



## TOWN OF GROTON

173 Main Street  
Groton, MA 01450

## Sustainable Budget Study Committee

Kevin Forsmo, Chairman  
Mark Haddad  
Jack Petropoulos  
Bud Robertson  
Art Prest  
Patricia DuFresne  
Michael Hartnett  
Kevin Brogan  
Alison Manugian

### MEETING MINUTES

Date: Thursday, July 14, 2016  
Time: 7:00 AM  
Location: 1<sup>st</sup> Floor Meeting Room, Town Hall  
Members Present: Mark Haddad, Patricia DuFresne, Alison Manugian, Jack Petropoulos, Kevin Forsmo, Kevin Brogan, Bud Robertson  
Absent Members: Art Prest, Michael Hartnett  
Others Present: Robin Eibye, Ellen Baxendale

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Chairman, Kevin Forsmo called the meeting to order at 7:05 a.m. The agenda was reviewed.

#### DEPARTMENT HEADS PRESENTATION DISCUSSION

Jack Petropoulos presented: Introduction of Sustainability Issues for Groton Employees. A discussion ensued about the challenges the Town faces due to costs growing more quickly than revenues. Mr. Petropoulos noted the Annual Revenue Growth Rate = 3.4% and the Annual Municipal Compensation (Salaries / Wage, Benefits) Growth Rate = 4.5%. Mr. Petropoulos went on to say that the Town's revenue sources are limited and taxpayer salaries are growing more slowly than their tax bills. Median salary growth = 2.5% and average tax bill growth (no override) 3.25%. It was also noted that State support for schools is stagnant, disproportionate percent of the growth on taxpayers. Mr. Petropoulos provided an explanation of the Assumptions worksheet and noted that some expenses are unsustainable. A discussion ensued about debt and challenges.

Mr. Petropoulos reviewed Municipal Costs (Comp, Expenses, and Debt) as % of Projected Municipal Budget with the group. A discussion ensued about how the Town's ability to pay expenses will go away overtime due to benefits costs, the Town's options to increase revenue through overrides and/or new revenue sources and decrease costs by slowing cost growth to be equal to or less than revenue growth and/or cut services.

The group discussed if the information presented is understandable and will the right message be received by employees. The Committee agreed their goal is to educate employees and raise awareness of the Town's budget sustainability issues. It's important for Town employees to understand there's a problem and that the Committee is looking at ways to reduce costs and researching ways to rectify the issue.

Kevin Brogan noted that it's important for the Committee to state: who we are, what our charter is, where we are with fact finding and that we want to share information along the way.

It was decided that the Committee will present to Department Heads on Tuesday, July 19, 2016, at 7:00 a.m. The Committee agreed to hold their next meeting on Thursday, July 21, 2016. Mark Haddad and Allison Manugian noted they are unable to attend.

## REVIEW CONTRACTS

Mark Haddad provided copies of the Employment Agreement Contracts for the Chief of Police, Fire Chief, Town Accountant, and Town Manager to the Committee. Jack Petropoulos provided an update on the rate of salary growth and sustainability issues. Kevin Forsmo inquired if future salary discussions will reference the SBC initiatives. Jack Petropoulos confirmed that future salary discussions will reference the SBC initiatives once they are determined.

## MINUTES

Draft minutes from June 30, 2016, were reviewed. Allison Manugian and Bud Robertson noted that changes were needed. Bud Robertson agreed to forward updates to Robin Eibye and the Committee will review and approve at a later date.

**Mr. Haddad moved to adjourn the meeting at 9:06 a.m. Mr. Forsmo seconded and the motion carried 7:0. (Art Prest, absent; Michael Hartnett, absent)**

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Respectfully submitted by Robin Eibye, Executive Assistant

**APPROVED: July 21, 2016**

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APPROVED