

## **Groton Finance Committee meeting**

Tuesday, February 6th, 2018, 6:30 p.m.  
Selectmen's meeting room, Groton Town Hall  
173 Main Street, Groton MA

**Finance committee members present:** Gary Green (Chair), Scott Whitefield, Bud Robertson (Vice Chair), Arthur Prest, David Manugian, Jon Sjoberg, Lorraine Leonard

**Board of Selectmen members present:** Jack Petropoulos, Alison Manugian, Becky Pine (6:36p.m.), Barry Pease (7:02p.m.)

**Others Present:** Mark Haddad, Town Manager, Patricia Dufresne, Town Accountant, Beth Faxon, Per Diem Minute Taker

Gary Green called the meeting to order at 6:30p.m. He announced the general purpose of this meeting was to determine a course of action for the finance committee as it reviews and learns more about the FY19 budgets between now and Groton Town meeting. He reviewed the agenda items for the meeting and, gave the floor to M. Haddad for updates to the finance committee.

M. Haddad reported that the number of Groton students attending NVTHS decreased from 39 to 35, which results in a reduction in our assessment for FY19 of \$68,000 (these are additional available funds that can be appropriated). J. Petropoulos expressed an interest in data, specifically the assessment divided by the number of students, to help him understand the difference in growth rate for the Town of Groton versus other towns. P. Dufresne said that the overall growth rate as reported by NVTHS is 3 1/2%. M. Haddad noted that the Towns assessment for Motor Vehicle excise tax was identical to last year; this is the first time this has occurred in a few years. M. Haddad stated that this plateau indicates that people are buying new cars, but at a lesser quantity. He would therefore urge caution when estimating this revenue for FY19.

B. Pine joined the meeting at 6:36 PM. The Board of Selectmen was then called into session with B. Pine, J. Petropoulos, and a. Manugian in attendance.

An inquiry was made regarding the expected date of the Superintendents school budget presentation. This meeting is expected to take place on Tuesday, Feb 13th. G.Green recommended finance committee members attend. He stated that there would be a joint meeting with GRSD and the finance committee at a future date regarding the school budget.

Mr. Haddad explained that it is at the discretion of the town manager to authorize deficit spending for snow and ice removal. At present there is \$70,000 in this budget and there will be more needed. M. Haddad will authorize deficit spending for the remainder of this fiscal year. M. Haddad explained that \$200,000 is carried as a budgeted deficit every year. At the spring annual town meeting, he explained, if the deficit is greater than \$200,000, a transfer of funds will be sought to rebalance the account at \$200,000. The remaining deficit is raised on the next year's Tax Recap. He noted that the town budgets \$340,000 annually for snow and ice removal.

G. Green recapped that the finance committee members have attended the meeting where M. Haddad made his FY19 operational and capital budget presentation, as well as the 1/27/18 meeting when major department heads presented their FY19 department budgets. His question to the committee is what are the major areas of the budget that

we still need to investigate and understand? G.Green then listened to finance committee members and agreed to compile a list of questions raised regarding the FY19 proposed budgets. A question arose about the police capital budget in regards to the police station dispatch center rehabilitation expenditure. Another question was raised about the DPW capital budget in regards to the purchase of a dump truck and tractor-trailer, as well as the highway garage upgrade. M. Haddad informed all present that Tom Delaney, DPW department head will be attending the Board of Selectmen's meeting on Monday 2/12/18 to further discuss those proposals. A question was raised about the Library capital budget with regards why additional endowment and trust funds are not being tapped. Additionally, commissioners are still curious about some issues with the library-operating budget. A committee member asked a question about an item in the fire department minor capital expense account. M. Haddad explained an electronic message board was purchased with this allotment. Another commissioner asked a question regarding the fluctuation occurring as a result of retirements, commissioner would like and in depth explanation of this topic as it relates to the override discussion. Additionally, an explanation was sought of the GIS committee budget. Mr. Haddad briefly explained the contracted GIS services provided by Applied Geographics (mapping and geocoding)

G. Green reviewed some of the major town capital projects proposed including the Florence Roche school feasibility study, The Senior Center project, and the Highway DPW garage feasibility study. M. Haddad reiterated that public safety capital would remain unchanged if the Town decided to hire the new staff requested in the supplemental Public safety budget. Because of good strategic planning, we will not need capital improvements in the public safety complex with the requested additional fire and police personnel. The SAFE Grant, and grants in general, was discussed with regards to the complexity that is created with the budgeting process. Because of the sliding scale nature of the grant payout, it was added that the grants could be dangerous to fiscal planning without careful treatment and management.

G. Green speculated that the Selectmen might ask the town to raise and appropriate funds for Prescott School maintenance. The funding needs for the Prescott school are changing, as the school administration will no longer be paying the maintenance expenses due to their plan to relocate. Additional questions about the capital budget impact of hiring more staff were addressed by M. Haddad and he noted that the Police chief will attend the Monday Night Board of Selectmen's meeting to discuss the Matrix study and may at that time discuss this further. G. Green mentioned it would behoove the finance committee to watch and hear policy developments from the Board of Selectmen before having discussion on, for example, public safety building and associated topics ex: regionalization.

B. Pine, before leaving the meeting at 7:00 PM, requested more information, supported by fire department call statistics and data, and about the fire department change of status to full time. Some comparison with other towns with full time fire departments was requested. One idea she asked those present to consider was increasing the amount of incentive (currently \$73,000) pay for on-call services to cover the deficits, and help rectify the current situation. She would like to explore other creative ways to approach the idea of a full time fire department. M. Haddad responded that the putting additional money in the call-in center would probably not solve our current situation or meet the current and projected needs of the town, however, agreed this was a good question.

G. Green surmised that there are two elements to asking the Town for an override; one is policy, such as regionalization, and the feasibility of upgrading to a full time fire department, and the second is affordability and funding, which is the role of the finance

committee. It would be most constructive to allow the Board of Selectmen the time to formalize the policy and then discuss the financial capability of funding the plan. B. Pease joined the meeting at 7:02p.m.

B. Robertson felt a discussion on the public safety override would be well timed now because certain elements of the proposed FY19 operating budget would be affected by the passage of the override. One example voiced was the \$73,000 in the FY19 operating budget for on-call fire department services. This amount would be removed or retained in the FY19 operating budget depending on the outcome of town meeting vote on the override.

Alison Manugian had questions about the difference in actual line item numbers versus what is projected and planned for each year in the annual operating budget. Her goal is to help clarify the decision making process for taxpayers at town meeting. She specifically is interested in the budgeting process that results in the large sum of money in free cash at the end of the fiscal year. She is interested in studying the process of correlation of actual to budgeted expenses and revenues yearly. The sustainability committee budget request (\$5,000) was examined and Mr. Haddad explained their function and purpose and the reasons for monies available in the budget for that committee. The line item in the budget for five board of Selectmen to attend the Massachusetts Municipal Association annual conference was discussed as this may be adjusted to better plan for actual utilization. G. Green would prefer to discuss this in a cumulative process, rather than piece by piece noting that proportionally there are larger more significant combinations of budget line items to consider. A. Manugian has compiled a list of items to discuss. The Board of Assessors expenses were discussed and explained, as well as the GIS line item consolidation. Mr. Haddad suggested a possible reduction in the budgeted amount for Town Counsel, which is at \$90,000 and could be safely reduced to \$75,000. M. Haddad reiterated that the budgeting process is effective and conducive to fiscally responsible conduct on the part of all department heads in town. Consensus was that this is a discussion of style of risk-management budget processes and that this type of discussion would be better timed to take place outside the budget season. A. Manugian would like to have the discussion and consider creative ways to budget with regards to how we arrive at the yearly free cash amount. M. Haddad confirmed the strength of the current budgeting process and is confident that our town is served well by the current management, which supports and encourages town department heads to be dedicated to fiscally conservative spending. B. Anderson commented that the town manager's FY19 budget proposal being at 3% of last year is very a very desirable place to be. More discussion will be forthcoming. G. Green suggested putting this on the agenda for future finance committee meetings. As the Groton Town meeting approaches, on April 30th, we will focus on questions with regards to the proposed FY19 operating and capital budget, and the FY19 supplemental budget. The Finance committee will prepare a list of questions for M. Haddad on the FY19 operating budget to be answered at the next finance committee meeting on February 27, 2018 at 6:30PM. G. Green will collate and distribute the list of questions to the finance committee members reminding them that they may not have discussions amongst each other prior to the next finance committee meeting. Finance committee members are to read the list of questions, add and send back directly to G. Green. G. Green will also talk with A. Manugian and may query Board of Selectmen to see if they have specific questions on FY19 line items to add to said list of questions. M. Haddad will consider said list of questions ahead of the next meeting, and, may ask department heads to attend the next finance committee meeting to help with explanations of their budgets. Discussion regarding the goal of working together with the Board of Selectmen and Town Manager to agreement and acceptance

of the proposed FY19 budget ensued. G. Green commented that the finance committee is not in position to arrest the progress of the override. M. Haddad commented that the finance committee is required to present a balanced budget to town meeting. The finance committee can help support the override, but ultimately, the Board of Selectmen make the final decision regarding presenting the override to the town. More details will be discussed at various meetings; the finance committee will be preparing to make a recommendation on every article on town meeting warrant.

The next Finance Committee meeting is on Tuesday February 27<sup>th</sup>, 2018 at 6:30p.m. Discussion ensued as to what is the procedure forward as the finance committee and the board of selectmen moves through the budget process and prepares to potentially present the town with an override. G. Green shared that the finance committee has to endorse a balanced budget to town meeting, and beyond that they would declare support or declination of any further proposals with consideration of policy and affordability. The goal is to work interactively with the Town Manager and the Board of Selectmen to come to an agreement on the FY19 budgets, including the school budgets. J. Sjoberg expressed concern that Board of Selectmen will discuss the public safety override and he will not have a chance to be heard. G. Green reminded him that he is welcome and encouraged to attend all relevant public meetings during the budget season to be as best informed as possible. G. Green plans to ask department heads and supervisors responsible for budgeting to attend future budget meetings to respond to further questions from the finance committee, as needed. He asked each of the finance committee members to email him directly with requests for additional information or for additional discussion at a future meeting. Each finance committee member must seek answers and information to base their decisions upon under Open Meeting Law guidelines. G. Green surmised that he understands the question of budget protocol and why it is important to discuss this further. He believes that the Board of Selectmen has to have policy discussions over proposals of public safety, such as regionalization and potentially a full-time fire department. It will continue to be an interactive work of the town entities to come to an agreement prior to town meeting. M. Haddad reminded those present that the Spring Town Meeting Warrant closes on February 23<sup>rd</sup>, although the BOS will not finalize it until April 9<sup>th</sup>. He then proceeded to announce intention to enter both the finance committee and the board of Selectmen into executive session.

G. Green announced he then would accept a motion from a member to enter into executive session for the purpose of discussing strategy with respect to collective bargaining or if litigation if an open meeting may have a detrimental effect on bargaining or litigation of the body and the chair so declared. (SEIU DPW/Water and Police Communications Unions) as well as to discuss potential approval of executive session minutes.

D. Manugian made the motion, it was seconded by L. Leonard Roll Call vote: (YES, G.G, S.W., B.R, A.P, D.M, J.S, L.L)

Upon a motion by Jack Petropoulos, and seconded by Barry Pease it was voted that the Board of Selectmen go into executive session

Roll call vote: (YES: J. Petropoulos, B. Pease, A. Manugian).

Beth Faxon left the meeting at 8:00p.m. Patricia Dufrense continued recording the minutes as follows:

Finance Committee Minutes of 2/6/18 AFTER conclusion of Exec Session.

**Other Business:** Ms. Leonard expressed concern that the Water Department had implemented a succession plan that included overlapping the outgoing and incoming water technician positions by more than a year. This will be expensive for the ratepayers. Mr. Robertson agreed and noted that the Water Commissioners control this decision. Mr. Prest mentioned that the Sewer Enterprise has intimated that they will be seeking taxpayer participation in an upcoming Pepperell Water Plant Upgrade investment that they will be making. Mr. Robertson said that this plan is similar to the recent arrangement for Lost Lake Fire Protection whereby taxpayers paid for the water main construction, but individual residents in Lost Lake would have to pay for their own costs to hook-up for drinking water purposes.

The Finance Committee agreed to schedule their next meeting for February 27<sup>th</sup>, at 6:30 p.m. Mr. Green officially adjourned the Finance Committee meeting at 8:50 p.m.

Respectfully submitted,  
Beth Faxon



## TOWN OF GROTON

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### Board of Selectmen

Joshua A. Degen, *Chair*  
Barry A. Pease, *Vice Chair*  
Alison S. Manugian, *Clerk*  
John G. Petropoulos, *Member*  
Rebecca H. Pine, *Member*

**Town Manager**  
Mark W. Haddad

**To:** *Patricia DuFresne – Town Accountant*

**From:** *Mark W. Haddad – Town Manager*

**Subject:** *Snow and Ice Deficit*

**Date:** *February 6, 2018*

Please be advised that pursuant to Massachusetts General Laws, Chapter 44, §31D, I am authorizing the Town of Groton to incur liability and make expenditures in Fiscal Year 2018 in excess of available appropriations for the removal of snow and ice.

Please let me know if you require any additional information.

cc: Board of Selectmen  
Finance Committee

**Motor Vehicle Commitment #1**  
**Five Year History**

2014	\$	1,151,513.75
2015	\$	1,203,118.75
2016	\$	1,332,668.75
2017	\$	1,332,368.75
2018	\$	1,360,001.25