

Town Council Minutes: December 5, 2016

Attending: Sarah Fuller, Chairperson; Richard Henry, Barbara Buck, David Bubier, Linda Caprara, Priscilla Jenkins, Linda MacDonald, P. Nielsen, M. Hadley, K. Shumway, V. Geyer, J. Pietroski, G. Rosenthal, J. Diket, M. Cook, L. Fitzgerald, J. Norris, R. Hazard, C. Swanson, G. Dawbin, M. Main, A. Meader, S. Mueller, C. Eichacker, J. Dovinsky, R. Frost, B. Rowe, E. Conrad, J. Haefele, K. Patten, 2 citizens.

Business Meeting: Chairperson Fuller called the meeting to order at 7:00 PM, led the Pledge of Allegiance, and began the meeting, to wit:

Item 133. The Council voted to approve the minutes for the meeting held November 7, 2016, and signed disbursement warrants (Jenkins/MacDonald, 7-0).

Item 134. The Chairperson opened a public hearing on a liquor license renewal application from Alfred W. Maxwell Jr. American Legion Post #40 at 7:00 PM. Hearing no discussion, the public hearing closed at 7:02 PM. The Council voted to approve the application (Jenkins/Henry, 7-0).

Item 135. Chairperson Fuller and Peter Nielsen opened a discussion of the school budget and related municipal fund balance issues. Peter explained that errors in school revenue estimates have produced cash flow issues that will necessitate additional tax anticipation borrowing. Bruce Nadeau, Senior Accountant at RHR Smith distributed and explained a 9 page handout that separately summarized 2015-2016 and 2016-2017 funding issues. There was extended discussion with audience members about budget information published in the Winthrop Advertiser and distributed at the annual public hearing. Attorney Shana Cook Mueller said there is general agreement among our legal contacts that the Town Council has discretion to deal with financial remedies. Gary Rosenthal reported that the school budget freeze in place since October is about 7.5% ahead of the benchmark (where each percentage point represents about \$110,000). Councilor Henry noted the change in the school department's approach from accepting responsibility for the problem to sending a legal letter to the town that would transfer responsibility.

The discussion moved towards keeping town and school officials working in concert. Auditor Bruce Nadeau made three recommendations: 1) Implement a simple computation form/report for the proposed property tax increase for both town and school budgets. Include a reconciliation of prior tax dollars committed, and impact, to fund the proposed budget. Both the Town and School Committee should recognize the amount expected from taxes in their respective minutes. Final tax commitment should be reviewed by both Town and School staff to insure accuracy. 2) Town and school management need to dialogue on addressing current and future cash flow needs. 3). A committee should form to address the 2018 property tax revenue shortfall. The committee should involve Town and School staff, elected representatives, and possibly citizen volunteers. A solution may take several years.

Those in attendance seemed united in wanting to see the school and town officials work together.

Other Business: None

Manager's Report:

1. MMA Risk Management Summary of Membership Benefits for 2016.
2. MEDEP meeting on Shoreland Zoning changes, 6:30 PM, 12/21/16, All Purpose Room
3. Special Town Council meeting 12/19/16, Fire Station plans

The meeting adjourned at 9:20 PM.