

FINANCE BOARD REPORT TO THE ANNUAL TOWN MEETING ON THE FISCAL 2021 BUDGET REQUESTS

This report presents a summary of important information and recommendations related to Groveland's budget for the Fiscal Year 2021.

Our responsibility as the Groveland Finance Board is to consider all affairs and issues of the town which are included in town meeting warrants, to consider the question of the town's obligation, the administration of various departments, and make recommendations to the town by a majority vote of our members present. During this year as a Finance Board, we strove to continue to improve the scope of our review and recommendations as advisory board on all things financial which concern our town. We are taxpayers just as you are and we undertook our responsibility to review the budgets and articles being presented to the Annual Town Meeting with a seriousness and desire to ensure all financial issues were reviewed openly, carefully, and completely.

We met monthly during the Summer and Fall and then transitioned to bimonthly meetings in order to meet with as many of the departments and committees submitting budgets and articles as was possible.

While the town's obligation to education continues to represent the majority of our annual budget at 64%, we worked carefully to balance the remaining funds over our town's present and future needs.

Overall, we continue to focus on three primary goals:

- 1) To recommend a balanced budget to the town meeting.
- 2) To strengthen the town's fiscal position by increasing reserves in the town's stabilization accounts.
- 3) To make payments to offset the deficit in the town's Other Post-Employment Benefits (OPEB) account.

Our recommendations to this year's town meeting accomplish these goals. Additionally, we made recommendations to invest in and maintain the town's capital equipment.

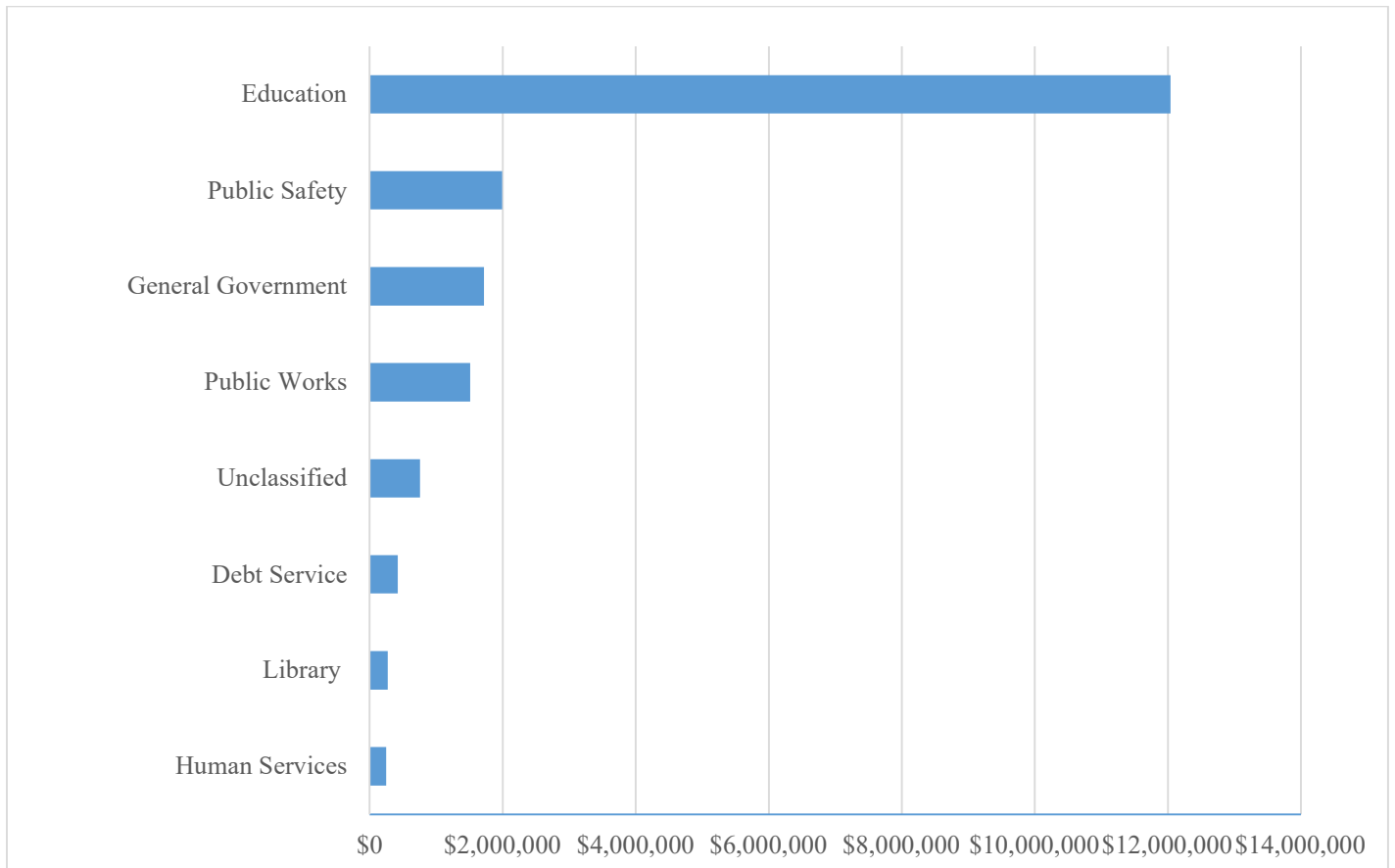
We thank all town employees and volunteers for their commitment to our town. As a Finance Board, we appreciate and value the opportunity to be of service to our community. We encourage everyone to find their own way to be involved in supporting and advancing the numerous worthwhile endeavors available. Explore our website, www.grovelandma.com, for information on services available, volunteer opportunities, and community news.

Representing you as Members of the Finance Board are:

James Scanlon, Chairman
Ruth Rivard, Secretary
Theresa Dunn
Melissa Baker
Susan Yaskell, alternative member

How Tax Dollars are Spent

Budget Category	Recommended Fiscal 2021	Percentage of Operating Budget
General Government	\$1,718,733	9.07%
Public Safety	\$1,992,210	10.51%
Education	\$12,037,289	63.51%
Public Works	\$1,509,451	7.96%
Human Services	\$246,565	1.30%
Library	\$273,261	1.44%
Debt Service	\$420,948	2.22%
Unclassified	\$756,212	3.99%
Total Recommended Budget	\$18,954,669	100.00%



Finance Board recommendations for contributions to Town Reserve Accounts

The table below summarizes our town's progress towards strengthening its fiscal position by increasing reserves in the town's Stabilization Funds. The overall goal is moving towards maintaining reserves of at least 10% of our operating budget to ensure the town's ability to maintain town services in the event of unforeseen financial costs.

This table also shows our continued progress to make payments to offset the significant deficit in the town's retirement fund identified by town auditors. Projections show our town's OPEB (Other Post-Employment Benefits) obligation is \$5,731,428 (inclusive of the enterprise funds).

Town Reserve Accounts	Amount Contributed FY2020	Amount Recommended FY2021	New Balance (if recommendations are approved) **	Percent of Operating Budget
OPEB	\$85,000	\$85,000	\$481,637	
Stabilization	\$75,000	\$100,000	\$1,551,394	
Capital Stabilization	\$50,000	\$75,000	\$361,389	
Total Reserves			\$2,394,420	12.64%

** Includes interest income through March 2020.

Finance Board recommendations for Free Cash Appropriations

FY21 Appropriations from Free Cash

Begin

Balance:	FY19 Free Cash	\$	760,265
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		Recommended	
Article No.	Purpose	Amount	
28	OPEB in Omnibus	\$ 85,000	
29	Stabilization	\$ 100,000	
30	Capital Stabilization	\$ 75,000	
31	MS4 Stormwater Permit Requirements	\$ 60,000	
32	Highway 8-Ton Truck Upgrades	\$ 15,000	
21	Capital Upgrades at Bagnall	\$ 75,000	*Capital
21	Cemetery Truck	\$ 42,000	*Capital
21	Town Facilities and Message Board	\$ 117,000	*Capital
21	Highway 1-Ton Truck	\$ 85,500	*Capital
21	Replacement of Police Cruiser	\$ 50,940	*Capital
Total		\$ 705,440	

Remaining Free Cash	\$	54,825
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Finance Board recommendations on Community Preservation Articles

As part of the budget review, the Finance Board carefully reviewed all proposals being submitted to the Annual Town Meeting for funding by the **Community Preservation Act (CPA)** funds. CPA funds are collected as a surcharge on the tax rate on an annual basis. The State provides matching funds to the amount collected from taxpayers. These funds may only be spent for specific purposes. (Last year's collection of CPA funds from taxpayers is included in the summary table for Town Reserve accounts on the previous page). The table below summarizes the Finance Board's recommendations on these articles.

Article	Description	Requested Amount (\$)	Finance Board Recommendation	Explanation
14	Preparing a Parks and Recreation Operations Plan	\$ 20,000	\$20,000	Work to be done by the Town Planner
15	Establishing a new dog park	\$ 25,000	\$25,000	This would provide 10% required match towards a grant for the full project
16	Install a historic document management system at Langley Adams Library	\$ 24,277	\$24,277	To preserve and protect the historic documents, photos, and files stored at the library.
17	To Build a recreational Boat House at the Pines	\$ 130,000	\$130,000	Build a 70 x 25 foot boat house to store rowing skulls
18	Supplement funds to complete the 100% design phase of the Community Trail	\$ 17,000	\$17,000	These funds will be used to complete the 100% design phase of the trail.
19	Purchase and install a fully inclusive new playground at the Bagnall School	\$ 325,000	\$325,000	Purchase and install new playground
		TOTAL RECOMMENDED	\$541,277	

Finance Board recommendations on Capital Improvements

As part of the budget review, the Finance Board carefully reviewed all proposals being submitted to the Annual Town Meeting as capital requests. Capital requests are defined as expenditures for items that cost at least \$10,000, have a useful life of 3 years or more, and for which the town is authorized to borrow. Capital purchases may be funded in one of 3 ways: within the tax rate, through borrowing either within the tax rate or through an exclusion, or with available funds, either free cash or capital stabilization. The table below lists the capital articles on this year's warrant as well as the method of funding and the Finance Board recommendation.

Article	Description	Requested Amount (\$)	Method of Funding	Explanation	Finance Board Recommendation
21	Capital Upgrades at Bagnall School	\$75,000	Free Cash	To make necessary upgrades and repairs to the Bagnall School building	\$75,000
21	Cemetery Pickup Truck	\$42,000	Free Cash	To purchase a new 4x4 pickup truck for the cemetery	\$42,000
21	Municipal Building Improvements	\$100,000	Free Cash	To make necessary upgrades to the town facilities	\$100,000
21	Full Color Digital Board	\$17,000	Free Cash	To replace the bulletin board at Town Hall	\$17,000
21	1-Ton Highway Dump Truck	\$85,500	Free Cash	To replace a 1-Ton Truck for the Highway	\$85,500
21	Replacement of a Police Cruiser	\$50,940	Free Cash	One police cruiser is replaced on an annual basis	\$50,940
	TOTAL	\$ 370,440			\$370,440