

**TOWN OF GROTON**

**FINANCE COMMITTEE**

**Minutes of Meeting held 12-8-09**

**Present:** M. Flynn, J. Prager (Chair), J. Crowley, T. Sangiolo, P. diFranco, R. Hughson, V. Jenkins (Town Accountant) Recording.

**Guest:** M. Haddad, Town Manager

The meeting convened at 7:02 PM with the Chair presiding. The minutes of the meetings held on 9-29-09 and 10-19-09 were approved by a vote of 5 in favor, none against, and 1 abstention (motion: Mr. Sangiolo; second: Mr. Flynn).

Mr. Prager reviewed for the FinCom his thoughts as the Committee prepares to review the FY 2011 budget requests. The Town Manager will present a balanced budget by December 31<sup>st</sup>, but the FinCom still must present the final budget to the Annual Town Meeting in the Spring. He noted that he remains troubled by escalating wage and salary costs, due to contractual increases and, this year, requests for increases in staff hours/positions, during difficult economic times. He suggested that FinCom members pick specific areas to concentrate on – noting in particular rising costs in the School District, issues with the Country Club, the Library's concerns about certification and the ways this drives their budget request, and, as noted before, escalating labor costs in general.

Mr. Haddad reviewed his budget preparation to date, specifically citing concerns about revenue. He noted that he and his Finance Team are predicting another \$100,000 decrease in State Aid and that local receipts are flat at best. New growth is being estimated at a conservative low but there are some indications that new housing starts may be up. In terms of expenses, he explained that some departments have submitted budgets that are level to last year, but that some of the major departments are requesting increases. Without the district school budgets in hand, the deficit stands at about \$240,000. Mr. Haddad notes that he has limited the amount of increase available in the budget for both districts and will reduce the \$240,000 deficit, but it is unclear at present what the State will dictate for local district school funding ("minimum contribution").

Mr. Haddad left for another commitment and the FinCom discussed action items for the rest of the month:

- V Jenkins will provide wage and salary trends of at least five years for town departments
- V Jenkins will attempt to provide historical data for general expense categories and Mr. diFranco will review and analyze the data.
- All members of the FinCom will think about areas of concentration for the FY 11 budget

The next meeting is scheduled for December 29, 2009 at 7:00 PM; Ms. Jenkins will notify the group of the location.

The meeting adjourned at 8:32 PM

Respectfully submitted,

Valerie Jenkins

Recording Secretary