

**BOARD OF SELECTMEN
MINUTES JANUARY 6, 2014
APPROVED**

Present: Peter S. Cunningham, Chairman; Josh Degen, Vice Chairman; Anna Eliot, Clerk; Stuart M. Schulman; John G. Petropoulos

Also Present: Mark W. Haddad, Town Manager; Dawn Dunbar, Executive Assistant; Patricia DuFresne, Town Accountant; Michael Hartnett, Treasurer/Tax Collector; Rena Swezey, Assessor; Finance Committee Members: Steve Webber, Jay Prager, Joe Crowley, Robert Hargraves, David Manugian

Mr. Cunningham called the meeting to order at 7:00pm.

ANNOUNCEMENTS

Mr. Cunningham said that the recent Blood Farm fire was a tragic loss locally and regionally. He said that the family was contemplating whether or not to rebuild adding that the Town would assist in any way possible. He said their thought went out to the family.

TOWN MANAGER'S REPORT

1. Mr. Haddad said that he included in his report the Board's meeting schedule through the April Town Meeting. He asked the Board to approve the schedule as drafted. The schedule was approved.
2. Mr. Haddad said that the Police Chief had conducted a search in an effort to build up a reserve of officers and asked Mr. Haddad to appoint Kathy Newell and Mike Ratte as Reserve Police Office effective that night. Chief Palma said that he was pleased and honored to bring the Kathy Newell and Mike Ratte before the Board and hoped they would ratify the appointments.
Mr. Degen moved to affirm the Town Manager's appointment of Kathy Newell and Mike Ratte as Reserve Officers effective January 6, 2014. Mr. Schulman seconded the motion. The motion carried unanimously.
3. Mr. Haddad requested that the Board appoint the following individuals to the Ad Hoc Polling Location Committee: Michelle Collette, Brooks Lyman, Stuart Schulman, Scott Harker, Berta Erickson, Carol Quinn and Susan Slade.
Ms. Eliot moved to appoint the individuals as listed to be members of the Ad Hoc Polling Location Committee to conclude by the 2014 Spring Town Meeting. Mr. Degen seconded the motion. The motion carried unanimously.

MINUTES

Ms. Eliot moved to approve the minutes of December 9, 2013. Mr. Schulman seconded the motion. The motion carried 4-0-1 in favor with Mr. Cunningham abstaining.

LIASION REPORTS

Mr. Schulman said that the bonfire would be held on Friday night behind the library beginning at 7pm.

Mr. Cunningham said that Mr. Petropoulos was involved in providing support to the Blood Farm family. Mr. Petropoulos said that they had received an overwhelming response from those willing to help the Blood family and their employees. He said they were in the process of setting up a procedure to help.

BUDGET PRESENTATION

Mr. Haddad said that all departments as well as the finance team had done a great job assisting in the preparation of the FY15 Budget. Mr. Haddad said that departments had only asked for what they needed and he was pleased to say that this year's proposed budget was again a "needs only" budget. He said that the Town had certified new growth at \$22M which was a sign that the economy was on the rise and a good sign for Groton. He said the FY15 budget estimated new growth at \$15M up \$3M from last year. Mr. Haddad said that the goal was to keep \$500K in unexpended tax capacity. He said that he had estimated a 10% reduction in state aid, a decrease of about \$81K. He said that the excluded debt will decrease slightly in FY15 which would be a relief to the taxpayers.

Mr. Haddad outlined some of the budget highlights. The town meeting vote to join Central Mass Mosquito Control Project would add an additional \$73K to the Cherry Sheet. A new full-time dispatcher position was being proposed. He said that thanks to a payroll audit done by Ms. Hannah Moller, the FY15 budget would attempt to fully fund the police budget. Mr. Haddad said that the FY15 budget included a budget to reopen Sargisson Beach which has been closed for the past four (4) years adding that the impact on the budget would be approximately \$38K.

Mr. Haddad said that as part of the budget process a full review of all part-time positions had been done. A majority of the part-time positions are in the library where the flexibility is needed. He added that in this proposed budget one position had been increased, one had decreased and one eliminated. Mr. Haddad said that all union contracts were in their third year and as part of this budget he was asking that the three (3) bylaw employees receive the same benefits as the supervisors union. Mr. Haddad said that the employee performance incentive program was a success again this year and performance incentives were calculated at \$34K, down \$10K from last year.

Mr. Haddad said that the Groton Dunstable Regional School District budget was going to be discussed at the School Committee meeting on Wednesday night at 5:30pm. Mr. Haddad said that \$377K had been budgeted for and would be looked at again at a later date. Mr. Haddad said that the Water Department had done a good job of maintaining their budget and the Sewer budget was down 20% due to capital projects that occurred last FY and weren't needed this year. Mr. Haddad said that the overall proposed municipal budget was up 3.37% in FY15.

Mr. Haddad said that the final tax rate would be \$17.88 as proposed and the taxpayer would see an increase of \$200 on a house valued at \$400K.

OPEB (Other Post-Employment Benefits)

Mr. Haddad said that OPEB are benefits, other than pension that the town is required to continue to provide after an employee leaves town service. The town is currently handling this on a "pay-as-you-go" basis. In 2004 GASB 45 set forth requirements for towns to handle OPEB in this manner. The Town's current liability, based on a periodic actuarial analysis, put the Town at \$7.1M. He said that leaving this unfunded may have an impact on their bond rating. Mr. Haddad recommended that they appropriate \$100K at the Spring Town Meeting to put towards this liability, an average of \$.06 on the tax bill. Mr. Haddad added that the money was placed in an unbreakable trust and the same amount would need to be deposited every year.

Mr. Degen said that he sat in on the budget process and thought it was an excellent process. He said that everyone had done a great job. He said that he didn't think it should be assumed that the Town would go bankrupt and didn't agree with the OPEB mandate. He strongly recommended that they don't approve OPEB. Mr. Haddad said that he wouldn't be doing his job as the CFO if he didn't bring it to them. Mr. Hargraves said that he understood why Mr. Haddad had to bring it up but didn't agree with someone telling them they had to tie up money. Mr. Schulman said he was concerned about this affecting their bond rating. Mr. Petropoulos said that he supported funding the unbreakable trust. He also expressed concern with regard to the surplus at the bottom. Mr. Webber said that it wasn't until 2011 that they had an excess levy capacity. Mr. Prager said that pointed out that they had a good bond

rating last year despite not having the unbreakable trust in place. Mr. Cunningham said that Mr. Haddad would not be doing what they expected of him if he didn't bring this to their attention.

Mr. Degen asked what was in the proposed capital budget. Mr. Haddad said that the library had requested funds to replace three (3) more heating units; the IT department had requested \$40K; \$50K had been requested to convert an ambulance to name a few.

Mr. Degen moved to adjourn at 8:15pm. Mr. Petropoulos seconded the motion. The motion carried unanimously.

Approved: _____

Anna Eliot, Clerk

Date Approved: 1/27/14

respectfully *submitted*,
Dawn Dunbar, Executive Assistant