



TOWN OF GROTON

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Select Board

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John R. Giger, *Member*
Rebecca H. Pine, *Member*

Town Manager
Mark W. Haddad

To: *Select Board*

From: *Mark W. Haddad – Town Manager*

Subject: *Weekly Report*

Date: *September 16, 2019*

1. In addition to the Town Manager's Report and an update on the on-going issues list, there are two items scheduled on Monday's Agenda. They are both Town Meeting related matters. First, the Select Board will be meeting in joint session with the Finance Committee to conduct the public hearing on the 2019 Fall Town Meeting Warrant. Attached to this report is the latest draft of the Warrant. Second, Article 16 on the Warrant requests the Town to accept Amelia Way as a Town Way. In order for Town Meeting to approve this Roadway, the Select Board needs to accept the layout after conducting a public hearing. We have scheduled the requisite public hearing at Monday's meeting for this purpose.
2. In an effort to assist the Board during the Public Hearing on the Warrant, I would like to provide you with a summary of each Article. Please note that Free Cash has yet to be certified, but it is anticipated that it will be certified at \$1,340,000. This certification should occur prior to Town Meeting.

Article 1 – Unpaid Bills - There is one unpaid bill for Town Meeting consideration in the amount of \$150. It is to A-1 Odd Jobs for three banners that were hung in June, 2019. The funding would come from Free Cash.

Article 2 – Amend the Fiscal Year 2020 Town Operating Budget – At this time, there are two proposed amendments (tax levy increase) to the budget. The first amendment is to add \$13,000 to the Town Accountant's Budget to pay for additional licenses and software upgrades to our accounting software package. The second amendment is to increase the debt service budget by \$70,393 to cover the interest payment in FY 2020 for the Bond Anticipation Notes on the DPW Project and Library Roof. The impact on the tax rate is as follows:

- Town Accountant Software Upgrade - \$13,000 will add \$0.01 to the tax rate and add \$4.59 to the average tax bill.
- Debt Service Increase - \$70,393 will add \$0.04 to the tax rate and add \$18.36 to the average tax bill.

Article 3 – Transfer within the Water Enterprise Fund – The Water Commission will be seeking a transfer from their Excess and Deficiency Fund of \$150,000 to pay for engineering costs to provide solutions to the Iron and Manganese issue.

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2. **Continued:**

Article 4 – Transfer Money within the Sewer Enterprise Fund – It is anticipated that this article will be withdrawn from consideration as no additional funding is needed at this time.

Article 5 – Transfer Money into the Capital Stabilization Fund – The current balance in the Capital Stabilization Fund is \$171,958. The Financial Policies states that the Capital Stabilization Fund should be 1.5% of the Town’s Operating Budget (\$39,811,627), or \$597,175. To reach this level would require a minimum appropriation of \$425,217. The proposed Capital Plan for FY 2021 currently calls for \$901,240 in proposed requests. During the budget process it will be reduced to around \$500,000. Given the fact that we leave approximately \$200,000 in this fund annually, we will be requesting a transfer of \$500,000 from Free Cash to fund the FY 2021 Capital Budget. At this time, it is anticipated that the following will be requested (*please note that this will be subject to change during the development of the FY 2021 Operating and Capital Budgets*):

Highway	Pick-Up Trucks	\$	40,000
Highway	Intermediate Truck	\$	60,000
Highway	Dump Truck	\$	40,000
Town Facilities	IT Infrastructure/Computer Purchase	\$	40,000
Town Facilities	Municipal Building Exterior Repairs	\$	25,000
Town Facilities	Paint Police Station/Roof Repairs	\$	50,000
Town Facilities	Country Club Roof	\$	50,000
Transfer Station	Tractor Trailer Unit/Trash Trailer	\$	40,000
Park Department	Property Improvements	\$	25,000
Police	Police Cruisers	\$	113,140
Country Club	Golf Carts	\$	25,000
Country Club	Triplex - Greens Mower	\$	5,100
Total		\$	513,240

Article 6 – Transfer Money in the Stabilization Fund – The current balance in the Stabilization Fund is \$1,988,036. The Financial Policies state that the Stabilization Fund should be 5% of the Town’s Operating Budget (\$39,811,627), or \$1,990,582. This would require a minimum appropriation of \$2,546 from Free Cash. Depending on the interest earned over the next two months, we may not need an appropriation to satisfy the Financial Policies.

Article 7 – Transfer Money into the GDRSD Capital Stabilization Fund – The current balance in this fund is \$214,160. The Fiscal Year 2021 District Capital Plan will require the Town to pay \$475,000 for its share of the Plan. This will require an appropriation of \$261,000 from Free Cash to cover the Town’s expense in FY 2021.

Article 8 – Install Crosswalk Signage on Main Street – The anticipated cost of this lighted signage is \$15,000. This funding would come from Free Cash.

2. **Continued:**

Article 9 – Community Preservation Funding Recommendations – This Article is a placeholder in the event that additional funding is needed for the installation of the Sprinkler System at the Prescott School. Currently, we are anticipating that bids will be due the week before Town Meeting. We will update the Board as we get closer to Town Meeting.

Article 10 – Update Assessors’ Maps/Cyclical Inspections – The total amount requested under this Article is \$33,100 and it could come from Free Cash. The Assessors’ need to start their cyclical inspections to comply with Massachusetts Department of Revenue requirements that requires every property in Town be inspected once every five years. In addition, the Assessors’ need to update their maps to reflect new subdivisions and lots added over the last two years. The cyclical inspections would be an annual expense of \$21,600. The cost of the map upgrade is a one-time expense of \$11,500. The Select Board and the Finance Committee need to provide direction as to whether or not to increase the Assessors’ Budget by the cyclical inspection amount, or fund it annually out of Free Cash.

Article 11 – Funding for Stormwater Strategy – The Town would like to hire a consultant to assist the Town in determining a funding strategy to cover the expenses required to comply with the Town’s MS4 Permit. The proposed cost to retain these services is \$15,000 and it would come from Free Cash. It is anticipated that the annual expense for compliance could be anywhere from \$250,000 to \$500,000 annually. The purpose of hiring a consultant is to determine the best way to cover this expense on an annual basis. Once the strategy is determined, we will return to the Spring Town Meeting in 2020 for approval.

Article 12 – Amend Bylaws – Ban Single Use Plastic Bags – If approved, this Bylaw would ban the use of Single Use Plastic Bags by all commercial establishments in Groton effective July 1, 2020

Article 13 – Purchase Trimper Property – This Article authorizes the Conservation to apply for a Land Program Grant to offset the cost of acquiring this parcel. It is a 42-acre parcel with frontage on Martins Pond Road. Attached to this report is a Map of the Property. The cost of acquisition is \$400,000, with an anticipated Grant Reimbursement (if approved) of approximately \$243,000. The Select Board had asked where this parcel falls on the priority list. According to Conservation Administrator Nik Gualco, there are four levels of priority ranking for parcels. This parcel is rated priority 2, which is defined as “land of high value for protection because the parcels contain important natural resources or are suitable for other municipal uses.” However, the Commission has not undergone the process yet of updating the list so this ranking of #2 is at least 18 years old. That said, this parcel would likely score higher if it were previously divided as the Commission has done with this purchase because the ranking of #2 factors in that a house, driveway, and septic are included with the property. By cutting out the house lot the way Commission did, which emphasized protecting the most critical areas and enabling the greatest degree of connectivity (habitat and recreational), Nik would argue that this parcel may now be ranked higher than the previous ranking.

2. **Continued:**

Article 14 – Establish Transfer Station Revolving Fund – From the Warrant Summary: “*This Article will allow the DPW Director to collect fees from municipalities who utilize the new glass pulverizing plant at the transfer station, and then expend those fees for the purpose of general up-keep and maintenance on that equipment. A spending limitation of \$10,000 annually is suggested for this account, and expenses will be managed by the DPW Director.*”

Article 15 – Establish Senior Center Revolving Fund – From the Warrant Summary: “*This Article will allow the Council on Aging Director to collect fees from individuals who utilize the new fitness equipment at the Senior Center, and then expend those fees for the purpose of general up-keep and maintenance on that equipment. It is expected that the fund balance in this account will eventually accumulate to also cover replacement of equipment as this becomes necessary. A spending limitation of \$10,000 annually is suggested for this account, and expenses will be managed by the Council on Aging Director.*”

Article 16 – Acceptance of Amelia Way as a Town Way – The Select Board needs to conduct a public hearing to accept the layout of the Road as approved by the Planning Board and DPW Director. Once the layout is accepted, Town Meeting can formally adopt the Road as a Town Way. Enclosed with this report is a map showing the location of Amelia Way.

Article 17 – Acceptance of Mockingbird Hill Road - The Select Board needs to conduct a public hearing to accept the layout of the Road as approved by the Planning Board and DPW Director. Once the layout is accepted, Town Meeting can formally adopt the Road as a Town Way. Enclosed with this report is a map showing the location of Mockingbird Hill Road.

If every Article passes as proposed, the total amount of Free Cash appropriated would be \$826,796. The remaining Free Cash Balance will be approximately \$513,200 depending on the Certification by the Department of Revenue.

3. As you know, we are in the process of reviewing all Board policies. That said, there is one set of policies that are reviewed annually by both the Select Board, Finance Committee and Finance Team, and that is the Select Board's Financial Policies. According to Section 6.3 of the Charter, the Select Board and Finance Committee shall review and update the Financial Policies annually with input from the Town Manager and Finance Team. The Finance Committee and Finance Team have reviewed, updated and approved the Financial Policies and they are ready for Board approval. The Finance Committee would like these approved before Budget Guidance is given to the Town Manager. The only changes made this year is changing the name of the Board of Selectmen to Select Board and adding the OPEB Funding Policy to the section entitled ***Policy for Funding Other Obligations*** (beginning on page 7). We also made some minor typographical errors. The Final Policies are attached to this report for your review. I would respectfully request that the Board approve these polices at Monday's meeting.
4. I have appointed Donald Koski to the Groton Country Club Pro Shop Staff. I would respectfully request that the Board ratify this appointment at Monday's meeting.