

From: Terry Duryea

Sent: Sunday, May 24, 2020 9:17 PM

To: Marcia Jensen; Barbara Spector; Marico Sayoc; Rob Rennie; Laurel Prevetti; Arn Andrews

Cc: Stephen Conway

Subject: May 26, 2020 Special Town Council Meeting Item 1

Honorable Members of Town Council

Watching the May 19 Town Council meeting, I felt an unstated presumption that budgeting at full staffing levels was more important than making an investments to jump start the Town's economic and community vitality. The irony is the first is only a budgeting ploy, while the second can create an economic return to the Town with increased sales tax and other revenues.

If you look at the cash consequences of the choice, the argument I heard was the Town needs to maintain full staffing to support the services it provides so it could only afford \$20,000 to support the downtown's financial vitality in light of the Covid 19 pandemic. I believe viewing this as a binary option is a false choice. Our goal should be to minimize the total harm to the Town—i.e. address the need for budget flexibility and financial sustainability, while also addressing the Town's economic vitality.

We all have a common interest. Town employees rely on the Town's economic vitality to generate sales tax revenues to fund staff salaries and benefits, while the merchants need a quality professional Town staff to support the variety of infrastructure needs that are necessary for economic and community vitality. And residents want both because our quality of life, and our home values are tied to community vitality as well as the Town's economic vitality.

The proposed 2020-2021 budget is balanced only because we are using \$800K of reserves, i.e. the Town had to use reserves to support the Town's staffing costs. It may be coincidental, but the \$800,000 is approximately the same as the 2020-2021 budget costs for the 1% COLA raise + 2% bonus for the Miscellaneous and Safety employees and Unrepresented Staff. **That tells me the money is there for certain priorities.**

Secondly, the Covid 19 pandemic is as much of a disruption to our Town as an earthquake or massive fire would be. Besides the Town merchants, ask the residents who lost their jobs or took salary cuts (as many health care professional have among others) if they feel this is comparable to an earthquake.

Lastly, I want to compliment Staff as the Memo prepared for the May 26, 2020 meeting showed greater understanding of the magnitude of the problem we are all addressing than was reflected at the May 19 Town Council meeting.

Given the short notice and little time to review the options presented, and more importantly, the significance of what we are trying to accomplish, I think it's unrealistic to reach a final

decision on specific projects at this meeting. My suggestion is that the Town Council pass a resolution setting aside significant money (greater than \$500,000) to support jump starting the Town's economic activity. The Town Staff can then work with the Chamber to identify the higher leverage projects. I ask when reviewing options, please view the spending as an investment, not just a cost. Staff and the Chamber can work together to make a best efforts attempt to quantify, at least within a range, the revenues that will be generated by spending on specific projects. The returns should also be considered when prioritizing specific actions.

I will not be talking at the May 26, 2020 meeting.

Respectively submitted,
Terry Duryea