

Minutes – Acton Finance Committee  
February 24, 2009, 7:30 p.m.  
Town Hall – Room 204

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 February 24, 2009 to review various matters.

**Members present for the meeting:** Steve Noone, Mary Ann Ashton, Pat Clifford, Pat Easterly, Bob Evans, Bill Mullin, Kent Sharp, Doug Tindal, Associate Member Maynard (Brandy) Brandon

**Others Present:** Jo-Ann Berry, Doré Hunter, Paulina Knibbe, Charlie Kadlec, Mike Gowing, Steve Ledoux, Ken Sghia-Hughes, Jon Benson, Dick Calandrella, Bob Ingram, Bob Hertz

Chairman Steve Noone called the meeting to order and offered an overview of the agenda and a preview of upcoming meetings.

**Approval of Minutes**

Mary Ann Ashton presented minutes from the February 10, 2009 meeting. Pat Clifford moved approval of the minutes, and Bill Mullin seconded. Minutes were unanimously approved.

**Public Participation**

Mike Gowing introduced himself as a candidate for Selectman.

**Community Preservation Committee**

Ken Sghia-Hughes, chairman of the committee, introduced himself and provided an overview of the process used by the committee. Thirteen applications were submitted this year, for a total of \$1.3 million. The available funds for distribution this year were \$1.5 million, which included \$708,031 collected through the CPC surcharge in FY08, \$473,581 received from state matching grant in October 2008. The remaining \$353,809 was comprised of interest, unspent previous years' project appropriations and unencumbered fund balance.

Mr. Sghia-Hughes indicated that two recreation projects were deemed ineligible as a result of the Seideman ruling from the Massachusetts Supreme Court (West Acton Boardwalk and Parker Damon playground shade projects). Two historic projects (Windsor Avenue building and Woodbury Lane) received much scrutiny by CPC members. The CPC felt there was not an existing comprehensive space study regarding further use of the Windsor Building and Woodbury Lane property, which might cause the committee to wait on these projects for future study. The Open Space set aside increased to \$425,000, reflecting the town's priority for more open space. The total request that will be brought to Town Meeting consideration will likely be just under \$1 million, leaving about \$600,000 available. Mr. Sghia-Hughes gave a brief description of the projects (see Attachment).

The Fincom members asked questions and offered comments. Ms. Clifford reported that from her observation of the committee that the committee's consensus process had considered many of the arguments for and against. In response to a question from Mr. Noone, Mr. Sghia-Hughes indicated that the balance set-aside for Open Space was \$1,020,000. Mr. Mullin asked about the interest accrued and about the ownership of the Wright-Holden house. He also asked about the

status of legislation to address the concerns raised by the Seideman decision. CPC Committee Vice-Chair Jon Benson reported that Representative Cynthia Creem has filed legislation, but it was unlikely to be approved by this session of the legislature. Kent Sharp asked questions about the Community Housing Program fund and the Woodbury Lane study. Pat Easterly asked about the capital fund for the Acton Housing Authority and the mechanics of the disbursements. Bob Evans expressed concern about a number of items, including the Robbins House, Sachem Way, support for the cemeteries project by the Cemetery Commissioners, Woodbury Lane. Finally he said that allowing the library's Civil War project to overrun costs and bring that back to Town Meeting would send a "terrible message that overruns are allowed."

Mr. Sghia-Hughes responded to several of the concerns from committee members and said that the CPC would take a final vote on Thursday, February 26. He agreed to report back to the Fincom about their final recommendation.

### **Town Budget Hearing**

Paulina Knibbe and Steve Ledoux presented information about the town's budget request for FY10 (see attached presentation slides). The recommended budget of \$26,138,422 represents an increase of 3.34 percent over FY09's budget, and addresses the goals of maintaining critical services, avoiding layoffs, avoiding override, using reserves prudently, and protecting services for the most vulnerable citizens. The recommended budget includes 0 percent cost of living increases for all municipal employees (pending collective bargaining settlements) and a reduction of 2.0 FTEs in the Finance Department. Additionally 4.0 EMTs were moved to be funded through the Ambulance Enterprise Fund, to more accurately present the costs of providing the ambulance service. Capital expenditures were scrutinized by the BOS and staff to use enterprise accounts to fund associated capital and to postpone purchases and projects where possible. The proposed budget reflects the Fincom recommendation of a reduced use of total reserves of \$2.0 million.

The Finance Committee members asked clarifying questions and offered comments. In response to questions, there was some clarification about the process for having Town Meeting approve collective bargaining agreements for municipal employees, and what would happen if Town Meeting failed to approve the negotiated settlements. In response to a question, Mr. Ledoux said that the approved budget recommended no cuts in AML hours for FY10 and moved forward with adding hours at the Council on Aging, at a cost of \$18,854. The ambulance approved at last spring's Town Meeting has been ordered but not yet delivered. Mr. Ledoux also reported on the Social Worker, saying that she is currently devoting more than 19 hours per week to getting up to speed, and that is concerning.

Mr. Mullin moved approval of the town's budget request of \$26,138,422, and Ms. Clifford seconded. The committee approved the motion 7-0-1 (Sharp).

The committee members agreed to defer a vote on the capital article until Herman Kabakoff, who has responsibility for that article, returns.

### **Discussion of Multi Year Plan**

Mr. Noone circulated a draft of a presentation on the multi-year plan to members for comments. He walked the committee through his assumptions, and emphasized that he was focusing on a range of numbers, rather than specific numbers, for the future.

The members discussed the draft and offered comments. Mr. Mullin expressed concern about presenting information in a three-year plan (29 months out) when things are changing so quickly. He was concerned that people look at “scenarios” and see a “plan,” whereas there is a great deal of uncertainty about what will happen. Mrs. Easterly said she was not sure that we could put specific numbers to our cost-containment thoughts, and believed that the ideas and the difference between revenues and expenses could be a motivator for everyone to concentrate on these ideas as potential solutions. Doug Tindal pointed to the structural problems inherent in Proposition 2-1/2 in that people costs increase more than the 2-1/2 rate. Our reserves are slender, and deficits of \$3-7 million would wipe out our reserves. Many of the cost savings are governed by collective bargaining. Mr. Evans reiterated his comment from the previous meeting: the multiyear plan should not consider FY12 because of the degree of uncertainty, and should apply \$2 million of reserves to FY11. He urged the committee to have discussions with the School Committees and Board of Selectmen about the need for a lower-cost indemnity plan for health insurance.

#### **Discuss Warrant Articles**

Mr. Noone said that a draft warrant was expected soon. He noted that an additional article has been added, as there might be a WR Grace settlement to be considered; Mr. Kabakoff has been assigned to represent the Finance Committee in these discussions.

Mr. Sharp moved to adjourn the committee at 10:27 p.m., which was seconded by Ms. Clifford and approved unanimously.

Respectfully submitted,

Mary Ann Ashton, Clerk

Next Finance Committee Meetings: March 3 and March 10  
School Budget Review Thursday Feb 26 6:30 PM  
ALG, Feb 27