

Minutes – Acton Finance Committee
June 17, 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 pm on June 17, 2008 to review various matters.

Members present for the meeting: Steve Noone, Herman Kabakoff, Mary Ann Ashton, Pat Clifford, Pat Easterly, Bill Mullin, Doug Tindal

Others Present: Steve Ledoux, Doré Hunter, Sharon Smith McManus

Chairman Noone called the meeting to order, provided an introduction to the agenda, and asked for public participation. There was no public participation offered.

Approval of Minutes

Mrs. Ashton presented minutes for the May 20 meeting. Mr. Mullin moved approval of the minutes, and Ms. Clifford seconded. The committee voted to approve the minutes unanimously. Mr. Kabakoff indicated that he would circulate draft minutes from the June 3 meeting before the next meeting.

FY08 Municipal Turnbacks

Town Manager Steve Ledoux presented information to the committee, indicating that the municipal budget will likely have a turnback of approximately \$588,000. He presented a list of the sources of the turnbacks as well as a proposal approved by the Board of Selectmen to spend \$292,536 of the turnback on improvements at NARA and various repairs to municipal properties and firehouses as detailed in a memo dated June 5, 2008.

Mr. Kabakoff referenced an e-mail from Bob Evans and agreed with Mr. Evans that next year's revenues will be tight and that any money from turnbacks should be saved. While Mr. Kabakoff supports the NARA improvements, he is concerned about the economy. Mr. Mullin asked about the source of the Finance Director's \$350,000 turnback; Mr. Ledoux responded that there were four unfilled positions, and later offered that some of the turnback was from health insurance savings. Mr. Mullin expressed concerns about trends of the revenues, including excise tax and overlay, as well as the status of free cash. Mr. Ledoux said that he is pushing to have free cash certified early this year. Ms. Clifford asked why the NARA improvements seemed less than the number provided earlier in the spring budget process; Mr. Ledoux said the difference stemmed from the fact that the improvements would largely be done in-house. Mr. Ledoux also addressed current status of hiring, including the HR director expected to be in place by early July. Mr. Noone asked about the dressing room and whether snack bar revenues contributed to NARA operations.

Mr. Mullin moved that the Finance Committee approve end of year spending as outlined in the memo totaling \$292,536. Ms. Clifford seconds. In speaking to the motion, Mr. Mullin emphasized that these expenditures are prudent and basic. Mr. Kabakoff said that he felt that the BOS was acting imprudently, and that there was too much uncertainty in the future. Following further discussion, the motion passed 6-1, with Mr. Kabakoff dissenting.

Following the vote, Mr. Noone added that he had asked the School Committee and Superintendent Ryan about school end of the year turnbacks. APS is close, and AB might have approximately \$150,000 in turnbacks, but it is unlikely there will be any additional end of year spending.

Budget Process Improvement

Selection of Budget Drivers

Mr. Noone presented list of budget drivers from last year. He also suggested several additions such as economy, state finances. Ms. Clifford suggests that Minuteman Tech capital plans be added. Mr. Mullin asks whether NESWC should be dropped. Mr. Mullin also says we’ve been in an “inflation neutral environment” for about 20 years; that’s likely to change and he thinks it should be added, either as a subcategory of “economy” or something separate. Ms. Easterly suggests looking at “new initiatives” – seems it might be worthwhile assigning someone to look at these issues sooner rather than later (e.g., technology spending by schools, “green team”). Mr. Noone thought that since all members of the Finance Committee had received copies of current contracts that all could be responsible for following the collective bargaining trends.

Assignment of Budget Drivers

Committee members volunteered for various assignments related to the budget drivers as follows:

Staffing plans	Municipal – Pat Clifford, APS – Pat Easterly, ABRSD – Mary Ann Ashton
Health Insurance rates, trends	Bob Evans
SPED	Kent Sharp
Capital plans	Pat Easterly
Energy costs	Steve Noone
Economy, inflation	Bill Mullin, Doug Tindal
State finances	Pat Clifford

Mr. Noone says that ALG has suggested October 15 as a “drop-dead” date for any type of override decision. He believes that a Point of View needs to be done ahead of this date, probably in time for the September 23 or October 7 Fincom meeting.

ALG Report

Mr. Noone reported on the ALG Meeting on June 16. The group discussed ground rules, including that they would maintain the “no substitution” rule, so that representation would be consistent and staff would be responsible for maintaining the spreadsheet. Lauren Rosenzweig, Heather Harer, and Herman Kabakoff will be responsible for planning Acton 2020 meeting. There was a discussion about what happened to the concept of a joint budget meeting. Mrs. Ashton said that this should be distinct from the Acton 2020 process; Mr. Noone says that there’s been some confusion about what the 2020 process is, and Mrs. Ashton offered to write up something and send to ALG members.

The ALG also discussed the role of comparable communities to help determine what the revenue split might be between the municipal and school budgets. Finance Committee members asked about the reasons for developing separate lists of comparable communities. Committee members also asked about the proposed idea that not only would the Finance Committee develop a Point of View document, but also the BOS and School Committees would each develop a Point of View document.

Mr. Noone asked that everyone think about these issues and the Committee would have a further discussion at the July 15 meeting.

Committee Reports

ABRSC	AB expects to have approximately \$150,000 turnback at the end of the year. Also had an interesting report on the history of Chapter 70 funding in the June 5 packet.
BOS	06/09 meeting – Sidewalk Committee presented report indicating six areas of priority. AHC presented information about Sachem Way. There was an update on the Green Team. BOS approved end of year expenditures (discussed above). BOS appointed Kent Sharp as the Finance Committee representative to WRAC.
Comprehensive Community Plan	As with all other town boards, the Finance Committee has been asked to respond to three questions and to attend a meeting and present their answers as part of the outreach plan. Mr. Noone and Mr. Kabakoff will attend one of the meetings.
CPC	Putting together working plan for next year. Due date will be November 10. Will meet over summer to clarify some experiences. Public hearings in September.
Planning Board	There was a report on WRAC. Quail Ridge hearing on access was postponed. Chris Schaffner left the Planning Board after seven years, and had some interesting farewell remarks regarding street signs, sidewalks, wind turbines, and local rules.

Ms. Clifford motioned to adjourn, and it was seconded and voted unanimously.

Next meetings: July 15, 2008
 August 12, 2008

Respectfully submitted,

Mary Ann Ashton
 Clerk