

## SELECT BOARD/FINANCE COMMITTEE MEETING MINUTES

MONDAY, OCTOBER 2, 2023

APPROVED by Select Board & FinCom

**SB Members Present:** Peter Cunningham, Chair; John Reilly, Vice Chair Alison Manugian, Clerk; Matt Pisani; Becky Pine

**Also Present:** Mark Haddad, Town Manager; Kara Cruikshank, Executive Assistant to the Town Manager; Patricia Dufresne, Assistant Finance Director/Town Accountant; Tom Orcutt, Groton Water Superintendent; Dawn Dunbar, Town Clerk; Takashi Tada, Town Planner/Land Use Director; Tom Delaney, DPW Director; Hannah Moller, Treasurer/Collector

**Finance Committee Members Present:** Bud Robertson, Chair; Colby Doody, Vice Chair; Michael Sulprizio; Mary Linskey; Gary Green; David Manugian

**Sustainability Commission:** Phil Fransisco; Charlotte Weigel; Ginger Vollmar

Mr. Cunningham called the meeting to order at 7:00 PM and reviewed the agenda.

### PUBLIC COMMENTS

None

### ANNOUNCEMENTS

Ms. Pine announced that the Groton Business Association held Grotonfest on Saturday, September 30, 2023. She said it was a huge success and wanted to commend everyone for the wonderful community event.

Mr. Cunningham announced that on Wednesday, October 4th, at the Center, the Sustainability Commission will hold a forum on PFAS starting at 7:00 p.m.

The Town Clerk, Ms. Dunbar, was happy to announce that Governor Healey had approved the Town's Special Legislation approved at the 2023 Spring Town Meeting. This legislation will combine Precincts 1 and 3A. Eighty-three households have been informed via mail that they will now vote at Precinct 1, which is still at the Groton Center. Ms. Dunbar also received the early absentee and official ballots. She said approximately 119 absentee ballots were mailed out earlier that day. Early voting will begin on Saturday, October 28th, and will be held at Town Hall from 12:00 p.m. to 6:00 p.m. Early voting will be available during regular business hours the following week. The last day to register to vote is October 18<sup>th</sup> by 5:00 p.m., and the last day to request a ballot by mail is Tuesday, October 31<sup>st</sup> by 5:00 p.m.

Mr. Haddad wanted to thank Representative Scarsdale for shepherding the special legislation that combined the precincts.

Mr. Tada said the Planning Board has a community survey online and flyers posted around Town Hall with a QR code as part of the Master Plan information gathering process.

Mr. Robertson called the Finance Committee to order.

### TOWN MANAGERS REPORT

1. **Consider Ratifying the Town Manager's Appointment of Kim Komperda to the Groton Country Club Golf Staff.**

*Mr. Reilly made a motion to ratify the Town Manager's appointment of Kim Komperda to the Groton Country Club Golf Staff. Mr. Pisani seconded the motion. The motion carried unanimously.*

**2. Consider Accepting the Town Manager's Nomination and Appoint Bart Yeager to the Recycling Committee.**

*Mr. Pisani made a motion to accept the Town Manager's nomination and appoint Bart Yeager to the Recycling Committee. Ms. Pine seconded the motion. The motion carried unanimously.*

**3. Update from the Town Manager on IMA Negotiations with the Town of Dunstable.**

Mr. Haddad said Phase One of the IMA with Dunstable to address PFAS at the GD High School had been negotiated with Town Administrator Jason Silva. Phase Two is more complicated, but they are still working on it. Mr. Haddad explained that he was trying to find state or federal funding to help pay for the \$3.1M for Phase Two. He has reached out to Congresswoman Trahan's Office to potentially get an earmark for federal funding in the coming year. He has been in touch with the state delegation and has scheduled a meeting on October 16<sup>th</sup> to discuss an earmark for state funding. He has also contacted the Department of Environmental Protection (DEP) to seek available funding, and Mr. Orcutt applied for a grant from DEP for funding as well. Mr. Haddad requested that the Board meet in joint session with the Dunstable Board of Selectmen on October 16<sup>th</sup> to finalize the IMA. He wants this in place prior to the two public sessions that have been scheduled prior to Town Meeting. The sessions will be held on Wednesday, October 18, 2023, at 9:30 a.m. and 7:00 p.m. to be held at the Groton Center.

**7:15 Public Hearing- Road Layout Acceptance- Cherry Tree Lane, Fieldstone Drive, and Arbor Way**

Mr. Haddad read aloud the public hearing notice.

*Ms. Pine made a motion to open the public hearing. Ms. Manugian seconded the motion. The motion carried unanimously.*

Bruce Wheeler, Principal of Habitat Communities, who constructed the roadways/Academy Hill Subdivision attended the public hearing.

Mr. Haddad said the Planning Board voted to recommend the Select Board adopt the layout for these three roads. Mr. Tada, Land Use Director/Town Planner, was in attendance to give an overview. The Select Board had received two emails earlier that day from residents of Academy Hill. Mr. Haddad wanted to address those concerns. Mr. Tada explained that the developer had addressed the catch basin, one of two outstanding items listed in the Planning Board memo to the Select Board.

Mr. Delaney, DPW Director, said he has been working with Academy Hill since the spring. He still has a few items to address (a basin and mowing a few sections), but he said the road was in good shape for acceptance. Mr. Wheeler said regarding the emails, he plans to meet the residents who sent the letters on site, take a look at the repairs, and complete the repairs by October 13<sup>th</sup>. He explained the storm sector would also be cleaned out by the same date. Mr. Haddad asked the Select Board to continue the Road Acceptance hearing until the October 16<sup>th</sup> Select Board meeting. Mr. Wheeler plans to work with Mr. Delaney to address the concerns.

**Board Member's Comments/Suggestions**

Ms. Manugian said they need a summary of items to be completed.

Ms. Pine knew of a tight turn at the bottom of Fieldstone Drive. Mr. Delaney stated that Nitch reviewed the plans and the turns to meet the required turning radius.

Ms. Pine asked what happens after the plan is accepted regarding mitigating turtles. Mr. Tada said the requirements for the turtle mitigation would be the jurisdiction of the state Natural Heritage Program. He said you could find the requirements in a Conservation Management Permit. The Conservation Commission is holding funds in escrow that the developer is required to set aside. Mr. Tada will look into the provisions. The builder's attorney will look further into this and provide a letter to the town. Mr. Haddad stated that the turtle mitigation plan has no bearing on the road acceptance.

#### Public comments/ suggestions

Nadia Madden, of 42 Cherry Tree Lane, said the town owns other parcels of land within Academy Hill. She asked if they would also be turned over to the town with the acceptance of the roads. Mr. Cunningham said they would be part of the stormwater drainage easements, so he believed that would be the case.

Michael Sulprizio, who lives at 315 Cherry Tree Lane, expressed frustration at the lack of communication from the developer regarding overdue repairs. He is looking forward to the town taking over the roads.

*Ms. Pine made a motion to continue the public hearing to October 16<sup>th</sup> at 7:15 p.m. Mr. Reilly seconded the motion. The motion carried unanimously.*

Mr. Haddad asked the Board to move the Fall Town Meeting Warrant up in the agenda to discuss.

#### Items for Select Board Consideration and Action

##### **Consider Taking Positions on All Articles and Issue the 2023 Fall Town Meeting Warrant**

Mr. Haddad said enclosed with the Report was the Final Draft of the 2023 Fall Town Meeting Warrant. Since the last draft, there have been several changes made to the Warrant:

- A. The Legislature has approved, and the Governor has signed into law the legislation passed at the 2023 Spring Town Meeting combining Precincts 1 and 3A into one Precinct. Mr. Haddad said they now have three precincts that would be in effect at the November 7, 2023 Special Election. The Town Clerk will notify voters in the former Precinct 3A of this change. The Warrant has been amended to reflect this change.
- B. Two additional budget amendments have been amended to Article 2. Mr. Haddad asked the Board to consider these changes:

Planning Board Salaries: The Land Use Director/Town Planner has opted out of the Town's Health Insurance Program. The requested \$6,468 would come from Unexpended Tax Capacity because it is a recurring expense.

Emergency Management Expenses: On September 8 and September 11, 2023, the Communication Tower and Radio Systems located at the Fire Station, Police Station, Gibbet Hill, Cow Pond, and Hollingsworth and Vose were struck by lightning, causing significant damage. The estimated cost of repairs is \$30,000. An insurance claim could be filed, but the Town has experienced many claims over the last several years, causing a significant increase in the Town's insurance premium. Mr. Haddad said in an effort to keep the insurance cost down, he was requesting that the Town pay for these repairs from Free Cash in the amount of \$30,000. Mr. Robertson asked for the amount the town pays for Property and Casualty. Ms. Cruikshank said she would find out the amount and give it to the members. Mr. Manugian asked why he wouldn't go for a reserve fund transfer. Mr. Haddad said it was an option,

but since it was very early in the year, he would not be comfortable hitting the Reserve Fund with such a large sum.

- C. The Article to address PFAS at the Groton Dunstable Regional High School (Article 9) has been amended to reflect the vote of the Select Board to approve the Regional Solution. The Article would no longer request a reduction in the appropriation from the 2023 Spring Town Meeting, and it would remain at \$16.7M. Additionally, the wording had been added to include the proposed work under Phase II and tie the appropriation to a Debt Exclusion.
- D. The Water Commission has voted to remove the Article that would consider design engineering for PFAS treatment at the Whitney Well Treatment Plant. If they go forward, they will address it at the Spring Town Meeting. Based on this removal, there are now 15 Articles.
- E. The Town Manager's Report has been added to the end of the Warrant.

Mr. Haddad respectfully requested that the Board consider taking positions on all the Articles in the Warrant.

Article 1: Prior Year Bills- The Select Board was unanimously in favor to support.  
The Finance Committee was unanimous in favor to support.

Article 2: Amend the Fiscal Year 2024 Town Operating Budget-  
The Select Board was unanimously in favor to support.

Article 3: Fiscal Year 2024 Capital Budget-  
Item #1: The Select Board was unanimously in favor to support.  
Item #2: The Select Board unanimously in favor to support.

Article 4: Transfer Money into Capital Stabilization Fund-  
The Select Board was unanimously in favor to support.  
The Finance Committee was unanimously in favor to support.

Article 5: Transfer Money into Stabilization Fund-  
The Select Board was unanimously in favor to support.  
The Finance Committee was unanimously in favor to support.

Article 6: Transfer Money into the GDRSD Capital Stabilization Fund-  
The Select Board was unanimously in favor to support.

Article 7: Transfer Money into the Special Purpose Opioid Fund-  
The Select Board was unanimously in favor to support.  
The Finance Committee was unanimously in favor to support.

Article 8: Transfer Within the Water Enterprise Fund-  
The Select Board was unanimously in favor to support.  
The Finance Committee was unanimously in favor to support.

Article 9: Amend Article- Article 12 of the 2023 Spring Town Meeting (GDRSD-PFAS)-

Ms. Manugian asked Mr. Haddad to send the original language of Article 12. Mr. Haddad agreed to send this to the Board.

The Select Board was unanimously in favor to support.

The Finance Committee had not taken a position on Article 9 at that time.

Article 10: Water Supply System at 500 Main Street and Taylor Street-

The Select Board was unanimously in favor to support.

The Finance Committee was unanimously in favor to support.

Article 11: Adopt M.G.L., c.53, §9A- Nomination Papers for Cities or Towns-

The Select Board was unanimously in favor to support.

Article 12: Amend Town Charter- Article 6. Section 6.4.1-

The Select Board was unanimously in favor to support.

The Finance Committee was unanimously in favor to support.

Article 13: Sale or Lease of Parcel 249-51 Hoyts Wharf Road-

Mr. Haddad said bids for the RFP were due on October 5, 2023.

The Select Board deferred to Town Meeting.

Article 14: Sale of Lease 249-57 Cow Pond Brook Road-

Mr. Haddad said the bids for the RFP were due on October 5, 2023.

The Select Board deferred to Town Meeting.

Article 15: Accept New Public Ways-

Mr. Haddad said they were waiting for the as-built for Monarch Path. There are no records of the engineer report, so they are waiting to hear from the Planning Board.

The Select Board deferred to Town Meeting,

Mr. Haddad reviewed the Town Manager's Report. He said should the Town Meeting agree with these appropriations, \$1,411,545 would come from the Town's Free Cash Account. Ms. Pine said she wanted to comment and clarify there may be questions that come up about why we couldn't use the money from Free Cash for PFAS. Mr. Haddad said the needs far exceed what the town has for available funds.

There were no questions from the Finance Committee.

*The Finance Committee reconvened in the 1st Fl Lunch Room after participating in the Select Board's meeting to take positions on Fall Town Meeting warrant articles.*

Town Meeting Warrant Article Positions: All votes taken based on presentation in Town Manager's report as provided on 10/02/23 and attached.

**Documents available at the meeting:** 2023 FTM Warrant, Town Manager's Report to FTM

Article 2 – Budget Amendments –

**Williams Barn \$5,000:** The members discussed the need for operational funds for the Williams Barn program. Ms. Dufresne explained that their gift fund had been depleted (expenses having exceeded revenue for a period of time); this amount is meant to cover portable restrooms and electricity costs. Mr. Sulprizio wondered if they had considered raising their fees or soliciting additional donations. It was noted that the Town had recently funded two other committees (Destination Groton and Sustainability Committee). Mr. Green would have liked a chance to meet with them to discuss the specifics of their request. Mr. Manugian pointed out that it would be preferable if the Williams Barn Committee presented their budget request in the spring along with all the other budgets. This would allow for a more "level playing field." The group discussed deferring their vote until Town Meeting. On a motion by Mr. Green, seconded by Ms. Linskey, the Finance Committee voted unanimously to defer taking a position until Fall Town Meeting (6-0-0)

**Town Clerk Training \$4,850:** This amendment is needed to cover the cost of municipal leadership training for the Town Clerk. Mr. Green expressed his preference for a town-wide policy regarding tuition reimbursement and professional development for those employees who do not have that benefit currently. Ideally, all those who are eligible would then be aware of and able to apply to use such a benefit. Mr. Sulprizio said that this kind of benefit should benefit both the employee and the Town; this could be addressed in a written policy. Mr. Doody pointed out that some one-time certificate programs do lead to recurring costs (requiring ongoing coursework to keep certification active). Mr. Manugian would like to be sure that the FY25 budget would not be built with this charge in the base. On a motion by Mr. Sulprizio, seconded by Ms. Linskey, the Finance Committee voted in the majority to support this budget amendment. (The Vote: 5-1-0 Mr. Green voted against)

**Planning Board Salaries \$6,468:** Per the Town Manager's report, the Town Planner opted out of the health insurance plan last May, after the budget had already been voted. This amount represents the salary adjustment necessary to provide the contractual opt-out benefit for FY24. The members discussed the subsequent benefit to the Town budget (approximately \$25,000). On a motion by Mr. Green, seconded by Ms. Linskey, the Finance Committee voted unanimously to support this budget amendment. (The Vote: 6-0-0)

**Emergency Management Expense \$30,000:** Per the Town Manager's report, in September of 2023, the Communication Tower and Public Safety Radio Systems were struck by lightning. The Town Manager is disinclined to make an insurance claim as the policy premiums have been escalating quickly over the last few years. Mr. Robertson agreed that this would be a good use of Free Cash; it is early in the fiscal year to request a Reserve Fund transfer for such a large amount. On a motion by Ms. Linskey, seconded by Mr. Robertson the Finance Committee voted unanimously to support this budget amendment for FY24. (The Vote: 6-0-0)

**Article 9 Amendment of 2023 STM Article 12 GDRSD-PFAS Remediation \$16,700,000:** The members discussed the evolution of the PFAS proposed solutions up to this point and their associated merits. Mr. Robertson noted that while DEP has not mandated a particular solution yet, eventually that will happen if the Town does not act to put a plan in place. He suggested that those who were still unsure of their position on this matter attend one of the upcoming public forums to be held at The Center. He went on to say that he feels that the Finance Committee should provide a position on this article. (Ms. Alison Manugian joined the meeting at this time: 8:55 pm). Mr. Manugian said he supports this solution, as the alternative is providing bottled water which is itself very expensive in the long term. Also, it might be in the best interests of Groton to not be beholden on another town for this solution. The group discussed the estimated cost of the two phases. Mr. Robertson pointed out that negotiations are ongoing for Phase 2; there is a smaller working group in place to try to formalize a deal, but so far no one is satisfied. Mr. Green expressed concern that Groton has ended up with really high tax bills because residents are told that there is only one way forward which leads to over-building projects. Ms. Linskey mentioned that Groton tax bills are high for residents who are actively employed; those who are retired are at an even greater disadvantage. Mr. Green wondered if the state would ever step in and help with this issue. Mr. Manugian opined that this is a nationwide crisis and the federal government should be getting involved. Mr. Green believes there are less expensive solutions that should be explored. Mr. Sulprizio reminded the group that this solution will provide an extra revenue stream to the Town. Ms. Manugian felt there may be a benefit to meeting the compliance requirements prior to a DEP consent order being enacted. On a motion by Mr. Sulprizio, seconded by Mr. Manugian, the Finance Committee voted in the majority to support Article 9 (The Vote: 5-0-1 Mr. Green Abstained)

Approval of Minutes: On a motion by Mr. Green, seconded by Mr. Manugian, the Finance Committee voted unanimously to approve and release the minutes from their meeting held on 7/10/2023.

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

Respectfully submitted,

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

Patricia Dufresne, Assistant Finance Director/Town Accountant

# REPORT OF THE TOWN MANAGER TO THE 2023 FALL TOWN MEETING

The 2023 Fall Town Meeting Warrant contains several warrant articles that seek appropriations, some of which will affect the Tax Rate and some of which will have no further impact on taxes. The purpose of this report is to provide the residents and taxpayers with a summary of these articles and what impact they will have on the Fiscal Year 2024 Tax Rate. In preparing for the Fall Town Meeting, the Select Board and Finance Committee reviewed the balances in the various reserve accounts. These accounts will either be used to fund the various articles, or money will be added to them to comply with the Town's Financial Policies. The balances as of September, 2023, are as follows:

Stabilization Fund:	\$	2,398,574
Capital Stabilization Fund:	\$	102,911
GDRSD Capital Stabilization Fund:	\$	9,240
Unexpended Tax Capacity:	\$	235,261
Certified Free Cash:	\$	2,423,442
Water Surplus:	\$	803,000

The following is a summary of Warrant Articles Requesting funding:

**Article 1: Unpaid Bills** Requested: \$400

There is one unpaid bill from the Groton Water Department in the amount of \$400 owed to Nashoba Analytical. Since this is a Water Department Bill, it will be paid from Water Surplus.

**Article 2: Amend the FY 2024 Town Operating Budget**

This Article will request the following adjustments in the Operating Budget:

**1. Select Board Expenses** Requested: \$5,000

The Williams Barn Committee is requesting \$5,000 to assist them in carrying out their charge with maintaining the Williams Barn. They are seeking additional funding for items not currently covered by trust funds and grants. Specifically, these funds will be used for electricity, porta-potties, and other operational expenses. This funding, since it is a recurring expense, will come from the Unexpended Tax Capacity.



**2. Treasurer/Collector Salaries**

**Requested \$3,406**

The Treasurer/Collector has opted out of the Town's Health Insurance Program. In an effort to reduce Health Insurance Expenses, the Town provides an incentive to employees who opt out of the Program. Employees receive 25% of the Town's cost for the Plan in which a particular employee is enrolled. This funding, since it is a recurring expense, will come from the Unexpended Tax Capacity.

**3. IT Wages**

**Requested: \$7,146**

With the approval of the Select Board and Finance Committee, the IT Desktop Specialist's position was reclassified and the salary increased. This funding, since it is a recurring expense, will come from the Unexpended Tax Capacity.

**4. Building Inspector Wages**

**Requested: \$630**

During the development of the Fiscal Year 2024 Budget, an error was made by the Town Manager in calculating the salary of the Land Use Administrative Assistant, resulting in a shortfall of \$630. This funding, since it is a recurring expense, will come from the Unexpended Tax Capacity.

**5. Library Wages**

**Requested: \$2,600**

The Commonwealth provides direct aid to public libraries. In Fiscal Year 2023, the Library received \$25,054 in direct State Aid. In order to qualify for this aid, Massachusetts General Law (M.G.L., c.78, s.19A) states that a municipality must appropriate a figure of at least the average of the last 3 years' municipal appropriations (MAR) to the library for operations, increased by 2.5%, in order to be certified for State Aid to Public Libraries. The FY 2024 Appropriation is \$2,600 short of reaching the MAR. According to the FY 2024 Cherry Sheet, the Groton Public Library is slated to receive \$29,051 in State Aid. This appropriation is necessary to qualify for this Aid. This funding, since it is a recurring expense, will come from the Unexpended Tax Capacity.

**6. Town Clerk Expenses**

**Requested: \$4,850**

The Massachusetts Municipal Association, in partnership with Suffolk University, offers a Certificate in Local Leadership and Management Program. This program is designed for municipal employees looking to further their careers in municipal management. Classes cover topics including budgeting, human resources management, and strategic leadership. The Town Clerk, with the encouragement and support of the Town Manager, applied for and was accepted in the program. This funding will cover the cost of the program and mileage reimbursement. This funding will come from Free Cash.

**7. Town Clerk Wages**

**Requested: \$450**

The Select Board has called for a Special Election on November 7, 2023 for the Town to consider a Proposition 2½ Debt Exclusion to cover the debt service for the new water main to the Groton Dunstable Regional High School to address PFAS. This funding is necessary to cover the overtime of the two Assistant Town Clerks to assist with the Special Election. This funding will come from Free Cash.

**8. Election Expenses**

**Requested: \$7,510**

This funding is needed to cover expenses associated with the November 7<sup>th</sup> Special Election. This funding will come from Free Cash.

**9. Election Stipend**

**Requested: \$2,500**

This funding is needed to cover the wages of Election Workers covering the November 7<sup>th</sup> Special Election. This funding will come from Free Cash.

**10. Planning Board Salaries**

**Requested: \$6,468**

The Land Use Director/Town Planner has opted out of the Town's Health Insurance Program. (See explanation under Item #2, Treasurer/Collector Salaries). This funding, since it is a recurring expense, will come from Unexpended Tax Capacity.

**11. Fire Salaries**

**Requested: \$5,000**

The Fire Chief has opted out of the Town's Health Insurance Program. (See explanation under Item #2, Treasurer/Collector Salaries). This funding, since it is a recurring cost, will come from the Unexpended Tax Capacity.

**12. Emergency Management Expenses**

**Requested: \$30,000**

On September 8 and September 11, 2023, the Communication Tower and Radio Systems located at the Fire Station, Police Station, Gibbet Hill, Cow Pond and Hollingsworth and Vose were struck by lightning causing significant damage. The estimated cost of repairs is \$30,000. While an insurance claim could be filed, the Town has experienced a high number of claims over the last several years, causing a significant increase in the Town's insurance premium. In an effort to keep insurance costs down, it was determined that the Town would pay for these repairs from Free Cash.

**13. Town Manager Salaries**

**Requested: \$8,150**

The Town Manager's Contract allows the Town Manager to buy back one week of vacation pay and provides for a performance incentive based on the Town Manager's Annual Review. In previous years, this funding was transferred into the Town Manager's Salary Account at the end of the Fiscal Year. Since this has been a recurring expense, it is proposed that it be properly budgeted at the onset of the year, instead of at the end of the year. This funding, since it is a recurring cost, will come from the Unexpended Tax Capacity.

**14. Debt Service**

**Requested: -\$179,144**

The Town went out to the Bond Market in June, 2023 for Bond Anticipation Notes for the remaining funds necessary to complete the Florence Roche Elementary School. The Town did an interest only loan of \$27 million. When the budget was developed, it was anticipated that the short-term interest rate would be around 4% and the budget was set accordingly. However, the actual interest rate came in around 2.5%, reducing the budgeted amount by \$179,144.

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**Article 3: FY 2024 Capital Budget**

**Requested: \$110,000**

In the Spring when the Capital Budget was submitted for approval, two items were held out and the Select Board and Finance Committee agreed to bring back those two items to the Fall Town Meeting for funding from Certified Free Cash. The two items are improvements to the Police and Fire Station Parking Lots (Seal Coating for \$30,000) and the repaving of the Country Club Parking Lot (\$80,000). The Capital Planning Advisory Committee had recommended this approach as part of the FY 2024 Capital Budget. This Funding will come from Free Cash.

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**Article 4: Transfer - Capital Stabilization Fund**

**Requested: \$637,697**

The current balance in this fund is \$102,911. The Town's Financial Policies call for a balance in this Fund of 1.5% of the Operating Budget. If all the transfers and appropriations are approved under Article 2 of this Warrant, the total Fiscal Year Operating Budget will be \$49,373,854. This would require a Capital Stabilization Fund Balance of \$740,608. This Article will request a transfer of \$637,697 from Free Cash to add to this Fund.

**Article 5:      Transfer - Stabilization Fund**

**Requested: \$71,000**

The current balance in the Stabilization Fund is \$2,398,574. Our Financial Policies state that this Fund should have a balance of five (5%) percent of our Operating Budget (\$49,373,854). This would require a balance of \$2,468,869. This Article will request a transfer of \$71,000 from Free Cash to add to this Fund.

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**Article 6:      Transfer - GDRSD Capital Stabilization Fund**

**Requested: \$541,000**

The current balance in the GDRSD Capital Stabilization Fund is \$9,240. The FY 2024 Capital Plan for the District is currently estimated at \$550,000. This Article will request a transfer of \$541,000 from Free Cash to be added to this Fund.

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**Article 7:      Transfer - Special Purpose Opioid Fund**

**Requested: \$4,991**

*From the Summary in the Warrant:* At the 2023 Spring Town Meeting, the Town voted to establish a special purpose stabilization fund in which to collect all Opioid Abatement Funds allocated to Groton by the Commonwealth of Massachusetts. Between 2022 and 2038, Groton is expected to receive approximately \$38,300 in statewide opioid settlements reached between the Attorney General and companies or individuals that allegedly fueled the opioid crisis. The funds that were received prior to the establishment of the new stabilization fund, \$4,990.48, were certified as part of the Town's Free Cash at 6/30/23 and therefore must be specifically appropriated for transfer to this new special purpose fund. Going forward, all new opioid settlement money received will be deposited directly into the Opioid Stabilization Fund. This fund will be used (consistent with state guidelines) for opioid use prevention, harm reduction, and treatment and recovery programs.

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**Article 8:      Transfer Money into Water Enterprise Fund**

**Requested: \$150,000**

*From the Summary in the Warrant:* This Article seeks the transfer of \$150,000 from the Water Enterprise Fund Surplus to the Fiscal Year 2024 Water Department's General Expense for the Operating Budget for a SCADA (Supervisory Control and Data Acquisition) Upgrade at the Baddacook Pond Treatment Facility.

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**Article 10: 500 Main Street and Taylor Street****Requested: \$1,225,000**

*From the Summary in the Warrant:* This article will allow the Select Board to borrow \$1,225,000 for the design and construction of a water supply system at 500 Main Street and Taylor Street. The Town would borrow these funds contingent upon a successful award of a Mass Works Grant from the Commonwealth of Massachusetts. Said funds shall not be expended unless the grant is awarded to the Town of Groton.

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Should the Town Meeting agree with these appropriations, \$1,409,998 will come from the Town's Free Cash Account. In the Spring of 2024, the Town will need about \$300,000 from the Free Cash Account to cover Debt Service, OPEB Trust Fund and Department Head Performance Incentives, leaving a balance of \$713,444 in Free Cash. Based on final anticipated new Growth for FY 2024 and the Final Cherry Sheet Estimates received from the State, the Budget approved at Town Meeting is currently \$235,261 under the anticipated FY 2024 Levy Limit. For the line items that are reoccurring and will be funded through taxation, \$38,400 will come from this amount, which will leave the Town \$196,861 under the anticipated Levy Limit for Fiscal Year 2024. The estimated tax rate at the Spring Town Meeting was \$16.44. Based on the proposed changes at the Fall Town Meeting, the anticipated tax rate is \$16.29. The following chart is a breakdown of the anticipated rate:

	<u>Actual</u>		<u>Proposed</u>		<u>Dollar</u>	<u>Percent</u>
	<u>FY 2023</u>		<u>FY 2024</u>		<u>Change</u>	<u>Change</u>
Levy Capacity Used	\$ 35,383,886	\$	36,581,274	\$	1,197,388	3.38%
Tax Rate on Levy Capacity Used	\$ 14.13	\$	14.42	\$	0.29	2.05%
Average Tax Bill	\$ 8,958	\$	9,142	\$	184	2.05%
Excluded Debt	\$ 3,783,842	\$	4,732,786	\$	948,944	25.08%
Tax Rate on Excluded Debt	\$ 1.51	\$	1.87	\$	0.36	23.84%
Average Tax Bill	\$ 957	\$	1,186	\$	228	23.84%
Final Levy Used	\$ 39,167,728	\$	41,314,060	\$	2,146,332	5.48%
Final Tax Rate	\$ 15.64	\$	16.29	\$	0.65	4.16%
Average Tax Bill	\$ 9,916	\$	10,328	\$	412	4.16%

Respectfully submitted,

*Mark W. Haddad*

Mark W. Haddad  
Town Manager