

Finance Committee

Meeting Minutes

July 23, 2024

7:30 PM

Present: Jason Cole (Chair), Scott Sullivan (Vice Chair), Steve Noone, Roland Bourdon, Allison Jones and Greg Jarboe

Mr Cole called the meeting to order.

1. Citizen's Concerns

None

2. Point of View (POV)

Point of view will be laid out a bit differently this FY:

1. Have a clear narrative when presenting to Select Board and School Committee in order to have the POV be best understood
2. Last Point of View was getting close to 20 PowerPoint slides; in order for data not to get lost, will keep it closer to 10 slides. Appendix slides will be included for the additional data.

Following are draft slides:

"Recent Past" slide which included topics such as:

Operating Override:

Passed by extremely thin margin, by only 37 votes.

Debt Exclusion:

Projects such as the School Boardwalk and NAFS

Reserves:

Forecast might not be as bright as in previous years

Unused Tax Levy:

Largest amount in over 15 years, \$1.2m

Tax Increases:

Up by 38% over the past 7 years.

Mr. Cole showed a 28% government spend using an inflation calculator comparing to our 38%.

Mr. Noone commented that these inflation calculators don't factor in capital projects/debt exclusions.

Mr. Jarboe commented that if we're using 2017/2018 as a base, remember that COVID-19 was in the middle of that time period. Mr. Cole agreed and discussed using only certain years among that time period.

Another example: 21% since 2020.

"Present Day" slide which included topics such as:

Do we do our usual 3 - 3.5% increase? Or do less?

Mr. Noone reminded the Committee that the majority of the budget is salaries and that may not allow much, or anything else. Mr. Cole commented that is true, all of this has to be discussed and, in the end, do we look at layoffs, for example to stay within the agreed upon percentage?

How much, if any, of the unused tax levy is used? How do we keep it sustainable?

How much in debt exclusion? Mr. Cole recommends not entertaining debt until FY29.

Lay the groundwork now for bending the taxation curve.

"Near Future" slide which included topics such as:

Wait for inflation to abate? What is the risk in doing this?

Identify a 3-5 year plan for Capital projects for both Town and School; plan among Select Board, ALG and School Committee. About 5-6 years ago, the School took out a well-timed loan that included smaller projects. Is that feasible? The School has a Capital projects Sub-Committee. Mr. Sullivan suggested to revenue source discovery/assets. Mr. Jarboe commented EDC is putting together a development plan, to keep this in mind as well when developing a plan.

"Longer Term" slide which included topics such as:

Set target for where we wish to be regarding tax burden. Do we set a target, what we're willing to shoulder, for example, by looking at median income? Discussion ensued about this approach. It would include what the town values: is it education, business development, etc.? What are the aspirational goals. Mr. Jarboe had a brief conversation with Christi Andersen on the Cost Cutting initiative and needing to understand the objective. Taking our ranking of best suburbs to live in. If we spend more on "x" and less on "y", does that make us more attractive?

Set date for next inventory study.

Grow per plan, not per happenstance.

“Concerns” slide which included topics such as:

Back to an operating override. Do not support this idea until “x” number of years. A specific number was not entered at this meeting, to be discussed further.

No coordination between Capital Projects. Should there be a Capital Projects Committee including membership of town and school.

Growth without understanding possible consequences. Continued concern of receiving very little growth data. During last fiscal year planning, Mr. Cole made multiple calls for basic Planning input data and never received it.

Become a victim of our own success WRT (“With Regard To”) schools.

Unchecked unchangeable Minuteman costs. There is a new Superintendent, we need to stay on top of this cost.

“Recommendations” slide which included topics such as:

Reduce/re-evaluate the Reserve Policy. Be closer to the floor? Or, if not, clear definition of why we’re holding onto these funds? Mr. Bourdon commented about the importance of using stabilization money; for example, why wasn’t it used for the purchase of the Fire ladder truck. Why are we reluctant to use it? Also, Mr. Cole would like to see a review of Enterprise and Revolving fund balances during this exercise. Explicitly label/call out needs.

Fund OPEB and Middlesex retirement as quickly as possible

Set a max tax increase for a 3-5 year rolling average

Plan for future expenses now.

Other comments:

Mr. Noone commented we’re AAA-rated, very high tax rate collection as examples of positive facts. So, nothing is broken but need a clear path on how we continue with this trend.

Ms. Jones suggested to include a slide that compares Acton with our comparable communities. Mr. Noone suggests the towns should be geographically close to Acton. Then, the doubt that we may not want to aspire to be like another town; maybe just a better Acton.

Mr. Cole would like this presentation to be completed 2 meetings from now, which is the second meeting in August. All members will review and be prepared to further discuss at next meeting.

3. Finance Committee Business

Minutes:

No minutes to review.

Liaison Reports:

Mr. Jarboe attended last Friday, July 19th, EDC meeting. EDC developing long-term priorities. Select Board also developed their Short- and Long-term goals. Planning Board has not yet identified their priorities, Mr. Bourdon will inquire. FinCom should review all of priorities/goals.

Ms. Jones will be assigned to a Committee at a future date.

Next meeting:

Scheduled for Tuesday, August 13, 2024. Mr. Cole will confirm this date.

Mr. Bourdon offered the Boy Scouts if they would like to speak; they declined.

Ms. Jones made motion to adjourn, Mr. Bourdon seconded. Motion passed unanimously
Meeting adjourned at 8:58pm

Documents and Exhibits Used During this Meeting

Point of View