

TOWN OF GROTON
CHARTER REVISION COMMISSION
SPECIAL MEETING MINUTES
November 2, 2017
TOWN HALL ANNEX – COMMUNITY ROOM 2

Chair Pro Tem Aument called the meeting to order at 6:41 p.m.

- I. ROLL CALL:
Members Present: Chair Pro Tem Scott Aument, Commissioners Kathy Chase, Jane Dauphinais, Robert Frink, Patrice Granatosky, Rosanne Kotowski.
Absent: Commissioners Chair Hauber, Brandon Marley, Daniel Mello, Darcy Peruzzotti, Jennifer White
Also in attendance were Town Attorney Eileen Duggan, Attorney Mike Carey, Town Clerk Betsy Moukawsher, and Office Assistant Nathan Caron.

- II. APPROVAL OF MINUTES:
 - a. Commissioner Chase made a motion, seconded by Commissioner Kotowski, to approve the minutes of the October 23, 2017 Special Meeting.
VOTE: PASSED UNANIMOUSLY

- III. COMMUNICATIONS:
 - a. Chair: None.
 - b. Secretary: None.
 - c. Members:
Commissioner Kotowski stated that many people support the Charter Revision Commission.
Commissioner Granatosky stated that many people want to keep the RTM; they do not support the Charter Revision Commission.
Town Clerk Betsy Moukawsher stated that Commissioner Peruzzotti sent correspondence that she could not attend the October 30, 2017 meeting.
Commissioner Frink stated that he communicated with the First Selectman of Madison and the First Selectwoman of Newtown. He noted that tax bills are not sent out until both budgets are approved; they operate off fund balance.

- IV. NEW BUSINESS:
 - a. Town Attorney Recommendations

The Commissioners and Attorneys continued to workshop language for the proposed Charter.

Chair Pro Tem Aument referenced Section 9.12.6.7; this item was tabled.

In response to the Town Attorney's question for Section 9.12.6.7, Commissioner Dauphinais noted that most of the Commission intends to have referendum continue until the budget is approved.

Commissioner Frink stated that Newtown and Madison do not send tax bills until both budgets are approved.

Attorney Duggan noted that the difficulty can be the size of the community and what it can support. She questioned if the Town could rely on reserves until the budget is approved.

Attorney Carey noted that Madison is not comparable in terms of population and fund balance. He stated that case law, Statutes 12-123, suggest a Town can set a mill rate while referendum continues. That mill rate becomes the mill rate for the year; it is based upon reasonable projections of expenditures with failed referendum input. He stated that there cannot be a rebate or a mill rate reduction mid-year.

Commissioner Chase noted that there is a State budget, and the State is not cutting Groton as much as was originally thought. She stated that the Town will have excess this year; that money could be placed in fund balance for next year. She stated that the excess money could be used to cover the bills in the event referendums continue into the new fiscal year. She noted that once tax money is received, it could be used to replace what was spent.

Commissioner Kotowski questioned why it is okay to send supplemental bills in the middle of the fiscal year and not rebates.

In response to Commissioner Kotowski, Attorney Duggan stated that it is what the Statutes provide for.

Commissioner Frink stated that only what is approved can be spent; hopefully the following year will have less of an appropriation.

The Commissioners and Attorneys discussed including language that would allow the Town the option to re-work budget numbers during the month of June if additional State revenue information became available after June first.

Commissioner Frink noted that the Town can only spend the appropriations approved by the voters, and if that is less than what is collected from taxes, then there would be a surplus applied to the next fiscal year.

Commissioner Dauphinais made a motion, seconded by Commissioner Frink, for the following language for Section 9.12.6.7: "In case a Budget is not approved by June 30, the budget submitted by the Town Council per Section 9.10.3, shall be ~~adopted~~ utilized until a new Budget is approved." [M61]

Commissioner Dauphinais noted that this reflects a year of additional, current information. She noted that the appropriations that the Town would be bound by would be approved at referendum; that is all the Town could spend. She stated that in this case, tax bills would be based upon the Town Council's budget.

In response to Commissioner Granatosky, Commissioner Dauphinais stated that the Town Council would arrive at a budget based upon input from professional staff and the Board of Finance.

Commissioner Granatosky noted that the Town Council's budget would be an educated budget.

The Commissioners decided to replace "adopted" with "utilized."

The Commissioners discussed including "Section 9.10.3" in the language for Section 9.12.6.7. *(NOTE: Sections will need to be renumbered.)*

Sec. 9.13 Fixing the Tax Rate

Within three (3) business days after a new budget is adopted in accordance with Section 9.12, the Council shall meet, and with due provision for estimated and uncollectible taxes, abatements and corrections, shall lay such tax on the last completed Grand List at a mill rate that shall be sufficient, with the income from other sources, to meet the estimated expenses of the Town for the next fiscal year. [M62] Within three business days after an interim budget is approved under Section 9.12.6.7, the Town Council will set a mill rate that shall be sufficient, with the income from other sources, to meet the estimated expenses of the Town for the next fiscal year.

The Attorneys stated that Section 9.15 is not legal based upon case law; it was deleted.

Sec. 9.16 Emergency Appropriations

9.16.1 An Emergency Appropriation is an appropriation required for an unforeseen or extraordinary event or threat to the lives, health or property of citizens or the Town. [M66]

Attorney Carey noted that this language is okay, legally; it is a matter of policy.

9.16.2 The Council may make Emergency Appropriations not exceeding one-hundred thousand dollars (\$100,000), by a vote of not less than seven (7) members of the Council, provided a public hearing, at which the public shall have an opportunity to be heard, shall be held prior to making such appropriations. The notice shall be made in accordance with Section 9.20. Such hearing and notice of hearing may be waived if the Council by an affirmative vote of not less than eight (8) of its members, shall decide that a delay in making the Emergency Appropriation would jeopardize the lives, health, or property of citizens. [M66]

Section 9.16.3: No changes were made.

9.16.4 In the absence of an available unappropriated and unencumbered surplus in the general fund to meet such appropriations, additional means of financing shall be provided in such a manner consistent with the provisions of the C.G.S. and of this Charter, as may be determined by the Council. The Finance Director shall prepare a Financial Impact Statement for requests for financing. [M66]

Section 9.17: No changes were made.

9.18 Assessment and Collection of Taxes

Except as specifically provided in the Charter, the assessment of property for taxation and the collection of taxes shall be carried on as provided in the C.G.S. [M67]

Section 9.19 Expenditures and Accounting**9.19.1 General**

No purchase shall be made by any department, ABC[M68] or officer of the Town other than the BOE and the Probate Court, except through the Purchasing Agent and such purchases shall be made under such rules and regulations as may be established by the Council. Each order drawn upon the Treasurer shall state the department, commission, board or officer or the appropriation against which it is to be charged. [M68] The Director of Finance shall record the amounts of authorized purchases and

contracts for future purchases as encumbrances against the appropriation from which they are to be paid. [M68]

9.19.2 Approvals [M69]

9.19.2.1 Restrictions on purchasing.

Purchases shall be made under such rules and regulations as may be established by the Council, subject to the provisions of CGS. No contract, work order, purchase order or other authorization to spend money by any department, office, board, commission, committee or agency, except the BOE, shall be valid until it has been endorsed by the Town Manager or Purchasing Agent to the effect that there is an unexpended and unencumbered balance of an appropriation applicable thereto sufficient to meet the estimated cost thereof, provided that the BOE shall set up its own system of budgetary control. It shall further be the duty of the Town Manager or Purchasing Agent, after endorsing such authorization to spend money, to encumber immediately the appropriation in question with such estimated cost. [M69]

Section 9.19.3: No changes were made.

Section 9.19.4: No changes were made.

9.19.5 *Transfer of Funds.* [M71]

9.19.5.1 *Transfer of Funds Between Departments*

Upon the request and certification that the transfer is necessary by the Town Manager, but only within the last three (3) months of the fiscal year, the BOF may transfer any unencumbered appropriations, balance or portion thereof from one department, commission, board or office to another of \$10,000 or less. [M71] Transfers of ten thousand dollars (\$10,000) or more may only be made by the Town Council by resolution, after receiving written input from the BOF. If the BOF fails to provide written input within 10 business days, the Town Council may act without such written input. In no instance shall appropriations for debt service or other statutory charges be transferred to other purposes. [M71]

Commissioner Granatosky highlighted that the Board of Finance will make transfers of \$10,000 or less without the policy-making body of the Town, the Town Council, weighing in on them.

Commissioners Chase and Frink noted that the Board of Finance should give a recommendation of transfers of \$10,000 and more; it can be favorable or unfavorable.

Attorney Duggan noted that she interprets 'recommendation' as favorable/positive.

The Commissioners workshopped the language for Section 9.19.5.1.

9.19.5.2 *Transfer of Funds within a Department.*

Transfer of unencumbered funds from one item of a department budget to another item of the same budget require a non-binding recommendation from the BOF and must be voted on and approved by the Council except that a transfer may be made by a department head with the approval of the Town Manager and the BOF subject to the following guidelines: [M71]

- (1) Such transfers shall be limited to the amount of ten thousand dollars (\$10,000) for any single transfer. [M71]
- (2) Transfers will not be made to purchase major pieces of equipment such as vehicles and machinery, or items specifically deleted by the Council. [M71]

Commissioner Kotowski noted that the purpose of this was to eliminate the end-of-the-year spending frenzy.

Section 9.19.6: No changes were made.

Section 9.19.6.1: A Supplemental Appropriation is any appropriation of funds made during a fiscal year that is additional to an adopted Town Budget, BOE Budget, or capital project.

9.19.6.2 A request for a Supplemental Appropriation may be initiated by the Town Manager or by the Council. The request shall include an estimate of the funds required, the reasons therefore, a proposed method of financing, a non-binding recommendation of the BOF , and certification by the Director of Finance or his/her agent as approved by the Town Manager that there is available an unappropriated and unencumbered surplus in the General Fund to meet the request. If these conditions are met, the Council may approve the Supplemental Appropriation by resolution.

Section 9.19.6.3: No changes were made.

9.19.7 Contingency account.

No expenditure may be charged to the contingency account, but the Council, after receiving a non-binding recommendation from the BOF, may transfer funds in the contingency account to any other account. [M73]

9.19.8 Penalties for Violations:

Every payment made in violation of any provision of this Charter shall be deemed illegal and every official authorizing or making such payment or taking part therein and every person receiving such payment or any part thereof shall be jointly and severally liable to the Town for the full amount so paid or received. If any officer or employee of the Town or BOE shall knowingly incur any obligation or shall authorize or make any expenditure in violation of the provisions of the Charter or take any part therein, such action shall be cause for his/her removal. [M74]

9.19.9: No changes were made.

9.19.10 Annual Audit.

The Council, with recommendation from the BOF, shall annually designate an independent, certified public accountant or firm to audit the books and accounts of the Town. Said annual audit shall be accepted by the Council with the recommendation of the BOF. [M76]

9.19.11 Borrowing

The Town shall have the power to incur indebtedness by issuing its bonds or notes as provided by the C.G.S. subject to the limitations thereof and the provisions of this Section. The issuance of bonds and notes shall be authorized by ordinance and if any such bond issue or issuance of notes, except notes in anticipation of taxes to be paid or other revenue to be received within the fiscal year in which issued, shall exceed when authorized the sum of seven hundred fifty thousand dollars (\$750,000) or which shall, when added to all other bond issues or issuance of notes previously authorized in the same fiscal year bring the total of such bond issues or issuance of notes authorized for that fiscal year to a sum in excess of seven hundred fifty thousand dollars (\$750,000), said bond issue or issuance of notes shall be approved by a referendum vote at any regular town, state or special election or at a referendum called for that purpose. [M77]

Sec. 9.20 Public Hearing

The Town Council or BOF, as the case may be, shall publish notice of each public hearing required or allowed to be held by Sections 9.4.4, 9.9.1, 9.10.2, 9.15.3 and 9.16.2 in a newspaper of general circulation in the Town no fewer than five (5) days before the date of such hearing. In addition to any information that Sections 9.4.4, 9.9.1, 9.10.2, 9.15.3 and 9.16.2 require to be included in such published notices, each notice shall include the date, time, and location of and the purpose for which the hearing is to be held. In addition, no fewer than five days before the date of any such hearing, the Town Clerk shall cause a copy of the published notice to be posted on the Town's internet site and on the Town Clerk's public notice board and shall make copies of the notice available to the public in her office. Members of the general public may attend and participate in each public hearing required or allowed by the provisions of Chapter 9.

Attorney Carey distributed Section 9.20.

b. Board of Education Quorum/Vote Requirement

Commissioner Dauphinais noted that the Town Council requires five votes to pass items. She noted that the Board of Education does not have the requirement; it can pass items with as little as three people.

Attorney Duggan stated that she would research the topic.

Commissioner Granatosky noted that votes taken at Town Council Committee of the Whole meetings are not in the minutes or published online. She noted that people are looking for this information. She stated that she wants "YAYS" and "NAYS" of all votes published so the general public can access them. She referenced votes on line-item budgets; they are not published. She stated that they should be easily accessible.

Attorney Carey stated that they will look at this issue for the next meeting.

V. ADJOURNMENT

Commissioner Chase made a motion to adjourn, seconded by Commissioner Frink. Chair Pro Tem Aument adjourned the meeting at 8:35 p.m.

Attest: _____

Scott Aument