

TOWN OF GROTON FINANCE COMMITTEE

Minutes of Regular Meeting Held September 29th, 2014

Selectmen's Meeting Rm & 1st Floor Conference Rm

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

Present for Finance Committee: R. Hargraves (Vice Chair), B. Robertson, G. Green (Chair), Barry Pease, Mark Bacon, Art Prest, D. Manugian, P. DuFresne (Town Accountant, Recording)

Present for Board of Selectmen: A. Eliot, J. Degen (Chairman), P. Cunningham, S. Schulman, J. Petropoulos (attending remotely), D. Dunbar (Executive Assistant), and M. Haddad (Town Manager)

Absent: None

Guests: Mr. Scott Harker

Documents available at the meeting: 9/24/14 Draft Fall Town Meeting Warrant
Mosquito Control Memo of 9/25/14
9/24/14 Draft Article Pipeline Legal Fund
Lost Lake Watershed Advisory Committee Plan

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

Reconsideration of Mosquito Control Article – Mr. Haddad said that in light of preliminary school district budget information, he would like the BOS to consider removing the article authorizing participation in the Mosquito Control Program beginning in the spring of 2015. The School Superintendent has indicated that the district may be seeking a 3.9% increase over last year's assessment. Additionally, the Town will be bargaining with all of its labor unions this year; therefore, he would recommend delaying participation in this program until spring of 2016. Mr. Degen felt that because this request was approved at a previous Town Meeting, and rescinded with a promise that it would be reinstated as soon as fiscally possible, the article should remain on the warrant. This is a time-sensitive program that must be approved now if treatment is to begin in the spring. Mr. Cunningham agreed that it should remain on the warrant and be decided by the voters even though he intends to speak against it. He is not convinced of the value of the program at this time. Mr. Petropoulos believes that the BOS should decide when the time is right to bring this back before Town Meeting, especially as individual property owners can take the initiative for mitigating the mosquito problems on their own. He would like to see this considered in the spring within the context of the larger budget picture. Mr. Haddad reminded the board members that the Town holds two meetings per year specifically for the purpose of maintaining budgetary flexibility. Mr. Schulman agreed that it is appropriate to use the fall meeting for this purpose. He asserted that the goal for the FY16 budget should be to find the funds necessary to meet the school's needs. The Town should take a hard look at new increases and increases to recurring expenses. Mr. Webber (representative of the Board

of Health) said that the BOS should honor their commitment to bring this article back to Town Meeting. While he understands that financial priorities change over time, the voters should be allowed to make this decision. The Board of Selectmen agreed to leave the article on the Fall Town Meeting Warrant.

Creation of a Kinder Morgan Pipeline Legal Fund – Mr. Haddad presented a proposed warrant article that would authorize \$50,000 be spent from Free Cash in order to provide for legal representation as the pipeline project moves forward. Mr. Petropoulos believes that the Town may be willing to reserve funds for a larger legal battle if a potentially successful challenge could be identified. He added that he had previously spoken with the chairman of the Finance Committee and they had structured the spending authorization in such a way as to protect Town interests (i.e. expenditures would require a 4/5 vote of the BOS and include a 10-day ratification period). He hopes that other Towns will follow the example of Groton and establish their own pipeline legal funds. Mr. Cunningham was concerned that \$50,000 will not provide much legal representation if other Towns do not become involved. He would advocate using the current legal budget supplemented by a Reserve Fund or Line Item transfer necessary. Mr. Schulman believes that the spending restrictions in this draft of the article are too cumbersome to be practical. He added that the coalition of Towns that is working to halt the pipeline has not yet considered this idea, although it will do so soon. Ms. Eliot feels that it is inappropriate to bring this up at the Fall Town Meeting as it is very clearly a political issue. Mr. Degen and Mr. Hargraves agreed that this proposal is premature at this point and not a valid use of taxpayer resources. Mr. Campbell asked whether any other communities have chosen to reserve legal funds for this purpose. Mr. Schulman said that he was not aware of any. Mr. Petropoulos replied that the point of the article was to initiate such an effort. Mr. Robertson expressed concern about committing funds before any kind of legal strategy has been put into place. Mr. Schulman agreed that it is too early to tell what the legal implications will be; he recommended leaving time for the coalition to develop a strategy and perhaps bring it back for the spring town meeting. Mr. Hargraves suggested seeking approval through a ballot vote. Mr. Haddad said it would have to be a non-binding vote, as only Town Meeting can appropriate funds.

Policy for Release of Executive Session Minutes – Mr. Petropoulos would like to see Town Counsel more involved in review of executive session minutes. Mr. Degen disagreed saying that the BOS has a policy in place regarding personal information contained in executive session minutes. Mr. Petropoulos believes that the policy should not arbitrarily prevent release of all such minutes, it should be more nuanced and decided on a case by case basis. Mr. Cunningham suggested that the Clerk for the BOS should take responsibility for review of executive session minutes going forward.

Warrant Update - Mr. Haddad explained that Articles 13 & 14 concerning the sale and rezoning of the Tarbell School were to be withdrawn from the warrant. Attorney Collins and his client have decided to work on refining their offer, and will postpone the request until the spring.

At this time (7:55 pm), the Finance Committee relocated to the 1st Floor Conference Room to reconsider their positions on various warrant articles and to discuss other business as listed on the meeting agenda.

Mosquito Control Program – Mr. Green asked whether the Finance Committee members wished to change their opinion on the mosquito control article given the discussion at the BOS meeting this evening. Mr. Bacon said that while he is sensitive to the fact that this may not be the best time to bring the article back, he feels that the residents are prudent and will make an intelligent decision if given accurate budget information. The members were comfortable with the position taken on September 22nd, and decided not to take new vote.

Kinder Morgan Pipeline Legal Fund – The BOS did not place the proposed article on the warrant, therefore, the Finance Committee chose not to vote their position on this issue. Mr. Green reminded the members that the Finance Committee has control over the Reserve Fund, which is only to be used for extraordinary and unforeseen expenses. Pipeline legal fees may not meet those criteria.

GDRSD Preliminary Budget Request – Mr. Robertson briefly summarized the information he received during the Tri-Board Committee meeting on 9/24/14. He felt that the Superintendent and the Business Manager did a very good job presenting the district's FY15 budget performance thus far, as well as the forecast through the end of the year. He appreciated their focus on school district controllable versus uncontrollable variables (as these tend to differ from municipal budgeting variables). He noted that their largest concern is, as always, special education impacts. At this point, the district is on track to finish the year within budget. Superintendent Rodriguez has provided a preliminary budget request for planning purposes that is largely a maintenance budget with some additions that she considers high priority or safety issues. This budget as presented will cost Groton an additional 3.91% over last year's assessment. The FY17 forecast should be available in the spring. Mr. Hargraves credited the new Superintendent with professionalizing the school district's budget and finance function.

Lost Lake Watershed Advisory Committee Update – Mr. Prest distributed the completed Committee Plan which includes the new charge assigned by the Board of Selectmen (referenced document is available as a supplement to these minutes). He added that he has recently taken over as chairman of that committee. The specifics of the plan as presented were approved and finalized by the LLWAC at the last meeting with the exception of the final three steps (7, 8 & 9). Mr. Green asked how this plan will achieve a better result than previous efforts. Mr. Prest replied that they will be studying the entire watershed, not just testing the deepest part of the lake. He feels that there is a more cost-effective approach to dealing with this issue than through building a sewer system around the lake. The study his committee is proposing will be less expensive and the results more valid than previous studies (partly because they will not choose a consultant who is committed to building a sewer system). Mr. Prest feels that the LLWAC can complete their charge with a budget of only \$32,000 (\$15,000 to be requested at Town Meeting and \$17,000 encumbered from previous funding).

Sale or Lease of Prescott School – Mr. Harker felt that a better price could be obtained for the Prescott building if the Selectmen were to set a "bottom line" figure rather than asking for proposals. Mr. Green replied that the Town is tied to the municipal procurement laws pertaining to disposition of assets and there are certain ways that requests for proposals and bids must be formulated. Mr. Prest noted that the fact that few bids have ever been received for that property indicate a relatively low market value. Mr. Harker would like to try another bid cycle and include the value of the land as an established minimum price. He feels that this will increase the "psychological" value of the property as a whole and result in higher bids. Mr. Manugian mentioned that, as with the Tarbell building, any price received that would at least cover the cost of demolition could be considered profitable.

Electronic Voting Study Committee – Mr. Harker explained that he is seeking unofficial endorsement from the Finance Committee for this effort. He feels that issues regarding intellectual property rights may have a budgetary impact at some point in the future. Mr. Green noted that the committee members include a representative from Town Counsel. Mr. Harker feels that Town Counsel will be necessary for review of contracts, among other things, but that the committee can make a decision regarding how best to define that role (so as to minimize legal expenses). Mr. Pease mentioned that the Town Manager had previously

indicated that these types of legal expenses would be covered by the monthly retainer. The Finance Committee members decided that while they generally support this article, they cannot take a position at this time as the financial impact has yet to be determined.

Approval of Meeting Minutes –

On a motion by Mr. Pease, seconded by Mr. Hargraves, the Finance Committee voted in the majority to approve and release the meeting minutes of September 22nd, 2014. The Vote: 6-0-1

On a motion by Mr. Prest, seconded by Mr. Hargraves, the Finance Committee voted unanimously to approve the meeting minutes of September 15th, 2014. The Vote: 7-0-0

On a motion by Mr. Hargraves, seconded by Mr. Manugian, the Finance Committee voted in the majority to release the previously approved executive session minutes of September 10th, 2013. The Vote: 6-0-1

Presentations at Town Meeting: Mr. Green explained that should the Finance Committee be specifically asked for their opinion on an article during Town Meeting, it would be necessary for one of the members to be ready to field such questions. The committee members discussed who would be best suited to speak on each issue and a list was prepared for use by the Moderator at Town Meeting.

Mr. Green officially adjourned the meeting at 8:45 p.m.

Respectfully submitted,

Patricia Dufresne, Recording Secretary