

TOWN OF GROTON FINANCE COMMITTEE

Minutes of Meeting Held February 11, 2012

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

Absent: None

Guests: Members of the Board of Selectmen, Department Managers presenting budgets

Documents available at the meeting: Updated line item budget and tax calculation
Supportive documents for department requests (filed with budget book)

The meeting was called to order by the Chair at 9:02 AM. The following budgets were presented:

Library: Library Trustees Mark Gerath and Nancy Wilder accompanied Director Owen Shuman to the meeting. Mr. Gerath presented a "maintenance budget" which is described as one with only a slight increase in building costs, in part due to construction of a memorial garden paid for by a gift fund which now requires regular maintenance and watering. He noted that the Trustees had asked for an increase of \$60,000 in the amount of tax support for the purchase of books, to take the pressure off some trust funds and an endowment that are for the benefit of Library. The Town Manager has agreed to \$20,000 of this increase. There was some general discussion about the balances in several trust funds and the endowment, as well as estimates of their earning potential. It was also noted that Library revenue from overdue fines is down substantially due to a new reminder system; this affects the Town's estimate of local receipts and the decrease has already been incorporated by the Town Accountant.

Information Technology: Jason Bulger presented his department's request for a level-funded budget for expenses and salary; as well as an increase in the wage line to reflect a full year of new staff (hired part way through this year). He noted that his capital purchase request is similar to the past years, wherein he has been working through a regular replacement and upgrade plan. There was some extended discussion, based on questions from the Finance Committee, about the inability to meet deadlines in part because a new employee, approved last fall, has not been hired yet; and in part because needs in the Police and Fire departments seem to take priority, or are time sensitive due to the receipt of short term grant monies. There was a suggestion that the IT Manager look at hiring short term contractors to help with the backlog; and also to consider whether full time, rather than part time support makes more sense. Mr. DiFranco asked that last year's project planning document be updated, this time with the number of staff hours required to reach reasonable goals. This document is promised within a week or two.

Fire Department: Chief Joseph Bosselait and Lt. Susan Daly presented the Fire Department's budget request for FY 2013. Their primary concern is support for increased full time staff. The Chief explained the Department's goal to achieve coverage from 6 AM to 6 PM at a level of 2 staff members present. Both weekend and night shifts still need more coverage. New hours would help improve responses time for both fire and EMS. The Chief's plan is to fund the new hours using the Ambulance Receipts fund. To verify that the funding plan would work, Lt. Daly and the Town Accountant worked up a 10 year plan, which indicates that the Ambulance fund can cover the cost of new personal as well as fund new equipment. The Town Manager noted that a new fire engine will be covered by the Town's capital plan, rather than ambulance fund.

Land Use: Land Use Director Michelle Collette and Building Inspector Milton (Mike) Kinney presented the Land Use combined departments budgets in general and the building inspection budget in specific. Ms. Collette noted that all budgets are level funded except for union mandated wage/salary increases, building permits seem to be down substantially, and that the new permit management software is nearly operational. It has been installed and all but a few users have been trained. It is assumed that this will create added efficiency in the various departments and speed up the process of obtaining permits. When asked about the effect of added efficiency on the number of staff hours needed, Ms. Collette noted that there would be no effect, or that the decreased workload would be absorbed by other things. As examples, she cited sign permit management, new trench permits, and passport services as tasks done by her departments that might otherwise be shifted somewhere else.

Police: Chief Donald Palma and Lt. James Cullen presented the budget request for the Police Department and the Dispatch Office. There are no substantial changes in the Dispatch budget, pending the results of a contract currently under negotiation. The same is true of the compensation in the Police Department, with two contracts under negotiation. A priority for the Police Chief is the budget request for additional funding to add a fourth sergeant through internal promotion and to increase the total number of patrolmen by one full time officer. To support his requests, the Chief pointed to call activity being increased, though not all calls are in response to criminal activity. The FinCom has asked for more specific information to differentiate criminal calls from others. The Chief noted that most responses are due to “outsiders bringing the crime in” in part because Groton is seen as “easy pickings”; however serious crimes are still at a level of perhaps 1 per month. He further noted that large construction projects in nearby towns (Westford, Littleton) are likely to generate more traffic and more strangers in the Groton area. He has a plan to begin adding to his force now and over the next three to five years in order to be prepared to handle area growth. He also reviewed his capital request to relocate/remodel the locker room.

Highway: DPW Director Tom Delaney presented the budget requests for the departments under his control. He noted that differences are related to union mandated wage increases and that a contract is currently in negotiation. He presented evidence that recycling revenue continues to increase which is good for local receipts. He explained that he had requested new personnel, the cost of which he had hoped to share with the Water Department, but the Water Commissioners declined to participate. He is considering resubmitting that request at some point in the future for his department only. There was some discussion of the positive effect of the mild winter on the snow and ice budget, and the opportunity to use the unspent funds for construction of new salt shed. There is some concern that the cost of construction would exceed the available funds and result in a deficit (or larger deficit) that would require funding on the Recap Sheet. Mr. Delaney was also asked if, while replacing his equipment, if any of the de-commissioned equipment might be useful to the Country Club. Mr. Delaney noted that by the time he replaces his vehicles they are generally not usable anymore.

Mr. Haddad reviewed the current status of the FY 2013 budget while waiting for Mr. Whalen to arrive to present the Country Club budget. He explained that due to favorable budgets from two district schools and some increases in state revenue, the unexpended tax capacity is now greater than \$430,000 and that the tax rate is estimated at \$16.63 per thousand.

Country Club: Manager Robert Whalen reviewed the current year budget status prior to reviewing his request for FY 2013. He noted that the first six months of this year could be described as “disappointing”. Golf, pool, and event revenue are all down; camps this past summer did well. In summary FY 2012 revenue is down substantially and as a result, Mr. Whalen has redrafted his expense requirements with the hope that the year will not end in serious deficit; his current estimate calculates

to about \$5000of deficit at year end. His FY 2013 budget assumes that the operation will hope to “break even” but requires about \$140,000 in capital expenditures to lease golf carts, replace the main pool filter/heater, make improvements to cart paths and fix some drainage issues. He does not intend to change fees to help cover these costs, or to improve operational revenues, so the capital improvements will have to come from the town’s capital fund. Mr. Prager noted that the capital plan calls for similar infusions of cash from the taxpayers for at least the next four years. He asked what the return on that investment would be, or if the club would eventually show a profit. Mr. Whalen does not have a complete answer to either question, although he personally believes the answer to the profit question is a simple “no”. There was extended discussion. Some members of the FinCom believe the town meeting or a ballot question should determine whether the Club should have taxpayer support before deciding the question of how much support is debated.

The meeting was adjourned at 2:10 PM by unanimous vote after a motion from Mr. Crowley and a second from Mr. Green.

Respectfully submitted,

Valerie Jenkins, Recording Secretary