

TOWN OF GROTON FINANCE COMMITTEE

Tuesday, June 2nd, 2015, 2nd Floor Meeting Rm

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

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

Absent: None

Also Present: Mr. Scott Harker (FinCom Designee to the Charter Review Committee)

Documents available at the meeting: Reserve Fund Transfer Request Documentation
Line Item Transfer Spreadsheet as of 6/2/15
3rd Quarter Summary of Revenue & Expenditures
BOS Financial Management Policy Document (12/2012)

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

Reserve Fund Transfer Requests –

1. Ms. Dufresne explained that the retirement of Officer Pierce and the subsequent payout of accrued vacation/sick time coupled with the shift coverage paid prior to the hiring of his replacement has led to a projected deficit in the Police Wage budget. The original deficit was projected to be \$22,000, however due to strict budget management the Police Chief will only require \$10,000 to close out FY15. **On a motion by Mr. Hargraves, seconded by Mr. Pease, the Finance Committee voted unanimously to approve a transfer of \$10,000 from the Reserve Fund to Police Wages for FY15. The Vote: 7-0-0**
2. Ms. Dufresne confirmed that the previously planned departmental audit of the Transfer Station is well underway and should be completed by Giusti & Hingston within the next two weeks. Special departmental audits of “satellite” sites that handle cash receipts should be performed on a regular rotating basis to ensure that internal controls are sufficient and effective. The next planned audit will be the Country Club, and should be scheduled no later than FY17. **On a motion by Mr. Hargraves, seconded by Mr. Pease, the Finance Committee voted unanimously to approve a transfer of \$3,000 from the Reserve Fund to Accounting Expenses for FY15. The Vote: 7-0-0**
3. The committee members discussed Mr. Haddad’s justification for the planned reimbursement to the GDRSD for Prescott Building expenses of FY15. The terms of the agreement reached with the School Committee were discussed at the meeting of the Board of Selectmen on 6/1/15. This planned use of funds was inadvertently left off the Spring Town Meeting warrant. Mr. Pease noted that this agreement should have been memorialized in writing so as to avoid this kind of budgeting dilemma at year end. **On a motion by Mr. Hargraves seconded by Mr. Pease, the**

Finance Committee voted unanimously to approve a transfer of \$13,000 from the Reserve Fund to Municipal Building Expenses. The Vote: 7-0-0

4. Ms. Dufresne said that Unemployment Compensation is likely to need some support for the end of FY15. The minimum projected deficit is approximately \$2,000, although that deficit could be much higher if all the claims currently in the system process through to billing. **On a motion by Mr. Robertson seconded by Mr. Manugian, the Finance Committee voted unanimously to approve a transfer of \$2,000 from the Reserve Fund to Unemployment Compensation. The Vote: 7-0-0**
5. Ms. Dufresne explained that due to an unexpected employee retirement (and subsequent payout of accrued vacation hours) the Library Wage budget is projected to be in deficit by \$2,404 for FY15. The members briefly discussed the potential benefit of setting up a special "Compensated Absences Reserve Fund." It was noted that such a plan would not necessarily alleviate these types of budget concerns, but merely transfer the obligation from one type of reserve fund to another. Mr. Green mentioned that it may be worthwhile to consider ways to motivate employees to take all of their vacation time rather than allowing these large accruals. **On a motion by Mr. Pease seconded by Mr. Prest, the Finance Committee voted unanimously to approve a transfer of \$2,404 from the Reserve Fund to Library Wages for FY15. The Vote: 7-0-0**

Quarterly Budget Review – Ms. Dufresne summarized the changes to the report format included in the March 31st (Quarter 3) version provided for this meeting. These changes serve to make the results reported more comparable to budget presentations offered by the Town Manager and the Finance Committee for the Spring Town Meeting. Operational expenditures are now reported separately from non-operational expenditures, and a separate page is included summarizing employee wage/salary and benefit activity. The revised document was prepared by Mr. Petropoulos, Mr. Robertson and Ms. Dufresne and was well-received by the Board of Selectmen at their meeting on June 1st. Mr. Robertson suggested that this document be used as a budgeting tool for the Town going forward. It is set up in such a way that members of the Finance Team can quickly drop in estimates for new budget years, and the form will perform the calculations to highlight the potential challenges. The Board of Selectmen should reference this information when working with the Town Manager and the Finance Committee to set specific budgetary goals. This should be done prior to the date when detailed departmental budget preparations commence.

BOS Financial Policies Review - The committee members discussed whether or not it was appropriate for them to suggest changes on a policy controlled by the BOS. Mr. Robertson felt that given the Finance Committee's role in overseeing all financial matters in the Town, it would seem reasonable for them to review and comment on the various elements included. He added that he was glad to see that the Town is now complying with certain recommendations in this document that had previously not received sufficient attention (i.e. OPEB, quarterly financial reviews). The members offered the following updates or recommendations to the BOS for the next policy review cycle:

- Page 2, Item 4: Should the Town consider Unassigned General Fund Balance (or Free Cash) to be a primary financial reserve, and if so, is 5% of budget a realistic goal. Ms. Dufresne noted that Free Cash is certified once per year (usually at around \$1 million), but then almost immediately appropriated for various projects at the Fall Town Meeting. Mr. Green wondered if it would also be useful to establish a ceiling above which the Town should be concerned that revenues are under-budgeted or expenses over-budgeted.

- Page 2, Item 7: Mr. Green would like to see a list of priority parcels from the Conservation Commission. This would lend confidence to the assumption that the purchases they make support a defined objective.
- Page 3, Item 8: The members asked whether the CPC is currently in compliance with the debt limitations suggested here. Ms. Dufresne replied that while that particular debt policy had been disregarded when the Surrenden Farm property was purchased, it is very unlikely that such an exception will ever be made again in the future. The existence of this policy will help in that regard. Mr. Green suggested that the CPA law supporting that debt policy be referenced here.
- Page 5, Debt Limitations: The members discussed the utility of establishing a debt service floor of 3% of budget. They wondered if it is necessarily a good policy to spend money in this reactionary way simply due to the retirement of old debt. If this policy is truly meant to encourage investment in infrastructure, it does not seem advisable to transfer the differential to Stabilization or OPEB; a transfer to Capital Stabilization might be more appropriate.
- Page 7 OPEB: The policy with regard to OPEB funding should be updated to reflect the most recent Town Meeting votes.
- Page 8, Introduction to Review of Budget Performance: The committee would like the Town Manager to meet with the Board of Selectmen, the Finance Team and members of the Finance Committee to establish budget goals for the upcoming year.
- Page 8, Total Budget Review: Mr. Green suggested that the quarterly budget review be provided to the Finance Committee as well as to the Board of Selectmen. Ms. Dufresne wondered whether it wouldn't be possible for the Finance Committee (or perhaps one or two representatives) to attend the BOS meeting at which the budget results are presented.

Ms. Dufresne offered to summarize these recommendations in writing for the Board of Selectmen to consider when they next conduct a formal review of the Overall Financial Management Policy.

Mr. Harker mentioned that perhaps budget preparation and development should be part of the Town Charter. Mr. Hargraves said that the Finance Committee should have a direct role in contract negotiations. Also, some discussion should take place regarding making the Town Moderator the appointing authority for the Finance Committee. Mr. Hargraves feels that this would lessen the political burden on the committee itself. Mr. Prest said that the role of the Finance Committee is not well-defined in the current Charter and is an issue that should be addressed. Mr. Harker explained that the Charter requires that the Charter Review Committee hold a public hearing within 30 days of its 1st meeting. As scheduling meetings and public hearings can be tricky during the summertime, he would like to meet with the Finance Committee as soon as possible. He is requesting time on the next FinCom agenda to consider roles and definitions in the Charter that would support the mission of the Finance Committee. He would like to meet as soon as possible to learn the logic and reasoning behind the ideas the members may offer. Mr. Robertson noted that this does not necessarily have to be addressed immediately; recommendations could be developed over the next year. Mr. Harker replied that he would happily work with whatever schedule the Finance Committee puts into place. Ms. Dufresne said that as year-end Line Item Transfers would be voted by the BOS on July 6th, it might make sense for the Finance Committee to meet on July 7th

to take their own vote. The members agreed to meet again on July 7th to discuss year-end line item transfers and Charter Review goals.

Finance Committee Re-organization – Mr. Robertson nominated Mr. Green to the position of Chairman for the upcoming year. Mr. Manugian seconded this nomination. The Vote: 6-1-0

Mr. Prest nominated Mr. Robertson for the position of Vice Chairman for the upcoming year. Mr. Robertson declined this nomination. Mr. Robertson nominated Mr. Hargraves for Vice Chairman, and Mr. Manugian seconded this nomination. Mr. Hargraves accepted the nomination. The Vote: 7-0-0

Approval of Meeting Minutes –

On a motion by Mr. Hargraves, seconded by Mr. Manugian, the Finance Committee voted in the majority to approve the meeting minutes of May 4, 2015. The Vote: 6-0-1 (Mr. Pease abstained)

On a motion by Mr. Prest seconded by Mr. Pease, the Finance Committee voted unanimously to adjourn at 8:15 p.m.

Respectfully submitted,

Patricia Dufresne, Recording Secretary

TOWN OF GROTON

OVERALL FINANCIAL MANAGEMENT POLICIES

Introduction

The Board of Selectmen sets forth the following financial principles consistent with its responsibilities in Groton's Home Rule Charter. These principles provide a broad framework for overall fiscal planning and management of the Town of Groton's resources. In addition, these principles address both current activities and long-term planning. The principles are intended to be advisory in nature and serve as a point of reference for all policy-makers, administrators and advisors. It is fully understood that Town Meeting retains the full right to appropriate funds and incur debt at levels it deems appropriate, subject, of course, to statutory limits such as Proposition 2 1/2.

The principles outlined in this policy are designed to ensure the Town's sound financial condition, and seek to be in the best economic interest of the Town now and in the future. Sound Financial Condition may be defined as:

- * Cash Solvency - the ability to pay bills in a timely fashion.
- * Budgetary Solvency - the ability to balance the budget annually.
- * Long-Term Solvency - the ability to pay future costs.
- * Service Level Solvency - the ability to provide needed and desired services.
- * Public Confidence - the ability to garner public support for decisions that promote financial stability.

It is equally important that the Town maintain flexibility in its finances to ensure that the Town is in a position to react and respond to changes in the economy and new service challenges without measurable financial stress.

General Financial Guidelines

1. Financial discussions shall be open and inclusive. The Town is committed to regular financial forecasting, independent audit, and periodic public review of financial details and ratification of decisions by Town Meeting.
2. The Town will avoid budgetary procedures that balance current expenditures at the expense of meeting future years' expenses, such as postponing expenditures, accruing future years' revenues or rolling over short-term debt.

3. Ongoing operating costs will be funded by ongoing operating revenue sources. This protects the Town from fluctuating service levels and avoids concern when one-time revenues are reduced or removed.

Increases in ongoing operational revenue beyond the statutory 2-1/2 % shall be used according to the following priorities:

- a. Assuring that unassigned fund balance, stabilization funds, and other funding requirements reach their appropriate levels, based on periodic review of capital needs (see #s 4 & 5 below);
- b. Leveling, or if possible, decreasing the tax rate, and only after these three priorities are met;
- c. Increasing service levels or other operational expenses

The Town Manager will prepare five-year revenue and expenditure projections to support the annual budget setting process and to ensure the policies presented herein are satisfied. The projection will be presented to the Board of Selectmen and annually they will approve them.

4. The Town will maintain Unassigned General Fund balance as one of its two primary financial reserves. It shall be the goal of the Town to achieve and maintain a balance of at least 5% of the current annual budget, exclusive of Enterprises and the Community Preservation Fund.
5. The Town will maintain a Stabilization Fund as the second of its two primary financial reserves. It shall be the goal of the Town to achieve and maintain a balance of at least 5% of the current annual budget, exclusive of Enterprises and the Community Preservation Fund.
6. The Town will maintain a Capital Stabilization Fund to defray the cost of new equipment, building maintenance, and capital improvements to town land and buildings to the extent that these costs may be funded by the Fund's balance. (See Debt Management Policies for costs exceeding the Fund's balance, which may be funded by borrowing.) It shall be the goal of the Town to maintain a balance in this fund of at least 1.5% of the Town's current annual budget, exclusive of Enterprises and the Community Preservation Fund.
7. The Town will continue to maintain a Conservation Fund to be used in part for the purchase of land, or conservation restrictions or agricultural preservation restrictions on lands that exhibit high value for protection because they contain important natural resources. The Conservation Commission is responsible for formulating and prioritizing a list of such parcels so that a plan may be established for future purchases. It shall be the goal to maintain a balance in the Conservation Fund of at least 2% of the town's current annual budget, exclusive of Enterprises and the

Community Preservation Fund; and to the extent possible, deposits to the Conservation Fund should come from the Community Preservation Surtax.

8. The Town shall maintain a Community Preservation Fund in accordance with the current law. The fund will be managed in a manner that will guarantee payment of current debt service prior to approving new capital costs. Borrowing shall be managed in order to assure that no more than a total 75% of CPA receipts, not including annual contributions to the fund by the Commonwealth, are dedicated to debt service.
9. The Town shall monitor its Special Revenue Funds (Gifts, Grants, and Trusts) and its Enterprise Funds to assure the solvency of these funds and avoid undue stress on the general fund. To this end, a) Enterprise policies shall require that rates be set to ensure revenues are sufficient to fund all operating costs and debt service and fund retained earnings, unless there is an explicit policy implemented by the Town to provide General Fund support to the Enterprise. In addition, b) Enterprise policies shall include a goal for the targeted amount of retained earnings. The goal shall include amounts considered appropriate to fund unexpected occurrences and emergencies and expenditures necessary to meet change in law requirements, to fund capital and operating reserves, and to serve as a rate stabilization reserve. The policies shall also include a goal for debt limitations consistent with the Town's general goals. In addition, c) the Town shall not enter into contracts for reimbursable and/or matching grant liabilities whose aggregate total exceeds 1.5% of the Town's current annual budget exclusive of Enterprises and the Community Preservation Fund.
10. The Board of Selectmen and the Finance Committee shall review the financial policies annually, seeking input from financial staff and advisors.
11. Investment practices will be in accordance with the Town's "Investment Policy".

TOWN OF GROTON

DEBT MANAGEMENT POLICY

Introduction

The use of long-term debt is a common and often necessary way for a community to address major infrastructure and equipment needs. It is also a means of spreading the cost of large capital projects over a larger, changing population base. However, when a local government incurs long-term debt, it establishes a fixed obligation for many years. Accumulation of such fixed burdens can become so great that a local government finds it difficult to pay both its operational costs and debt service charges. Great care and planning must therefore be taken when incurring long-term debt to avoid placing a strain on future revenues. The purpose of this policy is to establish guidelines governing the use of long-term debt.

Massachusetts General Laws, Chapter 44, Sections 7 & 8 regulate the purposes for which municipalities may incur debt and the maximum maturity for bonds issued for each purpose. Massachusetts General Laws, Chapter 44, Section 10, specifies that the debt limit for towns is 5% of Equalized Valuation.

Capital Funding Guidelines

The Town's long-term debt strategies will be structured to reflect its capital needs and ability to pay. The Capital Stabilization Fund (see "Overall Financial Policies", #5) will be used in conjunction with regular financial forecasting to maintain overall borrowing costs at a reasonable level (see *Debt Limitations* below). The Town will not, in general, bond projects or aggregate funding of multiple projects/purchases that fall within the funding ability of the Capital Stabilization Fund. Except for emergency needs, the Town will plan its funding for major capital purchases or improvements by utilizing both the timing of debt acquisition and the length of term for debt repayment in a manner which allows the Town to remain within the guidelines for annual debt service (see *Debt Limitations* below).

Bond Rating

The community's bond rating is important because it determines the rate of interest it pays when selling bonds and notes. Other things being equal, the higher the bond rating, the lower the interest rate. Bond analysts (Moody's, Standard & Poor's, Fitch) typically look at four sets of factors in assigning a credit rating:

Debt Factors: debt per capita, debt as a percentage of equalized valuation and rate of debt amortization.

Financial Factors: operating surpluses or deficits, free cash as a percent of revenue, state aid reliance, property tax collection rates, and unfunded pension liability.

Economic Factors: property values, personal income levels, tax base growth, tax and economic base diversity, unemployment rates and population growth.

Management Factors: governmental structure, the existence of a capital improvement plan, the quality of accounting and financial reporting, etc.

The Town will continually strive to improve its bond rating through sound financial management, improved receivables management, accounting and financial reporting and increased reserves, such as the Stabilization Fund.

Debt Limitations

General Fund Debt Service: A limit on debt service costs as a percent of the Town's total budget is especially important because of Proposition 2 1/2 constraints on town's budget. At the same time, the community's regular and well-structured use of long-term debt symbolizes the municipality's commitment to maintaining and improving its infrastructure. The Town of Groton is committed to a debt service budget equal to 5% of the Town's current annual budget, exclusive of Enterprise funded debt, Community Preservation funded debt and debt service excluded from Proposition 2 1/2. The Town will also, by policy, establish a debt service "floor" of 3% of the Town current annual budget, as an expression of support for continued investment in the town's roads, utilities, public facilities and other capital assets. In order to maintain these benchmarks, the Town should schedule future debt service to coincide with maturing debt service. To maintain this floor, if debt service is projected to fall below 3% of the Town current annual budget, that amount below shall be expended on one-time pay-as-you-go capital or shall be appropriated to the Stabilization Fund or to fund OPEB liability.

Debt Maturity Schedule: As previously stated, Chapter 44 of the General Laws specifies the maximum maturity for bonds issued for various purposes. However, a town may choose to borrow for periods less than the statutory limit. The Town of Groton is committed to establishing an average debt maturity goal of 10 years. This can be accomplished through more aggressive amortization of new debt service and shortening terms for existing debt when the option to refinance a bond becomes available. (It should be noted that revenue supported debt service for water and sewer projects will not be subject to this objective.)

Debt Strategies

Alternative Financing Strategies: The Town will continually pursue opportunities to acquire capital by means other than conventional borrowing; such as grants and low- or zero-interest loans from state agencies, such as the Mass Water Pollution Abatement trust (MWPAT) or the MWRA.

Debt Issuance: The Town will work closely with the Town's Financial Advisor and Bond Counsel to ensure that all legal requirements are met and that the lowest possible interest rate can be obtained.

Enterprises: Any debt issued for the benefit of the Town's enterprise funds is to be paid from service revenues, unless there is an explicit direction from Town Meeting to contribute General Fund support of the debt service.

Capital Planning: No projects are to be funded by debt authorized by Town Meeting unless those projects have been incorporated in to and vetted by the Town's capital planning process.

Lease-Purchase Financings – any lease purchase agreements, financings, etc., utilized by the Town shall be consider debt for the purposes of this policy and shall be subject to all the constraints cited herein.

TOWN OF GROTON

POLICY FOR THE FUNDING OF OTHER OBLIGATIONS

Introduction

Under Massachusetts General Laws, the Town is currently funding its unfunded pension liability through its participation in the Middlesex County Regional Retirement System.

The Town also has the responsibility to fund its Other Post-Employment Benefits (OPEB) liability.

The Town will utilize the following policy towards that end:

Policy Guidelines

Independent Evaluation of Liability: The Town will have its liability measured by an outside consultant every third year; with interim evaluations done yearly for the purposes of updating the total liability.

Limitation of Retiree Health Care Costs: The Town has adopted the requirements of Section 18 of Chapter 32B, which serves to limit liability for retiree health insurance by utilizing the benefits of Medicare and thereby shifting some of the cost away from local funding.

OPEB Funding Plan: The Town is committed to reducing its Post-Employment Benefits liability as follows:

- The Town will establish a Special Stabilization Fund in fiscal 2014 into which to deposit initial funding appropriations.
- The Town will establish an OPEB Trust in fiscal 2018.
- The Town enterprises will incorporate into their rate structures the goal of funding their respective Annual Required Contributions (ARC) by fiscal year 2016.
- The Town will implement a schedule of funding to reach its ARC by a schedule of increasing annual appropriations. The Town will appropriate \$100,000 to the OPEB Stabilization Fund in fiscal 2014 and will increase that appropriation by \$100,000 per year until it reaches its ARC.

TOWN OF GROTON

POLICY FOR THE REVIEW OF BUDGET PERFORMANCE

Introduction

The Town Charter requires the Town Manager to present a balanced budget to the Board of Selectmen and the Finance Committee six months prior to the beginning of each fiscal year; in effect by January 1st. The initial budget is developed in conjunction with the Town's Department Managers and reviewed in several public meetings as well as formal public hearings, culminating in ratification by Town Meeting. The Town utilizes specific line items for its budget, each line considered a separate and distinct appropriation. In order to monitor expenditures and assure the integrity of the overall budget, regular review and management direction is required, as outlined in the policy guidelines below.

Policy Guidelines

Line Item Appropriation Review: Each Department Manager or elected/appointed Board/Commission is required to monitor expenditures, and local receipts revenue if applicable, relevant to that governmental area's operation. The Accounting Department will provide budget variance reports at least monthly as a management tool to aid periodic monitoring.

Total Budget Review: The Town Manager will review the monthly variance reports for all departments/cost centers; and the Town Accountant will provide ongoing oversight. There will be periodic presentation of the budget status to the Board of Selectmen; this presentation to occur at least quarterly.

Reserve Fund: The Town will include a budgetary reserve fund equal to approximately 1% of the total general fund appropriations less the assessments to the district schools which will be under the management of the Finance Committee to account for extraordinary or unforeseen expenses.

Line Item Transfer: The budget will be reviewed twice each year by the Town Manager in conjunction with the Town Accountant and the Finance Committee for opportunities to re-balance the original budget. Such reviews will take place prior to the fall and spring annual town meetings and any transfers will be publically debated and subsequently ratified by Town Meeting.

TOWN OF GROTON POST ISSUANCE COMPLIANCE POLICY

OBJECTIVE OF THE POLICY

The objective of this policy is to ensure compliance with federal tax law and regulations pertaining to the use of tax-exempt governmental purpose bonds and to the use of property, projects and equipment funded with tax-exempt governmental purpose bonds.

This document is to encompass the following:

- The use of bond proceeds (and the term "bond", except as otherwise indicated, includes notes, bonds and tax-exempt lease purchases issued by the Town);
- The use of property, projects, equipment, etc. funded with tax-exempt bond proceeds;
- The timely expenditure of bond proceeds;
- Compliance with arbitrage yield restriction rules and with the calculation and timely payment of arbitrage rebate payments, as required;
- Filing requirements;
- The reserve of funds in anticipation of a rebate payment requirement;
- Collection and retention of necessary documentation; and
- Resolution of problems.

RESPONSIBILITIES OF THE PARTIES INVOLVED

The Town Treasurer shall be responsible for implementing this policy. The Treasurer will be assisted by:

- The Town Accountant, who is responsible for recording expenditures and interest earnings and for reviewing and approving contracts entered into by the Town;
- The Town Manager, or a designated subordinate, who is the Town Chief Procurement Officer and has ultimate responsibility for the implementation of Town capital projects and disposition of Town property; and

- The Chief Procurement Officer, if other than the Town Manager, who has the responsibility for procuring service and management contracts and overseeing the acquisition and disposition of Town property,

It is the Treasurer's responsibility to convey to each party the Treasurer's expectations as to their performance relating to project implementation, project expenditures, documentation, and information required by the Treasurer to remain in compliance with applicable tax law. Since all the responsible parties participate in the issuance of Town bonds, the Treasurer will provide direction to those responsible parties during the process of issuing bonds, at the time of the delivery of bond proceeds, and after the delivery of bond proceeds but prior to the final maturity of the bonds,

SCOPE OF THE POLICY AND PROCEDURES

The following sections outline the scope of the policy and procedures for which the Treasurer is responsible,

Use of bond proceeds and bond funded property –

It is the Treasurer's responsibility to monitor and ensure the proper use of bond proceeds and bond funded property,

The proper use of tax-exempt bond proceeds and the proper use of bond-funded property, projects, equipment, etc., (hereafter "property"), will be confirmed and documented through Bond Counsel's review prior to the issuance of tax-exempt bonds and will be addressed in the legal opinion issued by Bond Counsel and in the Tax Certificate (or Non-Arbitrage Certificate) prepared by Bond Counsel as part of the final bond transcript

There are further requirements associated with the proper use of bond financed projects and of the use of bond proceeds included in the Massachusetts General Laws and in the regulations imposed by the Department of Revenue regulations. Although these requirements are not part of federal tax law, the requirements do dictate how bond funded property is to be disposed of or how it might be used in a manner other than originally contemplated,

The continued proper use of property funded with tax-exempt bond proceeds will be monitored by the Treasurer through an annual reminder of such to appropriate Town officials and through the review of any Town proposals considering the change in use of the property or Town procurements relating to such property. The procurement of service contracts, management contracts and leases for the limited use of Town property should also be reviewed by the Treasurer. The Treasurer will be responsible for managing any remedial actions, if required,

Timely expenditure of bond proceeds -

The Federal Tax code sets explicit expectations relating to the expenditure of bond proceeds. There are certain "safe harbors" for small issuers. If expenditure expectations for small issuers are not met, the unexpended bond proceeds must be yield restricted. There are also expenditure thresholds to be satisfied for bonds issued where the Town cannot use the "small issuer" exemption. If these thresholds are not met, the Town may be required to rebate its positive arbitrage earnings to the Federal Treasury.

It is the responsibility of the Treasurer to review the expenditure requirements cited in the Tax Certificate and to monitor the expenditure of bond proceeds until all funds are expended.

Arbitrage yield restriction and rebate -

It is the responsibility of the Treasurer to manage yield restricted investments.

It is the responsibility of the Treasurer to determine rebate exposure; to procure arbitrage calculation services; to make rebate payments, as required, to the Federal Treasury; and to prepare 8038-T forms for such purposes. It is also the responsibility of the Treasurer to reserve funds for such rebate payments, as appropriate, and to report the rebate liability to the Town's Independent Financial Auditor.

Filing requirements -

The proper filings of forms 8038-G and 8038-GC are essential with every tax-exempt financing. All 8038-G's and 8038-GC's are to be signed by the Town Treasurer. No other official in the Town is authorized to execute these forms.

It is the responsibility of the Treasurer to ensure rebate payments, if required, are made on a timely basis. Such payments must be made within 60 days of the maturity of a note; within 60 days of the fifth anniversary, and multiples thereof, of the issue of a bond; and within 60 days of the final maturity of a bond. The payment of a rebate is to be accompanied by and documented on the form 8038-T.

Documentation -

It is the responsibility of the Treasurer to ensure all proper documentation is produced and retained as required. Such documentation will include, but not necessarily be limited to, the following:

- Tax Certificates or Non-Arbitrage Certificates
- Note and Bond transcripts
- Form 8038-G's and 8038-GC's

- Projected expenditure cash flows prepared for each financing prior to issue
- The record of the expenditure of funds
- The record of the investment earnings on unexpended bond proceeds prior to full expenditure
- Yield restricted investments, as required
- Rebate calculations, rebate payments, and Form 8038-T, as required
- The list of projected tax-exempt financings during each calendar-year
- Management contracts

If a problem occurs -

It is the responsibility of the Treasurer to address violations associated with any tax-exempt financing when violations are discovered. The violation may be addressed through the Voluntary Compliance Agreement Program (VCAP). Alternatively, remedial action may be required under Section 1.141-12 of the Internal Revenue Service regulations. The Treasurer shall consult with the Town's Bond Counsel and/or Financial Advisor as appropriate.

PROCEDURES TO BE FOLLOWED BY THE TREASURER

The following procedures are to be followed by the Treasurer.

Procedures to ensure proper use of tax-exempt funds -

In the process of preparing for a bond or note sale, the Treasurer will be providing information to Bond Counsel pertaining to the proper use of the property being acquired with tax-exempt funds.

Prior to the distribution of the Preliminary Official Statement, the Treasurer shall meet with appropriate Town officials, including at minimum the Town Manager and the Board of Selectmen, to review the information provided to Bond Counsel, to review the intended use of the bond proceeds and the property funded and to determine whether there are any contemplated uses of the property that might be inconsistent with the use of tax-exempt funds. The Treasurer shall document this meeting in a memorandum to file.

Procedures to ensure compliance with the use and expenditure of note and bond proceeds at the time of sale –

At the time of the sale of notes and bonds, it is assumed that the projected use of proceeds and the use of the property being funded are in compliance with the Federal tax code. It is reasonable to rely on the scrutiny of Bond Counsel and the documentation that accompanies each financing, based on the information provided to Bond Counsel.

With the completion of a financing, the Treasurer is to compile and maintain a separate file associated with the financing. This documentation will typically include the following:

- The bids results, the final numbers, and the quantitative rationale for the use of credit enhancement.
- The transcript for the financing, which, at minimum, should include the tax certificate (non-arbitrage certificate). The tax certificate should include a description of use of funds, the identification of the expenditure test to which the bonds are subject, and the arbitrage yield.
- The form 8038-G or 8038-GC.
- The projected expenditure cash flow by purpose, as provided to Bond Counsel prior to the issuance of the bonds. The cash flow is to be for each purpose, projecting the expenditure of funds on at least a semi-annual basis, until all funds are expended. If the bonds are subject to certain expenditure thresholds, the cash flow should present the amount of proceeds that should be expended at each threshold. The cash flow should be adjusted to reflect an issue amount that might be in excess of the amount originally included in the cash flow (for example, a large original issue premium).
- Any other notes prepared by the Treasurer, as applicable, relating to the monitoring of the expenditure of funds and use of the property.

The Treasurer shall establish one or more bank accounts for the purposes funded to allow for the tracking of the expenditure of fund so it is necessary that the account documentation be able to show every payment made by amount and date and every credit of interest earnings by amount and date. If all the purposes are co-mingled in one account, there should be a separate recording of expenditures and investment earnings by purpose by the Town Accountant.

As required under the Massachusetts General Laws, all interest earnings shall be credited and released to the General Fund when earned.

All such account documentation should be maintained for six years after final maturity of bonds.

Procedures to monitor the rate of expenditure of bonds -

To monitor the expenditure of bond proceeds, the Treasurer shall perform the following review:

- At the end of each fiscal year, and within thirty days of the final maturity of any note or bond, the Treasurer shall review the expenditure account and check for compliance with the required expenditure thresholds.
- The Treasurer shall assess the likelihood of continued compliance with the expenditure thresholds, or if a threshold has not been met, assess the likelihood of positive arbitrage.
- If the Treasurer believes the expenditure thresholds have not been met and/or will not be met, and also expects there will be investment earnings in excess of the arbitrage yield, then the Treasurer is to reserve an amount estimated to represent a future rebate payment or, as applicable, to request an appropriation of Town Meeting for the rebate payment.
- The Treasurer is to continue to monitor expenditures at the end of each fiscal year, or at the maturity of an issue, until all funds are expended.
- If after the maturity of a note or bond, the Treasurer determines that a rebate is likely payable to the Federal Treasury, the Treasurer shall procure the services of a firm to calculate the rebate and thereafter make payment in a timely fashion.

Thus, in addition to the documentation compiled at the closing of the bond, the Treasurer shall add the following additional documentation:

- The record documenting expenditures until the next time a review is performed
- As applicable, any rebate calculations performed
- As applicable, any Forms 8038-T prepared

When all the funds are expended, the Treasurer shall accumulate all appropriate documentation and retain it until six years after the final maturity of the financings that funded the property.

Procedures associated with the investment of bond proceeds -

Unless funds are subject to yield restriction, the Treasurer shall be responsible for the investment of bond proceeds as deemed appropriate. If funds are subject to yield restriction, the Treasurer shall invest the funds at the direction of the Treasurer. If

investment contracts are purchased at the time of the delivery of bond proceeds, such contracts shall be procured under the scrutiny of Bond Counsel.

Procedures associated with procurement of investments associated with a bond issue –

It is the responsibility of the Treasurer to ensure other investments made relating to a bond issue (such as investments purchased to fund an escrow for a current or advance refunding) are procured in accordance with applicable tax regulations,

Procedures to ensure compliance with the use of service contracts and management contracts –

The Chief Procurement Officer shall forward all Requests for Proposals for service and/or management contracts for review by the Treasurer. The Treasurer shall provide appropriate direction to the Chief Procurement Officer relating to private activity issues associated with service and management contracts.

As required, the Treasurer shall request advice from the Town's Bond Counsel and/or Financial Advisor.

Procedures to ensure compliance with lease purchases –

At the beginning of each fiscal year, the Treasurer shall inform all Town Department Heads and other Town officials that no lease purchase contracts are to be entered into without the approval of the Treasurer. In addition, the Treasurer shall inform them that the forms 8038-G and 8038-GC are only to be signed by the Treasurer.

Procedures to ensure compliance with the change of use of tax-exempt bond funded property –

At the beginning of each fiscal year, the Treasurer shall present a memorandum to the Town Manager, to the Town Accountant, and to Town Department Heads reviewing the expected proper use of bond funded property and requesting any information as to the possible change in use or disposition of property,

At any time during the fiscal year, if there is a change in use or disposition of property contemplated, the Town Manager shall inform the Treasurer of the proposal. As needed, the Treasurer shall consult with Bond Counsel and/or the Town's financial advisor relating to such proposal.

In the case where change in use is subject to Town Meeting approval, the Town Manager shall forward all Town Meeting articles relating to the change in use or sale of Town tax-exempt bond funded property for review by the Treasurer. The Treasurer shall provide appropriate direction to the Chief Procurement Officer relating to issues associated with the change in use of tax-exempt bond funded property,

As required, the Treasurer shall request advice from the Town's Bond Counsel and/or Financial Advisor.

Procedures to project calendar year schedule of note and bond issues -

At the beginning of each calendar year, the Treasurer shall prepare and/or update a list of all projected tax exempt financings issued and expected to be issued during the then current calendar year. This record shall document representations made by the Town relating to the small issuer safe harbor status and/or the Bank Qualification of tax-exempt issues of the Town. At the beginning of the following fiscal year, the Treasurer shall review the list of financings and shall revise it accordingly.

Documentation attached hereto -

The following documentation is attached to assist in the direction, training, etc., of those parties identified with responsibilities:

- IRS Publication 4078, Tax-exempt Private Activity Bonds
- IRS Publication 4079, Tax-exempt Governmental Bonds

Town of Groton

Investment Policy

Introduction

Massachusetts General Laws, Chapter 44, Section 55B requires the municipal treasurer to invest all public funds except those required to be kept uninvested for the purpose of immediate distribution. These guidelines are intended to further the objective of securing the highest return that is consistent with safety of principal while meeting the daily cash requirements for the operation of Town's business, according to the following objectives:.

Safety of principal is the foremost objective of the investment program. Investments will be undertaken in a manner that seeks to ensure the preservation of capital through the mitigation of credit risk and interest rate risk. These risks shall be lessened by diversification and prudent selection of investment of the security issuer or backer. Interest rate risk is the risk that the market value of the security will fall due to changes in general interest rates.

Liquidity is the next most important objective. The overall investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. Since all possible cash demands cannot be anticipated, the treasurer shall carry out investment activities in a manner that provides for meeting unusual cash demands without the liquidation of investments that could result in forfeiture of accrued interest earnings, and loss of principal in some cases.

Yield is the third, and last, objective. Investments shall be made so as to achieve the best rate of return, taking into account safety and liquidity constraints, as well as all legal requirements.

Investment Instruments

The Treasurer shall negotiate for the highest rates possible, consistent with safety principles, avoiding uncollateralized investment products. Unsecured bank deposits of any kind will be limited to no more than 1% of an institution's assets and no more than 10% of the Town's cash.

Diversification

Diversification should be interpreted in two ways: In terms of Maturity, as well as instrument type and issuer. The diversification concept should include prohibition against over concentration of maturities, as well as concentration in a specific institution. With the exception of U.S. Treasuries or agencies, no more than 10% of the Town's investments should be invested in a single financial institution, except with the prior approval of the Town Manager and Board of Selectmen.

Authorization

The Treasurer has authority to invest the Town's funds, subject to the statutes of the Commonwealth cited above.

Ethics

The Town Treasurer (and Assistant Treasurer) shall refrain from any personal activity that may conflict with the proper execution of the investment program or which could impair ability to make impartial investment decisions. Said individuals shall disclose to the Town Manager any material financial interest in financial institutions that do business with the Town. They shall also disclose any large personal financial investment positions or loans that could be related to the performance of the Town's investments.

Relationship with Financial Institutions

Financial institutions should be selected first and foremost with regard to safety. The Town should subscribe to and use one or more of the recognized bank rating services, such as Veribanc or Sheshunoff. Brokers should be recognized, reputable dealers.

The Town shall require any brokerage houses and broker/dealers, wishing to do business with the municipality, to supply information and references sufficient to assure entering into a banking relationship.

The Investment of Trust Funds and Bonds Proceeds

Scope

This section of the policy applies only to funds that could be invested long-term (i.e. bond proceeds, trust funds and stabilization funds).

Bond Proceeds

Investment of Bond proceeds is governed by the same restrictions as general funds, with the additional caveat of arbitrage regulations.

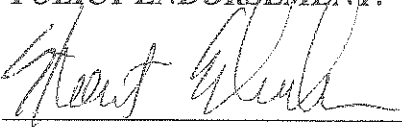
Trust Funds

Trust Funds may be co-mingled and invested in any instruments allowed by Legal List issued by the Banking Commissioner. Each trust fund must be accounted for separately.

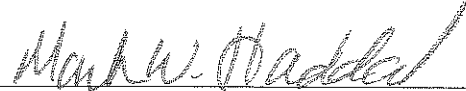
Stabilization Funds

The Stabilization Fund shall not exceed ten percent of the equalized valuation of the Town, and any interest shall be added to and become a part of the fund.

POLICY ENDORSEMENT:



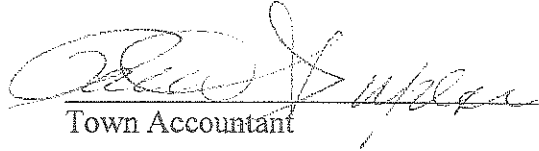
Chairman, Board of Selectmen



Town Manager



Town Treasurer



Town Accountant

Chairman, Finance Committee

Adopted: April 12, 2004, revised December 2012

Line Item Transfers
Spring 4/27/15 for FY15

6/1/2015

Funding Source	\$	Budgetary Use	\$	Notes	Date Voted
<i>Reserve Fund</i>	<i>150,000</i>	Fire Dept Expenses	17,000	Nozzles & Ladder Truck Repair	3/31/2015
		Library Expenses	12,700	Window Repairs	12/2/2014
		Library Wages	2,404	Vacation Accrual Payout Wilson	6/2/2015
		Accounting Expenses	3,000	Scheduled Departmental Audit	6/2/2015
		Unemployment Comp	2,000	Unanticipated EE Terminations	6/2/2015
		Groton Dunstable S.D.	13,000	50% Prescott Building Costs	6/2/2015
		Mechanical Insp Salaries	7,000	Increased Inspection Hours/rates	4/6/2015
		Police Wages	10,000	Pierce Retirement Vaca/OT	6/2/2015
		Fire Wages	30,500	Storm Coverage/C.Jefferson pay	3/31/2015
<i>RFT Subtotal</i>	<i>150,000</i>	<i>Subtotal</i>	<i>97,604</i>		
<i>Ending Reserve Fund Bal</i>	<i>52,396</i>				
<i>Line Item Transfers</i>					
Communications Wages	84,000	Mechanical Insp Expenses	1,000	Mileage for Increased Inspections	
		Sealer of Weights/Meas Sal	1,000	New Scales Installed at Shaw's	
		Legal Expenses	62,000	Increased Litigation Expenses	
County Retirement	30,000	Medicare Matching	5,000	Misc Budget Adjustment	
		IT Wages	5,000	Stipend pd during IT Dir vacancy	
		Country Club Expenses	20,000	Pool Chairs	
Country Club Wages	32,000	Country Club Salary	16,000	New Golf Pro	
		Country Club Expenses	10,000	Tee Box Repairs	
		Country Club Expenses	11,000	Repair to Locker Rooms	
		Country Club Expenses	5,000	Stock Pro Shop	
Transfer Station Wages	8,000				
Highway Wages	16,000	Highway Expenses	34,000	General Expenses	
Library Wages	1,610	Library Salaries	1,610	Misc Budget Adjustment	
HR Salary	2,500	HR Expense	2,500	Recruitment	
Health Insurance Exp	15,000	Water Safety	15,000	May/June Opening Expenses	
<i>Line Item Trfs GF</i>	<i>189,110</i>		<i>189,110</i>		\$0.00
<i>Free Cash Beginning Bal</i>	<i>400,358.00</i>				
		Voting Machines	22,000.00		
		Prior Year Bills	715.00		
		FY13 Grant Deficits	1,884.16		
		Town Hall HVAC	<u>60,000.00</u>		
<i>Free Cash End Balance:</i>	<i>315,758.84</i>		<i>84,599.16</i>		
<i>Enterprise Funds</i>					
Funding Source	\$	Budget Use	\$		
Water E&D	100,000	Water Operating Budget	100,000		
Sewer E&D	100,000	Sewer Operating Budget	100,000		
Overlay Surplus Released	175,000	Snow & Ice	175,000		

Town of Groton General Fund Statement of Revenues & Expenditures

March 31, 2015

Revenue	Current Budget FY15	July - Mar Actual FY15	Variance to FY15 Budget	% of Budget	Final FY14 Budget	Jul - Mar Actual FY14	Variance	Jul - Mar FY14 % of Budget	% of Budget Change	Notes
State Aid (Lottery/Exempts/Van)	828,915	648,072	(180,843)	78.18%	818,909	634,437	(184,472)	77.47%	100.92%	
Motor Vehicle Excise	1,375,000	1,199,365	(175,635)	87.23%	1,285,000	1,129,189	(155,811)	87.87%	99.26%	
Local Option Meals Tax	40,000	7,725	(32,275)	19.31%	0	0	0			New Revenue in FY15
Penalties and Interest on Taxes	90,000	76,636	(13,364)	85.15%	90,000	67,478	(22,522)	74.98%	113.57%	
Payments in Lieu of Taxes	190,000	37,549	(152,451)	19.76%	210,000	0	(210,000)	0.00%		Early Payment recorded in FY15 GELD
Ofr Chrgs for Service (Dunst)	65,000	34,798	(30,202)	53.54%	63,500	63,396	(104)	99.84%	53.62%	Regional Dispatch Billed Early FY14
Fees (incl CC & Van vouchers)	885,000	547,736	(337,264)	61.89%	964,000	586,705	(377,295)	60.86%	101.69%	
Rentals	25,000	25,223	223	100.89%	27,000	20,822	(6,178)	77.12%	130.83%	Cell Towers
Library	12,000	8,678	(3,321)	72.33%	15,000	8,334	(6,666)	55.56%	130.17%	Library Fine Collection Strong
Other Departmental Revenue	575,000	544,733	(30,267)	94.74%	475,000	380,689	(94,311)	80.15%	118.21%	Indirect Reimbrnt (Budget Inc'd for FY16)
Licenses and Permits	275,000	275,274	274	100.10%	256,000	211,951	(44,049)	82.79%	120.90%	FY15 Temple Project
Fines and Forfeits	22,000	25,595	3,595	116.34%	22,000	28,598	6,598	129.99%	89.50%	Tax collection rate strong
Investment Income	10,000	11,890	1,890	118.90%	6,000	13,707	7,707	228.45%	52.05%	FY15 budgeted accurately
Misc Non-recurring (State Aid)		8,452	8,452			43,380	43,380			FEMA Storm Reimb FY14
Misc Non-recurring (Other)		20,494,851	(7,476,609)			20,279	20,279			Legal Reimb. FY15/Auction of FA FY14
Real Estate and Personal Prop	27,971,460			73.27%	26,309,961	19,553,444	(6,756,518)	74.32%	98.59%	
Total Revenue	32,364,375	23,946,578	(8,417,797)	73.99%	30,542,370	22,762,409	(7,779,962)	74.53%	99.28%	
Expenditures (Operating Expenses)										
General Government	2,276,763	1,565,959	710,804	68.76%	2,161,578	1,518,263	643,315	70.24%	97.92%	
Public Safety	3,564,462	2,438,350	1,126,112	68.41%	3,379,625	2,462,854	916,771	72.87%	93.87%	
Department of Public Works	1,620,566	1,448,381	172,185	89.37%	1,648,755	1,455,016	193,739	88.25%	101.28%	
Culture, Rec, & Citizen's Svcs	1,744,566	1,181,321	563,245	67.71%	1,798,686	1,172,576	626,121	65.19%	103.87%	
Employee Benefits and Other	3,171,724	2,665,782	505,942	84.05%	3,111,924	2,749,385	362,539	88.35%	95.13%	Apr Health Ins paid in March 2014
Total Operating Expenses	12,378,081	9,299,793	3,078,288	75.13%	12,100,578	9,358,094	2,742,484	77.34%	97.15%	
Expenditures (Non - Operating Exp.)										
Special Articles Voted for Current Yr	791,190	493,805	297,385	62.41%	851,765	724,549	127,216	85.08%	73.37%	
PY Articles/Enc(See Use of Enc Below)	222,046	170,348	51,698	76.72%	358,417	230,132	128,284	64.21%	119.48%	
Education	18,328,798	13,889,792	4,439,006	75.78%	16,821,429	12,733,219	4,088,210	75.70%	100.11%	
Debt Service	1,308,721	894,863	413,859	68.35%	1,342,590	968,168	374,422	72.11%	94.82%	Fire Sta Debt payable in June
Intergovernmental (State Offsets)	106,992	80,244	26,748	75.00%	104,471	78,353	26,118	75.00%	100.00%	Cherry Sheet Chgs
Total Non - Operating Expenses	20,757,747	15,529,052	5,228,695	74.81%	19,478,671	14,734,421	4,744,250	75.64%	98.90%	
Excess (Deficiency) Before OFS&U	(771,453)	(882,267)	(110,814)	114.36%	(1,036,879)	(1,330,106)	(293,228)	128.28%	89.15%	
Other Financing Sources										
Transfers from Other Funds	810,190	810,190	0	100.00%	916,765	916,765	0	100.00%	100.00%	CapStab/Stab/Amb/ReptsRsvd
Proceeds of Notes			0				0			
Use of Avail. Funds: Encumbrances	222,046	170,348	(51,698)	76.72%	358,417	230,132	(128,285)	64.21%	119.48%	
Use of Available Funds: Free Cash	821,229	821,229	0	100.00%	970,961	970,961	0	100.00%	100.00%	
Total OFS	1,853,465	1,801,767	(51,698)	97.21%	2,246,143	2,117,858	(128,285)	94.29%	103.10%	
Other Financing Uses										
Overlay & Deficits to be Raised	439,166	439,166	0	100.00%	327,007	327,007	0	100.00%	100.00%	
Affect the Tax Rate	150,000	150,000	0	100.00%	100,000	100,000	0	100.00%	100.00%	
Transfers to Other Funds	625,000	625,000	0	100.00%	913,340	913,340	0	100.00%	100.00%	CapStab/Stab/Grants/Cap Projects
Total OFU	1,214,166	1,214,166	0	100.00%	1,340,347	1,340,347	0	100.00%	100.00%	
Excess (Deficiency) Incl. OFS&U	(132,154)	(294,666)	(162,512)	222.97%	(131,083)	(552,596)	(421,512)	421.58%	52.89%	

Town of Groton
General Fund Statement of Revenues & Expenditures
 March 31, 2015

Salaries/Wages Expenditures by Function of Government									
	Current Budget FY15	July - Mar Actual FY15	Variance to FY15 Budget	% of Budget	Final FY14 Budget	Jul - Mar Actual FY14	Variance	Jul - Mar FY14 % of Budget	% of Budget FY15 vs FY14
General Government:									
BOS/Town Manager	271,855.00	203,074.34	68,780.66	74.70%	267,096.00	198,950.56	68,145.44	74.49%	100.29%
Accountant	112,198.00	83,298.94	28,900.06	74.24%	102,007.00	77,157.10	24,849.90	75.64%	98.15%
Assessors	170,942.00	127,963.53	42,978.47	74.86%	165,787.00	124,595.79	41,191.21	75.15%	99.61%
Treasurer/Collector	175,398.00	130,573.93	44,824.07	74.44%	190,457.00	138,537.06	51,919.94	72.74%	102.34%
Personnel	71,396.00	52,641.89	18,754.11	73.73%	68,624.00	42,933.16	25,690.84	62.56%	117.85%
Information Technology	166,156.00	124,734.80	41,421.20	75.07%	148,385.00	111,410.19	36,974.81	75.08%	99.99%
Town Clerk/Elections	134,740.00	94,471.81	40,268.19	70.11%	121,892.00	88,447.16	33,444.84	72.58%	98.63%
Conservation Commission	61,384.00	47,218.41	14,165.59	76.92%	62,331.00	48,428.52	13,902.48	77.70%	99.01%
Land Use	99,055.00	75,332.66	23,722.44	76.05%	96,317.00	73,616.44	22,700.56	76.43%	99.50%
Municipal Buildings	81,180.00	59,282.34	21,897.66	73.03%	75,099.00	52,261.32	22,837.68	69.59%	104.94%
Total General Government	1,344,305.00	998,592.55	345,712.45	74.28%	1,297,995.00	956,337.30	341,657.70	73.69%	100.82%
Public Safety:									
Police Department	1,777,256.00	1,323,310.33	453,945.67	74.46%	1,740,823.44	1,323,926.25	416,897.19	76.05%	97.90%
Fire Department	790,428.00	577,947.75	212,480.25	73.12%	804,006.51	579,610.54	224,395.97	72.09%	101.43%
Dispatch	436,182.00	130,892.60	305,289.40	30.01%	223,216.00	144,239.04	78,976.96	64.62%	46.44%
Inspection Services/Animal Cntrl	182,489.00	135,447.13	47,041.87	74.22%	186,340.00	127,480.45	58,879.55	68.40%	108.51%
Total Public Safety	3,186,355.00	2,167,587.61	1,018,767.19	68.03%	2,954,385.95	2,175,236.28	779,149.67	73.63%	92.39%
Department of Public Works:									
Highway	698,150.00	493,879.60	204,270.40	70.74%	693,424.00	507,684.53	185,739.47	73.21%	98.62%
Snow & Ice	140,000.00	187,771.83	(47,771.83)	134.12%	140,000.00	167,808.59	(27,808.59)	119.86%	111.90%
Solid Waste/Graves Reg.	120,070.00	80,648.23	39,421.77	67.17%	99,910.00	63,677.18	36,232.82	63.73%	105.39%
Total DPW	958,220.00	762,299.66	195,920.34	79.55%	933,334.00	739,170.30	194,163.70	79.20%	100.45%
Culture, Rec. & Citizen's Svcs:									
COA/COA Van	173,514.00	107,431.19	66,082.81	61.91%	147,640.00	104,271.75	43,368.25	70.63%	87.67%
Veterans Services	3,485.00	2,680.00	805.00	76.90%	3,485.00	2,680.00	805.00	76.90%	100.00%
Library	612,905.00	458,757.44	154,147.56	74.85%	605,106.00	455,226.49	149,879.51	75.23%	99.49%
Country Club	247,427.00	157,748.28	89,678.72	63.76%	261,270.25	188,296.97	72,973.28	72.07%	88.46%
Parks/Water Safety	5,180.00	2,381.57	2,798.43	45.98%	5,140.00	2,390.49	2,749.51	46.51%	98.86%
Total Culture, Rec. & Citizen's Svcs	1,042,511.00	728,998.48	313,512.52	69.93%	1,022,641.25	752,865.70	269,775.55	73.62%	94.98%
Grand Total Salaries & Wages	6,531,391.00	4,657,478.50	1,873,912.50	71.31%	6,208,356.20	4,623,609.58	1,584,746.62	74.47%	96.75%
Benefits:									
County Retirement	1,591,023.00	1,560,704.00	30,319.00	98.09%	1,502,924.00	1,484,574.16	18,349.84	98.78%	99.31%
Health / Life Insurance	1,433,701.00	1,003,656.14	430,044.86	70.00%	1,449,500.00	1,153,667.65	295,832.35	79.59%	87.96%
Other Benefits (Medicare/Unemplmt)	147,000.00	101,421.84	45,578.16	68.99%	159,500.00	114,142.87	45,357.13	71.56%	96.41%
Total Benefits	3,171,724.00	2,665,781.98	505,942.02	84.05%	3,111,924.00	2,752,384.68	359,539.32	88.45%	95.03%
Total Salaries/Wages/Benefits	9,703,115.00	7,323,260.48	2,379,854.52	75.47%	9,320,280.20	7,375,994.26	1,944,285.94	79.14%	95.37%

REQUEST FOR TRANSFER FROM THE RESERVE FUND

(To be submitted in triplicate)

Date 6-1-15

Advisory Board
Town of Groton

Gentlemen:

Request is hereby made for the following transfer from the Reserve Fund in accordance with Chapter 40, Section 6, of the Massachusetts General Laws:

1. Amount requested: \$ 10,000.00
2. To be transferred to: Police Wages FY15
(give name of appropriation)
3. Present balance in said appropriation: \$ 186,995
4. The amount requested will be used for (give specific purpose):
To meet wage obligation through 6/30/15

5. This expenditure is extraordinary and/or unforeseen for the following reasons:

Projected wage deficit is due to unexpected retirement of Officer Pierce which resulted in vacation, back covered pay accs and shift coverage at O.T. rates.

Robert D. Pierce
Officer or Department Head

Action of Advisory Board

Donna Palmer

Date of Meeting 6.2.15, Number Present and Voting 7

Transfer voted in the sum of \$ 10,000.00

Transfer disapproved

James J. ...
Chairman Advisory Board

Request must be made and transfer voted before any expenditure in excess of appropriation is incurred.

REQUEST FOR TRANSFER FROM THE RESERVE FUND

(To be submitted in triplicate)

Date *6-1-63*

Advisory Board
Town of Groton

Gentlemen:

Request is hereby made for the following transfer from the Reserve Fund in accordance with Chapter 40, Section 6, of the Massachusetts General Laws:

1. Amount requested: \$ *13,000*
2. To be transferred to: *Municipal Buildings Expense*
(give name of appropriation)
3. Present balance in said appropriation: \$ *27,077.*
4. The amount requested will be used for (give specific purpose):
THE BOARD OF SELECTMEN AND SCHOOL COMMITTEE HAD AGREED TO SPLIT THE UTILITY COST FOR THE PRESCOTT SCHOOL FOR 1963 WHILE THE DISPOSITION OF PRESCOTT MOVED FORWARD
5. This expenditure is extraordinary and/or unforeseen for the following reasons:
AS TOWN MANAGER, I WAS ADVISED TO INCLUDE A LINE ITEM TRANSFER FOR THIS AT THE SPRING TOWN MEETING. I FAILED TO DO SO AND NEED THESE FUNDS TO COMPLETE THE DEAL
Mark W. Noble
Officer or Department Head

Action of Advisory Board

Date of Meeting *6-1-63*.....Number Present and Voting *7*...

Transfer voted in the sum of \$ *13,000*...

Transfer disapproved

[Signature]
Chairman Advisory Board

Request must be made and transfer voted before any expenditure in excess of appropriation is incurred.

REQUEST FOR TRANSFER FROM THE RESERVE FUND

(To be submitted in triplicate)

Date 6-1-15

Advisory Board
Town of Groton

Gentlemen:

Request is hereby made for the following transfer from the Reserve Fund in accordance with Chapter 40, Section 6, of the Massachusetts General Laws:

1. Amount requested: \$ 2,000
2. To be transferred to: Unemployment Compensation
(give name of appropriation)
3. Present balance in said appropriation: \$ 4,731
4. The amount requested will be used for (give specific purpose):
Meeting unemployment claim obligations through 6-30-15
5. This expenditure is extraordinary and/or unforeseen for the following reasons:

Claim activity in FY15 has been higher than anticipated

[Signature]
Officer or Department Head

Action of Advisory Board

Date of Meeting 6-1-15 Number Present and Voting 7

Transfer voted in the sum of \$ 2,000

Transfer disapproved

[Signature]
Chairman Advisory Board

Request must be made and transfer voted before any expenditure in excess of appropriation is incurred.

REQUEST FOR TRANSFER FROM THE RESERVE FUND

(To be submitted in triplicate)

Date *6-1-15*

Advisory Board
Town of Groton

Gentlemen:

Request is hereby made for the following transfer from the Reserve Fund in accordance with Chapter 40, Section 6, of the Massachusetts General Laws:

1. Amount requested: \$ *2,404*.....
2. To be transferred to: *Library Wages*.....
(give name of appropriation)
3. Present balance in said appropriation: \$ *23,767*..
4. The amount requested will be used for (give specific purpose):
To meet wage obligations through 6-30-15
5. This expenditure is extraordinary and/or unforeseen for the following reasons:
This deficit is due to the unexpected retirement of an employee to whom was owed a vacation accrual payment.
[Signature]
Officer or Department Head

Action of Advisory Board

Date of Meeting *6-2-15*..... Number Present and Voting *7*..

Transfer voted in the sum of \$ *2,404*..

Transfer disapproved

[Signature]
Chairman Advisory Board

Request must be made and transfer voted before any expenditure in excess of appropriation is incurred.

REQUEST FOR TRANSFER FROM THE RESERVE FUND

(To be submitted in triplicate)

Date 6-1-15

Advisory Board
Town of Groton

Gentlemen:

Request is hereby made for the following transfer from the Reserve Fund in accordance with Chapter 40, Section 6, of the Massachusetts General Laws:

1. Amount requested: \$ 3,000
2. To be transferred to: Accounting Expenses
(give name of appropriation)
3. Present balance in said appropriation: \$ 433
4. The amount requested will be used for (give specific purpose):
Review of internal control procedures and operational inefficiencies at Transfer Station to be conducted by Hunt & Kingston.
5. This expenditure is extraordinary and/or unforeseen for the following reasons:
Internal control deficiencies identified during FY15, which should be corrected as soon as possible to prevent lost revenues, etc.

[Signature]
Officer or Department Head

Action of Advisory Board

Date of Meeting 6-2-15 Number Present and Voting 7

Transfer voted in the sum of \$ 3,000

Transfer disapproved
[Signature]
Chairman Advisory Board

Request must be made and transfer voted before any expenditure in excess of appropriation is incurred.