



Town of Groton, Connecticut

Meeting Agenda

45 Fort Hill Road
Groton, CT 06340-4394
Town Clerk 860-441-6640
Town Manager 860-441-6630

Representative Town Meeting

Moderator Kevin Power, Representatives Jean-Claude Ambroise, Joe Baril, Nancy E. Barnhart, Alicia Bauer, Nancy E. Beckwith, Christopher J. Burns, Michael Collins, Nancy M. Congdon, Warren T. Cooper, Luanne E. DeMatto, Syma Ebbin, Peter Fairbank, Nancy E. Gilly, Patrice Granatosky, Dolores Harrell, Keith L. Hedrick, Damon Q. Helme, Lynn Crockett Hubbard, Michael Dean Johnson, Rosanne E. Kotowski, Elizabeth Luck, Jackie Massett, Carole McCarthy, Karen F. Morton, Scott Newsome, Dana C. Parfitt, Richard J. Pasqualini, Jr., Kristen L. Powers, Don Pratt, Betty A. Prochaska, John F. Scott IV, Jack Sebastian, Dana S. Semeraro, Joan Steinfeld, Irma Streeter, Mark Svencer, Archie C. Swindell, and Robert A. Warn

Wednesday, January 26, 2011

7:30 PM

Groton Senior Center

SPECIAL MEETING-ADJOURNED TO THURSDAY, JANUARY 27, 2011

Pursuant to Connecticut General Statutes section 1-228, the RTM Special Meeting of January 26, 2011 is adjourned to Thursday, January 27, 2011 at 7:30 at the Senior Center due to inclement weather.

- A. **ROLL CALL**
- B. **MOMENT OF SILENCE AND SALUTE TO THE FLAG**
- C. **APPROVAL OF MINUTES OF DECEMBER 8, 2010**
- D. **CITIZENS' PETITIONS**

This is the portion of the RTM agenda where the RTM welcomes comments from citizens. Each presentation should be limited to ten minutes or less, and citizens should, if possible, submit written comments. Presentations should be limited to matters pertinent to Groton. The Moderator, or members through the Moderator, shall ask questions only in order to clarify the speaker's presentation. Responses may be given by the Moderator and/or by the Town Manager. Citizens should make their presentations from the lectern and state their names and addresses for the record.

- E. **RECEPTION OF COMMUNICATIONS**
- F. **REPORT OF THE TOWN MANAGER:**
 - 1. **Financial report**
 - 2. **Monthly briefing**
- G. **REPORT OF THE SUPERINTENDENT OF SCHOOLS**
- H. **LIAISON REPORTS**
- I. **COMMITTEE REPORTS**

- 1. **FINANCE - Chairman Hedrick**

2010-0153 **Sales Tax on Commercial Solid Waste Collection**

RESOLUTION AUTHORIZING THE PAYMENT "UNDER PROTEST" OF THE SALES TAX LIABILITY ON COMMERCIAL REFUSE ACCOUNTS.

WHEREAS, in June 2010 the State Department of Revenue Services informed the Town that it was selected and scheduled for a Sales and Use Tax Audit pertaining to billings associated with

commercial refuse accounts, and

WHEREAS, the State's position is that the commercial refuse program is a taxable service to end users and the sales tax should have been collected since the inception of the program in 1999, and

WHEREAS, due to the Statute of Limitations, the State audit will go back to May 2007 through August 2010, and

WHEREAS, in July 2010 the Town sent a letter to 370 commercial refuse accounts informing them of the upcoming State sales tax audit, the Town's disagreement with the State's position and plans to seek redress through the appropriate channels of administrative appeal and to have the issue of sales tax liability decided in a proper forum, and

WHEREAS, the Town agreed to proceed with the audit under the State's Managed Audit Program requiring Town staff to assist in the audit in order to minimize interest charges, and

WHEREAS, the State has completed their audit and in December 2010 issued an Audit Determination that the sales tax liability is \$207,715.43 for the audit period, and

WHEREAS, the State has also imposed interest of 1% per month on that sales tax liability for a net interest charge of \$33,150.63 for a total liability of \$240,866.06, and

WHEREAS, if the total sales tax liability is not paid by January 31, 2011, an additional interest charge of 1% per month will be applied to the liability, now therefore be it

RESOLVED, that the Town Council authorizes the payment, under protest, of the sales tax liability of \$240,866.06 from the Solid Waste Fund in order to avoid paying additional interest and not to bill the commercial refuse users and to pursue an appeal of the State Department of Revenue Services' Audit Determination, and be it further

RESOLVED, that this item is referred to the RTM under Rule 6.5.3 so as to avoid paying any further interest and/or penalties.

Refer to RTM.

Legislative History

7/6/2010 Mayor Referred Town of Groton Resource Recover

7/20/2010 Town of Groton Resource Recovery Authority Motion

that the members of the Town Council, together with Town Manager Mark Oefinger, Director of Public Works Gary Schneider, Finance Director Sal Pandolfo and Town Attorney Bryan Fiengo go into executive session at 6:01 p.m. pursuant to Connecticut General Statutes §1 200 (6) (B) for the purpose of discussing strategy and negotiations with respect to a pending claim and/or litigation concerning the potential imposition of state sales tax related to the Town's commercial solid waste program

1/4/2011 Mayor Referred Town Council Committee of the W

1/11/2011 Town Council Committee of the Whole Motion

that the members of the Town Council, together with Town Manager Mark Oefinger, Finance Director Sal Pandolfo, and Town Attorney Bryan Fiengo go into executive session at 7:02 p.m. for the purpose of discussing pending litigation strategy with respect to the imposition of state sales tax on the Town's provision of solid waste collection services to commercial establishments within the Town of Groton and the liability associated therewith

1/11/2011 Town Council Committee of the Whole Recommended for a Resolution

The executive session concluded at 7:48 p.m.

Mayor Streeter provided an overview of the subject of the executive session discussion.

1/11/2011	Town Council Committee of the Whole	Motion	
	<i>that the Town pay the invoice to avoid any additional interest paid from the solid waste fund, and to not bill the commercial solid waste users for the sales tax pertaining to the audit period which was prior to October 2010, and further that the Town pursue filing an appeal with the Department of Revenue Services to resolve the initial question of whether the commercial trash should be taxed by the Town, and that this item be referred to RTM</i>		
1/18/2011	Town Council	Deleted from Referral List - Action to be taken	
1/18/2011	Town Council	Adopted and referred under Rule 6.5.3	Representative Town Meeting
1/19/2011	Representative Town Meeting	Referred under Rule 6.5.3	RTM Finance Committee

2. COMMUNITY DEVELOPMENT & SERVICES - Chairman Pratt

3. EDUCATION - Chairman Swindell

4. RECREATION - Chairman Warn

2010-0234 Parks and Recreation Funding Recommendations

RESOLUTION ENDORSING PARKS AND RECREATION FUNDING RECOMMENDATIONS

WHEREAS, the Parks and Recreation Commission has worked closely with Parks and Recreation staff to identify new approaches for funding programs and services, and

WHEREAS, the Commission has proposed to the Town Council a number of funding ideas including selling gift certificates, conducting income-generating special events, continuing the pursuit of grants, and

WHEREAS, the Commission has expressed a desire to use \$35,000 of the Parks and Recreation Special Revenue Fund balance to purchase upgraded software to track registrations, now therefore be it

RESOLVED, that the Town Council endorses the list of funding recommendations (1-9) outlined in the Director of Parks and Recreation John Silsby's referral memo dated November 2, 2010, including the use of \$35,000 of Special Revenue Fund balance for purchase of upgraded software, but excluding the use of credit cards as a payment option, and be it further

RESOLVED, that the proposed expenditure of \$35,000 of the Special Revenue Fund balance for the purchase of upgraded software be referred to the RTM for approval.

Legislative History

11/9/2010	Town Council Committee of the Whole	Recommended for a Resolution	
11/16/2010	Town Council	Deleted from Referral List - Action to be taken	
11/16/2010	Town Council	Adopted and Referred	Representative Town Meeting
12/8/2010	Representative Town Meeting	Referred	RTM Recreation Committee
1/5/2011	RTM Recreation Committee	Recommended for Approval (RTM Ctee)	

5. PUBLIC SAFETY - Chairman Parfitt

6. PUBLIC WORKS - Chairman Collins

7. RULES & PROCEDURES - Chairman Scott

J. OTHER BUSINESS

2010-0181 FYE2012 Budget Discussion

FYE2012 BUDGET DISCUSSION

Legislative History

8/18/2010 Representative Town Meeting Discussed

Rep. Kotowski requested that a standing referral be added to the RTM agenda under "Other Business" to enable budget discussion. She feels this will allow the RTM to establish goals and identify items to be reduced or eliminated in next year's budget prior to the budget deliberations. She would like to initiate communication with the Town Manager, Board of Education and Town Council before the Manager's proposed budget is finished. She suggests that a budget be developed that would not increase taxes for Groton taxpayers. She commented that taxes in Groton have increased more than any other Town in the region. She mentioned that many residents of her district are suffering as a result of the economic downturn. She observed that union employees of the Town voted twice and rejected concessions to the Town.

Moderator Power stated that a standing referral will appear on the agenda. This will allow discussion prior to budget deliberations in May. He mentioned that this was done last year.

10/13/2010 Representative Town Meeting Discussed

Rep. Kotowski expressed her concern in regard to the raises authorized for the School Central Office administrative employees which range from 5% to 17%. She believes that the Town and Board of Education (BOE) should be fiscally responsible during the current economic situation.

Rep. Massett requested that department heads be invited to the RTM meetings so that they can specify the impact on specific services or items in accordance with reductions that the RTM may recommend during the budget process. She gave several figures as examples.

The Moderator acknowledged that department heads can be invited to address the RTM concerning next year's budget.

Rep. Swindell believes that the disparity between private and public sector wages needs to be addressed. He asked for a freeze on wages for employees and suggested that the Town initiate contact with the unions now for next year's budget. He believes that the mill rate should not increase for next year. He asked for information on what services would be impacted by layoffs and mentioned that the private sector has suffered layoffs, reduced hours and furloughs.

Rep. Morton would like to develop an RTM recommendation by consensus that the Manager and Town Council provide a budget with a zero mill rate increase.

Rep. Ambrose stated that Social Security payments will not be increased this year. He noted that election results in November may impact both State and Federal budgets which subsequently affect municipalities.

School Superintendent Paul Kadri addressed the wage increases for the Central Office administrative staff. He emphasized that the BOE delivered a zero percent budget increase this year but in order to maintain student success and teacher performance, it is impossible to sustain a zero percent budget increase year after year. He volunteered to meet with RTM members in order to provide details about the phase two school construction projects prior to a referendum.

11/10/2010 Representative Town Meeting Discussed

In response to Rep. Swindell, the Moderator noted that the School Superintendent can provide informal preliminary budget information each month under the new monthly agenda item "Report of the School Superintendent". Moderator Power informed Rep. Swindell that as chairman of the education committee, he can contact the Town Clerk's office to schedule public meetings with the Board of Education for informal budget discussions.

Rep. Sebastian commented that the Town needs to review and study Town revenues and not concentrate only on expenditures for the budget.

Moderator Power announced that department heads are being invited to address the RTM in regard to budget. He suggested that Economic Development could be scheduled for January. He invited members to prepare questions and creative ideas concerning economic development in Groton for that meeting.

Rep. Massett commented that the budget brainstorming session was very valuable. She hopes that more such sessions will be held.

Rep. Ambrose expressed concern that the municipal budget is developed prior to knowing what the State's budget is. He acknowledged that many items, such as personnel, pensions and benefits, are governed by contracts and that the most expensive item is personnel. He suggested that if any contracts are due for negotiation, contributions by employees for benefits and pensions should be increased.

In response to Rep. Steinfeld, the Town Manager stated that almost all contracts are due for negotiation in 2011 and that there is no provision in any contract that guarantees against employee layoffs.

12/8/2010 Representative Town Meeting Discussed

Rep. Morton provided a spread sheet on the Board of Education (BOE) central office salary increases or adjustments ranging from three to seventeen percent. The total salary increase for central office staff amounted to \$102,634. She stated that if all BOE employees' salaries had been frozen, the salary increase would have been only \$38,367 for one new position. She noted that teachers had agreed to a wage freeze. She feels that the RTM was misled during budget deliberations when no mention of the upcoming central office salary raises or adjustments were disclosed. She cautioned members that next year's budget outlook is very bleak and that the RTM will need to delve deeper into the budget next year. She mentioned that the Connecticut Society of CPA projections are that the State is bankrupt, and that Connecticut has the highest per capita debt in the nation as well as a negative fund balance. She believes that our town should be cautious about expecting any State money next year.

Rep. Kotowski stated she is upset that the BOE declared that their budget was a bare bones flat budget with "no fluff" during budget deliberations in May. She feels that the \$102,634 in wage increases and adjustments should have been disclosed. She questioned whether if members do not ask the right questions of the BOE, they will continue to omit information that significantly impacts the budget.

Rep. Ebbin noted that the United States needs to improve its international education ranking. She believes that boosting educational scores will help foster a better work force in the future and improve economic conditions in the nation.

Members discussed the direct advantages of having a strong, diverse educational program that helps to create a community that is safe and desirable in which to live.

K. ADJOURNMENT