



Town of Groton, Connecticut

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Meeting Minutes

Town Council Committee of the Whole

Mayor Harry A. Watson, Councilors Peter J. Bartinik, Jr., Natalie Burfoot Billing, Heather Sherman Bond, Catherine Kolnaski, Frank O'Beirne, Jr., Paulann H. Sheets, Thomas J. Skrmetti, and Elissa T. Wright.

Tuesday, March 16, 2004

6:00 PM

Town Hall Annex - Community Room 1

SPECIAL MEETING

1. CALL TO ORDER

Mayor Watson called tonight's meeting to order at 6:07 P.M.

2. ROLL CALL

Members Present: Mayor Watson, Councilor Bartinik, Jr., Councilor Billing, Councilor Bond, Councilor Kolnaski, Councilor O'Beirne, Jr., Councilor Sheets and Councilor Skrmetti
Members Absent: Councilor Wright

Councilor Wright called on Tuesday, March 16, 2004 stating that she would be out of Town and unable to attend tonight's meetings.

Also present: Town Manager Oefinger, Assistant to the Town Manager Vincent and Administrative Secretary Wells.

3. Approval of Minutes

2004-0114 Approval of Minutes (Committee of the Whole)

RESOLUTION ACCEPTING COMMITTEE OF THE WHOLE MINUTES

RESOLVED, that the minutes of the Town Council Committee of the Whole of March 9, 2004 are hereby accepted and approved.

A motion was made by Councilor Kolnaski, seconded by Councilor Skrmetti, to adopt.

The motion carried by the following vote:

Votes: In Favor: 7 - Mayor Watson, Councilor Bartinik, Jr., Councilor Bond, Councilor Kolnaski, Councilor O'Beirne, Jr., Councilor Sheets and Councilor Skrmetti
Abstain: 1 - Councilor Billing

4. NEW BUSINESS

2004-0103 Resolution Setting Referendum Date and Approving the Form of the Question - School Ordinances

Discussed

Town Manager Oefinger stated that the Town Clerk prepared a resolution for the Committee's consideration. April 27th is still the target date for the Referendum. Town Manager Oefinger stated that when the Town Council and Board of Education met about a month ago, a request was made to get a response in writing from David Wedge concerning Eastern Point grant money and its portability. Dr. Mitchell was able to get this in writing through e-mail and this is in Attachment 2 on tonight's agenda. The third attachment is a letter from Attorney Ted See, which concerns the issue that got raised in The Day newspaper article about whether or not the form of question was appropriate and the attached letter explains this matter. The bottom line is that the way the Council wishes to proceed is perfectly fine. Town Manager Oefinger explained that since it is not a referendum being held at a regular election, there are other guidelines that we are following and we got our guidance from the Town Attorney as we ought to.

Attorney Carey's letter dealt with an issue of who is in the driver's seat. Town Manager Oefinger reported that the voters, the Town Council, and the Board of Education were. Town Manager Oefinger read that we are better off all being on the same page. The Board of Education is in control, and at certain other points in the process the Town Council is in control.

A motion was made by Councilor Billing, seconded by Councilor Sheets, to recommend a resolution setting the referendum date and approving the form of the questions for the school initiative.

Councilor Billing stated that Attorney Carey's letter addressed one of her issues. The only Town Attorney opinion she had seen so far had only addressed the question of could we have the form of a question that wasn't a yes or a no kind of thing. The question she had is answered in the letter she had just received and has only been read part way through it. Councilor Billing stated that we are proceeding to put a question before the people about choosing a site for the school. We are giving the impression that the people can make that decision, and according to the statute, and according to the Attorney's opinion that she has read so far, she feels you have to acknowledge the way we have gone about this and the way we are going about this is a problem. The conclusion that she has read so far is the conclusion that no one group has the final authority, that no project can proceed without the concurrence of all the parties, including the Board of Education. She continued that it was probably too late to do this any differently. Councilor Billing stated that she wanted to go on record that question #2, gives the voters not only the opportunity to vote on the site, but creates the impression that the voters can choose the site and that she is still not convinced.

Town Manager Oefinger tried to explain to Councilor Billing that in all instances the voters have the final say. They can vote no on the money or no because they do not like the site. The voters always have the ultimate voice in determining the site of the school submitted to them pursuant to the bonding procedures of the Charter. Councilor Billing stated that the thing that he is not responding to, that ordinarily the question that would be there for the voters to respond to, would be a site that the Board of Education has chosen and recommended. She continued that she thinks we are just in a very unusual situation, where we have put a site out there, that while the Board of Education hasn't taken a formal vote and that is the piece that is missing and they certainly have never made it known that they don't agree with that site and we're letting it proceed. She wished the issue of the legality had come up sooner than it did. Unfortunately, it was brought to our attention late in the process and we are only getting this response from our Attorney this evening and this creates a problem.

Councilor Billing stated that her other issue was the fine print of the ordinances and the fail-safe or the fallback language. Town Manager Oefinger stated that he reviewed it with Ted See and he did not feel that the fallback language was warranted in this case, because we are going to the voters asking them to make the decision. We could put some language in that if it is determined it can't be done at that site for whatever reason, we reserve the right to go find another site, and Town Manager Oefinger did review that in length with Ted See and he just felt that under the circumstances, the fact that we are putting two sites up to the voters that he could not recommend putting that fall back language into the ordinance. It had to do with the fact that we are asking the voters to pick this site or that site and to complicate it further by saying well maybe neither one of those sites would work out, he just felt we would have to start from scratch. If we can't make the site work that the voters pick, his recommendation is that we go back to the voters with a new referendum.

The motion carried by the following vote:

Votes: In Favor: 6 - Mayor Watson, Councilor Bartinik, Jr., Councilor Bond, Councilor Kolnaski, Councilor O'Beirne, Jr. and Councilor Sheets
Opposed: 2 - Councilor Billing and Councilor Skrmetti

2004-0106 2004-2005 Annual RTM Budget Meeting Date

A motion was made by Mayor Watson, seconded by Councilor O'Beirne, Jr., to recommend a resolution setting the Annual RTM Budget Meeting Date for May 3, 2004.

The motion carried unanimously.

2004-0115 Proposed FYE 2005 Budget Deliberations

Discussed

Town Manager Oefinger reviewed the Budget Review Calendar with the Town Council (see

attached). Town Manager Oefinger distributed copies of the Proposed 2005 Budget and the CIP.

Town Manager handed out packets of the Outside Agency requests.

Town Manager Oefinger spoke briefly on the proposed \$102 million for the budget. He stated that there is a proposed 2.3% increase in the budget. Town Manager Oefinger went through the budget increases. He stated that the proposed budget would increase by \$3.13 million over this year and that most of the increase can be attributed to the Board of Education's proposed budget, which accounts for 62% of the overall \$102.29 million budget, and an increased contribution to the capital reserve account. Town Manager Oefinger reported that there were a number of format changes and they were as follows:

Benefits – pulled out of individual budgets

Town solid waste program – costs directly related to collection and disposal of solid waste

Schools Initiative coming down the pike

Other post employment benefits – in 2008 we will have to address these items

Town Manager Oefinger explained the following about benefits. By 2008 we would begin dealing with liability and we have 30 years to deal with it. Town Manager Oefinger proposed a \$150,000 saving for this liability annually for post employment benefits.

Town Manager Oefinger reported that the 4th and final change in the budget format was the table on page 25. Over the years there have been a variety of Outside Agencies, which used to be in Town Operations. We have pulled Outside Agencies and put them in their own area of service. They stand on their own and Town Manager Oefinger thought it would better represent Town operations. He added that these are things the Manager has direct control over. He explained that there would be a small increase in the mill rate and that the projected fund balance for June 20th is under \$8 million. He explained that it is very high because we have received additional federal funds for aid. He continued that it was a windfall, and that these are dollars we should have gotten last year. Also because of the conveyance tax, there is additional funding and also \$800,000 of anticipated savings (department dollars and dollars not projected to be spent by departments). We are using .6 mills fund balance and even using this fund balance, we are reaching 6.5%, which is up from 5% last year. We are trying to reverse the trend from what has been going on during the last year.

Town Councilor Bartinik asked if this \$3 million was found money. He continued to state that two months ago he did not know we had \$3 million additional dollars, and in reality we should have asked departments to come in at 3% below a zero balance. Town Manager stated to Councilor Bartinik that he was missing the logic and he was not proposing we spend this money, but set this money aside. Town Manager Oefinger stated that he came in at 0%, and that he is not going out spending additional money. Town Manager Oefinger reported that he did not think a month ago that this increase of the fund balance would be there and that they are not proposing spending this money.

Mayor Watson added that the Council added a rule that we would maintain a 5% Fund Balance, when Jane Dauphinais was Mayor. He stated that we had a formal guideline that we actually voted on. Councilor Bond asked what historically the fund balance has been. Town Manager Oefinger continued that the Town's Fund Balance was at one point was more than \$10 million because of the Pfizer lawsuit five or six years ago. Councilor Sheets had a question on the \$6.5 million fund balance. Town Manager Oefinger explained that they were projecting to have \$8.2 million as of June 1st and would be using \$1.5 million to balance the budget and by July 1st there would be about \$6.5 million in the fund balance. Councilor Sheets asked if what goes into that reserve would be in the nature of a windfall. Town Manager Oefinger stated that he would not use the word windfall, that he would rather use underestimate, so that they do not get caught

short. Town Manager Oefinger continued to say that last year was the only year that we had to budget dollars to go into the reserve fund. Councilor Sheets said that she thought she had heard that once the fund balance had been \$16 million. Town Manager Oefinger stated that the highest had been around \$11 million.

Town Manager Oefinger reported again that in 2008 it would be \$1 million a year for benefits. He stressed that by setting aside \$150,000 per year was a good way to start. Maybe it would work out such that if you pay more on the principal, you have more return at the end. He concluded that we are able to make this contribution to this budget.

Councilor Kolnaski added that the fund balance is a surplus for an emergency. That is the way she interpreted it. Councilor Billings said that having been involved for 7 or 8 years with the budget, that when the fund balance got up to \$10 million and the Council was looking at raising taxes, it wasn't seen as taking money, but the money was to provide services. Councilor Bond stated, that the only problem is that later you get whacked for raising taxes.

Town Manager Oefinger went over the entire budget meeting schedule with the Town Council (see attached). He also handed out the Outside Agencies budgets to the Town Council.

Town Manager Oefinger stated that there would be no doubt that we will have too much time scheduled for some budget account meetings and there would be slippage. He explained to the Council that the budget meetings would be one continuous Committee-of-the-Whole meeting adjourned to a time definite. He explained that they couldn't go on to another account because it would not be a listed item for that evening.

Councilor O'Beirne asked if the Planning Commission had any input on the CIP. Councilor O'Beirne stated that they usually provide minutes for the CIP. The Town Manager stated that we had minutes and would provide them.

5. ADJOURNMENT

A motion was made by Councilor Bond, seconded by Councilor Skrmetti, to adjourn at 6:55 P.M.

The motion carried unanimously.