

Town of Groton Finance Committee Meeting:

Wednesday, August 12th, 2020 - 6:00 PM

Virtual Meeting

Zoom ID #820-4100-6891

Approved 09/09/20

Present for Finance Committee: B. Robertson (Chair), C. Doody, D. Manugian, M. Linskey, A. Prest, G. Green

Absent: S. Whitefield

Other Present: Patricia Dufresne, Maggie Surette, M. Haddad (Town Manager), M. Hartnett (Town Treasurer/Collector)

Mr. Robertson called the regular session of the Finance Committee to order at 6:05 PM

Reorganization of Finance Committee: Bud Robertson began the discussion around this topic. David Manugian nominated Mr. Robertson as chairman for another year.

The Vote: 5-0-1 (Mr. Robertson Abstained)

Gary Green was nominated by Mr. Robertson for Vice Chairman of the committee.

The Vote: 5-0-1 (Mr. Green Abstained)

Mr. Manugian welcomed nominations for the clerk position and Ms. Linskey was nominated.

The Vote: 5-0-1 (Ms. Linskey Abstained)

An invoice that will sponsor informative workshops and meetings (ATFC FY21 Dues) was presented for approval. The members approved payment to ATFC for FY21 dues. Mr. Robertson will provide his signature and email the bill to Accounting for processing.

FY20 Budget Results & Impact on FY21 Projections: (M. Haddad)

- Committee reviewed where the town ended up for FY20. The budget results were within \$400,000 of revenue estimates. The Town is in a better position than was previously expected.
- Multiple good things have happened for the town since July 1st, which will help in FY 21. Governor Baker has confirmed that State aid for FY21 will be provided to municipalities at the FY20 level. Mr. Haddad was previously concerned that aid could be cut by as much as 20% leaving a budget gap that would have to be addressed. Additionally, due to the GELD retirement

expense reimbursement being paid late, it is now technically a receipt for FY21. Similarly, Lawrence Academy did not pay their PILOT of 60,000 in FY20 therefore it was received in FY21. These late payments add FY21 revenue that was not originally expected.

- Groton Inn and the associated restaurant, Forge and Vine, missed the 4th Quarter tax payment, but will pay what was due for the 4th Quarter shortly, and plan to make all FY21 payments as well. This will boost FY21 revenue. The Room Tax assessment increased in July from 3% to 6%, although this was previously budgeted. Forge and Vine is open, as well as the Mexican restaurant, and others are open or plan to be opening soon.
- Mr. Prest mentioned his concern that the taxes are due August 3rd, Michael Hartnett responded by saying that by Friday 8/15 there should be revenue results available to show how we did in the 1st quarter. It was mentioned that payments may be a little late, but as of now it seems that tax collection is right on target. Mr. Haddad stated this was a testament to the town's outstanding residents and taxpayers.
- Mr. Haddad mentioned that there are positions in the Library that will not all be filled, as well as a vacancy in the Police department. This will help hold down expenses for the time being in FY21.
- Golf revenue is \$21,00 dollars ahead of last year, and last year was a record year. With \$67,000 in overall Country Club revenue posted in July, despite canceling camp operations and reducing pool operations, the town is still only \$7,000 off from last year's July cash receipts. Mr. Prest asked for detailed numbers on country club revenue from FY20. It was mentioned that in the past golf tee times were never booked solid, and now there is a waiting list. Mr. Prest desires to know the green fees, and wants better visibility into the club revenue and number of members, including how much they pay for memberships. Mr. Prest would like to explore how to encourage more memberships. Mr. Haddad offered to invite Shawn Campbell (Country Club General Manager) to a subsequent meeting.
- Mr. Haddad emphasized that the town is doing well thus far for FY21, and said he is more concerned about the upcoming FY22 budget, because he doesn't know what the bottom line for the schools will be. Many plans need to come to fruition regarding hybrid and remote learning. There will likely be a challenge in covering expenditures for the schools, despite the support of the Finance Committee and Select Board in voting to transfer municipal CARES relief funding to the districts. Mr. Haddad is not currently recommending any reductions to the municipal budget. Mr. Prest brought up the superintendent's recently presented plan for the upcoming school year, and the members reiterated their support for her and the great job she is doing for the district. Town hall has become very efficient with remote work, and Mr. Haddad suggested that permanently reducing Town Hall hours may provide budgetary savings in the form of reduced building overhead costs. He noted that residents have been phenomenal, with

wearing masks, etc. while in the building. Mr. Prest stated we are collectively lucky to have the residents that we have, and he thanked Mr. Haddad for his leadership as Town Manager during this time. Mr. Manugian pointed out that Groton does a great job with virtual meetings. Mr. Haddad went on to say, they have significantly cut back \$150,000 worth of capital requests for FY21, and may choose to continue deferring those requests until next spring. That said, he remains optimistic about the FY21 budget and informed the group about a proposal to increase mechanical permit fees in the building department.

- Mr. Haddad said that a public hearing relative to the Fall Town Meeting warrant has been scheduled for 8/24/20 (details to be provided next week).

Cares Fund Act: The budget to be presented to the state for round 2 approval, was reviewed. The State is expected to begin accepting applications for funding late in September. The School Districts have been promised \$675,000 of the municipal allotment, but Mr. Haddad has asked them to utilize their own direct grants first. The School Director of Business and Finance has been given instructions on how to format their CARES spending so as to facilitate expenditure reporting to the state. Mr. Haddad stressed that the Town won't spend any round 2 funds until the state approves the budget.

Timeline for FY22 Budget Process: October will be a preparing month, and a meeting will be held on 10/26/20 (jointly with the FinCom and Select Board), to establish budget guidance for next year and for the upcoming union negotiations. In the meantime, the Finance Team will start thinking about budget, and revenue estimates for next year. By the last week of October, the team should have the 1st Quarter budget of FY21 fully posted and analyzed. The Finance Team expects significantly more new growth next year than in the current year. Projects include a Hayes property subdivision, a Townsend Road subdivision and new housing on Longley Road. By December 31st the FY22 budget will be completed (as per usual). Mr. Haddad briefly discussed the FloRo School construction project for which the Select Board recently approved a new Inter-Municipal Agreement with the School District. Some of the members expressed concern about obtaining Town approval for an expensive construction project (\$80 to \$90 million) during a period of prolonged economic contraction. Mr. Haddad replied that he shares this concern, however the MSBA funding process does not permit delays at this point.

Other Business: Approval of Minutes: On a motion by Mr. Manugian, seconded by Ms. Linskey, the Finance Committee voted unanimously to approve the meeting minutes from, 4/27/2020, 4/21/2020, & 4/15/2020 as drafted. The Vote: 5-0-0 (Mr. Prest joined the meeting after the vote)

The Meeting is adjourned at 6:50 P.M.

Submitted by Maggie Surette
Per Diem Minute Taker

Corona Virus Relief Fund - Budget to State for Funding Fiscal Year 2021

Department	Item	Amount	Category
Country Club	Staff for Disinfection Golf and Camp (next spring)	\$ 16,200.00	Disinfection
Country Club	Cleaning Supplies	\$ 3,000.00	Disinfection
DPW	New Touchless Hand Sanitizers - Town Hall	\$ 400.00	Disinfection
DPW	New Touchless Hand Sanitizers - Library	\$ 400.00	Disinfection
DPW	Touchless Hand Sanitizers	\$ 1,500.00	Disinfection
Fire Department	CE Solutions - Infection Control Supplies	\$ 399.00	Disinfection
GELD	Additional Cleaning	\$ 5,850.00	Disinfection
Library	Disinfecting - Hand Sanitizer, Wipes, etc.	\$ 5,000.00	Disinfection
	Subtotal	\$ 32,749.00	
Council on Aging	Portable Projector for Outdoor Movies	\$ 240.00	Other
Council on Aging	Outdoor Movie Screen	\$ 800.00	Other
DPW	Clean Duct Work and Install New Filters at Town Hall	\$ 10,000.00	Other
DPW	Touchless Water Faucets in All Bathrooms - Town Hall	\$ 1,000.00	Other
DPW	Electric Hand Dryers in all Bathrooms - Town Hall	\$ 1,500.00	Other
DPW	Clean Duct Work and Install New Filters at Library	\$ 10,000.00	Other
DPW	Touchless Water Faucets in All Bathrooms - Library	\$ 1,000.00	Other
DPW	Electric Hand Dryers in all Bathrooms - Library	\$ 1,500.00	Other
DPW	Senior Center Filters for Building Air System	\$ 1,000.00	Other
DPW	Touchless Water Faucets at Senior Center	\$ 1,000.00	Other
DPW	Center Fire Station Lobby and Bathroom Improvements	\$ 4,000.00	Other
DPW	Legion Hall Bathroom Touchless Faucets, etc.	\$ 3,000.00	Other
DPW	Lost Lake Fire Station Touchless Faucets, etc.	\$ 3,000.00	Other
DPW	Police Station Lobby Bathroom Touchless Faucets, etc.	\$ 4,000.00	Other
Fire Department	Betterway Supply - Oxygen	\$ 233.95	Other
Fire Department	Alliance - Fuel for Ambulance	\$ 3,935.00	Other
GELD	Plexi-Glass for Front Desk	\$ 34.00	Other
Information Technology	Fire Box Relay for External Door at PD	\$ 1,500.00	Other

<u>Department</u>	<u>Item</u>	<u>Amount</u>	<u>Category</u>
Information Technology	Camera for External Door at Police Station	\$ 1,500.00	Other
Information Technology	Intercom Button and Labor for Door at Police	\$ 1,500.00	Other
Personnel	Additional Unemployment Claims	\$ 5,000.00	Other
Regional School	Set Aside for Groton Dunstable Regional Schools	\$ 650,000.00	Other
Regional School	Set Aside for Nashoba Technical School	\$ 25,000.00	Other
Town Clerk	Pens for Elections	\$ 350.00	Other
Town Manager	Chair Rental for Fall Town Meeting	\$ 800.00	Other
Town Manager	Sound System for Fall Town Meeting	\$ 390.00	Other
Unclassified	Costs to Fully Spend Allocation	\$ 16,347.00	Other
	Subtotal	\$ 748,629.95	
Council on Aging	Face Shields	\$ 157.00	PPE
DPW	Various PPE Restocking	\$ 5,000.00	PPE
Fire	Various PPE	\$ 3,750.00	PPE
Fire Department	Henry Schein - Various PPE	\$ 519.93	PPE
Fire Department	Trans Medical - Various PPE	\$ 623.71	PPE
Fire Department	McKesson - Various PPE	\$ 2,158.78	PPE
GELD	Face Masks	\$ 50.00	PPE
GELD	Varios PPE and Cleaning Equipment	\$ 870.00	PPE
Library	PPE for Staff	\$ 5,000.00	PPE
Police Department	Coveralls	\$ 200.00	PPE
Police Department	Shoe Covers	\$ 71.00	PPE
Police Department	Hybrid PPE Kit	\$ 830.00	PPE
Police Department	Various PPE	\$ 400.00	PPE
Town Clerk	Desk Shields for Elections	\$ 855.00	PPE
Town Clerk	Face Shields	\$ 150.00	PPE
	Subtotal	\$ 20,635.42	
Library	Staff Training	\$ 5,000.00	Signs/Educ
Police Department	Signs for Various Locations	\$ 250.00	Signs/Educ
	Subtotal	\$ 5,250.00	
BOH	Public Health Staffing	\$ 4,000.00	Staffing

<u>Department</u>	<u>Item</u>	<u>Amount</u>	<u>Category</u>
Fire	Wages (100% Reimbursement)	\$ 80,000.00	Staffing
Fire Department	Wages - Overtime Coverage (100% Town Share)	\$ 59,534.00	Staffing
Police Department	Wages - Overtime Coverage (100% Town Share)	\$ 83,668.00	Staffing
	Subtotal	\$ 227,202.00	
Council on Aging	HD Web Cam	\$ 119.00	Telework
Council on Aging	Chromebooks for Zoom Programming	\$ 600.00	Telework
GELD	Office Supply for Remote work	\$ 2,566.00	Telework
GELD	Laptops	\$ 1,057.00	Telework
Information Technology	5 Laptops with Office	\$ 6,000.00	Telework
Information Technology	3 Ipad Pros	\$ 3,000.00	Telework
Information Technology	e-signature licensing for ADOBE Sign	\$ 600.00	Telework
Information Technology	Zoom Licenses	\$ 900.00	Telework
Library	Various equipment for remote work	\$ 5,000.00	Telework
	Subtotal	\$ 19,842.00	
	TOTAL - REQUESTED	\$ 1,054,308.37	

Town of Groton
General Fund 2 Yr Comparative Statement of Revenues

Revenue	Revenue thru July 31		Variance	YTD	Revenue thru July		1st Qtr % of Budget @7/31/19	Variance thru July		Comparative % of Budget 7/31/2019 vs 7/31/2020
	Budget FY21	Actual FY21			to FY20 Budget	% of Budget		Final FY20	Actual FY20	
State Aid (Lottery/Exempts/Van)	971,581	77,143	(894,438)	7.94%	971,581	91,032	9.37%	(880,549)	(13,889)	84.74%
Motor Vehicle/Boat Excise	1,555,341	82,149	(1,473,192)	5.28%	1,577,642	42,388	2.69%	(1,535,254)	39,761	196.28%
Local Option Meals Tax	100,000	0	(100,000)	0.00%	150,000	0	0.00%	(150,000)	0	#DIV/0!
Local Option Room Occupancy Tax	50,000	0	(50,000)	0.00%	50,000	0			0	
Penalties and Interest on Taxes	110,000	16,650	(93,350)	15.14%	90,000	4,889	5.43%	(85,111)	11,761	278.82%
Payments in Lieu of Taxes	265,000	60,000	(205,000)	22.64%	260,000	17,119	6.58%	(242,881)	42,881	344.07%
Other Charges for Service (Dunst)	82,000	150	(81,850)	0.18%	82,000	150	0.18%	(81,850)	0	100.00%
Country Club Revenue	515,939	67,112	(448,827)	13.01%	493,838	74,336	15.05%	(419,502)	(7,224)	86.45%
Fees (incl Van vouchers)	300,000	61,221	(238,779)	20.41%	289,737	51,257	17.69%	(238,480)	9,964	115.38%
Rentals (Cell Towers)	40,000	5,208	(34,792)	13.02%	49,000	5,026	10.26%	(43,974)	182	126.90%
Library Fines	12,000	0	(12,000)	0.00%	12,000	805	6.71%	(11,195)	(805)	0.00%
Other Departmental Revenue	725,000	165,786	(559,214)	22.87%	700,000	3,938	0.56%	(696,062)	161,848	4083.93%
Licenses and Permits	300,000	39,075	(260,925)	13.03%	300,000	36,866	12.29%	(263,134)	2,209	106.02%
Fines and Forfeits	20,000	1,605	(18,395)	8.03%	25,000	2,445	9.78%	(22,555)	(840)	82.11%
Investment Income	40,000	3,928	(36,072)	9.82%	40,000	6,970	17.43%	(33,030)	(3,042)	56.34%
Misc Non-recurring (State Aid)	0	0	0		0		#DIV/0!	0	0	
Misc (Bond Prem Amort & Other)	0	0	0	#DIV/0!	1,263	1,219	96.52%	(44)	(1,219)	#DIV/0!
Enterprise Allocation for Indirects	256,264	0	(256,264)	0.00%	236,288	0	0.00%	(236,288)	0	#DIV/0!
Real Estate and Personal Prop	35,025,919	6,487,348	(28,538,571)	18.52%	33,723,200	6,589,918	19.54%	(27,133,282)	(102,570)	94.78%
Total Revenue	40,369,044	7,067,375	(33,301,669)	17.51%	39,051,549	6,928,358	17.74%	(32,123,191)	139,017	96.70%