

Minutes of the Acton Finance Committee Meeting June 26, 2012 7:30 pm
Faulkner Room, Acton Town Hall

Pursuant to a notice duly posted with the Town Clerk and with a quorum of members present, the Acton Finance Committee convened at 7:30 p.m. on June 26, 2012, to review various matters.

Members Present: Mary Ann Ashton, Maynard Brandon, Bob Evans, Pat Clifford, Bill Mullin, Steve Noone, and Herman Kabakoff.

Members absent: Paulina Knibbe, Doug Tindal

Others Present: John Murray, Xuan Kong, Dick Calendrella, Dave Clough, Peter Ashton, JD Head, Kate Crosby.

Citizen Concerns

Ms. Clifford called the meeting to order at 7:35 pm. There was no public participation.

Approval of Minutes

Mrs. Ashton distributed minutes from the June 12 meeting. Mr. Mullin moved approval of the minutes, seconded by Mr. Noone, and the minutes were adopted without objection. Mr. Kabakoff, Mr. Brandon, and Mr. Evans abstained from voting on the minutes of June 12.

Energy Conservation at APS and ABRSD – JD Head and Kate Crosby

Ms. Clifford introduced JD Head, Director of Facilities and Transportation for Acton-Boxborough Regional School District/Acton Public Schools, and Kate Crosby, who heads up many of the energy conservation efforts for the school districts. Mr. Head distributed a handout (final version appended to the minutes), and noted that everything discussed in the handout applies to both school districts.

Mr. Head noted in his remarks that school operations have many non-discretionary items related to employees, and he is proud that his segment of the operations is able to “give back” to the total operation through savings; ultimately this makes things better for everyone. The facilities group has been able to cut solid waste costs in half over two years through reduced cost vendor and through recycling. Utilities account for about half of the department (non-personnel) budget. Electric consumption has declined by 22% from 2008. Ms. Crosby began work as an Energy Consultant for the school districts through the “green communities” grant in 2010.

Ms. Crosby thanked the committee for the invitation to speak about their work. Acton is one of 80 communities in Massachusetts designated as a “green community.” There are several models for how to implement changes (e.g., using a vendor), but the school district has decided to have someone in the district who only focuses on energy conservation and engages students in the process. The high school projects that it will have saved more than 14 percent in the last two years. Not only are there fiscal payoffs, but there is recognition for modeling this type of energy conservation program, e.g., Green Flag award last spring.

Committee members commented on the presentation and asked some follow-up questions. In response to a question, Mr. Head said that the return on investment has been debated extensively, but that the school district is committed that they will continue to re-evaluate the Energy Consultant position if they cannot save its equivalent. This year they generated \$140,000 of savings for a payout of a \$25,000 salary. The next round of grants is focused on mechanical building improvements; school district has applied for \$170,000 grant. Mr. Head said that they have been fortunate with contracts for electric and gas that have allowed the districts to be “in front of the market.”

Schools Regionalization Study Committee – Peter Ashton and Xuan Kong

Ms. Clifford introduced two members of the Regional Study Committee: Peter Ashton and Xuan Kong. Mr. Ashton commented that they are currently making the transition to a new enlarged committee. ABRSC will vote the new committee at their meeting on June 28 to include representatives from Fincom and BOS for Acton and Boxborough, as well as two ex officio staff members, Steve Mills and Kurt Bates. Mr. Ashton and Dr. Kong wished to meet with the Finance Committee with a set of issues that they think are important and critical to deal with to move ahead with regionalizing, but seeking input and feedback about whether this is the right set of issues that need to be hammered out. The list includes some issues based on their conversation with the Acton Board of Selectmen the previous week. The committee has agreed to divide its work into three subcommittees to start tackling these individual issues and bring them back to the group: (1) Construction/capital ownership, assets; (2) Operating assessment issues; (3) Transition issues. Mr. Ashton noted that the timeline distributed is already outdated – probably will be a year from this fall before there is something that can be discussed in both communities.

Committee members offered comments and asked questions. Mr. Evans, who will represent the Acton Fincom on the study group, said that estimated savings and how they will be allocated will be of most importance to the Finance Committee, as well as some questions about assets. Mr. Noone said that he has a long list of items, starting with “what is the benefit to Acton.” In particular he is concerned about OPEB will be treated. In response to a question about public outreach from Ms. Clifford, Mr. Ashton said that the committee’s meeting times are changing to more evening meetings, which should make the meetings more accessible to the public, and that the committee’s documents and work product could be located at the following site, which is bookmarked on the front page of the school district’s website: <https://sites.google.com/site/abregionalstudycmt/>. They would also welcome feedback via e-mail directed to rsd_study_comm@mail.ab.mec.edu. Mr. Kabakoff is concerned about the timeline. Mrs. Ashton thought that the committee should take a hard look at the definition of capital, and should review other regional agreements to see how these are handled. Additionally she commented that the issue of All-Day Kindergarten should be considered in the planning for the agreement for a K-12 region. Mr. Mullin expressed concern that while he has been supportive of regionalizing, he was concerned about comments at Boxborough’s Town Meeting about Boxborough’s representation on the School Committee. He asked why would Acton vote to dilute its representation in the region, and what would Acton receive for this? He would not want to get to the point where all the work has been done and the concept fails in both towns,

and believes that there needs to be a hard look at the recommendation before it gets to the final stage to ensure that we are comparing the cost of the transaction with the current state. Mr. Brandon asked where there was any data-based evidence on the effects of regionalization, and Dr. Kong responded that the committee had focused on potential educational benefits in its work last winter, and the School Committee would continue to evaluate this.

ALG: first meeting / OPEB Working Group Proposal

Mrs. Ashton reported that the Acton Leadership Group met on June 20. The bulk of the meeting was focused on agreement about ground rules and developing a schedule. There was a preliminary proposal to form an OPEB Working Group, with one representative each from the Finance Committee, Board of Selectmen, School Committee, Health Insurance Trust, municipal staff and school district staff. The concept proposed is that the group would study possible levels of funding and methods of funding the Other Post-Employment Benefits over what time period, and would develop two to three proposals that could be discussed by the boards prior to development of FY14 budgets. The work that has currently been done by the Fincom's OPEB subcommittee would be important background for the work of this group, which would take place later in the summer and early fall.

The ALG will not meet in July, but will meet generally on the second Thursday of each month in the short run, and more frequently later in the budget cycle. The next meeting will be on Thursday, August 9 at 7:30 a.m.

Three Boards project re: Long Range Financial Planning – Update

No update.

White Papers – Status

Mr. Mullin said that he is working to finalize the white papers.

Committee Updates

Lower Fields Project – Project is moving along with some challenges due to weather, vandalism.

CPC – The CPC met and finalized their annual plan, and will meet again sometime in August. There was a brief discussion about the Asa Parlin public meeting. CPC approved up to \$90K in demolition or renovation following a structural engineering assessment. There will be additional opportunities for public input regarding this project.

Mr. Kabakoff moved and it was unanimously voted to adjourn at 9 p.m.

Submitted by Mary Ann Ashton, Acting Clerk