

ALG Meeting – 03/12/2007

Attendance: Jan Stewart, facilitator; Walter Foster (BOS), Pat Easterly and Pat Clifford (Fincom), Sharon McManus (SC); Don Johnson, John Murray, George Frost, Bill Ryan (staff)

Minutes

Members still need to approve 1/31, 2/13 minutes. Members agreed to provide comments via e-mail, and will approve after committee reorganizations later this spring when outgoing ALG members meet with incoming ALG members.

Updated ALG Spreadsheets

No updates

Capital Planning

Pat Easterly said that the committee had met since the last ALG meeting, and prepared summary for warrant. The warrant booklet will contain lists of capital items prepared by the schools and the town.

Governor's Budget, Potential Increased Funding

Sharon said that the School Committee had placed this item on the agenda.

Governor's budget shows very favorable funding.

- Acton Public Schools – ALG plan anticipated \$3,648,308 (a 13.5 percent increase) and House 1 shows \$4,568,457 (a 42.1 percent increase) – additional \$920,000 over what we had estimated
- Region – Received 50 percent increase last year. ALG plan anticipated \$5,362,550 in Chapter 70 (reflects \$156K over last ALG plan – reduced E&D by \$156K and increased Ch70 by \$156K). House 1 shows \$5,964,787 for Chapter 70 for AB Region. ALG plan anticipated a 5.5 percent increase, while House 1 reflects a 25.2 percent increase – additional \$602,237 over what we had estimated.
- Sharon said that the news had been briefly discussed at the last School Committee meeting; discussion was wide-ranging about how to respond.
- The school administration will be presenting recommendations to the School Committee this Thursday. For Acton Public Schools, they will recommend using \$377,500 of the Chapter 70 money toward Douglas modulars, rather than bonding them. There are a couple of items that were cut from the budget in January, including technology, personnel – if SC approves would use an additional \$140K. At Region, several items raised during the budget process, some staffing needs at Jr High and HS, and technology items. If we did those, this would spend \$261,000.
- Bill says if these numbers work out, this would result in additional \$400K into Free Cash for 2010, even with this additional spending.
- John says that Region Cherry sheet shows additions of \$300K above ALG plan. What are those increases?
- Bill says he doesn't believe there are additions. John provides copies, and Bill goes through the items. The only line item with significant additions is School Choice, which will go to the School Choice program, per previous ALG agreements.

Discussion

- Walter says that this year's ALG has spent a lot of time talking about last year's windfall, which occurred after Town Meeting. This extra funding for Chapter 70 is being discussed *before* Town Meeting, and he hears the SC contemplating more spending. Two members of the BOS have asked that he raise the question about how windfall will be allocated. If there are additional moneys to be spent by the schools, then a commensurate share should be allocated to the municipal. A flaw this year was that the municipal side could not spend that money for two years, but the schools could. How would the SC like to resolve this?
- Bill clarifies: say APS chose to spend additional \$140K, then could the town spend 30% of that money at this TM by changing some of the assumptions? Chapter 70 is for education, but the reality is that it is a general fund receipt.
- Walter agrees. His perspective (without conversation with BOS) is that we don't need to reach down into the capital list to increase our budget. For many reasons, including this is H1, he believes that budgets should stay put and money should not be spent. Any additional cash would be to move down list on sidewalks, as he said to Fincom. He doesn't see any immediate need to increase municipal budget. The BOS has had a number of hearings about our budget and feel comfortable with those decisions.
- Bill says that APS added nothing this year.
- Walter would like to make the segue into next year more clear: I would like minutes to reflect what the intent of this year's ALG was with respect to next year.
- Walter also says that he would prefer to see the Douglas modulars paid for out of the budget rather than bonded. He was uncomfortable that those were never on the capital plan. The schools should do what they believe is appropriate with their budget, but BOS would prefer to see more of the money flow to free cash. This is an opportunity to stabilize budgets going forward.
- Sharon says that she thinks the idea of memorializing this year's ALG agreements for the next group is a great one to document what has been done, what were members' thoughts, etc. The School Committee has provided her with strong opinions about what we do with NESWC going forward. That needs to be part of the discussion going forward.
- Walter says he is in a difficult position because he won't be here next year. Walter believes that any future ALG's can discuss all sources of income and how to allocate them as they see fit. But there are strong opinions from some BOS members and from town staff that NESWC funds belong solely to the municipal side. Walter says that Fincom has weighed in that some of these one-time sources should be used for capital funds. I think that NESWC funds should be used for capital.
- Pat Clifford asks for clarification of how money would be used for staffing.
- Sharon responds. APS: .5 custodian (\$30K) and \$48K for curriculum specialist, and ABA trainer (\$17K) = \$96,000. Region: 2 teaching positions at ABRHS, \$32K for directed study stipends, 1.2 FTE to put WL on team at RJ Grey (would require .4 to WL and .8 to exploratories) = \$219K. Technology replacement for \$30K in each system, and \$16K in each budget for five-year lease for equipment, such as truck, mower, etc. SC has not seen this. To the extent that SC does not approve this, it would flow to free cash or E&D.
- Walter clarifies that staff recommendation is to spend a portion of the money, not all of it. Yes, even though there are SC members who would advocate for spending it all.

- Pat Easterly shares Fincom's discussion, which ranged from some arguing for spending totally on staff, some for all on capital, and some for spending none of it. Pat thinks that Fincom would support the use of money on modulars, but might push back on supporting other changes to the budget.
- Pat Clifford asks about whether staff can be added in June or July, once state budget is set. Bill says at Region, not at local.
- Bill observes that when he was at Fincom there was a lot of skepticism about whether the targeted Ch70 increases would be met. He feels that these numbers will be met. Under this five-year plan there's a 5% increase in Ch70 but this continues to benefit Acton/AB, because the previous plan was not fair to Acton. There are plenty of teachers, community members, etc., pressuring to spend it all, and he's trying to make a balanced recommendation.
- Pat Clifford observes that Fincom has had a number of questions about process, and when they get to participate in the decision-making. Both Pat Easterly and Pat Clifford agree that if the SC makes changes, then SC should come back to Fincom and present the changes.
- Bill and Walter make the point that the good news is that the base is increasing because of the increase in Chapter 70.
- Walter says that BOS will want to know what is happening with other aspects of the state budget. Ch70 looks good, but what happens in the other categories? School Choice shows an increase of \$97K (which belongs to the schools), but what about lottery aid? There's a lack of this largesse in other categories.
- Bill reiterates that Ch70 is a general fund receipt. If lottery aid is down, then won't the reality be that this shortfall comes out of Ch70?
- Walter asks why is the local going up so much?
- Region had jumped so much last year, and now Acton local has jumped a disproportionate amount.
- Pat Easterly asks whether there is a change in Minuteman assessment as a result of governor budget?

Discussion about process

- Don says warrant will be posted today. Boards need to make decisions. Some of these changes can be handled with motions. Modulars could be handled that way, except that the vote would become majority vote rather than 2/3 vote (necessary for bonding).
- Bill says that Regional SC will meet in a special meeting at 6:30 p.m. Thursday at Conant, followed by local meeting. SC will vote.
- Members express concern that ALG plan in warrant is different than what may be decided.
- Walter says that ALG plan is a planning tool.
- Pat Clifford says that information can be presented in a streamlined and elegant way.

Summary

- Jan summarizes. People are dedicated to the process, and want clarity for ALG and voter. Everyone agreed that some of the money may be spent by the schools but a proportionate share could be spent by municipal. Modulars should be financed with chapter 70 money, if possible. If SC members make changes, then they need to go back to Fincom and present the changes to their budget and capital requests.

- Walter, Pat Easterly, and Sharon will prepare a document about ALG understandings for next year's ALG group. Walter would like to suggest that timeline be outlined as part of that document. Walter commends Pat E and Pat C for ensuring information flow and Fincom participation.

Elections – Added as other by Sharon

- Polling places back to original locations. Are there other changes?
- Walter responds that at a board level, nothing new has happened.
- Bill suggests that Town Clerk meet with school staff.

Everyone expects that there will not be a need for meeting again. Meeting adjourns at 9:00 a.m.

Submitted by Mary Ann Ashton