

# TOWN OF GROTON FINANCE COMMITTEE

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*Tuesday, July 11, 2017: 7:00 p.m.  
Selectmen's Meeting Room, Town Hall  
173 Main St. Groton, MA*

**Present for Finance Committee:** D. Manugian B. Robertson (Vice Chair), A. Prest, L. Leonard, J. Sjoberg

**Absent:** G. Green (Chair), R. Hargraves

**Also Present:** C. Sartini (Groton Herald), P. Dufresne (Town Accountant/Recording Secretary), B. Lyman, S. Whitefield (candidates for vacant seat), M. Gilbert (GDRSD School Committee)

**Documents available at the meeting:** FinCom Candidate Resumes & Interest Forms  
Reserve Fund Transfer Request: Police Wages

*The Finance Committee called their meeting to order at 7:00 p.m.*

**Approval of Minutes:** **On a motion by Ms. Leonard, seconded by Mr. Sjoberg, the Finance Committee voted in the majority to approve their meeting minutes of June 26, 2017. The Vote: 3-0-2** (Mr. Sjoberg and Mr. Manugian abstained)

**Reserve Fund Transfer Request:** Ms. Dufresne explained that the Police Wage budget would need an additional \$406 in order to finish FY17 without a deficit. This is primarily due to shift coverage for unexpected IOD activity. **On a motion by Ms. Leonard, seconded by Mr. Prest, the Finance Committee voted unanimously to authorize a transfer of \$406 from the Reserve Fund to the Police Wage line item for FY17. The Vote: 5-0-0**

**Request for Clerical Funding for Boards/Committees:** Mr. Robertson referenced a memo from the Town Manager requesting funding for clerical support at open meetings. There are instances where Department Heads are expected to fulfill this role during meetings at which they must also actively participate in discussions. Mr. Haddad (Town Manager) indicated in his memo that this practice inhibits the employee's ability to effectively contribute to the discussion, and is an inefficient use of resources. Mr. Robertson said that while he agrees with the concept, he would ask that the BOS first work with the Town Manager to develop a policy that can be applied fairly and consistently across all boards and committees. Mr. Manugian noted that the Town Manager should also suggest a budget line that could be reduced to allow for this new expense. Mr. Robertson agreed that the funding should be offset from a different line item. Ms. Leonard noted that it may be worth polling employees to determine if any of them have excess capacity and could therefore provide this service. Mr. Robertson would like the Town Manager to determine the full impact of this request for every board and committee and bring it to the BOS for a policy decision. The remaining members agreed to support this effort after a policy had been adopted by the BOS.

Vacancy on the Finance Committee: Mr. Robertson noted that one of the candidates (Mr. Bonakdar) was not in attendance. The group decided to interview those candidates who were able to attend, and then move ahead with a recommendation.

Mr. Brooks Lyman: Mr. Lyman explained that he was interested in serving as he was a taxpayer and would like to help the Town to operate in the most fiscally prudent fashion. He listed his previous committee experience (Building Committee and Housing Authority), and mentioned that he had worked as a purchasing agent and had managed the budget for a church. Though he said he was not experienced in working with financial models, he felt he could figure it out. Mr. Manugian asked about his Regional Housing work. Mr. Lyman replied that while he hopes this effort will provide \$10,000 to \$15,000 in housing projects in the near future, it has not yet come to fruition.

Mr. Scott Whitefield: Mr. Whitefield has lived in Groton since 2009, has engineering and manufacturing operations experience and an MBA from Babson. He currently works as a management consultant for Liberty Mutual. Recently, he has chaired the GDRSD Budget Growth Committee and in that capacity developed a fairly sophisticated financial modeling tool that will aid the district in maintaining fiscal sustainability. As that committee will be wrapping up fairly soon, he believes serving on the Finance Committee would be a good match for his skill set. He has a structured analytical approach to problem-solving, and excels at making complicated material accessible to any audience. His MBA course work included many financial courses, and he feels that the focus of his work at Liberty Mutual is evenly split between creating strategies and achieving organizational effectiveness. Mr. Manugian asked what he enjoyed most about serving on the GDRSD Budget Growth Committee. Mr. Whitefield replied that it was a great opportunity to meet and work with other residents. Also, he appreciated the chance to analyze a situation from the ground level, as well as becoming a more informed taxpayer. Mr. Sjoberg asked for details relative to the school financial growth model he helped create. Mr. Whitefield described the particular challenges of reasonably analyzing multiple years of expenses that don't necessarily grow at a predictable rate. Chapter 70 funding provided a similar challenge on the revenue side.

The Finance Committee members voted by secret ballot, and unanimously (5 members voting) chose Mr. Whitefield as the candidate to recommend to the BOS for the vacant seat. The individual members referenced his background and financial modeling experience as pertinent to their choice. Some of the members were familiar with and respected his work on the GDRSD Budget Growth Committee.

GDRSD Capital Budget – Ms. Gilbert (School Committee) informed the members that the 5-Year Technical and Capital Plans have been approved, but not yet funded. The School Committee wishes to work with both Towns to determine how to structure these costs (as part of the budget or separately as one-time expenses). Taxpayers should be given some say in how they wish to spend their money. She noted that the district has a new Superintendent, Laura Chesson, who has already recommended some interesting approaches that were effective in Arlington. Ms. Gilbert also would like to bridge the gap between Groton's students and its seniors, both populations being in need of infrastructure spending. She briefly touched on various funding options such as Debt Exclusions, Free Cash and creation of a Stabilization Fund. Mr. Robertson pointed out that the Town's capital purchases (of approximately \$400,000 annually) are funded from Free Cash (or Capital Stabilization which is in turn funded from Free Cash). The Town builds Free Cash through careful management of appropriations and then uses the surplus for capital needs. Ms. Gilbert replied that this may eventually be an option for the district once they have met their E&D reserve goal. Mr. Sjoberg opined that the district could benefit from additional ways to store reserves. Ms. Gilbert agreed, but noted that Dunstable does not support creation of a Stabilization Fund

for the district. She would like to explore a way that such a fund could be set up just for Groton. She added that the School Committee would be meeting with Dunstable on the 12<sup>th</sup> to continue the collaboration and find a way forward. Mr. Sjoberg stressed that the way in which the capital plan is communicated to the public is important.

Mr. Robertson calculated that given capital needs of \$1 million, \$250,000 is currently part of the budget, leaving a funding problem of approximately \$750,000. Ms. Gilbert pointed out that the financial model shows a deficit due to larger capital and technology expenses occurring in the near term. The School Committee hopes to provide budget guidance to the administration before September, and will offer to meet with both the BOS and the Finance Committee if possible. Mr. Robertson noted that both the district and the Town face the same budget dilemma (growth in wages and benefits); if left unresolved this will squeeze both sides.

*Mr. Robertson officially adjourned the meeting at 8:11 p.m.*

Respectfully submitted,

Patricia Dufresne, Recording Secretary