

ALG Minutes, December 12, 2013

Present: Bart Wendell, facilitator; Mike Gowing & Janet Adachi, BoS; Steve Noone & Pat Clifford, FC; Dennis Bruce & Kim McOsker, SC; Steve Ledoux, Steve Mills, Steve Barrett, Brian McMullin & Don Aicardi, Staff.

Extra Information: Multi-year financial model;

Meeting called to order at 5:30 pm

- 1. Minutes of Nov 7, 2013. Approved**
- 2. Update on FY 13 Revenue and expenditures & FY 14 revenues**
 - a. FY 13 – No update
 - b. FY 14.
 - i. Steve Ledoux / Brian McMullin. BoS has approved the FY14 tax rate. New Growth is up substantially above projections. As a result, the tax rate is lower than it would otherwise need to be. The amount of taxes that will be generated for FY14 will be approximately \$441K less than was projected at Town Meeting. This is good news for the taxpayers of Acton.

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Pat Clifford – does this version of the ALG plan reflect this news ? Answer: no.

- ii. Steve Mills. No update on FY13/FY14 school finances

- 3. Review of Spreadsheet**
 - a. Steve Barrett.
 - i. New growth numbers changes will be incorporated in next update.
 - ii. Regionalization of APS will cause changes in how certain expenses are funded and thus in the spreadsheet as we work out how to deal with co-mingled expenses and assets
 1. APS Retire Health Expenses. This expense has traditionally been funded in the school budget. After regionalization, it will need to be funded in the town budget. This is an increase of approximately \$588K in town expense (approximately 2% of town budget). Town Boards need to reach an agreement on how this will be funded.
 2. OPEB Contributions. The town has begun putting money into a trust fund for OPEB liabilities. Approximately 60% will eventually go to APS retirees. How is this responsibility shared between the town and the region ?
 3. Workers Comp
 4. Middlesex Retirement. Currently the town covers town employees and APS non-teacher staff.

5. Health Insurance Trust. New drug program for retirees will change costs. Need to work out the allocation of costs (not a new cost but a change in allocation).
6. Possibly other things...

- iii. FY15 is where the complexity happens. Some funding mechanism needs to be created that will take into account the net change in financial responsibility (some may go each way).
 1. Adhoc agreement ?
 2. Change in the split ?
 3. One time allocation ?
 4. in the draft IMA ?
- iv. Kim – will bring these issues to the next SC meeting

- b. Don Aicardi.
 - i. Table 6 has been updated. The allocation of chapter 70 funds for the next 3 years will shift to allocate more funds to Acton. The 3-year average will be 83.7%
 - ii. OPEB amount has been changed by \$8K. Tentative E & D is \$300K for the region (this is less than last year).
4. Public Comment
 - a. None
5. Next Meeting: Cancel the Jan 9th meeting. Next ALG meeting is Jan 23rd

Meeting adjourned at 6:15 p.m.

Paulina Knibbe

Next meeting Jan 23rd at 5:30 pm