

TOWN OF GROTON FINANCE COMMITTEE

Minutes of Meeting Held 2/16/10

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

Mr. Prager called the meeting to order at 7:05 PM. The minutes of the meeting held on 2/2/2010 were approved unanimously as submitted (moved: Mr. Sangiolo; seconded: Mr. Flynn).

The Committee discussed its strategies for reducing the FY 2011 budget and setting policies for the future. There is consensus that the "bottom line" needs to be lower in order to leave room for future needs, and that there needs to be more control of, in particular, increasing labor costs, and in general, all expenditures, but there is some disagreement about how this is to be accomplished in this year's budget. Suggestions include recommending limits to annual salary increases, or recommending against increased hours or positions, or limiting allowances for travel, conferences and "professional development". Alternatively, some members favor providing a target total decrease number to the Town Manager with no specific suggestions for budget cuts.

Policy suggestions for Town Government, which can be developed over the next few months and begin to apply to future budget discussions included freezing "head count" to the prior year's total cost for the labor force, with annual discussion of ability to add cost for wage increases or additional hours; this policy should drive labor negotiations rather than the reverse ; establishing a detailed procurement policy that is to be followed by all departments and requires approval above the department manager level; and formalizing the three year financial planning process including refinement of the parameters used to estimate future costs and funding sources.

The Finance Committee itself is discussing changes in its role within a Town Manager form of government. Discussion included considering the FinCom's role as, in part, establishment of financial guidelines for budget and, in part, utilizing periodic reviews of spending throughout the year to measure adherence to stated departmental goals and financial commitments. Some FinCom members see this periodic review as formal meetings with key department managers, perhaps quarterly; some prefer monthly reports from Department Managers which can be compared to the required variance reports provided by Accounting.

The Committee agreed that Mr. Prager, accompanied by Mr. Sangiolo, will meet with the Town Manager this week to discuss the FinCom's concerns about the current budget in order to be best prepared for the up-coming joint FinCom/Selectmen budget meeting on February 27th.

Mr. Prager also noted that he has tried to reach the FinCom representative from the Town of Ayer who wrote recently to area Finance Committees suggesting a joint meeting to discuss regionalization of municipal services other than education. Mr. Prager has not yet been successful but will follow up again.

The meeting adjourned at 8:50 PM.

Respectfully submitted,

Valerie Jenkins, Recording Secretary