

ALG Minutes, August 26, 2021, 8AM, Zoom

Present: Bart Wendell, Facilitator; Dean Charter and David Martin, S B; John Petersen and Kyra Wilson Cook, SC; Christine Russell, FC; John Mangiaratti, Peter Light, Steve Barrett and Marie Altieri, staff. Absent: Adam Nolde, FC. Public: Charlie Kadlec

Extra Info/documents: Agenda, May 27th minutes; ALG spreadsheet

I. Regular Business

1. Minutes were accepted

2. ALG Charter and Ground Rules

Bart reviewed the reasons and generation of the Ground Rules and Charter. He noted that what happens in one year is not carried over to the next. He stressed that the rules of no substitutes insured that the members were fully informed. He noted that the ALG was a means of communication among the boards and the committee members were to take the consensus that was worked out in the ALG back to their particular boards and make a good faith effort support that consensus to their boards. If it turned out that the board members did not agree, the issue would be brought up before the ALG again. Making agreements within the ALG process made Town Meeting a lot simpler.

Changes: Line 2, the s was removed from Committee; the line about the weather was removed totally. On the title line the revision date was changed to 8/26.

Marie and John Petersen noted that the copy that was presented was not the most recent.

There was discussion on whether the meetings should be held via Zoom or in person. There was an agreement that meeting in person was more productive but that the zoom option should not be totally discarded because it might be helpful during inclement weather. If a zoom meeting becomes necessary, it will be in the purview of Town Hall to make the decision.

II. Special Business

3. FY 21-22 Update

JM: we are in the middle of the FY 21; we have changed the auditing firm just to get a new look. The turn back of around \$1.4m is due mostly to the hiring and spending freeze. It's a buffer to cover general expenses; there is a \$350K deficit. The free cash estimate \$3.7-\$4.3m which will be fine-tuned within the next few weeks. We hit the gold standard for tax collection at 99.5%. The computer parking lot had a bad year and we reduced monthly fees from \$125 to \$25 to save a spot. There are no concerns right now about the enterprise or revolving funds.

For FY 22---we have a 98% return in the tax bills sent out on 8/1. We have started to do some restaffing; four fire fighters; two police officers; we are looking at new hires for public works.

Peter: Dave is working with the auditor; FY21 will be presented to the SC in two weeks with an over view. We have a modest revenue variance of around \$100K. We still have COVID expenses. The schools will be turning back approximately \$1.2m My concern is with the revolving accounts: kindergarten and food service are using recovery act funds; Community Ed has taken a real hit and that is a concern for the district.

Bart: Questions?

J.P.: the turn back of \$1.2m is not final but if it's correct, that should change the net use of reserves for FY21.

Marie: it's closer to \$0 we took \$1.1m from E&D and we put \$1.2m back It's good to be below the threshold and return what we took out.

J.P: if the revolving funds no longer have balances, should we use E&D?

S.B town still using the ALG plan (passed at ATM) for FY22. We used \$658K from stabilization and \$595K from free cash for the total of \$1.2m; we have \$1.1m in reserve; we had a \$1.4m in turnback so had a net zero in reserve use. This is very good news after such a rough year.

Peter: we could possible also be at net zero. Last year was extraordinary and we used millions in federal and state aid; we are still \$1.5-\$2m in the hole---but we must keep in mind all the unknowns for the coming year.

J.P: two expenses the additional air filtration and the tech investments did help. We need to parse out the unexpected aid to advance our core mission

Peter: we spent between 1/4-1/2 m on filtration; tech was another ½ m and staff was 3/4m

Marie: some of those numbers, especially on staff may be low. Remote was \$1.2m just for staff.

J.P: The Acton Health Insurance Trust had a cash flow loss in FY 21 of around \$2m; we had budgeted for a loss of \$1m. The HIT reserve is now in our target range and large losses would not be acceptable. There are still a lot of moving parts but there may need to be a robust in health insurance rates this year.

4. ALG model

SB: we are working from the plan passed at Town Meeting. For our next meeting I will add FY 25 and deal with the changes in FY 23. Right now, we have \$0 tax levy increase; \$1m in reserve use; \$923K deficit; municipal budget increase of 3%: ABRSD 3.25%; MM about 28% (we will be going through these numbers carefully)

Marie: before every meeting we get a spreadsheet with the newest changes. The first sheet is a high-level summary but there is good back up info in the back sheets such as a history of reserve use and tax levies.

Bart: no one should panic at this point about the size of the deficit. A large part is due to changes in assumptions and estimates and its normal to see a deficit at this time in the process.

The model discussion morphed into a general discussion about the usefulness of having an early April Town Meeting when the numbers were still so soft. Peter noted that having only first quarter numbers tended to distort the assumptions and increase estimates which in the end, were not valid. He said that it would be so much better to have second quarter numbers available which would allow for more accurate estimates.

JP noted that the HIT was working with numbers generated in the summer months and if the ATM were postponed until later, they'd have more accurate data on the trust's use and therefore better cost increase estimates.

There was a general feeling among the school people that aligning the Acton Meeting with that of Boxboro would not only save administration time but they would be able to present a better budget to both towns.

Dean was also in favor of moving the ATM to a later date to allow for more accurate budgeting. However, he cautioned about the gap between a late spring meeting and a March election. He added that the newly elected people could not be expected to provide information at a town meeting when they were not involved in the process of generating that information.

David added that the select board had an ATM date change as one of their goals and that changes would be discussed at the next meeting.

Bart: I can see that there is a consensus of the group to change the ATM time to later in the spring. Since the ALG cannot make this change; I suspect that you want to make a recommendation to the Select Board that such a change be made. There was general agreement with this move.

4. School building and Fire station update

Peter: the construction is moving along at a good pace. The insulation and façade are being put in place; the bus loop is finished as is the septic system. In the interior they have started the framing and are working on the HVAC. The board walk (pathway between the Douglas and Gates schools) will be completed this week. We have started to do some site clean-up. The project continues to be on budget.

Marie: We are planning on opening at this time next year. If you go on the school committee website you can see all the construction photos---they are fun!

John: The siding is up and it looks like a real building. That will be finished in October. There has been some delay in the drilling but we are back on schedule with that. The Harris Street side walk is nearly complete. We are expecting to have a ribbon cutting before the snows fly. There is a time capsule with information from both the fire and police departments that will be buried onsite.

JP: When we occupy this new fire station, can we expect any meaningful budget increases?

JM: we have three old inefficient fire stations and now we will have a new efficient building. At present the operating costs are not in the FY23 budget/

Peter: It should be understood that there will be additional custodial costs with the new schools. We are making savings on heat /cooling, electric; it's too early to predict the costs ---it may be shy of \$100K but it's far too early to say.

5. Next meeting and agenda

It was determined, after some discussion that the next meeting be scheduled for September 23 at 7:30 AM in room 204 in Town Hall (which means in person)

At that time a tentative schedule for all subsequent meetings will be presented.

Marie: there will be a time line for all the needed budget decisions and a calendar of committee meetings.

Christine: for the agenda will you please have an item of all the government funding and how we are using it.

It was noted that members could contact the Town Manager and add agenda items.

6. Public

Mr. Kadlec said that he thought that the public, to be effective, should be able to comment on the issues under discussion when they were being discussed rather than waiting to the end of the meeting. Other boards allow public input and he felt it was a better way to have an impact on the discussion noting that sometimes the history of the problem under discussion could be cleared up by a member of the public.

Bart: are there any comments on this suggestion?

Christine: Since we are not making decisions per se but having discussions and the actual boards will make the decisions ---it's more like a conversation.

JP: I think the public should use the email shell to make comments which I'm sure we will review

Dean: I agree with Christine; we could get hundreds of comments before and during a meeting. I think we need to respect the time of the members.

Charlie commented that he did not think the ALG would be overwhelmed by public participation and that information from the public could in fact shorten some of the discussions.

Kyra: I'd encourage people to contact us by email. That way we'd be able to include the comments in our discussions.

Christine: we rarely come to any decision in a single meeting. We talk everything over first, take it back to our boards and then bring it back to the ALG. If the public has concerns, they can either email the ALG or the boards when they are discussing the issue. I really don't want to stretch these meetings out any longer.

David: we could move comments to the beginning so they won't interrupt the flow; the purpose is the discussion among the boards.

Bart: so, do we move the public comments to the beginning but encourage email?

Christine: we can try and see how it works.

Adjourned 9:17

Next meeting Sept. 23, 7:30 AM in person

Ann Chang