

ALG minutes, Sept. 8, 2023; 8AM, Room 204 and Zoom

Present in 204: Bart Wendell, facilitator; David Martin & Jim Snyder - Grant, SB; Christi Andersen & Jason Cole, FC; Peter Light, Mary Ann Fleckner, Terry O'Leary, & Sheri Matthews, staff. Those on Zoom: Tori Campbell & Rebecca Wilson, SC; John Mangiaratti, staff; Charlie Kadlec, public.

Audience in 204: C.J. Carroll, Assessor; Ellie Anderson, finance dept. & Yanxin Schmidt, SC.

Documents and extra info: Agenda, ALG Charter & Ground Rules, ALGPlan, FinCom recommendations .

Bart started the first meeting of the ALG season with introductions. Both Christi Anderson and Jason Cole from the FinCom have served before. David Martin has also served before but SB chair, Jim Snyder- Grant is new. Both school committee members, Tori Campbell and Rebecca Wilson are new. Mary Ann Fleckner from HR is acting finance director for the town; Terry O'Leary is finance for the town; Sheri Matthews finance for the schools.

Bart then went onto the discussion about the ALG charter. He stressed that the ALG is not a legal body even though it has been in effect for more than 30 years. No votes are taken; agreement come through consensus. Everyone must agree and each takes back agreements to individual boards for their agreement. If in fact a board does not agree, objections are brought back to ALG for discussion and agreement. Bart stressed that substitutes are not accepted because the meetings are cumulative and members gain understanding through attendance. He noted that each session is allowed to change ground rules.

The only change made was to "mimic" to follow.

There was a general discussion on getting to agreement and the roles of the individual members. The end product is to have a plan to present to voters at town meeting.

It was agreed to have public participation at the beginning of the meeting and limited to items not on the agenda, but not during the discussion. The meetings are held early so participants can get to work.

Charlie Kadlec asked from the public if there was a planned override?

Jason said that overrides were traditionally decided as a go/ no go at the end of October. The FinCom is opposed to an override.

David suggested that the group plan an A & B budgets.

Peter indicated that it was far too early. The budget process to work on two budgets. He noted that the ALG had more time since Town Meeting was now in May rather than April.

Jason: we should not take the time to do two budgets until we set the need or not for an override.

David suggested that the decision needs to be made by November.

Christi: historically overrides only succeed if pitched early. We also have to consider the general operating override or just a debt exclusion override.

Bart: so is there general agreement that the decision will be made in November.

There was no response.

The ALG Charter and Ground rules were accepted.

Minutes were not available.

There was a return to the agenda
FY23/24 update

John noted the changes in the finance dept. There has been employee turnover and there are new hires. Work on the year-end closing is in progress. Free cash has been replenished. FY 24 is off to a good start.

Jason: will there be a turn back number within the next month?

John: the turn back number will be less than the \$300-\$400k as estimated. We should have a good number by next month.

Peter: we are \$950k to the good mostly from interest income. We have non-audited numbers but we are getting close \$1.1m in turn backs; we are using 2.6% of E&D.

Covid cases are now spiking again. The Charter road entrance is fixed— thanks to the town. The Jr.H, Conant and Blanchard are not air conditioned and the temps in the classroom were not healthy. We have HVAC problems in the HS— most units have passed their useful life. They are old and not repairable.

We have had large staff turn-over; five new school committee members; we have a new finance department and facilities director. We have reinstated the capital sub committee.

We have a \$425k vacancy line item. The proposed solution will be a remote on a higher budget; there is \$100k unanticipated state revenue; the vote will not impact assessment; the implications are that there will be a greater strain on the FY budget.

ALG model

John: we redesigned the spreadsheet. We now show five- years (it's a bit scary)

All the info is on the front page and more easily accessible. The recap are not the actual numbers yet.

FY 25 numbers are based on prior levy limit; new growth is higher than estimates \$700k is a good place to be. Debt payment is falling off for FY23-25. FY is the last year of debt for the Jr.HS. You can see the tax levy capacity and we've added the overlay as a line. State aid is level, but we're hoping for an increase. Local aid leveled. Free cash use is reduced to \$1m— we've been trying to use less and focus on operating within our means. The plan also has the numbers for the schools and Minuteman.

Peter: thank you for putting the new sheet together. We are at 3.75% to maintain level service For FY 26 projected assessment; debt exclusion goes down but that will not increase revenues

Christi: are the MM numbers based on enrollment?

John: right now it's the best we can tell; we do need more numbers from them

Jason: I applaud the Five-year approach. I also like the splitting out of the excluded debt For the twin schools we front loaded the debt by three years. It's a valuable data point. Just because it's decreasing, I don't think we should fill it up again with new debt.

FinCom recommendations

Christi displayed the three slides of the FinCom POV

Their recommendations include not allowing town reserves to go below 3%; keep the free cash expenditure at \$1m , there is an expectation that turn backs will be lower.

Capital, improve, ents should be done with excluded debt; DPW borrowing will be significant. There needs to be a separation between wants and needs. The taxpayers have paid enough.

The FinCom has calculated that there will be only \$321,176 available for the two entities to spend, in addition to the \$1m in free cash; the school cola cannot exceed 2.5%

The fixed costs increases are greater than the revenue increases.

There was a general recognition that the fixed costs were, at present greater than the revenue increases.

The next decision was the meeting time for the next meeting. There were indications that Thursday was not the best day. The day was changed to Monday and the time will be 7:30 and continue in person and hybrid.

The next meeting will be Monday October 16th
John agreed to do the agenda and members should call him with additions.

Adjourned 9:30

Ann Chang