

DEC 8 2008

ALG Minutes

Oct. 27, 2008

Present: Bart Wendell, Facilitator. Lauren Rosenzweig, Paulina Knibbe, BoS; Jon Chinitz, Heather Harer, SC; Herman Kabakoff, FC. Staff: Steve Ledoux, John Murray, and Bill Ryan Marie Altieri. Audience: Steve Barrett, Mary Ann Ashton, Dore Hunter, Dick Callendrella, Charlie Kadlec, & Bob Hertz. Absent: Steve Noone, FC.

7. Other

Lauren announced the formation of a leadership group to discuss the ways to give assistance to those in need in the economic downturn. The impetus for the group is coming from the Reverends Armstrong & Moore, and will include the Town Manager, police chief, superintendent, school principals, United Way members and Elizabeth White Fund members. The idea is to pool information and resources and ideas. The first meeting is scheduled for Nov. 12, 7:30 PM at the Acton Center Congregational Church.

1. Minutes, Ok'd

2. Town/School/state budget-----Ledoux & Ryan

Steve has instituted a hiring freeze, the exception being the social out reach person. Because of the economy, this position is needed.

Steve 7 bill attended a meeting organized by Rep. Cory Atkins along with the Chair of the House W&M. The concern is cuts in local aid for FY 09. The extent of the cuts will not be known until Jan.

He has had the department heads look their budgets for possible savings and is setting aside \$1/2 million "until we have a better handle on things."

Bill has put a 5% freeze on the budget. There are 5.5 positions open & he is not filling them. He is concerned about the SPED reimbursement. He thinks there will be little to turn back for next year.

Herman said that on WRKO he listened to Tom Finneran & that the Patrick cuts will come from the readiness projects and not Ch. 70

Tasks: continue to work on budgets

3. FY 10 Revenue estimates—

Extra info: Marie' updated spreadsheets

Steve is "happy" to work with the 10% proposed cut as outlined---he'd rather be prepared for the cuts in state aid than be overly optimistic. It's easy to add money back but harder to cut.

He sees a reduction in the excise taxes. The DOR website says the average age for a car is now 11 years. The rapid depreciation [90/60/40/23/10] is the justification for that reduction.

He has increased new growth based on the ruling that the towns can charge for the value of the Verizon poles. At the same time the increase in the overlay is due to the expected Verizon appeals.

There is a reduction in interest income.

With local fees at 100% [of what is legal to charge] the deficit is \$3.3 M

Bill questioned the New Growth numbers.

John Murray explained that \$100k is the expected revenue from the poles---but this is offset by the increase in the overlay so it will stay at \$850k

Marie asked for an estimate for new growth for FY 10

The credit crunch is affecting new growth. Avalon has put all the new buildings on hold.

There is some question as to how the governor will treat the tax on poles---if the towns will be allowed to collect the revenues.

Marie explained that the first page of the spreadsheet was to bring the numbers into conformity with the suggestions from the ALG meeting on 10/10

(a) State aid drop to 1% with no changes in Ch. 70

(b) 10% reduction in everything

Herman noted that there was a \$3.3m deficit for FY10

Bill reported that the SC had voted for a level funding Ch. 70. In his conversations with the DoE person, Roger Hatch, he reported that there is a commitment to the formula on the part of the governor and legislature. The numbers are expected in Jan.

Herman reported that the FC, noting that things are not stable, that there is a wide gap between that which is being assumed and that which could happen. The FC position is to have level funded budgets

The FC also discussed the idea of holding off on presenting a budget until later in Jan.

Steve L said that he'd thought about doing that but there is already the Dec 15, budget presentation date and delays after that could be considered as "game-man ship"---something he did not want to do.

Bart: are people OK with going ahead?

The matter was discussed some more and the upshot was to have A & B budgets

Bill said the numbers in the ALG plan showed a 6.1% increase---but he will start with a maintenance budget & see what the numbers are. It is his guess that the percentage will be lower. He does not expect there to be any reserves & getting the budget within the revenues will be difficult.

Jon asked that the town & schools look at the fee structures that have not been increased; examine the overlay for any surplus and look at the HIT to see if rates can be held. He added that in these conditions it was pointless to talk about revenues.

John M. asked that utilities be added to the areas of concern. Bill reported that the schools have some long-term contracts so it will be easier to do a base budget estimate

Herman asked for a list of the cuts written in order of priority

Tasks: list of cuts---Steve & Bill, discussions about the differences between the stated revenues and the expected revenues
Steve & Bill A & B budgets

There was a consensus that the budget process would continue on schedule---Steve will present the budget to the BoS on Dec.15

5. Allocation of Revenues

This item was passed over for lack of material

There was some minor agreement that the ALG process should move towards the 33-37% as outlined in Peter's presentation

6. Re-engineering

At the request of the FC Herman asked that a new re-engineering task force be set up. This suggestion was not met with any enthusiasm. It was noted that 80% of what was suggested in the last report has been done.

Herman suggested that a new report be done and not depend on the last one.

Bart asked if there was a next step for this task force.

John M noted that doing the report took long time.....

Task: Steve & Bill will look at the report and see if there are any areas that need to be investigated

7. Public

Dick Callendrella said that after the STM there was confusion about the exact role of the ALG & what they did. He went to the websites and could not find any info, minutes etc. He suggested that the ALG members not sit with their backs to the audience, the public could not hear.

He wanted the public to have a greater role in commenting.

Lauren said that her article on the ALG would be in the *Beacon*

Ann was given permission to speak & she told Mr. Callendrella that the ALG minutes, after being accepted, were housed with the Town Clerk.

Adjourned at 8:40

Next meeting Nov 10—7:30 AM

Ann Chang