

ALG Minutes June 28, 2018

Present: Bart Wendell, Facilitator; Katie Green & Joan Gardner, BoS; Paul Murphy & Diane Baum, SC; Jason Cole & Roland Bourdon, FC; Steve Ledoux, Steve Barrett & Marie Altieri, Staff. Absent: Superintendent.

Audience: Janet Adachi & Jon Benson, BoS; Peter Ashton, Town Moderator; Mark Hald, Asst. Town Manager; Brian McMullen, Asst. Finance director/principal assessor; Dave Verdolino, school finance director and Charlie Kadlec, public.

Extra info: ALG Charter & Ground Rules; Multi-year financial model; Suggested calendar and meeting dates; and Mr. Kadlec supplied a copy of the ALG website language with yellow highlights.

There were general introductions around the table. New to the ALG this year are Selectman Joan Gardner, FinCom Roland Bourdon and School Committee Diane Baum.

Bart introduced himself, told about the history of ALG saying that it was a unique organization in Massachusetts. Bart noted that when the ALG first started, people thought it was a CABAL where discussions were held in secret.

People read through the ALG Charter and Ground Rules. Bart stressed that the whole of the success of the ALG depending on members agree with the rules and change those that they thought needed changing. He also noted that the ALG was “new” and one year’s group could not make commitments for a subsequent year.

Jason questioned the use of “and” in the sentence “manager and designated staff” It was agreed to change to “one designated staff”

Under quorum: per board was added; and one staff person for school and town.

Weather cancellation will follow the ABRHS district if the ALG meets in the AM and Town Hall if the meeting is changed to the evening.

There was general agreement with the changes.

2. Minutes from February 28 were accepted.

3. Updates on FY19 revenues & expenditures and FY 18 year end

SL: there is a winding down of the year and we are on target with revenues

SB: We are predicting a 1% turn back. We have only 33.15% of the spending so that means @\$300K. We have only a few more days---the next payroll is July 4-5.

On the revenue side; we are working on the tax recap \$90m in revenue has come in. We have a growth in local receipts from \$750K-\$1m.

Paul: you say investment is up...

SB: Our investment income there has been an uptick in the interest rate ---so we have earned more.

Marie: the school projection is \$1.7m surplus. We are accelerating some capital; \$92K in paving needs and vehicles. We did a similar thing last year when we took capital needs from next year and did them now. The projection is to have the "lion's share" go into E&D--\$3.8m. We are in good shape with a surplus @1.5-02% of the budget.

As for the building: we have to wait for the MSBA—we will have a project review in July. We have a project manager on board. We are working on our five-year capital plan and will lick-in the capital expenses for this budget cycle.

I want to thank Bill McAlduff for his leadership over the last year.

Bart: any questions?

Jason: do you take the \$750K from the town and the \$1.7m from the schools to get the \$3m in replenishment?

SB: we get the replenishment from other places than turn backs.

Jason: the certification looks closer to \$2.7m rather than \$1.7m. Are you trying to pull in so it will go down?

Marie: it's very early yet and the \$382 for the trucks and paving comes from the \$1.7which makes it@ \$1.3m.

Jason: we should not say what the final numbers will be until around Jan. 30th.

Joan: do you have the physical locations for the schools as yet?

Marie: will still think it will be by December. We have to work off the MMSBA schedule and it takes months. We are on the agenda for July 24.

Jason: this is a most frustrating process. We can't even take perk tests to find suitability until we get the OK from the MSBA.

5. Spreadsheet

Steve B. went through the pages of the spreadsheet, noting that page one was what went to town meeting and the subsequent pages depicted the changes made during the year and the final decisions. He noted that there is an imbalance for the outer years (a common occurrence at this time of year in the ALG cycle)

The Plan was first formulated by Mary Ann Ashton and some may consider it an Edsel but it has generally worked.

Marie: a working group of Steve Barrett, Brian McMullen, Dave Verdolino and I have been tasked with updating the spreadsheet. It has been an effective group.

Jason: shouldn't we add to \$700K to the \$2m of reserve use.

Katie: that will be replenished.

Marie: there has been pressure to lower reserve use to \$1.3m but if you look historically we have turned back in the \$2m range and our average reserve use over the past five years has been \$2.7m

Jason: I'm not really interested in the historical perspective I just feel that reserves should be used for capital and not general.

Diane: since the FC's POV the school committee has set aside \$2m from E&D

Marie: reserves, free cash and E&D have been used for one-time expenses i.e. single tiered bussing.

Bart: So should it be for capital or one-time uses?

Jason: my position is that reserves should be used for capital. We have a capital deficiency. The financial position of the town looks rosy until you take in our capital needs; they far outstrip our reserves. If we have reserves they should be used to retire our liabilities and not used for the general fund.

Katie: once the FC's POV is on the table we can look at the numbers.

Bart: when and what time is it best to make the changes?

SL: we have a suggested calendar

6. Review of future meeting dates and time line

SL: we moved up the decision on "override/no override" (to October the SC budget hearing is not on the chart).

Roland asked for the meeting to be moved to a Thursday evening at 7Pm

There was a discussion about changing the time from 7 AM to 7PM and date from Thursday to Wednesday. Katie noted that BoS members were also liaison to town committees and many of their evenings were already taken. Diane noted that the SC already has a full schedule and many times an extra meeting is necessary. Roland has a long commute and others would rather get to work on time.

It was agreed to try to meet on September 26 at 7PM. At the same time Katie will do an analysis of the time change as it impacts other regularly scheduled meetings

Then there was a discussion about notification of cancellations. It was agreed that if the ALG is in the morning, then the cancellation schedule will follow that of the schools. If it's in the evening the policy will follow that of the Town Manager.

Bart said that he the pleasure if working with Steve L. This was Steve's last ALG meeting.

7. Public Comment

Mr. Kadlec noted that he has asked many times for the spreadsheet to have the actuals listed. He hoped that any spreadsheet changes included an actual column.

Mr. Kadlec distributed a printed sheet taken from the town website which highlighted the areas where public input is noted. He said that many times if the public was allowed to speak on a particular item at the time it's being discussed by the ALG. He contended that sometimes a public comment could save time.

Bart: reminded members to send in agenda items in a timely manner.

The next Meeting will be September 26, 7PM

Adjourned: 8:52

Ann Chang