

TOWN OF GROTON FINANCE COMMITTEE

*Wednesday, March 6th, 2018: 7:00 p.m.
GDRSD High School Library
703 Chicopee ROW. Groton, MA*

Present for Finance Committee: G. Green (Chair), B. Robertson (Vice Chair), D. Manugian, S. Whitefield, L. Leonard

Absent: A. Prest, J. Sjoberg

Present for GDRSD School Committee: M. Gilbert (Chair), J. Kubick, J. McKenzie, A. Donahue, B. LeBlanc, P. Cronin, R. McLane

Also Present: P. Dufresne (Town Accountant), Dr. L. Chesson (Superintendent), M. Knight (GDRSD Director of Business & Finance)

Documents available at the meeting: Letter from Alison Manugian (BOS)

Mr. Green called the Finance Committee meeting to order at 7:01 p.m.

Ms. Gilbert called the School Committee meeting to order at 7:01 p.m.

MSBA Update: Ms. Gilbert informed the group that the Feasibility Study previously proposed will most likely be district-wide and will include both Florence Roche and Swallow Union school buildings. This will cause funding to be split between Groton and Dunstable. Ms. Gilbert proposed paying for this study from GDRSD E&D as the Towns were largely taken by surprise at the timing of the request. She also mentioned that the MSBA is expected to reimburse approximately \$300,000 to the district for the cost of that study. The school committee noted that their policy suggests holding 4% of budget in E&D, which would equate to \$1.2 million. Currently the balance is healthy at \$1.6 million. The school committee members were concerned about using E&D for this project when other known issues are on the horizon. Mr. Green said that the Groton Finance Committee would not want the district to spend E&D below what they consider a comfortable level. Mr. Robertson pointed out that with a balance of \$1.6 million, if \$750,000 is spent on the study, and \$300,000 is reimbursed from MSBA, and \$100,000 is generated during the current budget cycle, the balance will end up just over \$1.2 million which meets the 4% policy guideline. Mr. Cronin said that conservative budgeting is what has helped the district grow E&D to its current healthy level. This is a burden on taxpayers and he would not want to add to that burden now. Various funding options were discussed including Town debt exclusions and short-term borrowing. Ms. Gilbert wanted both towns to understand that if E&D is spent on this, assessments would be increased in order to cover operational changes such as out-sourcing. Mr. Green assured the school committee that the Groton FinCom would support short-term spending that would help the district to reach sustainability goals over the long-term. Mr. Robertson added that it would be helpful to see cost projections over several years so as to get a better idea of how the savings would play out. Dr. Chesson noted that the MSBA keeps very

strict control over the feasibility study process. She went on to say that the district is continually exploring other funding options (such as state grants) in order to meet capital needs. Mr. Knight offered to provide several budgets with various funding options prior to the vote scheduled for next week.

School Resource Officer: Mr. Green informed those present that a citizens' petition had been filed (and added to the Spring Town Meeting Warrant) which requests funding in the FY19 budget for an additional School Resource Officer (SRO). This expense is considered a priority by the Police Chief and is supported by state recommended ratios of 1 SRO per 1100 students. The Groton Town Manager has reached out to several stakeholders in town to request funding participation and has received some encouraging responses. Ms. Gilbert feels that the district can find \$20,000 in its budget to support this effort. She added that this would be a one-time resolution, and a true funding strategy must be adopted for future years so as not to negatively impact district services. Mr. Green noted that some of the Select Board feel that it is bad practice to get out in front of the assigned task force (to be shortly charged with researching public safety needs in town), but if there is general agreement as to the immediate need, he would support moving forward with it now. Mr. Manugian argued that a dangerous precedent is set by allowing citizens' petitions to pre-empt the budget process. Mr. Cronin and Mr. Kubick would like to know how SRO funding is handled in other regional districts. The school committee members agreed that there is a clear need for a second SRO, although Ms. McKenzie reminded the group that this will not dramatically impact building security. The school committee members discussed funding options and generally agreed that they would support funding \$20,000 for this effort in FY19 provided the new SRO is dedicated to the district (not available to the private schools). They also would like some choice in the individual chosen to be dedicated to the district. The group discussed the private school impact on SRO duties (relatively minimal) as well as possibilities for increased PILOT agreements. Mr. Robertson noted that PILOT payments do not increase with inflation, making it that much more important to agree on a long-term funding strategy. Mr. LeBlanc said that PILOTs can also be reduced or eliminated as they are voluntary in nature. He would like to see an actual cost accounting for both SRO's for each member town. Ms. Gilbert read Ms. Manugian's letter into the record (see attached). Ms. Manugian advocates for increasing the district assessment to member towns to cover the cost of the SRO. Ms. Gilbert suggested reducing Groton's assessment by \$20,000 for this position and finding a funding source within the district budget (even one-time sources would be fine as this is not yet a permanent budget line). The group discussed the preferred mechanism for requesting budget amendments, with Mr. Green saying that citizens and members of boards or committees should first approach the BOS or FinCom with such requests prior to filing petitions.

Operating & Capital Growth Rates: Ms. Gilbert said that it is not useful to compare the Town and the District growth rates. The district is attempting to reallocate resources, but this must be done strategically and will take time. Once this is accomplished, the district will determine what its true growth rate should be (as opposed to the arbitrary one that is being forced on them currently).

Mr. Whitefield left at this time – 8:30 p.m.

Mr. Robertson pointed out that growth rates are useful for long-term analysis, not for a single year. The rate is important for determining how to reach sustainability over a period of several years. If sustainability is not reached, this will negatively impact both member towns. He went on to say that the town is committed to managing growth on the municipal side of the budget; there is a model that has already been developed that should be used. Ms. Donohue expressed frustration with the model saying it was not based on real numbers. She wondered why the district had previously been put in the position

of making cuts to their budget when the town finished its year with unexpended tax capacity. Mr. Green replied that unexpended tax capacity is impacted by new growth, which is not certified until half way through the budgeted fiscal year. Ms. Donahue retorted that the town has exhibited a pattern of under budgeting revenue to the detriment of the district. Mr. Robertson countered that both new growth and local receipt estimates had been increased for FY19 in response to School Committee concerns. Furthermore, he cautioned the School Committee members about adding municipal capital spending to operational spending as a method of making the overall growth rate look more comparable to that of the school district. There is no growth in Groton's capital spending, therefore the operational increase over last year is 3%. The group discussed differences in budgeting philosophies between the town and the district. Mr. Cronin mentioned that a great deal of time has been spent studying district budget drivers (salaries and benefits). While he believes they are making progress in re-allocating resources, they cannot look at sustainability until they stabilize district services that had previously been hit pretty hard. He added that short of radically re-engineering operations, sustainability is not solvable.

Approval of Minutes: Mr. Robertson provided several amendments to the minutes from 2/6/18 and 1/27/18. Ms. Dufresne will correct these documents and re-send them to FinCom members for consideration at a subsequent meeting. No votes were taken.

Mr. Green officially adjourned the Finance Committee meeting at 9:00 p.m.

Respectfully submitted,

Patricia Dufresne, Recording Secretary

----- Forwarded message -----

From: Alison Manugian <amanugian@townofgroton.org>

Date: Tue, Mar 6, 2018 at 11:02 AM

Subject: SRO

To: Marlena Gilbert <mgilbert@gdrsd.org>, "ggreen@freetobegreen.com" <ggreen@freetobegreen.com>

Cc: "dmanugian@gmail.com" <dmanugian@gmail.com>

Marlena & Gary,

I had hoped to attend the meeting this evening, but have kid-related commitments that have made that impossible. I'm hoping you can read the email below and that folks will consider this approach.

I believe that the current SRO, Rachel Mead, does a tremendous job; she is known by students and parents and well regarded! I support the need for an additional SRO for our schools. As with any plan, the devil's in the details. I don't think that there's any single right way to approach funding these positions, but there are nuances to be considered in every case.

Ideally the SROs would be funded through the GDRSD budget as this is the cleanest way to allocate cost between our member towns. The current SRO provides services to GD and our private schools; which precludes this alternative from Dunstable's perspective. I would like to see the private schools contribute toward this cost in an itemized manner via PILOT type payment directly to GDRSD. (I have long been an advocate of these same institutions paying a PILOT directly to GD for students who attend GD and live on parcels held by a non-profit.)

Recognizing that the current timeline and situation would make this plan unrealistic for FY19 implementation; I believe it makes sense to include a second SRO in the school budget. This officer (unlike Officer Mead) could be dedicated to GD; so our member towns would support 100% of the cost. It is unrealistic to expect the GDRSD to fund this out of their current FY19 budget request. I suggest that the assessments be increased by the funds necessary to pay the 2nd SRO and that discussions continue about future plans.

Thank you,

Alison Manugian

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