

Finance Committee

Meeting Minutes

April 8, 2025

7:30 PM

Acton Town Hall – Room 204

Present: Jason Cole (Chair), Scott Sullivan (Vice Chair), Alex Lenz, Dr. Gang Chen, Corinne Hogseth, Allison Jones, Christi Andersen, Greg Jarboe, Steve Noone, Roland Bourdon, Dave Wellinghoff (via Zoom)

Mr. Cole called the meeting to order at 7:00pm

David Martin - Spoke about the ALG Meeting and the discussion of higher expense increases in out years.

No turn backs - compounded year to year

Balance each year

Overly pessimistic to be unrealistic - 5.25% increase. Won't work with 5.61% with schools. If happen, lower request in FY27 but higher request in Y28

Prediction is difficult. More exacting we want to be more room for error.

1% equals \$1m to Acton

Boxborough

Capita too small comment, \$1.2m asking for \$11m worth of projects. More projects this year because deferred from past years. We have a 10-year plan. Keep in mind the debt load.

Don't scare folks unnecessarily

Miriam Lisek, Acton Memorial Library Trustee

Not recommend A2 Article 5. Request to reconsider

This is two pieces of a multi-year project

Bathroom isn't ADA compliant

Carpet was laid when the library was renovated, 15 years ago. Most carpets have a 7-8 year lifespan.

Tina Stopor, Acton Memorial Library Trustee

Not recommend A2 Article 5. Request to reconsider

Bathroom isn't ADA compliant.

Alissa Nicol

Here and available for Articles 30 and 31.

CPC PRESENTATION:

Jim Colman, Chair of CPC presented the plan associated with Article 10. He sent Warrant Article 10 Committee approved as well as sheet that shows all requested, proposed and costs associated with each project.

Mr. Cole - Would like to take as a Consent article. Some were held for further discussion:

(B.) Disc Golf Design and Construction- \$40,835 - Growing popularity, just for amateur play because only 6 holes. Doesn't require much maintenance once built. Jim will check with Recreation on increasing the number of holes. Grossly too high for 6 holes (i.e. \$400/basket).

Mr. Scott Sullivan moves Not to Recommend, Mr. Jarboe seconded

Mr. Noone - Give them the money and let them build as many holes as they can.

Vote: 3-6-0

(M.)17 Woodbury Lane Community Space - \$106,280

\$70,400 to recreate window shutters to 1860's structural look, plus landscaping, accessible walkways, seating and overall beautification. Approved shutters and hardscape only. Didn't fund plantings because next door at "Red House" approved an ecological planting area.

Ms. Andersen - Town was once told project would be entirely paid for by federal funding which isn't the case. Would this money be hard to spend some other way in Historic Resources category?

Mr. Colman - Yes, money could be re-directed.

Mr. Jason - Against this funding recommendation

Mr. Cole moves to Not to Recommend - Mr. Bourdon seconded

Ms. Hogseth - work done on project yet? Yes

Ms. Andersen - hardscaping include ramps for ADA compliant, in original plan?

Mr. Colman - Had discussion at CPC, turned down at previous Town Meeting.

Building can't be torn down, town wanted to complete the work. If turned down at Town Meeting, money will be set aside in the Historic Resources category.

Vote: Unanimous Not to Recommend

(N.) Acton Housing Authority McCarthy Village Window Replacement - \$242,560
Replace 158 existing windows. Originally installed in 1985, not energy efficient

Ms. Hogseth - \$1,500/window? Seems like a lot

Mr. Colman - Yes, someone from CPC commented that too.

Mr. Noone moves to Recommend remainder of all other CPC items, Mr. Bourdon seconded.

Vote: 8-1-0

ALG UPDATE:

Mr. Cole summarized what was presented at the ALG Meeting this morning, April 8, 2025

Mr. Jarboe summarized what was discussed at last Thursday's DPW Building Facility meeting. Stunned at how little steel will cost, as an example, of cost of materials. Concerned about Contingency at 5.25% because of tariffs.

FinCom is not in consensus with DPW Plan. Proceeded to FY27 and future years. Called out 2 line items and called out overall number in the end.

First, Operating budget - 3% target this year, was told impossible, but arrived at 4.56%, overall 3.81%.

Regarding Multi-year, Town Manager directed by Select Board to update only FY27.

Take this year's 4.45%, 4.12% and 5.25% -don't believe that 3.78% isn't reasonable. Town Manager disagrees with Mr. Cole's assumption.

Second, New Town Capital - \$1.25m plus 10-year \$110m Capital Plan. Leveraged by bond or pay as you go. Possible bonding leverage, preference is pay as you go.

Earmarking 10% of the total ask. Overly optimistic. Each year is handled individually, can respond to conditions on the ground as they were at that time.

School 6.33% is worst case scenario.

Take run rate and a \$500k fudge factor, a \$20m problem between now and FY30 without severe cut in services.

Mr. Sullivan FinCom is to inform the tax payers. What is currently presented looking at an override if DPW passes and compensation north of 4% each year. So, override in the near future, possibly 3 overrides over next few years (including one just passed).

Mr. Cole - Superintendent Peter Light commented ALG members may not be seeing eye to eye. Meaning, is the goal to see what we can afford versus reasonable expectation of what is coming at us.

Ms. Andersen - Does not have a problem with the model

Mr. Noone - Asked to roll the 26-liner out to FY30, but understand now because Select Board only directed Town Manager to go to FY27. Therefore, can't support.

Dr. Gang Chen - Don't know where numbers are coming from.

Ms. Hogseth - Schools must have the salary information

Mr. Noone - 3.75%/year. Dispute Town Managers comment that historically that is what we've used. Compensation was up 4.9% but debt fell in that same period.

Mr. Lenz - Ask for definition of assumptions

Mr. Cole - That is what Mr. Noone asked for but FinCom didn't receive. Mr. Cole read the current "Multiyear Financial Plan" Warrant language. Does FinCom propose FinCom submits its own model, not happy with just a footnote, or take FinCom name off.

Ms. Hogseth - Put in own model

Ms. Jones - Not in favor of this model

Mr. Sullivan - Put in own model

Ms. Andersen - Not in favor of this model

Mr. Jarboe - No state law that requires an ALG. Okay doing it differently

Mr. Noone - Not in favor of including this model. (Remembers one year FinCom published its own version.)

Mr. Bourdon - Not in favor of including this model

Mr. Wellingshoff - not in favor of putting name to ALG Plan

In the end, the decision of what to put in the Warrant is with the Select Board.

Mr. Cole recommends FinCom is completely removed from the ALG Model.

Ms. Andersen - if Steve is able to get the requested information, could that happen in time?

Mr. Cole - No future FinCom meetings

Ms. Andersen - put in own model, could Select Board not allow that?

Mr. Cole - He would ask Select Board to honor FinCom's own model

Mr. Martin - We all want best forecast possible. 2 flaws:

- Turnback, need to make an assumption in out years
- Negative net position cascades from year-to-year
- Schools put out 5.61% in all out years - that is obviously an estimate
- Neither School or Town said worst case or best case. Mr. Cole commented Mr. Light said "Maintenance funding" at ALG this morning
- Select Board asked Town Manager to do a flat estimate for the out years; too many variables at this point. Mr. No one commented the Select Board wouldn't do the work to calculate the out years

Mr. Noone made motion to rename Multi-Year Financial Model on page 13 of Warrant "Select Board and School Committee Multi-Year Model." Mr. Jarboe

seconded. Friendly amendment: to request Select Board to remove FinCom's name.

Discussion ensued.

Friendly amendment - to also remove all references to "ALG" on page 13 of the Warrant

Vote: Unanimous

Article 3 - defer

Article 6 - defer

Article 7 - Mr. Jarboe moves Not to Recommend, Mr. Noone seconded. Mr. Sullivan recognizes a staffing issue and doesn't need to be co-mingled with size and scope of building plan.

Vote: Unanimous Not to Recommend

April 29th ballot question - Mr. Jarboe to recommend against ballot initiative, Mr. Noone seconded. Vote: Unanimous

Motion to disseminate FinCom's opinion, Mr. Noone seconded

Vote: 8-0-1 (Mr. Wellingshoff)

Article 11 - Increase AML Board of Trustees from 9 to 12 members

Ms. Nicol discussed at Select Board last night and described Article further.

Ms. Friedrichs - Recommends against this Article: 3 members could be easily outvoted by the other 9 members. Also, there will be legal fees associated with interpreting the intent of the Deed; referenced a 10-page legal memo. Mr. Cole asked Mr. Lenz to investigate the legal jeopardy. Ms. Nicol offered to forward Town Counsel's memo.

Vote: defer

Article 13 - 13 School Street

Discussion ensued

Defer

Article 14 - Defer

Article 15 - Defer

Article 16 - Defer

Article 18 - defer

Article 20 - Transfer Station

Dr. Gang moved to Recommend, Mr. Bourdon seconded

Vote: Unanimous 8-0-0

Article 22 - Ambulance Enterprise

Dr. Chen moved to Recommend, Mr. Jarboe seconded

Vote: Unanimous 8-0-0

Article 26 - Insurance Proceeds

Mr. Lenz moved to Recommend, Mr. Noone seconded

Vote: Unanimous 8-0-0

Article 27 - Federal & State Reimbursement

Mr. Lenz moved to Recommend Mr. Noone seconded

Vote: Unanimous

FINANCE

No meeting

ALG - heard earlier

Economic Development Committee

Mr. Jarboe announced the new Economic Development Director

Next meeting: April 22nd 7:30pm

Mr. Lenz made motion to adjourn, Mr. Jarboe seconded

Passed unanimously, 10:38pm