



ACTON LEADERSHIP GROUP

Meeting Minutes

JULY 31, 2019

6:30 PM

ROOM 204, ACTON TOWN HALL, 472 MAIN STREET

Present: Bart Wendell, Joan Gardner, Jon Benson, Paul Murphy, Diane Baum, Christi Andersen, Roland Bourdon, John Mangiaratti, Peter Light, Steve Barrett, Marie Altieri

Absent: None.

1. Opening

Facilitator Bart Wendell opened the meeting at 6:30 p.m.

2. Regular Business

1. Approval of Meeting Minutes – The meeting minutes from the ALG's June 20, 2019 meeting were reviewed and accepted.

3. New/Special Business

2. FY19 Close

Superintendent Peter Light reported that the school district expects that they received about \$772,000 more in revenue and spent about \$450,000 less than anticipated, so overall a positive result of about \$1.25 million. They anticipate that the Excess and Deficiency fund (E&D) will be just under 4.2% or \$3.8 million.

Town Manager John Mangiaratti reported that the town had prioritized stabilizing reserves this year, and had worked toward a turnback of 2%. The actual turnback achieved was \$927,000, representing a 2.74% turnback. Some of the positive revenue was related to Insulet, but a mild winter, excellent tax collections, and motor vehicle revenue higher than projected all contributed.

Paul Murphy thanked the Board of Selectmen for approving the transfer to the Stabilization Fund.

3. FY20 Update

Mangiaratti reported that the town has just finished first month of fiscal year, and will send out tax bills tomorrow. He also reported that the town paid some big bills today to take advantage of some prepayment incentives, including retirement and OPEB. Some vacancies in FY19 which are now filled, including a new operations superintendent, new recreation director, and new government affairs person.



Light reported that the state budget is complete, and the district's Chapter 70 (education funding) is about where it was projected. There are not yet final numbers for transportation aid, as the district needs to submit final costs for FY19 first. They are expecting that the transportation reimbursement will be more than what is in the budget. After the first month, the budget for FY20 is on target.

4. Review of Multi-Year Financial Model

Steve Barrett said that the multi-year financial model has been updated with the budgets as approved for FY20, and the projections from last spring for the other years. The model assumes taxing to the full extent of Proposition 2-1/2. He noted there had been some favorable local receipt activity in FY19, but he doesn't think this will recur. The reserves page estimates Municipal free cash replenishment for FY19 at \$2.1m, but this will be updated after the town receives certification. The town expects to submit the certification work after Labor Day.

Marie Altieri noted that schools and town are exceeding the turnback projection. She also raised the question about whether the front page should include information about both operating budgets and excluded debt, and pointed to the separate percentage increases that are noted with each. Barrett commented that excluded debt makes no difference to the bottom line. There is discussion, with some agreeing that the percentages are confusing, and Fincom members asserting that they would like to see the excluded debt, and the percentage increases, on the front page.

Bart Wendell suggests that since there is not agreement, the group leave it as is for now, and revisit at a future meeting.

Roland Bourdon noted that the reserves page still shows NESWC and asks that the item be removed.

5. School Building Update

Light said that things are progressing on schedule. The school district received approval in late June to move ahead with the schematic design. The School Building Committee is working on final cost estimates and reconciling the two independent cost estimates. These will be reviewed at the next School Building Committee on August 14. The final package will be submitted to the Massachusetts School Building Authority on September 11 and they will review at their Board meeting on October 28. At that time the school district will receive the final reimbursement percentage. Currently they estimate it will be 49.3 percent, but some items not eligible for reimbursement will be removed. The final approval will go to both towns with actual numbers.

Light also noted the other major development is the decision to go with at Construction Manager at Risk process vs. as-built; the school district can hire a project manager. This process guarantees a maximum build process which transfers over to the contractor, not the district.



School District Finance Director Dave Verdolino is heading up the work to develop strategies about financing the building project.

6. Discuss December Special Town Meeting and Special Town Election

Mangiaratti reported that the Board of Selectmen have called for a Special Town Meeting on December 10, and closed the warrant this week. They will finalize the warrant as things get closer. The town is planning to bring forward something on a North Acton Fire Station, if the Board decides to do that, and there may be something on sewers. Mangiaratti is drafting dates for public outreach between now and December, including the schools as well.

Altieri asked whether Minuteman will be on the ballot for debt exclusion, and Mangiaratti replied that no decision has been made yet. He said the discussion begins tonight with a presentation from Minuteman School Committee Representative Pam Nourse.

7. Minuteman Update

Nourse provided an update. There is a temporary certificate of occupancy for the new building right now, and administration will move in next Monday. The permanent certificate of occupancy will be available on August 25, and the building will open to students on September 3, with an official ribbon cutting scheduled for October 4. to give update and Steve B will jump in with finances. Temporary certificate of occupancy right now; admin moving in on Monday. Furniture is there (piled up) but ready to go. Permanent COO on August 25; open to students on September 3; ribbon cutting for October 4.

Enrollment for the coming year is up 116 students; projected enrollment for September is 630, which matches the capacity so the school is full. Acton has 32 students, including 13 new students. Last year there were 101 in-district students of 122 total freshmen; this year it's 154 with 46 out-of-district students in the freshmen class.

Several members had questions. Diane Baum asked about whether there would be tours of the building, and whether they recognized savings using the Construction Manager at Risk approach. Paul Murphy asked whether Minuteman is offering the same type of program as previously; Nourse indicated there are two new offerings, warehouse management and a new media program. Jon Benson asked about the source of enrollment growth; Nourse said it is partially the new building and partially the outreach from existing parent liaisons.

Barrett presented estimates of the debt service costs for Acton, which he had collected from Minuteman Assistant Superintendent of Finance, Kevin Mahoney. Total borrowing for the district is \$3.1 million in FY20, \$3.174 in FY21, and \$4.375 in FY22. Average interest cost is 3.25 percent; three borrowings, with one more still to do. For FY20, Acton's estimated cost for debt is \$348,688; for FY21, \$356,049; and for FY22, \$490,785.



Barrett added that the ALG plan presupposes this will be a debt exclusion in FY21. If Acton chooses not to do that, then in the ALG plan, the revenue from the debt exclusion goes away and the expense goes up. Barrett suggested the group should invite Mahoney in to meet with ALG at some point.

Nourse added that the Minuteman School Committee is working on proposals to repurpose the campus where the current building is located. The existing building will be coming down, but they are looking at ways to repurpose the location to benefit students and/or be a source of revenue.

8. North Acton Fire Station Update

Mangiaratti provided a brief update on the North Acton Fire Station. The Board of Selectmen received a presentation two weeks ago, and public forum was held last night for additional input. They are working on design, in schematic phase right now. The architects' cost estimator and another cost estimator are working to come up with definitive set of costs by end of month. There is good support from the community, including at the forum last night. The job is to build for the next 50 years of fire service.

Christi Andersen asked what is the current estimated cost; Managiaratti responded that last year's estimate was based on \$9-10 million, so working on the cost estimate now. Murphy asked whether response time will be part of the presentation, and Mangiaratti replied in the affirmative.

9. Discuss Future Meeting Schedule

Mangiaratti distributed a draft calendar that included meetings of BOS, School Committee, Finance Committee and potential public forums. The group discussed schedules and agreed on the following schedule for Acton Leadership Group meetings:

Thursday, August 29, 7:30 a.m.
Thursday, September 19, 7:30 a.m.
Thursday, October 10, 7:30 a.m.
Wednesday, October 30, 6:30 p.m.
Thursday, November 14 7:30 a.m.
Tuesday, December 3, 6:30 p.m.

Altieri is concerned about the Pre-TM Forum scheduled for Tuesday before Thanksgiving. She also asked whether the three boards want to consider a tri-board meeting to discuss in more detail the proposals going to STM. Light and Mangiaratti will work on finding a date. After much discussion, tentative try for Tuesday, November 12 in evening.

Andersen requested that everyone remember to allow time for Finance Committee to make recommendations before its currently scheduled November 12 meeting. Warrant is posted on Nov 26.



10. Public Comment

None.

11. Adjournment

At 7:55 p.m., it was moved and seconded to adjourn the meeting.
The motion was approved unanimously.

Documents and Exhibits Used During this Meeting:

- Meeting agenda;
- Meeting minutes of June 20, 2019;
- Town of Acton Multi-Year Financial Model, dated July 31, 2019;
- Memo from Stephen Barrett to BOS/Town Manager on FY2019 Results of Operations, dated July 31, 2019;
- Final Cherry Sheets for FY2020 for Town of Acton and Acton-Boxborough Regional Schools;
- Handout from Minuteman Schools of Acton share of Operating Assessment and Debt Assessment; and
- DRAFT Schedule for Upcoming Special and Annual Town Meetings and Elections