

Town Council Finance Committee
March 17, 2015
Meeting Notes

Call to Order

The meeting was called to order by Frink at 6:05pm.

Roll Call

Members Present: Councilors Antipas, Frink and Watson. Councilor Cerf arrived at 6:23pm

Also present were Councilor Moravsik and Town Manager Mark Oefinger.

Calendar and Communications

None

New Business

1. **Referral 2015-0067 Distracted Driving Grant.** This is a \$25,600 grant that includes a \$6,400 Town funded component so the net grant is \$19,200. It provides funding for a concerted effort to enforce Distracted Driving laws. Antipas asked questions on the impact on the Town budget of accepting this grant. Oefinger explained that the FYE 2016 Public Safety payroll budget has been reduced in anticipation of receiving this grant.

Motion to approve by Watson, second by Antipas. The motion to accept the grant passed unanimously.

2. **Referral 2015-0068 Department of Education Youth and Family Services Funding.** This referral is to authorize the Town Manager, or his designee, to apply for the grant. The grant will provide funding for crisis intervention, prevention and support programs and short-term counseling services for at-risk youth. The most recent amount of this grant was \$31,737 for FYE 2015. Questions were asked about the requirement for matching funds. Oefinger noted that an estimate of the matching funds is in the FYE Social Services budget request for FYE 2016.

Motion to approve by Watson, second by Frink. The motion passed unanimously.

3. **Referral 2015-0069 Department of Education Youth Services Enhancement Grant.** This referral is to authorize the Town Manager, or his designee, to apply for the grant. This grant will provide funding for supplies; equipment and other resources used programs for youth enrichment, outreach programs and positive youth development. The most recent amount of this grant was \$7455 for FYE 2015.

Motion to approve by Antipas, second by Watson. The motion passed unanimously.

4. A general review of the FYE 2016 Budget was then conducted
 - a. Watson suggested that we discuss the Fund Balance early in the budget review process. This will be brought up a future Committee of the Whole meeting.
 - b. Oefinger commented that, regarding projected revenues (pages 15 & 16), the budget is put together using conservative assumptions. Noting that we normally do better with revenue from the State than we project, except for last year. For example Conveyance Taxes are estimated to come in at \$900k for FYE 15 but are being budgeted at the historic rate of \$650k for FYE 2016. This conservatism may result in a lower FYE 16 mill rate than currently projected.
 - c. The FYE 2016 BOE CIP budget was discussed. As presented to the Town Manager in the fall there are more CIP projects listed than can be accomplished in one year. A subsequent letter from the BOE reduced the number to 3 CIP projects for FYE 2016. It was recommended that the Town Council critically review these.
 - d. The two big increases in the FYE 2016 budget are the Capital Reserve Fund and the BOE budget. Also Contingency will be higher for FYE 2016 to account for labor contract assumptions that won't be known until after the budget is approved.
 - e. Councilor Moravsik suggested we consider a separate mill rate for Education. This is usually done where there are separate school districts.
 - f. Councilor CERF brought up the potential negative impact of a bill proposed by the 40th district state representative regarding motor vehicle taxes going to the State. She has concluded that Groton would suffer the loss of these revenues if the bill was passed. Watson mentioned that motor vehicle taxes are the only taxes paid to the Town by renters (if they own a car).
 - g. Frink requested that the Town Manager provide a comparison of Groton's proposed FYE 2016 mill rate with other communities in the region. How do we compare? Oefinger will look into providing this comparison noting that there are a number of charts in the Proposed Budget that compare Groton to other communities.
 - h. Frink suggested setting a target mill rate as a starting point for the FYE 2016 budget review process. Oefinger suggested that before we do anything we should listen to what people say at the public hearing for the budget. This is scheduled for Monday March 30, 2015 at the Senior Center.
 - i. Regarding the BOE budget, after some discussion it was agreed that the Town Council should focus on what we can afford. Cerf mentioned that BOE grants are not included in their budget request. The IB program was discussed and one conclusion was that it is intended to be a revenue generator. As a result of this and other observations about the BOE budget request it was recommended that the Town Council ask for an in-depth explanation of their budget request.
5. The meeting was adjourned at 7:10 pm.