

# COST OF COMMUNITY SERVICES STUDY GROTON, NEW HAMPSHIRE

Prepared for the Selectmen, Town of Groton  
1997

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## Executive Summary

A cost of community services study was completed for the Town of Groton, NH, for the year 1997. Groton is a rural town with a small population, located north of Concord, west of Lake Winnepesaukee and south of the White Mountains. The study followed the methodology pioneered by the American Farmland Trust, in the publication /s *Farmland Protection a Community Investment, How to Do a Cost of Community services Study* (1993).

A Cost of Community Services study is a simplified economic analysis that compares the income generated to the expenses required by different land use types in a specific geographic area. Most studies investigate residential land, commercial and industrial land (usually as one category), and undeveloped open space. Similar studies had already been conducted in the New Hampshire towns of Deerfield, Dover, Exeter, Fremont, Stratham and Peterborough when this study was started. Since then, studies have also been completed in Alton, Lyme, Meredith and Sutton. Over 60 such studies have been conducted nationwide, nearly all find the same pattern of results.

Most of the New Hampshire towns conducting these studies have defined open space as land enrolled in the Current Use tax program, although there have been some local variations on the definition. Groton leaders decided to use land enrolled in Current Use as the defined open space for their community. Because of special concerns with the impact of land in Groton that is owned by the State of New Hampshire, Groton officials requested that figures analyzing the impact of state owned land also be calculated for their study.

The study found the following total income and expense and ratios for Groton:

Table 1 - Summary of Income and Expense Ratios				
	Residential	Comm/Ind	Current Use	State
Expense	\$811,241	\$33,566	\$39,681	\$9,288
Income	\$801,662	\$279,807	\$50,469	\$5,043
Ratio	1:1.01	1:0.12	1:0.79	1:1.84

In other words, residential properties required \$1.01 worth of services for every dollar tax paid. The limited amount of commercial/industrial property in Groton required only twelve cents worth of services for every dollar paid to the town. Privately owned open space enrolled in Current Use requires only \$0.79 worth of services for every dollar paid to the town. State owned open space requires \$1.84 worth of services for every dollar it generates.

The residential, commercial/industrial and private open space ratios for Groton are within the range of those found in other New Hampshire communities, as shown on the following summary table. The ratio for the state owned open space is the first such to be calculated for a New Hampshire town, so there is little basis for comparison for that figure and it is not shown on the table.

Community	residential cost per\$ of income	comm/ind cost per\$ of income	open space cost per\$ of income
GROTON	\$1.01	\$0.12	\$0.7
Alton	\$0.92	\$0.54	\$0.52
Deerfield	\$1.15	\$0.22	\$0.35
Dover	\$1.15	\$0.63	\$0.94
Exeter	\$1.07	\$0.40	\$0.82
Fremont	\$1.04	\$0.94	\$0.36
Lyme	\$1 .05	\$0.28	\$0.23
Meredith	\$1 .06	\$0.48	\$0.29
Peterborough	\$1.08	\$0.31	\$0.54
Stratham	\$1.15	\$0.19	\$0.40
Sutton	\$1.01	\$0.40	\$0.21

## **Acknowledgments**

This study was supported in part by a contract with SPACE, the Statewide Program of Action to Conserve our Environment and in part by the Community Conservation Project of the New Hampshire Wildlife Trust. State Representative John Alger of Rumney sparked the study by his persistent reporting of Groton's concerns about the impact of the Current Use tax program.

While the basic methodology of the cost of community services study has been outlined by American Farmland Trust, the author found that much support and understanding was gained from colleagues in New Hampshire who had conducted similar studies in other New Hampshire towns. Thanks to Dan Sundquist, Charlie Niebling and especially Eric Kingsley and Phil Auger for their patience in helping me understand how to apply the methodology to the situation in Groton.

Many Groton officials participated in the study: 1997 Selectmen Stephen Pilcher, Bob Desrosiers and Jimmy Albert; sometime Road Agent and Selectman Norman Blanchette, Police Chief Anthony Riccioti, Town Clerk Joyce Tolman and Town Assessor Scott Littlefield. Jimmy Albert also shared with me a vision of the importance of the historic and cultural resources of and to the town, and kept reminding me that the "open space" in Groton was not open at all, but covered in trees. Extra special thanks go to Trish Matthews, who was serving as Administrative Assistant to the Selectmen in 1997 and 1998, for all her help in dredging out the facts and figures that were needed to make the report complete, and to Eben Beaver, Town Forester and now Chairman of the Planning Board, for his thoughtful responses to drafts of various parts of the report.

## Introduction

The town of Groton is located in New Hampshire's Grafton County, slightly northwest of Newfound Lake. With a population of under 350 year-round residents and few businesses to contribute to the costs of running the community, tax income is an issue of great concern to the Selectmen and residents. Groton, like many small New Hampshire towns, is part of a cooperative school district.

The land use pattern in Groton is distinctive. Fully seventy percent of the town is enrolled in the Current Use tax program; nearly all of this is forest land, much in private ownership and managed for commercial harvest. While some other towns in the state have similar or even higher percentages enrolled in this program, the rate in Groton is noticeably higher than the state average of fifty one percent or the Grafton County average of forty two percent. Commercial properties (other than lands held for timber management and harvest) comprise about five percent of the town's area; most of that is power lines crossing the town. Three percent of the land in Groton, 873 acres, is owned by the State of New Hampshire. The town itself owns 136 acres. This leaves about 20% of the town in private ownership; for purposes of this study, that land is all considered residential.

Selectmen in Groton have long suspected that the lower taxes paid on the many acres in Current Use inflate the taxes for the remaining tax payers. Their concerns about this issue led their State Representative, John Alger, of Rumney, to seek assistance for them. Representative Alger proposed a 1997 legislative initiative to change the distribution of Current Use change tax monies to provide more direct benefit to towns like Groton. Although this change was not approved by the General Court, discussion of the issue did lead to Representative Alger getting a study of the economic impact of various land uses undertaken at no cost to the town.

The Statewide Program of Action to Conserve our Environment ("SPACE") agreed to underwrite a Cost of Community Services study for the town of Groton. SPACE contracted with the New Hampshire Wildlife Federation (NHWF) to conduct the Cost of Community Services study in Groton. NHWF's Community Conservation Project also contributed to the costs of the study.

A Cost of Community Services study is a relatively simple look at the finances of a community. It is a snapshot of the situation in a particular year. This type of study looks at income and expenses for a community by land use type. The product is a set of ratios that show how the income and expense for each land use type compare to each other. This methodology was pioneered by the American Farmland Trust in the mid 1980's and has been used in over sixty communities in many parts of the country. In addition to Groton, eleven communities in New Hampshire completed similar studies between 1993 and 2000.

## Methodology

The logic behind a Cost of Community Services study is straight forward: land use categories of interest are defined; all of the income and all of the expenses for the community are divided up according to the land use category with which they are associated; the income and the expenses are totaled for each land use; a ratio of income to expense is generated by comparing the total income to the total expense for each land use category. The ensuing ratio describes the short term financial impact to the town of each of the selected land use types.

The land use types selected for study in most New Hampshire towns (and in most of the other communities nationwide that have conducted similar studies) are residential, combined commercial and industrial, and open space. Most communities have included only privately owned open space properties in the studies, although a few have included some publically owned properties, as well. In a few cases in other states, commercial and industrial land uses have been handled as two separate categories, but this has not yet been done in any of the New Hampshire communities completing such studies.

When the study was undertaken, the Groton Selectmen had some concerns about the tax impact of open space in their town. Like conscientious Selectmen all over the state, they were concerned with the tax bills for people living in their town. Like Selectmen in some other towns, they were tantalized by the income that open space in the community might generate if it were paying taxes at the per-acre rate paid by more developed parcels. They were also worried about the potential cost to the town if there were a forest fire or a search and rescue incident on any of the open space in their town. There was also some antipathy toward the several large land management companies that own, manage and harvest from lands encompassing 47% of the area of the town of Groton.

The Selectmen decided at their first meeting with the NHWF researcher, on December 9, 1997, that the best way to address their concerns was to have the Cost of Community Services study in Groton pay special attention to open space. They asked the researcher to divide the open space into two separate categories - privately owned lands enrolled in Current Use and lands owned by the state of New Hampshire. The Selectmen determined that the study should be based on 1997 income and expenses, since the town had just completed a revaluation and new tax maps for that year.

The Selectmen originally felt that there was no need for a commercial and industrial category because there is so little business in the town. The town does not have, for instance, any businesses like a general store, gas station, restaurant, or motel. However, when the researcher found that utility industries were paying over \$200,000 in taxes (or nearly 20% of the total town revenue), the Selectmen agreed that a commercial and industrial category might be informative. Subsequently, it was determined that there were a number of small businesses operating out of residents

homes during 1997. A portion of the income from and expenses for those home businesses was included in the commercial/industrial category.

The project began once the Town Report for 1997 was completed. The NHWF researcher spent many hours in the Groton municipal building, reviewing details of the town's income and expenses with various town officials. Trish Matthews, then Administrative Assistant to the Selectmen, was immeasurably helpful in this process. Town Clerk Joyce Tolman provided full access to tax payment records and answers to many questions about the various categories of income to the town. Town Assessor Scott Littlefield was helpful in determining the portion of home business properties that should be attributed to business and other details about properties. Police Chief Anthony Ricciotti provided a breakdown of the time he and the rest of the police force spent on calls related to the different land use types, by season. Town Forester Eben Beever provided much helpful advice about forestry issues. Selectmen were kept apprised of the progress of the study and had numerous opportunities to provide guidance and input into all allocation decisions through a series of memos from the researcher to the town, attendance of the researcher at several meetings of the Board of Selectmen, as well as informal contact at the town offices.

The most important and challenging part of the study was allocating each income and expense item from the town's budget to the appropriate land use category or categories. The allocations were based on any of several criteria - detailed discussion of variables with the most knowledgeable local official, the standard criteria of the study methodology, and logic and common sense. Extra attention was given to the two allocations that were the least self-evident: income from home businesses, and highway expenses.

Groton did not have any zoning or tax card information which could be used to define what constitutes a home business. After considering a variety of possibilities, the definition for this study was selected to include any home-based occupation where clients or customers came to the home or where income was generated for the resident by their direct efforts. Allocation of income from home businesses was based on the Town Assessor's approximation of the percent of the area of the property that was used for the business. Further details of the home business allocations are found in Appendix 1, Groton Home Businesses.

A variety of possible strategies for allocating highway expense by land use type were considered, based on what had been done in previous Cost of Community Services studies. Extensive discussions with Selectmen and others attending meetings led to the development of a totally different allocation strategy, based on the unique geography and road use patterns of Groton. The methodology was based on traffic counts for the few roads in Groton; relative weights of vehicles using the roads; and a consensus of local officials and residents about the amount of traffic in the town for different uses. In summary, it was agreed that 85% of the traffic in the town was residential, 11% was relate to logging and recreation on privately owned open space, 3% was for commercial and industrial uses and 1% was visits to state lands. Appendix 2, Groton Highway Expense Allocation Strategy, contains details of the highway expense allocation strategy that was used in this study.

In Groton, as in other communities that have conducted such studies, certain income or expense items could not be associated with specific land use(s). Some examples of these items are the shared rooms and meals tax income that comes from the state to the town, or the cost of insurance for the town employees. In those cases, the methodology prescribes a "default percentage" based on the total assessed value of the properties in the community. Selectmen had an opportunity to comment on the strategy via a detailed memo on April 20, 1998. Following the methodology, and using values found in the 1997 Summary of Valuation, default percentages were residential, 69%; commercial/industrial 27%, Current Use, 2% and State, 2%. Fifteen percent of the town's income and nine percent of the expenses were allocated using these percentages. Details of the default percentages are found in Appendix 3, Groton Default Percentages.

Once all the income and expenses for the year had been allocated to one or more land use categories, or by the default percentage, totals of both income and expense were made for each land use type. Then a ratio was created, comparing income to expense for each of the four land use types studied.

Summary spread sheets are presented in the text of the report. Expense and income details are on spread sheets found in Appendix 4, Groton Detailed Spread Sheets. For each line item of both income and expense, a rationale is given on the detailed spread sheets, explaining why the item was allocated as it was.

## **Results - INCOME**

Total income for the town of Groton for 1997 was \$1,169,114, as shown in the Treasurer's Report in the Town Report for that year. An income item of \$32,136 that the Tax Collector described as a "paper transaction" was excluded from the calculations, leaving a total town income of \$1,136,981 to be allocated to the four land use types.

Income related to residential properties for Groton for 1997 totaled \$801,662, or 70% of the town's income. Most of this (73%) comes from property tax income. Fire, police, transfer station, and highway brought in 7% of this, largely through transfers from the Capital Reserve Fund and State grants for highway. Motor vehicle income represented 5% of this total. Various smaller fees and gifts (ranging from a \$7 candidate's fee to \$704 for dog license fees) constituted less than 1% of this income. Income items that were not associated with any particular land use type and had to be allocated by way of the default percentages comprise nearly 15% of the income.

Groton's commercial and industrial properties brought \$279,807 into the town, 25% of the town's income. Just under 83% of that is from property tax; 79% from the utilities whose power lines pass through Groton and slightly under 3% from the business portion of property taxes on the 14 home businesses that were identified in Groton in 1997. General town governance income attributable to business and industry produced 17% of the total for this category. Police, fire, transfer station, highway, motor vehicle and miscellaneous income related to commercial and industrial property make up less than 1% of income in this category.

Privately owned open space, all enrolled in the Current Use tax program, provided the town with an income of \$50,469, 4% of the total income. Forty six percent of this comes from the timber harvest yield tax. Thirty six percent of that comes from property tax. General government income (that allocated by the default percentages) makes up 7% of the total. Income related to fire, police, transfer station, motor vehicles and miscellaneous were less than a half a percent for this land use type.

State owned open space generated income of \$5,043, less than 1% of the total. The majority of that, sixty eight percent, comes from the default percentages. Twenty percent comes from State and Federal Forest Land Reimbursement, a payment in lieu of taxes. The final 12% percent of this income is related to highway, police and fire services.

Income is summarized on the following table. Details for each category are found in Appendix 4, Groton Detailed Spread Sheets.

Category	Residential	Comm/Ind	Current Use	State	Total
Property Taxes & Related Income	\$582,470	\$231,055	\$18,290	\$1,030	\$832,844
Highway Income	\$39,538	\$1,396	\$5,117	\$465	\$46,516
Vehicle fees	\$41,261	\$842			\$42,103
Yield Taxes & Int.			\$23,400		\$23,400
Dump	\$16,929	\$345			\$17,274
Misc. Fees etc.	\$2,391	\$37	\$97	\$13	\$2,538
Police & fire	\$1,246	\$27	\$149	\$119	\$1,541
Default	\$117,827	\$46,105	\$3,416	\$3,416	\$170,764
Summary Total	\$801,662	\$279,807	\$50,469	\$5,043	\$1,136,980

## Results - EXPENSES

The adjusted total of expenses<sup>1</sup> that could be allocated by land use type for Groton for 1997 was \$893,776.

Expenses for residential properties cost the town of Groton \$811,241 for 1997, nearly 91% of the town's expenses. Schools make up 59%; highways 17%; the transfer station 6%; services for property owners, 4% (from \$6 for a vital record search to \$12,145 to renovate the town library); police/fire and revaluation/assessing/ tax mapping cost 3% each, and a special computer system to aid in motor vehicle registration cost under 1%. General government expenses that had to be allocated by the fall-back percentages constituted 7% of the total residential related expenses.

Groton's commercial and industrial properties required \$33,566 in expenses, or about 4% of the total. Most of that, 66%, is the commercial/industrial portion of general government expenses from the default percentages. Highway costs contribute 14%; property owner services, 10%; police and fire, 4%, transfer station, 3%; revaluation/assessing/ tax mapping 2%; and new special computer system to aid in motor vehicle registration, under 1%.

The expenses for privately owned open space, all enrolled in the state's Current Use preferential tax program, were \$39,681, also about 4% of the total. The bulk of that, 44%, is highway expenses, described in greater detail in Appendix 2. The costs related to the revaluation/assessing/ tax mapping comprise 36% of the total; fire and police, 15%; general government, 4%; and property owner services under 1%.

The 873 acres of State owned open space required expenses of \$9,288, or 1% of the total expense. The largest amount of that, 59% is for police and fire, mainly police patrols of the state scenic area. General government expenses make up 18%; highway costs 17%; revaluation/assessing/ tax mapping, 4% and property owner services, 2%.

Expenses for each of the land use categories is summarized on the table below. Details for all of the expenses are found in Appendix 4, Groton Detailed Spread Sheets.

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<sup>1</sup>The Groton Town Report for 1997 shows a grand total of \$952,307 in expenditures. To that was added \$26,650 for the revaluation that had been approved for the budget for that year but had been inadvertently omitted from Town Report and \$30 to compensate for a computation error in the Grand Total shown in the town budget. From that total was subtracted \$50,413.00 County Taxes, (a standard exclusion following the study methodology), \$33,799 in tax liens (the same item was excluded from the income) and \$1000 for an error in addition from the General Government Building category of the Town Report.

Category	Residential	Comm/Ind	Current Use	State	Total
Schools	\$478,157				\$478,157
Highway	\$136,680	\$4,824	\$17,688	\$1,608	\$160,800
Dump/Transfer Station	\$48,019	\$980			\$48,999
Police & Fire	\$28,209	\$1,253	\$5,988	\$5,511	\$40,961
Revaluation, Assessing, Mapping	\$25,097	\$833	\$14,169	\$373	\$40,472
Property Owner Services	\$32,535	\$3,347	\$190	\$150	\$36,222
Special Computer System	\$5,782	\$118			\$5,900
General Government Expenses (from Default allocations)	\$56,762	\$22,211	\$1,646	\$1,646	\$82,265
Total	\$811,241	\$33,566	\$39,681	\$9,288	\$893,776

## Ratios of Income to Expenses

Groton's residential properties produced income of \$801,662 and expenses of \$811,241 for a ratio of 1:1.01. Commercial and industrial properties had an income of \$279,807 and expenses of \$33,566, for a ratio of 1:0.12. Privately owned open space enrolled in Current Use provided income of \$50,469 and carried expenses of \$39,681 for a ratio of 1:0.79. State owned open space generated income of \$5,043 but required expenses of \$9,288, for a ratio of 1:1.84. The following table summarizes these ratios.

	Residential	Comm/Ind	Current Use	State
Expense	\$811,241	\$33,566	\$39,681	\$9,288
Income	\$801,662	\$279,807	\$50,469	\$5,043
Ratio	1:1.01	1:0.12	1:0.79	1:1.84

## Discussion

These ratios indicate that the considerable area of open space land enrolled in Current Use and the few commercial/industrial properties in Groton provide more income to the town than the cost of the services required by those properties. For both residential properties and state owned open space in Groton, the cost of providing services is greater than the income that those properties generate.

The ratios generated through the study provide a response to the Selectmen's concern about the impact of the Current Use land on the other taxpayers of Groton. The Current Use land generates more in income than it costs the town in services. In effect, the Current Use land, and the commercial/industrial land, are helping to defray the expenses of the two land types that don't generate enough to pay for their own services, residential and state owned open space.

This type of study has been completed in ten other New Hampshire municipalities between 1993 and 2000. While those towns and cities were quite different from each other, ranging in population from about 1500 to over 25,500 and in percent of land in open space from about 25% to over 60%, none of them has as small a population as Groton. The table on the following page summarizes the ratios that were found for each of those municipalities.

The general pattern in these New Hampshire studies, as well as over sixty similar studies conducted in many other parts of the country, is that the income from residential property is insufficient to pay for the services that residents demand. Undeveloped open space and commercial/industrial land provide more direct income to their city or town than they require in services, thus underwriting the costs of residences. Other studies indicate that some long term negative economic impacts of commercial/industrial land are missed in the simplification of this type of study. Further detailed research of the many impacts of commercial/industrial land uses in New Hampshire are needed.

A statewide study conducted in 1994 found related results<sup>2</sup>. This study looked at the whole state and considered the impact of all open space, whether publically or privately owned, on the tax rate. The study compared average property tax bills with several measures of development. The study found that, on average, property taxes are higher in communities with larger tax bases and *more* taxable property, more residents and more commercial and industrial development. Conversely, property taxes, on average, are lower in towns with more undeveloped land per year-round resident, whether the undeveloped land is publicly owned and permanently protected, or privately owned. Property taxes were also found to be lower in towns where vacation homes comprise a high percentage of the total housing stock.

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<sup>2</sup>Ad Hoc Associates (1994) Building a Health Squam Lakes Economy. Salisbury, VT 05769

Community	Population	open space	residential cost per\$ of income	comm/ind cost per\$ of income	open space cost per\$ of income
GROTON	339	71%	\$1.01	\$0.12	\$0.79
Sutton	1479	72%	\$1.01	\$0.40	\$0.21
Lyme	1537	78%	\$1.05	\$0.28	\$0.23
Fremont	2700	64%	\$1.04	\$0.94	\$0.36
Deerfield	3200	52%	\$1.15	\$0.22	\$0.35
Meredith <sup>3</sup>	5000	40%	\$1.06	\$0.48	\$0.29
Alton <sup>3</sup>	3500	55%	\$0.92	\$0.54	\$0.52
Stratham	5200	35%	\$1.15	\$0.19	\$0.40
Peterborough	5600	55%	\$1.08	\$0.31	\$0.54
Exeter	13,000	25%	\$1.07	\$0.40	\$0.82
Dover	25,500	35%	\$1.15	\$0.63	\$0.94

## How can Groton use this information to its benefit?

### Current Use Land

Groton clearly benefits economically from the presence of a high percentage of land in privately owned open space, even though the study looked only at the land enrolled in the Current Use tax program. Thus, sound fiscal planning should include retaining much of this land in open space. The town has taken steps already to further enhance the value of the open land, by retaining the services of a Town Forester.

The Town Forester should be able to maximize town benefit from land in Current Use in several ways.

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<sup>3</sup> Alton and Meredith calculated separate ratios for year round and seasonal residential properties. The figures shown on the table are a combination of the two. Costs per dollar of income were as follows: Alton year round residential= \$1.53, seasonal residential= \$0.43; Meredith year round residential= \$1.57, seasonal residential = \$0.51.

- Ensure that all Current Use lands are enrolled in the category that best represents their timber harvest potential.
- Correct possible erroneous current use land classifications. If, for instance, some of the open space land that has been previously classified as "unproductive" and taxed at lower rates (some as low as \$15 per acre) ,is found to in fact be higher quality stands that can be taxed at a higher rate (allowably as high as \$152 per acre). Given this range of allowable assessed values, the correct assessment can mean a substantial difference in income to the town.
- Insure that owners are assessed for the correct number of acres.
- Assure better compliance with timber harvest laws and wetland regulations, thus protecting the quality of water and reducing erosion.
- Use the awareness of the relatively high impact (cost) of logging trucks on the roads of Groton, documented in this study, to encourage loggers to time their operations to minimize damage to roads and hence costs to the town.
- Keep a more careful watch on the actual volume and value of the timber harvest from properties in Groton than has been possible in the past, possibly leading to an increase in the timber harvest yield tax.
- Make sure any new categories, rates or other changes to Current Use laws are applied in Groton in the most accurate and beneficial way allowable.

Many New Hampshire towns set aside money into a Conservation Fund so that they are prepared for opportunities to protect key parcels of land if they become available. Towns are protecting land both through outright purchase and conservation easements. Towns that do so are aware that retaining some land in open space is a useful way to buffer themselves against the tax impact of rapid growth. Although the growth rate in Groton is presently very slow, Groton might consider setting up such a fund now or in the near future, so it could grow, even slowly, until such a time as it might be needed.

Towns are using a variety of sources for such a conservation fund: a straight line item in the town budget; a portion of the town surplus, or from timber harvests on town owned lands, and the Land Use Change tax, which is levied when land enrolled in the Current Use program is converted to a non-open space use. Over a third of New Hampshire towns have decided to allocate from 10% to 100% of the Land Use Change tax revenue to a conservation fund. In Groton, the income from this source is negligible. Deciding now to set aside some or all of this money for future conservation needs might be a fairly painless choice. Later, if growth pressures increase and land transfers become more common, the fund would grow. A local conservation fund is also good to have in case an opportunity arises to get state or federal assistance with a conservation or historic preservation project, which may require local matching funds.

Many towns conduct inventories of their natural and cultural features. Such inventories can be useful in establishing priorities for land and resource protection. Groton would benefit from such an inventory.

## State Owned Land

This study suggests that the state owned open space is proportionally the biggest financial drain on the town. The state normally does not have to pay taxes on property that it owns. However, because of the negative impact of this policy on towns with large amounts of land in state ownership RSA 227-H:17, was passed in 1995. This law allows towns to apply for and get payment from the state to replace the taxes the state-owned land would bring to the town if it were privately owned, at Current use rates. The law specifically allows reducing this amount if the state doesn't have enough money, which has happened in 1996. The full amounts were paid in 1997, 1998 and 1999. Representative Alger and other politicians and concerned citizens from the area should encourage the state to fund its payments in lieu of taxes more fully.

Observing the imbalance in income from and expenses for State owned land early in the preliminary presentations of the findings of this study, the town has already initiated efforts to obtain more income from these lands. With the assistance of Representative Alger, town officials met with officials from the Department of Resources and Economic Development, who manage the state forest lands in Groton to find ways to make the acres of the state forests in Groton more profitable to the town. An outcome of that meeting is an on-going timber sale and harvest in Province Road State Forest, which is expected to bring \$28,500 to the town. A long term timber harvest plan for the state lands in Groton could be developed, so Groton could anticipate revenues from appropriate harvests on state owned lands within its boundaries. Even if the additional timber harvest adds some costs for road maintenance, the added income could be expected to offset the additional costs.

Town officials repeatedly voiced concerns about the impact of visitors to the Sculptured Rock State Natural Area. They feel that the state designation attracts many visitors to the area, but that the state does little or nothing to assist the town with the costs of hosting those visitors. Activities and costs that the town is concerned with include dealing with trash at the parking area and river, police coverage of the area (to deal with rowdy and/or intoxicated visitors), and the potential worry of search and rescue costs if a visitor is hurt or lost. A two-pronged approach to the issue might produce some benefit. Town officials could meet with the manager of the area to discuss any existing way the State could assist with the costs to the town.<sup>4</sup> The state could, at a minimum, be encouraged to count the traffic at the area to determine the magnitude of visitation. Town residents could be encouraged to view the visitors to both Sculptured Rocks and the other open spaces of the town as a potential source. Perhaps a small refreshment stand and bait shop for visitors to Sculptured Rocks or a guide service for hunters or snowmobilers using the area could be established to capture some of the interest and money of the visitors.

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<sup>4</sup> The area is under the management of Ben Haubrick, New Hampshire State Parks Western Region Supervisor, PO Box 123, Greenfield, NH 03047, Tel. 547-3373

## Residential Properties and School Costs

School costs for Groton for 1997 were \$478,157. This constitutes 53% of the town's total expenditures included in the study. While this is a substantial portion of the budget, many other New Hampshire towns are paying even higher percentages of their town budgets for schools. Other recent Cost of Community Services studies show school costs for Exeter, Sutton, Peterborough, and Lyme all at over 60% of town expenditures.

Like many of the state's smaller towns, Groton is part of a School Administrative Unit, the Newfound School District, which includes a total of seven towns. Groton's students attended four different schools in the 1996-97 school year: Grades K-3 at Hebron Village School, Grade 4 at Bristol Elementary School, Grades 5 - 8 at Newfound Memorial Middle School and grade 9 - 12 at Newfound High School. Using North Groton as a central point in the town of Groton, distances from Groton to the four school locations are approximately as follows: to Hebron Village School, 6 miles; to Bristol Elementary School and Newfound Memorial Middle School (both in Bristol), 18 miles; and to Newfound High School, 22 miles. School bus services cost the SAU nearly 6% of the total budget.

Costs to Groton (and other towns in the SAU,) are based on enrollment at different grade levels, as well as transportation costs. During the 1996-97 school year, the one most relevant to this study, Groton had 84 students enrolled in these schools. The distribution was as follows: kindergarten, 3; elementary grades 1-4, 30; Middle School (grades 5-8), 33; High School, 18, for a total of 84. With a total school cost for Groton of \$478,157, per pupil the cost was \$5692. State Department of Education figures show a statewide average per pupil cost of \$5552 for 1997.

Groton's per pupil costs were thus slightly higher than the state average. However, that per pupil cost is much higher than the average residential property tax payment for Groton. In other words, all of the town's taxpayers are sharing in the cost to educate the town's young people. There is, of course, a substantial social benefit for all of the tax payers of the community to having well educated young people. However, everyone concerned about the future of tax bills in Groton needs to be aware that any increase in the number of dwelling units in Groton is likely to increase the number of students and hence the cost of education to the town and its taxpayers. This study, and the many others like it, emphasize the point that year round residential properties do not generate enough income to pay for the community services required by those properties. While additional residential development may be desirable for a variety of reasons, it should not be viewed as a means to lower the tax bills for the residents.

Seasonal residences present a somewhat different scenario than year round residences. Typically such properties pay full property taxes but usually do not require full town services, largely because the children from these properties do not attend local schools. The low residential income to expense ratio for Alton, \$0.92 to \$1.00, shown in

chart on page 12 indicates that a town with a large number of tax-paying non-residents can earn enough from residential property taxes to pay for the services required by residential properties. However, one potential problem with seasonal residences is that they may become permanent and then require all of the town services. If Groton decides to do another cost of community services study in the future, it might be informative to explore the different impact of permanent and seasonal residences.

One of the challenges of being a part of a multi-town School Administrative Unit ("SAU") is that it is a little more difficult for voters in any single town to control or influence school costs. For instance, if one of the other towns in the SAU has a building boom and the school district needs to build a new school to accommodate the new residents, Groton will have to bear its portion of the costs of a new school. Groton residents concerned about the costs of education should at least make an effort to attend meetings of the SAU to ask questions and provide input into the decisions that effect the costs of schooling.

### Highway Costs

Groton has a relatively small number of road miles, (under sixty) with a number that are not maintained year round. Total highway costs for Groton for 1997 were \$160,800. This represents 17% of the town budget. Some of Groton's highway department expenses and incomes are linked to services traded with the state highway department and adjoining towns. It is typical for small New Hampshire towns to have substantial highway costs. The figures for Groton seems a little high; town leaders in Groton might want to explore whether highway costs per road mile are within a normal range. If they are found not to be, the town could seek ways to improve the cost effectiveness of the highway department.

### Commercial and Industrial Land

Most of the income to Groton from commercial and industrial land use comes from the utilities that own and maintain the electrical power lines that cross the town. Income from taxes paid for the power lines themselves was slightly over \$192,000, while the income from taxes on the land owned by the power companies (some 1441 acres) was slightly under \$30,000. These uses have a minimal impact on the town's direct expenses. Some of the checking and maintenance of the lines is done from the air, reducing the utility's wear and tear on the town's road system. The income to expense ratio of 1:0.12 is very beneficial to the town. As long as there are no detrimental health impacts from the power lines and the residents are willing to tolerate the visual impact of the transmission lines, this is an economically beneficial land use for the town of Groton.

Twelve home businesses, mostly on a small to very small scale, were identified as

having operated in Groton in 1997. At least two other businesses were identified but were thought to have not been in operation in 1997. The portion of the tax bill for the property allocated to the home business use ranged from a low of 3% (for a seasonal garage sale business) to a high of 62% (for a year round motor sport business). Total pro-rated tax income to the town for those 12 home businesses was slightly under \$3500, a relatively negligible amount.

Visions for the town's future might benefit from the inclusion of such small business ventures. The location and geography of the town of Groton seems better suited to home businesses than to larger commercial enterprises. Telecommuters could thrive in this community, and probably provide small but ongoing and growing economic benefits. This and similar studies show that the cost of services to commercial and industrial land uses is typically lower than the income generated by such land uses.

## **Conclusions**

This cost of community services study found that the pattern of income to expense ratios for Groton was similar to that found in other towns in New Hampshire and elsewhere that have completed similar studies. Residential property costs Groton more than it brings in, by a ratio of \$1.01 of costs for every \$1.00 of income. In a component that has not been studied directly in other New Hampshire cost of community services studies, the state owned forest and park lands in Groton were found to require \$1.84 in services for every \$1.00 of revenue generated. The economic value of the commercial and industrial land use in the town was found to be high, requiring only \$0.12 in services for every \$1.00 generated in income. The privately owned open space enrolled in the Current Use tax program, was found to need only \$0.79 in services for each \$1.00 it generated.

Groton officials and residents need to become more aware of the economic benefit of both the privately owned open space and the commercial/industrial land uses. One way to do this would be an inventory of the most significant natural resources, with an eye toward planning for retaining some of them in their current beneficial open condition. The town should explore ways to be hospitable to its major industry, the power companies, without incurring any further costs. Land managers who make profitable use of the privately owned open space also need to be viewed as a financial asset to the town. The new position of Town Forester can be used to ensure that the town's income from timber harvest activities is developed to the fullest extent reasonable.

The town ought to explore with the state further options that may be available to equalize the burden of the state owned properties, and to look for ways to capture some benefit from the visitors who come to the state owned parcels, as well as other open space areas in the town.

The town, like many others, must understand the high financial costs associated with increases in residential land use. Increases in residential development need to be looked at as an expense item for the town, as well as an income item. The costs to the school system, and hence to the taxpayers, of additional students coming from additional residences need to be considered. Residential development should not be viewed as an economic panacea for this or any town, although it may be desirable for other reasons. The town should begin to imagine its future in the area of small scale commercial (and industrial?) development related to the natural resources of the area with a mix of needed residential development.

Given the small number of year-round road miles in the town and the relatively high costs of the highway department, the town is encouraged to assess the cost-effectiveness of its highway department or seek further cost sharing with the state.

More could be learned by repeating a cost of community services study in the next five to ten years. In a future study, it would be informative to explore the differing impacts of year round and seasonal residential land use. Groton is endowed with an attractive natural resource base and a population of residents who appreciate the character and history of the town. This study documents the measurable economic benefit those natural resources have to the town. Visions and plans for the future of the town can benefit from this revised understanding of where the income and expenses of the town are actually generated.

### Appendix 1 Groton Home Businesses

Name	Land Value		Building Value		Total Value				Taxes			
	Total*	Commercial*	Residential	Total*	Commercial	Residential	Land & Bldg.	Commercial	Residential	% commercial	Total Tax at \$24.12/\$1000	Business portion of tax
Faucher	27,000	7,000	20,000	82,750	21,297	61,453	109,800	28,297	81,503	26%	\$2,648	\$688
Kirk Motorsports	21,500	10,000	11,500	48,000	33,000	15,000	69,500	43,000	26,500	62%	\$1,676	\$1,039
Dimichele	22,030	5,000	17,030	123,350	10,000	113,350	145,380	15,000	130,380	10%	\$3,507	\$351
Ethier		none			none							
Tolman Engine Repair	27,750	5,000	22,750	87,700	8,000	79,700	87,700	13,000	74,700	15%	\$2,115	\$317
Coursey		none			none							
Gordon		none			none							
Lindsey	31,550	2,000	29,550	63,150	13,000	50,150	94,600	15,000	79,600	16%	\$2,282	\$365
Filgg	16,900	0	16,900	43,000	2,000	41,000	59,900	2,000	57,900	3%	\$1,448	\$43
Blodgett	29,000	1,200	27,800	66,550	10,000	56,550	94,550	11,200	84,350	12%	\$2,281	\$273
Ed Smith	17,950	1,000	16,950	35,900	6,500	29,400	53,850	7,500	46,350	14%	\$1,299	\$182
Golden	25,300	400	24,900	24,500	2,450	22,050	49,800	2,850	46,950	6%	\$1,201	\$72
Ed Snow	19,950	340	19,610	45,450	2,100	43,350	65,400	2,440	62,960	4%	\$1,577	\$63
Person	19,500	100	19,400	35,300	3,500	31,800	54,800	3,600	51,200	7%	\$1,322	\$92
TOTAL							885,280	143,687	742,393		\$21,356	\$3,485

\* Per Town Assessor, Scott Littlefield, 3/24/98 & 4/28/98

## Appendix 2

### Groton Highway Expense Allocation Strategy Reasoning and Calculations

Early in the study, the researcher offered the Selectmen a variety of strategies for allocating highway expenses, most of which had been used, in some variation, in other COCS studies. The choices proposed were to allocate by: road frontage per land use type; acreage by land use types; by number of owners; by assessed valuation (the fall back percentages); or by estimated use. At their May 5, 1998 meeting, the Selectmen selected the allocation by estimated use.

To provide an element of replicability, the researcher designed an "estimated use methodology" that was based on actual traffic counts in the town, plus other elements that incorporated the Selectmen's concerns. The methodology and its resulting allocation percentages were presented to the Selectmen and other interested citizens at a meeting on July 14, 1998. The numbers were refined following input at and subsequent to that meeting.

Some of the highlights of this methodology:

It is based on actual traffic counts of numbers of vehicles per day in several different spots around Groton, from the counters that the state puts out from time to time

Because logging trucks are a large part of road users in Groton, it is based on the amount of timber that was reported harvested in Groton for timber harvest year 1996-1997

It is based on the average weights of logging trucks versus passenger cars (a loaded logging truck has the impact of about 25 passenger cars)

It excludes the 1200-1500 vehicles per day that come thru Groton on NH Rte. 118.

It assumes a very modest traffic effect of 2 vehicles per day to each of the home business that were identified. That is only one customer/client or employee making one round trip per day.

This is how the methodology works out:

The total timber harvest in Groton in the Timber harvest Year 1996-1997 was 4.4 million board feet. If one truck contains 5000 board feet, it takes 880 truckloads to carry out 4.4 million board feet. If so, and if each truck load involves a round trip, (one loaded and one unloaded), logging trucks account for 880 x 2 or 1760 of the vehicles found on



General Recreation	676
Mine	525
SPNHF	360
TOTAL	3031

3031 total recreational vehicles + 300,000 total vehicles = **1% of total vehicle use is for recreation on current use properties**

Total traffic for current use properties = 10% of traffic impact attributable to logging trucks + 1% of total vehicle use is for recreation on current use properties = **11% of total traffic is attributable to current use lands**

Town Forester suggests that traffic to state park is about 1% of total use, or 15 cars per day on a high use day in season

1% of total use = 300,000 total vehicles x .01 = 3000 vehicles per year

or

15 cars per day x 21 weeks per season x 7 days per week = 2205 vehicles per year to state park + 300,000 total vehicles per year = .7 % which would be rounded to 1%

**1 % of total traffic attributable to state property**

Commercial/Industrial property

Fourteen small businesses or home occupations were identified during the study. If each one generates a modest 2 vehicles per day, 14 businesses x 2 trips per day per business x 365 days per year = 10,200 commercial trips per year + 300,000 vehicles per year = **3% of traffic attributable to commercial/industrial uses**

Residential Property

Add any vehicle not accounted for in recalculations of current use and state to residential. 100% - [11% current use land traffic + 1% state park traffic + 3% commercial/industrial traffic] = **85% of traffic attributable to residential use**

### Appendix 3

#### Groton Valuation by Land Use Type and Default Percentages

Net Valuation For Tax Rate*	\$32,095,050	% of total valuation (and default percentages)
Residential Land*	\$11,291,450	
Residential Building*	\$11,440,300	
Total Residential	\$22,731,750	
Less Commercial Uses of residential properties	(\$143,887)	
Actual Total Residential Value	\$22,587,863	
Less Exemptions*		
blind*	(\$15,000)	
elderly*	(\$50,000)	
wood heating*	(\$1,000)	
Total Exemptions*	(\$66,000)	
<b>NET Residential Value</b>	<b>\$22,521,863</b>	<b>69%</b>
Commercial/Industrial		
Electric Utilities*	\$8,675,800	
Home Businesses	\$143,887	
<b>Total Commercial/Industrial</b>	<b>\$8,819,687</b>	<b>27%</b>
<b>Current Use Land *</b>	<b>\$753,500</b>	<b>2%</b>
<b>State Property*</b>	<b>\$599,550</b>	<b>2%</b>
<b>Total Value of Properties included in study</b>	<b>\$32,694,600</b>	<b>100%</b>

\*From 1997 Summary of Valuation

## Appendix 4 1997 GROTON EXPENSES Allocations

Groton '97 Expenses -1

Category	Total \$	Residential		Comm/Ind		Current Use		State		Rationale*	Ref *
		%	\$	%	\$	%	\$	%	\$		
Executive and Financial Admin	\$48,534	69	\$33,488	27	\$13,104	2	\$971	2	\$971	Default	
Election	\$601	100	\$601							For Residents	
Dog Tags & animal Control fee	\$368	99	\$364	1	\$4					Dog/Animal Control income	
Tax over payment, Abatements	\$4,041	95	\$3,839	4	\$162	1	\$40			TM mostly Residential 5/14 allocated by 93-96 redemption %	DT 5/14/98
Registration Refund	\$44	100	\$44							Resident	
Vital Statistic search	\$6	100	\$6							Concerns residents	
Special computer system	\$5,900	98	\$5,782	2	\$118					Motor Vehicle Income, MV registrations & records	TM 4/28/98
Property Assessing	\$4,661	83	\$3,868	1	\$47	15	\$699	1	\$47	By # parcels	SL 4/28/98
Utilities Revaluation	\$48			100	\$48						
subtotal p 1	\$64,203		\$47,992		\$13483		\$1,710		\$1,018		

Category	Total \$	Residential		Comm/Ind		Current Use		State		Rationale*	Ref
		%	\$	%	\$	%	\$	%	\$		
Revaluation	\$26,650		\$16,581		\$374	\$9,551	\$144		By # of parcels & expenses	SL 4/28/98	
Legal	\$1,157			100	\$1,157				Concerned a business	TM	
Tax deposits	\$9,648	69	\$6,657	27	\$42,605	\$193	\$193		Gen gov't default	TM 5/14/98	
Planning/Zoning	\$114	100	\$114						For Residents		
Gen Gov't Bldg	\$3,497	69	\$2,413	27	\$944	\$470	\$70		default	TM 4/28/98	
Renovate Offices	\$4,000	69	\$2,760	27	\$1,080	\$80	\$80		Office portion of project	TM	
Renovate Library	\$12,146	100	\$12,146						Library portion of project	TM	
Town Meeting	\$204	100	\$204						For residents		
Highway shed	\$31,412	85	\$26,627 \$86	3	\$940	\$3,446	\$313	1	364/365 as highway Expense, 1/365 for Town meeting	DT 6/11/98	
Pond	\$2,178	85	\$1,851	3	\$65	\$240	\$22	1	Highway expense	TM	
Cemeteries	\$1,791	100	\$1,791						Residents		
Insurance Property, WC & NH Unemployment	\$19,654	69	\$13,561	27	\$5,307	\$393	\$393	2	default		
subtotal p 2	\$112,451		\$84,791		\$12,472	\$13,973	\$1,215				

Category	Total \$	Residential		Comm/Ind		Current Use		State		Rationale	Ref
		%	\$	%	\$	%	\$	%	\$		
Advertising	\$797	69	\$550	27	\$215	2	\$16	2	\$16	default	
Tax mapping	\$9,113	51	\$4,648	4	\$364	43	\$3,919	2	\$182	by average of % by land area & percent by # of properties	DD 8/6/98
Audit	\$3,487	69	\$2,406	27	\$941	2	\$70	2	\$70	default	TM 4/28/98
Police	\$24,052	51	\$12,267	5	\$1,203	22	\$5,291	22	\$5,291	based on time for land types; CU & state split	Chief Riccioffi 3/22/98
Fire, Ambulance, Emergency	\$15,909	97	\$15,432			3	\$477			extrapolated from records of Hebron fire expenses in Groton	OT
Highways & Streets	\$127,296	85	\$108,202	3	\$3,819	11	\$14,002	1	\$1,273	traffic counts, timber harvest, gross vehicle weights, estimated recuse	select-men, Citizens OT 7/21/98
Street lighting	\$1,023	100	\$1,023							to benefit residents	TM
Transfer Station	\$27,682	98	\$27,128	2	\$554					used mainly by residents	TM
Dump closure	\$16,317	98	\$15,991	2	\$326					used mainly by residents	TM 4/28/98
Pest control	\$300	100	\$300							for domestic animals	TM 4/14/98
Health, hospitals welfare, library, Bristol Com Cent	\$6,844	100	\$6,844							services for residents	
subtotal p 3	\$232,820		\$194,791		\$7,422		\$23,775		\$6,832		

Groton '97 Expenses - 4

Category	Total \$	Residential		Comm/Ind		Current Use		State		Rationale	Ref
		%	\$	%	\$	%	\$	%	\$		
IRS	\$145	69	\$100	27	\$39	2	\$3	2	\$3	default	
Schools	\$478,157	100	\$478,157							only residences send kids to school	
County	(\$50,413)									excluded	
Tax Liens	(\$33,799)									exclude, as '96 tax lien income, a paper transaction	
Transfer to Cap reserve fund	\$5,000	98	\$4,900	2	\$100					as dump closure	
Transfer to Cap reserve fund	\$1,000	51	\$510	5	\$50	22	\$220	22	\$220	as police	
Sub-total p 4	\$484,302		\$483,667		\$189		\$223		\$223		
Sub-total p 3	\$232,820		\$194,791		\$7,422		\$23,775		\$6,832		
Sub-total p 2	\$112,451		\$84,791		\$12,472		\$13,973		\$1,215		
Sub-total p 1	\$64,203		\$47,992		\$13,483		\$1,710		\$1,018		
TOTAL	\$893,776		\$811,241		\$33,566		\$39,681		\$9,288		

\* "Ref" column is references for who provided information leading to this allocation. DT = NHWF researcher Dorothy Taylor, TM = Selectmen's Administrative Assistant, Trish Matthews, SL= Town Assessor Scott Littlefield, DD = Don Dollard, tax map preparer

Groton Income – 1

GROTON 1997 INCOME

Category	Total \$	Residential		Comm/Ind		Current Use		State		Rationale*
		%	\$	%	\$	%	\$	%	\$	
'97 Prop Tax & Interest	\$671,702									
Residential		100	\$411,545							Total property tax, less utilities, home business & current use
Utilities				100	\$221,947					
Home businesses			\$17,871		\$3,485					based on info from assessor
Current Use						100	\$16,854			
'96 tax lien	(\$32,136)									exclude - a paper transaction, as per town clerk
96 redemptions & interest	\$6,163	85	\$5,231	15	\$909	.3	\$23			% from "Record of Tax Liens", amount from Treasurers Report on '97 town report
96 Prop tax & interest	\$78,087	95	\$74,184	4	\$3,123	1	\$781			allocated at same % as average 93-96 lien
95 Prop tax & interest	\$1,072		\$1,018		\$43		\$11			allocated at same % as average 93-96 lien
95 redemptions & interest	\$23,035	96	\$22,114	3	\$691	1	\$230			% from "Record of Tax Liens", amount from Treasurers Report on '97 town report
94 redemptions & interest	\$33,692	97	\$32,681	2	\$674	1	\$337			% from "Record of Tax Liens", amount from Treasurers Report on '97 town report
subtotal p 1	\$813,751		\$564,644		\$230,872		\$18,236			

Groton Income – 2

GROTON 1997 INCOME

Category	Total \$	Residential		Comm/Ind		Current Use		State		Rationale*
		%	\$	%	\$	%	\$	%	\$	
93 redemptions & interest	\$1,459		\$1,415		\$29		\$15			% from "Record of Tax Liens", amount from Treasurers Report on '97 town report
92 redemptions & interest	\$1,599									% from "Record of Tax Liens", amount from Treasurers Report on '97 town report
Other Taxes overpayments	\$2,264	95	\$2,151	4	\$90	1	\$23			Allocated at same % as Average 93-96 lien
Yield taxes & Interest	\$23,400					100	\$23,400			
MV permit fees	\$41,913	98	\$41,075	2	\$838					Mainly residential, some commercial
Building Permits	\$210	100	\$210							
Current Use App fees	\$84					.100	\$84			
Dog License Fees/fines	\$736	99	\$729	1	\$7					Mainly residents
Auto Title fees	\$190	98	\$186	2	\$4					Mainly residents
Candidate fees	\$7	100	\$7							For residents
Vital Statistic fee	\$235	100	\$235							For people
subtotal p 2	\$72,097		\$47,527		\$1,032		\$23,538			

## GROTON 1997 INCOME

Category	Total \$	Residential		Comm/Ind		Current Use		State		Rationale*
		%	\$	%	\$	%	\$	%	\$	
UCC	\$286	100	\$286							residents
Pistol Permits	\$120	100	\$120							For residents
FEMA	\$1,085	85	922	3	\$33	11	\$11	1	\$11	As highway, Selectmen 5/5/98
Room & Meals Tax - state	\$9,291	69	\$6,411	27	\$2,508	2	\$186	2	\$186	default
State grants For highways	\$25,431	85	\$21,616	3	\$763	11	\$2,798	1	\$254	As Highway expense
State & Fed Forest Land \$	\$1,030							10	\$1,030	
Purchases discount	\$531	69	\$366	27	\$143	2	\$11	2	\$11	default
Police	\$541	51	\$276	5	\$27	22	\$119	22	\$119	As Police expense
Fire Dept.- Dry Hydrant	\$1,000	97	\$970			3	\$30			As Fire Dept. expense
Cemetery	\$550	100	\$550							For Residents
Planning Board	\$145	100	\$145							For Residences
Refuse/Metal Disposal/recycling	\$1,009	98	\$989	2	\$20					As dump expenses
subtotal p 3	\$41,013		\$32,651		\$3,494		\$3,263		\$1,611	

Groton Income - 4

Category	Total \$	Residential		Comm/Ind		Current Use		State		Rationale*
		%	\$	%	\$	%	\$	%	\$	
Interest on investments	\$4,497	69	\$3,103	27	\$1,214	2	\$90	2	\$90	Default
Insurance Dividends & Reimbursements	\$6,933	69	\$4,783	27	\$1,872	2	\$139	2	\$139	Default
Sale – Town Property	\$12,741	100	\$12,741							Tax Lien sold for Residential use
Playground Donation	\$15	100	\$15							Residents
Gift	\$150	51	\$25	5	\$3	22	\$11	22	\$11	\$50 – Police \$100 - Default
Misc. Revenue	\$512	69	\$69	27	\$27	2	\$2	2	\$2	
Transfers Prop. Funds MBIA	\$149,000	69	\$354	27	\$138	2	\$10	2	\$10	Default
Capital Reserve Fund - Dump	\$16,265	98	\$15,940	2	\$325					Dump Expense
Capital Reserve Fund - Truck	\$20,000	85	\$17,000	3	\$600	11	\$2,200	1	\$200	Highway Expense
Subtotal p 4	\$210,113		\$156,840		\$44,409		\$5,432		\$3,432	
Category	Total \$	Residential		Comm/Ind		Current Use		State		
subtotal p 1	\$813,751	\$564,644		\$230,872		\$18,236				
subtotal p 2	\$72,097	\$47,527		\$1,032		\$23,538				
subtotal p 3	\$41,019	\$32,651		\$3,494		\$3,263		\$1,611		
subtotal p 4	\$210,113	\$156,840		\$44,409		\$5,432		\$3,432		
Total	\$1,136,980	\$801,662		\$279,807		\$50,469		\$5,043		