Tuesday, September 6, 2016: 7:00 p.m.
Second Floor Meeting Room, Town Hall
173 Main St. Groton, MA

Present for Finance Committee: G. Green (Chair), R. Hargraves (Vice Chair), Art Prest, D. Manugian B. Robertson, L. Leonard

Absent: None

Also Present: P. Dufresne (Recording Secretary), K. Shelp (COA Director), M. Kheosian (Feasibility Oversight Committee), G. Faircloth (Feasibility Oversight Committee), P. Cunningham (BOS/Feasibility Oversight Committee), B. Pease (BOS), J. Anderson (Resident)

Documents available at the meeting: RFT Request – Building Department Wages
Draft FY16 Fall Town Meeting Warrant
Draft RFP for Town Operational Audit

Mr. Green called the meeting to order at 7:01 p.m.

Approval of Minutes:

On a motion by Mr. Robertson, seconded by Mr. Manugian, the Finance Committee voted in the majority to approve and release the minutes of 7/12/16 as drafted. The Vote: 5-0-1 (Ms. Leonard abstained as she was not present for that meeting).

On a motion by Mr. Hargraves, seconded by Mr. Robertson, the Finance Committee voted in the majority to release the previously approved executive session minutes of 3/24/16 as drafted. The Vote: 4-0-2. (Ms. Leonard and Mr. Manugian abstained as neither was present at that meeting).

Senior Center Building Design – Mr. Kheosian provided a timeline for the project and updated the FinCom members as to the current status. He explained that the spring town meeting had appropriated $40,000 for the feasibility study. Reinhardt & Associates was hired, and after performing an extensive analysis, they have recommended constructing on the site of the current senior center (rather than at the Country Club or the Prescott School). A final decision has not yet been made whether to renovate the old structure or to build a new one. However, the substantial challenges involved with renovating this building may encourage the committee to focus on new construction. Mr. Kheosian said that approximately $300,000 would be requested at the upcoming fall town meeting specifically for building design. Once this work is accomplished, the town will have reliable numbers to work with as the committee attempts to move the project forward. He intends to have final numbers in hand (as well as a full design) in time for the FY17 spring town meeting, when construction costs would be appropriated. Focus groups and open-invitation
meetings will be offered at appropriate intervals to keep residents informed of all the latest project details. Mr. Robertson expressed concern that any funds spent on design would have been squandered if the construction bids received later are too high. Mr. Kheosian suggested setting construction cost parameters as part of the design request. Mr. Hargraves wondered if the final structure would be single-story. Ms. Shelp replied that the first conceptual design is all on one level; however, renovation of the existing building would lead to a multi-level structure. Mr. Green noted that both the Fire Chief and Police Chief have advocated for using the new building as a full evacuation center. This would lead to additional equipment costs (generators, sleeping quarters, showers, etc.). Mr. Green mentioned that given the current financial situation in town, he is not convinced that Groton can afford to take on this type of construction project. Mr. Hargraves asked whether any state funding sources might be available. Ms. Shelp felt that state funding was unlikely, but options such as FEMA or private funding could be explored. She added that the completed feasibility study would be available online very soon. Mr. Green encouraged the Finance Committee members to avail themselves of this report and formulate additional questions for the Feasibility Oversight Committee prior to town meeting.

**GDRSD Sustainability Committee:** Mr. Green said that while Mr. Robertson had been acting as the FinCom’s temporary designee to this committee, he would entertain nominations for a permanent designee at this time. Mr. Prest nominated Mr. Robertson as the permanent designee and Mr. Manugian seconded the nomination. Mr. Robertson said he would be willing to serve in this capacity.

**The Vote: 5-0-1 (Mr. Robertson abstained)**

**Finance Committee Goals & Objectives:** Mr. Prest noted that the FinCom would be tasked with analyzing the final recommendations from the Sustainable Budget Committee. After a brief discussion, the group decided to meet jointly with the Sustainable Budget Committee (in order to get an understanding of their financial models and recommendations) prior to meeting with the BOS to set FY18 budget goals. Mr. Manugian expressed concern about the long-term impacts of personnel contracts. Mr. Robertson replied that the SBC is analyzing this expense category. Additionally, the proposed operational audit should compare Groton’s personnel contracts to those in similar towns. He noted that a difficult challenge going forward will be to determine how to allocate new resources between the municipal and school district budgets. Mr. Green said that it was crucial to have realistic 5-year (or at the least 3-year) budget plans for Groton, Dunstable and the GDRSD before attempting to present the FY18 budget at the spring town meeting. Mr. Robertson agreed and added that all entities must come to an agreement on how (or whether) to share in override attempts going forward. The operational audits will provide a baseline budget from an independent entity which should aid this process. Mr. Green offered to contact the Town Manager and the Chairman of the BOS to settle on the next two meeting dates.

**Filling of Vacancy on Finance Committee:** Mr. Green said that in light of Mr. Bacon’s recent resignation, the Finance Committee should solicit interest via their website through 9/30/16. He stressed the importance of having a replacement member on board before the FY18 budget discussions begin in earnest. He suggested that all current members personally reach out to anyone they feel might be a qualified candidate.

**Reserve Fund Transfer Request:** The members briefly discussed the request from the Town Manager for $1,040 to support the Building Inspector Wage line for FY17. This amount is needed to provide part-time coverage for one month while the full-time inspector is out on leave. Mr. Green noted that he prefers that these requests be made closer to the end of the year. This gives the Department Head a chance to
trim expenses and make up the budget shortfall. Ms. Dufresne replied that the Town Manager is very confident that this budget will run into a deficit without the coverage requested.

**On a motion by Mr. Hargraves, seconded by Ms. Leonard, the Finance Committee voted unanimously to transfer $1,040 from the Reserve Fund to the Building Inspector Wage line for FY17. The Vote: 6-0-0**

**Town Operational Audit Draft RFP:** The members reviewed the draft RFP (prepared by the Town Manager) for an operational audit. Mr. Robertson noted that the Sustainable Budget Committee had previously reviewed this document and had added a few deliverables. The cost has been estimated to be approximately $45,000. Ms. Leonard mentioned that the items listed under Section G were incorrectly numbered. Mr. Prest offered to forward a copy of the school district’s own audit RFP to the FinCom for comparison.

**FY17 Fall Town Meeting Warrant Draft:** The members read through each article listed on the draft warrant, noting the likely financial impact of each:

1. Prior Year Bills: Stanley Elevator $291
2. FY17 Budget Adjustments: Police Department Salaries $9,000
3. Transfer to Capital Stabilization $389,000
4. Transfer to General Stabilization: None
5. Offset of Tax Rate: up to $200,000
6. Transfer to Water Enterprise: Not discussed
7. Local Room Occupancy Tax: $150,000 potential revenue. The members briefly discussed the fact that the Board of Selectmen were currently divided on this issue. Mr. Pease said that the developers of the Groton Inn would be attending the BOS meeting next week to discuss the impact of acceptance of this local option on that project. Mr. Prest mentioned that most communities contiguous with Groton already charge this tax.
8. Design Funding for a New Senior Center: Estimated to be $300,000. Mr. Pease noted that he would not support funding of this amount from Free Cash; he suggested a BAN instead. Mr. Green said that the Town Manager plans to finance the construction by replacing excluded debt that is set to retire in 2019. He reiterated that as the town will be struggling with annual budget deficits for the foreseeable future, he is not convinced that this is the right time to take on a new construction project. An override plus excluded debt is more expensive than just an override. He would like to see a 5-year plan.
9. Accept MGL Chapter 200A, Section 9A: Not discussed
10. Purchase of Police Chief Vehicle: Estimated at $40,000. The members briefly noted that this provision was included as part of the newly negotiated contract for the Chief.
11. Automatic Door Openers for Town Hall: Estimated at $10,000
12. Municipal Operational Audit: Estimated at $45,000
13. GDRSD Operational Audit: Estimated at $80,000
14. Replacement of Boiler at Florence Roche: Estimated at $80,000. Mr. Pease noted that as Groton owns this building, there would be no cost to Dunstable.
15. Scale at Transfer Station: Estimated at $10,000 to $12,000. The DPW Director has an opportunity to purchase this item at a significant discount, and feels that it may improve transfer station revenues. Fees that have been charged by estimating the weight of a truckload, have most likely been underestimated, and will be more accurately collected if a scale is used.
16. Williams Barn Improvement: $36,382. Mr. Pease explained that this CPC proposal is being accepted out of cycle as it is considered a priority repair to the structure.

Other Business: Mr. Prest informed the members that the Groton Board of Trade will be hosting a presentation by the Indian Hill Music Center regarding the details of their construction plan in Groton. This meeting will take place later in the month of September, and members who are interested in attending might want to alert the GBOT.

*Mr. Green officially adjourned the meeting at 8:40 p.m.*

Respectfully submitted,

Patricia Dufresne, Recording Secretary