

TOWN OF GROTON FINANCE COMMITTEE

Minutes of Joint Public Hearing Held September 16, 2013

Finance Committee & Board of Selectmen

Town Hall, 1st Floor Meeting Room, 7:30 p.m.

Present for Finance Committee: R. Hargraves, S. Webber, G. Green, J. Prager (Chair), P. DuFresne (Town Accountant, Recording)

Absent: P. DiFranco, Joe Crowley

Documents available at the meeting: Town Manager's FY14 Budget Adjustment Memo
Fall Town Meeting Warrant – 9/13/13 Draft

Mr. Prager called the meeting to order at 7:30 p.m.

Summary of Discussion on Town Meeting Warrant Articles:

Article 1- Prior Year Bills – No Discussion

Article 2- FY14 Town Budget Amendments – Mr. Haddad drew the group's attention to the FY14 Budget Adjustment memo (revised version of 9/16/13). He explained that the amount requested for Police Department wages had been decreased from \$120,000 to \$80,000 while an analysis of the budgeting process is completed. He informed the board members of his plan to hire additional accounting support (15 hours per week) for this department to assist them in budgeting and tracking/processing of payroll. This new position may require a Reserve Fund transfer of approximately \$4,500 for FY14.

Mr. Prager expressed concern regarding the request to increase hours for one position in the Town Clerk's office. He recognizes that this adjustment (from 19 hours per week to 20 hours per week) has been proposed in the past; however, it is a very expensive proposition in terms of the cost of providing health insurance benefits. Employees understand the rules governing benefitted and non-benefitted positions when they accept their jobs; there is no reason to expose the Town to the cost of an additional benefit package at this time. Also, if a change is made to increase the hours of this position solely to make it benefits eligible, why wouldn't the other part-time employees of the Town demand the same treatment? Perhaps it would make more sense to have a single full-time position in the department rather than two part-timers. Mr. Bouchard (Town Clerk) replied that while he does not dispute the added expense, the flexibility gained from having two staff members is important from a management perspective. Also, it is crucial for office morale that there is equity maintained between these two positions that perform an identical function. Mr. Petropoulos agreed with Mr. Prager saying that he could not justify the added cost without some proof of an incremental benefit to the Town. Mr. Haddad noted that the extra hour in this position was eliminated somewhat arbitrarily a few years ago, and this request simply seeks to restore it. Mr. Prager noted that the decision to reduce that hour was most

likely a good one as the Town Clerk's office has been performing admirably ever since. Also, if the goal is to provide equity between the positions, why not consider making both positions 19 hours per week instead of 20? Mr. Schulman said he believes that the two employees should be entitled to the same benefits if they perform the same duties. Mr. Cunningham and Mr. Haddad agreed that it was time to let Town Meeting make the final decision on this issue.

Mr. Gerath informed the group that he was seeking to add an hour to the position of Young Adult Librarian. The Library is planning to expand the young adult program and they feel that even though 19 hours per week was sufficient in 2006, 20 hours per week is now necessary, and this number will probably continue to increase as the library invests in the young adult program. He reminded the board members that this is a professional position with specific skill requirements. Mr. Gerath is also recommending that the position be re-graded from grade 7 to grade 8; this will put it in line with the other current librarian positions. He stressed the importance of offering benefits in order to retain qualified staff members. Mr. Prager felt that this situation was sufficiently different from that of the Town Clerk's office to warrant approval. He cautioned that it might be time to start looking at consolidating some 20 hour per week positions into 40 hour per week positions. Hiring part-timers provides an opportunity for the hours (and therefore benefit costs) to creep up over time. Ms. Eliot replied that certainly no 19 hour positions should ever be offered going forward.

Article 3 – Transfer to Capital Stabilization – No Discussion

Article 4 – Transfer to Stabilization - No Discussion

Article 6 – Purchase of Police Cruisers – Mr. Haddad explained that a 2010 marked cruiser was recently totaled; the insurance reimbursement will cover approximately \$22,000, but the remainder (about \$20,000 will have to be appropriated). The Police Chief would also like to purchase an unmarked cruiser at this time (approximately \$30,000). This purchase is being requested "off-cycle" because the delay in delivery of new vehicles has caused excessive mileage (and therefore increased maintenance costs) on those line vehicles scheduled for replacement. This purchase will bring the Department's fleet replacement program back on track.

Article 7 – Improvements to Town Properties – Laurie Smigelski explained that the Parks Commission has requested an additional \$50,000 for FY14 in order to make capital improvements on existing properties. The warrant article summary includes a list of projects under consideration for this funding, however, Ms. Smigelski stressed that this request is only the beginning of a plan to build incremental increases into the budget over a span of several years. Some of the funding needs are safety related, some aesthetic, and some practical. The reliance on volunteerism for maintaining playing fields was noted. Mr. Prager would like to see a more realistic budget estimate put together for FY2015.

Article 8 – Mosquito Control Project – This project involves a 3-year commitment of \$73,000 per year (for a total cost of \$219,000). If approved at Town Meeting, the cost will be added to the Town's Cherry Sheet charges beginning in FY2015. Mr. Cunningham mentioned that the Town has participated in this program in the past, although it is now much improved with a safer and more targeted delivery system.

Articles 9,10 & 11 – Lost Lake Fire Protection Improvements – Mr. Haddad explained that the purpose of these three articles is to seek approval from the Town to spend \$103,000 from Free Cash to design up to three fire protection solutions for the Lost Lake area. Should these articles be funded, he plans to come

back to Town Meeting in the spring with bids in hand to seek funding for the construction portion of the project (estimated at approximately \$1.2 million). He added that it was necessary to design three separate solutions due to the challenging topography of the neighborhood. The improvements include installing a single dry hydrant, constructing two (2) fire cisterns, and extending two municipal water mains. Mr. Prager noted that any water main extension in the area should be capable of delivering potable drinking water (not only fire protection water). Mr. Orcutt replied that the proposed water main extensions could be tapped for drinking water purposes at a later time, although the current focus of the committee was to improve fire protection services. Mr. Green wondered why this portion of Town had been singled out as the most in need. Mr. Haddad explained that it seemed appropriate to concentrate on the most densely settled neighborhoods first. He added that the Town was fortunate that the recent structure fire in the area did not end up spreading to neighboring houses. Mr. Petropoulos asked whether the house involved in that fire event could have been saved if the proposed improvements had already been in place. Chief Bosselait replied that because the fire there had been smoldering for several hours before the Fire Department was notified, it was unlikely that the outcome would have been any different. That fire did, however, underscore the difficulty of fighting fires in the Lost Lake area, which in turn made it a target for this study. Mr. Prager felt that the entire Town should be analyzed to make sure that fire protection improvements will be directed to the most vulnerable area first.

Articles 12 – 128 Main Street Concept Plan – No Discussion

Articles 13 through 16 – Squannacook Hall Zoning/Concept Plan/Septic/Sale – No Discussion

At this point in the meeting (8:35 p.m.), the Finance Committee adjourned to the 2nd Floor Lunch Room at Town Hall to continue discussing the Town Meeting Warrant and proposed budget amendments.

The Finance Committee votes with respect to the FY14 Proposed Budget Amendments and the Fall Town Meeting Articles are attached (see Appendix A & B). Highlights of the discussion are presented below:

FY14 Budget Amendments – The Finance Committee members discussed the relatively large number of articles having a financial impact that are included on the Fall Town Meeting warrant. Mr. Prager in particular would like to see financial articles included with the Spring Town Meeting warrant when the residents can consider these items in context with the Town Budget. He was also concerned about whether “gratuitous wage increases” were more in evidence. Mr. Webber suggested that the Finance Committee should make a public statement asking that financial requests should be made only on the Spring Town Meeting warrant except in emergency situations.

Police Wage Amendment- The committee members discussed the possible reasons why the Police Wage budget is consistently underestimated. Mr. Webber mentioned the high number of unforeseen events that the department must deal with each year. Mr. Prager would like to see an in-depth analysis of each earnings category done to establish a true baseline budget reflective of several years of actual expenses. The trends can then be analyzed, and a more accurate budget plan can be developed. The Police Chief can then manage shift coverage throughout the year against this plan. Payroll expenses must then be tracked all year long at this level of detail. If this is done properly, transfers from the Reserve Fund will be necessary only for true emergencies and unforeseeable events, rather than ongoing budgeting anomalies.

Town Clerk Wage Amendment – Mr. Prager felt it would be useful to establish a benchmark for determining the number of employee benefits packages that should be available in any one department. He suggested adding the total number of service hours provided to the Town by each employee in the department, and then dividing that total by forty (40). The result is the number of benefits packages that should be charged to the Town. Mr. Webber noted that it is an established fact that providing benefits allows employers to attract and retain high-quality employees. Mr. Green and Mr. Webber discussed the argument that two staff members allows for flexibility and makes the department easier to manage than it would be with a single staff member. Mr. Green would like to see a list of all part-time positions and the number of weekly hours assigned to each.

Article 7: Improvements to Town Properties – Mr. Webber would prefer to see this request submitted as part of the overall Parks budget. Mr. Prager added that the request would be easier to approve if there was greater specificity regarding the amounts to be spent for individual improvements. The members asked that the Parks Commission be invited to the next Finance Committee meeting so that they could provide additional detail about their \$50,000 request, and offer their plans regarding future budgeting. The Finance Committee took no position on this article at this time.

Articles 9, 10 & 11: Fire Protection at Lost Lake – Mr. Prager would like additional clarification on whether drinking water delivery to Lost Lake will be optimized with this solution. Additionally, it has not yet been shown that this neighborhood is the most vulnerable in terms of fire protection. Perhaps that study should be completed before the Town designs the solution for Lost Lake. The members asked that the Lost Lake Fire Protection Committee be invited to the next Finance Committee meeting to answer additional questions including: What number of residences would be protected by these solutions? Will the water main extensions provide drinking water delivery, and if so, to how many residences? The Finance Committee took no position on this article at this time.

Approval of Meeting Minutes –

On a motion by Mr. Webber, seconded by Mr. Hargraves, the Finance Committee voted unanimously to approve the regular meeting minutes of September 10, 2013 as drafted. The Vote: 4-0-0

On a motion by Mr. Webber, seconded by Mr. Hargraves, the Finance Committee voted unanimously to approve the executive session meeting minutes (a & b) of September 10, 2013 as drafted. The Vote: 4-0-0

Mr. Webber moved to adjourn the meeting at 9:55 p.m. Mr. Hargraves seconded and the motion carried by unanimous vote. The Vote: 4-0-0.

Respectfully submitted,

Patricia Dufresne, Recording Secretary