



ACTON LEADERSHIP GROUP

Meeting Minutes

JUNE 20, 2019

7:30 AM

ROOM 204, ACTON TOWN HALL, 472 MAIN STREET

Present: Bart Wendell, Joan Gardner, Jon Benson, Paul Murphy, Diane Baum, Christi Anderson, Roland Bourdon, John Mangiaratti, Peter Light, Steve Barrett, Marie Altieri

Absent: None

1. Opening

Meeting opened at 7:30 AM

2. Regular Business

A. Meeting Minutes, April 2 and May 16 were accepted

3. New/Special Business

A. FY 19 Update

Peter: we are in the process of closing out the books and things are not final as yet. Monies are encumbered; there are around 20 capital projects underway and we are waiting for invoices from contractors. We expect to return 4.3%-4.5% to E&D.

John: we have 10 days left and expect to return 2-2.5%; replenish free cash \$7-\$800K; no snow or ice deficit; revenues are up 1%; investment income is up; DMV is flat; plan is to turn back @ \$2m

B. Review Multi-Year Financial Model

Steve B the model is the product we have for the warrant. We will be meeting with school staff to add FY23 to the sheet. So far we have taxed to the full extent; have \$1.3m in reserves. We will be moving forward with borrowing.

We will be showing the tax levy capacity, deficit and SF tax bill. We will have a draft for the next meeting.

C. School Building Update

Peter: we are on schedule; meeting with the full MSBA board; taking their recommendations for the schematic designs; working on refining the designs throughout the summer; developing cost estimates.

We will meet with the MSBA at the end of October when we will be given the percentage of the reimbursements. So far we have gotten two extra bonus points for the sustainability plans. The effective rate is approximately 49%. We are working on the cost cycles of the mechanical systems and going over the plans to find those areas that are not reimbursable. The biggest numbers are in the pre-school area. We are chipping away at small areas cutting



100-1000 square feet. We have the problem of two administration areas for the two schools where only one is reimbursable.

Jon: what's the cost now?

Peter: \$120-\$130m. Many things go into the reimbursement calculation including socio-economic ones. We know there is a hard cap of 8% on site work. Since we have to demolish two buildings, where there are some hazardous materials, we will exceed that 8%.

We don't know what the reimbursement will be; we are using conservative numbers of 35-40%

Jon suggested that the project not cut corners that will cost more in the future but "to do it right the first time."

Peter: we want to do it right and there are a lot of eyes looking at the project.

Marie: Acton's share will be in the \$68-\$72m range which would be an estimate of \$658-\$858/ average SFT.

Marie: with the December dates for the STM and ballot, we expect to start next spring.

D. Capital Stabilization Fund

Peter: Both towns received notice that the region was to fund the stabilization fund and they both waived the 45 day period for a STM. One million has been put into the fund. It will be used for unforeseen capital emergencies

E. Discussion on Special Town Meeting and Special Election

There was a general discussion on the need to start a focused information campaign for these events. Jon suggested that a ballot committee be formed and Paul agreed that he would help. This committee will be outside the selectmen, regional school and ALG. There was agreement that there needed to be coordinated communication.

The STM may also have articles that will deal with debt exclusion for the North Acton fire station and the debt for the construction costs for Minuteman Tech.

Since time is short it was also agreed that the ALG will continue to meet during the summer months. After a discussion around possible meeting dates and who would be available, it was agreed to meet on July 31 at 6:30 PM and keep the August 29th date at 7:30 AM.

There was also discussion on whether to have someone from Minuteman talk about the debt and there was a tentative agreement for the schools' rep, Pam Nourse, to come for a short, 10 minute discussion.

F. Public Comment

John Petersen suggested that the out years [of the model] also include the long term debt. He also suggested that there might be consideration given to help the operating budget by lessening the OPEB expenses and thus help keep the tax rate lower.

Marie suggested that a bonding chart would be prepared for the August meeting.

Bart directed that it be added to the agenda.

Mr. Kadelc suggested that the actuals for FY 18 be added to the model and he agreed that the bonding chart would be helpful.



4. Adjournment

Adjourned 8:40; Next meeting July 31, 6:30 PM

Documents and Exhibits Used During this Meeting

- Meeting Agenda
- Draft Minutes from April 2 and May 16
- Multi-Year Financial Model
- Draft Schedule for Upcoming Meetings