

RECEIVED
JUN 10 2013

TOWN CLERK, ACTON

Finance Committee Meeting
May 7, 2013
MINUTES
RJ Grey Junior High School Library

Members Present: Steve Noone, Doug Tindal, Mary Ann Ashton, Margaret Busse, Bob Evans, Pat Clifford, Mike Majors, Bill Mullin

This was a joint meeting with the Acton Board of Selectmen. Members Present: David Clough, John Sonner, Katie Green, Mike Gowing, Janet Adachi (chair).

Also present: Acton Town Manager, Steve Ledoux and Brian McMullen, the Town's Asst. Finance Director/Principal Assessor. APS and ABRS school committees.

Chair Tindal called the meeting to order at 7:30 p.m.

- I) Dennis Bruce from the Acton School Committee presented an updated summary of the Regionalization plan that will cover Pre-K to 12.
 - a. This proposal will be voted on at the Special Town Meeting on June 3, 2013
 - b. Educational Benefits discussed included
 - i. Increased choice options for both towns
 - ii. Gradual leveling of class size
 - iii. Classroom space increases
 - iv. Increased full-day Kindergarten options
 - v. Increased professional learning opportunities
 - vi. More education and less administration
 - c. Discussion of expected financial benefits including:
 - i. Acton (80%) vs Boxborough (20%) financial benefit and impact on regional assessment.
 - d. Discussion of key changes to the Agreement including:
 - i. "Sale" of school buildings with "Sale Back" provision
 - ii. No 5% construction discount for Boxborough
 - iii. 80/20 split in place for 5 years
 - iv. Expanded school committee
 - e. Discussion of estimated financial benefits including:

i. Additional transportation aid from State	\$535.0 k
ii. Chapter 70 aid reduction	-\$156.0 k
iii. Personnel savings	\$466.0 k
iv. Regional aid bonus (declines over time)	\$139.0 k
v. <u>Contract savings</u>	\$ 21.0 k
vi. NET TOTAL BENEFITS	\$1,000.0 k*
<i>Average over 5 years</i>	\$943.0 k

II) The Finance Committee and BOS followed the School Committee presentation with a lively discussion. The questions that followed were too numerous to document, but some of the highlights included the following:

- a. Steve Noone concluded that class size will also decline with or without regionalization due to declining enrollment.
- b. Additional classroom space will become available for the same reason.
- c. Steve suggested than an adjustment to the "base case" position would reduce Acton's net cost and help to offset the difference between base case and the regionalization case. Janet Adachi agreed.
- d. Margaret Busse asked about the impact of regionalization on real estate values.
- e. Bob Evans suggested that the financial benefits of regionalization are suspect.
- f. Mike Gowing asked Dennis about the status of the union contracts.
- g. John Sonner asked about a "pre-nuptial" option for Acton. This is addressed in Section 8 of the agreement "Withdrawal of Member Towns".
- h. David Clough addressed his concern for unintended consequences of regionalization and would like to see more transparency on the proposed savings.
- i. Janet Adachi indicated that the benefit to Boxborough is clear. However, what is the benefit to Acton?
- j. Doug Tindal indicated that "savings" should mean "savings for the people of Acton", not the school committee.
- k. Bob Evans suggested that savings should go back to Town Meeting for allocation.
- l. Pat Clifford asked "what will the motion be at Town Meeting?"
- m. Bill Mullin suggested that population numbers do not reflect other demographics.
- n. Charlie Kadlec, an Acton citizen, had questions regarding transportation expenses, CHOICE students and is the school committee double counting benefits? Are savings really savings and not just money that can be spent somewhere else? Can we commit to reduce the levy?
- o. Dana Farrill, an Acton citizen, made a brief proposal suggesting that the town of Boxborough has a \$1,919 real estate tax savings advantage versus Acton. This could be important for people deciding into which of the two towns to move to, to take advantage of the regionalized school system.

III) There was a brief discussion in anticipation of special Town Meeting and the 17 proposed Warrant Articles.

IV) Bill Mullin proposed the following changes to the Finance Committee organization:

- Pat Clifford - Chairperson
- Steve Noone - Vice Chair
- Mike Majors - Clerk

Motion was seconded and passed unanimously.

V) Committee Updates were deferred to next meeting

VI) Meeting adjourned at 10:00 pm.