

Finance Committee
Meeting Minutes
January 25, 2022
7:30 PM
*** VIRTUAL MEETING ***

Present: Christine Russell (Chair), Adam Nolde (Vice Chair), Roland Bourdon, Steve Noone, David Wellinghoff, Jason Cole, Mike Majors, Christi Andersen and Esha Gangolli

Ms. Russell called the meeting to order.

1. Citizen's Concerns

Mr. Martin, speaking as a citizen, provided his option of what should be classified as a capital expense vs an operating expense.

2. FY23 Budget

The committee members provided reviews and thoughts on the January 20, 2022 Budget Workshop and the FY 23 Budget. Mr. Noone expressed concern over having so many unsettled union contracts, School and Town, during a time of such high inflation. Mr. Bourdon questioned the want vs need of the proposed Town hiring. Ms. Andersen expressed the desire for public discussion to determine if existing services need to be cut when new services are proposed. Mr. Cole reviewed the School staffing vs the Town staffing cuts and requests for the FY23 budgets. Ms. Russell recommends the definition of Capital should be the same for all parties. Mr. Noone reported that DOR and GASB provide definitions of Capital and the committee can't vary too much from that.

3. Point of View (POV) Slide 6

Ms. Russell believes the data has not been updated with 2020 census information and the reported data is outdated. Ms. Russell suggests pulling the slide from the POV. Mr. Majors expressed concerns that removing the slide takes away pertinent information showing that Acton is aging and becoming more diverse. Ms. Andersen pointed out that another slide provided that information in a different format.

Ms. Russell moved to remove slide 6 from this year's POV. Ms. Gangolli seconded. Mr. Nolde took the vote by roll call. The motion passes 8-1.

4. FY23 School Budget

Ms. Gangolli reviewed some of the major points of the preliminary School budget, mostly related to compensation increases. Mr. Cole relayed that there is still over \$2M to reconcile. School committee members were asked to think about making more cuts,

using more reserves and/or cutting OPEB funding. Ms. Russell gave an overview of the staffing cuts. Ms. Andersen expressed concern over reducing all day kindergarten tuition. Mr. Cole would like the ARPA allocation to be reviewed for a better balance between School and Town. Mr. Noone would not be comfortable using more reserves and that with no override that would mean cuts need to be made. Mr. Nolde mentioned that ARPA rules recently changed, allowing for such funding to fill in the ALG deficit. Ms. Andersen and Mr. Cole expressed concerns that using ARPA just kicks the can down the road. Mr. Cole believes it would be acceptable to use ARPA for covering the deficit if it keeps an override at bay and extra year or two. Mr. Noon suggested the ALG deficit be split between the Town and the School. Ms. Andersen would be OK with ARPA funding to replenish funds reduced as a result of COVID but not for systemic needs. Mr. Nolde summarized the committee's preferences to bring to the next ALG meeting:

1. cuts needed
2. use ARPA funding
3. use Free Cash and E&D

5. Finance Committee Business

Mr. Bourdon gave an overview of the Select Board meeting, highlighting:

- CPC projects prioritizing by the Select Board
- Potentially increasing the CPA surcharge

Mr. Noone gave an overview of the Health Insurance Trust meeting, highlighting:

- 10% rate increase
- Mr. Noone acting as Interim Chair

Mr. Majors provided and reviewed the source data for the POV slide 6 and would like the slide reinstated.

Ms. Andersen moved to accept the meeting minutes from November 23 2021, December 6, 2021 and December 14, 2021. Ms. Gangolli seconded. The motion was approved unanimously by roll call vote.

Ms. Gangolli moved to adjourn. Mr. Cole seconded. The motion was approved unanimously by roll call vote.

Documents and Exhibits Used During this Meeting

- Point of View (POV)
- Fiscal Year 23 Town Budget
- Preliminary Fiscal year 23 School Budget