

Minutes – Acton Finance Committee
August 2, 2005
Acton Town Hall – Room 204 7:30 PM

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 pm on August 2, 2005. The Agenda for this meeting is made by part the Minutes and is attached.

Members present for the meeting: Pat Clifford, Bob Evans, Gim Hom, Herman Kabakoff, Steve Noone, and David Stone, Chair. Associate members present: Allen Nitschelm and Kent Sharp.

OLD BUSINESS:

Free Cash and Stabilization Fund: The Chairman offered a presentation on the means of developing a Finance Committee policy guideline for free cash and sought consensus among the members present on the elements and effectiveness of such a guideline.

Mr. Evans observed that there may be too much unfunded capital expense to effectively operate a reserve fund. He cited the conflict between a new heating system for Douglas and the requirement to maintain a reserve as an illustration of the conflicting priorities that would face the committee.

Mr. Kabakoff does not support spending free cash for operating budget and believes that there should be a reserve for emergency needs. HE said capital spending should stand on its own.

Mr. Nitschelm supported all of the ideas in Mr. Stone's presentation.

Mr. Sharp suggested that there a set level of capital spending would be desirable.

Mr. Noone indicated that he believed it prudent to have something in reserve as capital spending always gets pushed off.

Ms. Clifford concurred with Mr. Evans and commented that the Committee had for the past year sought to focus on capital expenditures and did not believe that process should be abandoned.

Mr. Stone concluded that he would add capital as an element in future discussions.

FY 07 Budget Process

Mr. Stone reported that the town and school budget workshops would be scheduled in January and suggested that FinCom might want to develop its own process to talk with

departments and engage in fact finding on items such as a new staffing model for the Fire Department . Another area of concentration might be revenue enhancements.

In response to Mr. Nitschelm's comment that the FinCom could proposed a "C" budget with the lowest possible override, Mr. Stone commented that this year is a non override year and the Town will live within the outcome of the pyramid override that had been put forward by the Finance Committee.

Willow Central Affordable Housing: Mr. Sharp reported that subcommittee had met and was looking at a cost/benefit model to help evaluate the town's choices for a specific piece of land. A broader approach may be to update a previous model on marginal costs, including data on construction costs and current legal requirements.

Minutes of the July 12th meeting: Mr. Kabakoff requested that the minutes of the discussion on compensation and benefits reflect the comment that Acton in general is not affordable for the first time homebuyer. He moved approval of the Minutes as amended. The Minutes were then adopted without objection; Mr. Hom abstained.

COMMITTEE REPORTS:

ALG: (Stone) The discussion focused on operational issues surrounding the charter and ground rules. There is a sticking point regarding the presentation of a consensus reached by ALG to the three committees; specifically the differentiation between representing and supporting the consensus. There is some concern that consensus could suppress the independent roles of the three committees. There was also a preliminary discussion of free cash.

BOS: (Kabakoff) The July 18th BOS meeting as long but basically routine. The Board considered the addition of Powder Mill Plaza to the Sewer District, saw the same presentation from ACHC that FinCom saw the previous week and approved the requested transfer of the site, and discussed and approved the Wampus Avenue condominium conversion. The BOS conducted its annual review of the EDIC, which is rethinking its commitment not to request seed money from the Town. Other agenda items included the Grace property clean up, announcement of Bob Johnson's resignation, and the Town Manger's annual evaluation.

CPC: (Hom) Accepting proposals; Mr. Hom is forwarding relevant committee documents via email.

HIT: (Stone for Chinitz) Preparing for the 2020 meeting on September 28. Mr. Evans and Mr. Hom indicated that they would not be present for that meeting.

LAN: (Clifford) The consultant -- CDM -- met with the committee prior to submitting the application for a post closure permit for the landfill. The process takes 60 to 90 days to get a response from DEP. Mr. Stone emphasized that the ideas proposed in the application were not necessarily plans that would be funded or executed.

ACHC: (Clifford) ACHC is working on the Willow/Central LIP application that will go to the Commonwealth. Once the application is approved, ACHC will begin the process of applying for funding. Blanchard Place reported out of ConsCom with conditions.

Reflecting on earlier discussion, Mr. Evans raised a concern about the overlapping of services offered by Community Ed and the Recreation department and the need to coordinate legal efforts as areas of budget overview.

Meeting schedule for August and September tentatively approved.

Mr. Kabakoff moved adjournment at 8:45.

Respectfully submitted,
Patricia Clifford, Clerk