVID-19 savings we are in the low numbers. O’Brien, Sr. stated we are trying to find another $109,000 to put forward a budget on Monday and have until June 1, 2020. We are trying to make decisions on what we have been told. The fund of $200,000 - $220,000 would be a reasonable balance. That means we need an additional $50,000 - $70,000. We can tell the Town to find more savings or use the fund balance. Backhaus stated if the fund is taking $220,000 that would leave $39,000.

Thomas asked if we are asking the BOE to reduce another $220,000? The Town has considered a larger amount based on the percentage. A budget the size of the BOE should be able to come up with $50,000 - $70,000; it should not be necessary to cut programs or have lay-offs. Thomas stated we can’t get a freeze on salaries because of contracts. What is the total of everything the BOE has reduced? O’Brien, Sr. replied it is getting close to $500,000 from the BOE. O’Brien, Jr. said that is assuming $250,000 from the 1.5% fund; O’Brien, Sr. would prefer $220,000. There should be several hundred in savings this year. The tuition account is undesignated. Conant watched the BOE meeting last night. She got the sense that in looking ahead to the fall for line items there is concern there will be another virus wave and how that will look for the tuition account. Classes will not be started the same way in the fall as previously held. There is planning for social distancing contingencies. O’Brien, Sr. stated the federal government disbursed money to the state and $99 mill. was distributed to the towns. Coventry got just over $100,000. With the usual stipulations on grant funding that may be a zero sum. O’Brien, Sr. is looking at next year’s and the mid-year budget. He is trying to look at the whole picture. He is concerned next year will be a very difficult year, too. The Town has gone to greater lengths to find more reductions. Under the circumstances, it would not be inappropriate to ask the BOE to do more. Conant stated O’Brien, Sr. comments are fair points; this is a difficult situation for everyone. We need to look at budgets to look forward to the next year. These are some of our concerns. There needs to be a balance. There is a discomfort level with who is doing what. The Town, other towns, the residents, etc. Information about what South Windsor is doing was attached to the Finance Committee report. No comments were made about that at the meeting. Thomas feels that, similar to what she stated at the Finance Committee meeting, we are not comparing apples to apples.

Hand also watched the BOE meeting last night. The sense he got and the worry is opening in the fall if/when that happens as it is unknown at this time. What will transporting kids
and in the schools look like without transmission between kids? That will cost more money. Moving the goalposts is not the right thing. The BOE hit the goal set for them. They are going to have serious expenditures. What they have given is fair. The percentages in this are being discussed; the missions are different. They are the elected body for the oversight of students of this town. They are facing serious challenges ahead. The BOE acted in good faith to kick back the COVID-19 savings to the town. It was clear in the meeting they expect more in COVID-19 savings to go back to the town of around $100,000. Thomas added they estimated the costs to have a safe reopening. They will have to prove to parents it will be safe to put their kids on buses. O’Brien, Sr. stated it comes down to financial matters; his recommendation is to ask the BOE for more. This is not moving the goalpost; we gave them a number for their preliminary discussions.

Williams continued we do have to realize there are a lot of unknowns of what is going to happen. It is not unfair to ask the BOE for more. If there are huge expenses of transporting six kids to a bus that will be flipped back to the Town. We have to educate kids. This idea that the BOE is having funds cut off is not a fair statement. It is unexpected at this point. Thomas feels the BOE has voted on and approved a budget that is forward thinking. O’Brien, Jr. asked how other towns are handling the unknowns? Thomas continued the budget has some growth in it for what we are facing when the kids come back. It may not be enough. O’Brien, Sr. stated nothing we have discussed would affect that negatively. Williams added the kids are going back and there will be the unexpected. O’Brien, Sr. said we are all in this together and working on it to make sure kids are educated and safe.

Backhaus reported assuming the Town cuts are accepted as presented, the capital, the debt, and BOE cuts as proposed and using $220,000 of fund balance, we still need to cut $139,000, leaving $109,067. This needs to be finalized by Monday.

Hand brought up the discussion about the roads season this year being shortened and what we might be able to get done? Is there any reason to adjust the funding for those projects? Elsesser replied that was more the road bond work and not the summer road work in the capital. Northfields will be done at $100,000 in bond money. Elsesser and O’Brien, Sr. opposes reductions in the summer road budget. Contractors will be used for the larger project of the Northfield subdivision in the October/November timeframe. The summer road money is for chip sealing that is all lined up and the DPW will do that. Bonding projects are going more slowly than we would like. The more people that can get working, the better.

Conant asked what the impacts of COVID-19 are with carrying forward with tree removal for the summer? And what money is needed because of virus precautions for next year? Elsesser reported there are three crews working in town right now because of winter savings realized because of the mild winter. We are going forward with the tree removal and see how far the money goes. Elsesser stated items have been ordered to get Town Hall opened safely; with one-time expenses we are finding money to do what we can this year. Next year may have COVID-19 related billing with Vintec. The State is not saying if they will share some money for COVID-19 related expenses. Backhaus is working on a FEMA filing that will provide 75% reimbursement. We don’t know what the ongoing expenses may be for next year. How will the beaches and summer camp look? The Rec department may need more money. Based on the 6’ buffering guidelines we used to GIS system to see how that would look. Now they want 15’ between blankets. The world keeps changing. We are worried about the summer camps as the expenses of running the programs will be much
higher and we know how important summer camp is for working parents.

O’Brien, Sr. thanked those attending and the BOE and Staff for working through the crisis.

3. **Adjournment:**
   **Motion:** I move that the Council adjourn at 7:39 p.m.

   By: O’Brien, Jr.  
   Seconded: Conant

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