

Acton Leadership Group

Minutes of the Meeting of March 11, 2025

Acton Town Hall, Room 204

Members Present: Bart Wendell, facilitator; Dean Charter and Fran Arsenault (SB) Tori Campbell and Yanxin Schmidt (SC); Jason Cole and Scott Sullivan (FC), John Mangiaratti, Marianne Fleckner, and Sheri Matthews (staff). Absent: Peter Light

Audience: David Martin, Tom Beals, Ellie Anderson, Thom Begin

This hybrid meeting replaced the originally scheduled March 4, 2025, meeting to cure a posting flaw.

Public Comment:

David Martin spoke in support of the pending version of the ALG model, noting that the lower ABRHS and Minuteman Budget increases offered a window for the Town to increase its spending to accomplish projects deferred in order to help balance overall spending in previous budget cycles.

Minutes:

Draft minutes of the February 12 meeting were approved.

FY25 Update:

Sheri reported repair work on the school administration building roof and Parker Damon roof units was ongoing with detailed information available in April.

John listed current town activities including the second month of the pilot program for fire station staffing, continuation of the restoration of the Woodbury Lane building, upgrading of the Town Hall lobby display of the historic plow commemorating the 250th anniversary. Town is ahead on revenue to date and in the process of collecting anticipated excise tax revenue of \$2.9 million. Budget is tracking at 66%; he noted ongoing challenge for HR to maintain staffing levels especially police and fire departments.

Review of Multi-Year Financial Model:

John summarized the changes on the financial model referencing the changes tab in the workbook as follow: Net position positive; Town operating budget reduced by \$130K combined with health insurance increases for a total cut of \$290K reflected by reduction in capital plan of \$175K and adjustment in free cash use; adjustment to excess levy by \$130K to cover ABRSD assessment “reserve” for state aid; change in debt exclusion revenue and expense estimates related to DPW building project.

John explained that the DPW building number carried in the model represented the net after deducting the \$1.225 million previously appropriated for design and \$1.5 million that is

expected to be moved from the capital stabilization fund. Currently the net number is \$37.5 million.

In response to Jason, John explained that the model has a conservative number that would be updated when the DPW Building Committee has a final cost estimate in March. They confirmed that the financing rate was 4.25 percent over 30 years.

Tori characterized the School Committee's reaction to the ALG model as supportive for the current year but cautious about future years. The School Committee does not believe that the 3 percent increase in the operational budget is likely to happen again and the current model does not show a clear picture of the likely impacts of health insurance increases and special education costs which may result in budget increases of 5.25 percent (a 6.3 increase in Acton's assessment). The SC also anticipates a capital bond will be forthcoming. She also explained that the School Committee had agreed to issue an RFP for a consultant to conduct a strategic plan for reorganizing and redistricting.

Bart asked if the model should be changed based on the working assumption that needs will not decrease. Tori said yes and asserted that recognizing that there are problems with Chapter 70, and acknowledging that local districts are not getting the state support the need to stay within proposition 2 1/2 are the compelling reasons. She characterized the state aid approach as broken.

Jason asked if these predictions could result in Operating Overrides in '28 and '30. Response from Tori on behalf of the SC was affirmative, and after discussion Jason agreed that the model should reflect this information.

Fran asked if the override would include the capital bond. Answer: no.

John expressed concern about using a forecasting tool that is revisited annually to memorialize these predictions. Fran agreed citing the timing of the consultant's report. Tori said the RFP's would be opened on April 9 with work to begin May 1 and finish by December. Dean said while he appreciated the early warning, he said that it may be too soon to adjust the model. The town needs time to review their side.

In response to Bart, John said they can pull the new numbers together as needed.

Jason underscored the need to have the strongest numbers possible to be able to inform taxpayers.

Discussion continued on the best way to handle the out years, given that the DPW building is in the plan for it's impact on FY26. Fran expressed that there may not be consensus on the DPW building; Tori agreed that focus should be on the "orange" column in the model to show Town Meeting what is coming.

Bart asked the will of the group for changing forecast years – FY27 and on. Will this be the best way to inform voters.

Tori: SC wanted to start the process now as a warning to Town Meeting to allow discussion.

Dean: wanted to have the discussion when the results of the RFP are available; the percentage of uncertainty is too high; why do a restructuring study?

Tori: indicated they may not find savings; the 6.3 percent number will hold “just what we have” and expressed urgency to tell voters.

John: consensus is for the current year. Two decisions: #1 Need to determine what we want to do with current year ('26) and then #2 How to use the out years to best communicate to the public.

Jason: Finance Committee supports numbers in their Point of View – 3% increase, close to level service as possible ; they do not see adding new employees and capital projects as level service.

Scott: New information will change opinions of members of the Finance Committee; thinking has been increases between 3 and 4 percent.

Jason: consensus requires agreement on the full multi year model.

John: new information does not change what we need this year. The Town has not added staff since her became manager 5 years ago; the citizens have asked for services that are in the budget.

Yanxin: if we don't reach consensus, how do we fund 2026?

Tori: reiterated the School Committee's support of the DPW building and acknowledged the awkwardness of bringing the forecasting issues forward, but says the SC believes it cannot deliver 3 percent again

Bart summarized the conversation: group needs to determine what percentage growth has to go into the forecast and when does it go there.

Jason: we need the best possible information from all sides; the Town needs to come back with their thoughts as well.

Bart: goal of the next meeting: first, FY'26 is there agreement? and second, what responsible figures to put into the out lying years

Dean: the DPW building estimates are due Wednesday, March 26; warrant goes to press April 15.

Members agreed to meet again on April 8 at 7:30 am.

Respectfully submitted

Pat Clifford, Substitute Clerk