

Minutes – Acton Finance Committee
October 7, 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 October 7, 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: Steve Ledoux, Paulina Knibbe, Jo-Ann Berry, Dore Hunter

Chairman Steve Noone called the meeting to order and offered an overview of the agenda. There was no public participation offered. Mary Ann Ashton presented minutes from September 9, September 23, and October 2. Herman Kabakoff moved to approve all three sets of minutes, and Bob Evans seconded. All approved unanimously.

Update on Commonwealth's Financial Issues

Town Manager Steve Ledoux spoke to the Finance Committee regarding the potential impact of the state's financial problems on the town of Acton. Governor Patrick is investigating budget cuts as the state faces a significant shortfall in revenues. He has said that local aid would be the last choice for cuts, but the town must be prepared. Mr. Ledoux has instituted a hiring and spending freeze; he is looking at requested expenditures on a case-by-case basis, but any department head that wants to fill an opening will have to make the case for why this is necessary. He has also asked department heads to prepare an analysis of what would happen if the town had to implement a 5 percent reduction right now. He shared an e-mail from Representative Cory Atkins, which says that the House Speaker DiMasi has said that local aid could be reduced.

In response to questions from Fincom members, Mr. Ledoux said that the town currently has seven or eight open positions. First quarter local aid payments were made last week. Mr. Kabakoff asked whether there was concern about the state "pirating" Community Preservation funds, and Mr. Ledoux said no. Mr. Tindal observed that half of the state's \$2.4 billion rainy day fund was used to balance the current fiscal year budget at the state. In response to several questions from Mr. Mullin, Mr. Ledoux confirmed that the Social Worker position would also be subject to the hiring freeze. Revenue sources are about the same, although there is some concern about the overlay account as a result of the Grace settlement; the payment rate for taxes has been good and there are no major changes to expected expenses. Ms. Clifford asked Mr. Ledoux about items appropriated at last spring's Town Meeting, and what has already been done. Mr. Ledoux said that the Hayward and Main intersection is on hold until spring, and NARA improvements may be done in-house or put off until spring. The fire truck and ambulance would be funded through the ambulance fees, so there is no reason to delay those purchases. Of the new positions, only the assistant planner/zoning enforcement position has been hired.

Feedback on Special Town Meeting

Fincom members provided comments about the Special Town Meeting on October 2. Members thought that the meeting had been well-attended, and that the meeting was generally well-organized and well

run. Several members commented on the value of the audio/visual equipment which was able to draw people into the process, and others said that the large numbers of voters checking in simultaneously was frustrating for some. Several commented on the need to get those who did not feel that they were able to participate in the budget process last year involved in the new budget cycle. Mr. Tindal said that he had heard from several people that communications needed to be improved as people often aren't aware of the things that the town does to help community members who are struggling financially. There are many opportunities for participation, and as a town we need to publicize more about the process and the opportunities to "watch the sausage being made."

Communication to the Public

Mr. Mullin said that the Finance Committee needs to communicate more directly with the public about what we do and the process for developing the budget each year. Committee members discussed how to accomplish this, and Bill agreed to refine his idea and present it to the committee at the next meeting.

Guidance to ALG Reps

Mr. Noone said that the Acton Leadership Group will meet on Friday morning, October 10, and requested guidance from Fincom members. Bob Evans said that there are two things that should be done to develop a budget plan: first, the three-year plan should be revised to assume that state aid is at the level currently in the plan, but the expenditure level grows at a lower percentage than what is currently in the plan, and second, the three-year plan should be revised to assume that state aid is significantly lower for FY10 and FY11. Each of these plans should be developed and then the committees will need to make a decision about the correct direction in February, depending on the outlook for the economy and plans for the state budget. Ms. Clifford agreed, and said that the plan needs to test for the sensitivity of other items, including slower payment of taxes, the needs of more vulnerable citizens, etc.

Committee Reports

BOS	10/6 meeting – progress on Alexan project; policy issues related to OML; donation of land by Carlisle owner
School Administrators' Benefits Review Subcommittee	Bill Mullin is participating in committee with Michael Coppolino and Bruce Sabot to focus on cost of administrative salaries and benefits.
APSC/ABRSC	Interviewed firms to assist with search for new Superintendent. No decision made yet.

Kent Sharp moved to adjourn at 9:40 p.m., Herman Kabakoff seconded, and all approved.

Respectfully submitted,

Mary Ann Ashton
Clerk

Next Finance Committee Meetings: October 21; ALG, Oct. 10; ATFC Annual Meeting Nov 1