

**FINCOM/SELECT BOARD MEETING MINUTES  
MONDAY, FEBRUARY 27, 2023  
TOWN HALL SECOND FLOOR MEETING ROOM**

**Beginning At 6:00 P.M.**

***Approved 4/29/23***

**SB Members Present:** John Reilly, Chair; Rebecca H. Pine, Vice Chair; Matthew F. Pisani, Clerk; Alison S. Manugian, Peter S. Cunningham

**SB Absent:** none

**FinCom Members Present:** B. Robertson (Chair), C. Doody (Vice Chair), M. Linskey, G. Green, D. Manugian, S. Whitefield, M. Sulprizio

**FinCom Members Absent:** None

**Also Present:** Mark Haddad – Town Manager; Kara Cruikshank – Executive Assistant; Library Trustees; Finance Team; Laura Chiasson, GDRSD School Superintendent; Sherry Kersey, Director of Business and Finance; Tom Delaney, DPW Director; Paul Funch, Trails Committee

Mr. Reilly called the meeting to order at 6:00 PM and reviewed the agenda.

**ANNOUNCEMENTS**

Mr. Haddad said due to tomorrow's impending storm (Tuesday, February 28, 2023), he made the decision to make tomorrow a remote day for Town Hall. Town Hall employees may be reached by email and/or voicemail.

Mr. Reilly wanted to say he had the honor of attending the Police Accreditation Ceremony. He said this legitimizes police departments. He wanted to congratulate the Police Department on this accomplishment.

**IN JOINT SESSION WITH THE FINANCE COMMITTEE**

Mr. Bud Robertson called the Finance Committee meeting to order.

Mr. Mark Gerath called the Library Trustees to order.

Mr. Haddad said the Governor released her Preliminary Chapter 70 and Unrestricted Local Aid numbers. Mr. Haddad said the GDRSD continues to not get treated well when it comes to Chapter 70 or Chapter 71. He said something needs to happen and they are working hard with our state delegation. He wanted to thank Mr. Sulprizio, whom worked with the Lieutenant Governor, and setup a meeting for Tuesday, February 28<sup>th</sup> to speak with her and address the very low increase in Aid for the School District.

The Select Board met in Joint Session with the Finance Committee to review proposed reductions in the Town Manager's proposed FY 2024 Operating Budget to support the anticipated FY 2024 Operating Assessment from the Groton Dunstable Regional School District. The Finance Committee and Select Board need to evaluate various options to balance the FY 2024 Budget. Mr. Haddad provided the boards with a memorandum that proposed four different options to eliminate the deficit. Mr. Haddad reviewed the four options. (See Budget Memorandum of 2/22/23 attached)

Mr. Haddad said he wanted to put this on the agenda so they have time to review before Saturday's (March 4<sup>th</sup>) budget meeting. The deadline to balance the budget or consider requesting an override of Proposition 2½ is April 3<sup>rd</sup>.

Mr. Robertson said that on Saturday, March 4, 2023, 8:30am-12:30 a.m. the departments heads will meet here at Town Hall with the Finance Committee and the Select Board to review the FY24 Operating and Capital budget. At 10:30am, there will be a focused budget deliberation with FinCom and the Select Board. He would like to explore the multiple ways to lock in the municipal budget number after hearing from the Library, Police and Fire Departments that morning. Ms. Pine asked what would happen if it snows on Saturday. Mr. Haddad said a zoom could be set up. In the fall the budget can be adjusted. Ms. Pine asked whether OPEB was a mandatory expenditure for FY24. Mr. Haddad replied that it was crucial to continue to fund OPEB as the Town must maintain its AAA bond rating while we are still borrowing for the school construction project. Mr. Green asked for clarification on the ARPA positions that are being carried in the FY24 district budget. Dr. Chesson said that reading specialists are still needed as learning loss amongst the youngest students has not re-bounded yet post Covid. But additional non-ARPA positions are being evaluated for possible elimination as well. Mr. LeBlanc (School Committee Chair) said that he expects the School Committee will vote to approve the Superintendent's recommended budget next week. They will remain open to considering reductions later as the process moves forward.

#### **PUBLIC COMMENTS**

None

#### **TOWN MANAGERS REPORT**

##### **1. Review First Draft of the 2023 Spring Town Meeting Warrant-**

Mr. Haddad announced the Warrant closed on Friday. The first draft of the 2023 Spring Town Meeting Warrant was included in the Select Board packet. He reviewed the draft and thirty-three Articles briefly with the board. He said the Public Hearing on the Warrant will be in Joint Session with the Finance Committee and is scheduled to take place on Monday, March 13, 2023.

##### **2. Consider Approving the DPW Director-In-Training.**

Mr. Haddad said Mr. Delaney gave us notification he will be retiring in two years. Mr. Haddad is requesting that the Board approve a DPW Director-In-Training Program to replace Mr. Delaney with an internal candidate. Previously the Board asked for Mr. Haddad to collect additional information before they would consider accepting the program. Mr. Haddad worked with the Human Resource Director, Melisa Doig to develop this information. The took some time to survey surrounding towns and provided the results to the Board. The purpose of the survey was to review education requirements, department responsibilities, and pay/licenses required. The DPW Director-In-Training Program provides for an annual stipend of \$7,000. The chosen candidate will shadow Mr. Delaney. Groton's DPW Director is a working Director. He is out there plowing and-in-the-fields performing the work. Ms. Manugian said she still has a lot of concerns with the idea of training a director for two years and losing them if they do not succeed in the program. Mr. Pisani suggested being clear upfront. Make sure there are standards being set, have a progress report etc. Ms. Pine respectfully disagrees with the proposal. She thinks it is the time to require a college degree. With Mr. Delaney's retirement, now is the time to up our qualifications. Mr. Cunningham asked what do we think we'll gain with a college degree. Mr. Delaney respectfully disagreed with some of the things Ms. Pine said. He said promoting from within raises morale. Mr. Reilly stated from his experience, the engineering degree is an overkill, which may cost us more money. He said from looking at the conducted survey, others have not stayed in the position for a long time. Maybe they are overqualified.

Mr. Haddad wanted to address the non-college degrees. Groton has three department heads that do not have college degrees and they are three of the best departments heads. He thinks it will be

beneficial to the tax payers. Mr. Cunningham asked if there are any community college courses that may be available and make it a stipulation. Mr. Haddad said we have many available management training programs and budget training programs. Mr. Robertson pointed out that many private companies are opting for experience over education today. Two years gives the Town plenty of time to assess how the training program is going; an external search can always be done at any point if it is deemed necessary. The Town won't lose anything by initially choosing to promote from within if the internal candidate has most of the requisite skill set; training programs can provide the rest.

*Mr. Cunningham made a motion to approve the DPW Director-In-Training Program and to have a Select Board Member attend the interview. Mr. Pisani seconded the motion. Motion approved by a majority vote, 4 In favor, 1 Against - Pine.*

### **3. Fiscal Year 2024 Budget Development Update**

No additional update.

***Mr. Robertson adjourned the meeting of the Finance Committee at 7:40 p.m.***

### **Update on Select Board Meeting Schedule Through 2023 Spring Town Meeting**

Saturday, March 4, 2023	- Joint Budget Meeting with Finance Committee
Monday, March 6, 2023	- Regularly Scheduled Meeting
Monday, March 13, 2023	- Public Hearing of 2023 Spring Warrant Regularly Scheduled meeting
Wednesday, March 15, 2023	- School Committee Approves Budget
Monday, March 20, 2023	- No Meeting
Monday, March 27, 2023	- Continuation of Public Hearing on Mail in Voting at Annual Town Election
Monday, April 3, 2023	- Regularly Scheduled Meeting
Monday, April 10, 2023	- Approve Warrant for Posting
Monday, April 17, 2023	- No Meeting (Patriot's Day)
Monday April 24, 2023	- Regularly Scheduled Meeting
Saturday, April 29, 2023	-2023 Spring Town Meeting

### **ITEMS FOR SELECT BOARD CONSIDERATION AND ACTION**

1. Mr. Haddad asked the Select Board to consider appointing Jennifer Moore to the Commemorations and Celebrations Committee.

*Mr. Pisani made a motion to appoint Jennifer Moore to the Commemorations and Celebrations Committee, term to expire June 2023. Mr. Cunningham seconded the motion. The motion was carried unanimously.*

2. Consider approving a One Day All Alcoholic Beverages License for the Nashoba Valley Chamber of Commerce's Taste of Nashoba to be held on Tuesday, March 21, 2023 at Lawrence Academy from 5:30 am- 8:30pm.

*Mr. Cunningham made a motion to approve the request for a one day all alcohol license to be held on Tuesday, March 21, 2023 at Lawrence Academy. Ms. Pine seconded the motion. The motion was carried unanimously.*

3. Consider approving a One Day All Alcoholic Beverages License for the Grotonfest to be held on at Legion Hall on Saturday, September 30, 2023 from 10:30 am- 3:00pm (rain date 10-1- 2023).

*Mr. Cunningham moved to approve the request for a one day all alcohol license to be held on Saturday, September 30, 2023 (rain date 10-1-23). Mr. Pisani seconded the motion. The vote carried unanimously.*

4. Consider approving a letter to the Department of Conservation and Recreation in Support of the Nashua Riverwalk Project.

Mr. Reilly told Mr. Paul Funch, of the Trails Committee, he read the letter. Mr. Reilly wanted him to know he did a remarkable job. Mr. Funch had submitted an application to the Massachusetts Departments of Conservation and Recreation for MassTrails Grant to support the proposed Nashua Riverwalk Project. DCR did not approve the Grant Application and significantly reduced the scope of the project which will not allow the project to meet its original objective. With the Select Board's approval, Mr. Funch will submit a letter to DCR requesting that they reconsider their decision.

*Ms. Pine moved to authorize sending a letter to the Department of Conservation and Recreation in support of the Nashua Riverwalk Project. Mr. Cunningham seconded the motion. The vote carried unanimously.*

5. Consider Approving a Letter Seeking Support of SD2395 (MSBA Additional funding).

Mr. Cunningham requested the board to send a letter to various Cities and Towns that have school construction projects that have seen cost increases due to COVID and supply chain issues asking them to support Senator Kennedy's bill seeking additional funding from the State to offset these costs. Mr. Haddad provided the board with a draft letter for their approval.

*Ms. Manugian moved to approve a letter seeking support of SD2395. Mr. Pisani seconded the motion. The vote carried unanimously.*

#### **OTHER BUSINESS**

Mr. Haddad said the Florence Roche project continues to go well. They are going out on the last two final bids.

#### **ON-GOING ISSUES**

None

#### **MINUTES**

*Ms. Pine made a motion to approve the minutes of the regularly scheduled meeting on February 13, 2023 as corrected. Mr. Cunningham seconded the motion. The motion was carried unanimously.*

The Select Board meeting was adjourned at 8:53pm.

Respectively submitted by Kara Cruikshank, Executive Assistant to the Town Manager



## TOWN OF GROTON

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## Select Board

John F. Reilly, *Chair*  
Rebecca H. Pine, *Vice Chair*  
Matthew F. Pisani, *Clerk*  
Alison S. Manugian, *Member*  
Peter S. Cunningham, *Member*

**Town Manager**  
Mark W. Haddad

**To:** *Select Board*  
*Finance Committee*

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

**Subject:** *Update/Proposed Reductions to the Town Manager's Proposed Fiscal Year 2024 Operating Budget*

**Date:** *February 22, 2023*

Now that the Superintendent of the Groton Dunstable Regional School District (GDRSD) has released her Proposed Fiscal Year 2024 Operating Budget and Assessment to the Town of Groton, the Select Board and Finance Committee need to evaluate various options to balance the FY 2024 Budget. The purpose of this memorandum is to provide those options to both the Select Board and Finance Committee. As you will recall, the Original Town Manager's Proposed Balanced FY 2024 Operating Budget was as follows:

<u>Category</u>	<u>FY 2023</u>	<u>FY 2024</u>	<u>Dollar Difference</u>	<u>Percentage Change</u>
General Government	\$ 2,293,398	\$ 2,349,147	\$ 55,749	2.43%
Land Use	\$ 460,356	\$ 494,508	\$ 34,152	7.42%
Protection of Persons and Property	\$ 4,833,510	\$ 4,831,397	\$ (2,113)	-0.04%
Department of Public Works	\$ 2,345,816	\$ 2,366,495	\$ 20,679	0.88%
Library and Citizen Services	\$ 1,892,083	\$ 1,993,320	\$ 101,237	5.35%
Employee Benefits	\$ 4,797,706	\$ 4,955,663	\$ 157,957	3.29%
<b>Sub-Total</b>	<b>\$ 16,622,869</b>	<b>\$ 16,990,529</b>	<b>\$ 367,660</b>	<b>2.21%</b>
Debt Service - Excluded	\$ 3,320,202	\$ 4,506,102	\$ 1,185,900	35.72%
Debt Service - In Levy Only	\$ 331,056	\$ 323,654	\$ (7,402)	-2.24%
<b>Sub-Total - All Municipal</b>	<b>\$ 20,274,127</b>	<b>\$ 21,820,285</b>	<b>\$ 1,546,158</b>	<b>7.63%</b>
Nashoba Tech	\$ 810,037	\$ 810,037	\$ -	0.00%
Groton-Dunstable Operating	\$ 24,319,318	\$ 25,537,716	\$ 1,218,398	5.01%
Groton-Dunstable Excluded Debt	\$ 422,713	\$ 406,982	\$ (15,731)	-3.72%
Groton-Dunstable Debt	\$ 60,191	\$ 58,814	\$ (1,377)	-2.29%
Groton Dunstable Capital	\$ 577,026	\$ 552,203	\$ (24,823)	-4.30%
<b>Sub-Total - Education</b>	<b>\$ 26,189,285</b>	<b>\$ 27,365,752</b>	<b>\$ 1,176,467</b>	<b>4.49%</b>
<b>Grand Total - Town Budget</b>	<b>\$ 46,463,412</b>	<b>\$ 49,186,037</b>	<b>\$ 2,722,625</b>	<b>5.86%</b>

According to the Superintendent's Proposed Fiscal Year 2024 Budget, the Operating Assessment for Groton is as follows:

Operating Assessment	\$26,800,655
Debt Assessment – Excluded	\$ 406,982
Debt Assessment – Non-Excluded	\$ 58,814
Capital Assessment	\$ 542,257
<b>Total</b>	<b>\$27,808,707</b>

While there is a slight reduction in the anticipated Capital Assessment (\$9,946), this reduction does not have an impact on the Proposed Operating Budget since the FY 2024 Capital Assessment will be funded from the GDRSD Capital Stabilization Fund (\$253,407) and Free Cash (\$288,850). The total increase in the Anticipated Operating Assessment of the GDRSD for FY 2024 is \$2,481,337, or 10.2%. Based on the Proposed Operating Assessment of the GDRSD, the Town Manager's FY 2024 Proposed Operating Budget is out of balance by \$1,262,939. Please note that this is a reduction of \$749,645 from the original anticipated deficit of \$2,012,584 (The GDRSD Superintendent has reduced her original anticipated Assessment from \$27,550,300 to \$26,800,655).

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As you will recall, the original Town Manager's Fiscal Year 2024 Proposed Operating Budget anticipated \$1,809,881 in new revenues (when you eliminate Free Cash used to fund one-time expenditures in the Municipal Budget) and set aside sixty-seven (67%) percent, or \$1,218,398, of those anticipated new revenues for the GDRSD Operating Assessment, while the Town received thirty-three (33%) percent or \$591,483 (this is an overall increase in the Municipal Budget of 3.5%). As you will see later in this memorandum, the GDRSD Operating Assessment makes up fifty-nine (59%) percent of the Town's Budget when you eliminate all debt, with the Town making up forty-one (41%) percent.

That said, to eliminate the deficit, the Finance Team and I would propose the Select Board and Finance Committee follow one of the following four options:

**Option #1** – Following the percentage breakdown of the budget outlined above, GDRSD would be responsible for \$745,134 of the deficit, while the Town would be responsible for \$517,805. Eliminating \$517,805 from the Municipal Requested Budget, would result in an actual year over year (FY 23 to FY 24) increase of \$73,678 or 0.44%, while the School District would receive an increase of \$1,736,203, or 7.1% (and receive 93% of anticipated new revenues). For the Town to reduce its proposed budget by \$517,805, we looked at current and anticipated vacancies in the Municipal Budget, along with any new proposed positions. The following is a summary of those positions:

Police Department – Currently One Vacancy  
Fire Department – Proposed One New Position  
Library – Anticipated Retirement of Technology Librarian  
Communications Department – Currently Two Vacancies  
Municipal Buildings – Anticipated Retirement of One Custodian

Based on this, along with a review of further reductions in the Operating Budget that would minimize the impact of services to our residents, we would propose the following reductions:

<u>Line Item</u>	<u>Amount Reduced</u>	<u>Explanation</u>
Nashoba Tech Assessment	\$ 69,000	The anticipated assessment from Nashoba Tech has come in \$69,000 less than carried in the original budget
Police Department Wages	\$ 53,000	The current vacancy would not be filled. To minimize the impact on the delivery of emergency services and reduce overtime, it is proposed that one of the two school resource officer position be eliminated. While the total salary savings would be \$68,000, the Town would lose the \$15,000 it receives from Dunstable for this position.
Fire Department Wages	\$ 30,000	The proposed new position would be eliminated. While the total savings is \$61,800, the overtime and call salaries budget would need to be increased, thereby reducing the savings by \$31,800.
Fire Department Expenses	\$ 1,800	Since the new Firefighter Position is being eliminated, the clothing allowance would not be funded.
Communication Wages	\$ 52,000	One of the two vacancies would not be filled.
Library Wages	\$ 81,000	The Technology Librarian is due to retire in April. That position would not be filled.
Municipal Building Wages	\$ 59,000	One of the three custodians is due to retire in April. That position would not be filled.
Council on Aging Wages	\$ 19,000	The part-time Administrative Assistant Position would be funded from the COA Gift Account, as well as the Formula Grant. This would result in less funding for programs, but the Administrative Support is essential to the Operation of the COA.
Select Board Expenses	\$ 24,000	The Town's share of the Pepperell Sewer Debt would be eliminated and the full share would be paid by the Sewer Enterprise.
Health Insurance	\$ 31,000	Based on the above reductions, the Town would realize a savings of \$31,000 in this budget.
<b>Total Reductions</b>	<b>\$ 419,800</b>	

Even after these reductions, the Town would still need to reduce its proposed budget by \$98,005. Currently, the Proposed Budget is carrying a \$100,000 Snow and Ice Deficit for next year. If we make up this deficit in Fiscal Year 2023, the \$100,000 set aside for the deficit will be available to fund the Proposed Operating Assessment of the GDRSD. If we cannot make up any deficit in FY 2023, we would need to further reduce the proposed Municipal Budget. While the Finance Team and I would not recommend any further reductions to the Budget, the following list may be an option to consider:

Eliminate Part-Time Position in the Treasurer/Collectors Office	\$17,570
Reduce Reserve Fund for Emergencies	\$27,015
Eliminate DPW Director-In-Training Program	\$ 7,000
Eliminate All Minor Capital in Municipal Budget	<u>\$46,420</u>

**Additional Reductions Total** **\$98,005**

Again, please note that the Finance Team and I would not recommend these additional reductions unless absolutely necessary.

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**Option #2** – To provide as much funding as possible for the Groton Dunstable Regional School District, in addition to the above listed reductions in the Municipal Budget, the proposed Capital Budgets of both the GDRSD and Municipal Budget could be reduced by \$250,000 each, or \$500,000 (\$250,000 from Free Cash set aside for the GDRSD Capital Budget and \$250,000 from the Capital Stabilization Fund for the Municipal Capital Budget). This would provide the School District with an overall increase of \$2,236,203, or 9.2%. It is important to note here that the additional \$500,000 is one-time revenues that will not be repeated in FY 2025 and should be used to fund previously approved ARPA positions that are needed for one additional year. This funding will not be available in FY 2025 and those positions should be phased out after FY 2024.

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**Option #3** – The Groton Dunstable Regional School District further reduces its Anticipated Operating Assessment by \$1,262,939 and stays within the original proposed increase of 5.01%, or \$1,218,398. This option is being provided based on total municipal and school spending over the last five Fiscal Years. Over that time, the Town has made a significant investment in the Groton Dunstable Regional School District, in both Operating Expenses and Capital Expenses (Florence Roche Elementary School). Please note the following comparison of the Municipal Budget and the Operating Assessment of GDRSD since Fiscal Year 2018 (excluding debt):

	<u>Fiscal Year 2018</u>	<u>Fiscal Year 2023</u>	<u>Total Increase</u>	<u>Average Yearly Increase</u>	<u>Total Percentage Increase</u>	<u>Average Percentage Increase</u>
Municipal Budget	\$ 13,816,235	\$ 16,622,869	\$ 2,806,634	\$ 561,327	20.31%	4.06%
GDRSD Assessment	\$ 19,038,970	\$ 24,319,318	\$ 5,280,348	\$ 1,056,070	27.73%	5.55%
Total	\$ 32,855,205	\$ 40,942,187	\$ 8,086,982			
GDRSD Percentage of Budget	57.95%	59.40%				
Municipal Percentage of Budget	42.05%	40.60%				



Spending for the GDRSD has not only outpaced Municipal Spending over the past five fiscal years, but its overall share of the budget has increased by 1.5% percent over that time.

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**Option #4** – The Select Board calls for a General Override of Proposition 2½ in the amount of \$1,262,939. An override of this magnitude would add \$0.50 to the Tax Rate and add \$317 to the average tax bill (a home valued at \$633,985).

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The Finance Team and I look forward to discussing these options in more detail with the Select Board and Finance Committee.

MWH/rjb

cc: Kara Cruikshank – Executive Assistant  
Patricia DuFresne – Town Accountant  
Megan Foster – Principal Assessor  
Hannah Moller – Town Treasurer/Tax Collector  
Michael Hartnett – Assistant Town Treasurer/Tax Collector  
Melisa Doig – Human Resources Director  
Dawn Dunbar – Town Clerk  
Dr. Laura Chesson – GDRSD Superintendent  
Sherry Kersey – GDRSD Business Manager