

Finance Committee

Meeting Minutes
August 6, 2019
7:30 PM

Public Safety Facility, 371 Main St. – Emergency Operations Center (EOC)

Present: Christi Andersen, Roland Bourdon, Jason Cole, Mike Majors, Sahana Purohit, Christine Russell, Steve Noone, Al Vlajinac (Associate), Dave Wellinghoff

Absent: Tom Farley

1. Opening

Chair Roland Bourdon opened the meeting at 7:30 PM

This meeting was recorded by Acton TV.

2. Public Participation

Terra Friedrich spoke.

- She is concerned with Town over-development.
- She is among a small group of residents who want to obtain a budget, which would cover staff & legal counsel time, to review making changes to the bylaws.
- The Finance Committee referred her to the Planning Board and Zoning Board of Appeals in regards to making those types of changes. She was referred to the Town Manager for her monetary request.

Jon Benson, Board of Selectmen Liaison, spoke at this portion of the meeting because he needed to leave early.

- Department of Housing & Community Development certified the Town's 2-year Safe Harbor Application on August 2nd.
- It means the Town has met the 10% 40B housing threshold for the period of July 19, 2019 – July 18, 2021.
- The data was based on the 2010 Federal Census. Threshold figures will be reset based on the 2020 Federal Census, but Jon estimates that the Town will be able to meet those figures as well.
- Now the Zoning Board will be able to have more discretion when reviewing 40B projects.

3. North Acton Fire Station Update

Town Manager, John Mangiaratti gave the Committee an update on the status of the North Acton Fire Station. The design has been forming, after funds were approved last year, based on feedback from public forums & Town Boards (Selectmen, Design Review Board, FinCom) in cohesion with the Architect.

- John showed a depiction of the building, the floor plan and an aerial view of the property footprint. Some design aspects he mentioned:

- Plan on reorganizing the current Acton Fire Staff to move 2 firemen into the new location. Built for up to 6 to accommodate future need.
- Design includes ground source heat pumps which will align with the BOS's environmental sustainability plan. Also makes sense based on return on investment.
 - FinCom requested more info on the ROI timeline vs traditional heating
- Of the 3 garage bays, 2 will be pull-through. The ladder truck will have to back into the 3rd bay off of Harris Street.
 - Traffic studies will be part of the design process.
- It was questioned whether the design budget included a cushion on variables.
 - There is design contingency which will dwindle as the design nears completion.
 - A construction contingency will remain until construction is complete.
- Design packages were sent to the Architect & Project Manager so that they can separately determine cost estimates. John has a meeting set up with both so that they can compare their independent estimates.
- After the cost estimates are reconciled, John will have a more refined construction cost to present to the Finance Committee

4. 4th Quarter Results for Fiscal Year 2019

Assistant Finance Director/Principal Assessor for the Town, Brian McMullan presented the Town's Fourth Quarter Financial Update. He reviewed with the Committee a memo from the Finance Director, Steve Barrett, given to the BOS & Town Manager.

- Free cash replenishment was low going into FY19. Town Manager & Finance Department set a replenishment goal to maintain levels before they affected the Town's Bond Rating.
- The goal was to put at least 2%, or \$700,000 back into reserves by the end of FY19.
- Achieved by both cutting budgets & not spending on unnecessary budget items.
 - Department heads were brought on board & aided in the process.
 - Vacancies were not filled unless critical to operations.
 - The Town offering its employees a HSA health plan saved in health care costs.
 - A mild winter meant DPW/Engineering had budget money left.
 - Nursing did not need all of the budget allotted for contractual services this year.
 - Police Department received funding for initiatives, like green vehicles.
- The Town's revenue stream aided in achieving this goal.
 - Real estate tax collection rate continues to be outstanding.
 - State Aid came in as expected.
 - Local receipts can be hard to judge, but some one time fees such as building permits issued to Insulet boosted numbers.
 - Motor Vehicle excise tax came in \$122,000 more than estimated.
 - Returns on investment income were good.
- Preliminary results show that the goal was exceeded. \$927,000 of unspent budget money was returned to free cash.

- Still in the process of closing out FY2019.
- State Department of Revenue still needs to certify the figures. Will sign off on Acton's Free Cash Calculations by September 1st. May have Statutory Adjustments – unexpected changes in liability calculations.
- Free cash is expected to be 3.1 million dollars.
 - \$927,000 returned as part of FY19 goal
 - \$700,000 additional revenues
 - \$1,200,000 budgeted to repair Memorial Library roof. Project completed under budget. \$500,000 returned to free cash.
- Brian concluded that overall FY19 was a good year for the Town's Financial Security.

5. Point of View Drafting Group

Christine Russell went over draft POV presentation version 2.3. She and the POV Drafting Subcommittee have been updating the draft presentation based on feedback obtained from the Committee as a whole.

- This was the 5th pass at finalizing the presentation.
- Speaker's notes were added which will print on handout copies of the presentation. The notes were written so that the general public will be able to understand the topics without having a financial background.
- The committee scrutinized some of the numerical data this round to ensure that the make-up of each of figure is known & transparent. Some of the census data is still pending.

6. Finance Committee Business

A. Committee Liaison Reports

Committee Members who are liaisons to Committees that met during the interim between last FinCom meeting and this meeting gave reports as to what occurred at those meetings.

- The Acton Leadership Group Liaisons mentioned that a tri-board meeting of the Board of Selectmen, Finance Committee, & School Committee is being planned for November.

B. Meeting Schedule

Finance Committee meetings are usually held on the 2nd & 4th Tuesdays of each month, which is the plan for the remainder of August, September, & October. The 2nd meeting of November will be moved from the 26th to the 19th to allow for ample review time before the warrant article recommendations need to be finalized.

C. Approval of meeting minutes

The June 25th minutes were reviewed and approved as amended

7. Adjournment

At 10:06 p.m., it was moved and seconded to adjourn the meeting.

Documents and Exhibits Used During this Meeting

NAFS Boards

4th Quarter Financial Update Memo
Point of View Slideshow (version 2.3)
June 25th Meeting Minutes

Respectfully submitted,

Finance Committee