

**BOARD OF SELECTMEN  
MINUTES JANUARY 3, 2011  
APPROVED**

**Present:** Stuart M. Schulman, Chairman; Anna Eliot, Vice Chairman; George Dillon, Jr., Clerk; Peter Cunningham  
**On Phone:** Joshua A. Degen  
**Also Present:** Mark W. Haddad, Town Manager; Patrice Garvin, Executive Assistant

*Mr. Schulman called the meeting to order at 7:00pm and reviewed the agenda for the public. Mr. Schulman also announced many local activities and local businesses in town.*

**TOWN MANAGER'S REPORT**

1. Mr. Haddad stated that Mr. Degen would be hearing and participating in the meeting through the phone. Mr. Haddad noted that under the new Open Meeting Law it was allowed to listen in and participate but that Mr. Degen would not be voting.
2. Mr. Haddad noted the need for an Executive Session at the conclusion of the meeting to discuss matters pertaining to the purchase of real property.
3. Mr. Haddad noted the recent Dog Complaint that was sent to the office and that it would be discussed at a future meeting.
4. The Prescott Reuse Committee was present to discuss their application to the Community Preservation Committee for funding for a feasibility study. Halsey Platt, Chairman of the Committee asked the Board of Selectmen to support their application. Mr. Platt stated that there were four proposed uses for the building and the feasibility study would provide a market analysis for each suggested use. Mr. Dillon asked how the Prescott Reuse Committee determined the amount of \$25k for the feasibility study. Mr. Platt stated that the amount was determined by the expertise that sits on the Prescott Reuse Committee. Mr. Dillon was concerned with the numbers of possible uses presented and that the amount of \$25k may not be accurate. Mr. Dillon suggested choosing one direction to go in and then to move forward. Ms. Eliot, as a member of the Prescott Committee supported the application. Mr. Degen also question this path of a feasibility study. MR. Cunningham recommended getting estimates from consultants before moving forward. Mr. Haddad asked the Board for direction. It was decided that Mr. Haddad would draw up a letter from the Chairman stating the board would support the application if estimates could be gathered for consultants performing feasibility studies.

**JOINT SESSION WITH THE FINANCE COMMITTEE-PRESENTATION OF THE TOWN MANAGER'S PROPOSED FISCAL YEAR 2012 OPERATING BUDGET**

Mr. Haddad thanked the Finance Committee and presented his FY12 budget presentation. [Document #1-FY12 Town Manager Operating Budget, FY12 Capital Budget & FY12 Budget Presentation Slides]

Slide 1: Mr. Haddad briefly explained the FY12 Budget Process. Mr. Haddad noted that from the onset department heads new that FY12 would be a difficult year. And that Mr. Haddad provided a Maintenance Budget for the third straight year. Mr. Haddad stated that departments were instructed to find ways in their budgets to level fund or reduce expenses while maintaining services. Mr. Haddad informed the boards that departments complied with budget guidelines and submitted budgets as requested.

Slide 2: Mr. Haddad presented the FY11 Levy limit and the expected levy limit. Mr. Haddad noted on the next slide how revenues projections were forecast for FY12. Mr. Haddad noted that at the 2010 Fall Meeting \$100k was voted to offset the tax rate. Mr. Haddad projected new growth at 15 million due to increased permits being pulled. Mr. Haddad noted that for every \$1.5 million expenditure it would be \$1 on the tax rate.

Slide 3: Mr. Haddad presented the FY12 total tax levy calculation along with excluded debt for the town and for the schools. Mr. Haddad noted a decrease in debt exclusion which turned out to be an average of \$.25 on the tax rate. Mr. Haddad noted that the total levy limit was \$25,217,399 for FY12.

Slide 4: Mr. Haddad presented other estimated revenues and noted that by mid June the excise tax number will be more accurate. Mr. Cunningham asked if Payment in Lieu of taxes was included the revenues presented. Mr. Haddad stated that PILOT's were not included and that he has also asked GELD to increase their PILOT. Mr. Haddad also explained that ambulance receipts were types of revenue in the *Other Available Funds* line.

Slide 5: Mr. Haddad outlined more revenue projections and noted that change in state aid since 2009. Mr. Haddad pointed out that state aid has decreased every year and makes up less and less of the operating revenues.

Slide 6: Mr. Haddad gave a complete list of revenue sources, what was budgeted in FY11 and estimated FY12. Mr. Haddad stated that there would be a projected 2.6% increase.

Slide 7: Mr. Haddad stated that FY12 will be the first full year of funding of the Groton Golf and Pool Center. Based on projections it will be self sufficient and will not affect the tax rate. The proposed FY12 anticipated revenue for the center is \$614, 850

Mr. Hargraves asked about the renaming of the club. Mr. Haddad noted that there was a change.

Slide 8: Graph for Source of Funding

Slide 9: Mr. Haddad reviewed the budget highlights for FY12. They are regionalization, Department Head Incentive Program and Senior Van increased hours. Mr. Haddad briefly discussed incentive program and noted the policy in the budget books. Mr. Haddad stated that this program was created due to the recommendations to have such a program by the Finance Committee last budget cycle. Mr. Dillon asked how longevity worked into this and suggested taking that number into account. Mr. Hargraves was concerned with bolstering pay for those near retirement. Mr. Haddad assured the boards that the payment is not part of an employee's base salary.

Mr. Haddad stated that the van needed an increase in hours that would be of no costs to the tax payers. Mr. Haddad also noted that there would be no increase in administrative support to cover increase in hours.

Slide 10: Mr. Haddad continued with more highlights. Mr. Haddad noted that FY12 would be the first full year of the Groton and Pool Center. The town would begin to phase in restoration of library "Book and Technology" budget. There would be an anticipated increase in health insurance budget. Also there is an anticipated 11% increase in county retirement.

Mr. Haddad noted that last years library budget was level funded and trust funds werw used for books. Mr. Haddad is suggesting that we restore the book budget with \$10k in FY12. Ms. Jenkins noted the increase in health insurance and that the increase could be as high as 15%.

Mr. Collins briefly discussed the 11% increase in retirement. Ms. Collins stated that this number could have been higher if the legislation did not allow unfunded liability to out until 2040. Ms. Collins noted that 6 new retirees

occurred over a three year period. Mr. Hargraves asked how Groton's share was broken down. Ms. Collins stated that she would find out and report back.

Slide 11: Mr. Haddad noted the Regional School budget and that 2.5% have been put forth for FY12. Mr. Haddad added that the new superintendent was committed to transparency, which is a key to the budget process. Mr. Haddad also noted the decrease in the Enterprise budgets and that the E&D would be restocked.

Slide 12: Mr. Haddad presented an Expenditure Breakdown for GDRSD, Nashoba Tech, Health Insurance, Pension Costs and Steps/Salaries. Mr. Haddad stated that \$748,683 was in employee contractual steps.

Slide 13: Mr. Haddad presented the Expenditure Breakdown for General Government, LandUse Departments, Protection Persons/Property, Department of Public Works, Library and Citizens Services, Debt Service and Employee Benefits. Mr. Haddad noted a decrease in the Protection Persons/Property through the decrease in overtime.

Slide 14: Mr. Haddad again addressed that when you take out the anticipated increase in employee benefit costs, the proposed FY12 municipal budget will increase only \$92,905, or 1.24% of which \$78,751 is for steps and contractual salary increases.

Slide 15: Graph showing where the money goes by departments.

Slide 16: Mr. Haddad showed the tax impact of FY11 and the proposed FY12 budget. Mr. Haddad showed an impact of \$6,636 on the average tax bill for FY12, and increase of 1.29%.

Mr. Haddad thanked the boards and concluded his FY12 budget presentation.

Mr. Prager, Chairman of the Finance Committee stated that certain Department would be invited into their Saturday session on January 22<sup>nd</sup> and February 5<sup>th</sup>.

### **SELECTMAN LIAISON REPORTS**

none

### **MINUTES**

*Mr. Dillon moved to approve the regular session minutes of December 6, 2010. Ms. Eliot seconded the motion. Motion carried (3-1 abstention). [Document #2-Ross Survey Jenkins Road]*

### **ADJOURNMENT**

*Mr. Dillon moved to adjourn the meeting into Executive Session at 7:50pm. To consider the purchase, exchange, lease or value of real estate, if the chair declares that an open meeting may have a detrimental effect on the negotiating position of the public body. Ms. Eliot seconded the motion. Roll Call Vote: Cunningham-yes, Dillon-yes, Eliot-yes, Schulman-yes. Meeting adjourned.*

Approved: \_\_\_\_\_  
George F. Dillon, Clerk

\_\_\_\_\_ respectfully submitted,  
Patrice Garvin  
Executive Assistant to the Town Manager

Date Approved: 1-24-11