



she had brought up at first if it would be a possibility to combine the COVRRRA fund with the General Fund. Change to “O’Brien confirmed that it was a separate special revenue fund.”

- Page 5, second bullet, about 6 lines down, “When the transfer station was shut down, the green bags were implemented to try and do a volume-based system to try and eliminate waste.” Add “increase recycling” before “and eliminate waste.”
- Page 5, second bullet, about 8 lines down, “...every homeowner had a separate contract prior to it becoming a separate bill.” Change sentence to “homeowners contracted individually with contractors for waste removal.”
- Page 5, second bullet, about 11 lines down, “She said the rate is currently competitive to private contracts, and she thought about combining the COVRRRA and the General Fund into one.” O’Brien mentioned that the discussion after that was one of the reasons would be that people would be paying widely disparate fees for the same service. He would like to see his and Thomas’s reasons added after that sentence.
- Gallagher added that “COVRA” throughout the document should be changed to “COVRRRA.”
- Committee members agreed on having page numbers added.

Voting: Unanimously in favor

### **3. HVAC Grant Discussion W/Guest John Elsesser**

Gallagher mentioned that we went to referendum in January 2023 on the HVAC project. There was a discussion about the cost and the acquisition of a state grant, which we eventually did receive. In representing how we were going to cover the project costs which was estimated to be about \$11,000,000 we anticipated that state reimbursement would be about \$6.3 million. There was also approximately \$1.4 million from an energy bond from 2019, and an additional \$1.3 million remaining in the school roof project. Gallagher mentioned that we had told the town that they would need to issue new bonds to cover the last \$2.1 million. When we put the question before the voters, we were allowed to transfer the roof money from the roof bond into the HVAC project, but we did not appropriately put before the voters the transferring of the 2019 energy bond money. Drumm clarified that it was the requisite language put forth to Council that was not adopted. Elsesser mentioned that the attorneys provided the language. Drumm explained that the resolution established the question on the ballot. Gallagher then explained that the numbers fluctuated a bit after it was voted on. The \$11.1 million went up to \$12 million for the HVAC. The \$1.4 million remaining from the energy bond is potentially somewhere around \$800,000 and is contingent on the Board of Education's ability to apply for reimbursement that may have been overlooked in the 2020 time period. Chapman said she has an update on that. The excess of \$870,000 is not inclusive of those additional grants, but Trudelle did start filling out the paperwork for that to potentially receive \$170,000 more. Gallagher mentioned that there are a few issues that need to be discussed. It needs to be determined how to appropriately make it so that we can transfer the amount left in the 2019 energy bond over, how much of a shortfall there would be, and how we are going to address it. Our bond counsel, Robinson and Cole, provided us with this memo. Their proposal for how to address the difference between the \$11.1 million and the \$12 million cost is to use that energy money. Gallagher said that her only concern with that is we are going to have to bond for more than what the tax payers were initially told. Drumm explained that when it was originally put in for resolution for only the roof money being added to it, the amount that was extra that needed to be bonded was allowed to be bonded, but since that money was not in there from the energy money, that allowed more money to be bonded. The former referendum granted us authorization to bond that money.

Elsesser added that the HVAC systems and the energy bond systems were viewed as the same project. He said that there are energy efficiencies built into the HVAC system which is why some of that shifting of money is allowed to happen. O'Brien questioned if we used \$100,000 or more for the Renovate As New plan. Elsesser mentioned that the middle school was looked into at one point for the Renovate As New plan since they have more need, but when it came to the HVAC system, the high school made more sense to start with. He explained that the money came out of that plan for their initial study. Chapman added that this is part of the reason why there is not as much money left as was anticipated. O'Brien mentioned that there was authority to bond all the way without the energy money so we don't have to bond more. The overage should be looked at and see if that is sufficient to cover. Gallagher said that when we pass at referendum, there is authority to bond at the entire amount, but we had made representations that if it was going to cost more than the initial limit that was set, then we would not do so. She added that there was a concern from community members that if we did not get the state grant, we would push the authorization forward anyway. Gallagher explained that this was not the intent, but rather be bonding on money. She asserted that she feels that we need to be clear with residents about what happened and why it will be more than what was initially thought. Gallagher asked Elsesser for clarification on the numbers for the 2019 energy bond since it was supposed to be \$1.4 million and now looks to be \$1.1 million. Elsesser clarified that the tasks came in less than what we thought they were going to be. He also added that there were other expenses that came in for other projects, like fire alarm system replacements. Gallagher added that she thought those numbers were really set when the 2019 energy bond was first discussed. Elsesser said that the scope of work for that bond had been finished. Chapman mentioned she had reached out to her predecessor about the new \$1.1 million versus the initial \$1.4 million and was told that they were estimates at that time and were not near finalized. She added there was also the additional design cost that caused it to go down. Drumm asked if they were unpaid invoices that were still remaining. Elsesser said that in taking the advice from the state, the board chose to do a renovated-as-new project that required them to look at the cost of renovating the middle school versus building a new middle school, and Quisenberry was hired to take a look at those two options. When the HVAC grant money came out, the priority was shifted to the high school. Gallagher mentioned she felt better about the numbers after this was explained since there was initially \$1.4 million that went down to about \$870,000, which made her nervous. She also asked if anyone knew when we would have confirmation from the state about providing the reimbursements. Chapman said that we do not yet have confirmation, but the paperwork still needs to be submitted, and before it can be submitted, it needs to be signed off on by the attorneys. O'Brien questioned if there were any timetables that were built into them requesting the funding. Chapman mentioned that there was not, and Trudelle had asked the state about that prior to starting any paperwork. Gallagher summarized that the project started at \$935,000 above what we had initially anticipated. The energy bond will be approximately \$360,000 short than what was initially thought, and the roof bond is about \$100,000 short. The grant was going to be about \$300,000 more, so when putting all of those factors together, we are in total short about \$1.1 million. Chapman mentioned that to clarify on the state reimbursement, it is reimbursement based on eligible expenses up to the \$6.6 million, so it could potentially be less. She also mentioned that for the School Energy and Building Efficiency Committee meeting she had put together some financials that ended next year in August with long-term bonding of about \$3 million. She shared that the note is out right now and matures in August 2025 and is \$9 million. She said that we need to receive the state reimbursement in order to pay that note off, and the remaining amount is going to be rolled into the long-term bonding at that time. O'Brien asked what the total amount of the grant was that we received. Gallagher stated that it was up to \$6.6 million, but could be less. Elsesser mentioned that there was an alternative in the energy bond for supplies and parts, which was in our contract. Elsesser mentioned that he talked with the contractors about not expecting this to occur and questioned whether this was reflected in the numbers. Gallagher clarified that it was not in the numbers. Elsesser reaffirmed that because we are rolling the remaining

over, there will be additional interest costs, and that is also why the numbers seem higher. Chapman mentioned that we had received the lowest interest rates out of the Connecticut towns that the bonding had done recently. She said that our rating stayed stable at the double A+ and because of all of the fiscal responsibility, that is why our interest rate came in lower than other towns. Drumm added that it was thought that we were going to take the permanent long-term bond this summer and ended up rolling over the temporary one for another year. Gallagher mentioned that we need to address the Robinson and Cole memo that authorizes the \$1.04 million energy bond excess money to be used for other purposes, and if we need to explicitly communicate to taxpayers that the town would have to bond originally \$2.1 million additional monies when in reality it will be closer to \$3.2 million. Drumm added that we do also have other costs beyond the Pro-Mech contract since there is also the commissioning agent factor that needs to be considered. Elsesser explained that the laws changed as well which added another approximately \$48,000. He mentioned that another state law requires the evaluation of all of the buildings and tune-ups of them over the next 5 years, which is an additional cost of approximately \$30,000. Taylor added that the state recently passed updated indoor air quality standards which necessitate regular inspections over a 5-year period of all of the schools, and we asked Aramark, who is the company we are looking to hire for the HVAC project, to expand their services to cover a full inspection of the HVAC system as opposed to only a representative sample of their normal commissioning sample. The additional cost of this expansion would be about \$60,000. Gallagher mentioned that if the Board of Education would like for us to take on that additional cost, they would need to come to the Town Council for it, which could also potentially be an appropriate use of the 2% fund. Drumm mentioned that he did express that notion at the last School Energy and Building Efficiency Committee meeting. Elsesser expressed that regardless of where the money comes from, it would make sense to check off 1 of the schools off that 5-year list, and it will also be the cheapest price that it could be done at. As a result, he recommends that we take advantage as a community to try to get multiple things done at the same time. Drumm also shared that there are also some other additional costs that were not in the initial contract. The first was a request by the committee for a construction inspector that, depending on the amount of hours requested, could be anywhere from an additional \$10,000 to \$20,000. He shared that there were two candidates where one of them came at an approximate cost of \$50,000. The second possible cost is the transformer that the design engineer recommends will be needed at some point. Elsesser shared that we may need to have a 3-week shutdown of the high school over the summer once the transformer arrives. Gallagher asked if we need to have a special town meeting in order to make the changes necessary for the 2019 energy bond. Chapman said that one would be needed for the resolution amendments, which is just fixing the language of being able to transfer that energy bond money to the HVAC project. Gallagher also asked if it would need a referendum vote, to which Chapman confirmed that it would. Gallagher asked if something should be done about mentioning that we need an additional \$1.1 million in bonding than what was initially reported at referendum in 2023. O'Brien asked how much bonding authority beyond what we would need from the original project do we have now. Chapman explained that as of now, we have been told that we do not need authorization for additional funds, but we would need authorization for the resolution language. O'Brien mentioned that he agrees with Gallagher that the public needs to have some kind of recognition of the activity that has been occurring. Gallagher mentioned that this could be explained at the special town meeting with visuals and a PowerPoint presentation so that taxpayers do not think that we are passing referendums based on certain representations and then increasing the cost. Thomas added that her understanding was that voters have already approved putting additional money toward the HVAC project and was just that the question was not properly phrased. Gallagher explained that even so, we are still short about \$1 million and we told the public we were looking to bond about \$2 million which has now been bumped up to about \$3.2 million. Elsesser explained that the reason the state makes a town bond the whole amount is that there is no guarantee that they are going to get the money, so a town has to be prepared to pay the full amount

as a worst case scenario. O'Brien stated that the money already existed as an energy bond but we did not put it toward the project. Gallagher added that it was initially stated that if we did not get the grants for this project, we would not move forward with it. Gallagher mentioned that at the special town meeting, we have to be very clear about what the original estimates were, what was initially discussed, what has happened since then, what numbers have changed, and that the 2019 energy bond still needs to be moved over. O'Brien questioned what should be done if the board does not get their \$170,000. Chapman reassured him that she does not foresee that being an issue. Gallagher asked Chapman how she envisions the timeline working. Chapman explained that she is not sure about the timing of the state and how long they take to reimburse once submitted, but recalled that last time it took about 2-3 weeks for the attorney to review the package. Taylor added that part of that timeframe was due to issues regarding documentation. O'Brien asked that even if the state does not send the money, when would we learn if they approved the reimbursement. Elsesser mentioned that it is unpredictable since it depends on what their staffing load is, how many other projects they have, whether they have adequate bond authority, etc. He said that the smaller requests tend to move faster than the larger ones for reimbursement. He added that this is an old request that they would like to close out, so he predicts the reimbursement timeline will go fairly quickly. Chapman mentioned that another reimbursement issue that should be kept on the radar is the GHR roof reimbursement. It was brought to the attorneys and the state, and there was an issue with the number of bids that were received and looked at. O'Brien asked if it was too few or too many, to which Chapman and Elsesser both confirmed that it was too many. Taylor added that the state has implemented certain requirements for the procurement of certain architectural services on this project. When we needed to get the attorney's signature, he asked for documentation since he was not involved in that procurement process. The documentation as it exists implied that the state statute requires there be two phases of the procurement process. The first phase requires the establishment of criteria, collection of fees, submission of proposals, and review from a number of different firms. The second phase requires that there are no more than 4 firms that you select from. Elsesser added that we received pricing from 5 firms. Taylor said that the language is somewhat ambiguous in what constitutes those two phases, and he has asked the state for clarification on what that process needs to look like as well as if our documentation follows that certain process. He still has not received confirmation after reaching out about a couple of weeks ago. Chapman added that the GHR roof reimbursement is about \$600,000. Elsesser explained that we were following the process that the school business manager recommended. Gallagher asked if this \$600,000 was part of the roof bond, and so instead of being \$100,000 short, we may now be \$700,000 short, to which Chapman confirmed. Thomas stated that this would not be going on the November ballot, so there is time to talk about this further. She asked Elsesser if this would absolutely require a legislative fix, to which he stated it would not. He further added that the state is evaluating what they want to do. Thomas mentioned that sometimes we have to talk about what the law intended, and legislation is often passed without vetting what the possible unintended consequences may be. She also inquired about which state agency has this right now. Elsesser clarified that it is a school education grant, but that the Department of Administrative Services and a school construction unit have it, and it is already moving its way up the chain. He said that at some point, someone would have to recognize what the law actually reads as, and because of the language of the law, our own attorney would not sign off on it. Gallagher summarized that there are some things that still need to be determined at a future date, including the \$170,000 reimbursement on the 2019 roof bond and response about the \$600,000 for the GHR roof. Elsesser mentioned that he thinks it would be important to look at the timing issue to see when that law passed and when we started out and began interviews to make sure we did not start this prior to the law taking effect. Taylor affirmed that the law was already in place and effective prior to our involvement. Gallagher mentioned that she does not think this is ready to bring to the rest of the Council to talk about when we would schedule a special town meeting, and if

we are not aiming for November, there may be other projects that we may be interested in bonding to talk about as a group first.

**4. Consideration/Possible Action: Appropriation From CNREF Of \$14,500 For Swamp/South Street Project:**

Town Engineer, Todd Penney, reported that the packet has the proposal from VHP, who is our consultant on the Swamp/South Street improvement project. He explained that CRCOG's Transportation Committee allowed for a cost increase for the construction due to when the projects were approved versus when they will be in construction. An application was submitted to hit all of the high points of the geometric deficiencies in that area, and in the process of doing so, there was a little gap area at the intersection improvement of South Street and Swamp Road, and the S-curves of South Street. He said it would have been great if we included all of that in at once, but it did not meet the math. After the project was approved, the CRCOG Transportation Committee allows for an overage or a certain amount of money to be given to these types of projects. He reported that the cost of doing the construction work within the allowed extras was under budget but is not in our consultant's scope of work. From an extra standpoint for the consultant, they are looking for \$14,500 for the fee compared to their overall fee of \$231,000. The area is roughly 375 feet, but there are some geometric changes that need to take place, drainage concerns that need to be addressed. The scope of the construction/cost estimate is roughly about 450,000. He stated that \$14,500 from a design fee is roughly 3% where the original fee was near 9% so there is an economy of scale that we are going to get in order to get this done. We just need the extra work to have the consultant included into the contract documents. O'Brien inquired about the tax money might be able to be used. Chapman asked O'Brien if he was talking about the road bond, to which he confirmed. She explained that this would not be possible. Milkovic asked for clarification on the \$14,500 and if it would be design and contract work but there is enough money in the grant to do the work, to which Penney confirmed. Penney explained that there would be a \$14,000 investment to get \$400,000 worth of construction work. Gallagher asked what the balance was in the CNREF. Chapman confirmed that there was \$85,343 left.

**Motion:** I move to recommend to the full Council to appropriate \$14,500 from CNREF to cover the VHP design fees on the South Street/Swamp Road improvement project.

Voting: Unanimously in favor

**5. Revaluation Project Update**

Preisner reported that they are evaluating every house as if it is not a crumbling foundation so that we bring it up to the current market value instead of the 2019 market values. He said that he then applied back the percentage reduction to the new value. He shared that taxpayers will see an increase in the houses that have the crumbling foundations, but it will be equalized to what it was before. He reported that we have contracted with Vision back in November for about \$128,000 for the complete project which entailed sending out about 5,000 data mailers. He shared that we received about 80% of those back, which is something that they were trying to advertise and explain that it will cost the town money if those are not sent back. He stated that this amounted to about 900+ inspections that needed to be done, especially on houses that have either not been seen in the past 10 years or those that have not been documented to be seen in the last 10 years. He shared that he negotiated with Vision, which resulted in them doing these additional inspections for no additional charge if Preisner waived

some of the requirements for follow-up. The data mailers served as an attempt, and the follow-up visit gets us the measure, all of which the state would be satisfied with. He said that we might be missing some interior information that we would have been missing anyway. If we put in all of the follow-up and the letters, they would charge us \$26 per visit. He said that this is where we saved a lot on additional expenses. Preisner shared that the data collection is almost complete and still has people out in the field. They have incorporated some building permit inspections. He reported they are on-time and about 60% of the way through. With the remaining inspections getting done soon, he shared that the majority of his time will be spent looking at the quality of work they are doing in terms of consistency. Vision has also visited every sale so far that has occurred and will continue right up until October 1st. The sales period, which is the benchmark for all of the values in town, are the sales from October 1, 2023 to October 1, 2024. The system is calibrated to make sure the data that is input comes up with the values the market tells us to be which is then applied to all other houses in town to come up with a fair market value for everything. He mentioned that preliminarily, we are looking at a 50% increase in the residential market. O'Brien inquired about how many sales there were during that 12-month period. Preisner reported that there were over 200 which is a standard we can use for the reevaluation certification. He said this includes some waterfront on the lake, inland from the lake, and all over town which is helpful in terms of having comparable sales for those who inquire about their assessment down the road. Preisner also reported that we are in line with surrounding towns, as Lebanon recently went up 57%. He shared that they will look at the ratios again once we are past the October 1st deadline, but he does not foresee many changes. He also shared that after the notices go out, he wants to make sure that people are aware that the mill rate will go down and taxes will not go up by 50%. All community members have the opportunity to come in for an informal hearing, which is a way to meet with the vendor that is working with us to discuss any concerns. The vendor is giving us 10 days of informal hearings in the contract, and he anticipates that 4% of homeowners would come based on what other towns have experienced. He said he is trying to schedule as efficiently as possible so that the additional expenses can be kept as low as possible. If 2 more days are needed for commercial and 2 more days are needed for residential, there is an estimate of about \$3200 in additional expenses, but Preisner mentioned he will not be able to confirm this until December. O'Brien asked Preisner if there was an estimate on the commercial increase. Preisner mentioned that he looked at a few properties and will also be meeting with the commercial lead later this week to solidify an estimate. O'Brien also inquired about whether motor vehicles have any effect on reval, to which Preisner mentioned that motor vehicle reval is actually changing and will probably come down again this year. He shared that the evaluation method is going to be based on the MSRP and will start with a year 1 figure which is 85% of MSRP and 70% of that is the actual assessment. After that, it will go down 5% every year, so the assessment changes will be more predictable each year. Milkovic asked if that could be better than what it would be with sticking with Kelly Blue Book's value. Preisner said that Kelly is based on market data and some of what drove this was due to the pandemic when used car prices went up. He shared that this new reval will be more efficient as he would only have to do the assessment once, and as long as the car stays on the list, it will automatically go down 5% each year. Preisner mentioned that this would also bring the higher end cars down a little bit to start with and utility trailers are now exempt. O'Brien mentioned that anything we do not get from motor vehicles will shift to commercial and residential. Preisner said that with a bigger increase in residential, this is where we will see a lot of tax dollars coming from. Gallagher said we would not have to worry about the cap because the mill rate will drop below the cap amount which would help offset some costs. She said her anticipation is that the mill rate will come down. O'Brien added that this is the only year we would be reimbursed from the state for the cap if the mill rate goes down. Preisner summarized that he still sees everything being on time and sees the notices still going out early December. He informed that if some changes are made from the hearings, a final notice will go out before January 31st. Milkovic asked that if some assessments change, would this mean that it would

usually go down. Preisner confirmed that this would usually occur and this could also be a result of data errors that are identified or some other factors that would contribute to this. He mentioned he does not anticipate many of those. Milkovic asked if there would be any educational campaign for the hearings. Preisner clarified that would not be the case for the informal hearings. Gallagher suggested having an infographic that is simple and easy to understand so it could be posted to the Town Manager's Facebook page.

## **6. Consideration/Possible Action: Development Of Policy/Ordinance For Property Tax Abatement For First Responders:**

**\*\*Note:** Thomas mentioned she might have to leave the meeting at 8:30pm since she is on vacation.\*\*

Taylor reported that attached to the agenda is a version of the complete language with changes as well as a memo that goes over in brief the changes that were made along with a justification for those changes. Chapman inquired about why this was passed to Finance from Council. Gallagher mentioned it was due to the language about the amount of the abatement which had not been before Council, and she thought it would be a good idea to be on the same page prior to presenting it to full Council. She also shared that some other departments may have questions about the ordinance and wanted those to also be addressed. Taylor went through the track changes.

- There was a minor change to 94-118, which added “the” so it would read, “while in the performance of such officer's or firefighter's...” O’Brien shared that at the last Council meeting, it was preferred to add in somewhere “died in the performance of their duties” because he noticed that the police description was different than the others in the previous versions. Taylor mentioned he did make that change to keep things more consistent. He also shared that the reasoning behind writing it in this way is because it is the closest language to the state statute. O’Brien inquired about the interpretation of that for someone who was injured in the line of duty and then died subsequently. Taylor explained that based on his understanding, if it was a direct result of being in the line of duty, then it would be covered. O’Brien mentioned that the document states “while in the performance of their duties” and thinks it could be confusing if there are other situations that do not fit this. Taylor explained that in later sections, clarifications are made to address those exact concerns.
- 94-121 Tax Abatement Program: Taylor explained that the changes here clarifies some of the other concerns that were brought up and uses language that closely reflects that of other towns. He also explained that some of these are somewhat related to inquiries sent to Thomas about heart disease and what the implications would be. He read that, “a First Responder that dies from a medical condition such as heart and hypertension disease, or other occupational conditions that are progressive in nature is not eligible for the purposes of this ordinance. There must be some precipitating work incident or injury while performing work duties that is the direct causation of death” and that “it is expressly understood that a First Responder who dies as a result of a progressive medical condition determined to be a direct result of the performance of their duties shall be considered eligible for the purposes of this ordinance.” Taylor mentioned that he had spoken with Chief Meyers about this exact topic and thought it was important to include. Gallagher asked Taylor who he anticipates making the decision about if a death is a result of a progressive illness that was directly related to being in the line of duty. Drumm stated that he believes it would be our fire chief and/or police chief in our agency and explains that in general, it would be whoever the designated official is in whichever agency they work for. Chapman inquired about how the chiefs would know for sure if someone’s cancer or disease is in line with that kind of exposure from being in the line of duty. Drumm mentioned that some of the benefits are not just for the

heart attack 24-hours before and after and are given for other purposes, so there would have been a designation for line of duty death anyway. O'Brien explained that there needs to be some designation added into the language on who makes the call of it being a line of duty death outside of situations like hypertension 24 hours after the end of the shift. Gallagher said we should add some language that says that a determination that a death is a line of duty death by an appropriate official in the town in which the first responder was working and needs to provide some kind of documentation. Taylor said that there is language that asks for the establishment of documentation to determine legitimacy in cases like these. Drumm mentioned that getting documentation for that might come from the Assessor's Office. Preisner added that a death certificate and marriage certificate would suffice for something like this. Chapman mentioned that she remembered that Chief Meyers requires the firefighters to have physicals every certain number of years based on age, and she feels that physicals can also help provide documentation. Gallagher stated that if we say there is a statement from someone with appropriate authority that it was a line of duty death in Coventry for firefighters who die of a cardiovascular complication within 24 hours, the chief would make that decision. Taylor mentioned he can add something in the language.

- 94-119 Purpose: Taylor mentioned that he added an apostrophe to technicians and added "emergency medical" before it so it would read "...officer's, firefighter's or emergency medical technician's surviving spouse."
- 94-120 Definitions: Taylor mentioned that an inquiry was sent to Thomas that had raised the issue of definitions. He said he altered the definitions slightly to be more reflective and inclusive of the definitions he encountered in other state statutes such as special constables, fire marshals, and others.
- 94-121 Tax Abatement Program: Taylor explained that he altered the start date to be reflective of this year and that he made these three sections consistent to all read "who has died while in the performance of their duties." He also added language to the bottom of this section to include that "the surviving spouse must provide their property title and proof of their status and submit an application yearly to be eligible to receive the benefits." He also added that this abatement applies to real residential property taxes at their primary address and COVRA taxes will not be abated. O'Brien inquired about if the "status" should be more specific. Preisner added that an initial application is important and is unsure whether they need to apply every year, but he mentioned that he would need to verify that they are still eligible. He mentioned that if they sell, he can see those records, and he can also see if someone remarries. O'Brien mentioned that there are other ways to get around the language so we really do have to be as clear as possible to prevent this. Gallagher mentioned that we could add that the surviving spouse must submit an annual application to be able to receive the benefits, and the application itself can define the necessary requisite paperwork to establish eligibility. Gallagher said that someone may be asked to sign something that certifies that they have not gotten remarried. Chapman mentioned marriage licenses only show up in the town that someone gets married in and usually never makes its way back to the town that the couple lives in. Taylor stated that he put in how it is the responsibility of the surviving spouse to notify to town of any changes to the status of certain conditions, and that someone who cohabitates with someone else is also not eligible. Gallagher stated that less is more for the ordinance and then we can define on the application what documentation would be needed and have them certify that annually. Taylor stated that he does have in there that the town does reserve the right to establish processes, procedures, deadlines, documentation, etc. Preisner also suggested having the signature notarized.
- 94-121 Tax Abatement Program: Taylor mentioned that he added "a First Responder that dies during "portal to portal" transportation, or traveling to and from their residence and work, while not responding

to an emergency shall not be eligible for the purposes of this ordinance.” He included while not responding to an emergency because it was language that he saw consistently in other towns. He also read: “A First Responder that dies from what is determined to be natural causes is not considered eligible for the purposes of this ordinance except for medical conditions which arise out of specific performed duties. A First Responder who dies in the performance of their duties but was at the time engaged in illegal activity, under the influence of alcohol or a controlled substance, or engaging in gross negligence or misconduct shall not be considered eligible for the purposes of this ordinance. It is expressly understood that a First Responder who dies as a result of a progressive medical condition determined to be a direct result of the performance of their duties shall be considered eligible for the purposes of this ordinance.” O’Brien asked how many ordinances were looked at in surrounding towns. Taylor stated that he looked at about 10 towns, some of which were very comprehensive like ours, and some were only a paragraph mentioning who makes decisions.

- 94-122 Amount of the Abatement: Milkovic inquired if it should read “power to decrease the cap,” to which Drumm asked him for clarification on that. Milkovic explained that the cap might get too high and the Council may determine that it should be lowered. Drumm added that maybe there might be challenges in a given fiscal year, so he could see the reasoning behind Milkovic’s inquiry. Chapman suggested “adjust” instead of “decrease,” to which Taylor confirmed he can make that change. Gallagher mentioned that the sentence “Should the aggregate abatement to be awarded herein exceed \$60,000...” needs “the abatement cap” after “exceed” because if the Council agrees to increase the abatement cap, there needs to be language that allows them to do so. She also suggested that “the Town Council may” be added right after “herein exceed the abatement cap.” Milkovic asked if we would have to set up a reserve for \$60,000. Gallagher clarified that we would not need to do that because it is not an expenditure. Instead it is a reflection of revenues. Chapman asked if this would be a lifetime abatement cap. O’Brien added that there has not been discussion yet as to whether we put a lifetime cap on an individual’s total that they would receive. Taylor mentioned that he had titled a section of the memo titled Additional Revisions where he made some comments on some concerns that he has, such as looking at the abatement cap as a solution to the concern of a larger impact on the tax base of the town. He said he also proposed some solutions to the concerns he had about the abatement cap. He read, “Although the Council has expressed clearly their preference for the creation of an Abatement Cap, multiple concerns were raised through the review process about this policy. For instance, the future raising of the cap and adjusting of the individual abatement amounts when the cap is reached creates additional administrative and legislative work for multiple departments; the institution of a cap leads to uncertainty for abatement applicants, who will be unaware of the amount they may be eligible to receive on a given year as the total supply of funds is distributed; a cap and the adjusting amount of abatement may create a seemingly unfair situation, where spouses who have relied upon the ordinance for multiple years may suddenly receive fewer benefits based on additional applicants; the distribution of abatements when capped may create a regressive structure, providing additional benefits to those with the largest properties; and the lack of any adjustment for the cap due to inflation effectively guarantees a need for adjustment in the future as home values and taxes increase.” Taylor shared some potential alternatives to an abatement cap system, such as the Town Council possibly reviewing and setting the rate of the abatement on a yearly basis based on the program’s fiscal impact; a consistent reduced amount of abatement may be selected instead of 100% (for example, 50%); an individual cap on abatement may be created which limits the maximum amount every eligible applicant can receive; or a time limit being imposed. Gallagher shared that her concerns with a time limit included it being somewhat arbitrary as

well as not being able to control the potential fiscal impact in any given year. O'Brien suggested one idea to consider would be to issue up to \$5,000 (or a predetermined amount) a year for a certain amount of years. He said that something that bothers him is that if a person working in Coventry dies but does not live in our town, then that family may not receive anything. Taylor stated that some towns did have language specifying that only employees of that town would be eligible for the program, but he shared that would be up to the determination of the Council. O'Brien also mentioned that he did try to look into a line of duty death insurance policy. It would cost the town annually but it would be a limited number and then that way, it would guarantee that anyone working for our town would receive a benefit. Chapman added that the Police Department has an additional insurance policy that they can purchase through Payroll. O'Brien mentioned that those are general life insurance policies and are not a specific line of duty death one. Drumm mentioned that the fire chief said there were state benefits for any line of duty deaths. O'Brien stated that he wanted to find out to see if there was someone to approach about this to see what it would cost. Milkovic mentioned that this ordinance is to help the spouse as well as protect taxpayers. Gallagher mentioned that she feels that the abatement cap would do a good job of doing both and added that an individual cap can always be added into the language. She said that she finds the pro rata allocation regressive since someone with a larger house could get more whereas someone who really needs it would not get as much. She suggested that it should be set at the 70th percentile of property taxes for the town. O'Brien and Milkovic stated they would like to consider that. Preisner mentioned that if someone is eligible for the abatement, October 1 is the assessment date. He said that if a spouse dies ahead of that date, it can be treated as an exemption, which would reduce the grand list before the budget cycle and the mill rate is determined. O'Brien stated that if we were to do that this way, it would be reasonable to have a June 30th deadline for the first year after the loss of a spouse and then mention that every year after that, the deadline would be October 1st. Preisner added that he can pro rate on or off in terms of assessment changes, and if he does not have to change the grand list at all the tax collector can apply the abatement for the tax amount. He said that this concept already applies to if someone sells their house during the year. Gallagher mentioned that the only reason to refer to it as an abatement is because that is what the state statute calls it. Taylor mentioned that he did include language later of the rights of the town to establish deadlines, procedures, etc. Gallagher mentioned that it can be stated in the application instead of the ordinance so that if any deadlines need to be changed, there would not be a need to amend the ordinance from time to time. Gallagher mentioned that there was discussion on some ways to control the cost for the town. Taylor said that he did not see any other towns that were using a cap, but thinks it is well within our authority. He said that it is in the interest of the town to be concerned about the long-term impact of the town's tax base. Gallagher shared that she is concerned about having the Council review and set an annual rate of abatement since it may fall through some cracks somewhere and also does not need to be personalized. She also shared that the abatement cap limit was determined to be high enough where it would be unlikely that the town would ever have to fully pay that total. Taylor mentioned that while there is a potential that there may be a catastrophic event that causes a lot of unexpected deaths of first responders who also happen to live in Coventry, that is a very unlikely occurrence, and having a time limit set would serve the purpose of reducing the likelihood of people taking advantage of this program at any given time. Gallagher mentioned her concern is that if there are any retirees that may find themselves in this predicament due to a progressive illness and is not sure if they would be subject to alternative programs to help them with the costs. O'Brien stated that Meyers had previously mentioned that those individuals would receive \$200,000 and help from Tunnels to Towers. Taylor said that while there is no timeline for grief, we can place a time limit on benefits that can help provide individuals with aid in navigating their grief. He added that

should funds be allocated across people, we may run into a situation where someone who has been relying on an abatement for an extended period of time may suddenly see that rate changing as situations change. Taylor explained that there may be some sense of relief and stability for an individual in knowing what their benefits are and in knowing that those benefits will not be changing unexpectedly. Milkovic said that the Council can always raise the cap if someone's situation really calls for extra aid. Taylor then stated that there should definitely be language in the ordinance that mentions that the Town Council reserves the right to adjust the rate of abatement at which the program takes place. He added that he did include language in the ordinance that he adopted from other towns by stating that "it is expressly understood that the Town Council may monitor the financial impact of this article and reserves the right to revoke this article at any time should it become financially necessary to do so." Gallagher and O'Brien mentioned that the cap does serve as a trigger to bring things back to Council and discuss it. Chapman asked if there was a way to determine how many first responders live in Coventry, to which Drumm stated that would be hard to determine. Taylor mentioned that he could reach out to other towns and inquire about how many applicants they have for this program. Drumm mentioned that even though this statute was passed in 2000, we have a lot of volunteers. As a result, Drumm shared that the well-being of the volunteers has been weighing heavily on Chief Meyers's mind and wanted something to be in place. Milkovic mentioned that if it is decided in the future that the cap is not a good thing, we are able to change the ordinance. Gallagher mentioned that with some of the concerns that are present regarding the pro rata option, it may be beneficial to have a third option where the Council can either increase the amount, can allocate on a pro rata basis, or can otherwise impose a limitation per applicant. She thought that maybe mentioning "pro rata" is too specific, so she recommended that it say, "The Town Council can increase the abatement cap or otherwise allocate the existing amount among the applicants." Gallagher mentioned that she is definitely content with an annual limit that is tied to 70% of average taxes. O'Brien suggested using the median instead of the average for taxes. Preisner mentioned that a set amount will be easier to manage down the road. Gallagher asked Preisner what the 70th percentile is for taxes and he mentioned he will have to follow up on that. He did state that he knows that the median tax bill is \$5,170. Gallagher stated that something can be added for a lifetime of 10 years and discuss this more at full Council. Taylor mentioned he will have an updated draft ready for the next Town Council meeting.

- 94-123 Eligibility: Taylor mentioned he changed the wording to make it flow more and added that "the surviving spouse or the inheritor of the property in the event of their death must notify the Town when one of these events occurs at the soonest available opportunity." He said this clarifies that should they move to a new property that the tax abatement shall be applied to the new property but only after completing a new application for the following grand list and would not be retroactive to their new property. O'Brien mentioned that if an individual bought another primary residence in Coventry, then they would still qualify for this benefit program and then they can reapply during the next application period.
- 94-124 Applicability: Taylor added "Power of the Town Council to revoke" after Applicability. Taylor also shared that he added specific examples of documentation that the Tax Collector and Assessor may ask for in order to determine eligibility, such as a marriage license or death certificate. Drumm asked if the updated draft should go to Steering first or straight to Council, to which Gallagher confirmed it can be discussed in front of the full Council.

## **7. Reports:**

**7.A. Committee Chair - Robyn Gallagher:**

None.

**7.B. Council Members:**

None.

**7.C. Monthly Financial Reports:**

Chapman reported that this is a report for fiscal year 2025 through August 31st. Revenues are on track with what we had brought in through August last year and are at 45.72% collected while the same time last year saw 45.31% collected. She said that below that there is a graph of expenditures versus amount appropriated for the fiscal year 2025 budget where the blue is the appropriation and the purple is what has been expended so far. She said the next page outlines expenditures plus what has been encumbered and the balance for each division. She reported that everything is on track so far, but it is still early in the year to see any outliers at the moment. Gallagher mentioned that under the percentage spent, Public Works and General Government are only 40% for only two months and was wondering if that was normal. Chapman confirmed that it was normal since they encumber most of their items at the beginning of the fiscal year. Chapman stated that COVRRRA revenues are slightly down from last year. Last year saw 87% collected, and this year, there are 86.42% collected. She explained that below that, it shows what was budgeted for revenues and expenses versus what has actually been spent. She emphasized that this does not include the encumbrances for COVRRRA. Sewer Use does not have much activity for the first two months of the fiscal year. Billing is done in September and paid in October. She mentioned that the fees have also gone up for sewer use. Recreation still has the \$30,000 earmarked for the Patriots Park grant match. Milkovic inquired about why the revenues are much lower so far and was wondering if it was a timing issue. Chapman explained that the user and program fees were slightly lower and it may be a timing issue of when items were posted. The EMS Fund has had a few changes since implementing the paid EMS staff. The transfer from the General Fund will show as posted next month, and revenues will be \$298,920. Expenditures are at almost 24% spent as of the end of August. The printed financial report has a few line items that were not initially budgeted for in the EMS Fund, such as the overtime line item. Chapman mentioned that the stipend line item charges need to be moved, and she had already discussed this with Meyers as he said some of those needed to be in the Fire Department line item in the General Fund. O'Brien asked if we had been doing that in past years. Chapman explained that the volunteers had stipends out of the EMS budget, but now that they are paid staff, some things became convoluted and so, those charges will need to be moved. O'Brien asked if this was money collected over two months. Chapman stated that they do up to 60-day collections, so anything collected through July and August for June will be put back to fiscal year 2024. Milkovic was interested in the accrual and took a few line items and spread it over 12 months. Then, he mentioned he looked at the revenues versus expenses and noticed that it was positive, so he commented that things seemed to be working well. Milkovic also inquired about the balances of the funds. Chapman mentioned she excluded the fund balances for now because they were not reflective of what the ending balances may actually be since the fiscal year just started. She said that she can include them again if they would like to see those as is. Gallagher mentioned that the only time it would be really important to show those would be times when we are considering moving money out of the Special Revenue Fund. Milkovic mentioned that it may be useful to have the fund balances quarterly, to which Chapman confirmed she can do that.

**7.D. \* Board Of Education Reports - July 2024:**

O'Brien had a question about the preschool fund and said that it looks like they are using \$519,000 from their General Fund this year. He was wondering what the plan and justifications were for how that money will be used. He also suggested that we talk to them about a plan on how to best use that for the benefit of Coventry residents. Gallagher mentioned that there may just be a problem with the report since all of their income lines came in at 0. Chapman added that she has been working with the Interim Director there who mentioned they had been having some problems getting access in running some of their reports, so it is likely that those are just mistakes. Gallagher mentioned that she believes that part of the purpose of that fund balance is to phase in the increase in tuition that is going to result when the Smart Start grant stops coming to Coventry. O'Brien mentioned that when looking for students, they often do not look for Coventry residents first. He said at some point, we should look at the language of their original MOA since it specifies special education expenses versus nonspecial education expenses, and it does not talk about them bringing in students who are paying for those services. Milkovic asked if those students are being paid for by their parents or other towns. It was confirmed that it was other towns who are paying. Milkovic asked when the joint meeting is with the Board of Education since this would be something that might be important to bring up with them. Chapman said that the new director starts on September 30th.

## **8. Adjournment**

**Motion:** I move that the Town Council Finance Meeting adjourn the meeting at 9:52 PM.

By: O'Brien                      Second: Milkovic

The meeting was adjourned at 9:52 PM.

Respectfully Submitted,

Yasmine Forte

Temporary Minutes Clerk

**PLEASE NOTE: These minutes are official as approved by the Finance Committee at the October 15, 2024, Finance Committee meeting.**