

TOWN OF ACTON SELECT BOARD MEETING

April 12, 2023

6:00pm

1. CALL MEETING TO ORDER / PLEDGE OF ALLEGIANCE

2. WARRANTS/BILLS - Signed

3. APPROVAL OF AGENDA

Selectmen Winchell made a motion to approve the agenda; seconded by Selectmen McGurty. All in favor.

4. MINUTES OF LAST MEETING - Tabled

5. TOWN ADMINISTRATOR WEEKLY UPDATE

- 2022/2023 Salt Bid - Has been done
- Balch Dam Bridge Report - Submitted to the Board for review. Will be on the April 26, 2023 meeting for discussion.
- Next week there is no Select Board meeting due to a Special Town Meeting.
- On April 26, 2023, a resident asked to be placed on the agenda with regards to donating a piece of land; emails will be forwarded to the Board.
- The facility assessment will also be on the April 26, 2023 agenda for review and discussions; Select Board received a bound report. This information has been posted on a new website page titled Selectmen Pending where items and agenda dates are also listed..
- O'Donnell & Associates will be in town next week doing a little bit of field work; they will be clearly identified and if anyone has any questions, they can call the Town offices. The Board has a workshop scheduled with O'Donnell's on April 26th at 3 pm to discuss preliminary numbers and next steps; information to be provided in advance.
- The Town Administrator worked with the Treasurer regarding the Office Assistant budget adjustment but would also like to ask the Board about some Web site development assistance. There is an employee who does a lot of editing and is a back up for APAT and with the new website coming up, by June 1st and the use of many Boards and Committees, we would really like to see a lot of website use activity, it would be beneficial to bring him in for 10 hours a week to maintain and do everything on the website. When you see the Board minutes, you will also see a link to the video. A proposal is being currently worked on regarding the website design and will include a draft website. The Town Administrator and Mr. Krampetz met last week to review a lot of websites to see what was liked and/or disliked, what features the Town would like to have incorporated into their website.
- Seth McCoy notified the Town that he would like to make a donation of materials for the recreation field if the need arises. The Town Administrator responded that the Town was in the early stages of the parking lot work but would keep him in mind.
- The West Shore link is up on the homepage of the website. When you click on this page you will be requested to give your name and email address which will put you on the mailing notification list of the engineering firm.
- The Town Administrator walked the viewing audience through the website as to how to find the audit presentation documents to be accessed later on the agenda.

6. DEPARTMENT HEAD / COMMITTEE CHAIR UPDATES

A. Will Langley, District One

- The road posting signs were pulled last week.
- Sam Page Culvert was taken care of by placing a piece of granite on top.
- Salt and Sand were placed in the shed; fully restocked from the Fall.
- Sweeping is planned for the end of next week.

B. Robin Ham, Transfer Station Superintendent

- Indicated he was going to need District One to come and push the brush pile up as well as the piece of cement in front of the Transfer Station's sand shed as there is rebar protruding from the cement and someone tripped over it last week. This is occurring because the salt is eating the cement away. Currently the area is coned off. Preference is to have cement removed and leave as gravel.

7. LIAISON UPDATES

1. **Tom** - None
2. **Kim** - Absent
3. **David** - None

8. OLD BUSINESS

A. Commercial Hauler Application - J.A. Brock Land Management, LLC

- Only thing missing was a list of equipment, which has now been provided as well as the fees have been paid. **Selectmen Winchell made a motion to sign the application for Commercial Hauler's agreement for J.A. Brock Land Management, LLC; seconded by Selectmen McGurty. All in favor.**

9. NEW BUSINESS

A. Audit Overview

1. Audit has been received; acceptance was signed on Tuesday afternoon.
2. Selectmen McGurty reviewed the report and had a presentation of some information (6 pages) to share which was available on the Acton Town website.
 - Presentation generally covered the General Fund which is everything other than the School Budget.
 - 1st Schedule is the Balance Sheet of the General Fund (Summation of the actual balance sheet)
 - A balance sheet basically indicates assets (what you have that is tangible), what you owe people and the difference between the two is the net amount of equity or interest that the Town has.
 - This schedule shows the 2022 balances and what they were in 2021 and what the changes were over the last 12 months.
 - The Town had \$6 million twenty two thousand six hundred and 45 dollars last year in cash; \$5 million seven hundred and sixty two thousand or an increase of two hundred and sixty thousand dollars. Well included in that \$6 million is \$1 million nine hundred and eighty five thousand that is included in the Town's accounts which is really being held on behalf of the

Town for the School. So that money is basically there for the school to spend in future periods. So, the net amount is the cash that is owned by the general fund to cover the general business needs which is \$4 million thirty seven thousand dollars.

- Last year, it was \$6 million three hundred ninety five thousand; an increase of six hundred and forty two thousand over the last year.
- There are some investments that are held in certain highly restrictive funds that we have that went down in value; about twelve thousand dollars.
- Then the Town has money that is owed to them (basically, accounts receivables). Accounts receivables are monies that the Town will collect in the future for taxes and other items; this amount is four hundred and twenty nine thousand dollars. Generally these funds are collected over the next 3 to 6 months.
- The Town also has liabilities which are the amounts due and payable for vendor payments, payroll taxes, etc. (a whole variety of things). This amounts to six hundred and twenty three thousand dollars. These balances will be paid out over the next 3 or 4 months.
- What is left are fund balances or equity. The equity the Town has are the undesignated reserves which total \$2 million eight hundred ninety seven thousand dollars at year end and the other reserve accounts primarily for capital and various purposes where it has been approved through an article at town meeting to put the money into a particular reserve account, i.e., the reval cost or West Shore Drive Culvert. The balance of these reserve accounts is \$1.1 million dollars.
- This demonstrates that equity for undesignated reserves increased over the prior year by two hundred and fifteen thousand dollars and the equity or fund balance for all those individual reserve accounts increased four hundred and twelve thousand dollars. So, a total increase in fund balances of six hundred and twenty seven thousand dollars.
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- The next page is the Profit and Loss Statement which says what you were budgeted to spend, what you were budgeted to receive in revenue, what you actually received in revenue and what you actually paid in expenses and how you did relative to the budget.
 - The first column is the original budget. (directly related to the articles that were approved at town meeting). All the expenditure amounts can be traced right back to those articles.
 - The revenue budgets were \$8 million two hundred and seventy four thousand and the expense budget was \$8 million two hundred and seventy four thousand .
 - At the time when the original budget was passed, we were expected to balance our budget.
 - There were subsequent articles, warrants that were approved at town meeting that authorized the town to expend additional sums (to be reviewed later of what those actually were for but they indicated that we would have been able to spend an additional \$834 thousand dollars on top of the \$8.2 million dollars that the original budget warrants authorized. Thus, we were authorized to spend \$9 million dollars (detail to be explained.)
 - That \$9 million included \$4.4 million dollars we were going to transfer to the school. So, if you look at the change of all that we were expecting

according to a budget to generate effectively a reduction (a loss of \$791 thousand dollars) - that's what we were authorized to do with all of the articles and warrants that were approved at town meeting, what we actually did was an \$81,000 dollar surplus.

- So, the Board was authorized to generate a deficit of \$791,000 dollars but we actually generated a surplus of \$81,000. This means there was an improvement over budget.
- Of \$873,000 dollars last year and all of the lines here will detail for you how much of that was in general government, public safety, public works, etc., that surplus of \$873,000 came about because our revenues exceeded the budget by \$3 hundred and thirty three thousand dollars and our expenditures were less than budgeted by \$539 thousand dollars. So, the combination of those two are both positive and we actually had a surplus of \$873,000 dollars.
- The third page of the packet: This is a schedule that has always been included in the audit but has not received much coverage. It is a statement schedule. This page lists all the individual tax accounts or revenue accounts for the town. Here you will notice the final budget for revenue was \$8 million three seventeen which agrees with the previous page. We actually had \$8 million six hundred and fifty thousand dollars in revenue or we had an extra revenue over budget of \$333,000. This schedule will detail exactly which revenue accounts had excess revenue or actually one of them came under budget and that was building permits, but everything else was above budget. So revenue was to the good \$333,000.
- The fourth and fifth pages: Details all individual budget accounts for the town in general, government, public safety, public works, recreation, etc. All the individual expense accounts are listed there and shows what the budget was, the original budget, and the revised budget with actual expenditures. If you go to the bottom line on the second page, you will see in fact that we didn't spend the \$539,000 we were authorized to spend. A combination of that plus the extra revenue gets us back today at a \$800,000 plus surplus that the town generated.
- The last page: Lists all the articles and warrants that were approved at town meeting and Selectmen McGurty indicated he wanted to schedule them out so that everyone could see where that \$9 million dollar expense budget came from and everyone can see every one of the warrants as each has a warrant number associated with it and associated amounts. Shown for instance, public works there are seven different warrant articles that were approved that produced the Public Works budget of \$1 million five hundred and sixty three thousand dollars. Everyone is welcome to go through the detail and will now understand where the budgets are coming from.
 - The next schedule page is a listing of all the town's fund balances and included in there is also the school but these are all the town fund balances and they tie right back to the balance sheet referenced earlier. For example: the general fund at the end of the year had a total fund balance of \$3 million seventy eight thousand of which unassigned or undesignated fund balances were \$2 million eight ninety seven and all of the individual reserve accounts, i.e., culvert reserve, etc. (the list was there to review to know what makes up the fund balances or reserve accounts; it's all on the schedule.
- Selectmen McGurty indicated he had to pull all these pages together as it was contained in multiple locations in the financial statements and it was very difficult to see what the reserves were, but now they had a one page summary.

- Next, Selectmen McGurty explained how he summarized how the fund balances or the undesignated fund lined up against the surplus policy. The surplus policy says to take the expense budget for the prior year and the surplus or undesignated reserve and the range should be between 16.7 and 33% of those expenditures. The town's expenditures for the fiscal year were \$4 million one hundred and sixty two thousand dollars; 16.7% (the low end of the designated range). The undesignated reserve balance should be \$695,000 dollars at the high end of the range with is 33% of the surplus; \$3 million eighty seven, but the town actually has a surplus of \$2 million eight ninety seven; so we have in excess of our own surplus policy sitting in the undesignated reserves at the low end, a million five to the upper end of \$2.2, so we have someplace between a million and a half and \$2,2 million in undesignated reserves in excess of the town's stated surplus policy.
- It is actually great news that we have amounts in excess of what was expected which creates an opportunity for the town to figure out what to do with this and how they should go about determining what to do with those surplus reserves.
- Not new information, Selectmen McGurty encouraged the town to consider developing a financial plan. A financial plan like a three to five year plan. No immediate action but it would be appropriate to go through a three year review. This review should say this is what we have for reserves, this is what we expect our revenues to look like over the next three to five years, this is what expenditures might look like, what does the town need beyond what would typically be carried in the budget. there has been a lot of that discussion over the last couple of months including the assessment just done on the facility that suggests there's an opportunity to do some renovation and refurbishment. The road agents have discussed widening H Road, tax relief, etc. All legitimate considerations to take but we really need to be very careful to make sure we understand not only where we are as of June 30, 2022 but where we're likely to be over the next three years.
- This is pretty standard and the services of the accounting firm suggested will actually do this for us; a multiyear round plan.
- Information would be needed from the capital planning committee about what they're hearing departments are looking for; we need to see what the reval looks like and the impact it is going to have on the tax rate. A lot of moving pieces out there to take immediate action on this.
- The town is in a good place.
- The Board's recommendation is to engage in financial planning over the next few months so that the Board can come back and talk about what they would suggest as a recommended course of action for the town.
- Selectmen Winchell indicated that everyone can be heard on what projects need to be done and taxes can be offset but we don't want to spend all of this money. A three year plan is suitable.

Public Comment: Mr. Lopez asked about the excess funds. Selectmen McGurty explained the minimum and maximum of the range.

B. Town Hall Hours

The Town Administrator reviewed the proposed new hours for the Town Hall and staff. A lot of research and consideration went into this to make sure resident's and staff and future applicants would benefit. The new hours will be 8:30 - 4:30 pm Tuesday, Wednesday, Friday and Noon to 7 pm on Thursday. There will no longer be any Saturday hours. These new hours will start May 1, 2023.

Selectmen Winchell made a motion to change the town hall hours to be from Tuesday through Friday as reviewed; seconded by Selectmen McGurty. All in favor.

C. Executive Session 405 6 A.1. - Personnel

Selectmen Winchell made a motion to go into Executive Session 405 6 A.1 - Personnel; seconded by Selectmen McGurty . All in favor.

Selectmen Winchell made a motion to come out of Executive Session 405 6 A.1 - Personnel matter; seconded by Selectmen McGurty. All in favor.

D. Recap

- The Road Commissioners reviewed a list of the roads and it was sent to RSMS and the engineer; they had a couple of questions which will be worked on by the Road Commissioners tomorrow; they are getting a package together.

10. PUBLIC COMMENT

A. Will Langley asked about the road assessment. How in depth will he be going? He didn't get a chance to talk with him. The Selectmen explained their concept of what would be done. A priority to a non-priority listing; reason why and how to fix it. Nothing where the Road Commissioner would be told how to do it. Selectmen McGurty asked if Will had anything additional to be included, Will said no.

B. Joyce Bakshi asked when the warrant will be ready. Town Administrator indicated it is being worked on; not due to Warrant & Finance until the following Monday. Selectmen McGurty is trying to streamline the warrants. Anything done should be run before council to make sure whatever is done is legal.

C. Raymond. Lopez - Any update on the two positions going to be posted. Response: The Town Administrator was waiting on town hours decision; will be posted immediately.

11. ANNOUNCEMENTS

April 13, 2023 Planning Board Meeting 6:00pm

April 13, 2023 **Public Hearing** on proposed zoning changes

April 15, 2023 Recreation Committee 8:30am

April 17, 2023 Cemetery Committee 6:00pm

April 19, 2023 **Special Town Meeting** 6:00pm (@ Town Hall)

April 20, 2023 Planning Board 6:00pm

April 24, 2023 Warrant and Finance 6:00pm

April 26, 2023 Select Board 6:00pm

12. MEMBERS PRESENT

Selectmen Tom McGurty, Selectmen David Winchell and Town Administrator Jennifer Roux; Selectmen Kimberly Stacey-Horn was absent.

13. ATTENDANCE

Ray Lopez, Joyce Bakshi, Robin Ham, Dennis Long, Will Langley

Selectmen Winchell made a motion to adjourn; seconded by Selectmen McGurty. All in favor.