

ALG Minutes, September 24, 2020, 8:30 AM, Via Zoom

Present: Bart Wendell, facilitator; Jon Benson and Dean Charter, BoS; John Petersen and Amy Krishnamurthy, SC; Christi Andersen and Christine Russell, FC; John Mangiaratti, Peter Light, Steve Barrett and Marie Altieri, staff.

Extra documents: Minutes, Agenda, ALG Ground Rules and Charter (revised 6.12), Town of Acton Multi-year plan

#### Regular Business

##### 1. Review of ALG Charter and Ground Rules

Bart explained that the current ALG was not tied to the agreements of past ALG's ; each year started afresh.

However, there were rules governing the process principally the idea of consensus and what that means. Bart explained that all needed to agree and once such agreement was reached, ALG members took these agreements back to their boards for approval. If approval was not granted, the iterative process continues. Bart stressed that members needed to be "champions in good faith" for the agreements before their individual boards.

It was noted that the ground rules were done pre-regionalization and that several instances that change was not reflected. There was a general discussion on needed tweaks; the finance committee was concerned that they had no staff. Members realized that this version of the Charter and Ground Rules had been tweaked last session and the document before the committee did not reflect those changes.

Marie said she had a copy of from last session with the added tweaks; it was taking up too much time trying to gather in all the changes. She said she'd email her copy to the ALG so at the next meeting the members could review the document and make changes. It was agreed to work on the changes at the next meeting.

##### 2. Minutes were accepted with some edits.

#### I. Special Business

##### 3. FY 21 update

JM: last week did an update on FY 21. First quarter tax collections are at 97.8%. We haven't heard from the state as yet so we don't know the intended level of reimbursement and when it will come. As for expenses we are looking at them on a case by case level. Winter is coming and we need to get the DPW in position for the snow. We are being careful on spending and hiring. The Town and consultants are working on CARES and FEMA reimbursements to get as much as we can.

Bart: Any Questions

Christi: won't the CARES make up for the revenue loss?

JM: we don't know as yet. We are expecting directives from the Lt. Governor about the second round of payments.

CR: won't the Town be made whole again? Aren't there more things to submit?

JM: We are adding up everything. We will try to get those things covered by FEMA first and then do a package for CARES. We know that both Minuteman and ABRSD have costs that should be covered by CARES.

Jon: It can take up to 18 months to get money from FEMA. Will CARES money come faster?

SB: Some federal disaster funds can take anywhere from one – 15 years—we just have to hope in this case it won't take so long.

Peter: We are open for business. This is our second week of in person and remote. More parents at Gates have opted to do remote. Staffing has been constrained by the number of students allowed per room---10 -11 students per room. We want to make the remote classes as small as possible; on average 20 but some have 25. For in-person we've had to add 14.5 FTE at the elementary level.

It's early in the year for FY21 expenses. We have seen a small reduction in Ch. 70 aid. We level funded it at \$30/pupil. We have an application to the Fed allocation for \$115K under ESSER money for Chrome books for Grade 9. There is \$1.2 in COVID relief for the Town we have spoken with the state and had some productive conversations about CARES. We need to use all the money that's available. Right now we are projecting about \$500K beyond federal grants. We will have many more expenses and we need to maximize the use of federal money and not leave any on the table.

Jon: noted that there were other town areas that should be reimbursed through CARES. John P. noted that the Health Insurance Trust also had approximately \$150K in COVID expenses.

It was agreed that all the entities needed to work together to make sure that there was the maximum federal reimbursement possible.

5. Multi-year plan ( which morphed into a discussion of CARES)

SB: the plan shows the expenses incurred from the September STM for the land purchase and the small business grants.

There is a mistake in FY 22 numbers which will be corrected by the next meeting. The model has \$0 untaxed levy; state and local aid at FY 20 levels; \$1.150K in reserves.

Marie, Brian and Dave Verdolino will work on the model for next meeting to get the school numbers in place and bring the town's up to date.

There were questions about the bonding for not only the schools but also for the North Acton fire station. The NAFS bonding will happen next spring---perhaps by March.

Christi asked that the debt numbers that are changing, like those of Minutemen be kept clearly visible on the model.

There was a general discussion on the timing for the ATM. All agreed that numbers would not be known by the first week in April nor could there be an outside section for the town meeting. After discussion the various needs for more exact budget numbers for the towns (Boxboro included) and schools to proceed, it was agreed that the ATM should be postponed to sometime in late May-early June before the 30th; most

probably on a Wednesday as that is the weekday for the least school activity. This change will also change the dates for the Finance committee/BoS hearings on the municipal budget and that of the ABRSC. It will help the schools get firmer numbers for state aid before they have to vote on their budget.

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There was a pause of the meeting where people talked---off the record about town elections. Acton still needs to hold elections on the last Tuesday in March by charter which the selectmen cannot just change. The selectmen are capable of changing the ATM date which can be coordinated with Boxboro, if necessary.

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Christi said that the position of the FC was to have no tax increase for this year. The FC also wanted to start as "cost-savings Committee" made up of school, town and FC members to look at how other towns were running various services and see what changes Acton could make to save money.

Bart: taking these suggestions one at a time. I am supposing that the no tax increase is a suggestion that will be discussed fully at subsequent meetings.

Christi: we are putting it out there as a suggestion

CR: for the committee, Steve Noone noted that there have been turn backs on the order of \$2.5 M and he thinks we can "sharpen our pencils" and make some budgetary cuts. It was noted that these suggestions were not FC votes but are still in discussion on the FC.

Christi: there was a cost savings committee before and the idea has strong support on the FC.

Dean: I was on town staff during the last cost savings committee and found that it did not do a lot of good. The services that could be shared between the town and schools are now shared. The committee members were well-intentioned but lacked an understanding of municipal finance; most were from the private sector; look at the last report; it took significant effort on the part of the administration and right now they just do not have the time.

AMY: I appreciate the idea but I'm not willing at this time to put pressure on the administration that's already over-taxed. They are already "moving mountains" just to get us through the days.

CR: with the history of turn-backs and the excess of reserves, we think that we should not have any tax increase.

Jon: I want to echo Amy; town staff is over-worked right now trying to get all the COVID expenses straight and get the most money back from the Feds.

SB: the turn-backs in recent years have not been from the budget but from actual revenues exceeding projected budgets. The budgeted turn-back for this year come from the hiring freeze put on in March. We have not filled vacant positions which we will have to get filled.

JP: we expect the use of reserves. The SC policy has been that the E&D is an estimated target. We can suspend that target and use more to minimize the downside. Taxes

reflect the whole economic situation; some bad things are happening. However we do not know what Acton will look in the next few months. If both state and federal revenues take a big drop and the bottom drops out---it's not a great idea at this time to tie us into a no tax position.

Christi: I will bring these comments to the FC and look forward to more discussion. It's difficult for everyone—0-and we need to work together to make it happen. The FC is in the early process of discussion and especially with the schools we need to recognize that 74% of town residents don't have kids in the schools.

Bart: This is just the start of this conversation and should be put on the next agenda.

6. School building update

Peter: On the good side the permitting is going in the right direction. We have settled with the CosCom and the bid packages are out.

We found that the soils were not suitable for the placement of the septic system which has had to be moved and redesigned. The costs will come from the contingency fund.

Ninety % of the construction is before the state for review. By early December we should have a guaranteed price and start pouring cement.

Bart: questions?

Christi: will these changes be covered by the MSBA

Ans: largely not.

JP: In this kind of project, uncertainty is a sign of change and we realize that we will go through some challenges with the construction of the building.

7. North Acton Fire Station

JM: we intend to go to the market for long term bonds in the spring ( March, perhaps).

There is a wrecking crew now taking down the Fish and Wildlife building. We have all the permits in hand. We expect it to be a 12-month project.

8. Public---none

9. Scheduling

Next meeting: Oct 29, 8:30 AM via Zoom

Agenda items: Finish up ALG Charter and Ground Rules; Schedule for Annual Town Meeting; FC process; enact time line for due date of budget meetings, warrant printing etc.

Adjourned 10 AM

Ann Chang