



TOWN OF GROTON
173 Main Street
Groton, MA 01450

Sustainable Budget Study Committee
Kevin Forsmo, Chairman
Mark Haddad
Jack Petropoulos
Bud Robertson
Art Prest
Patricia DuFresne
Michael Hartnett
Kevin Brogan
Alison Manugian

MEETING MINUTES

Date: Thursday, September 8, 2016
Time: 7:00 AM
Location: 1st Floor Meeting Room, Town Hall
Members Present: Mark Haddad, Kevin Forsmo, Alison Manugian, Jack Petropoulos, Kevin Brogan, Bud Robertson, Michael Hartnett, Art Prest, Patricia DuFresne
Absent Members:
Others Present: Robin Eibye, Tom Orcutt, Ellen Baxendale (Resident)

Chairman, Kevin Forsmo called the meeting to order at 7:00 a.m. The agenda was reviewed.

Mark Haddad said the BOS voted to authorize the issuance of the RFP to fund Town audit and he expects to have the bids for Town Meeting. Mr. Haddad recommended that the BOS appoint a new committee to work with audit vendor. Mr. Haddad noted that the Board of Selectmen conducted a preliminary review of Warrant, and noted that two selectmen expressed concerns with a 6% hotel occupancy tax. Mr. Haddad said the BOS requested that John Amaral attend a BOS meeting to discuss the hotel occupancy tax proposal. Mr. Haddad said the Town could phase in the tax over time. Art Prest said he spoke with Josh Degen and Mr. Degen said he would consider changing his position. Jack Petropoulos said it's naive to ask someone if they want to be taxed.

Mr. Haddad motioned to reinforce the Sustainable Budget Committee's position to move forward with the 6% surcharge article at Town Meeting. Mr. Prest seconded and the motion carried 7:1. (Patricia DuFresne, absent; Kevin Brogan, opposed as he felt it was redundant to reinforce the Committee's position)

Mr. Haddad asked the Committee how they'd feel about being named as the Committee to work with the audit vendor. Mr. Petropoulos said he feels the Committee is too big and a smaller amount of people would work best. Mr. Haddad said maybe a subset of this group then. Mr. Petropoulos said it would be a two-year commitment and that is a long time. Bud Robertson agreed that a sub-committee would be best. Alison Manugian said it's important to be thoughtful of how the Committee is chosen. Mr. Petropoulos said the vendor would bless current practices or recommends changes.

Mr. Haddad noted that as Chief Procurement Manager, the Town Manger is responsible for making the decisions and the law requires certain things when it comes to procurement. Mr. Haddad said he wanted the public to fully understand the responsibilities of Chief Procurement Manager. Mr. Petropoulos agreed that perception is important. Mr. Robertson said the process should be to look at bids, review each group and decide who to move forward with. Kevin Forsmo asked for clarification on why the Committee is needed. Mrs. Manugian noted that it would be difficult for such group to implement and manage recommendations. Mr. Prest asked where the Finance Committee fits into the process and said the Finance Committee should be kept apprise as to what is going on. Mr. Brogan said he would recommend that the Committee be made up of one selectmen, one Finance Committee member, a member of Mr. Haddad's staff and maybe one additional member. Mr. Petropoulos said he would like

to see three appointees from the Sustainability Budget Committee, the Town Manager and a member from the Finance Committee. Ms. Manugian said she feels that it's premature to implement a group at this time.

Mr. Brogan moved that the BOS authorize the Sustainability Budget Committee to appoint a five member group to participate in the selection of the vendor, assistance with the conduct of the audit and the development of a plan or implementation of findings as appropriate. Mark Haddad seconded and the motion carried 8:1. (Patricia DuFresne, absent)

At 7:30a.m., Patricia DuFresne joined the meeting.

EXPENSE RECOMMENDATIONS

Mark Haddad provided the Committee with the "Sustainable Budget Study Committee Recommended Revenue Sources" handout. Mr. Robertson said any kind of expense is recurring unless another decision is made afterwards. A discussion ensued about the Annual Increases Expected and Amount Expected by Fiscal Year columns in the handout. Mr. Robertson noted that he felt the Boat Excise Tax annual increases expected should reflect a "no". Patricia DuFresne said she had concerns with the Standardize Enterprise Intergovernmental numbers. Mr. Haddad provided clarification on the Standardize Enterprise Intergovernmental numbers. Mr. Haddad noted his recommendation that all vendor contracts be reviewed.

SALARY AND WAGE RECOMMENDATIONS

Mr. Forsmo said the most obvious way to make a recommendations start with FY19 and move forward. A discussion ensued about no structured base pay increases in salary and pay that is dependent on funding and merit. Jack Petropoulos gave the example that any growth in salaries would be tied to the public's willingness to pay and if an override fails, the Town will not grow compensation. Mr. Brogan asked if this is legal. Mr. Petropoulos confirmed that similar contracts exist now.

Ms. Manugian said realistically an override becomes a question at Town Meeting, and depending on how the override is labeled, the chance of an override passing could be eliminated. A brief discussion ensued about the success of the current COLA/merit increases and the fact that the Town has been able to attract qualified and competent employees.

Mr. Petropoulos said the core goal is to assure that salary growth is fundable, and if the Town can't fund salary growth, the workforce isn't devastated. Mr. Haddad said he is concerned that discussions like this could have a potential impact on future contract negotiations.

Bud Robertson said he reviewed the September 1, 2016, minutes and approves as written.

At 8:05 a.m., Bud Robertson and Alison Manugian left the meeting.

Mr. Petropoulos asked Mr. Brogan for his thoughts on salary and managing their expenses. Mr. Brogan said one of the biggest influences would be to change benefits. A discussion ensued about contracts and appropriation. Mr. Haddad confirmed that once the first year of the contract is funded, the Town is required to fund remaining years of contract; however, the performance bonus is subject to appropriation. Mr. Petropoulos noted that the merit line item can be manipulated. Mr. Petropoulos said tying salary increases to appropriation shares the risk. Mr. Petropoulos said all wage growth would be tied to performance evaluation, and if not funded there would be no salary increases. A discussion ensued about how performance evaluations are conducted. Mr. Petropoulos said performance based compensation is key to our success.

A discussion ensued about Committee recommendations and holding formal votes. Mr. Petropoulos asked if there's value in meeting with employees again. Mr. Brogan said the manner of the presentations to the Finance Committee and Town employees should be discussed.

At 8:30 a.m., Jack Petropoulos left the meeting.

MINUTES

Draft minutes from Thursday, September 1, 2016, were reviewed.

Mark Haddad moved to accept the September 1, 2016, minutes as written. Mr. Brogan seconded and the motion carried 6:0. (Bud Robertson (absent), Alison Manugian (absent), Jack Petropoulos (absent))

Art Prest noted that on September 21 at 6:00 p.m., Indian Hill Music staff and Board members will meet at the Groton Country Club to discuss the design of the new music center.

Mr. Haddad moved to adjourn the meeting at 8:40 a.m.

Respectfully submitted by Robin Eibye, Executive Assistant

APPROVED: September 15, 2016

APPROVED