

TOWN OF GROTON FINANCE COMMITTEE

Minutes of Regular Meeting Held June 17, 2014

173 Main St., Town Hall, 7:00 p.m.

Present for Finance Committee: J. Prager (Chair), R. Hargraves, S. Webber, B. Robertson, D. Manugian, G. Green (Vice Chair), Joe Crowley, P. DuFresne (Town Accountant, Recording)

Absent: None

Guests: None

Documents available at the meeting: FY2013 OPEB Summary of Results
2012 Town Financial Policies
Dept. Reserve Fund Transfer Requests

Mr. Prager called the Finance Committee meeting to order at 7:00 p.m.

Reserve Fund Transfer Requests – The committee members discussed and voted the following requests:

On a motion by Mr. Webber, seconded by Mr. Manugian, the Finance Committee voted unanimously to approve a Reserve Fund Transfer in the amount of \$158.44 to the FY14 Police Salaries budget line. This amount is needed to fund an increase in the longevity benefit for an employee who joined the AFSCME Union. The Vote: 7-0-0

On a motion by Mr. Webber, seconded by Mr. Manugian, the Finance Committee voted unanimously to approve a Reserve Fund Transfer in the amount of \$12,500 to the FY14 Police Wages budget line. This amount is needed to fund emergency overtime expenses incurred during the year. The Vote: 7-0-0

On a motion by Mr. Webber, seconded by Mr. Hargraves, the Finance Committee voted in the majority to approve a Reserve Fund Transfer in the amount of \$16,389.51 to the Fire Salaries budget line. This amount is needed to fund the accrued vacation liability owed to the retiring Fire Chief. The Vote: 6-1-0

On a motion by Mr. Webber, seconded by Mr. Manugian, the Finance Committee voted unanimously to approve a Reserve Fund Transfer in the amount of \$4,168.25 to the Country Club Salaries budget line. This amount is needed to fund the accrued vacation liability owed to the General Manager following his resignation. The Vote: 7-0-0

On a motion by Mr. Green, seconded by Mr. Robertson, the Finance Committee voted unanimously to approve a Reserve Fund Transfer in the amount of \$7,500 to the Unemployment Compensation budget line. This amount is needed to fund higher than expected unemployment claims during the latter part of the year. The Vote: 7-0-0

On a motion by Mr. Green, seconded by Mr. Robertson, the Finance Committee voted unanimously to approve a Reserve Fund Transfer in the amount of \$7,600 to the Town Manager's General Expense budget line. This amount is needed to fund the Assessment Center consultant costs incurred during the hiring process for the new Fire Chief. The Vote: 7-0-0

On a motion by Mr. Webber, seconded by Mr. Manugian, the Finance Committee voted unanimously to approve a Reserve Fund Transfer in the amount of \$2,120 to the Town Manager's General Expense budget line. This amount is needed to reimburse Tarbell LLC for the cost of the asbestos report ordered before the P&S agreement was cancelled. The Vote: 7-0-0

The committee members discussed the difficulty of accurately estimating the cost to the Town of maintaining vacant public buildings. They suggested that the Town Accountant should work with the Town Manager and the DPW Director to find a way to budget and report these expenses going forward. Ms. Dufresne agreed to look into establishing a method for tracking these costs more clearly in the general ledger.

Approval of Meeting Minutes –

On a motion by Mr. Webber, seconded by Mr. Hargraves, the Finance Committee voted in the majority to approve the regular meeting minutes of April 28, 2014. The Vote: 5-0-2

Special Town Meeting – The committee members briefly discussed whether it would be appropriate to take a position on the single article currently under consideration for the Special Town Meeting scheduled for 6/30/14. This article concerns whether or not to adopt a non-binding resolution opposing an expansion of the Tennessee Gas Pipeline through Groton. The group felt that given the relative dearth of information about the project as well as a lack of clear financial implications for the Town as a whole, they would not take a position at this time.

On a motion by Mr. Robertson, seconded by Mr. Hargraves, the Finance Committee voted unanimously to make no recommendation on Article 1 (Non-Binding Resolution) of the Special Town Meeting Warrant. The Vote: 7-0-0.

Financial Policies Approval – The Town Manager has requested that the Chairman of the Finance Committee add his signature officially approving the 2012 revisions to the Town of Groton Financial Policies document. Mr. Robertson noted that page #19 was missing from his copy of the policy. Ms. Dufresne replied that page #19 was missing from the official document as well; she will try to find the missing page and add it back in. Mr. Prager noted that he is still opposed to making the very expensive commitment to funding the OPEB liability when there is no demonstrable reason to do so. He does not

understand how taking this money out of the economy as a whole will benefit anyone in the long run. He also has concerns with the debt management section of the policy (specifically related to recommendations that would artificially limit the municipal debt). Mr. Green noted that the policy should have been reviewed again in 2014. Since that review never took place, the Finance Committee is being asked to endorse a document that may already be outdated. Mr. Prager suggested that in future, the Finance Committee should not be asked to endorse the policies of the Board of Selectmen. After a brief discussion, the members felt that the policy should be reviewed this summer and once updated, the FinCom would consider again whether or not to officially approve the document.

Mr. Prager said that it had been a pleasure working with the other FinCom members and serving on the committee. Mr. Green thanked Mr. Prager and Mr. Webber for their long-time commitment to the Finance Committee and for sharing their wisdom and expertise over the years.

Next Scheduled Meeting: The Finance Committee agreed to meet on 7/14/14 at 7:00 p.m. (in attendance at the Board of Selectmen's meeting) in order to vote jointly with the BOS any year-end line item transfers that may be needed to close out the Fiscal Year.

Mr. Prager officially adjourned the meeting at 7:50 p.m.

Respectfully submitted,

Patricia Dufresne, Recording Secretary