

TOWN COUNCIL MAJORITY OFFICE

ORDINANCE COMMITTEE

SEPTEMBER 18, 2014

PRESENT Rich Kehoe, Chair; Councillors Esther Clarke and Bill Horan

ALSO Mike Walsh, Finance Director
PRESENT Linda Trzetzziak, Assistant Finance Director
Nate Quesnel, Superintendent of Schools
Jeff Currey, Chair, Board of Education
Paul Mainuli, Director of Business Services
Joanne Zatarain, CPA, Board of Education
Barbara Rossi, Town Councillor

CALL TO ORDER

Chair Kehoe called the meeting to order at 5:30 p.m.

APPROVAL OF MINUTES

May 8, 2014 Meeting

MOTION By Esther Clarke
seconded by Bill Horan
to **approve** the May 8, 2014 Ordinance meeting minutes.
Motion carried 3/0.

OPPORTUNITY FOR RESIDENTS TO SPEAK

None

OLD BUSINESS

Pension & Retiree Benefits Board Jurisdiction

The Ordinance Committee has reviewed the issue of clarifying in ordinance the powers and duties of the Pension and Retiree Benefit Board. Corporation Counsel has advised the Committee that such powers and duties are contained in the labor contracts with the town regarding the pension and therefore cannot be unilaterally changed in ordinance. The remaining issue involved the repeated failure of the Board to be able to meet due to lack of a quorum. A five-member Board means that only a handful of members have to be absent in order for the Board to be unable to conduct business – which has occurred on a number of occasions in recent years. The Board considered increasing the membership to seven in order to reduce the number of times that the Board has to cancel meetings.

Corporation Counsel indicated that the labor contracts reference the town ordinance with regard to the Board's membership and again changing the ordinance would necessarily require a labor contract change. Mike Walsh advised the Committee that the labor contracts expire in different years – ranging from two to five or more years. As a result it would be unrealistic to try to get a consensus on the Board size with the labor unions in expedited fashion.

The Committee asked Corporation Counsel to explore whether alternates could be added to the Board. Under this recommendation, the actual membership doesn't change, but rather it would allow people to stand in the stead of current members as is the current process for the Planning & Zoning Commission.

The Committee agreed to take no further action pending a response from Corporation Counsel's office on this item.

NEW BUSINESS

Chapter 10, Article 5 re: Public Act 14-124

Corporation Counsel had requested the Ordinance Committee review whether the 2014 change to Connecticut General Statutes section 12-129 would require a change to the town ordinance providing for elderly tax relief under this statute. The Committee reviewed the matter with Corporation Counsel and concluded that the change contained in Public Act 14-124 was merely a clarification that the elderly tax breaks would apply to a property which is owned by a trust, but the senior citizen has the legal authority to reside on such property as their principal place of residence. Such legal authority would include a life tenancy. That interpretation of state law has been the town's interpretation of our ordinance for many years, and as such, the Ordinance Committee concluded that there was no need to make any additional changes to the town's elderly tax break ordinance.

Budget Format for Town and Board of Education

The Ordinance Committee explained that a uniform presentation of both the town and the Board of Education's budget would allow for a greater understanding of the expenses and revenues for the schools as well as town departments. The members of the Committee, as well as those in attendance, reviewed the current budget presentations and concluded that there should be a similar format for each.

The committee looked into how many columns of data could be reasonable placed on a single budget page and concluded that no more than seven columns would fit on one page. After much discussion, it was decided that the columns would be as follows:

- 2 columns representing prior year actuals for two years; followed by
- the current budget; followed by
- the revised budget ;followed by
- the year-to-date actuals; followed by
- the proposed budget; followed by
- the difference between the proposed budget and the revised budget

The Committee and those present moved on to address revenues. It was agreed that all unrestricted revenues – which would include things such as fee revenue, tax revenue, town appropriation to the Board of Education, revenues from Woodland School and Medicaid reimbursement revenues – would be placed in revenue line items. The current process of the Board and the town using such revenues to offset expenditures did not create a clear picture of the actual cost of operating either the school system or the town Administration. It was agreed that each budget would have revenue line items and that all expenses would be gross expenses – not expenses net of revenue.

The Committee and those present reviewed the issue of grants and restricted funds – such as donations to the town or the Board of Education for a particular purpose. Those funds cannot be used for general fund purposes. As such, while it would be useful to have the total expenditure for each budget, including grants and restricted revenues, for budget setting purposes the inclusion of such information in one document would lead to confusion because the reduction of certain line items -- if they included grant-funded positions -- would not impact the tax rate at all. Yet, these grants and expenditures total millions of dollars and are important to fully understanding the true scope of the operation of government.

The Finance departments of both the town and the Board of Education agreed to further discuss this issue and report back to the Ordinance Committee with a recommendation.

No further action pending receipt of a draft ordinance on the issues that have been agreed on to-date and a consensus as to the presentation of grants and other restricted revenues.

ADJOURNMENT

MOTION By Esther Clarke
 seconded by Bill Horan
 to **adjourn** (6:42 p.m.)
 Motion carried 3/0.

cc: Mayor Leclerc
Town Council
Mike Walsh, Finance Director
Linda Trzetzak, Assistant Finance Director
Nate Quesnel, Superintendent of Schools
Jeff Currey, Chair, Board of Education
Paul Mainuli, Director of Business Services
Joanne Zatarain, CPA, Board of Education