

Finance Committee

Meeting Minutes
September 24, 2019
7:30 PM
Town Hall – Room 204

Present: Christi Andersen, Roland Bourdon, Jason Cole, Dave Wellinghoff, Sahana Purohit, Christine Russell, Steve Noone, Al Vlajinac (Associate)

Absent: Mike Majors, Tom Farley

1. Opening

Chair Roland Bourdon opened the meeting at 7:30 PM
This meeting was not recorded by Acton TV.

2. Public Participation

Terra Friedrichs spoke briefly about the review or build-out studies being done relative to 40B's. She stated this was good news.

3. Point of View Drafting Group

Christine Russell presented the POV draft 2.5 for review and final comment.

- “Our Town Financially” slide was updated to reflect the newly certified Free Cash Amount of \$3.75M plus \$2.0M in stabilization for a total of \$5.75M.
- Potential Coming Projects:
 1. “Douglas/Gate School” slide was updated to reflect the latest numbers on MSBA funding level and Acton’s share.
 2. “Fire Station” Slide was updated to reflect the latest Bonding request amount of \$10M
- Potential Debt Exclusions:
 1. “Minuteman” the slide was updated to reflect the latest debt service numbers from Minutemen Regional Technical School of \$10.5M
- Coming projects:
 1. “Effect on Debt Service” this slide was revised to reflect the latest debt service numbers on the upcoming projects.
- Concerns:
 1. “Reserves” The slide was updated with the addition of the 2019 reserves bar added.

- Concerns/Recommendations:
 1. “School Building Committee” This slide was removed as it was deemed no longer relevant
- Takeaways:
 1. The slide was updated to reflect the most recent estimate of the anticipated tax increase for the single family tax bill.

A Motion to approve the “Point of View” as amended was seconded and unanimously approved.

3. Town of Acton North Fire Station

John Mangiaratti gave an update on the fire station costs increase from \$7.5M to \$10.9M. The \$7.5M was a conservative estimate and was strictly construction costs and did not account for any soft costs that are estimated at \$1.5M. He also stated that a design contingency of 20%, construction contingency of 5% and a cost escalator of 4% were added to the overall project.

4. Police Department Green Fleet Initiative

Concerns and interest were expressed regarding the expected battery life of the “Green Fleet” vehicles. Would also like a follow-up report on the anticipated per gallon consumptions and savings.

5. ABRSD Twin School Project

The FinCom was appreciative of Superintendent Light’s appearance before the FinCom at their September 10th meeting where he reviewed the new school building project. The information was very clear, thorough and informative. They were pleased to hear that efficiencies were obtained by designing a twin school and maximizing MSBA reimbursement where possible. Retrofitting old buildings to comply with new regulations and trying to create efficiencies is not cost effective. Much of the conversation centered on financing and how now is the time to strike while interest rates are low. Although there was concern about financing the whole project upfront and that may create an arbitrage issue they believe no windfall will occur due to low interest rates in both short and long term borrowings. A discussion developed over financing mortgage style or level principal payment. Although presently level payment for 30 years is being discussed ultimately it’s the ABRSD treasurer’s decision.

6. Adjournment

At 9:28 p.m., it was moved and seconded to adjourn the meeting.

Documents and Exhibits Used During this Meeting
Point of View draft 2.5, Dated: September 2019

Respectfully submitted,

Finance Committee