

TOWN OF GROTON FINANCE COMMITTEE

Minutes of Meeting Held June 5, 2012 (Approved 8/07/12)

Selectmen's Meeting Room, Town Hall, Groton, MA 7:00 p.m.

Present: G. Green, R. Hargraves, M. Flynn, S. Webber, P. DiFranco, J. Prager (Chair), P. DuFresne (Accountant in Training, Recording)

Absent: J. Crowley

Guests: Mark Haddad (Town Manager), Don Palma (Police Chief)

Documents available at the meeting: Police Dept. Wage & Salary Expense Analysis
Minutes of Meetings held April 30, 2012
FY12 & FY13 Budget Documents
Proposal to Re-Organize the Financial Offices of 6/4/12

The meeting was called to order by Mr. Prager at 7:05 p.m.

Reserve Fund Transfer Requests- The Finance Committee members reviewed the list of Reserve Fund transfer requests presented to them. Mr. Prager noted that the Police Department had requested additional support of \$22,000 for its FY2012 wage budget. Furthermore, this request comes on the heels of a \$50,000 Line Item Transfer authorized at Town Meeting and another Reserve Fund Transfer in the amount of \$25,000 processed in March of 2012. He wondered why the Department is still spending excessive amounts on overtime now that two new officers have been hired. Mr. Haddad explained that the initial \$25,000 Reserve Fund transfer covered legal expenses that were incurred due to personnel issues, and was not a result of budgetary errors or overtime requests. Mr. Palma added that the Department had experienced an extremely difficult year during which they operated short-handed for 5 months while simultaneously dealing with higher than normal criminal and emergency incidents as well as labor union issues. Now that he has a full complement of officers, Chief Palma feels he does not have to fill every vacant shift. He is therefore confident that overtime expenses will be significantly lower next year. Mr. DiFranco noted that while it is important for the Finance Committee to allow flexibility in this budget due to the unpredictable nature of police operations, it is also necessary to be able to show that the plan to reduce overtime through adding officers is producing the expected results. He would like to see measurable trends in the direction of reduced overtime when this budget is reviewed again next year. Mr. Haddad said that the Police Department has agreed to spend no overtime dollars for the remaining 2 payroll warrants of the fiscal year. The Finance Committee members reviewed the level of overtime funding budgeted for FY2013. Chief Palma reiterated that he believes he will be able to show marked reductions in overtime spending going forward.

Mr. Haddad presented his plan for re-organizing the Financial Departments. He explained that the services offered by the current payroll vendor are inadequate to meet the needs of the Town. An RFP has been released which he hopes will identify a company that can offer a more sophisticated package

for payroll processing as well as time and attendance functions. As a result of his interview with ADP, Mr. Haddad feels that such a package would cost the Town about \$29,000 per year. This can be paid for within the current budget limitations through eliminating and re-organizing certain employee positions (thereby cutting \$13,812 in wage costs) and by utilizing a different vendor for tax collection software (realizing a savings of \$9,272). As the budget already allows for \$7,500 for payroll processing costs, it is possible to fund the new payroll package within the current appropriation. Mr. Haddad concluded by requesting that \$9,000 be transferred from the Reserve Fund to cover estimated start-up costs for the payroll vendor that provides the winning bid. The Finance Committee was concerned about spending \$29,000 annually, and wanted assurance that all available vendors and packages were to be considered. Mr. Haddad stressed that an RFP had been properly advertised and made available to all interested contenders. Also, he agreed to ask the IT Director (Jason Bulger) to research any small, upstart companies that could offer technologically advanced packages at reasonable prices with the object of further increasing the competitive nature of the process. Mr. Webber mentioned the importance of undertaking periodic technology upgrades in order to maintain efficient and accurate operations. Mr. Haddad agreed that the largely "manual" payroll system that is in place now is burdensome to individual department heads as well as to the Financial Offices, and results in inaccuracies and inconsistencies in payroll processing. Mr. Hargraves asked whether electronic time clocks would be utilized in the new system, and if so, how extensively. Mr. Haddad replied that the current plan involves using time clocks for the DPW, the Pool & Golf Center, and Public Safety Building. Other Town departments might benefit from some form of computer-based login to track employee hours. Mr. DiFranco added that he has long been a proponent of converting the various departments to single platform operations as much as possible. When all groups use the same system for a single function it provides improved management tools for comparability and reporting purposes.

The Following Reserve Fund Transfer Requests for FY12 were voted as follows:

<u>Line Item to Increase</u>	<u>Amount</u>	<u>Moved</u>	<u>Seconded</u>	<u>Vote Result</u>
Veterans Benefits	\$ 5,200	Mr. Prager	Mr. Flynn	Carried 7-0-0
<i>(Higher than expected caseload)</i>				
Fire Dept Salaries	\$ 250	Mr. DiFranco	Mr. Flynn	Carried 7-0-0
<i>(Longevity payment)</i>				
Accounting Wages	\$ 13	Mr. Hargraves	Mr. Flynn	Carried 7-0-0
<i>(Leap Year wages)</i>				
Assessor Salaries	\$ 250	Mr. Hargraves	Mr. Flynn	Carried 7-0-0
<i>(Longevity payment)</i>				
Police Wages	\$22,000	Mr. Hargraves	Mr. Flynn	Carried 7-0-0
<i>(Overtime expenses)</i>				
Dog Officer Exp.	\$ 530	Mr. Hargraves	Mr. Flynn	Carried 7-0-0
<i>(Vet bill for unclaimed dog)</i>				

Treasurer Wages \$ 150 Mr. Hargraves Mr. Flynn Carried 7-0-0
(Additional staff hours needed)

Treasurer Expense \$ 9,000 Mr. Webber Mr. Hargraves Carried 7-0-0
(Payroll vendor start-up costs)

Approval of Meeting Minutes – The committee members reviewed the meeting minutes from April 30th. It was determined that Mr. DiFranco was incorrectly listed as being absent. Ms. Dufresne agreed to correct this information.

On a motion by Mr. Webber, seconded by Mr. Hargraves, the Finance Committee voted unanimously to approve the minutes of their meeting of April 30, 2012 (Annual Town Meeting) as amended. The Vote: 7-0-0

Mr. Prager adjourned the meeting of the Finance Committee at 7:50 pm.

Respectfully submitted,

Patricia Dufresne, Recording Secretary