

## MINUTES

### Special Town Council Budget Meeting

March 13, 2023

7:00 PM

Town Hall Annex & Virtual

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

The Meeting was called to order by Chair Lisa Thomas at 7:10 PM

Members Present: Matthew Kyer, Jon Hand, Robyn Gallagher, Marty Milkovic, Julie Blanchard, John French, and Lisa Thomas, Council Chairwoman

Members Absent: None

Also Present: John Elsesser-Town Manager, and Amanda Backhaus-Finance Director (remote), Annmarie Sundgren-Human Services Administrator (remote), and the Board of Education (Courtney Rossignol, Bob Carroll, Mary Kortman, Jenny Beausoleil, Emma Eaton, and Dr. Dave Petrone-Superintendent).

#### **2.Pledge Of Allegiance:**

All members stood to recite the Pledge of Allegiance.

#### **3. Unfinished Business:**

##### **3.A. 22/23-64: FY 2023/24 Budget**

- Human Services Department (7:00 PM)

Sundgren presented on the Human Services Department, and their budget projections for the upcoming fiscal year.

Sundgren summarized that Human Services does everything people. Residents can reach out to Human Services who provide a variety of referral based short-term management. She also noted there were no requests in her budget that needed to be addressed with the Council as a lot of their funding comes from grants.

Sundgren discussed that the youth service coordinator is fairly new being 6 months in, but has hit the ground running. They may be having her do testimony for some bills coming up for juvenile matters. Human Services gets DCF grant funding for youth services, which was funded by the State Department of Education in the past. DCF is undergoing a data project, which will allow Human Services to use a program called Charity Tracker. Human Services already uses this program, and this is beneficial as the department will not need to purchase additional software. This department does not need to ask for additional funding because a lot of youth services programs are being covered by grant funding

The Senior Center received an endowment from the Estate of Dawn Tremels. This money is strictly for use at the Senior Center. Sundgren and the Senior Center Coordinator have ideas on what can be done with it. The Human Services budget also covers money for transportation, but this is also covered by grant funding. There is one noticeable cut of ~ \$500 which covered visiting nurses. This service will now be offered for free through Yale Healthcare moving forward, as well as offering additional services.

Sundgren explained that regarding the money, she has no requests from the Town Council for this budget. If able, she would love funding to hire additional staff. She noted that there is ARPA funding coming to the department and Title 3 funding that they can apply for. Sundgren expressed that she would like to work on adding grief counseling at the Senior Center. However, this will incur additional costs as the counselors should be certified and insured. A stipend may be needed, but it is possible for this to be covered under grant funding as well.

Gallagher explained she is asking all departments that come in which 3 areas would they cut, if they had to, as this is going to be a tough budget season. Sundgren replied that she does not have the room to cut anything. She explained that it is possible to cut her training budget, but she is not 100% on board with that idea. She noted that there may be some options to get training elsewhere for free, covered under grant funding, or of minimal costs that she could look into. She emphasized that she would only be willing and able to do this for 1 budget year. Sundgren commented that any other cuts would cut services from residents, which she is not willing to do. Another option she discussed to reduce her budget would be shifting the facility budget over to the Town. She explained that Human Services is already at their max of what was budgeted for Eversource this year. She further explained that no one can control the increase in electricity costs, and they need to power the Senior Center and the Lodge. She noted in the past that the Lodge's Eversource bill was shared with Parks and Rec, as they use it for facility rentals. The Human Services Department currently pays 100% of that bill, so she is willing to split that with Parks and Recreation again to aid a reduction in the Human Services budget.

Gallagher questioned if her training is the line item that shows an already reduced \$2,000 from prior years, which Sundgren confirmed. Elsesser also mentioned that tuition reimbursements used to be under this line item as well, but that has been moved into sundry. Sundgren discussed that there are groups that personnel are members in CLASS (Connecticut Localized Administrators of Social Services) and CASS (which is for senior centers). These memberships cost money, and are unfortunately increasing, but she does not want to give them up as they are a beneficial resource and come with great connections. She explained that these connections are integral to what they do.

Milkovic asked Sundgren to explain more about how she works with the Senior Center Advisory Board. Sundgren informed that the advisory board was established and merged with the Youth Services Board last year. They met last year for 4 quarterly meetings, to which they would like to invite youth and school personnel. The Human Services Department does not have an advertising budget, and this group of people is good at getting the word out and helping with advertising as well as giving support through volunteering and recruiting. She explained a lot of the volunteer base was lost during COVID. Human Services will also use Facebook when they are in need of something. Sundgren commented that this community is amazing, generous, and quick to respond if word gets out that they are low on a specific item. She noted that items have been delivered in just 1 hour.

Blanchard noted looking at the budget book, and it shows that for Human Services regular full-time there was a budget of \$188,000, but the actual was \$191,000. She questioned what the increase was for. Elsesser explained that there was a market evaluation for the Human Services Administrator position, and the increase was for a pay raise. He added that there were certain positions the town would have lost staff in if pay adjustments were not made to market level. Elsesser also clarified that the adjustments were made this year going into next year.

- Board of Education (7:30 PM)

Beausoleil discussed that the BOE operating budget covers building maintenance, running the business, and keeping the lights on. There are also contractual obligations to staff. She explained that they made sure they did not make any financial cliffs with the phasing out of ARP (American Rescue Plan) and ESSER (Elementary and

Secondary School Emergency Relief Fund). The intervention programming and academic recovery programming were all geared to phasing out, so there are small things in the operating budget, but not big cliffs. Anything in the budget that is over a certain dollar amount has a justification form. She also noted that any new items in the budget either have a definite student behind them as a special ed need or is a program that has a good return on investment for the students or staff. The BOE is under the inflation rate, but due to high inflation rates there is a higher increase in the budget than there has been in the past. However, it is still a conservative budget. She noted that the district is in a spending freeze as they are too close to zero for their projected spending for this fiscal year, emphasizing that things are tight.

Milkovic asked for an explanation on the excess cost reimbursement and how it works. Carroll explained that if there is a child that is outplaced, the Coventry BOE has all of their costs (i.e. tuition, and transportation). If you exceed 4.5 times the per pupil cost, ours is around \$17,000, the state promises to pay 100% of what you go over. However, the state has a cap, so you may only get about 70% of it. Dr. Petrone informed that it has been about a decade since they've done that. Currently, the BOE is paying 4.5 over the per pupil cost, plus the amount the state isn't paying. Milkovic discussed if there is a high-cost student who moves to town it would be very financially devastating, or they would lose out. Dr. Petrone stated it is difficult to plan for these students since people move in/out unexpectedly, and lately it seems more people move in than out. Beausoleil noted that there is no fixed formula that helps them plan for projected state reimbursement. Dr. Petrone discussed the funding that is needed from the BOE for outplacement students.

Hand commented that it seems like the money follows the student. He questioned if that happens in reverse, where the Town of Coventry would charge their home districts of students coming to Coventry schools. Dr. Petrone informed that we charge for all special education services at the CREC rates for tuition, and then an 18% administrative fee on top of that. Beausoleil commented that the number of students coming in is lower than those being outplaced, or by choice.

Thomas asked for further explanation on the State's cap that was referenced earlier. Beausoleil informed that the State has a fixed amount of money for excess costs for all 169 towns, and when the money is gone, it's gone. Carroll noted the total the State has is around \$156M and that amount hasn't changed in 5 or 6 years even though costs have gone up. Thomas added the number of students who are in need of those additional expenses have gone up as well, Dr. Petrone confirmed. Beausoleil discussed that they understand state funding, and the way it works, but it would be beneficial to have funding that was predictable so that they could plan and better prepare their budget. She added this knowledge also helps know what the taxpayer will have to cover. Right now, they project off of estimates and staff knowledge of prior years. Beausoleil noted that they could be wrong, and things could go either way. She wished that this reimbursement was less complicated.

Milkovic questioned how high the costs can get for a high-cost student. Dr. Petrone informed there was an outplacement that cost around \$500,000 for the entire year, which covered living expenses and transportation. Kortman discussed that next year there are 4 big outplacements they have to plan for over \$100,000. Dr. Petrone emphasized that these are non-negotiable as they have a legal obligation to provide these services. He also discussed that with a growing Autistic population, the Coventry Academy Program was created to limit the outplacement of Coventry students. Keeping these students in the district costs a fraction of the cost for outplacement. He discussed that prior to Coventry Academy, students would go to Manchester Regional Academy as they are similar programs. However, it would cost around \$120,000 (\$60,000 for tuition, and \$60,000 for transportation). Right now, there are about 23 students in Coventry Academy, who would have had to be outplaced to Manchester Regional Academy. Beausoleil added that it is a great program, and people from other districts are willing to pay for their students to come to Coventry Academy when there are open seats. She added that this is great for the Coventry students as they are in their home district, with their friends, and do not have to travel out. Dr. Petrone informed there are 3 other districts who are utilizing Coventry Academy right now.

Gallagher expressed that doing this budget is hard personally, as she has kids in school and has a vested interest in the schools, as there is nothing more important. On the other hand, the Board of Ed budget alone causes a .8 mill rate increase, and last year the town voted down a .4 and .2 mill rate increase. She expressed concern over this as they can only fund what the town is willing to pay for. She asked for 3 places in the budget that the Board of Ed would be able to make cuts.

Beausoleil explained that they would have to cut programs. This would mean prioritizing the existing programs and cutting those that had the least impact. Dr. Petrone discussed that in his presentation, he explained that for the last 9 budget cycles, they have averaged at 1.09%. He stressed that it is unlikely there is another district in the state that has been able to do that, or close to doing that. Meanwhile, Coventry school's rankings continue to go up, and provide great quality service. Petrone discussed that this next budget cycle will be hard. This means cutting programs and impact their ability to move the student achievement agenda. He stressed that the residents need to understand that. Gallagher expressed concern with the schools declining, as not investing in schools is not sustainable. She explained that we were #1 in the chronicle of surrounding towns, and now we are #3. We also were #3 in math, and now are #6. Dr. Petrone explained that he has put together data regarding us and our competing towns who have more resources, like Ellington and Tolland, and yet we outperform them. He stressed any recent decline is not due to the budget, but rather attributed to the pandemic and the impact it had on kids. Beausoleil commented that when students miss school due to COVID illnesses and are out for 5 or more days, it really sets them behind especially in subjects like math. She added we saw these types of absences in each of the COVID years, sometimes for the same student. Dr. Petrone reminded everyone that even though students started coming back to school post-covid, remote learning was still an option for middle school and high school kids. Around 30-40% of students still opted to be remote. He expressed that with remote learning, it is harder to stay focused and engaged. He added that there are a lot of challenges that they are facing, but felt that a lot has been done, with very little, for a long time. He stressed that people need to understand what is at stake. He expressed that when cuts are made, they are not always visible to the entire community, therefore giving the assumption that nothing bad happened from the cuts, meanwhile there are a lot of things that actually do happen. He noted there were several years there was no library media specialist at the CGS and G.H. Robertson school, which he felt should never have happened. In lieu of making these staff cuts, they would need to cut programs, which would take away all the things people love about Coventry's schools. Beausoleil noted the option is that we would push more of the financial responsibility to the parents for pay-to-learn for after-school programs and advanced placement programs. Additionally, the sports fees would need to be raised as well. She added that for several of these programs, there are bus transport and other fees that will go up. She feels that we will see a decline in student participation because parents may not be able to afford it. It creates a have/have not scenarios. Gallagher questioned if there would be a way to elicit information about the financial responsibilities of the families. Her hope with this is to limit a widespread subsidy, to only having a subsidy for those who qualify, or fall under a certain financial threshold. Dr. Petrone noted that they do ask on forms, like the ones for field trips, etc., if the family is in need of financial assistance but the money still needs to come from somewhere. There is not enough assistance to be able to cover all the costs. On top of that, you will need to have a staff person to keep track of all that information as it would be something very involved.

Beausoleil discussed another complication they are experiencing is now that free lunches have been reinstated, people do not apply for the free and reduced programming. People who require aid are not filling out the forms, as there is no need to with free lunches. The completed paperwork gives the Board of Ed acknowledgement of who needs financial assistance. Gallagher mentioned that Rep. Ackert provided an ECS formula town data model for the Town of Coventry, which provided data on ECS funding. One of the categories was for free or reduced lunch percentages, but it was discussed that this data is from prior to COVID, and no longer reflective of current numbers. Another colleague of Ackert's was able to dig into these numbers and increase their districts percentages on this calculation which changed their ECS funding. Gallagher suggested the BOE look over the ECS funding sheet for review and data collection, to help aid the towns ECS funding if possible.

Kortman noted that there was a point they were going to offer free and reduced lunch to those on Husky. However, there were families who had jobs who did not pay a lot but had good health insurance. So, the kids were not on Husky from a health point of view, even though they qualified for Husky from a salary standpoint.

Gallagher noted the ECS data model also reflected a concentrated poverty count at zero. Petrone indicated that when breakfast and lunch was free, parents did not fill out forms. Once that stopped, they encouraged the parents to fill out the forms, and got back about 22%. He added now that these meals are free again, we will likely not get completed forms. He stated their data is only as good as what is received.

Thomas explained that they had questioned if the data the Board of Ed has is accurate, as she felt the data is from pre-pandemic, which means that we are missing 2 years of data. Without up-to-date data, it is hard to know how family income has been impacted. Beausoleil informed that they are aware of the data based on the forms they have received. Carroll added that there is also an incentive for filling out the financial assistance forms. Dr. Petrone felt that the Board of Ed received about 26% of applications back. Gallagher clarified that the Council understands the BOE had all the data they have, but wanted to make a point that the data is no longer reflective of the poverty level. She felt that since this data is not fully accurate, it should not be used as the metric. Thomas wondered if there was any way to solicit the data by getting more people to complete the forms and apply. Eaton explained that the incentive they offer for filling out the form, is only valuable at the beginning of the school year. Now in March, it will be hard to get this data since there is no direct benefit to the parents. There are no other incentives they have to get parents to apply.

Gallagher questioned any specific programs that would be cut. Dr. Petrone informed that when a cut is issued by the Town Council, or the budget fails, they get together to look at one-time expenditures to cut, or any other reductions that can be made. They will be meeting soon to put together a sheet for board use that shows which programs could be reduced, and how the students and academics would be impacted. The Board will make the decisions together on what will need to be reduced. Kortman commented that if there was a program that was going to be too big of a cut with impact to the students that they cannot do it that way. This means that they would have to go after staff. Dr. Petrone explained that with the contracts you can't reduce the pay of long-time staff making more, you would have to reduce the pay of someone who is newer and making less. He reviewed the total costs that each school contributes for operating, and all the things it covers, and stressed how minimal these costs were. He emphasized that the largest costs are for staff.

French questioned how the BOE was dealing with the bussing issues. Petrone commented that even though Coventry is classified as a small town, it is geographically very large. He noted they have always run 20 buses to eliminate long bus rides for students, over the years this was reduced. Prior to the pandemic, they had cut down to 18 buses. During COVID drivers lost their jobs and had to find employment elsewhere and now there is a bus driver shortage. However, the contract with the bus company allows the Board of Ed to cut the number of buses without penalty. Dr. Petrone noted that we only pay for the number of buses that are running, in addition they were able to reduce their monthly payout to M&J based on the number of buses that are running. He explained there are AM and PM runs that are both tracked and have been running 17 buses every single day. Dr. Petrone informed he suggested to the transportation committee that this be worked on next year, so this is a little better balance.

French also discussed ECS costs and how it is important that the money follows the student. He feels the state needs to step up and pay 100% of these costs. Dr. Petrone agreed, and that in small districts, 1 or 2 kids can really turn the budget upside down. French also asked how many students come in from outside of the district. Dr. Petrone informed there are 2 on their books now, and 3 coming in for the next school year.

French asked what the agreed amount was for teachers' salaries. Dr. Petrone explained that they are about 2.5. EAC, the teacher's union, negotiated a .55% raise for next year, as their 4-year contract expires next year. Beausoleil informed that there are other unions that are in negotiation right now for pensions, Dr. Petrone added

that there are 5 negotiations going on right now. It was discussed that the Board of Ed has had a good experience with health insurance, and costs are going down .73%.

Milkovic noted in their presentation at the Town Manager's budget meeting, they discussed per people expenditures. He asked how good of a measure is that of efficiency. Petrone indicated it speaks to the way in which towns receive greater resources than we do, and how we perform with less resources. For example, Mansfield has more resources than we do, and what we could do with those. Coventry is right behind them in their SPACS scores. Bolton's and Ellington numbers were discussed as well, and how we compare.

Milkovic questioned enrollment, as it seems it has been stable, whereas other towns have seen reductions. Dr. Petrone explained that prior to the pandemic, numbers were trending upwards. During the pandemic we took a little hit, as there were students who got homeschooled, or moved out of state. Now that the pandemic is over and we are moving forward, we are coming back to those pre-pandemic numbers. He commented that we have great schools here, and a lot to be proud of. There are students who are on the college track with AP or ECE courses that are able to graduate half a year early. Dr. Petrone listed some colleges and universities Coventry is partnered with. Many have been long partnerships, but there have been several schools recently added, which speaks to Coventry's credibility. We have a high ranking with the US world news due to the variety of AP classes offered. Once we move away from the COVID numbers, Coventry's ranking will go up. Thomas commented that both her daughters used the ECS courses, not AP, and were able to graduate early. These programs make a huge difference and save money. Beausoleil and Hand also commented on the benefits of these courses, and how they helped them.

Gallagher questioned if there is an estimate for the subsidy to help students pay for enrollment in the ECE classes. Petrone informed the pool is \$11,000, which ends up about \$20 a student since there are so many taking AP and ECE courses. It costs about \$185 for these classes, but they charge by the credit. Additionally, there is a cost to take the AP exam. Beausoleil noted that the subsidy exists, because if there is a course that classifies as both AP and ECE they have to pay both fees. Gallagher noted that students and families are already contributing to this, as it does not cover all the costs, Dr. Petrone confirmed that it only covers \$20. Thomas noted that you can still take the AP classes and have them on your transcript, but do not have to take the AP exam.

Thomas noted during the joint fiscal meeting, they discussed the addition of another basketball team. Beausoleil confirmed that parents had requested a freshman boys basketball team as there was such a high interest at the middle school level. This would add a 3<sup>rd</sup> team to the existing JV and Varsity teams in the Basketball program at the high school. Thomas noted she did not see that in the presentation, so assumes it is not happening. Beausoleil noted the Board added it, but other things needed to be moved around to make it happen, so it would not be a financial addition. Thomas questioned the addition of freshman basketball when there are other programs that might get cut with this budget. It was discussed that freshman basketball could be one of the things cut, as everything is on the table. Beausoleil noted it will be taken into consideration how many kids are involved versus other programs with similar costs. She added that sports programs and electives are not required.

Thomas asked for an explanation of MBR (minimum budget requirement) and how is it calculated and changed from year to year as budgets increase. Dr. Petrone informed there is a lot that goes into this and is going to send Thomas the formula. Carroll elaborated that you have to spend the same amount of money you get currently. Dr. Petrone noted that you can't go below what the passed approved budget was, but also you get deductions for the population, enrollment declines, etc. He added there are reductions that can be made, but they need to be documented. Beausoleil commented that they have the right to tell you no, and then can punish you afterwards.

Elsesser discussed that Columbia had a high-cost special ed student that moved out of town, so the Board of Ed cut those costs out of the budget and got penalized as they went below MBR. He added they appealed it, but the

Commissioner declined as even though it was a large expense that was no longer needed, they could not cut that money out. Thomas noted this would be difficult during inflation with budget's going up, and not projecting a decrease. Thomas also mentioned them discussing the phasing out of ARPA and ESSER but have hired staff. She questioned how they are addressing staff funding next year. Dr. Petrone noted the last piece of the phase out has 2 positions for math interventionists that will either need to be continued or be eliminated since they are covered under the grant.

Gallagher explained that it seems the high school is significantly higher in operating costs than the schools, and what the reason for that is. Dr. Petrone explained this is due to the high school having one extra grade (The high school has 4 grades, while the other schools have only 3), in addition to the variety of sports, programs, and course offerings they have. He informed that it is typical that a high school budget is double the middle school budget, and this is seen across the state. Beausoleil commented that the classes are more involved, there are supplies for science labs that have high costs in addition to supplies for other classes like art that are more expensive at the higher education level. Gallagher questioned the fee for students participating in athletics at the middle school or high school. Dr. Petrone informed there are fees at both, around \$60 per sport, and there is a formula for the Board to use to see what the cost savings are if that fee is raised. He noted it is not as much as you think it would be. It was discussed these costs were offset in the budget, and that an increase in fees does not offset the costs as much as you think it would be. Gallagher questioned what the athletic subsidies were at the middle school and high school are, as noted in the budget. Carroll informed that this covers costs for referees, officials, gate keepers, etc. Beausoleil noted we used to be able to have parents do this as volunteers, but this has changed as they need to be specifically certified. Gallagher asked if there are any extra curriculums that are costly to the district outside of athletics. Dr. Petrone informed that intermurals at the middle school, chorus, band, drama, and clubs are costly, but are important to keep kids engaged. Gallagher asked if there was a line item attributed to this. Beausoleil informed there is summary information in the Board of Ed budget which is available in pdf form online. Backhaus explained the summary copies go line by line through each school. The Council was able to pull this up for review. Gallagher asked how much of our student population participates in athletics at the high school level. Dr. Petrone informed that it is about 25%, and there is about 40% that participates in one program or another, like band. It was also discussed for the higher cost programs, the fees are higher, but those are offset to the students/parents, not the Board of Ed budget.

#### **4. Adjournment**

**Motion:** I move that the Council adjourn at 8:35 PM.

By: French

Second: Hand

Respectfully Submitted,

**Nicole Archambault**

Nicole Archambault, Minutes 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.**