

Groton Water Commission
Regular Meeting of the
Board of Water Commissioners
Tuesday, October 29th, 2024
Virtual Meeting via Zoom

Minutes

Present are Chairman Jack McCaffrey, Vice Chairman Greg Fishbone, Member James Gmeiner, Superintendent Tom Orcutt, and Business Manager Lauren Crory.

Mr. McCaffrey called the meeting to order at 7:30pm. He stated that the meeting is being recorded and everyone introduced themselves.

Fiscal Year 2026 Budget Discussion

Mrs. Crory displayed the updated Manganese Debt Schedule and said the construction debt numbers are final but the engineering piece is not permanently borrowed yet. She recommends waiting until FY28 to reduce the manganese fee. In FY28 all old debt will be off the books and all borrowing numbers should be final. Mr. Orcutt noted that the spreadsheet does not account for an increase in users. Mr. McCaffrey asked about the high school and Mr. Orcutt explained that the manganese fee is not usage based so the high school will only be charged a large commercial fee quarterly. Mr. Orcutt said the project at 500 Main St will have an impact as the number of users will increase so the debt can be spread among more customers.

Mrs. Crory reviewed the debt schedule which shows a large portion of the old debt dropping off in FY26 and the remainder (approximately \$125,000) dropping off in FY28.

Mr. Orcutt reviewed the expense line items. He increased propane and chemicals due to the new treatment plant. He increased intergovernmental due to inflation and because he will be enrolling in health insurance. Mr. Fishbone asked if the Well Maintenance amount needs to be increased with a new well online and Mr. Orcutt said it should be ok in FY26 but in years where the wells need to be chemically cleaned, we will need to plug in an increase.

Mr. Orcutt reviewed the salaries and wages spreadsheet and said he added an estimated salary for 4 months for the new superintendent to train. He also added a chief operator line to the wages category as an indication that one of the technicians may take on a new role/tile. The cost implications are not known yet as contract negotiations are in the works.

Mrs. Crory reviewed the 10-year average for rate revenue but recommended taking an average of the past two years since we had a very wet then a very dry summer. That would be about \$1,000,000 but she used \$975,000 to be conservative.

Mrs. Crory reviewed the remaining revenue sources and asked the Board if they were in favor of leaving the Groton Farms project as a revenue source and they were ok with it for now. Mr. Orcutt reminded the Board that this income stream will only last 4-5 years and will need to be made up at some point. He believes that small rate increases would be better than one large

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increase. Mr. McCaffrey agrees and thinks the current rate increase in the budget of maybe 10% is too large.

Mr. McCaffrey suggested increasing the rate revenue estimate due to the fact that we now have our third well online so are more capable, and the high school will be a large customer. Mr. Orcutt said we will pick up some high school revenue in FY26. The Board agreed to increase the rate revenue estimate to \$1,025,000. Mr. Orcutt spoke about the construction income number of \$150,000 and said there are two large projects that may pull permits in FY26 so he feels comfortable with that number. This leaves a rate increase needed to raise \$41,000.

Other Business

Mrs. Crory said the reserve fund is at \$407,000 and she is holding about \$50,000 in the manganese fund.

The next meeting is November 12th, 2024.

Minutes to be approved at the next meeting.

Mr. McCaffrey made a motion to adjourn at 8:39 pm, Mr. Fishbone seconded and the motion carried unanimously.

Respectfully Submitted,

Lauren Crory