

# TOWN OF GROTON FINANCE COMMITTEE/BOARD OF SELECTMEN

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*Tuesday, March 7<sup>th</sup>, 2017 – 7:00 pm  
Groton Town Hall, Selectmen's Meeting Room  
173 Main St, Groton, MA*

## ***Joint Executive Session***

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

**Present for the Groton Board of Selectmen:** J. Petropoulos (Chair), J. Degen, P. Cunningham

**Also Present:** M. Haddad (Town Manager), M. Doig (H.R. Director)

**Documents available at the meeting:** Fire Chief Salary Survey of Comparable Towns  
Ambulance Revenue/O.T. Analysis by Mr. Pease

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

*Mr. Petropoulos called the Board of Selectmen to order at 7:00 p.m.*

**On a motion by Mr. Hargraves, seconded by Mr. Manugian the Finance Committee voted unanimously to enter executive session to discuss strategy in preparation for contract negotiations with non-union personnel (Groton Fire Chief) in accordance with M.G.L. Ch. 30A, 21(a), to return to open session immediately thereafter. Roll Call Vote: Mr. Green – Aye, Mr. Hargraves – Aye, Mr. Manugian – Aye, Ms. Leonard – Aye, Mr. Prest – Aye, Mr. Robertson – Aye. (6-0-0)**

**On a motion by Mr. Degen, seconded by Mr. Cunningham, the Board of Selectmen voted unanimously to enter executive session to discuss strategy in preparation for contract negotiations with non-union personnel (Groton Fire Chief) in accordance with M.G.L. Ch. 30A, 21(a), to return to open session immediately thereafter. Roll Call Vote: Mr. Petropoulos – Aye, Mr. Cunningham – Aye, Mr. Degen – Aye.**

Mr. Haddad explained that the negotiations for the new 3-year contract for the Fire Chief were focused on salary issues. At \$102,000, the Fire Chief currently earns less than the Deputy Police Chief. A salary survey was completed that indicated an average of \$111,000 earned by Fire Chiefs in towns that have been identified as comparable to Groton. The Deputy Police Chief in Groton currently earns \$114,000 which includes the amount previously rolled in for his Quinn payment. Mr. Green asked whether a salary survey had been completed for the Deputy Police Chief, and was told that this had not been done. Mr. Degen noted that the Fire Chief was compensated at a relatively low rate because this was his first

contract, however, now that he has proven his abilities and has the support of his staff, an adjustment is appropriate. He recommends increasing the Fire Chief's salary to be within the average range indicated by the salary survey, adding a performance incentive instead of a COLA, and reducing the health insurance cost share to 70/30. Mr. Robertson said that the Personnel Board had reviewed the salary survey and was comfortable with bringing the Chief's salary up by \$7,000 (the approximate midpoint of those towns analyzed). He added that based on the Fire Chief's performance thus far, he would most likely qualify for a 3% merit increase each year of his contract. With that understanding and to set the tone for future union negotiations, Mr. Robertson recommended awarding 3% merit for performance that exceeds expectations, and only 1% or 1 ½ % merit for performance that merely meets expectations (rather than the 2% previously discussed). Mr. Degen reminded the group of the \$2,000 differential due to the proposed health insurance cost share change. He added that while the first year of this new contract will carry a guaranteed 3% merit, the remaining two years will be dependent on future performance, at the end of which the Fire Chief has the potential to be earning \$120,000. Mr. Robertson would like to be able to tie salary increases for department head positions to performance metrics in this fashion. The group briefly discussed the Fire Chief's positive contributions thus far such as the new call member pilot program, the increase to ambulance receipts and the successful handling of the departmental wage budget. Morale in the department is also very high, which Mr. Hargraves noted may have a restraining effect on overtime expenses.

Mr. Petropoulos felt that the strategy as discussed was reasonable. Mr. Green agreed that a general consensus seems to have been reached. Mr. Degen was encouraged that the strategy discussed would yield a truly performance-based contract.

**On a motion by Mr. Manugian, seconded by Mr. Hargraves, the Groton Finance Committee unanimously voted to exit executive session and return to open session at this time. The Roll Call Vote: Mr. Green- Aye, Mr. Hargraves- Aye, Ms. Leonard- Aye, Mr. Manugian- Aye, Mr. Prest- Aye, Mr. Robertson- Aye. (6-0-0)**

**On a motion by Mr. Degen, seconded by Mr. Cunningham, the Groton Board of Selectmen voted unanimously to exit executive session and return to open session at this time. The Roll Call Vote: Mr. Degen – Aye, Mr. Cunningham – Aye, Mr. Petropoulos – Aye**

Both boards returned to open session at approximately 7:30 p.m.

Respectfully submitted,

Patricia Dufresne, Recording Secretary



## Patricia DuFresne

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**From:** Barry Pease  
**Sent:** Tuesday, March 07, 2017 4:21 PM  
**To:** Mark Haddad; Patricia DuFresne  
**Subject:** Information for Tonight's Executive Session

Hi Mark & Tricia,

As part of the Fire Chief negotiations meeting tonight, this information may be relevant.

Chief McCurdy joined the town in August, 2014, just after the beginning of FY15.

### Ambulance Receipts:

- 1) FY2015: \$267,772
- 2) FY2016: \$345,585
- 3) FY2017 (projected based on 7 months): \$317,200

Analysis: After his first year, Steele worked with Mark to increase ambulance fees, resulting in a significant increase of Ambulance revenues.

Further insight: The Chief plans to increase revenue through more increases this year, to the maximum allowable by insurance companies.

### Overtime Payouts:

- 1) FY2015: \$100,812
- 2) FY2016: \$103,490

Analysis: OT seems to be an area where Chief McCurdy should have an impact. There was a jump between FY14 and FY15 of ~23,000. It's possible that this increase is a result of the change in staffing which occurred prior to the Chief's hiring. It's my view that Steele should be tasked with lowering this amount as part of receiving an increase in years 2 & 3 of his contract. It's certainly a point of discussion we should have with him.

Further insight: It'd be good to understand the FY17 trend to see if it's lower or is holding consistent with the above numbers.

I'm sending this only to you two as it's part of an executive session discussion.

Please provide when appropriate.

Thank you,

Barry A. Pease  
Member, Board of Selectmen

TOWN	SALARY	POPULATION	TOWN BUDGET	ON-CALL	DEPARTMENT SIZE	HOURS OF OPERATION	PARAMEDIC/EMT	# OF FIRE STATIONS	CONTRACT	HEALTH INSURANCE
Carver	\$ 125,840.00	11,494	\$ 38,902,581.00	72	1 Dep;1 Asst Dep; 1 dispatcher			1	Emploment Agree; 25 vac days with a 10 day buyot (annual) 3 per; 140 sick days, will be paid 75% of sick time up to 200 hours (separation); auto for work use; post employ if required to come back or testify \$500 unless he is employed. Health (retire) pays 50% before age 52 ,100% after age 52.	75/25
Holbrook	\$ 126,000.00	10,952	\$ 33,034,514.00	3	0 Cap;4 Lieut;16 Fire;1 Admin	24/7	14 Paramedics/4 EMT	1	health ins opt out 5% of premium; vac 30 days, may have unused vac added to sick time; 6 per days;	90/10
Hull	\$ 120,048.00	10,332	\$ 24,442,540.00		1 Deputy; 5 Cap; 26 FF; 1 Admin	24/7	All Parmedics	2	No contract	75/25
Leicester	\$ -	10,800	\$ 25,735,034.00							70/30
Littleton	\$ 104,314.00	9,246	\$ 42,026,876.00	29	1 Deputy; 10 Fire; 1 Admin Asst	24/7	All EMTS	1	\$600 for term life or disability insurance;3 per days; 5 wks vac;\$950 coll allow;auto for work use; \$90. per month cell phone	70/30
Lunenburg	\$ 88,253.00	10,969	\$ 35,433,637.00	38	2 Cap;1 Lieut;3Fire;1 Admin Asst	12 hours shifts	38 EMTS	1	12 sick days; 4 personal days;5 weeks vac;\$720 for cell phone per year; \$1,500 coll allow	75/25
Maynard	\$ 114,632.00	10,370	\$ 37,521,987.00	10	4 Cap;16 Fire;1 Admin Asst	24/7	16 EMTS	1	11 pd holidays;25 days PTO;clothing all \$800	75/25
Norfolk	\$ 114,000.00	11,689	\$ 33,931,538.00	3	1 Deputy;4 Lieut;8 fire	24/7	11 Paramedics	1	Auto for work use;\$300,000 life policy pd by the town; sick 124 days, upon retire/death will be paid 50% of accumulated time in excess of 60 days not to exceed 180 days. If he dies on duty a 100% will be paid to the estate. 3 personal days, 6 weeks vac, colth allo \$900; 8% of annual salary to 457 deferred comp	63/37
Oxford	\$ 100,994.92	13,806	\$ 34,325,875.00	13	3 Cap;1 Lieut; 9 fire; 1 Admin	24/7	4 Paramedics 4EMT	2	No contract	75/25
Palmer	\$ -	12,000	\$ 35,431,892.00							75/25
Pepperell	\$ -	11,800	\$ 22,279,010.00							70/30
Tyngsboro	\$ 105,000.00	12,054	\$ 35,002,733.00	28	1 Depuy;1 Cap;1 Fire Pre Cap 6 Lieut; 5 Fire	24/7	All EMTS	3	20 vac days;12 sick days; Auto for work use; coll all \$1,000	70/30
Winchendon	\$ -	9,600	\$ 31,525,686.00							60/40
Ayer	\$ 114,856.35	7,050	\$ 30,000,000.00	30	4 Cap; 5Lieu; 5 Fire; 1 Admin Asst	24/7	7 Parametic/6 EMT	1	Auto for work use; 25 vac days; 15 sick day, upon retirement will rec unpaid sick up to \$7,500; coll allow \$850; tuition reimb \$2,000; prof dev \$1,500	75/25
Wrentham	\$ -	11,549	\$ 39,679,000.00							75/25

Total Avg \$ 111,393.83

Groton	\$102,792.04	11,115	33,380,799	40	1 Cap;2 Lieut; 2 Fire 1Admin	12 hours shifts	EMT	3	4 wks vac;cloth allow \$1,000 Auto for work use	80/20
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Town's used for Town Manager and Police Survey

\* Yellow highlight-Towns that do not have full-time Fire Chiefs or staff  
\*\* Blue highlight- Towns that are not comp towns



TOWN	SALARY	POPULATION	TOWN BUDGET	ON-CALL	DEPARTMENT SIZE	HOURS OF OPERATION	PARAMEDIC/EMT	FIRE STAT	CONTRACT	HEALTH INSURANCE
Carver	\$ 125,840.00	11,494	\$ 38,902,581.00	72	1 Dep;1 Asst Dep; 1 dispatcher	0	0	1	Emploment Agree; 25 vac days with a 10 day buyot (annual) 3 per; 140 sick days, will be paid 75% of sick time up to 200 hours (separation); auto for work use; post employ if required to come back or testify \$500 unless he is employed. Health (retire) pays 50% before age 52 ,100% after age 52.	75/25
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Vinchendo	\$ -	9,600	\$ 31,525,686.00	0	0	0	0	0	0	60/40
Ayer	\$ 114,856.35	7,050	\$ 30,000,000.00	30	4 Cap; 5Lieu; 5 Fire; 1 Admin Asst	24/7	7 Parametic/6 EMT	1	Auto for work use; 25 vac days; 15 sick day, upon retirement will rec unpaid sick up to \$7,500; coll allow \$850; tuition reimb \$2,000; prof dev \$1,500	75/25
Wrentham	\$ -	11,549	\$ 39,679,000.00	0	0	0	0	0	0	75/25

Total Avg \$ 112,460.66

Groton	\$102,792.04	11,115	33,380,799	40	1 Cap;2 Lieut; 2 Fire 1Admin	12 hours shifts	EMT	3	4 wks vac;cloth allow \$1,000 Auto for work use	80/20
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Town's used for Town Manager and Police Survey

- \* Yellow highlight-Towns that do not have full-time Fire Chiefs or staff
- \*\* Blue highlight- Towns that are not comp towns
- \*\*\*Green Highlight- removing Lunenburg salary -Lowest \$88,253 Holbook \$126,000

# TOWN OF GROTON FINANCE COMMITTEE/BOARD OF SELECTMEN

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*Tuesday, March 7<sup>th</sup>, 2017 – 7:30 pm  
Groton Town Hall, Selectmen's Meeting Room  
173 Main St, Groton, MA*

## ***Joint Open Session***

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

**Present for the Groton Board of Selectmen:** J. Petropoulos (Chair), J. Degen, P. Cunningham

**Also Present:** M. Haddad (Town Manager), M. Doig (H.R. Director), M. Hartnett (Town Tax Collector/Treasurer), R. Swezey (Principal Assessor), C. Sartini (Groton Herald), J. Anderson (Resident), Town Department Heads

**Documents available at the meeting:** FY18 Operating Budget Update Memo (Town Manager)  
Proposed Debt Scenario Spreadsheet  
2017 Spring Town Meeting Warrant updated as of 3/07/17  
New Spending Prioritization Memo 3/07/17 (B. Pease – BOS)

**On a motion by Mr. Manugian, seconded by Mr. Hargraves, the Groton Finance Committee unanimously voted to exit executive session and return to open session at this time (7:30 p.m.). The Roll Call Vote:** Mr. Green- Aye, Mr. Hargraves- Aye, Ms. Leonard- Aye, Mr. Manugian- Aye, Mr. Prest- Aye, Mr. Robertson- Aye. (6-0-0)

**On a motion by Mr. Degen, seconded by Mr. Cunningham, the Groton Board of Selectmen voted unanimously to exit executive session and return to open session at this time (7:30 p.m.). The Roll Call Vote:** Mr. Degen – Aye, Mr. Cunningham – Aye, Mr. Petropoulos – Aye (3-0-0)

**Update to FY18 Operating Budget** – Mr. Haddad outlined the impacts that the Municipal Modernization Act will have on the FY18 budget. First, a provision for a single Overlay account (rather than yearly reserves) will allow the town to reduce the amount raised in future years if sufficient balance exists to cover anticipated abatement and exemption needs. In FY18, the Finance Team is recommending to raise only \$100,000 rather than the \$250,000 previously planned. Secondly, the MMA allows for extended terms on Bond Anticipation Notes. This will allow the town some flexibility in structuring debt service for future years. Mandatory principal payments (based on the useful life of the asset) are still required after three years (the town must raise an additional \$112,000 for FY18 to meet this requirement). In addition to the debt adjustment, \$27,000 has been added to cover the Pepperell SRF payment, \$25,000 for

lifeguards at Sargisson's Beach, and \$73,000 for the Fire Department's call Pilot program. These updates result in unexpended tax capacity of \$211,000. Mr. Haddad noted that the School Committee seems to be leaning toward assessing Groton the entire \$750,000 originally set aside (an additional \$95,000 for Groton and \$22,000 for Dunstable over the assessments originally projected by Superintendent Ryan). The School Committee would like to do what it can to address perceived needs. Mr. Degen reminded the group that Groton will be responsible for funding all of the Florence Roche capital repairs. He pointed out that including the \$100,000 for Florence Roche within the budgeted assessment artificially inflates the base budget for successive years. Mr. Green plans to work with the district on their handling of capital spending so as to address these in a more sustainable manner.

Debt Scenarios – Mr. Haddad explained that he and Mr. Hartnett had developed a number of alternative debt scenarios in advance of permanently bonding the Lost Lake Fire Protection Project, the Public Safety Radios, Four Corners Sewer and the proposed new Fire Truck. These scenarios were developed at the urging of Mr. Robertson (Finance Committee) with the aim of stabilizing the tax rate, freeing up levy capacity and reducing interest expenses for the town. (See Debt Scenario document attached). Plan A refers to the original plan which would permanently borrow for these needs in FY19 (with a maturity date of 2043). This plan utilizes no Free Cash and would cost the town \$1,619 million in interest over 25 years. Plan B would fund these projects entirely with BAN's, and uses Free Cash and \$250,000 of tax levy to pay off these notes by FY2028. The total interest cost for Plan B is only \$251,564. Plan D is similar to Plan B; the projects are funded entirely with BAN's to mature in FY2028, but a major pay-down in FY18 somewhat reduces the Free Cash needed and reduces the interest cost to only \$237,710. Plan C is a hybrid approach, which involves using BAN's for the maximum period allowed before converting to permanent bonding. This approach has the benefit of providing for reasonable principal payments, which will hold down interest cost over the long term, but will stabilize the funding from taxation and will not require as high a commitment of Free Cash. The expected interest cost would be \$684,100 through FY2035.

Mr. Degen wondered about the town's exposure to interest rate risk for these plans. Mr. Hartnett confirmed that it is impossible to know what the markets will do 7 or 10 years from now; his calculations include 4% for the long term bonding options. Mr. Haddad reminded the group that permanent bonding can be undertaken at any time (as borrowing has already been approved by Town Meeting), if market conditions deteriorate. Also, if Free Cash is lower than expected in any given year, levy capacity should be available to cover the difference. Mr. Haddad is recommending Plan C, as this keeps debt service level, and accelerates the payments without being overly aggressive. Mr. Green suggested opting for Plan B, and converting to C in future years if necessary. He asked about other projects on the horizon which might require borrowing. Mr. Haddad replied that the only potential project is the Senior Center which would require a debt exclusion; the fire truck planned for 2021 will be funded using a combination of ambulance receipts and capital funds. Mr. Robertson would like to analyze these scenarios with respect to the sustainability model. He suggested starting with Plan C, but including the large payment in FY18 from Plan B before running out the totals. Mr. Degen preferred Plan B for FY18, as it could be converted to Plan C at a later date if Free Cash is not available. He wondered if there would be sufficient Free Cash in FY18 to do extra OPEB funding as well as the debt payments. Mr. Haddad assured him that there would be enough Free Cash to do both.

FY18 Budget Updates – Mr. Degen noted that Sargisson’s Beach had been funded within the levy until last year. It is unlikely that the town would be able to successfully solicit private donations two years in a row for this purpose. The beach has been proven to be popular and therefore, Mr. Degen would like to see it funded in the budget. Mr. Petropoulos summarized Mr. Pease’s written request that the group consider restoring \$10,000 to the Library for Sunday hours. This not only provides a direct benefit to residents, but funding at this level has the added advantage of allowing the Library to reduce its book & materials costs for FY18 by \$8,000. Mr. Petropoulos wondered if producing a prioritized lists of budget options would be useful in terms of analyzing levy capacity and impacts. Mr. Robertson noted that the debt pay-down and the Pepperell SRF funding are not truly optional for FY18. The Fire Department Pilot and lifeguards for the Beach are open questions, however. Mr. Green warned that the lifeguards are the first to lose funding during any fiscally challenging year. He would like the group to consider what level of spending would be sustainable over a five to ten year period. Mr. Haddad noted that there will be seven union contracts to negotiate in FY18 as well. Mr. Prest said he would like additional information on the original agreement for funding the Pepperell SRF debt for the Sewer Department. Mr. Haddad replied that this was a gentlemen’s agreement dating back to 2006; the town paid its portion only a handful of years. He added that Pepperell is planning another plant upgrade and he hopes that the Enterprise will be able to fund this without taxpayer help.

Spring Town Meeting Warrant Review – Mr. Haddad briefly addressed each of the articles appearing on the warrant. Discussion highlights are as follows:

#2: All Are Welcome Markers – Materials are expected to be provided from private sources. The town will pay \$1 plus the cost of Highway Department labor.

#6: Contribution to the OPEB Trust – Mr. Haddad has recommended doing the usual \$200,000 appropriation (transferred from the Employee Benefits line) plus an additional \$200,000 (from Free Cash) to make a meaningful start on funding the OPEB liability. Mr. Robertson suggested beginning with a smaller, more sustainable contribution that can be built up over time. He stressed that even a relatively large contribution would not make a meaningful dent in the current liability, and an additional \$50,000 would be a 25% increase. Mr. Petropoulos prefers to set a precedent and make a sizable commitment. The group was interested in determining what contribution amount would serve to prevent the liability from getting worse. Ms. Dufresne offered to discuss this with the actuary who prepares the GASB 45 report.

#10: Senior Center Location & Design – This article would authorize funding to move the chosen site forward. Funding will be from multiple sources including Receipts Reserved and Stabilization Funds.

#11: Enclosing the 2<sup>nd</sup> Floor Meeting Room – A quote of \$24,000 has been received for this project; it is not eligible for CPC funding.

#24: Amend Zoning Chapter 218, Concept Plan – This article represents a significant alteration of procedures as it will eliminate the requirement to approve certain concept plans at Town Meeting. This is likely to engender debate at Town Meeting, but if approved, is expected to encourage economic development.



#28: Boat Excise Taxes - This new tax is expected to generate approximately \$2,500 annually, to be used to provide portable toilets at the boat launch site.

#30: Increase Demand Fee issued by Collector – Currently the town charges \$5 for late payments. If this fee is raised to \$10, it is expected to generate an additional \$8,000 to \$10,000 annually. There was some support for raising this fee to the \$30 upper limit. Mr. Haddad said that they prefer to step this up gradually.

#34: Grant Ownership of Map 128, Parcel 12 – This article would transfer ownership of a small parcel of land from the town to a homeowner for the price of \$1. She has been paying taxes on this parcel for many years even though the property on which her house is built is owned by the town.

#35: Create Town Seal Committee – Mr. Haddad explained that any change ultimately made to the town seal would be costly as purchased items displaying that seal would have to be updated (trucks, uniforms, stationery, flags, etc.). Mr. Petropoulos asked that the Town Manager's office provide an estimate of what this cost might be. He added that there was no reason to change out all instances of the seal immediately, this could be done through attrition in order to limit the expense.

#36 through #41: Consent Agenda – Mr. Haddad said that the Town Moderator was currently reviewing the articles included in the consent agenda. He may recommend pulling out those articles that are not substantially routine or perhaps offer language changes.

Mr. Haddad concluded his review of the warrant by informing the group that the document will go to print on April 4<sup>th</sup>; therefore he would appreciate knowing the Finance Committee's positions by April 3<sup>rd</sup>. The Finance Committee agreed to meet on Wednesday, March 15<sup>th</sup> and again on Monday March 20<sup>th</sup> (immediately following the public hearing) to deliberate on budget issues and take positions on warrant articles.

#### Approval of Minutes –

On a motion by Mr. Hargraves, seconded by Mr. Robertson, the Finance Committee voted unanimously to approve and release the meeting minutes of January 9<sup>th</sup>, 2017 as drafted. The Vote: 6-0-0

On a motion by Mr. Robertson, seconded by Ms. Leonard, the Finance Committee voted unanimously to approve and release the meeting minutes of January 28<sup>th</sup>, 2017 as drafted. The Vote: 6-0-0

On a motion by Mr. Robertson, seconded by Mr. Manugian, the Finance Committee voted unanimously to approve and release the open session meeting minutes of February 16<sup>th</sup>, 2017 as drafted. The Vote: 6-0-0

On a motion by Mr. Robertson, seconded by Mr. Manugian, the Finance Committee voted unanimously to approve but not release the executive session meeting minutes of February 16<sup>th</sup>, 2017 as drafted. The Vote 6-0-0

Mr. Petropoulos officially adjourned the meeting of the Board of Selectmen at 8:55 p.m.  
Mr. Green officially adjourned the meeting of the Finance Committee at 8:55 p.m.

Respectfully submitted,

Patricia Dufresne, Recording Secretary



## TOWN OF GROTON

173 Main Street  
Groton, Massachusetts 01450-1237  
Tel: (978) 448-1111  
Fax: (978) 448-1115

## Board of Selectmen

John G. Petropoulos, *Chairman*  
Joshua A. Degen, *Vice-Chairman*  
Barry A. Pease, *Clerk*  
Peter S. Cunningham, *Member*  
Anna Eliot, *Member*

**Town Manager**  
Mark W. Haddad

**To:** *Finance Committee  
Board of Selectmen*

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

**Subject:** *Update to Fiscal Year 2018 Proposed Operating Budget*

**Date:** *March 7, 2017*

The purpose of this memorandum is to update the Board of Selectmen and Finance Committee with proposed changes to my initial budget submitted to the Board and Finance Committee on December 31, 2016. I have made these adjustments based on my understanding of the most up to date information, including changes in the recently adopted Municipal Modernization Act. Specifically, the Municipal Modernization Act changes how Towns Fund their Overlay Account. Instead of a separate fund for each year, it is now authorized to have one fund for all years. The Fiscal Year 2018 Proposed Operating Budget had set aside \$250,000 for the Overlay Account, which is no longer needed. Currently, the Town has \$596,000 in its Overlay (Overlay Surplus) for the last several fiscal years (including the \$275,000 appropriated in FY 2017). The Finance Team recommends setting aside only \$100,000 for the Overlay in FY 2018, freeing up \$150,000 in levy capacity for FY 2018. The Act also allows the Town to issue BAN's on bond issues for up to ten years. However, current law requires that after three years, the Town make mandatory principal pay-downs on the notes. This would require an increase of \$112,382 in the Proposed FY 2018 Debt Service Budget, bringing the total In-Levy Debt Budget to \$234,200.

In addition to these changes, the GDRSD may not need the entire \$750,000 I had set aside in my original proposed budget. The Superintendent's proposed budget reduced the amount of the operating assessment due to a shift in student population between Groton and Dunstable and included some capital items in their assessment. When you take into consideration the proposed increase in assessment by the Superintendent and add Groton's share of the technology, Boutwell HVAC and High School HVAC, the total increase is \$547,492. In addition, they will be requesting a \$100,000 appropriation to make various improvements to the FloRo Elementary School and parking area, bringing their total anticipated increase in FY 2018 to \$647,492. In addition to that, I have added \$27,000 to the Selectmen's budget to cover the cost of Groton's share to the Pepperell SRF and added \$25,257 to the Water Safety Budget to cover the lifeguards at Sargisson Beach. Also, for your consideration is using taxation to cover the Fire Department Pilot Program, instead of Free Cash. The budget appropriations would then be the following:

General Government	\$ 1,946,980
Land Use Departments	\$ 434,948
Protection of Persons and Property	\$ 3,766,073
Regional School Districts	\$20,762,151
Department of Public Works	\$ 2,136,809
Library and Citizen Services	\$ 1,594,607
Debt Service	\$ 1,332,019
Employee Benefits	\$ 3,842,510
<b>Total Operating Budget</b>	<b>\$35,816,097</b>

*Continued on next page – Over >*



**Additional Appropriations**

Call EMT Incentive \$ 73,000

**Grand Total Appropriations \$35,889,097**

Should all this be approved, the budget will be \$211,989 under the levy limit.

That said, a member of the Finance Committee asked the Finance Team to re-evaluate the way we had planned to fund current and anticipated bond authorizations. The Town currently has three bond authorizations for the following projects: Four Corners Sewer Engineering - \$300,000; Lost Lake Fire Protection - \$1,837,000; Public Safety Radio Project - \$650,000. In addition, the 2017 Spring Town Meeting will request a bond authorization of \$995,000 to purchase a new Ladder Truck for the Fire Department. The Fiscal Year 2017 Proposed Operating Budget had proposed that the Town use Bond Anticipation Notes (BANs) to cover the short-term debt service on the previously authorized projects and then permanently finance those bonds (with the exception of the Four Corners Sewer Engineering), as well as the proposed purchase of the Ladder Truck, in Fiscal Year 2020. To pay the debt service on these bonds (less the Four Corners Sewer Engineering), it was proposed to utilize a reduction in the Pension Budget in FY 2020 of approximately \$190,000.

The goal of this evaluation was to stabilize debt service within the levy limit, free up levy capacity to pay for other services, and reduce interest payments for the Town. It is important to note that there is currently a balance of \$674,059 in Free Cash. According to the Original Town Manager's Budget, it is proposed that \$200,000 be used to increase OPEB Funding in FY 2018 and \$60,000 be used to help fund the Capital Budget, leaving a balance in Free Cash of \$414,059.

The Finance Team has four (4) proposals for consideration that would use both Tax Levy and Free Cash to Finance the Town's Debt:

**Plan A – Current Debt Service Plan – BAN until 2019 then Permanently Finance Debt in Fiscal Year 2020**

**Plan B – Use BAN's and Make Mandatory Pay-Downs (per Municipal Modernization Act)**

**Plan C – Use BAN's for Maximum Allowed Time (per Municipal Modernization Act) – Then Permanently Finance Remaining Debt**

**Plan D – Similar to Plan B, Use BAN's for All Debt and Make Mandatory Pay-Downs (per Municipal Modernization Act), However, Make Major Pay-Down in FY 2018**

Attached to this memorandum is a spread sheet that shows the anticipated funding of each proposal. With the reduction in the Overlay Account and the increase in Debt Service to cover the Mandatory Debt Pay-Down, the anticipated tax rate in Fiscal Year 2018 would be \$18.63 or an increase of \$0.37 over FY 2017. This would translate to a \$157 increase in the average tax bill. Under all proposed Plans, even if sufficient Free Cash is not available in any given year, the proposed debt service could still be met with levy capacity. Utilizing either Plans B, C or D would save the taxpayers anywhere between \$1 million and \$1.4 million in interest payments.

Under Plan A, there would be no further impact on the FY 2018 Budget, including no additional use of Free Cash. In-Levy Debt Service for the life of the Bond would be covered completely by Levy Capacity. In addition, the Town would pay \$1,618,730 in interest on the Bonds through 2043.

**Finance Committee  
Board of Selectmen  
FY 2018 Budget Update  
page three**

Under the Proposed Plan B, the Town would still require the use of an additional \$112,382 in levy capacity to cover the mandatory pay-down. The Town would need to appropriate an additional \$132,300 in Free Cash in FY 2018, reducing Free Cash to \$281,759. Beginning in FY 2019, Debt Service would be stabilized at \$250,000 per year through FY 2028 and the Town would need to commit an average of \$250,000 in Free Cash for Debt Service through FY 2028. The Town would pay \$251,564 in interest on the BAN's through FY 2028. In FY 2020, the reduction in the Pension Budget would not be needed for Debt Service and could be used for other Operating Expenses, unless there isn't sufficient Free Cash.

Under the Proposed Plan C, the Town would still require the use of an additional \$112,382 in levy capacity to cover the mandatory pay-down and there would be no use of Free Cash in FY 2018. Beginning in FY 2019, Debt Service would be stabilized at \$200,000 per year through FY 2035 and the Town would need to commit Free Cash to offset Debt Service through FY 2030 (beginning with \$152,835 in FY 2019 and ending with \$6,425 in FY 2032). The Town would pay \$684,100 in interest between BAN's and Bonds through FY 2035. In FY 2020, the reduction in the Pension Budget would not be needed for Debt Service and could be used for other Operating Expenses, unless there isn't sufficient Free Cash.

Under Proposed Plan D, the Town would make a major pay-down on the existing BAN's by using all available levy capacity (an additional \$211,989) and \$201,211 in Free Cash. Using the remaining levy capacity would increase the tax rate by \$0.12 to an anticipated rate of \$18.75, or an additional \$51 on the average tax bill. Free Cash would be reduced to a balance of \$212,848. Beginning in FY 2019, Debt Service would be stabilized at \$250,000 per year through FY 2028 and the Town would need to commit Free Cash to offset Debt Service through FY 2025 (beginning with \$235,745 in interest for these BAN's). In FY 2020, the reduction in the Pension Budget would not be needed for Debt Service and could be used for other Operating Expenses, unless there isn't sufficient Free Cash.

We look forward to discussing these plans in more detail. Please let me know if you have any additional questions or concerns with regard to this matter.

MWH/rjb

cc: Patricia DuFresne – Town Accountant  
Michael Hartnett – Town Treasurer/Collector  
Rena Swezey – Principal Assessor  
Melisa Doig – Human Resources Director  
Dawn Dunbar – Executive Assistant

enclosures

## FISCAL YEAR 2018 LEVY LIMIT CALCULATION

Revised: 3/06/2017

### I. TO CALCULATE THE FY 2017 LEVY LIMIT

A.	FY 2016 LEVY LIMIT	\$	27,029,638	
A1.	ADD AMENDED FY 2016 NEW GROWTH	\$	-	
B.	ADD TWO AND ONE HALF PERCENT	\$	675,741	
C.	ADD FY 2017 NEW GROWTH	\$	446,114	
D.	ADD FY 2017 OVERRIDE	\$	-	
E.	FY 2017 SUBTOTAL	\$	28,151,493	\$ 28,151,493
F.	FY 2017 LEVY CEILING	\$	41,372,682	FY 2017 LEVY LIMIT

### II. TO CALCULATE THE FY 2018 LEVY LIMIT

A.	FY 2017 LEVY LIMIT	\$	28,151,493	
A1.	ADD AMENDED FY 2017 NEW GROWTH	\$	-	
B.	ADD TWO AND ONE HALF PERCENT	\$	703,787	
C.	ADD FY 2018 NEW GROWTH	\$	273,900	
D.	ADD FY 2018 OVERRIDE	\$	-	
E.	FY 2018 SUBTOTAL	\$	29,129,180	\$ 29,129,180
F.	FY 2018 LEVY CEILING	\$	41,354,162	FY 2018 LEVY LIMIT



Revised: 3/06/2017

**TOWN OF GROTON, MASSACHUSETTS  
FY 2018 TOTAL TAX LEVY CALCULATION**

<b>FY 2018 LEVY LIMIT</b>	<b>\$</b>	<b>29,129,180</b>
<b>CAPITAL EXCLUSION</b>	<b>\$</b>	<b>-</b>
<b>DEBT EXCLUSION - TOWN</b>	<b>\$</b>	<b>1,095,836</b>
<b>DEBT EXCLUSION - SEWER</b>	<b>\$</b>	<b>-</b>
<b>DEBT EXCLUSION - WATER</b>	<b>\$</b>	<b>-</b>
<b>DEBT EXCLUSION - GDRSD</b>	<b>\$</b>	<b>1,077,059</b>
<b>SUB-TOTAL - EXCLUSIONS</b>	<b>\$</b>	<b>2,172,895</b>
<b>TOTAL TAX LEVY</b>	<b>\$</b>	<b>31,302,075</b>

Revised: 3/06/2017

TOWN OF GROTON  
FISCAL YEAR 2018  
REVENUE ESTIMATES

	BUDGETED FY 2017	ESTIMATED FY 2018	CHANGE
PROPERTY TAX REVENUE	\$ 28,151,493	\$ 29,129,180	\$ 977,687
DEBT EXCLUSIONS	\$ 2,232,427	\$ 2,172,895	\$ (59,532)
CHERRY SHEET - STATE AID	\$ 860,020	\$ 915,112	\$ 55,092
UNEXPENDED TAX CAPACITY	\$ (178,840)	\$ -	\$ 178,840
LOCAL RECEIPTS:			
General Revenue:			
Motor Vehicle Excise Taxes	\$ 1,400,000	\$ 1,438,435	\$ 38,435
Meals Tax	\$ 100,000	\$ 100,000	\$ -
Penalties & Interest on Taxes	\$ 90,000	\$ 90,000	\$ -
Payments in Lieu of Taxes	\$ 220,000	\$ 230,000	\$ 10,000
Other Charges for Services	\$ 87,250	\$ 87,250	\$ -
Fees	\$ 325,000	\$ 325,000	\$ -
Rentals	\$ 32,500	\$ 32,500	\$ -
Library Revenues	\$ 12,000	\$ 12,000	\$ -
Other Departmental Revenue	\$ 611,063	\$ 750,800	\$ 139,737
Licenses and Permits	\$ 275,000	\$ 275,000	\$ -
Fines and Forfeits	\$ 30,000	\$ 30,000	\$ -
Investment Income	\$ 17,000	\$ 17,000	\$ -
Recreation Revenues	\$ 428,600	\$ 460,487	\$ 31,887
Miscellaneous Non-Recurring			\$ -
Sub-total - General Revenue	\$ 3,608,413	\$ 3,828,472	\$ 220,059
Other Revenue:			
Free Cash	\$ -	\$ 60,000	\$ 60,000
Stabilization Fund for Minor Capital	\$ -	\$ -	\$ -
Stabilization Fund for Tax Rate Relief	\$ -	\$ -	\$ -
Capital Asset Stabilization Fund	\$ 426,980	\$ 415,692	\$ (11,288)
EMS/Conservation Fund Receipts Reserve	\$ 225,000	\$ 266,000	\$ 41,000
Community Preservation Funds	\$ -	\$ -	\$ -
Water Department Surplus	\$ -	\$ -	\$ -
Sewer Department Surplus	\$ -	\$ -	\$ -
Insurance Reimbursements	\$ -	\$ -	\$ -
Encumbrances	\$ -	\$ -	\$ -
Sub-total - Other Revenue	\$ 651,980	\$ 741,692	\$ 89,712
WATER DEPARTMENT ENTERPRISE	\$ 1,024,851	\$ 1,131,936	\$ 107,085
SEWER DEPARTMENT ENTERPRISE	\$ 698,276	\$ 699,840	\$ 1,564
LOCAL ACCESS CABLE ENTERPRISE	\$ 230,779	\$ 206,454	\$ (24,325)
TOTAL ESTIMATED REVENUE	\$ 37,279,399	\$ 38,825,581	\$ 1,546,182

**TOWN OF GROTON  
FISCAL YEAR 2018  
TAX LEVY CALCULATIONS**

Revised: 3/6/2017

**FY 2018 PROPOSED EXPENDITURES**

**Town Manager's Proposed Budget**

General Government	\$	1,946,980
Land Use Departments	\$	434,948
Protection of Persons and Property	\$	3,766,073
Regional School Districts	\$	20,762,151
Department of Public Works	\$	2,136,809
Library and Citizen Services	\$	1,594,607
Debt Service	\$	1,332,019
Employee Benefits	\$	3,842,510
Additional Appropriations At Town Meeting		
Fire Department Call Incentive Pay	\$	73,000

**A. TOTAL DEPARTMENTAL BUDGET REQUESTS**

\$ 35,889,096

**B. CAPITAL BUDGET REQUESTS**

\$ 516,692

**C. ENTERPRISE FUND REQUESTS**

\$ 1,797,281

**D. COMMUNITY PRESERVATION REQUEST**

**OTHER AMOUNTS TO BE RAISED**

1. Amounts certified for tax title purposes	\$	-
2. Debt and interest charges not included	\$	-
3. Final court judgments	\$	-
4. Total Overlay deficits of prior years	\$	-
5. Total cherry sheet offsets	\$	1,000
6. Revenue deficits	\$	-
7. Offset Receipts	\$	20,000
8. Authorized deferral of Teachers' Pay	\$	-
9. Snow and Ice deficit	\$	200,000
10. Other	\$	

**E. TOTAL OTHER AMOUNTS TO BE RAISED**

\$ 221,000

**F. STATE AND COUNTY CHERRY SHEET CHARGES**

\$ 89,523

**G. ALLOWANCE FOR ABATEMENTS AND EXEMPTIONS**

\$ 100,000

**TOTAL PROPOSED EXPENDITURES**

\$ 38,613,592



# **FY 2018 ESTIMATED RECEIPTS**

ESTIMATED TAX LEVY			
Levy Limit		\$	29,129,180
Debt Exclusion		\$	2,172,895
A.	ESTIMATED TAX LEVY	\$	31,302,075
B.	CHERRY SHEET ESTIMATED RECEIPTS	\$	915,112
C.	LOCAL RECEIPTS NOT ALLOCATED	\$	3,828,472
C.	OFFSET RECEIPTS	\$	-
D.	ENTERPRISE FUNDS	\$	2,038,230
E.	COMMUNITY PRESERVATION FUNDS	\$	-
F.	FREE CASH	\$	60,000
OTHER AVAILABLE FUNDS			
1.	Stabilization Fund		
2.	Capital Asset Fund	\$	415,692
3.	EMS/Conservation Fund	\$	266,000
G.	OTHER AVAILABLE FUNDS	\$	681,692
TOTAL ESTIMATED RECEIPTS		\$	38,825,581
FY 2018 SURPLUS/(DEFICIT)		\$	211,989

**TOWN OF GROTON, MASSACHUSETTS  
DEPARTMENT OF REVENUE  
TAX RATE RECAPITULATION**

FISCAL YEAR 2018

**I. TAX RATE SUMMARY**

la. Total amount to be raised (from IIe)	\$	38,613,592.04
lb. Total estimated receipts and other revenue sources (from IIIe)	\$	7,523,506.00
lc. Tax levy (Ia minus Ib)	\$	31,090,086.04
Id. Distribution of Tax Rates and Levies		

CLASS	(b) Levy Percentage (from LA -5)	(c) IC above times each percent in col ( b )	(d) Valuation by Class (from LA - 4)	(e) Tax Rates (c) x (d) x 1000	(f) Levy by Class (d) x (e) /1000
RESIDENTIAL	94.2169%	\$ 29,292,122.73	\$ 1,572,637,317.00	\$ 18.63	\$ 29,292,122.73
NET OF EXEMPT					\$ -
OPEN SPACE	0.0000%	\$ -	\$ -		\$ -
COMMERCIAL	3.6039%	\$ 1,120,470.25	\$ 60,155,877.00	\$ 18.63	\$ 1,120,470.25
NET OF EXEMPT					\$ -
INDUSTRIAL	0.8386%	\$ 260,707.86	\$ 13,996,900.00	\$ 18.63	\$ 260,707.86
SUBTOTAL	98.6594%		\$ 1,646,790,094.00		\$ 30,673,300.84
PERSONAL	1.3406%	\$ 416,785.20	\$ 22,376,390.00	\$ 18.63	\$ 416,785.20
TOTAL	100.0000%		\$ 1,669,166,484.00		\$ 31,090,086.04

# TAX RATE RECAPITULATION GROTON

FISCAL YEAR 2018

## II. AMOUNTS TO BE RAISED

|| a. Appropriations

|| b. Other amounts to be raised

1. Amounts certified for tax title purposes
2. Debt and interest charges not included
3. Final court judgments
4. Total overlay deficits of prior years
5. Total cherry sheet offsets
6. Revenue deficits
7. Offset receipts deficits
8. Authorized Deferral of Teachers' Pay
9. Snow and Ice deficit
10. Other

\$ 38,203,069

\$ -  
\$ -  
\$ -  
\$ 1,000  
\$ -  
\$ 20,000  
\$ -  
\$ 200,000

TOTAL || b.

\$ 221,000

|| c. State and County Cherry Sheet Charges

\$ 89,523

|| d. Allowance for Abatements and Exemptions (overlay)

\$ 100,000

|| e. TOTAL AMOUNT TO BE RAISED

\$ 38,613,592

### III. Estimated Receipts and Other Revenue Sources

#### III a. Estimated Receipts - State

1. Cherry Sheet Estimated Receipts
2. Massachusetts School Building Authority Payments

\$	915,112	
\$	-	
		\$ 915,112

#### TOTAL III a.

#### III b. Estimated Receipts - Local

1. Local Receipts Not Allocated
2. Offset Receipts
3. Enterprise Funds
4. Community Preservation Funds

\$	3,828,472	
\$	-	
\$	2,038,230	
\$	-	
		\$ 5,866,702

#### TOTAL III b.

#### III c. Revenue Sources Appropriated for Particular Purposes

1. Free Cash
2. Other Available Funds

\$	60,000	
\$	681,692	
		\$ 741,692

#### TOTAL III c.

#### III d. Other Revenue Sources Appropriated Specifically to Reduce the Tax Rate

- 1a. Free Cash...appropriated on or before June 30, 2017
- 1b. Free Cash...appropriated on or after July 1, 2017
2. Municipal Light Source
3. Teachers' Pay Deferral
4. Other Source:

			\$ -
			\$ 7,523,506

#### TOTAL III d.

#### III e. Total Estimated Receipts and Other Revenue Sources

### IV. Summary of Total Amount to be Raised and Total Receipts from All Sources

- a. Total Amount to be Raised
- b. Total Estimated Receipts and Other Revenue Sources
- c. Total Real and Personal Property Tax Levy
- d. Total Receipts from All Sources

\$	7,523,506		\$ 38,613,592
\$	31,090,086		\$ 38,613,592

# TAX RATE RECAPITULATION GROTON

FISCAL YEAR 2018

## LOCAL RECEIPTS NOT ALLOCATED

		BUDGETED RECEIPTS FY 2017	ESTIMATED RECEIPTS FY 2018
1	MOTOR VEHICLE EXCISE	\$ 1,400,000	\$ 1,438,435
2	OTHER EXCISE	\$ 100,000	\$ 100,000
3	PENALTIES AND INTEREST ON TAXES	\$ 90,000	\$ 90,000
4	PAYMENTS IN LIEU OF TAXES	\$ 220,000	\$ 230,000
5	CHARGES FOR SERVICES - WATER	\$ -	\$ -
6	CHARGES FOR SERVICES - SEWER	\$ -	\$ -
7	CHARGES FOR SERVICES - HOSPITAL	\$ -	\$ -
8	CHARGES FOR SERVICES - TRASH DISPOSAL	\$ -	\$ -
9	OTHER CHARGES FROM SERVICES	\$ -	\$ -
10	FEES	\$ 67,250	\$ 67,250
11	RENTAL	\$ 325,000	\$ 325,000
12	DEPARTMENTAL REVENUE - SCHOOLS	\$ 32,500	\$ 32,500
13	DEPARTMENTAL REVENUE - LIBRARIES	\$ -	\$ -
14	DEPARTMENTAL REVENUE - CEMETERIES	\$ 12,000	\$ 12,000
15	DEPARTMENTAL REVENUE - RECREATION	\$ -	\$ -
16	OTHER DEPARTMENTAL REVENUE	\$ 428,600	\$ 460,487
17	LICENSES AND PERMITS	\$ 611,063	\$ 750,800
18	SPECIAL ASSESSMENTS	\$ 275,000	\$ 275,000
19	FINES AND FORFEITS	\$ -	\$ -
20	INVESTMENT INCOME	\$ 30,000	\$ 30,000
21	MISCELLANEOUS RECURRING	\$ 17,000	\$ 17,000
22	MISCELLANEOUS NON-RECURRING	\$ -	\$ -
	TOTAL	\$ 3,608,413	\$ 3,828,472



**TOWN OF GROTON**  
173 Main Street  
Groton, MA 01450  
978.448.1140

**Community Preservation Committee**  
Robert DeGroot, Chair  
Bruce Easom - Conservation Comm.  
Daniel Emerson - Housing Auth.  
Carolyn Perkins - Planning Board  
Timothy Siok - Park Comm.  
Michael Roberts - at large  
Richard Hewitt - at large

February 28, 2017

Town of Groton Finance Committee  
Town Hall  
173 Main Street  
Groton, MA 01450

**Subject: FY2018 PRELIMINARY CPA PROJECT FUNDING SCENARIO**

Dear All:

Please find the attached FY2018 Preliminary Community Preservation Act Project Funding Scenario for your reference. Feel free to contact me directly at 978-448-1140 if you require additional information.

Warm Regards,

Robin G. Eibye  
Executive Assistant  
Groton Community Preservation Committee

cc: Community Preservation Committee  
Mark Haddad  
Patricia DuFresne



Preliminary FY2018 Groton Community Preservation Act Project Funding Scenario

13 Feb '17

	Community Housing Reserve Unreserved Balance		Historic Reserve Unreserved Balance		Open Space & Recreation Reserve Unreserved Balance		Unallocated Reserve Unreserved Balance		Total
Balance forecast on 1 July 2017	\$398,992.90		\$9,498.44		\$24,417.37		\$199,816.60		\$632,725.31
FY2018 local surcharge revenue forecast	\$55,000.00		\$55,000.00		\$55,000.00		\$385,000.00		\$550,000.00
FY2018 state match revenue forecast	\$9,900.00		\$9,900.00		\$9,900.00		\$69,300.00		\$99,000.00
FY2018 interest revenue forecast	\$100.00		\$100.00		\$100.00		\$700.00		\$1,000.00
FY2018 CPC Administrative expenses							(\$10,000.00)		(\$10,000.00)
FY2018 Surrenden Farm debt service					(\$80,000.00)		(\$396,721.88)		(\$476,721.88)
	\$463,992.90		\$74,498.44		\$9,417.37		\$248,094.72		\$796,003.43
Housing Coordinator Salary	(\$53,528)								(\$53,528.00)
Baddacock Pond Restoration							(\$108,000)		(\$108,000.00)
Library Entrance			(\$15,000)						(\$15,000.00)
Library Building			(\$5,000)						(\$5,000.00)
National Register – First Parish Church			(\$7,800)						(\$7,800.00)
Conservation Fund					(\$5,000)		(\$20,000)		(\$25,000.00)
Prescott School Restoration			(\$42,350)						(\$42,350.00)
Total requests	(\$53,528)		(\$70,150)		(\$5,000)		(\$128,000)		(\$256,678)
Unreserved bin balances on 30 June 2018	\$410,464.90		\$4,348.44		\$4,417.37		\$120,094.72		\$539,325.43

	A	B	C	D	E
1	Projected FY 2018 Groton-Dunstable Assessments				
2	Revised as of February 17, 2017				
3					
4			% Students	% Students	
5			77.12%	22.88%	
6					
7			Groton	Dunstable	Total
8	Operating Budget	\$34,285,742			
9	Chapter 70 (State Aid)	\$10,754,273			
10	Proj Minimum Local Contribution	\$18,480,199	\$14,270,445	\$4,209,754	\$18,480,199
11	Excess and Deficiency (E&D)	\$100,000			
12	Medicaid	\$110,000			
13	Local Reimbursements	\$65,000			
14	PTYC Rent	\$92,500			
15	Interest	\$17,000			
16	Charter Reimbursement	\$40,336			
17					
18	Amount above Chapt.70 and MLC	\$4,626,434	\$3,567,906	\$1,058,528	\$4,626,434
19					
20	Transportation	\$2,056,006			
21	Reg. Transp. Income (Chapter 71)	\$723,166			
22	Transportation Revolving	\$50,767			
23	Amount Above Reimb.	\$1,282,073	\$988,735	\$293,338	\$1,282,073
24					
25	Capital Expenditure				
26	Capital Tech HS*	\$0	\$0	\$0	
27	Capital Boutwell HVAC	\$60,000	\$53,436	\$6,564	
28	Capital HS HVAC	\$50,000	\$37,215	\$12,785	
29	Capital Florence Roche Repair	\$100,000	\$100,000	\$0	
30	Total Capital	\$210,000	\$190,651	\$19,349	\$210,000
31					
32	Debt	\$2,846,550			
33	Premium from Refunding Bonds	\$715			
34	Premium on MS Roof	\$2,501			
35	SBA Funding	\$1,344,063			
36	Amount to Assess	\$1,499,271	\$1,136,894	\$362,377	\$1,499,271
37					
38					
39	Total Budget	\$39,398,298	3.11%		
40					
41					
42	Total Estimated Revenue				
43					
44	Total Assessment		\$20,154,631	\$5,943,346	\$26,097,977
45	Chapter 70 (State Aid)				\$10,754,273
46	Excess and Deficiency (E&D)				\$100,000
47	Chapter 71 (Transportation Aid)				\$723,166
48	Transportation Revolving				\$50,767
49	Other Revenue				\$324,836
50	Debt Income				\$1,344,063
51	Premium on MS Roof				\$2,501
52	Premium from Refunding Bonds				\$715
53	Total Estimated Revenue				\$39,398,298
54					
55					
56	Assessment Comparison w/Debt		Groton	Dunstable	Total
57	FY2017		\$19,507,139	\$5,606,240	\$25,113,379
58	FY2018		\$20,154,631	\$5,943,346	\$26,097,977
59	Difference		\$647,492	\$337,106	\$984,598
60			3.32%	6.01%	3.92%
61					
62	Assessment Comparison w/o Debt		Groton	Dunstable	Total
63	FY2017		\$18,363,565	\$5,244,976	\$23,608,541
64	FY2018		\$19,017,737	\$5,580,969	\$24,598,706
65	Difference		\$654,172	\$335,993	\$990,165
66			3.56%	6.41%	4.19%
67					
68	Amount above revenue		-\$95,828	\$112,993	\$17,165
69	*Based on discussion at the February 16, 2017 tri-board meeting, this item was moved to the operating budget.				

## Patricia DuFresne

---

**From:** Barry Pease  
**Sent:** Tuesday, March 07, 2017 4:03 PM  
**To:** Gary Green; Jack Petropoulos  
**Cc:** Mark Haddad; Patricia DuFresne  
**Subject:** Request for Tonight's joint Fincom/BoS Budget Meeting

Hi Gary & Jack,

I cannot be there tonight due to my daughter's recital. However, there was one item that I wanted to ask the combined boards to consider tonight.

In Mark's original budget, Sargisson's Beach was left unfunded. As our situation developed, the budget was positively impacted by a few events, and Mark informed the BoS that we had a bit more flexibility. As a result of this, one member of the BoS requested funding for Sargisson's Beach. However, I failed in my job to advocate for the Library, for whom I am the BoS liaison.

I would like to ask the Fincom to consider a prioritization of sorts with the recognition that \$10,000 allows the Library to have Sunday hours from Labor Day to Memorial Day.

However, if the Library has these hours, they are bumped to a different category, and would only need to spend 15% of the budget rather than 16% of the budget on books (a reduction of roughly \$8,000 in book buying expenses). Thus, an expenditure of \$10,000 actually adds \$18,000 to the effective operational (non-book) budget of the Library.

Beyond the idea that tax-payer funds spent in this manner provide an immediate ROI benefit of 80%, I believe that it's important to consider a prioritization of funding based on usage:

Sunday hours at the library for 38 weeks averages to ~\$265 per day. The breadth and depth of town citizens served by the Library is very large in scope, ranging from our youngest to our oldest, our fittest to our less physically able. Additionally, the library has meeting rooms and other in-tangibles that provide benefits, including even the Basketball rentals.

As we approach Spring Town Meeting with two CPA grants and one Capital request for voter's consideration, it certainly seems reasonable to maximize the usage of these expenditures by having the facility open to the public as much as possible, within the constraints of our fiscal environment.

I recognize the value that Sargisson's Beach provides as a summer recreational resource for our citizenry. I do not know the cost per day for Sargisson. I simply wonder if, at 3x the total cost, it has a great level of prioritization than Sunday library hours.

If the Finance committee decides that there is room in the budget for both Sunday Library hours and Sargisson's Beach, that seems to be a valid choice. However, if there is room for only one, I would ask that the committees consider the implication about which might provide more value to the Town of Groton.

Please consider this in your discussions tonight.

Thank you for your time.

Best regards,

Barry A. Pease  
Member, Board of Selectmen