

## **TOWN OF GROTON FINANCE COMMITTEE**

### **Minutes of Meeting Held December 13, 2011**

**Present:** J. Prager, G. Green, S Webber, M. Flynn, R. Hargraves, J. Crowley. V. Jenkins (Accountant, recording), P. DuFresne (Accountant in Training)

**Guests:** M. Haddad, A. Eliot

**Documents available at the meeting:** List of FinCom Liaisons to Departments Updated  
Town Financial Policies for Committee Review

**Reserve Fund Transfer:** Mr. Haddad asked to defer a vote on the scheduled Reserve Fund Transfer to cover the cost of a consultant to review the need for a new, centrally-located, fire station for Groton. He noted that the Selectmen had recently agreed to review all the “tier 1” sites again, but that all sites from all tiers were still on the list – including the Station Avenue site. It is expected that a consulting engineer will be needed to assist with the review but that the Selectmen are not yet ready to bring a cost plan forward. Mr. Flynn would like the discussion of funding to go before town meeting, considering the past public discussions both concerning the real need for a fire station and the potential locations. Mr. Haddad noted that a Request for Proposal will be prepared to cover as many aspects of the issue as possible, including at least response times, size and configuration of the building and a proper site. The cost is estimated to be in the \$10-\$20K range. Mr. Green supports obtaining outside help to get expertise in benchmarking the parameters and listing the criteria.

**Fiscal Year 2013 Budget:** Mr. Haddad notified the FinCom that his budget recommendations will be presented to a joint hearing of the Board of Selectmen and the Finance Committee on January 9, 2012 at 7:30 PM in the First Floor Meeting room at Town Hall. His instructions to Department Managers and Boards this year asked for a budget detailing what is required to support the duties of the department, rather than just a “maintenance” budget, as had been requested in the past three years. He also informed the FinCom that refinancing of the High School debt has resulted in a decrease in debt service to the Towns of Groton and Dunstable for FY 2012, but that debt service will rise again in FY 2013. Mr. Haddad’s goal for FY 2013 is to try to leave at least \$100,000 in unexpended tax capacity. The amount of “free cash” available for the FY 2013 budget will not be known until just before the fall town meeting, so it is currently unclear how much, if any, free cash can be applied to affect the tax rate. He reminded the FinCom that \$200,000 had been applied to the FY 12 taxes, but this cannot be guaranteed to happen in the future. Further, he noted that health reform has resulted in lower monthly premiums, which should have the affect of lowering the overall health insurance budget line item, at least after State-mandates to return a portion of the savings has been accomplished. Finally, Mr. Haddad notes that the budget book and the capital budget plan should be available to the Finance Committee no later than December 30<sup>th</sup>.

**Town Financial Policies:** The updated Financial Policies (“Overall Financial Management”, “Debt Management”, and “Investment Management”) have been reviewed by members of the Finance Committee. Mr. Flynn suggested one change; on Page 3, paragraph 9 should be reworded to include the Finance Committee in the review of policies, and to cause the review to happen annually, rather than periodically. Mr. Webber moved, and Mr. Hargraves seconded acceptance of the policies with the language change. The motion carried by unanimous vote.

**Finance Committee Liaisons to Department Managers or Boards:** Mr. Prager provided a list of last year's liaisons. There were no changes suggested.

At 8:00 PM, Mr. Webber moved, and Mr. Flynn seconded that the Finance Committee enter into executive session with the Chair of the Board of Selectmen and the Town Manager for the purposes of discussing strategy with respect to collective bargaining; not to return to open session after the close of the executive session. Members were polled individually with all members present voting in the affirmative.

The next meeting of the Finance Committee is scheduled for Jan. 9, 2012 at 7:30 PM in conjunction with the Board of Selectmen to hear the Town Manager's presentation. It is likely that the members of the FinCom will meet in their own session at the close of the budget presentation. Members will be notified of this by the Recording Secretary.

Respectfully submitted,

Valerie Jenkins, Recording Secretary