

Minutes
Coventry Town Council Special Meeting
March 23, 2016
Town Hall Annex

1. The meeting was called to order at 7:00 PM.
Present: Julie Blanchard, Richard Williams, Matthew O'Brien, Thomas Pope, Andy Brodersen, Hannah Pietrantonio, Lisa Thomas
Also present: John Elssesser, Town Manager; Beth Bauer, Finance Director

2. **Unfinished Business:**

- A. **15/16-69: FY 2016-2017 Budget:**

Julie Blanchard said before we start this evening she wanted to take a moment to talk about the budget process and to thank members of the public that have taken the time to contact the Town Council via email or during the audience of citizens, concerning proposed budgets. Many have expressed strong support for the Challenge and Enrichment Program in our schools. From all that we have heard from citizens like you, it sounds like a wonderful, challenging and effective program. We were all very happy to receive your input.

We were also a little confused to see so many of our residents having an impression that any program was somehow being considered for cuts by the Town Council, particularly the Challenge and Enrichment Program. At our previous meeting there were two questions raised about special education costs which are partially reimbursed by the State and there was some confusion as to the status of Challenge and Enrichment programs within Special Education. While Mr. Petrone said, "they are not identified in Special Education," Lisa Thomas offered the fact that, "those definitions do fall under Special Education." Since no other reference or discussion had taken place concerning the newly referenced Challenge and Enrichment program Mr. Williams asked if there were programs for gifted and talented. The Town Council has never discussed the Challenge and Enrichment program nor received any information specific to the program from the Board of Education. We have learned a great deal from citizen input and it is surprising how so many people came to believe that this wonderful program was somehow being threatened or why such totally unfounded information was being disseminated.

The Town Council has been asking questions about the Board of Education's budget, just as we have been asking questions of every other department within the town to justify the appropriations that are being requested in next year's budget. The questions raised are part of the due diligence the Town Council must perform to gain information and understanding before making any recommendation on any budget. The Town Council has an obligation to protect the interests of Coventry's taxpayers and ensure that all of the money that is being appropriated is being used wisely and prudently. The School District's budget represents about 2/3 of Coventry's entire budget. Coventry taxpayers have the right to expect us to ask questions and all of our departments should be completely transparent and open about their past spending and their future plans for taxpayer's dollars. There is no reason to fear the transparency provided by inquiry and answers to questions.

Since the election in November, it has, at times, been a struggle to get open, complete, and straightforward information that we have requested from the Board of Education. For example, in response to the Board's requests to increase their appropriation in November and December, we attempted to do our due diligence and asked appropriate questions about their requests for additional money.

We sought to identify what, if any, resources and/or funds were available in their current budget

appropriation to meet their needs and identify what additional resources they may need. To this day, we have still not received complete answers to our requests for that information and some of the information we have been given has been incomplete and inaccurate.

In our attempt to work cooperatively with the Board of next year's budget we sent them a list of questions that were unanimously approved by the entire Council. During discussion at the Town Council table it was stated by several members that the information we were seeking would certainly be available because it would be needed to properly build the Board of Education's budget.

The questions were submitted to the Board of Education on January 19, 2016 and all of our members expected that the Board would happily and easily provide the budget information we requested. We met with the Board last week and unfortunately we still had not received answers to many of our questions. We are meeting tonight to provide the Board of Education time to provide necessary information. Once we have received and understand all of the information only then will we begin any discussion about the appropriate level of funding for their upcoming budget.

It is difficult to understand how asking questions, which everyone on the Town Council agreed to ask and the answers for which should have been part of the Board of Education's budget process and readily available, can be perceived as problematic to the Board of Education or their budget. We are, and will continue to ask for transparency and full disclosure and proper planning from all of our departments including the Board of Education.

I can tell you that we are impressed with what the school system has accomplished under the leadership and guidance of Mr. Petrone. We expect him to continue to be successful in the future.

All citizens should know that their opinions, input and questions are appreciated as part of the budget process. We would encourage all citizens to follow along the budget process with us and as we do, approach each step with an open mind and no prejudgments.

Continued discussion, Board of Education budget:

Julie Blanchard said unfortunately no Board of Education members are present to discuss their budget. One member, Frank Infante, is here as an observer. We received additional information via email this morning. Most of us have not had a chance to review it because we just got it today. Julie asked if any members had items they wish to discuss.

Matthew O'Brian said one of the things that struck him is we have to do more analysis. It appears they have purchased 1300 iPads in the last 3 years. He couldn't find funding for anywhere near that number. Part of our question was to get information on how they were purchased. He didn't see an exact answer to our question #4. The four year iPad initiative has only been going for 3 years. He is not sure how they were purchased and paid for. He was surprised there are so many but he wanted to get a better understanding. If they were in an appropriated budget he can't find them. John Elsesser said he knows they got some grants. Matthew asked if grants would appear in the budget. John said he may not be right but he knows they received ICE grant funds that allowed their money to go farther and a technology grant. Richard asked if we have an answer to the question. Andy Brodersen said let's not guess. Richard said one can assume the purchase of iPads came from surplus money from prior years, but wouldn't it be appropriated as a line item in the budget? Richard asked Frank Infante if he knows. Frank said no. Matthew asked if it was not discussed during budget. Frank replied not past purchases, only the current year.

Matthew O'Brien said that David Petrone had apologized that he couldn't be here – he had a prior commitment. He offered to answer any additional questions. Julie Blanchard asked what detail we

want for this question. Matthew said we have the number and type – he just wants to know how they were funded. Was it excess funds, grants or an approved budget? He had only read about the iPad program. The oldest ones in that program are 3 years old. He assumes they would have a replacement plan. They did give some information as to how that might occur. Thomas Pope said the budget that's proposed talks about the 4th year of initiative and purchasing 190. Lisa Thomas said she has not had a chance to look at the new information, but saw something about iPads in 8th grade – are they continuing to move the technology? Is that what current request is for? Matthew said we did ask a question about the current request and they said 110 for 9th grade and others for teachers. John Elsesser said their answer to question #5 addresses it – see the bottom of page 2.

Matthew said they answered question #6, how surplus equipment such as iPads and computers are planned to be replaced. They projected residual value. It appears they are leaning toward approaching Apple for rebates. The earlier quote was \$110 per device. The number may change with the new model. Other equipment in the capital improvement plan is detailed. Other items are considered e-waste as they are over 5 years old and some are as old as 7. They gave goals for a cycle of 4 years. He wonders if that applies to iPads because it seems they are refurbishing some after 3 years. Thomas Pope said that is \$21,670 that would provide some additional revenue that is not in the budget.

Matthew noted that information requested under question #2 for the provide pre-k census is answered, including details of district budget impacts. They outlined teacher and para salaries. He thinks that answers the question. It wasn't clear that was the case because he thought that was completely funded. Lisa Thomas said she doesn't think that is different prior to having the preschool there. They have always had staff because of State mandates for preschool special education. This is not new. Julie Blanchard said what she hears is that it is not costing us anything. Lisa said they may have thought she was talking about what was happening with the Smart Start program. John said impacts were already built into the base. Additional students are either tuition students or are paid for by the Smart Start grant. Now they don't pay rent but there are corresponding costs instead of rent. Lisa said their obligations to children may appear to make the numbers look different.

Matthew said we did get answers to #9. It is not consistent with information from years past that he was familiar with. He hasn't had time to compare. Hannah said a question was asked to identify the types and specific labels of special needs students and how many are in what grade. That would clearly be a violation of family privacy issues that don't have anything to do with the budget. Matthew replied he is just asking for budgetary information. Lisa said the original request asked for the specific disability and location of each student. Matthew said that was what we always used to get. Lisa said the privacy laws have changed. As a member of the Board of Education you would need certain info. She agrees with the gentlemen who spoke the other night that this borders on violating privacy laws. Matthew said we agreed to go into Executive Session. We got some information that looks like a regular report that is given by the State. Lisa page 9a shows prevalence. Any time there is a specific disability they have suppressed those numbers.

Richard what other towns are in our DRG. John said it is available online. It is big. It includes Ashford, Andover, Bolton, Canaan, Colchester, Cromwell, Deep River, East Granby, Franklin, etc. Mansfield is not in ours. Julie Blanchard said Andover is only k-6 and we should compare k-12.

Matthew said he doesn't see an answer to #10, a staffing report of the number of teachers by grade and the children they are responsible for. He found some information on their website. The document is dated March 2016. It doesn't say anything about high school students. Richard said isn't the question more certified teachers and how many students are in their class? Matthew said what is missing in the answer is a projection for next year. Andy said it gives a ratio by grade not class. Matthew said the 6th grade pupil to teacher ratio is 18. Richard said he thought it would give detail by

teacher and how many students in each class. Matthew replied it tells us for k-8 but not after that. We also asked for regular education paras. Matthew said he doesn't see answers for anything between questions #10 - 15. Andy said he would like to know the non-certified number also. Richard asked how many teachers are employed. Matthew replied 172. Richard said the sheet shows 58 teachers. What are the responsibilities of the other 120 that we employ? He thought the question would provide more detail about who we employ and their responsibilities. In his opinion the question is not even remotely answered. John said he thinks they described it that at the high school a Spanish class may have 10 students, another class may have 110. They could probably produce a list but it varies dramatically. When you get to third level math it is probably 10-12 students. Matthew said he thinks if it gets below 5 a review is required. John replied that some of those courses may be required. Julie said the answer to #11 indicated there are 69 paraprofessionals. Matthew said he would like to see projections for k-8. Every time you ask a question it takes two hours of work to figure out the answer. Richard said somewhere there is a list of the teachers we employ and what they teach, and how many total students an individual teacher teaches. He would like to know that. He would think they could easily produce it off their database. It seems like a pretty simple request. Matthew said he is not sure how k-12 figures would help for the budget. We did not receive an answer to question #12 - staff that left and budgetary impact. He would still like to get that.

On question #13, Julie said we requested they provide supporting financial information. They said their answer stands as previously submitted. This is related to original question #15. Matthew said they provided a list of names but no financial information. He wants to know the budgetary impact of those changes. Thomas said he thinks the public ought to know the input they gave us. The original answer to question #20 was ludicrous. It was a list of grants, plus information from the State that they put out \$2 billion in grants and parent programs, youth service programs, etc. None of that is relevant to our budget or to Coventry.

Question #14: Thomas indicated their response answers the question. Andy said it is a good ratio. There has been pretty good attendance.

Question #15: Matthew said this was a question for me as to why it was different – he hasn't had a chance to look at it.

Question #16: Matthew said they provided detail. We weren't asking for names of students just numbers.

Question #17: Information was provided on changes from the Superintendent's budget to the final budget.

Question #18 – Surplus: Matthew said what they gave for that answer was the minutes of Board and Finance Committee meetings from January to June. He hasn't had chance to read them but would like to know the total identified surplus and how those funds were spent. So far they have identified \$80,000 of surplus which went into the non-lapsing account. They turned back \$3,009 to the general fund. \$75,000 of surplus funds went toward the preschool project and \$131,000 in surplus was used to purchase iPads that didn't appear in the 14/15 budget, for a total \$289,000. He is trying to identify how those funds were used – they were not used in the fashion that they were originally appropriated. Thomas said if they had excess funds in that amount could they purchase things that would normally be budgeted for next year with those funds? Matthew replied yes. Lisa said that isn't that what they did with the iPads. Matthew said they removed them from the budget during the first round of budget cuts. Then they purchased them out of surplus funds at the end of year for 9th and 10th grade. Andy said the terminology might be different – they might not always call it surplus. Matthew asked Lisa if she remembers discussion of the justification to make \$150,000 in cuts by the Town Council

last year – he couldn't find it in the minutes. Lisa said it might have been based on revenue projections. She would have to go back and look at her notes. Matthew said he read through two months of minutes and couldn't find any discussion. Then after the defeat \$86,000 was cut but he thinks some of that was insurance savings. Lisa said their budget was done long before ours. It might have been something about a bus. It would certainly be in the video of the meeting.

Question #19. The February 29 Management Report was provided. Matthew said this is a picture in time. It forecasts \$266,591 in unexpended funds. If you think about it, in the 14/15 budget the reduction was actually \$304,000 if you go back and look. Richard said so they trend about a half million. Matthew said there are a lot of different reasons why a surplus is generated. Richard said even after they were cut they still ran a surplus. Thomas said when you make the cut you alter the budget so the surplus is different from what the original budget was.

Thomas said at the last audience of citizens somebody questioned why he asked a question about solar equipment when he knew the answer. It was my understanding they were working but weren't working properly so he thought we would have had some savings. When we do get the savings there will be an excess amount of money plus we have gotten a lower rate. So the utility line will need to be looked at. John said the Building/Energy Efficiency Committee met last week – they had a theory it could be a timer on a motor is kicking in at night and using power. We do know the energy bid price is about 8% less. The solar credit problem is just at the high school – the other 3 schools are working as expected. Matthew asked if there is any way to extrapolate savings based on the other schools. John said possibly but they had counted on that in their existing budget so they are beginning to run over. They are checking into it but he doesn't know if it is resolved. Thomas said that was the reason for his question – he didn't have the answer – he didn't ask the question just to ask a question.

Matthew said regarding Question #18 about the surplus, the minutes they gave were through June 25 but \$99,000 was identified in July from Tuition to Supplies and Equipment. He is not sure why only gave us through June if there was something in July. Thomas asked if we are looking for a number rather than sheets of minutes. Matthew replied yes. He couldn't find anything that said “buy \$131,000 worth of iPads.” There appears to be \$289,000 in surplus perhaps more.

Matthew said he is disappointed there is nobody here from the Board of Education. Hannah said there were probably conflicts that couldn't be avoided and they have already spent 4 hours with us. Thomas said our questions go back to January. Hannah said they couldn't be here and she doesn't think it is a poor reflection on them.

Richard said what he grasps from all this is that Coventry schools are doing an amazing job and giving kids technology. For a district as small as ours with limited resources they managed to cobble together enough iPads, technology and equipment to give our children a real head start. People are always under the impression there is not enough money. We hear it year after year. Our kids are more prepared than the kids in South Windsor where his kid goes to school. He thinks it's really neat that our kids have technology. We always hear how it's bare bones but we have spent a lot of money on technology in a short period of time. He thinks the enrichment program is great. The kids that are in it really benefit. His son is involved in some of those classes and projects. One thing he never would have expected was to find it under the Special Education line item. He would have expected a line item for gifted and talented and a dollar amount put toward that. Right now we don't even know what is spent in Coventry, but it is a great program. He remembers sitting with Jen Beausoleil when we didn't have those programs - she really spearheaded a lot of them. Those kids often get left behind. Lisa said when we talk about learners with what we call “special needs”, the question is, are these children able to learn effectively in the regular classroom. For under-achieving kids we need to provide support to meet their needs. The same thing applies to high-achieving kids. Special Education

regulations define the regulation because their behaviors tend to be very similar. Her understanding for the Coventry expenditures it is two teachers, plus several thousand dollars in supplies. She knows fundraising is underway for the Future Problem Solving students. That started as an after school program but was incorporated into the Challenge and Enrichment program. Mr. Spivey is taking those skill set criteria out into 7th grade. He is trying to build on what they know and move their learning forward. The focus has typically been at the middle school. Matthew said he thinks we are all interested in learning more so he appreciates her answer.

2. **Other budget items:**

Julie would like to focus on Capital, which is tab 11 in the budget.

John said that Beth Bauer did our annual lease purchase for items in this year's budget. The interest rate is 1.93%. We actually have a little bit of budget savings this year because we projected a rate of 2.5%. We will have a modest additional reduction in the budget for next year. As we go through deliberations Beth can calculate with a spreadsheet. She has already put in debt service savings and will now put in lease purchase savings. She can email the spreadsheet out to you and you can do some budget modeling. Matthew said he has the latest State budget numbers at home from the State Rep. John said we are not doing revenues tonight. The numbers haven't changed yet. They are having a deficit mitigation vote next Tuesday. They are sweeping a lot of significant things: the Community Investment Act, Farm Aid, etc.

Page 11.1 & 11.2: John said he did a PowerPoint presentation on Capital. He cut school computers in hopes of getting an ICE grant. We have learned it is more competitive because they raised it from a 30% to a 50% grant. We are not as certain we will get it. They referenced our project as an example of what could be done, however.

John outlined the criteria to be in the Capital budget. On the Town side it has to be a project over \$10,000 otherwise it must be in the Operating budget. On the Board of Education, because they are larger, it is \$20,000. Thomas asked if software would be included. John said it qualifies depending on the cost. Thomas said the reason he asked is Bob Carroll's statement in the press that the Board supports the idea of Opengov and would perhaps like to join in putting their financial records online. They are seeking an estimate from Tyler Technologies so they could do that. Maybe we could see they have the money to do that. He thinks everybody here would like to see them participate. John said the one-time implementation fee would probably qualify but ongoing operation probably would not.

Town Hall computer upgrades: Beth has a replacement schedule on every computer. It is a 5-year cycle with depreciation. We broadened it this year to add printers. Matthew said that was why he was asking the question about school iPads if replacing 800 devices is an issue. Lisa noted the Board of Education said they were looking at different options, like pushing the senior's iPads down to the lower grades. Matthew asked if the reason to replace them is the operating system. John replied that an iPad's life is not as long as a desktop computer. You can't replace an iPad battery. They stop supporting operating systems after a while. Upgrades automatically update but at some point you are putting a new operating system on an older CPU. Thomas said in today's information they gave us it talks about trading them back in to Apple rather than trading down to the lower grades. Lisa noted that younger children's needs aren't as sophisticated.

Classroom furniture: John said this is a multi-year initiative. A lot of the furniture was part of the capitalization of the building. They put it into Capital to build up annual replacement to avoid putting out another bond. It was cut to \$25,000 last year and we put it up to \$30,000 to get to the previous

level. This is about a class and half's worth.

Police admin vehicle, \$17,500: Matthew asked if we should consider increasing this since we couldn't get a grant. John said he will leave that to the Council. The Chief had asked for full equipment, including sirens and lights. In an effort not to have the CIP budget go up too much he thought we could get by but the Chief has a valid argument. He didn't know about the need for all-wheel drive. There might be options for a used vehicle. What is in the budget currently is a smaller vehicle and the Chief has some concerns about fitting the equipment in. Matthew suggested flagging this item for further discussion. Thomas asked if there is anything in between that would do the job. John said it doesn't have to be a Ford. There might be some flexibility – we can pick a number and find a vehicle. He can look at the State bid list.

Scot airpaks: We are doing a pretty good job keeping our equipment current. Noel Waite shaved a little off – he thinks we can still be good. The fire sets have a life expectancy. They wear out. We got caught up a couple years ago with a federal grant. Sizing is a factor too. He recommends we continue this cycle.

Open space fund: A \$5,000 reduction was made last year. He left it at that level. Long term this was supposed to be more - up to \$100,000. The purpose was to have funds around when a desirable property came on the market without having to borrow. Lisa said she was disappointed to see what the Manager submitted in terms of the numbers going forward. Each year when we adopt our budget number, we are committing to fund in that year. She is not sure why John chose to flat-line it. Some of what we have is earmarked for purchases. We have been using a significant amount every year – it is not growing. It represents a commitment to the community and the Plan of Conservation and Development. She wants to be on record saying she feels it is a mistake to leave it at \$25,000 and she is opposed. Also, she is not sure what is happening with emails but she knows some people have written to express their support of open space. One email was sent to all of us from Robert Proctor. She is aware of others that have been sent but can't say anything because she doesn't have them. Hannah noted she didn't get them at all either. Julie said she has them and will distribute them.

Patriots Park Lodge: John said the Lodge has two furnaces - one is new and one is old. The old one is on a dirt floor and has rotted. The price is to get it into the other part of the building and duct it back so it will have a longer life. We could save \$3,000 by leaving it where it is, but long-term maintenance is an offsetting factor.

CNREF - \$50,000. Long term this is supposed to be higher. The goal is to have money so we can avoid future borrowing. Andy asked what is in the fund now. Beth Bauer replied \$50,000 would bring the balance to approximately \$220,000. She is not sure if it was adjusted yet for the money that was taken out for the soccer field, if not the balance would be around \$190,000. Matthew said he is hoping we can replace some of that depending on performance throughout the year.

Town hall boiler: John stated that the boiler is gone and an emergency replacement was done. We may pump out the fuel tank once we have some place to put it. Then we could buy a propane tank. This is all tied up in the natural gas issue too. The oil tank needs to come out of the ground. We have monitors and are confident there is no leakage. We will need money to either connect to natural gas or put a propane tank in. We won't need \$30,000. He would like to continue this discussion later because it is still a loose end. We will have an answer by Monday. At a minimum \$20,000 in savings could be taken, possibly all \$30,000.

Senior van replacement grant match: John said we are ready to file this grant. We are getting positive feedback. We have selected the vehicle type. It is smaller than the big bus, more rideable, and has the

ability to have two wheelchairs. A budget of \$10,000 allows us to get a State match of \$50,000. We would add decals and a radio. If we don't get the grant we couldn't buy it this year. We feel optimistic the funding is there because it is a federal pass-through.

Radius mower: John said we need to keep up with the replacement cycle. The mower won't make it much further. On the dump body – we had asked for two originally and got one. This extends the life of the truck and we recommend it.

Gym floor replacement: The Board of Education is doing these replacements in stages. We recommend funding it.

The Air compressor tank has reached its life. We need it to refill the airpaks. We are looking to see if there is an alternative brand.

Lake management plan: John noted that \$15,000 will cover fanwort treatment and hydrilla. That leaves \$7500 for flyboards which will not cover that cost. We haven't heard back from the State regarding Dr. Kortmann's recommended treatment method for hydrilla. We are waiting for State feedback – we want to send a notification letter to residents to give them a heads up on the need for treatment. We hope to send that out early next week. We want people to know there will be impacts. Andy asked how long the treatment would take. John replied they would be talking about isolating it for the whole season under the State plan. This would be during prime boating/waterskiing season. Andy asked if a second treatment would be done if it is not working. John replied that is why we want to leave it up for the whole season. The chemicals we are talking about - people can swim but cows can't drink it and produce milk. With the flyboard study we have significant concerns. If the State doesn't cover it, it could cost as much as \$20,000. Thomas said it was mentioned about dumping an aquarium into the lake could contribute to the problem - should we send a letter to the lake associations or put in the newsletter that is probably not a good idea to dump your aquarium into lake? John said it could have also come in on a bass boat, a flyboard or even by birds. We have to look at all sources.

LOCIP: John outlined projects for Tracy Shoddy Mill completion and Miller Richardson field improvements. This week they are starting tree removal at Miller Richardson. We need to complete the parking lot improvements. Field irrigation is a goal and we want to start looking at getting irrigation at Miller Richardson. Longer term we believe we can use a steel tank down there – the well is producing adequately and we think we could get water to the baseball fields. At Laidlaw we will not need \$24,000. We need a price to install fencing but those funds could be reallocated to building maintenance projects – such as the walls at the community center – we asked staff to get pricing. We are trying to get some re-lamping done through the Bright Ideas grant – we have \$6500 lined up. It will be an upgrade to the square box lights in the restrooms and would be on a timer. Also the floor tiles in those bathrooms need replacement. Some flexibility for Patriots Park improvements would be good. Guardrails also need to be replaced. Lisa asked if the work at Tracy Shoddy Mill is to complete ADA work. John replied the grant did not cover kitchen and bathroom fit-out. Plumbing will be there but no cabinets or sinks. We are looking to see if we can get a commercial kitchen in there which would require a grease trap be installed at the same time as sewers. The total project is \$35,000 under LOCIP and \$20,000 under Other. There is some flexibility but LOCIP has to be used on town land. We could do more irrigation or more park improvements. Matthew asked if there was more you could put toward Tracy Shoddy if you could use it. John said yes.

CNREF: John said we would like to buy one small dump truck to replace the truck Mark Kiefer talked about. We are taking the other truck out. We are not making much headway and we would be putting \$70,000 in taking \$55,000 out. Beth noted if we can purchase a dump truck out of the fund

then we would not be borrowing. John said we have made some progress with CNREF. We don't have enough to buy a fire truck but we are making progress. It shows the value and usefulness of it.

STEAP: John said we have an application pending. We didn't get funded in the first round. Columbia didn't get the bridge either. We think that these funds will be a target for reduction or elimination in next year's budget. They are reaching their bonding cap and we think they are realizing that. There is bonding money for Town Aid for roads, LOCIP and STEAP. Our preference is we really count on Town Aid for Roads. LOCIP we budget out. STEAP we budget out but they are jackpots - things we can live without. A lot of our maintenance initiatives are funded out of LOCIP. It has helped us keep up. STEAP is also not formula-based.

Notes and Bonds: John noted nothing is built into debt service for a new project. You are aware of projects hovering like the Library expansion. It is in CIP as placeholder – we have \$4.5 million for that which would be a \$5.5 million project with a \$1 million grant and \$550,000 STEAP. Things have changed.

Park: We try to put \$5,000 back into parks every year.

Radio tower: This keeps the Police, Fire and Public Works system up to date. We still have some tube sets in there and we don't like buying them from Russia. It is in better shape than it was 10 years ago. The money comes out of cell tower rental. One goes into the operating budget as revenue and the other goes here. Thomas asked if we are working to get rid of tubes. John said yes, most of it is solid state now. We are doing what we can afford at the time. The system is much better. We got a trunking system through a Homeland Security grant. Every radio gets a better signal if it goes off that. Hills are problematic. We did a big radio study about 10 years ago that proposed \$365,000 in upgrades and we have done it at \$10,000.

Cafeteria: John said it doesn't look like funds are there. They are not pulling in revenue. People don't like the food under the new federal standards. Matthew asked if they raised the cost of meals. John said he is not sure. Thomas asked if they have specific projects in mind. John said yes - freezer replacements and some other equipment like fryers, etc. Details are in the back of the budget. There are two projects for this year but they are spread out over two years. They are worthwhile projects. They lost a freezer last year. These are necessary things. Lisa asked what happens if the need goes unfilled. John replied unless they find some other way to do it, it is a concern. Matthew said he thinks there is still \$30,000 in their non-lapsing fund. They have to set their own priorities.

Tracy Shoddy Mill - \$20,000: John said local LOCIP is derived from money that comes in from money when a document is filed at the Town Clerk's office. We don't do it every year, we let it build up a little. The last funds went to the Cemetery Commission to map grave plots. They are partnering with UConn using central GIS.

High-visibility street signs: We would like to use Misc. Highway Funds to continue to address this requirement. Andy asked if there was there a timetable. John said there was but municipalities pushed back. There is some concern with liability so we need to continue to make progress. Also we want to buy a tool to drive the signs in better. The new standard requires breakaway signs but the standards for the bolts are so weak it doesn't hold up to wind gusts. We will continue to make progress. We don't have time to install on a town-wide basis. It is easier for us to go through and do neighborhoods. Some of our stop signs are very faded. We would like to do those and then do the street signs.

Lease purchase: John said we have three items proposed - two fire trucks and a backhoe. Noel Waite recently gave him a sample of a Govdeals auction. There is a 2006 Pierce fire truck on sale – it is a75

foot Quint with a minimum bid \$150,000. We will monitor that. We are not ready but it makes us feel our plan is realistic that when the time comes we will find what we need.

John said the pieces that aren't here are natural gas – we got some information from Mechanical Maintenance on simple conversions and what their recommendation would be if we replaced all 9 units. The minimum approach would be replacing all the burners, and the other approach would be replacing all the boilers. Matt Mullen on the Building Energy Efficiency Committee talked about retaining one of the large boilers at each site for colder days. Modulating furnaces more efficient on 40% days. Evaluation is needed but BL Engineering is already on board to do review work. The availability of natural gas could also solve part of that committee's charge to look at unit ventilators. Loud fans and heating systems get turned off because people can't hear. Those violate the new classroom building codes because of noise. Having natural gas would allow us to put some rooftop units in that solve the problem. As a code violation it qualifies for school construction grants. We just dropped below 60% so we might get some funding we otherwise wouldn't be eligible for. This just came up on Wednesday so we are scrambling to get information together. Matthew asked what type of cooking equipment they use. John said propane - so they could switch over in the long term. Also our generators could switch. When the current generator at town hall fires up you can smell exhaust in the building. All the boilers could be converted with new burners except for at the police station. It wouldn't be hugely expensive to replace them. We are looking at other cost avoidance items too like replacement of the oil tank at the high school that must be done anyway. We got sample of East Hampton's contract with CNG but it didn't really help us.

Lisa asked about projects by department, tab 11.7 General Administration and the \$500,000 amount for the water tower. Is that project definite? What happens if doesn't happen. John replied we have a grant. It was awarded for \$6.7 million but then the State started backing off and requiring additional engineering which CT Water didn't want to pay for. We are waiting for CT Water to restructure their plan. The original offer was they would bring the water line up and we would do the tower. There are several alternatives – we could redefine with the State so there is no local expense. We are trying to get a modification to allow a joint public private partnership. Lisa asked if the project is contingent on the Housing Authority's participation. John said no. It would make sense for them to come in. CT Water would install all pipes as part of construction at no cost. If the Housing Authority's pipes fail afterwards they would have to pay. Lisa asked about school participation. John said they are willing to do it as long as they don't have to pay to construct. There is a cost to them - they have to buy water - but they would avoid ongoing maintenance expenses. So we have the grant, but no local funds. We need to go through and change the priority levels on the CIP budget.

John said if there are changes in out years it would be appropriate to amend because technically this adopted at referendum. Matthew noted that the line item for classroom computers at \$247,000 is still in there. He thought that was reduced to \$150,000 with a \$90,000 grant. John said yes. If you look at the detail sheet in the CIP plan it is not in there. We reduced our share.

Lisa said if we want to propose putting open space back up where she should make a motion or if it can be done by discussion. John said it would be appropriate to either reach a consensus or formally take a vote. Also somebody mentioned we don't have the out year budget items in for street signs. Then we have to put in the source fund too. The first page of the detailed CIP budget looks at funding over the years – this will change if we add signs and open space.

COVRRRA: John noted there are four special funds in appendix: Recreation, Sewer, EMS and COVRRRA (Tab 12 page A5). Matthew asked if there is a reason why we don't allow businesses to do recycling. John replied we would have to negotiate with the contractor - they would have to put tipper barrels out and there is a charge per customer of \$3.50 per month per barrel. We don't get that much

in proceeds from recycling. Matthew asked if John thinks they would be open to negotiating. John replied we really don't want to get into the commercial business. It could be a real nightmare. Matthew asked if we lose money when we do recycling. John replied that recycling is not free, but we pay either way and it costs us more in disposal fees when recyclable items go in with trash. Andy noted we have a fund balance. Matthew said it is last year's. Beth said the current amount is less than it was last year. It is down under \$500,000. John said the goal is to have at least \$200,000 there plus \$100,000 in reserves for projects. Beth did some quick calculations and said if you are interested in dropping fund balance quickly, you could do a one-year reduction in fees. She didn't do an in-depth calculation but is assuming you could reduce rates by 10%. Matthew asked whether we could do something smaller and sustain it over a period of time. John noted the cost of the pickup and trash removal right now is not being paid for by \$250 COVRRRA fee. We are already in a deficit. It is detailed on page A5 under revenue. Total expenses for tipper barrel are \$998,000 and total expenditures are \$1.79 million so we are already subsidizing the cost by pulling down fund balance. Richard why is there is an 8% uncollectible figure in there - don't we lien people's properties? John replied we don't always get it. Beth said these numbers are for next year – we have expectations of receiving \$36,000 in collections. John said we also budget delinquent fees and interest. Over time we lose some to bankruptcies, abandonment etc. If a house is sold we pick it up then. Matthew asked to clarify that 100% in the reports is a 92% collection rate? Beth replied yes. We're on same pace now. John said we could change to 7% or 6% if you want. Beth said she does the calculation on historical averages. We seem to be moving up in collection rate so the uncollectible calculation will change as those numbers improve. A transfer of \$154,000 out of fund balance is what it takes to balance the budget now. We have to be careful not to move out ahead of that. Julie said she doesn't see growth in the number of barrels from one year to the next. Beth said it stays fairly constant. Matthew asked if the cost has gone up over the years. John said yes. Tonnage fees change. Recycling revenue was under a 5-year contract and may go down. There are lots of variables. We don't control the volume. There are fuel adjustments which are to our credit right now. We were able to lock in and negotiate no annual increase in hauler fees for 2 years. It is highly unpredictable. Weather can affect it. Leaves and sticks not supposed to go in the barrels but they do. Richard said it looks like labor went up quite a bit. John replied that 25% of the secretary at public works who handles COVRRRA administration was transferred there because that's appropriate. Richard asked if 3 people come out of this account. John said the revenue clerk does billing and collection. We had to add staff because there is a lot of interest and calculations. We also have a half time attendant at the transfer station 2.5 days per week. Matthew asked how years we have been taking the \$154,000 transfer from the general fund. John replied since it started. Costs went up but we have never increased our bills. We just absorbed them. Beth said if the Council wants the historical trend she would have to go back to the beginning of program and see. Matthew said it seems like in the last couple of years it has grown. Beth said yes – there has been a positive change in fund balance in the last 3 years. John said what we control are non-variable costs and the annual bill we send out. We have never increased the bill since we went to the tipper barrel system. Increases are in the revenue side. When we started the program trash tonnage went up. Andy asked how we charge part time residents. John said you see in revenue if they have a seasonal house. Tonnage fees change. We locked in another year and then it can go up or down. Trash to energy plants are not doing well. They used to break even by selling electricity at 11 cents per kilowatt. Now they are getting 1.3 cents. Three plants have already closed and the one that our trash goes to, when their contract expires next year our tonnage fees may skyrocket. The State came out with a long-term plan for trash that is unrealistic. They want us to get to a 60% recycling rate and we are not even at 40%. The only way you get to that is to collect food waste. Thomas noted if they could get larger cities to start it would go a long way. John said he thinks as a state we are going to start trucking our waste out of state. Wherever we send it we will always be responsible should there ever need to be a clean-up. There is some huge volatility coming. We are ok for a couple years.

Lisa Thomas and Hannah Pietrantonio departed the meeting at 9:59 PM.

Julie recapped a small list of additional questions she will send to the Board of Education. Any emails she has from citizens she will send to the group. Tuesday's special meeting will start at 6:30 PM and Lisa will join when she can.

Richard said it seems like we put too much labor into the COVRRRA account. He thinks it should be put back. Beth said the revenue clerks have been there as long as she can remember. Thomas said he is looking at a chart for revenue collections and almost all is collected in two months. Beth replied not COVRRRA. We bill in July but people pay through the year. John noted it is not held in escrow by banks. Andy asked when the bill is due. Beth said July. Andy asked if interest is charged after that. Beth said yes, at 18%. Richard asked how many revenue clerks are in town hall. John replied there are 3 people in the office. We need 3 people to function so if it is cut from here we have to add it there. There are a lot of bills. Richard said don't the bills just go to P.O. box. John replied that anything that doesn't come in during the first month has to be hand-calculated. When bills are paid late there is a certain amount of time it takes. Real estate escrows go really quickly. Matthew noted we lower tipper barrels fee by \$5 per barrel at 4467 barrels. Andy asked if interest on late payments goes to the fund. Beth said yes. Matthew asked Richard if he were going to transfer something to the general fund what would it be. Richard said we added an employee to this line item. When he looks at the entire structure he would almost have to question whether we have too many revenue people. They handle a limited amount of bills. John invited Richard to come in and see the office during peak times. We used to have seasonal help in the tax office too. We reduced that when went to the lock box. Beth said we went to 2.5 people in the tax office a couple years ago and it was a mistake. We had an instance of theft because there were too many opportunities when there was only one person in the office. It would do us a real disservice cut staff there. It would increase our exposure to risk. The other part of the question is whether it is a proper allocation to the COVRRRA fund – we can discuss this in greater depth over year if the Council wants to look at it. Richard said he thinks the discussion should take place now. Matthew asked what percentage of the person's salary is included. Beth replied the revenue clerk at 75% and second clerk at 25%. John said the full salary for this year's budget is \$65,555. Beth said there are 3 positions. One is \$13,830, one is \$14,970 and one is \$31,753. The new allocation for the Public Works secretary is \$14,970. John noted the revenue collection clerk's salary went down because we had turnover. Matthew asked if there is any way to know where we stand vs. last year. Beth said collections are on the same pace. We are essentially at 100% of appropriation. We are into March so we won't get a significant amount more in collection. Matthew noted that right now we're at \$40-\$50,000 less than last year. He asked what else the person does. Beth said we could always change percentage and put it back into the general fund. John said the other portion of her time goes to WPCA. Matthew asked if that is all she does. John said no - all 3 people in the office serve customers as they come in. Beth said we had tried to look at costing the office with a transaction model but it was difficult. John said we are also not charging the overhead of Tax Collector who is the highest paid person. Beth if we change the model we would have to take the overhead costs and allocate them out. Richard it seems strange we have always had a growing fund balance. Beth said it has fluctuated but for the past 10 years it has been pretty constant. John said we had tried to start drawing down fund balance because we don't think it should make a profit. There are variables. Now that hauling fees are locked it might be appropriate to look at making an adjustment. To him it is a success story that we can make this program pay for itself. Thomas said he doesn't think we would have ever gotten here if we hadn't done the green bag program. Recycling went way up when that started. If we had gone tipper barrels to start with people wouldn't have recycled as much. He was against green bags at first but was happy with the way they worked out. John said we are glad we didn't go to a full time transfer station. We would have had to go with 3 full time employees. John asked if the Council would like to see 10 years of fund balance. Matthew replied yes.

3. **Adjournment:**

Motion #15/16-334: The meeting was adjourned at 10:23 PM on a motion by Richard Williams, seconded by Matthew O'Brien and unanimously approved.

Respectfully submitted:

Laura Stone
Town Council Clerk

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