

TOWN OF GROTON FINANCE COMMITTEE

MINUTES OF MEETING HELD 3/13/11

Present: J. Prager (Chair), M. Flynn, G.Green, S. Webber, R. Hargraves. V. Jenkins (Town Accountant, recording), P. Dufresne

Absent: J. Crowley, P. DiFranco

Guests: Representatives from the Board of Selectmen, Town Planner, Information Technology Director

Documents Available: Draft Budget from FY 2012, latest update (3/8/2011)

Additional Information re: Travel, Conferences, Dues, Training
Software programs to be added to budget
Reserve Fund Transfer Requests from Fire Department

Mr. Prager called the meeting to order at 9:02 AM. The following budget information was reviewed:

Information Technology/GIS: Jason Bulger explained the department's plans to purchase new software in addition to his budget submitted in December 2010. Software related to permit tracking will be funded in part from unexpended state grant proceeds (\$15,000), and in part by a share of the revenue from permits and fees (\$13-15K). This last will require a lowering of local receipts in order to reserve a share of the revenue for an outside agency (the software vendor). Finance Committee members questioned the cost savings, since the proponents of the purchase are maintaining that time and labor will be saved. The expectation would be that at least labor hours would be reduced, since local receipts revenue is being lost to an outside vendor. The proponents did not commit to reduction of hours. Software related to the Town's website is less costly and it is anticipated that the start up cost can come through a line item transfer in this year's budget (\$5000); the effect on the FY 2012 budget will be \$2750 for annual maintenance.

Travel, Conferences, Dues, Training: At the request of the Finance Committee, the Town Manager directed the Town Accountant to undertake a three year review of the costs related to various membership and training costs. Results indicate a slight total increase over the years and that nearly 50% of all costs are for the Police Department. FinCom members also discussed the appearance of training costs in the Accountant's budget but acknowledge that this is unusual and directly related to the Accountant-in-Training program which they had previously approved. It was noted that Boxboro is not sharing any costs for the Building Inspector other than salary and benefits. The Town Manager agreed to discuss this with Boxboro; he also agreed to get more information from the Police Chief since the department's share of all costs appears excessive, barring any other explanation.

Managers' Performance Incentive Plan: Members of the FinCom and the Board of Selectmen question the wisdom of an incentive plan for managers for several reasons, chief among them public perception.

There was discussion of how this would reflect on the Town Manager (“favoritism” for certain managers); the managers themselves (“not worthy”, “should the public nominate managers for special treatment”); and the cost of such a program when economic conditions have been slow to improve. FinCom and Selectmen have several suggestions to improve both the program criteria and the funding mechanisms. Chief among the funding options is to remove the concept of automatic steps and use those funds to underwrite all increases for managers based on performance. The Town Manager agreed to more discussion and a re-drafting of the plan. The line item was removed from the budget, but may be brought forward again in the fall.

Town Clerk’s Salary Increase: The Town Manager reviewed the rating system used to arrive at what he believes is an equitable salary for the Town Manager. The Town Clerk noted that a survey of surrounding towns yielded such inconsistent information that comparisons were not reliable. The Finance Committee and the Board of Selectmen acknowledge the work done by the Town Clerk but cite economic concerns. A proposal to provide the increase of approximately 10% over two years of 5% each was discussed and appeared to gain consensus. Mr. Degan of the Board of Selectmen supported the full increase in one year; Mr. Green of the FinCom supports a two year increase with a slightly higher amount in the first year, rather than an even distribution. Mr. Flynn moved, and Mr. Hargraves seconded an increase of \$3000 (5%, half the proposed increase). The motion carried by unanimous vote.

Parks Department: It is noted that the Parks Department still has not submitted a budget. The Town Manager level funded the budget to last year’s appropriation as a place holder. There was a suggestion that the budget be taken from the Parks Department and given to the DPW Director due to lack of attention by the elected Parks Commissioners. Ms. Jenkins suggested discussing this with the DPW Director prior to making a decision. The Town Manager will speak to the Parks Commissioners.

Groton Pool and Golf Center: Mr. Degan of the Board of Selectmen requested further discussion regarding a contingency plan for the snack bar at the Club. Mr. Dillon noted that Mr. Whalen was asked to produce such a plan weeks ago and the Board is still waiting. Mr. Prager confirmed that the Finance Committee wants to see such a plan. Mr. Haddad indicated he will get one from Mr. Whalen.

Capital Budget: Mr. Crowley, although absent from this meeting, sent written information that he has spoken to Mr. Delaney about the need for a new bailer, and recommends at least delaying the purchase until it can be determined whether the new plans for a regional recycling plant will produce enough income to offset the cost. Mr. Haddad indicated that he would remove the bailer from the capital request article. There was also brief discussion about the implementation phase of the Master Plan, after which Mr. Flynn moved, and Mr. Hargraves seconded approval of the funding. The motion passed by a vote of 4 in favor and 1 opposed. Continued discussion of the rough mower for the Golf Center reveals that Mr. Degan of the Selectmen is still opposed because the Club was intended to be cost neutral and he is opposed to using tax revenue to fund an organization that is “only used by 5% of taxpayers”. Both Mr. Webber of Finance Committee and the Town Manager believe that the need for capital expenditures was honestly overlooked when discussing the operation of the Club during the fall

town meeting. The FinCom agreed that the need for capital support should be openly discussed at the public hearing on March 21st so that public comment prior to the Spring Town meeting can be considered before a decision is made regarding the purchase. It was also suggested that at least three motions be drafted for the capital article, one for purchases funded by the Receipts Reserve Fund, one for purchases funded via the Capital Stabilization fund with the exception of the rough mower, and one related only to the rough mower, to allow separate discussion during Town meeting.

Reserve Fund Transfers: Fire Department: The Finance Committee has received requests from the Fire Chief for Reserve Fund Transfers of \$20,000 for wages and \$25,000 for extraordinary expenses. Both requests are related to severe flooding and brush fires earlier in the fiscal year. It had been hoped that the department would be able to finish the year with the budget appropriation but the Chief's documentation shows he will be unable to provide for the last payroll of the year, and he has put off some needed repairs and the replacement of turnout gear due to the expense related to flood and brush fires. After some discussion, Mr. Flynn moved and Mr. Hargraves seconded support of the request for \$20,000 in additional wage funding. The motion carried unanimously. The FinCom requested the Town Accountant to seek a line item transfer of \$10,000 for the Fire Expense item and then unanimously supported a lower reserve fund transfer request of \$15,000 into the Fire Expense line item upon a motion from Mr. Hargraves and a second from Mr. Flynn.

Approval of the minutes of the meeting held on March 8th was deferred until the next meeting.

Mr. Webber moved, and Mr. Hargraves seconded adjournment of the meeting at 12:30 PM.

Next meeting: The next meeting of the Finance Committee is March 21, 2011, at 7:30 PM in the First Floor meeting room in conjunction with the Board of Selectmen for the public hearing on the budget. Immediately following the public hearing, the Finance Committee will move to the First Floor conference room to continue with a regular meeting.

Respectfully submitted,

Valerie Jenkins, Town Accountant, Recording