

Groton Water Commission
Regular Meeting of the
Board of Water Commissioners
Tuesday, November 18th, 2025
Virtual Meeting via Zoom

Minutes

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

Mr. McCaffrey called the meeting to order at 7:31 p.m. He stated that the meeting is being recorded and everyone introduced themselves.

Fiscal Year 2027 Operation Budget – 2nd Draft

Mrs. Crory reviewed the updated free cash estimate at about \$270,000. This is a reminder that the FY27 budget needs to be very conservative as we hope to build up this free cash reserve fund. The biggest change on the expenses was the intergovernmental cost due to the new Superintendent joining the health insurance, Mr. Orcutt's retirement benefits, and an overall increase in health insurance premiums. Salaries and Wages have been updated based on contractual amounts for COLA and merit increases. The debt schedule shows a decrease in old debt and a new addition of about \$31,000 for the Water Department's contribution to the Chicopee Row Water Main Extension debt. Mr. Orcutt advised Mrs. Crory to use \$33,000 for this debt estimate.

Mrs. Crory reviewed the revenue projections which carry actual FY25 rate income plus income expected from the new GDRHS connections (school and new homes). She recommended that the Whitney Well III capital fee be slightly increased for about five years. The fee was originally set based on a level debt schedule, but was ultimately borrowed on different debt schedules (engineering 10 years, construction 30 years) which means the first 10 years are higher and the remaining years will be lower than expected. The construction income will be ultra conservative to ensure we can build up our reserve funds and because the Department of Revenue has advised us not to budget new construction projects unless there is a contract outlining payment schedules.

Mrs. Crory reported that the Groton Farms project was removed from the revenue forecast. They discussed the timing and authorization of using connection fee income from future projects like Groton Farms, noting that while the money would be available in general revenue, it would require town meeting approval to spend.

Mrs. Crory said that FY27 will be the final year utilizing the "manganese fund" that was built up before the debt started, to supplement the manganese debt payment. Moving forward in FY28, all old debt will be paid off and the manganese debt payment will be made up of a combination of capital fee income and operating income. In the past years it was paid from capital fee income and pulling funds from the manganese fund that was built up.

Mr. McCaffrey had suggested a small transfer from the Dupont PFAS Settlement fund could potentially be used to pay the water department's share of the Chicopee Row water main debt for a year or two while the project gets up and running and more connections are made. Mr. Fishbone asked how much was in the fund and Mrs. Crory said about \$260,000 has been received and believes we have been awarded about \$700,000. The Board agreed to use this fund to supplement the FY27 Revenue.

A \$39,000 Water Rate Increase will need to be implemented to balance the FY27 budget. Mr. Orcutt said that we can look at rate increases, avoiding tier 1 increases, as well as service charge changes to capture the increased amount.

A \$50,000 free cash transfer is built into the revenue forecast. Mrs. Crory plans for this to be a one-year transfer. When the old debt falls off, we should be able to recoup about \$50,000 from the operating budget if capital fees are kept the same.

Other Business

Jonathan Decker was appointed as the new water superintendent, starting December 8th, and Mr. Orcutt will be retiring on December 31st.

Mr. Gmeiner made a motion to approve up to \$15,000 for water testing services at the Whitney Pond treatment plant, Mr. Fishbone seconded, and the motion carried unanimously.

Next Meeting will be December 9th.

Mr. McCaffrey made a motion to adjourn at 8:20 p.m., Mr. Gmeiner seconded and the motion carried unanimously.

Respectfully Submitted,

Lauren Crory