

ALG Minutes, April 13, 2023

Present: Bart Wendell, facilitator: David Martin, SB; Adam Nolde and Steve Noone, FC; Amy Krishnamurthy, SC; John Mangiaratti, Peter Light and Marie Alteri, staff.

Absent: Dean Charter, SB, Kyra Cook, SC.

Audience: Charles Kadlec, Ellie Anderson, Pat Clifford.

Extra info/documents: Agenda, Minutes Feb.9, multi-year financial model.

I. Regular Business

1. Public Comments: there were none
2. Minutes, were Ok'd

II. Special Business

3. FY 23 update

Peter: there is no new financial information; we are still working on the third quarter report. From the school's perspective its great being back again. Peter attended a breakfast, softball game ---activities are fully back and things are returning to normal. The largest number of graduates, 22, were recruited to play college sports.

John: on the municipal side, revenues are trending positive—more positive than projected. On the expense side things are stable; there have been a number of turn-overs in positions and we will be hiring during the spring and early summer.

David: are you closing out the third quarter

John: expenses are where they should be; many cases less than the 75%. I will be making reports to the FinCom shortly.

4. Review of Model

Marie: there have been no changes since last time; the bottom line is balanced and we are ready to head to ATM.

Bart: any questions?

Adam: looking at free cash spending we are at the floor for the recommendations from the FinCom. I'd like to see an update of the model with \$0 for free cash.

Bart: you mean for the future—FY25.

John: we've worked hard to align FC with the needs and we find that \$1m is a good target. I think we need to discuss this if your intent is to make it \$ 0 for next year.

David: I think we should hold it between \$1-1.5m—that will account for the turnbacks and additional tax receipts—I don't like \$0--\$750K would be a minimum.

Steve: It's never been zero. It used to be between \$2-2.5m. I didn't like that; I think it's reasonable to have \$1m.

Marie: we'll know by early fall what the turnback number will be.

David: last year free cash was certified late August early September.

Bart: Adam, are you comfortable to leave it?

Adam agreed

David: I think we need to modernize the model. It doesn't always reflect what we need.

Marie: we did make a lot of changes. Since there will be a lot of new people on the ALG, it might be a good time to do a remodel.

John: I'd love to take this on as a summer project, working with the finance department and the schools.

Steve: this model is vast improvement over last year's. In this one you can see clearly how the front sheet was developed from the back tabs. It may be a good idea to look at a new format.

Adam: the front sheet should have the expenses, revenues, deficits and surplus---like an income statement.

Bart: So, John you are going to get help and work on this over the summer in time for the first meeting?

John agreed.

Bart: is there anything on the model that needs to be changed for ATM?

Peter: I'd like to give this group an update on some of the budget changes we've made.

1. The governor released the budget and we got \$150k in retroactive Ch. 70 funds. When we looked at the kindergarten enrollment, we saw a decline. Looking at that decline, we cut two kindergarten teachers. When we did the actual counts from the sign-up numbers, we saw an increase that would have classes of 20-21 students.

We have noticed that the kindergarten, first and second graders have not bounced back from the pandemic. We saw the need for smaller classes and more intense training so we have added the two kindergarten teachers back. These additions do not impact the budget. We voted the assessment last March and that number cannot be increased.

2. The second change is in the SPED budget. These students were adversely impacted by the pandemic and we have found that many need more help and assistance. We decided to use the circuit breaker funds that are design for SPED expenses to increase the help offered, especially at the elementary level. We think there will be enough to continue this aid through FY25 & 26.

I'm telling you this now so it does not come as a surprise later.

Bart: from my understanding there will be around five new ALG members next year. First, they will need to know that decisions made by this group do not carry-over for the next session.

Marie: this will be my last ALG session.

Everyone thanked Marie for her help over the years and wished her well in her new endeavors.

There was a general discussion as to when the next ALG session 2ould meet. It was generally agreed to meet

during the summer—late July or mid-August. John agreed to act as the meeting convener again. When he is ready, he will call the meeting. The boards and committees need to reorganize and pick those who will represent them at the ALG.

Bart: when I speak to other towns about Acton's ALG process, many cannot believe that we are able to come to an agreement.

It only works when the participants are fully committed to the process.

As an aside: I saw a moderator with his cell phone calling the local pub to get a quorum for his meeting.

Good health to you all and have a good summer.

Next Meeting TBD.

Adjourned 12:40

Ann Chang