

Minutes of the Acton Finance Committee Meeting February 14, 2012 7:30 pm – Faulkner Room, Acton
Town Hall

Pursuant to a notice duly posted with the Town Clerk and with a quorum of members present, the Acton Finance Committee convened at 7:30 p.m. on February 14, 2012, to review various matters.

Members Present: Mary Ann Ashton, Maynard Brandon, Patricia Clifford, Bob Evans, Paulina Knibbe, Bill Mullin, Steve Noone, Clint Seward, and Doug Tindal.

Others Present: Assistant Town Manager John Murray, Peter Ashton, and Sharon Mercurio

CITIZENS CONCERNS AND MINUTES

Acting Chair Tindal called the meeting to order at 7:30 pm. There was no public participation. Minutes for the February 7 meeting were distributed for review.

SENIOR CENTER BUILDING COMMITTEE

The Chair then introduced Sharon Mercurio and Peter Ashton to present information on the work of the for the Senior Center Expansion Committee in support of the proposed TM Warrant article for design funds.

Following the presentation, the Chair asked Ms. Knibbe, a member of the Senior Center Building Committee to comment on the specific work of her subcommittee exploring the expressed community interest in other potential uses for the building. Ms. Knibbe said the subcommittee had been created to respond to the interest raised through the Acton 2020 process for a community center and planned to explore several alternative options to determine their feasibility and functionality.

Mr. Seward commented that the center would clearly be a nice thing to have, but questioned the long term financial impact. He said he did not see how it will fit in with current budget demands. He raised concern that the location might be too far north.

Mr. Noone thanked the presenters and asked when the \$140,000 in design money would be spent. The plan is to appropriate the funds at ATM to design a facility and see how the community responds; the committee believes they can have schematic designs ready for costing and outreach in time for the 2014 Town Meeting.

Mr. Mullin observed that there are conflicts between the demographic information presented in support of the Senior Center as opposed to the 2020 data about seniors moving out of town. In response to his question, Ms. Mercurio confirmed the usage trend was steady; He said the Center needs to have a value proposition; that is, if we build it at a cost of X dollars, what can we expect will happen. Ms. Mercurio said the center would be invaluable and that the increase in assistance to seniors would be huge. He asked for comments on three contexts: Financial, Physical impact on existing facilities, and Prioritization. In response, Mr. Ashton said that a Center built near NARA would add parking and complement the programs currently available by offering a sheltered facility. Mr. Mullin also asked if the Senior Center had considered the FOLF model of a public/private partnership. Mr. Ashton said there are some possibilities being explored.

Mr. Evans raised concerns that the large room filled with tables that would have to be moved would not resolve the concerns with adequate space for exercise classes. He believes that because of the interest in

the 2020 report which will also be presented at Annual Town Meeting, the request for design money is premature.

Mr. Tindal agreed that the center would be acceptable if there is demand and the money can be found. He calculated the square foot cost to construct the building as approximately \$400/ft and said that the private sector could build a suitable structure for much less. He urged the study committee to evaluate private sector alternatives, including leasing, because the market has changed significantly since the original 2009 study. He believes that it would be cheaper to enter a long term lease with a customized build out and that a suitable location could be found.

WARRANT ASSIGNMENTS/TOWN MEETING PREPARATION

The Chair distributed a spreadsheet assigning the anticipated Warrant Articles to members of the Committee and suggested if changes need to be made, members let him know. He also suggested that teams might be appropriate for some articles. Mr. Mullin reminded the committee that typically the noncontroversial (Consent Calendar) articles are decided early so that recommendations can be forwarded to staff for the Warrant. Mrs. Clifford asked that the Chair of the Planning Board be invited to present their recommended Bylaw changes. Mrs. Ashton confirmed that a number of appointments had been set and suggested we could vote recommendations to articles as they are presented.

ALG, POV, BUDGET AND OPEB

The Chair asked for feedback on the staff responses to questions generated following the hearing on Budget Saturday. Mrs. Ashton thanked staff and said she was still reviewing the material. Mr. Noone said he would still like to have the 26 Liner and FY11 actuals. Mr. Mullin reiterated that the major pending issues still under review are: Nursing, Transportation (3 year cash flow), Capital expenditures defined by problems rather than investments, and the value proposition for the Town Hall renovation.

In an effort to respond to requests from the Finance Committee, ALG agreed to release the updated model in advance of their meeting. The new version reflected the designation of an OPEB set aside and reserve use of \$1.7 million, both in line with the Point of View. In response to Mr. Noone's questions, Mr. Tindal said we do not know the nature of the reductions, but that some had come from plan design changes in health insurance. We will have to take it on faith that they are recurring. Mr. Tindal reminded the committee that the focus has been entirely on FY13 and that OPEB numbers had not been included for out years.

Mr. Noone suggested that if FY11 could not be changed to reflect actual numbers, the column should be dropped. Mrs. Clifford reminded the committee that the motion from the February 7 meeting to use the assumptions in the Long Range Plan had not yet been presented at ALG; Mr. Tindal said we needed to have some science to the way the OPEB numbers were added for FY14 and FY15. Mrs. Ashton said that she still wanted to engage the community in a thoughtful process to determine how to fund the OPEB assumptions in the model and determine how to go forward with the right number.

Mr. Mullin observed that by concentrating on the long term, the Finance Committee had focused the conversation on the future and managed to keep the current reserve use low by engaging the operating entities. He said that the ALG plan for FY13 included 90 percent of the Point of View.

Mr. Seward reminded the Committee that the ALG model is still not aligned with the Long Range Plan and that the 5% spending levels still needed to be addressed. He expressed concern over the low OPEB placeholders and also with the addition of 11.5 new positions, which he believes are not sustainable.

Mr. Evans agreed with concerns about expenditures in the out years, but also cautioned that estimates on state aid are not supportable and may jeopardize the revenue side.

KEY ISSUE UPDATES

Nursing Service

The Chair reported that the Town Manager and the Advocare consultant engaged by the Town to evaluate the Nursing Service would attend the March 28 meeting. It is Mr. Tindal's expectation that they will be able to define what is wrong with the service and explain options for fixing the relevant problems.

School Regionalization

The Chair introduced Peter Ashton in his role as co-chair of the School Regionalization Committee. As part of his remarks, Mr. Ashton distributed an outline of the work of the committee looking at combining Kindergarten through Grade Six in the Acton and Boxborough public schools.

In response to Mr. Noone's question about the transfer of physical assets, Mr. Ashton explained his committee was exploring two options: either transfer all the assets to a Region or not transfer. He agreed that one aspect of potential regionalization will be changes in the OPEB evaluations. Mrs. Clifford asked if the Committee has reviewed the Hamilton-Wenham study on regionalization prepared by the Department of Local Services. Mr. Mullin commented that the decision to regionalize should be easy if there is economic benefit on both sides and suggested that the way the regional agreement is constructed is important. Mr. Ashton emphasized that a key priority of the study committee is to be able to show educational benefits for all the students.

COMMITTEE REPORTS

Mr. Noone reported that the Community Preservation Committee was continuing to review projects and had the following updates: Windsor Building reduced to \$50,000; TJ O'Grady Skate Park is a stand alone request for \$225,000; the landscaping for the South Acton MBTA station was determined to be ineligible. CPC is also separately considering a final settlement with the owner of Exchange Hall to close out that project file.

Mr. Evans announced that the Health Insurance Trust has meetings scheduled for February 16 and 23 with the expectation of completing work and voting rates for FY13.

Mr. Mullin, seconded by Mrs. Ashton, moved adjournment; there was no objection.

Respectfully submitted,

Patricia Clifford,
Clerk