

**TOWN OF GROTON FINANCE COMMITTEE
MINUTES OF MEETING HELD 9-20-2010
(7:00 PM First Floor Conference Room, Town Hall)
Including Public Hearing on the Warrant for the Fall Annual Town Meeting**

PRESENT: Jay Prager (Chair), Steve Webber, Robert Hargraves, Joseph Crowley, Mike Flynn, Tom Sangiolo. Valerie Jenkins (Town Accountant, Recording)

ABSENT: Peter DiFranco

GUESTS: Mark Haddad, Town Manager; Anna Elliot, Board of Selectmen

Documents available: ATM warrant Draft effective 9-20-2010

Mr. Prager called the meeting to order at 5:31 PM.

Approval of Minutes: Mr. Webber moved, and Mr. Hargraves seconded, approval of the minutes of 9/14/10. The vote was unanimous to approve.

Review of the Warrant: Mr. Haddad reviewed the effect of the financial articles with the Finance Committee:

- Article 1: prior year bills, approximately \$1450, to be funded from Free Cash
- Article 2: budget amendments:
 - Building Department Salary, \$11,187, funding via raise and appropriate
 - Building Department Wages, \$5,587, funding via raise and appropriate
 - Unemployment Insurance, \$15,000, funding via raise and appropriate
 - General Fund Debt Reduction, \$23,320, funding via raise and appropriate
 - Sewer Enterprise Debt Reductions, \$53,386, funding from Sewer Debt reserve and free cash
- Article 3: Capital Stabilization, \$345,100, to be funded from Free Cash
- Article 4: Stabilization, \$50,000 funded from Free Cash, with future FEMA reimbursement of another \$50-60,000 also deposited when received.
- Articles 7 & 8: Applications for grants and low interest loans for Lost Lake sewer construction; \$5,000 and \$12,000 to be funded from Free Cash
- Article 12: Groton Country Club, a new appropriation budget of approximately \$300,000 to be funded by increasing local receipts with at least \$300,000 of user fees from Country Club activities.
- Article 13: Town Forest operations, \$5000 to be funded from Receipts Reserved for Town Forest.

There was general discussion of the articles. The FinCom offered comments or questions regarding the following.

Article 1: One of the prior year bills relates to repair of property damaged during deep hole testing for feasibility of a sewer construction project in West Groton. The FinCom questioned whether the Town would seek to recover costs from the subcontractor or supervising engineers on the project. Mr. Haddad will follow-up.

Articles 3 & 4: The FinCom is considering depositing more money in either Stabilization or Capital Stabilization in order to build up the savings accounts in anticipation of the need for a fire station in the future.

Article 11: The article asked for funding for an appraisal of the land and to file for matching grant funds to purchase the land. There is a history which involves transfer of the land to a developer for a nominal fee in order that the developer could constructed mixed housing. Questions arose regarding the purchase price to sell the land back to the town. Mr. Haddad called Ms. Perkins of the Community Preservation Committee (who was in the building) to the meeting to add to the discussion. Ms. Perkins can confirm that the article will pay for appraisal and grant application but will have to research the other questions. She hopes to provide more information to the FinCom by the meeting on Thursday.

Article 12: The FinCom requested Mr. Haddad to invite Mr. Whalen of the Country Club to their meeting scheduled for this Thursday because a budget is not available to discuss at this time.

The FinCom attended the Selectmen's beginning at 7:00, still in open session, in anticipation of the Public Hearing to begin at 7:30PM.

JOINT PUBLIC HEARING for FALL ANNUAL TOWN MEETING

The joint public hearing convened at 7:45, having been delayed by vote of the Selectmen in order to complete other business on their agenda. The following summarizes the participation of the Finance Committee during the public hearing. Please refer to the minutes of the Selectmen's meeting for additional information.

The Finance Committee offered discussion during the following articles:

Article 1: Mr. Prager noted the FinCom's previous request to seek recovery of costs related to construction damage, but agreed that the Town needs to pay the bill in the interim since the repair work has already been done.

Article 2: It is noted that changes to the budget will probably include a request for funding to attempt to survey Jenkins Road again and to continue pursuing the town's legal claim to the road. Mr. Hargraves suggested that treating this as a "line item" rather than an article is less transparent. He believes a separate article allows separate discussion at Town meeting. The Selectmen concur. The article will added to the end of the warrant. (The Selectmen later opened the warrant in order to add the article.)

Article 12: Mr. Prager questioned whether absorbing the Country Club into the general fund budget is in the best interests of the taxpayer. He noted that the Club is only used by a few people, and many of those are not from Groton. He repeated the FinCom's concern that a budget still isn't available and that past history indicates that the rates are insufficient to cover the Club's costs, probably resulting in the tax payers having to cover the balance. Subsequent discussion provided confirmation from Selectman Degan, who says he has seen the budget, that the financial picture is not good. Mr. Cunningham noted that even if the Club is discontinued the Town would need to provide at least minimal repair and security for the buildings and grounds.

The Selectmen voted to continue the Public Hearing until Monday, September 27, at 7:05, in order to review information not yet available on several articles.

The Finance Committee adjourned their meeting at 9:05 after a motion from Mr. Hargraves and a second from Mr. Webber.

Next Meeting: September 23, 2010 at 6:00 PM in Town Hall

Respectfully submitted,

Valerie Jenkins
Recording Secretary