

Finance Committee

Meeting Minutes
May 20, 2020
7:00 PM
Virtual Meeting

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

Absent: Al Vlajinac (Associate)

1. Opening

Vice-Chair Christi Andersen called the meeting to order at 7:10 pm. The Finance Committee Members and audience attended the meeting remotely through Zoom.us virtual meeting platform. The meeting was recorded through Zoom and also by ActonTV.

2. Public Participation

Audience members were given the opportunity to participate remotely, but there was no public participation.

3. ALG Update

Roland B. gave an update on the latest ALG meeting. It was noted that the 30year bond market was non-existent. The town is planning on short term borrowing for the North Acton Fire Station. The Town also has a very good short-term borrow rating. The schools are reducing their budget by \$1m dollars but keep \$500k as contingency. June 29th was chosen for Town Meeting and planned for one night only. The Kelley's Corner project borrow was reduced from \$1.3m to \$600k. FY21 State Aid was level funded to the FY20 dollar amount. The schools assessment to the town was reduced by \$438,500. The municipal spending package was lowered by \$215k pending the BoS approval. There were concerns about having town meeting and what safety measures were being put in place. It was decided to use the upper gymnasium, no clickers, have plenty of hand sanitizer and provide enough seating with significant spacing between them and potentially using the outdoors. The question regarding the preparation of the 1 1/12th budget came up whether there was a contingency plan in case the budget failed. Steve B. commented that we have a plan in place. A question also came up regarding the issuance costs of the short-term ban. Steve B. will find out what the cost was to issue. Concerns were brought up about the length of time that Town Meeting will run. The plan is to keep the presentations short and have them available before Town Meeting.

4. Finance Department Update

Steve B. - The latest data on cash flows where close to 90% on tax collections and 91% on M.V. excise. Budgeted fees and permits are 90% collected and have received 100% of investment income. On the revenue side we are doing just fine thanks to our residences. The year is looking good as we roll into the future. We will plan on providing additional updates as we move forward. Adam N. is the 90% on tract with the past experience or do you see that impacted

by COVID-19? Steve B. We're close to where we are usually but maybe slightly off but there is still time before the due date. John M. – The CARES Act will provide Acton with up to \$2.1m for COVID related expenses.

5. POV Addendum

Roland B. We should add short term bond rating is a SP-1 as determined by Standard and Poor's. Would like to see some detail on the current bonds and when they are paid off. This could be done for future POV's. Slide 14 "Concerns: Recession" update - loss of revenues from \$3m to \$2m. Christine R. Made a motion to approve the revised FY21 FinCom POV. Christi A. Second. Roll Call: Christi Andersen - Aye, Roland Bourdon - Aye, Jason Cole - Aye, Mike Majors - Aye, Steve Noone - Aye, Sahana Purohit - Aye, Christine Russell - Aye, Dave Wellinghoff – Aye.

6. Finance Committee Business

A. Christine R. - Provided an update on School Committee business relative to the timing of union contract settlements. Christi A. - Schools had additional money this year due to the shutdown so they are folding some of next year's projects into this year. Jason C. - the school building sub-committee is hoping to do the test on the geothermal wells this week. Mike M. - gave a brief update on Minuteman Regional School athletic fields. What's FinCom's position on small business support? Some businesses are doing just fine and others are really suffering. Jon B. - What they're really looking for is tax relief. Small businesses want action now as we are in a crisis. Mike M. – Maybe give a portion of their liquor license back. Get the Chamber of Commerce involved. They probably have a better handle on the needs. What would they like to see? Adam N. – In a capitalistic society small business are supported by their patrons and not the tax payers dollars. I'm not totally against helping out the small business in town as I myself support them. We need to be cautious. Jason C. - The devil is in the details I would like to see exactly what the proposal is. Should the taxpayers in the town bail out the businesses in the town....absolutely not. We should not be charging them a fee if they are not allowed to do business. Adam N. – Is the town going to bring this to town meeting as a warrant article and let the taxpayers decide on how their money is spent as that's the heart of the issue? Jon B. - Town Council was asked what the process would be to give tax relief in the form of an abatement and opined...it would probably take a legislative act. Sahana P. – Given the usual circumstance I think we should be doing something for the small businesses. Dave W. – We don't have a lot of data on this subject matter. Need a better sense of how the money is to be allocated.

7. Adjournment

At 8:42 pm, a motion was made by Associate Member Adam Nolde and seconded by Jason Cole to adjourn the meeting. A roll call of the vote to adjourn was taken:

Christi Andersen - Aye, Roland Bourdon - Aye, Jason Cole - Aye, Mike Majors - Aye, Steve Noone - Aye, Sahana Purohit - Aye, Christine Russell - Aye, Dave Wellinghoff – Aye. Adam Nolde – Aye

The meeting was adjourned by majority vote.

Documents and Exhibits Used During this Meeting

None

Respectfully submitted,

Finance Committee