

**Minutes – Acton Finance Committee**  
**September 23, 2008, 7:30 p.m.**  
**Town Hall – Room 204**

Pursuant to a notice duly posted with the Town Clerk and with a quorum of members present, the Acton Finance Committee convened at 7:30 p.m. on September 23, 2008 to review various matters.

**Members present for the meeting:** Steve Noone, Herman Kabakoff, Mary Ann Ashton, Pat Clifford, Pat Easterly, Bob Evans, Bill Mullin, Kent Sharp, Doug Tindal, Associate Member Maynard (Brandy) Brandon

**Others Present:** Doré Hunter, Michaela Moran, Marie Altieri, Bill Ryan, Heather Harer, Jo-Ann Berry, Chuck Olmstead, Andy Magee, Karen O’Neil, Susan Mitchell-Hardt

Chairman Noone called the meeting to order, and provided an introduction to the agenda. The Association of Town Finance Committees will hold its annual meeting on November 1, and all are welcome to attend, but Mr. Noone will need a head count. He also asked whether the committee wished to post a meeting ahead of the Special Town Meeting on October 2. Ms. Clifford suggested posting a meeting for 6:30 p.m., which Mr. Noone agreed with. There was no public participation offered.

**Minutes**

Mrs. Ashton presented the minutes for September 2, 2008. Mr. Mullin moved to approve, and Mr. Kabakoff seconded. Minutes were approved unanimously.

**Update on APS and ABRSD**

Mr. Noone introduced Superintendent of Schools Bill Ryan, who distributed packets of information about the schools. Mr. Ryan said that APS ended FY08 with a balance of \$7,200, and AB with a balance of \$182,000. He highlighted the budget schedule and key decisions, which are being discussed at each meeting with the School Committees. There are four new principals (Alixé Callen at ABRHS, Lynne Newman at Gates, Ed Kaufmann at Merriam, and Nancy Kolb as an interim at McT) and several new administrators in key positions (Erin O’Brien Bettez at Community Education, Andrew Shen as Assistant Principal at RJ Grey, and Jim Marcotte as Vice Principal at ABRHS). Summer was a busy time for the schools with summer school program providing education for 485 students, Community Ed programs, and staff working on various research and development projects, as highlighted in the Lamplighter publication. The school district hired 42 certified staff, mostly due to retirements and staff turnover, but added new positions as well. New boilers were installed at Gates, Conant and Douglas, and univents were installed at Gates and Conant; these projects are expected to reduce natural gas usage by 25-30 percent. Nets by baseball and tennis courts were paid for with non-appropriated funds, and Community Ed paid for resurfacing tennis courts at RJ Grey and replaced half of the bleachers in the RJ Grey gym. The district implemented the first phase of the technology upgrades approved at Town Meeting.

Mr. Ryan said that there are concerns for the new school year, including the significant turnover of staff, struggling to keep class sizes down, the continuation of the comprehensive capital plan

for Douglas, Conant, Gates and Administration building, and the availability of state revenues. McCarthy-Towne will be hiring a new principal, and with the announcement of Mr. Ryan's retirement in July, the School Committee will undertake a search for a new superintendent. The second phase of the capital plan would be to replace four roofs for approximately \$2.9 million. The School Committee will continue to discuss the revenue outlook for the coming year, especially Chapter 70, given the economic outlook and Ballot Question 1. Mr. Ryan concluded by saying that there are lots of things to be proud of in our schools, and that our schools prepare young people very well for the college experience and for life.

Finance Committee members asked several questions. Mr. Kabakoff asked about the underspending in the teaching line item and whether that indicated that the schools are overbudgeting. Mr. Ryan said that the teaching line item needs to be paired with the substitutes line item, which was underfunded due to several leaves and the need for long-term substitutes. Together this results in a \$70,000 difference in an \$11 million budget. Mr. Kabakoff asked about differences between budget and actual in utilities and health insurance. Mr. Ryan said that the budget for utilities for the current year was \$260,000 less than FY08. The health insurance difference is result of higher rate of increase for Blue Cross rather than HMO plan, and the fact that more school employees have moved from indemnity plan to HMO, which saves the district money. The FY09 regional budget for health insurance is \$101,000 less than FY08, and the APS budget is \$42,000 less to reflect these trends. Mr. Sharp asked about how the school district would cope if state revenues are less for FY09. Mr. Ryan said he is very concerned about this year, and more concerned about next year, and that we are fortunate that there are reserves available for the town and for the region. Regional E&D is likely to be certified at about \$1.1 million. Mr. Mullin commented that the School Committee should continue to work on administrative contracts and costs. Mr. Ryan said that as the School Committee embarks on search for a new superintendent they should look at total cost of contract and other benefits. Mr. Ryan said that it is always important to have responsible budgeting, given the economic outlook. Ms. Clifford comments favorably on the substantial list of capital and maintenance items completed over the summer.

### **Update on Minuteman Tech**

Mr. Noone introduced Chuck Olmstead, Acton's School Committee representative for Minuteman Technical School. Mr. Olmstead said that Minuteman is undertaking several improvements which include an ESCO project for energy efficiency, development of a strategic plan, and development of a construction plan. First, Minuteman hired a consultant to evaluate savings that could be achieved through energy-efficiency; this is estimated to be approximately an \$800K project. The contractor would estimate what savings would be, and those savings would be used to finance the improvements. Engineering study should be completed this summer, and completed in about a year and a half. Second, school is about 30 years old and is developing a strategic plan to determine what subjects should we taught, which will drive the type of facilities required. Working closely with the Massachusetts School Building Authority, Minuteman is striving to complete the strategic plan by the end of next summer, and start construction shortly after that and complete in 3-1/2 years time. No estimate of cost is available yet, but MSBA reimbursement should be about 45 percent. Mr. Olmstead said that enrollment for the current year is slightly less, so he would expect that the budget for FY10 would be about

3-3.5 percent over this year. He complimented the new superintendent Ed Buquillon for his leadership on the strategic planning initiative and more.

In response to Mr. Noone's question, Mr. Olmstead said that Acton accounts for 20 FTE at Minuteman, and the junior high classes an additional 40 FTE. When Minuteman began, Acton contributed 100 students with a total town population of about 8,000. Mr. Noone asked what percentage Acton would pay for capital plan, and Mr. Olmstead was not sure. All 16 towns would have to share in capital construction, probably apportioned by students. Mr. Kabakoff and Mr. Evans asked several questions about the ESCO project. Mr. Olmstead said that the contractor doing the work would borrow the money and would assume the risk for achieving the savings. Mr. Brandon asked whether there would be an independent audit of the energy savings to ensure accurate information from the contractor. Mr. Olmstead said that they compared performance among contractors and are confident they selected a reliable company with a good track record. The contract specifies a timeline and other conditions for compliance.

## **Special Town Meeting Article 2**

Mr. Noone introduced Andy Magee, a member of the Board of Selectmen and chairman of the Open Space Committee, to present information about the purchase of land for open space on Piper Lane, which will be undertaken as Article 2 of the Special Town Meeting on October 2. Mr. Magee showed a map of the Great Hill Conservation Area, one of the most used conservation areas. The proposal is to use set-aside funds from the Community Preservation fund (currently \$1.75 million) to purchase land and historic house (circa 1840, formerly part of South Acton post office); put a historic preservation restriction on house, and put house back on market and recoup the price of the house. Mr. Magee said this purchase was consistent with many of the priorities of the CPC plan.

In response to a question from Ms. Clifford, Mr. Magee said that if the land were not purchased it would impact other growth issues in South Acton. The parcel could accommodate multiple houses or a 40B development. About 80 units of housing have been developed in South Acton in the last several years. Fincom members commented favorably on the proposal. Mr. Magee further commented that more than a hundred neighbors had signed a petition asking that the house and parcel be preserved, and that there would be no pressure to re-sell the house until the real estate market improves. The article asks Town Meeting's approval to go ahead, but next step will be to negotiate a purchase and sale, contingent on house inspection, etc.

Mr. Mullin moved, and Ms. Clifford seconded, that the Finance Committee recommend Article 2. Motion passed unanimously.

## **Feedback on Joint Board Meeting**

Mr. Noone requested feedback on the joint board meeting. Mr. Mullin commented that there should be time limits on public participation. He felt that this was a working meeting which ended up dominated by inquiries from the public. Mr. Evans said he did not find it terribly useful. His primary concern is that there are serious issues with respect to state aid, and we shouldn't wait until December or January to start preparing B budgets, and making a strategic

decision about what to do about the projected deficit in FY12. Mr. Kabakoff thought it was a valiant effort and he supported the opportunity to sit down and get acquainted before budget season ensues.

### Committee Reports

BOS	9/22 meeting – oversight for ACHC, Domestic Violence network.
Health Insurance	Discussed expected increases in HI costs for next year; assume 10 percent. As we get closer, numbers may improve. Decision on rates is unlikely before February or March.
APS	9/18 meeting – discussed petition by Acton Voters Group and voted unanimously not to support the article at STM.

Mr. Sharp motioned to adjourn at 9:35 p.m. Motion was seconded by Mr. Kabakoff, and voted unanimously.

Respectfully submitted,

Mary Ann Ashton  
Clerk

Next Finance Committee Meetings: October 2 (pre-STM), October 7, October 21  
Special Town Meeting, October 2  
ALG, October 10  
ATFC Annual Meeting, November 1