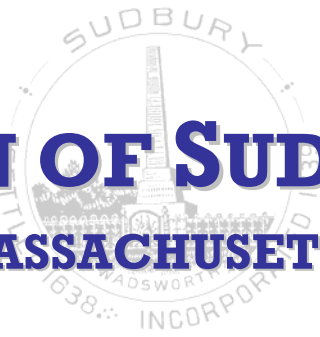


# **TOWN OF SUDBURY**

## **MASSACHUSETTS**



## **FY09 BUDGET AND FINANCING PLAN**

**JULY 1, 2008 – JUNE 30, 2009**

## Acknowledgements

Board of Selectmen:

John C. Drobinski, Chairman  
Lawrence O'Brien  
William Keller, Jr.

Finance Committee:

Charles Woodard, Chairman  
Martha M. Ragones, Vice-Chairman  
Jamie Gossels  
James Jacobson  
Robert N. Jacobson  
William E. Kneeland, Jr.  
Sheila A. Stewart  
Ralph F. Verni  
Debra Zurka

Primary Cost Centers:

General Town Government  
Sudbury Public Schools  
Lincoln-Sudbury Regional High School

Budget Prepared by:

Maureen G. Valente, Town Manager  
Andrea L. Terkelsen, Finance Director

Assembled by:

Peter Anderson  
Melinda Connor

Issue date:

June 1, 2008

Version:

As Appropriated FY09 General and  
Enterprise Funds Budgets



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Town of Sudbury  
Massachusetts**

For the Fiscal Year Beginning

**July 1, 2007**

President

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Town of Sudbury, Massachusetts for its annual budget for the fiscal year beginning July 1, 2007.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operating guide, as a financial plan, and as a communications device.



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# Town of Sudbury

## Town Manager's Office

Townmanager@town.sudbury.ma.us

278 Old Sudbury Road  
Sudbury, MA 01776  
978-639-3381

Maureen G. Valente, Town Manager

<http://www.town.sudbury.ma.us>

May 1, 2008

The Honorable Board of Selectmen, Finance Committee, Capital Improvement Planning Committee, Sudbury Public School Committee and Lincoln-Sudbury Regional School Committee:

I am hereby submitting to you the ***Town of Sudbury Appropriated Budget and Financing Plan for Fiscal Year 2009***. This budget contains the amounts appropriated at the 2008 Annual Town Meeting for the operations of the Town Departments, the Sudbury Public Schools, the Lincoln-Sudbury Regional High School, as well as to fund the capital plan and to meet the other assessments and obligations of the Town of Sudbury for the period July 1, 2008 – June 30, 2009.

The final budget appropriations were made in accordance with the ***Non-Override Preliminary Budget*** that was developed and agreed upon by the collaborative Budget Working Group, representing members of the Board of Selectmen, Finance Committee, Sudbury Public School Committee and the Lincoln-Sudbury Regional High School Committee along with the Town Manager, SPS Superintendent and the L-S Superintendent, and subsequently printed in the 2008 Annual Town Warrant which was mailed to all households in Sudbury prior to Town Meeting and the Town Election.

Two other preliminary FY09 Budget Requests were prepared and printed in the warrant as well, but these were contingent on the approval of Sudbury voters at the Annual Town Election for an increase in property taxes above the Proposition 2 ½ levy limit. Voters at the Annual Town Election were asked to approve an increase in property taxes above the levy limit for either \$1,821,200 (Question 1A) or \$2,821,200 (Question 1B). By a substantial margin, the voters did not authorize either of these tax increases; thus, neither of the higher, contingent preliminary budgets were presented to Town Meeting for consideration and only the ***Non-Override Preliminary Budget*** as augmented by additional state aid was presented. As the state legislature had announced and agreed upon \$248,000 in additional state aid was allocated beyond initial projections, this amount was added to the budget motion at Town Meeting. Of this additional funding, \$23,000 was allocated to the Public Works Department and \$225,000 was added to the Sudbury Public Schools budget.

The ***FY09 Appropriated Budget*** authorized by Town Meeting is \$77,422,933, a decrease of .1% or \$56,842 over the ***FY08 Appropriated Budget***, \$77,132,537. The ***FY09 Appropriated Budget*** is based on the maximum allowable revenue anticipated for FY09, which was severely affected when the Town's Free Cash was certified at a much lower level than in previous years, offsetting the allowed increased in property taxes. Discussions in Section Three provide more detail on the revenue trends and expenditure pressures that are contributing to Sudbury's major budget challenges.

One of our most important obligations in budget deliberations and votes is to be as transparent and comprehensive as possible so our residents can understand why the level of financial resources is needed each year, and what is accomplished with those resources. This budget document is one of our best ways of meeting that obligation.

I am pleased to report that the Town of Sudbury's budget document has received national recognition for the second year in a row. The Government Finance Officers Association has awarded the Town of Sudbury the Distinguished Budget Presentation Award for the ***Town of Sudbury Appropriated Budget and Financing Plan for FY08***. This award is the highest form of recognition in governmental budgeting and represents a significant achievement for the Town. Sudbury is one of only seven local governments in Massachusetts to have earned this recognition. This award means that the budget document achieved our goal of serving four primary missions – as a policy document, as a communications device, as a financial plan and an operations guide. We hope that readers and users of the budget will find it useful for these purposes.

A document of this size and detail represents an enormous amount of effort. This year's budget is the result of months of effort from many department heads, led by Finance Director/Treasurer-Collector Andrea Terkelsen. Peter Andersen, senior clerk in the Treasurer-Collector's office, was kind enough to assist with assembly of the document and creation of many of the tables and graphics found herein. My deepest thanks to all Town staff who work so diligently on developing and preparing budget requests that look to use tax resources as efficiently and carefully as possibly while accomplishing their mission of serving the residents of Sudbury.

Sincerely

*Maureen G. Valente*

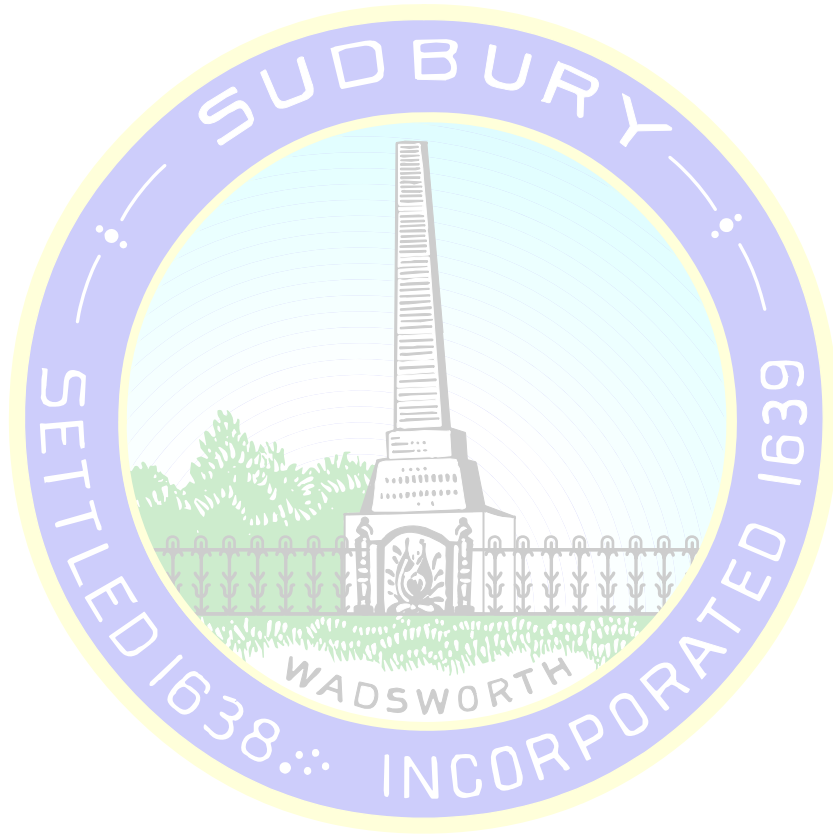
Maureen G. Valente  
Town Manager

## Questions and Answers on Using this Budget Document

- Question:** Where can I find the bottom line for As Appropriated FY09 budget?  
**Answer:** Start with the Table on page 58 in Section 3. This summary sheet has the appropriated budgets for all cost centers plus other financial obligations of the Town that must be covered, along with the preliminary revenue estimates for FY09.
- Question:** Where do I find information about the Town's current revenues?  
**Answer:** Start with the Revenue Projections on page 60 in Section 3. This lists the projected revenues, and gives a brief description of each revenue source and how we made assumptions about it for FY09.
- Question:** How much does the Town's revenue base grow each year?  
**Answer:** Beginning on page 73 is a discussion of what has been happening in the Town's revenue base for the period FY2002-FY2007.
- Question:** How much of the Town's budget is for the cost of benefits for employees such as Health Insurance and Pensions?  
**Answer:** The specific amounts appropriated for the Town and Sudbury Public Schools for these items can be found on page 175. The specific amounts for the Lincoln-Sudbury Regional High School can be found in their budget document, which is a separate document. You can also see tables on pages 69 and 70 in Section 3 which look specifically at a six year history of these costs.
- Question:** How can I find out the goals of the Town and how the budget is developed to try to accomplish those goals?  
**Answer:** There are different goals set by different entities. The goals of the Board of Selectmen are found beginning on page 11 in Section 1. These goals provide direction to the Town Manager and department heads for the fiscal year and over the long term. Also, each Town department head works with the Town Manager to set goals for the year and in each departmental budget request in Section 4 you can find FY09 goals as well as FY07/08 accomplishments.
- Question:** Where can I find information about budgeting for capital projects, such as building improvements and new DPW vehicles?  
**Answer:** The capital budget is found in Section 8 of this document.
- Question:** How can I find out more about the budget balancing process?  
**Answer:** See Section 2 of this document for a letter of instructions, a listing of the budget hearings held by the Finance Committee, and a description of the phases of budget preparation and development. Additionally the Finance Committee posts as much information on the Town's website as possible. See [www.sudbury.ma.us](http://www.sudbury.ma.us).
- Question:** Where can I find definitions for the budget terms and acronyms used in this document?  
**Answer:** These can be found in Appendices One and Two of this document.

# Section One

## OVERVIEW OF THE TOWN OF SUDBURY



## SUDBURY AT A GLANCE

SETTLED:	1638 - Incorporated 1639; 369 years old in 2008	
POPULATION: (see Appendix Four)	17,924	Voters: 11,560
AREA:	24.7 Square Miles	
FY2009 BUDGET:	Operating Budget:	\$68,699,437
	Debt Service:	6,741,131
	Other items to be raised	<u>1,507,925</u>
	TOTAL General Fund Budget:	\$76,948,493
TAX RATE:	FY2008: \$14.27 Residential; \$18.47 Commercial/Ind./Personal Property FY2007: \$13.12 Residential; \$20.29 Commercial/Ind./Personal Property FY2006: \$13.55 Residential; \$21.71 Commercial/Ind./Personal Property	
GOVERNMENT:	Selectmen/Town Manager with open Town Meeting	
PUBLIC LIBRARY:	Goodnow Library, member of Minuteman Library Network	
SCHOOLS:	Four elementary schools, one middle school, Lincoln-Sudbury Regional High School and Minuteman Regional Vocational Technical High School	
PUBLIC SAFETY:	Full-time Fire Department with three stations, also provides emergency ambulance service to hospitals Full-time Police Department	
RECREATION:	Programs offered year round; informational brochures mailed to all Sudbury residents four times a year. Recreation buildings include the Atkinson Town Pool, the Fairbank Community Center, which houses the Teen Center, Park and Recreation Office and the Fairbank Senior Center. Major recreation areas include Davis Field, Featherland Park, Feeley Field, and Haskell Recreation Area. Facilities include a toddler playground, tennis courts, basketball courts, golf putting green, sand volleyball court, outdoor ice skating area, and fields for: baseball, field hockey, lacrosse, softball, and soccer.	
HOSPITALS WITHIN 10 MILES:	Emerson Hospital, Concord Metrowest Medical Center/Framingham Union Campus, Framingham UMASS Health System-Marlborough Hospital, Marlborough.	
HEALTH/HOSPICE CARE SERVICES:	Parmenter Health Services, Inc.	
HOUSES OF WORSHIP:	Baptist, Catholic, Congregational, Episcopal, Jewish (2), Lutheran, Methodist, Presbyterian, Swedenborg Chapel, Unitarian, and non-denominational.	
UTILITIES:	Electrical service: NSTAR Natural Gas service: Keyspan Water: Sudbury Water District Telephone service: Verizon Cable Service: Comcast of Massachusetts, Inc. and Verizon	
PUBLIC TRANSPORTATION	*NEW* MetroWest Regional Transit Authority 1-888-996-9782	

## ECONOMIC AND DEMOGRAPHIC CHARACTERISTICS

### Property Valuation

Classification of Property	FY06 Assessed Valuation	% of Total Assessed Valuation	FY07 Assessed Valuation	% of Total Assessed Valuation	FY08 Assessed Valuation	% of Total Assessed Valuation
Residential	\$ 3,734,317,130	94.4%	\$ 3,990,378,334	94.3%	\$ 3,892,876,521	93.5%
Commercial	\$ 128,328,335	3.2%	\$ 140,407,383	3.3%	\$ 159,918,858	3.8%
Industrial	\$ 52,194,100	1.3%	\$ 56,780,100	1.3%	\$ 62,039,300	1.5%
Personal	\$ 42,090,886	1.1%	\$ 43,965,520	1.0%	\$ 48,125,120	1.2%
<b>Total</b>	<b>\$ 3,956,930,451</b>	<b>100.0%</b>	<b>\$ 4,231,531,337</b>	<b>100.0%</b>	<b>\$ 4,162,959,799</b>	<b>100.0%</b>

### Largest Taxpayers

<b>Largest Taxpayers, FY06</b>	<b>Nature of Business</b>	<b>Total Assessed Valuation, FY06</b>	<b>Amount of Tax</b>	<b>Percent of Levy</b>
Boston Edison	Utility	\$24,389,698	\$528,701	0.54%
Raytheon Corporation	R & D	\$14,829,800	\$321,955	0.40%
David F. Bolger	R & D	\$11,641,900	\$252,746	0.32%
Pasquarello & Spertner	R & D	\$11,201,800	\$243,191	0.29%
Sudbury Crossing	Shopping Center	\$9,871,300	\$214,306	0.26%
Der Manuelian Haig TRS	Shopping Center	\$7,799,400	\$169,325	0.21%
GPT - Longfellow Glen	Apartments	\$11,262,800	\$157,149	0.30%
Dowie William J. Trustee		\$10,622,500	\$146,854	0.27%
Richard J. Bosse Holdings LLC	Sports Complex	\$5,753,500	\$124,908	0.15%
1776 Plaza Limited Partnership	Shopping Center	\$5,710,200	\$123,968	0.15%
		<b>\$113,082,898</b>	<b>\$2,283,103</b>	<b>2.89%</b>

### Largest Employers

<b>Largest Employers, FY06</b>	<b>Nature of Business</b>	<b>Approximate Current Employees</b>
Raytheon Corporation	R & D	2000
Sudbury Farms	Supermarket	250
Lincoln-Sudbury Regional School District	School	227
Chiswick Trading Co.	Packaging	178
Wayside Inn	Restaurant/Inn	150
Star Market	Supermarket	135
Sudbury Pines Nursing Home	Nursing Home	104
Wingate Nursing Home	Nursing Home	40

Industries, per US Census Bureau 2002

<b>Industry</b>	<b>Count</b>
Manufacturing	10
Wholesale trade	48
Retail trade	70
Information	16
Real estate, rental & leasing	18
Professional, scientific, & technical services	117
Administrative, support, waste management & remediation service	25
Educational services	3
Health care & social assistance	39
Arts, entertainment, & recreation	12
Accommodation & food services	26
Other services (except public administration)	31

Household Income Distribution 1999, per US Department of Commerce

<b>Income for Households</b>	<b>Households</b>	<b>Percent</b>
Less than \$10,000	164	3.0%
\$10,000 - \$24,999	299	5.4%
\$25,000 - \$49,999	509	9.2%
\$50,000 - \$74,999	584	10.6%
\$75,000 - \$99,999	645	11.7%
\$100,000 - \$149,999	1,256	22.7%
\$150,000 or more	2,066	37.4%
<b>Total</b>	<b>5523</b>	<b>100.0%</b>

Population Composition, per US Department of Commerce

<b>Population Composition 2000</b>	<b>Number</b>	<b>Percent</b>
Under 5 years	1,489	8.8%
5 years to 19 years	4,223	25.1%
19 years to 65 years	9,476	56.3%
65 years and older	1,653	9.8%
<b>Total</b>	<b>16,841</b>	<b>100.0%</b>

*(Also See Appendix Three – Census Data)*

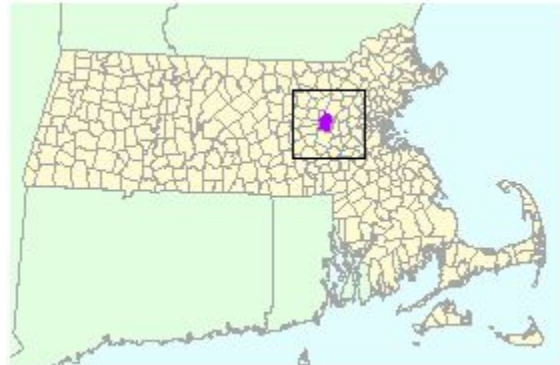
Educational Attainment, per US Department of Commerce

<b>Years of School Completed</b>	<b>Number</b>	<b>Percent</b>
Less than 9th grade	81	0.7%
9th to 12th grade, no diploma	317	2.9%
High School Graduate	970	9.0%
Some College - no degree	1,058	9.8%
Associate's degree	617	5.7%
Bachelor's degree	3,719	34.4%
Graduate or professional degree	4,062	37.5%
<b>Total</b>	<b>10,824</b>	<b>100.0%</b>



## GOVERNMENT STRUCTURE

The Town of Sudbury, Massachusetts (the “Town”) was incorporated in 1639. It is located in Middlesex County, about 20 miles west of Boston. The Town is governed by an open Town Meeting, an elected Board of Selectmen, and an appointed Town Manager. Local legislative decisions for the Town are made by an open town meeting.



The Town implemented its current charter on July 1, 1996. This charter provided for appointment of a Town Manager by the Board of Selectmen. The Town Manager has broad responsibility for day-to-day management of Town affairs, as well as preparation of annual operating and capital budgets. The Town provides general governmental services for the territory within its boundaries, including police and fire protection, streets, library, parks and recreation. For budgeting purposes, the Town services are divided into six program areas, and the Town Manager has authority to move funds as needed within a program area, but not to transfer funds between these areas. These areas are as follows: General Government; Public Safety; Public Works; Human Services; Culture and Recreation; and Unclassified.

The Sudbury Water District of Sudbury, which is entirely separate from the Town, provides water services to 87% of the territory located within the Town. The Town has an inter-municipal septage disposal facility agreement with the Town of Wayland. The facility is operated as an enterprise fund; however, the Town remains liable for its portion of any debt (50 percent) in the event of a revenue shortfall. The facility does not have any debt outstanding as of June 30, 2006.

The Town provides education in grades K-8 through the Sudbury Public Schools; the Lincoln-Sudbury Regional School District provides education in grades 9 through 12. The Minuteman Regional Vocational Technical High School provides vocational technical education in grades 9 through 12. Capacity of the Town's schools has been significantly increased in recent years. Elementary school capacity increased from 1,804 to 2,486; capacity of the middle school increased from 769 to 1,135. The regional high school has built a new, larger facility to replace the existing building and the capacity of the new high school is 1,850. The older facility had 1,420 students enrolled in its final year.

# ORGANIZATIONAL CHART



**EMPLOYEE HEADCOUNT**  
(Full Time Equivalents)

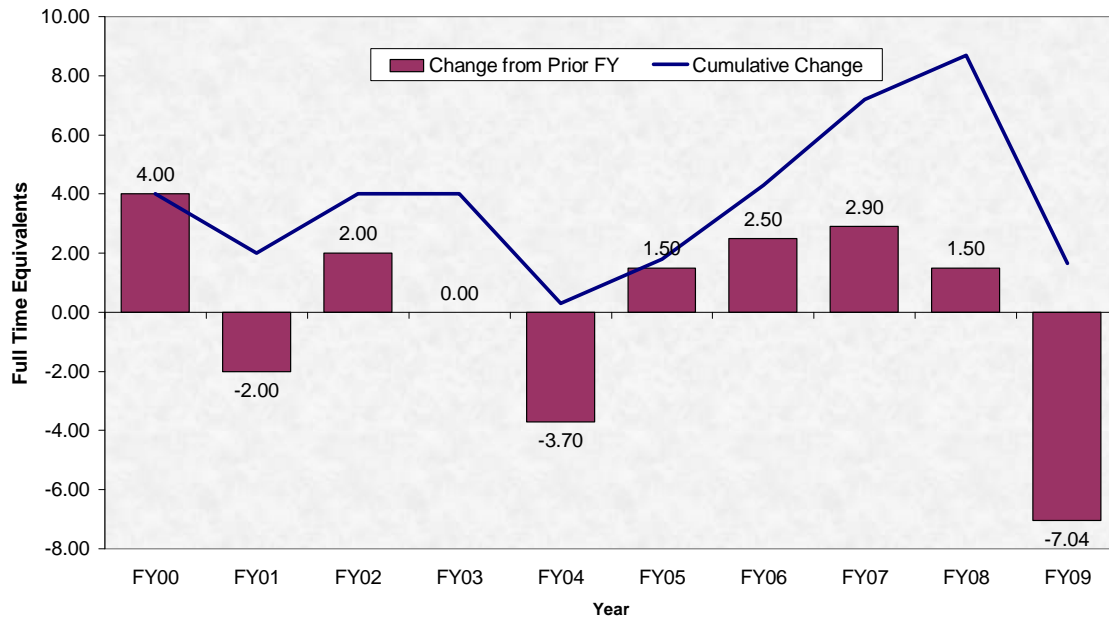
<b>Cost Center</b>	<b>FY07 Actual</b>	<b>FY08 Budget</b>	<b>FY09 Non-Override</b>	<b>FY09 Level Staff</b>
LSRHS*	210.70	211.55	185.67	192.37
		0.4%	-12.2%	-9.1%
Sudbury K-8 Schools	412.38	412.25	391.20	412.25
		0.0%	-5.1%	0.0%
Public Safety	79.80	79.10	76.76	79.10
Public Works	34.80	34.80	33.55	34.80
General Government	32.30	33.94	31.82	33.94
Human Services	7.30	7.73	6.73	6.73
Culture & Recreation	30.00	30.14	29.80	30.14
Town Operating Sub-total	184.20	185.71	178.66	184.71
		0.8%	-3.8%	-0.5%
Town & SPS Total	596.58	597.96	569.86	596.96
		0.2%	-4.7%	-0.2%
<b>TOTAL</b>	<b>807.28</b>	<b>809.51</b>	<b>755.53</b>	<b>789.33</b>
% Change from Prior		0.3%	-6.4%	-2.2%

\*Headcount calculated using Total LSRHS FTE's multiplied by Town's annual assessment percentage which for FY08 is 85.33%.

### CHANGES IN TOWN DEPARTMENT STAFFING LEVELS

FISCAL YEAR	TOTAL FTE'S	CHANGE FROM PRIOR YEAR	NOTES
FY09	178.66	-7.04	<i>Eliminate:</i> 1 police officer, .7 police overtime, 1 GIS Administrator, .7 Asst. Planner, 1 HEO DPW, .3 summer DPW, 1 COA van driver (funded by Reg.Trans.Auth.), .4 fire overtime, .3 Bud/Personnel Analyst, .2 Zoning Enforcement Agent, .4 misc. clerical and seasonal
FY08	185.70	1.50	<i>Add:</i> 1 BOH-Cons. Assistant, .5 police officer, .7 Comm. Housing Spec; <i>Eliminate:</i> .7 Dog Officer (contract)
FY07	184.20	2.90	<i>Add:</i> 1 GIS Administrator, .7 Asst. Planner, .9 Budget/Personnel Analyst, .3 Engineering Aide
FY06	181.30	2.50	<i>Add:</i> 1 Asst. Fire Chief, 1 LEO/Asst. Mechanic DPW, .5 police clerk
FY05	178.80	1.50	<i>Add:</i> 1 police officer (grant), .5 Asst. Library Director (balance from Adult Serv. Reference Librarian)
FY04	177.30	-3.70	<i>Eliminate:</i> 1 LEO DPW, 1 Supt. Park and Grounds, 1 Sr. Outreach Worker, .7 seasonal help
FY03	181.00	0	
FY02	181.00	2.00	<i>Add:</i> 1 Accounting Clerk DPW, 1 Sr. Outreach Worker
FY01	179.00	-2.00	<i>Eliminate:</i> 1 LEO DPW, 1 Benefits Administrator
FY00	181.00	4.00	<i>Add:</i> 1 Assistant Building Inspector, 1 Technical Support Specialist, 1 Management Analyst DPW, 1 Youth Coordinator
FY99	177.00		<b>NET GAIN FY99 - FY09 = 1.66 POSITIONS</b>

### Changes in Town Department Staff Levels, FY99-FY09



### CHANGES IN SUDBURY PUBLIC SCHOOLS STAFFING LEVELS

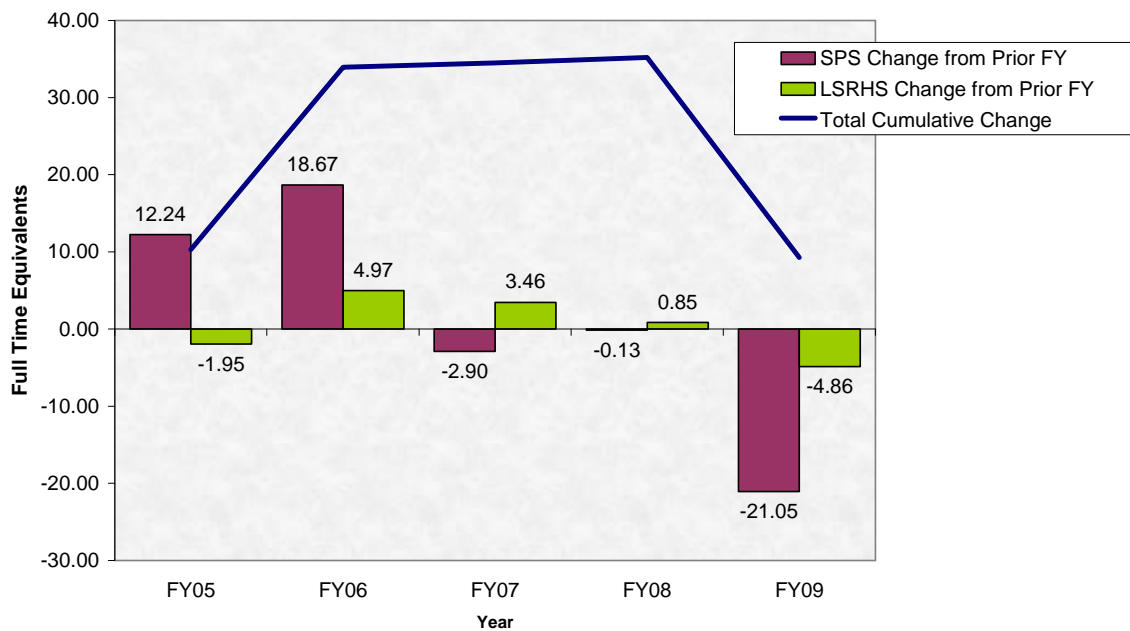
FISCAL YEAR	TOTAL FTE'S	CHANGE FROM PRIOR YEAR	NOTES
FY09	391.20	-21.05	<i>Eliminate:</i> 7.5 K-8 core classroom teachers, 4.0 K-8 other teachers, 7.55 K & 1st grade teaching assistants, 2.0 secretarial/maintenance
FY08	412.25	-0.13	<i>Eliminate:</i> .42 Elementary Ed, 1.56 Special Ed; <i>Add:</i> 1.85 Middle School Ed
FY07	412.38	-2.90	<i>Eliminate:</i> .65 Elementary Ed, .3 Curriculum Specialist, 2.87 Special Ed; <i>Add:</i> .3 System Admin, .62 Middle School Ed
FY06	415.28	18.67	<i>Eliminate:</i> .89 METCO; <i>Add:</i> 5.82 Elementary Ed, 2.1 Middle School Ed, 10.18 Special Ed, .46 Health/Transportation/Food Service, 1.0 Maintenance
FY05	396.61	12.24	<i>Eliminate:</i> 1.64 Health/Transportation/Food Service, 1.0 Maintenance; <i>Add:</i> 1.0 System Admin, 6.19 Elementary Ed, .34 Middle School Ed, .28 Curriculum Specialist, 5.97 Special Ed, 1.1 METCO
FY04	384.37		<b>NET GAIN FY04 - FY09 = 6.83 POSITIONS</b>

## CHANGES IN LINCOLN-SUDBURY HIGH SCHOOL STAFFING LEVELS

FISCAL YEAR	TOTAL FTE'S*	CHANGE FROM PRIOR YEAR	NOTES
FY09	206.69	-4.86	<i>Eliminate: 2.13 Teachers, 1.71 Teaching Assistants, .85 Clerical/Admin Support, 0.17 Nursing Services</i>
FY08	211.55	0.85	<i>Details contained in LSRHS budget documents.</i>
FY07	210.70	3.46	
FY06	207.24	4.97	
FY05	202.27	-1.95	
FY04	204.22		<b>NET GAIN FY04 - FY09 = 1.63 POSITIONS</b>

\*Total LSRHS FTE's multiplied by Town's annual assessment percentage which for FY08 is 85.33%.

### Changes in Schools Staff Levels, FY99-FY09





## **TOWN OF SUDBURY**

### **MISSION AND VALUES FOR DETERMINING BOARD OF SELECTMEN GOALS**

*The Mission of the Town of Sudbury is to ensure the safety and well-being of the community, to protect and enhance the financial health, education excellence, and environmental quality of our Town by relying on the professionalism of our staff and volunteers, and use of long-term, strategic planning and enhanced communications in our governance. The Board is dedicated to protecting and enhancing the unique sense of place found in Sudbury and protecting and encouraging tolerance and diversity. The Board of Selectmen, as the chief policy making and governance body of the Town of Sudbury, will provide leadership for staff, volunteers, residents and other stakeholders in the Town by advancing goals, programs and decisions that are based on these values.*

- A. Ensure the Safety and Well-being of the Community**
- B. Protect and Enhance the Financial Health of the Town**
- C. Protect and Enhance the Educational Excellence offered by the Town**
- D. Protect and Enhance the Environmental Quality of the Town**
- E. Protect and Enhance the Professionalism of the Town's Staff, Boards and Committees**
- F. Enhance Relationships and Communications**
- G. Emphasize Long-Term, Strategic Planning**
- H. Protect and Enhance the Unique Sense of Place offered by the Town**
- I. Protect and Enhance a Climate of Acceptance and Tolerance within the Community of Sudbury**
- J. Encourage Diversity of Housing Opportunities within the Community of Sudbury**

*First adopted by the Board of Selectmen May 10, 2000*

*Amended and reaffirmed by the Board of Selectmen, 5/23/02, 6/1/04, and 6/10/05*



## STRATEGIC PLANNING AND BOARD OF SELECTMEN ANNUAL GOALS

Fiscal Year 2008 marks seven years since the adoption of the Town's Master Plan, ***Sustainable Sudbury***, which lays out the Town's overarching strategic objectives. The Board of Selectmen continues to use these strategic objectives as touchstones for development of their annual goals.

1. Strive for comprehensive, integrated land use decisions which attempt to achieve environmental, economic and aesthetic sustainability.
2. Promote economic development that sustains Sudbury's natural resources and traditional, semi-rural character and balances sources of revenue among residential, commercial and industrial sectors.
3. Create a centralized business district
4. Ensure the preservation of the town's natural resources.
5. Preserve the town's cultural and historic resources.
6. Support the existing recreational facilities, areas and programs, and create additional facilities, areas and programs to serve the needs of Sudbury residents while protecting our limited natural resources.
7. Encourage greater diversity of housing opportunities in Sudbury to meet the needs of a changing and diversified population with respect to age, household size and income.
8. Promote a transportation system that is safe, convenient, accessible and economical without impacting Sudbury's character.
9. Ensure that Sudbury's public facilities and services are adequate to meet the needs of the population as it grows toward full build-out.

Each year, the Board of Selectmen faces the task of tying resources allocation and strategy together, to further those incremental steps (annual goals) that lead to the achievement of the Town's strategic objectives (as outlined on the previous page, labeled A-J for tracking purposes only; not to reflect a particular order of priority). Indeed, we may never be able to say that any of the strategic objectives are "accomplished", but we can set targets, assign resources, and measure results, for the incremental steps that continue the Town making progress toward the ideal of each strategic objective. Inevitably some goals are too large, or complex to complete within one or even several fiscal years. As such the Town routinely distinguishes between Long-Term and Short-Term goals. In some cases, it makes sense to break-down long-term goals into shorter-term objectives or phases in order to plan and allocate resources on an annual basis. Regardless of a project's life-cycle, each item is revisited during the annual goal setting process to ensure: progress is being made, resources allocated remain adequate, and whether or not any unforeseen financial or managerial concerns justify altering the goals themselves, or re-prioritizing the resources to be used towards them, in the coming year.

The human and financial resources needed to accomplish those incremental steps annually are the substance of the Board of Selectmen's annual goal setting.

To do this, they ask other committees, boards, and staff to draw upon these strategic objectives and, based on current opportunities, past efforts (both successful and unsuccessful) present the Selectmen with recommendations for specific goals and action steps that will continue the Town's program toward achievement of these strategic objectives.

Additionally, each year the Board of Selectmen hosts a Financial Summit, to bring together the two school committees (Sudbury Public School Committee and Lincoln-Sudbury Regional High School Committee) as well as the Town's Finance Committee to hear and discuss the following:



1. Sudbury's **Financial Trend Monitoring System**, a system of key financial indicators tracking the past five years; and
2. The annual revenue forecast for the upcoming fiscal year.

These two efforts are brought together to help the Board of Selectmen make the difficult short-term and long-term budgetary decisions as to what resources can be devoted to accomplish the goals that support these strategic objectives. Implementation of these goals also requires the assignment of each to the appropriate departments and programs. Implementation progress and resources are identified in following sections, as well as in Sections Four through Eight, under "Goals, Initiatives and Accomplishments" for each department or program.

## BOARD OF SELECTMEN FY08 GOALS AND REPORT CARD

The Board of Selectmen voted the following goals that they will work to accomplish in FY08: Each item below has been marked to indicate the corresponding "Mission/Value" category (see page 2), as well as, project horizon (**LT** = Long-Term Goal, **ST** = Short-Term Goal, 1 yr or less). Where items have been identified as long-term, estimated timeframe is indicated.

1. **G** Ensure that the FY09 budget planning provides for the financial sustainability of the Town of Sudbury and protects core municipal and educational services by:
  - **G-ST** Establishing a finance review task force
  - **G-LT** Modifying employee health care programs (3-5 yrs due to legal and union contract issues)
  - **G-LT** Examining potential energy efficiencies in town/school buildings (2-3 yrs)
2. **J-ST** Restart Sudbury senior tax relief efforts.
3. **G-LT** Study the needs of the Park and Recreation Department, including space needs (2 yrs)
4. **A-ST** Develop a tree planting program which augments funds in DPW budget
5. **B-LT** Examine options for shared facilities planning, managing and maintenance with the Sudbury Public Schools (2-3 yrs for studies and implementation)
6. **G-LT** Focus on Route 20 Long Range Planning – wastewater options, traffic corridor planning, visioning; bring implementation options to Board of Selectmen (8-10 yrs)
7. **D-LT** Develop initiatives for Town, schools, residents and businesses to manage and reduce carbon emissions and energy consumption (3 yrs)
8. **A-LT** Examine impacts of the Wayland Town Center Project and other projects on the Town borders on Sudbury (2-3 yrs for each due to planning & development cycles)
9. **F-ST** Review and decide on alternative forms of transportation in Sudbury by evaluating the new Regional Transit Authority option
10. **D-LT** Review and decide on report /recommendations from the Solid Waste Management Options Committee (SWMOC) (2-3 yrs)

11. **A** Complete current projects underway

- **ST** Bruce Freeman Rail Trail evaluation
- **LT** New Police Station Project Approvals (2 yrs)
- **ST** Town Center Engineering project
- **LT** Emergency Planning (2 yrs)
- **ST** Carding Mill House Repairs

*Goals as voted by the Board of Selectmen June 5, 2007*

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## Board of Selectmen FY08 Goals, Progress and Budget Implications for FY09

1. ***Ensure that the FY09 budget planning provides for the future financial sustainability of the Town of Sudbury and protects core municipal and educational services by***
  - a. ***Establishing a finance review task force***
  - b. ***Modifying employee health care programs***
  - c. ***Examining potential energy efficiencies in town/school buildings.***

Progress: The Selectmen continue to be concerned about budgets that grow without sustainability in the future being apparent. They have taken several additional steps to try to restrain the need for annual overrides. First, they established the Budget Review Task Force (BRTF), a group of concerned Sudbury residents to review both the spending and revenue raising history of the Town and Schools, and potential for changes that can help bring about a sustained structural balanced budget. This group has held a number of meetings with town and school officials as they strive to learn the many laws, precedents, collective bargaining history, mandates from state and federal government and other factors that together produce our current situation. Secondly, the Board has met with the Sudbury Public School Committee to jointly discuss the issue of the costs and impacts of the Town's health insurance products, premium costs and how those costs are shared between the employer and the employees. Based on that discussion, Wayne Walker, the Assistant Town Manager/Personnel Director for the Town has begun working with the Town's Insurance Advisory Committee to develop options for change that have the potential to restrain the double digit growth in this budget item. And both the Town and the Schools have been evaluating and implementing energy efficiencies where possible. Some efficiency options require significant outlay with a multi-year payback and there have not been the funds made available yet for that. Other steps have been taken, such as putting in motion activated light switches in rooms that are often vacant.

Finally, the Board of Selectmen will be carefully assessing the budget requests of the Town Manager, the Sudbury Public Schools, the Lincoln-Sudbury Regional High School and the Capital Improvement Planning Committee to determine what level of services can reasonably be expected to be sustained by the Town in the future. There are many services that residents desire from the Town but the Town cannot fund them all without negatively affecting our future financial health. At this point, it is too early to determine if available revenues can sustain level services for the Town and the schools, or cope with the demands of growing enrollments and mandates.

**Budget Implications for FY09:** It is the responsibility of the Board of Selectmen to vote if and when to call for a question to be put on the ballot asking voters of the Town if they

will approve an override of the limitations of Proposition 2 ½, and increase their own taxes to support services. If the Board does not call for such a question, then budget proposals are limited to revenue availability.

**2. Restart Sudbury senior tax relief efforts.**

Progress: The Board created a new committee and appointed a small group of residents, led by Dave Levington, to look again at Sudbury's tax deferral program and see if it can be modified to allow for more seniors to take part in the program. Our program, established by a Special Act of the legislature, is more liberal than the states in allowing seniors that have somewhat more assets and are a few years younger, to join this program. The Board has submitted a Town Meeting article in anticipation of receiving recommendations from the committee.

Budget Implications for FY09: The proposal from the committee has not been examined yet to see its potential impact on the FY09 budget.

**3. Study the needs of the Park and Recreation Department, including space needs**

Progress: The Assistant Town Manager has been tasked with studying this issue and developing options for the Selectmen and the Town Manager to consider. For a first step, the Recreation Director requested the creation of a new position of Assistant Recreation Director in the FY09 budget, but given the reduced revenue picture, no new positions are being considered by the Finance Committee for FY09. The space issue continues to be one that should be studied in the context of other facility and space needs of the Town.

Budget Implications for FY09: None.

**4. Develop a tree planting program which augments funds in the DPW budget**

Progress: The Town Manager included \$5,000 in the DPW budget in FY08 so that for the first time in many years there were funds appropriated for planting new trees along Sudbury's roads and streets. The DPW worked with the Director of Planning and Community Development to determine best locations for receiving these trees. Unfortunately, due to the reduced revenue position of the Town, this line item did not receive a funding allocation for FY09, except in the Level Staff budget. Developing and sustaining any new programs under the current fiscal challenges is very difficult.

Budget Implications for FY09: Reduction of \$5,000 in the No Override Budget presentation, but no reduction in the Level Staff presentation.

**5. Examine options for shared facilities planning, managing and maintenance with the Sudbury Public Schools.**

Progress: The Town Manager and School Superintendent have had preliminary discussions on this topic and plan to discuss further where such a step would enhance the efficiency or save money over the current separate facilities management currently existing.

Budget Implications for FY09: None.

**6. Focus on Route 20 Long Range Planning – wastewater options, traffic corridor planning, visioning, bring implementation options to the Board of Selectmen.**

Progress: The Director of Planning and Community Development has taken the lead on these efforts, and several steps have been taken, such as meeting with DEP to discuss various options for wastewater disposal and working with developers to obtain funds for a corridor study. This will be a long term effort, made even more long term if the Assistant Planner position remains unfunded and unfilled, as it is in FinCom2/No Override Budget.

Budget Implications for FY09: None for FY09.

**7. Develop initiatives for Town, schools, residents and businesses to manage and reduce carbon emissions and energy consumption.**

Progress: The Board of Selectmen has voted to join the Cities for Climate Protection Program, which has five milestones as part of the program. The Selectmen have noted that the Town does not have the staff to actively pursue these milestones, and welcomes that assistance of the Earth Decade Committee as efforts are made to develop achievable initiatives for the Town.

Budget Implications for FY09: None for FY09.

**8. Examine impacts of the Wayland Town Center Project and other projects on the Town borders on Sudbury**

Progress: The Director of Planning and Community Development has taken the lead on these efforts, and she has met with and drafted letters from the Selectmen on both the Wayland project and a major 40B project located in Concord adjacent to Sudbury's Cranberry Circle.

Budget Implications for FY09: None at this time, although the Town has asked for traffic mitigation funds from the Wayland Center developer to help address the increased traffic demands on Route 20 intersections in Sudbury attributable to this new development.

**9. Review and decide on alternatives forms of transportation in Sudbury by evaluating the new Regional Transit Authority option**

Progress: The Board of Selectmen met several times with various regional officials to learn more about the new Metro West Regional Transit Authority (MWRTA) and after assessing the pros and cons, voted to join this new entity, and voted to appoint Kris Kiesel, COA Director, to be the liaison to the Board of the Transit Authority. Preliminary research shows that the Town of Sudbury can begin taking advantage of this new service by contracting with the MWRTA to provide our local van service. The Town will continue to expand the services we can receive through this avenue.

Budget Implications for FY09: The COA budget continues to show a cost for the van service, but the Town has added new offset revenue that will be picking up the cost of this service by contracting with MWRTA.

**10. Review and decide on report/recommendations for the Solid Waste Management Options committee (SWMOC)**

This committee has been meeting regularly and recently made a report to the Board of Selectmen, and described the process and results by which they have determined which communities are most suitable comparables to Sudbury for further research on solid waste options.

Budget Implications for FY09: No new proposals are being submitted in this area for the 2008 Town Meeting, so there are no new budgetary impacts for FY09.

**11. Complete current projects underway.**

- a. **Bruce Freeman Rail Trail evaluation.** Still in evaluation stage, no new proposals for 2008 Town Meeting.
- b. **Police Station Project.** The Debt Exemption question was rejected a second time by voters, prompting the Selectmen to form a Blue Ribbon committee to study options for dealing with the problems of the current station. The Selectmen have bookmarked articles for the 2008 Town Meeting to either renovate the existing station or build a new one, depending on the recommendations of the Blue Ribbon Committee.
- c. **Town Center Engineering Project.** This project is moving along and no new proposals for the 2008 Town Meeting are planned at this time.
- d. **Emergency Planning.** This is really multiple projects and they are moving along as quickly as limited staffing and resources permit. The Town's initial NIMS training requirements have been met with the training provided to all first responders and management personnel and staff who have additional training

*requirements are getting that training in FY08. The Fire Department, the LEPC, the CERT, and many other entities are working on plans for emergencies, including conducting drills, setting up shelters, improving communications, and other tasks. Currently these tasks are being accomplished with the support of grants, financial gifts from businesses in Sudbury, and limited funds from departmental budgets.*

- e. Carding Mill House Repairs.** *The Building Inspector, working with the DPW Director, has made a number of needed repairs to the house and grounds. A long term plan for this house is still being developed, but these efforts help prevent further deterioration of the building. No FY09 funds will be requested for this project.*

As part of the goal setting process, the Town Manager also presents a "Report Card" that indicates the progress made for each goal during the year (see following pages 18-22). It contains the goal's stated objectives, progress measures and if necessary, follow-up assignments for goal sponsors for the coming year. Since the mid-1990's the Town has maintained a Master Goal Summary that charts the progress of all goals by year and category. Doing so provides a helpful chronology of the challenges and achievements made towards the Town's Mission and Values Statement.

Preparation of the Goals and Priorities for the FY09 season has already begun as part of the budget cycle. Finalization will take place towards the end of the current fiscal year so that actual financial results may be considered not only for the short-term goals accomplished in FY08, but also for any long-term actions that will continue into the new fiscal year. Some goals may be dropped or at least postponed based on the final appropriation made at Town Meeting. Those remaining will be adopted and resources allocated in conjunction with the overall budget implementation process for FY09. Pages 23-25 of this Section provide a ***draft*** of the Town's FY09 Goals. The final list will be voted on and published during June 2008.

Sudbury Board of Selectmen			FY08 Report Card	
Goal	Measures	Status	FY09 Follow-Up	
Ensure that the FY09 budget planning provides for the future financial sustainability of the Town of Sudbury and protects core municipal and educational services	<ul style="list-style-type: none"> <li>Establish a finance review task force</li> <li>Modify employee health care program</li> <li>Stabilization Fund is not used for operating purposes</li> <li>Collaborative process is followed.</li> <li>Collective bargaining demonstrates slowing down of COLAs, costly benefits</li> <li>Cost of Health Insurance slows</li> <li>Grants applied for where appropriate</li> <li>New revolving funds established to offset expenses</li> <li>Mitigation funds aggressively sought out</li> </ul>	<ul style="list-style-type: none"> <li>Done</li> <li>First meeting with schools held; Insurance Advisory meetings to begin in April 2008;</li> <li>Done</li> <li>Done</li> <li>Done, arbitration work complete</li> <li>Done, only 6% increase in FY09</li> <li>Done, Fire Chief applied for over \$500K</li> <li>Done, Permit revolving fund in SFD; sign bylaw fund in Building Inspectors office;</li> <li>Done as possible</li> </ul>	<ul style="list-style-type: none"> <li>Establish passport office and set up revolving fund in Treasurer's office</li> </ul>	
Restart Sudbury senior tax relief efforts	<ul style="list-style-type: none"> <li>Appoint a committee to study options</li> <li>Present a proposal to Town Meeting</li> <li>Get special act sent to legislature</li> </ul>	<ul style="list-style-type: none"> <li>Done</li> <li>Done, approved</li> <li>In progress, due by May 15th</li> </ul>	<ul style="list-style-type: none"> <li>Keep pressure on Rep Conroy and legislature until hearings, enactment</li> <li>Analyze Mr. Tyler's statistics and interpretations</li> <li>Follow legislation exempting seniors from overrides</li> <li>Ask Assessors to evaluate Mr. Tyler's ideas regarding exemptions</li> </ul>	

Goal	Measures	Status	FY09 Follow-Up
Study needs of the Park and Recreation Department, including space needs	<ul style="list-style-type: none"> <li>Draft report developed for consideration of the Selectmen</li> </ul>	<ul style="list-style-type: none"> <li>Rec Director developed comprehensive reorganization, but funding and analysis remain to be done, so not presented to Selectmen yet</li> </ul>	<ul style="list-style-type: none"> <li>Long term funding plan needs to be developed which includes expansion of resources, space, etc.</li> </ul>
Develop a tree planting program which augments funds in the DPW	<ul style="list-style-type: none"> <li>A gift program is developed jointly by various committees and DPW</li> <li>Mitigation money collected for tree plantings</li> </ul>	<ul style="list-style-type: none"> <li>No action begun yet of gift program for tree planting</li> <li>Small amount collected</li> <li>\$ for trees eliminated in FY09 budget</li> </ul>	<ul style="list-style-type: none"> <li>Selectmen ask committees to work on the program?</li> </ul>
Examine options for shared facilities planning, managing and maintenance with the Sudbury Public Schools	<ul style="list-style-type: none"> <li>Town Manager/Superintendent have preliminary discussions</li> <li>Process developed for next steps</li> </ul>	<ul style="list-style-type: none"> <li>Done</li> <li>Looking at options</li> </ul>	<ul style="list-style-type: none"> <li>Work with consultant on CORE program</li> </ul>
Focus on Route 20 Long Range Planning – waste water options, traffic corridor planning,	<ul style="list-style-type: none"> <li>Young property tested for Wastewater capacity</li> <li>TAC met with DEP, Nov 2007</li> <li>Collected mitigation funds from new developments, including Wayland Town Center</li> <li>Issued RFP for corridor study</li> <li>Traffic signal designed at Landham/Rte 20</li> <li>Traffic project on the TIP list for state funding</li> </ul>	<ul style="list-style-type: none"> <li>Done, soils not adequate for large system</li> <li>Done, DEP gave ideas and recommendations for further study</li> <li>Collected \$90K thus far, not enough for study and design work</li> </ul>	<ul style="list-style-type: none"> <li>Meet with Marlboro and Framingham to see if possibilities for connecting to their systems</li> <li>Review other in-town sites</li> <li>Get report from Weston &amp; Sampson on these ideas and other questions</li> <li>Keep working on Wayland for funds from Town Center project</li> </ul>

Goal	Measures	Status	FY09 Follow-Up
Develop initiatives for Town, schools, residents and businesses to manage and reduce carbon emissions and energy consumption	<ul style="list-style-type: none"> <li>TBD</li> </ul>	<ul style="list-style-type: none"> <li>Continued to FY09</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>
Examine impacts of the Wayland Town Center Project and other projects on the Town borders of Sudbury	<ul style="list-style-type: none"> <li>Obtain mitigation funds from Wayland</li> <li>Obtain mitigation funds from Alexan Concord</li> </ul>	<ul style="list-style-type: none"> <li>Appeal filed and dropped; waiting for Wayland action</li> <li>Still in progress</li> </ul>	<ul style="list-style-type: none"> <li>Monitor 129 Parker Street project in Maynard</li> </ul>
Review and decide on alternative forms of transportation in Sudbury by evaluating the Regional Transit Authority option	<ul style="list-style-type: none"> <li>Selectmen vote to join MWRTA</li> <li>Contract executed for van service</li> </ul>	<ul style="list-style-type: none"> <li>Done</li> <li>Done</li> </ul>	<ul style="list-style-type: none"> <li>Expansion of services addressed</li> </ul>
Review and decide on report/recommendations from the Solid Waste Management Options Committee (SWMOC)	<ul style="list-style-type: none"> <li>Committee makes preliminary report to Selectmen</li> </ul>	<ul style="list-style-type: none"> <li>Done</li> </ul>	<ul style="list-style-type: none"> <li>Recommendations made to Selectmen in fall 2008</li> </ul>
Complete Bruce Freeman evaluation project	<ul style="list-style-type: none"> <li>4 season study awarded</li> <li>Existing conditions study awarded</li> </ul>	<ul style="list-style-type: none"> <li>Done</li> <li>Done</li> </ul>	<ul style="list-style-type: none"> <li>Report completed fall 2008</li> <li>Report completed fall 2008</li> <li>Article for Town Meeting developed on next steps</li> </ul>



Goal	Measures	Status	FY09 Follow-Up
Complete Police Station Project	<ul style="list-style-type: none"> <li>Blue Ribbon committee finishes, issues report</li> </ul>	<ul style="list-style-type: none"> <li>No report has been received yet from chair of committee</li> </ul>	<ul style="list-style-type: none"> <li>Get the report, put report on the web site</li> <li>Update capital plan, indicate when police station will be revisited</li> </ul>
Complete Town Center Engineering project	<ul style="list-style-type: none"> <li>RFP for engineering services issued</li> </ul>	<ul style="list-style-type: none"> <li>Done</li> </ul>	<ul style="list-style-type: none"> <li>Report completed fall 2008</li> </ul>
Complete Emergency Planning efforts	<ul style="list-style-type: none"> <li>CERT continues, expands</li> <li>MRC continues, expands</li> <li>Regional LEPC started, completes exercise</li> <li>Sudbury LEPC continues, completes exercise</li> </ul>	<ul style="list-style-type: none"> <li>CERT has continued and grown, focusing on having Sudbury's sheltering capacity developed</li> <li>Mitigation money used to obtain, install and have functional an oxygen generator</li> <li>Sudbury LEPC held table top exercise October 2007</li> <li>Regional LEPC held table top drill on April 15, 2008 – Sudbury, Concord, Wayland, Weston, Acton and Lincoln</li> </ul>	<ul style="list-style-type: none"> <li>Designate EOC</li> <li>Improve Reverse 911 capability</li> <li></li> </ul>
Complete Carding Mill House Repairs	<ul style="list-style-type: none"> <li>CPC appropriation expended, repairs made</li> </ul>	<ul style="list-style-type: none"> <li>Done</li> </ul>	<ul style="list-style-type: none"> <li>Determine future use</li> </ul>

Goal	Measures	Status	FY09 Follow-Up
<i>Older Goals</i>			
Develop a detailed capital plan with financing options	<ul style="list-style-type: none"> <li>Police Station Project scheduled to keep debt service level</li> <li>Projects and timing laid out for next 5 – 10 years</li> </ul>	<ul style="list-style-type: none"> <li>In progress</li> </ul>	<ul style="list-style-type: none"> <li>Decide which project is next: Town Hall, Fairbank</li> <li>Look at how roads, traffic signals, town center, vehicles, etc. fit into a multi year capital plan</li> </ul>
Update Cemetery rules, regulations, customer service standards	<ul style="list-style-type: none"> <li>New rules adopted by Selectmen</li> <li>New regulations approved by Town Manager</li> <li>New customer service standards in place at DPW</li> </ul>	<ul style="list-style-type: none"> <li>Target ready for May 2007 BOS meeting</li> <li>Town Manager to adopt</li> </ul>	<ul style="list-style-type: none"> <li></li> </ul>
Report on financial impacts of SRC and ISD bylaws, add to CARE program	<ul style="list-style-type: none"> <li>Methodology created</li> <li>Report Drafted</li> <li>Report added to CARE</li> </ul>	<ul style="list-style-type: none"> <li>Not begun yet</li> </ul>	<ul style="list-style-type: none"> <li>Begin the process</li> </ul>
Change oversight of town owned parks and public spaces	<ul style="list-style-type: none"> <li>Permanent Landscape Committee membership, mission assessed, changed</li> </ul>	<ul style="list-style-type: none"> <li>Not begun PLC assessment</li> </ul>	<ul style="list-style-type: none"> <li>Assess PLC</li> </ul>

## BOARD OF SELECTMEN FY09 GOALS

Mission/Value Category	Goals
<p style="text-align: center;"><b>Ensure the Safety and Well-being of the Community</b></p>	<p><b>Near Term:</b></p> <ul style="list-style-type: none"> <li>• Design traffic signal at Landham Road/Boston Post Intersection</li> <li>• Ask legislators to put bridge at Hop Brook/Boston Post Road on priority list for repair</li> </ul> <p><b>Continuing:</b></p> <ul style="list-style-type: none"> <li>• Construct Walkways</li> <li>• Local Emergency Planning Committee (LEPC) planning and preparation</li> <li>• Regional Local Emergency Planning Committee (REPC) work</li> </ul> <p><b>Longer Term:</b></p> <ul style="list-style-type: none"> <li>• Develop vision for continuing availability of Advanced Life Support (ALS)</li> <li>• Develop traffic corridor study on Boston Post Road</li> </ul>
<p style="text-align: center;"><b>Protect and Enhance the Financial Health of the Town</b></p>	<p><b>Near Term:</b></p> <ul style="list-style-type: none"> <li>• Work with Finance Committee to establish an override stabilization fund</li> <li>• Examine creation of an Enterprise Fund for recreational services of the Town</li> </ul> <p><b>Continuing:</b></p> <ul style="list-style-type: none"> <li>• Work with Sudbury Public Schools and Town/SPS employees to reduce the cost of employee benefits</li> </ul> <p><b>Longer Term:</b></p> <ul style="list-style-type: none"> <li>• Discuss how to address results of the Post Retirement Benefit liability report</li> <li>• Enhance ability to obtain mitigation funds from developers</li> </ul>
<p style="text-align: center;"><b>Protect and Enhance the Educational Excellence offered by the Town</b></p>	<p><b>Near Term:</b></p> <ul style="list-style-type: none"> <li>• Continue the collaborative work of the Budget Working Group</li> </ul> <p><b>Continuing:</b></p> <ul style="list-style-type: none"> <li>• Examine possibility of a combined facilities department with SPS</li> </ul> <p><b>Longer Term:</b></p> <ul style="list-style-type: none"> <li>• Protect the financial health of the Town of Sudbury, maintain AAA credit rating</li> </ul>
<p style="text-align: center;"><b>Protect and Enhance the Environmental Quality of the Town</b></p>	<p><b>Near Term:</b></p> <ul style="list-style-type: none"> <li>• Identify and increase “green” business practices of the Town</li> </ul> <p><b>Continuing:</b></p> <ul style="list-style-type: none"> <li>• Continue land acquisitions</li> </ul> <p><b>Longer Term:</b></p> <ul style="list-style-type: none"> <li>• Hop Brook Remediation</li> </ul>

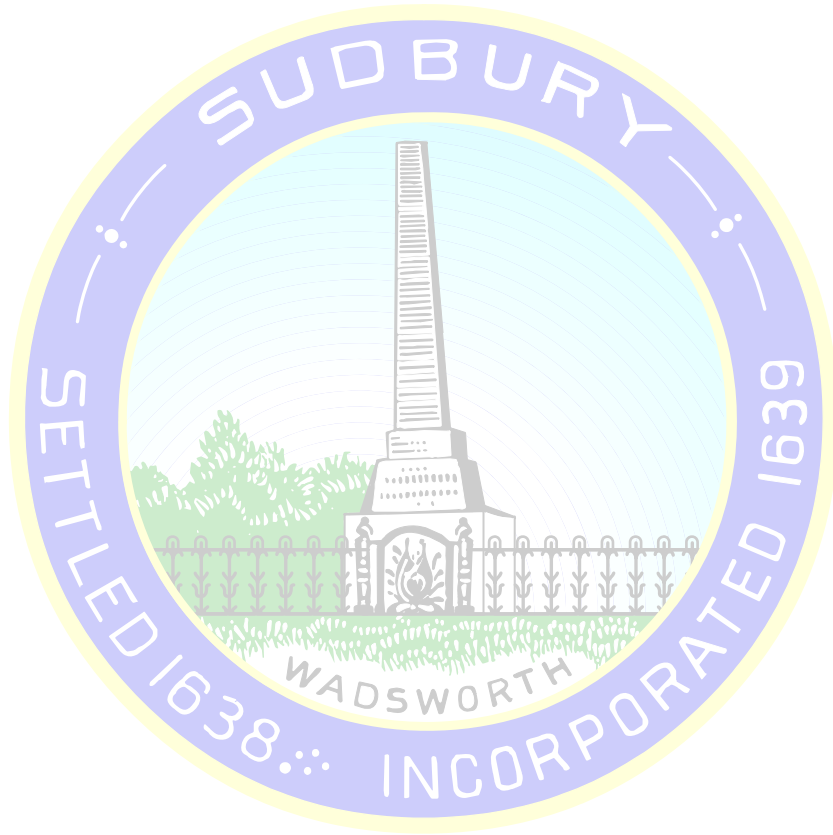
Mission/Value Category	Goals
<p><b>Protect and Enhance the Professionalism of the Town's Staff, Boards and Committees</b></p>	<p><b>Near Term:</b></p> <ul style="list-style-type: none"> <li>• Maintain the appropriate staff levels in Town departments</li> <li>• Examine incentives to keep experienced staff from leaving Town employment</li> <li>• Begin Continuity of Operations (COOP) disaster planning</li> </ul> <p><b>Continuing:</b></p> <ul style="list-style-type: none"> <li>• Finish Town Records disaster recovery planning</li> <li>• Develop next steps in GIS plan possible without a dedicated staff person</li> </ul> <p><b>Longer Term:</b></p>
<p><b>Enhance Relationships and Communications</b></p>	<p><b>Near Term:</b></p> <ul style="list-style-type: none"> <li>• Write guest columns for Town Crier on different departments/activities</li> </ul> <p><b>Continuing:</b></p> <ul style="list-style-type: none"> <li>• Complete Web based on-line permitting software application</li> <li>• Continue Selectmen's cable program <i>Town Hall Matters</i></li> </ul> <p><b>Longer Term:</b></p>
<p><b>Emphasize Long-Term, Strategic Planning</b></p>	<p><b>Near Term:</b></p> <ul style="list-style-type: none"> <li>• Evaluate most feasible Town disposal sites for wastewater treatment</li> <li>• Prepare for 2009 Town Meeting Warrant: <ul style="list-style-type: none"> <li>◊ Revised Police Station Question, with alternative financing options</li> <li>◊ Decide on Bruce Freeman rail trail design article</li> <li>◊ Decide on Town wide curbside trash/recycling program</li> <li>◊ CSX rail line evaluation</li> </ul> </li> </ul> <p><b>Continuing:</b></p> <ul style="list-style-type: none"> <li>• DEP/EPA on Hop Brook remediation</li> </ul> <p><b>Longer Term:</b></p> <ul style="list-style-type: none"> <li>• Follow state plans for Crime Lab on Horse Pond Road</li> <li>• Begin planning for Rail Trail on MBTA owned line</li> <li>• Long term plans for older Town Buildings: Town Hall, Flynn Building, Fairbank Community Center, Loring Parsonage, Carding Mill House</li> </ul>
<p><b>Protect and Enhance the Unique Sense of Place offered by the Town</b></p>	<p><b>Near Term:</b></p> <p><b>Continuing:</b></p> <ul style="list-style-type: none"> <li>• Town Centre design project</li> </ul> <p><b>Longer Term:</b></p> <ul style="list-style-type: none"> <li>• Look at options for Sudbury Historical Museum</li> </ul>

Mission/Value Category	Goals
<p><b>Protect and Enhance a Climate of Acceptance and Tolerance within the Community of Sudbury</b></p>	<p><b>Near Term:</b></p> <ul style="list-style-type: none"> <li>• Update Fair Housing Plan</li> </ul> <p><b>Continuing:</b></p> <ul style="list-style-type: none"> <li>• Expand Regional Transit Authority services within Sudbury</li> </ul> <p><b>Longer Term:</b></p> <ul style="list-style-type: none"> <li>• Improve handicapped accessibility of all Town Buildings</li> </ul>
<p><b>Encourage Diversity of Housing Opportunities within the Community of Sudbury</b></p>	<p><b>Near Term:</b></p> <ul style="list-style-type: none"> <li>• Support housing initiatives authorized at 2008 Annual Town Meeting</li> </ul> <p><b>Continuing:</b></p> <ul style="list-style-type: none"> <li>• Support development of projects by Housing Trust and Sudbury Housing Authority</li> </ul> <p><b>Longer Term:</b></p> <ul style="list-style-type: none"> <li>• Continue production of units of affordable housing in Sudbury</li> </ul>

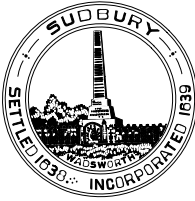


## Section Two

# BUDGET CALENDARS, PROCEDURES AND POLICIES



## FINANCE COMMITTEE INSTRUCTION LETTER



# Town of Sudbury

## Finance Committee

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278 Old Sudbury Rd  
Sudbury, MA 01776  
(978)639-3376

September 19, 2007

Board of Selectmen, Town of Sudbury  
Ms. Maureen Valente, Town Manager, Town of Sudbury  
Ms. Susan Iuliano, Sudbury Public Schools Committee, Chairman  
Dr. John R. Brackett, Sudbury Public Schools, Superintendent  
Ms. Patty Mostue, Lincoln Sudbury Regional School District Committee, Chairman  
Dr. John M. Ritchie, Lincoln-Sudbury Regional High School, Superintendent  
Mr. Paul Lynch, Minuteman Regional High School Representative

Dear Town and School Officials and Administrators:

The Finance Committee (the "Committee") looks forward to working with you on the FY09 budget. The municipal budgeting process continues to be challenging as the Town of Sudbury faces cost increases, student and overall population growth, constrained revenue streams, and no relief in sight for the taxpayer. We congratulate all of you and your various committees for past efforts that put the best interests of the Town first. It is the Committee's desire to continue in this vein as we begin this year's budget process.

The deadline for submitting the budget to Andrea Terkelsen is **December 14<sup>th</sup>**, to be provided on 3-hole punched paper. For FY09, the FinCom requests that budgets under the following two scenarios be prepared and submitted:

- 1) A "Level Staff" budget assuming:
  - a. Level staff (defined as no increase in the budgeted year over year number of FTE's);
  - b. Pension, insurance, fuel and utilities at projected costs; and
  - c. The lesser of projected costs or a 3% increase over the FY08 budget for all other operating costs.
- 2) A "No Override" budget, assuming a 2% increase (the FinCom's preliminary projection) over the FY07 budget (excluding pension and insurance costs only, which should be reflected at projected total cost).

In both scenarios please provide details of the impacts of the budget to services and programs. We will notify you of our final "no override" projections as soon as we have firmer numbers. In the past, this has been towards the second half of January. A cost center may also submit one other budget it wishes the Committee to consider.

As with last year, we expect the budget liaison meetings to play a heightened role in the budget review process. Rather than wait until budget submissions, the Committee has compiled a standard list of questions and information requests to be reviewed at these budget liaison



meetings. And as discussed with you earlier, we are also asking for budget data to be summarized in a spreadsheet format that will better enable us to understand the underlying trends in the cost of various Town services. It is our intention to have the FinCom liaisons present the answers and information requested in this letter to the Committee at its meeting on **November 19<sup>th</sup>**. We also request that the cost centers have their own representatives at this meeting to elaborate or clarify, as necessary, and insure a thorough understanding by the entire Committee of the information requested.

The questions and information we would like to discuss prior to the budget submissions are as follows:

- Based upon the FY08 budget: a) the status and projected full year cost, including benefits, of all new hiring made within the budget, with specifics as to positions, b) new hiring not included in the budget, and c) the total number of actual and budgeted FTE's by position.
- Highlights and FY08 budgetary impacts of each collective bargaining agreement approved since the April, 2007 Town Meeting, as well as the projected ramifications to the FY09 budget.
- Details on grants in excess of \$5,000 received for FY08, including grantor, amount, use of these funds, and likelihood of continuation.
- Details of costs and events, which were not anticipated and are impacting the FY08 budget and their potential to impact the FY09 budget.
- An update of any cost savings/revenue enhancement programs or initiatives presented during the FY07 and FY08 budget cycles.
- Any cost savings/revenue enhancement programs or initiatives being contemplated for the FY09 budget and their projected monetary impacts.
- Upcoming or recently completed insurance and benefits program renewals.
- Actual student enrollment statistics vs. budgeted.
- A summary of the FY 06 actual, FY 07 actual, and FY 08 budget numbers in the format attached as "Summary Reporting Format 091807", providing both electronic (spreadsheet) and paper copies.
- Compensation information for all managers in your department with an annual salary of \$80,000 or more. This information should be provided for both FY 07 and FY 08 and list separately for each individual: gross salary (including any deferrals or annuities) and any benefits or compensation not paid to all employees.

We would like to proceed with the following schedule:

By **October 5th**: FinCom budget liaisons to meet with their respective Cost Centers to discuss the above information requests and its budget preparation and approval schedule.

By **November 9th**: FinCom budget liaisons to meet with their respective Cost Centers to review the answers and information requested above. From this information, the Committee will look to review cost trends and determine if costs are tracking in line with budgeted expectations, what unexpected costs or events have occurred, and what impacts these may have on FY09 budget requests.

**November 19th:** Regularly scheduled FinCom meeting will include a review and discussion of the results of the liaison meetings.

We also suggest that a follow up liaison meeting be scheduled **subsequent to November 19<sup>th</sup> and prior to any budget presentations that may need to be made to others** so that all parties have the opportunity to discuss issues that may have been raised at the November 19<sup>th</sup> FinCom meeting.

By **December 14<sup>th</sup>**, submission of the FinCom "Level Staff" and "No Override" budgets, together with the additional budget you may wish to submit.

By **January 2<sup>nd</sup>**, the addition of FY 09 budget numbers to the attached spreadsheet, for each of the FinCom "Level Staff" budget, the "No Override" budget, and the additional budget you may be submitting. Please deliver this in both hard copy and electronic form.

We hope that this process will again allow for greater input and information flow prior to formal hearings in January 2008.

Your cooperation is very much appreciated.

Members of the Finance Committee

Cc: Judith Belliveau, Director of Finance & Operations, LSRHS  
Myron Fox, Town Moderator  
Robert Steinbrook, Town of Lincoln Finance Committee, Chairman  
Andrea Terkelsen, Finance Director/Treasurer, Town of Sudbury  
Mary Will, Director of Finance, Sudbury Public Schools

**Sudbury Finance Committee  
FY09 Budget Hearing Schedule**  
(All Hearings/Meetings begin at 7:30 pm)

<b>Date</b>	<b>Subject</b>	<b>Location</b>
January 10	Minuteman Reg. Vo-Tech Sch./ CPA Hearing/ Other Articles	Lower Town Hall
January 14	LSRHS & SPS Budget Hearings	Lower Town Hall
January 17	Town of Sudbury & Capital Improvement Planning Committee Hearing	Lower Town Hall
January 24	Joint meeting with Lincoln FinCom & LS school committee	Lincoln Town Hall (Donaldson Room)
January 28	Other Articles	Lower Town Hall
January 31	FinCom Deliberations & Discussion of Warrant Report	Flynn Building (Silva Conf. Room)
February 6	Revenue Projections & joint meeting with the Board of Selectmen	Lower Town Hall
February 7	FinCom Final Deliberations & vote	Flynn Building (Silva Conf. Room)

## **PHASES OF BUDGET PREPARATION AND DEVELOPMENT**

### ***Policy/Strategy Phase***

- Based on long range planning efforts of the Town, such as the Master Plan, as well as current needs, the Board of Selectmen set goals for next fiscal year. Planning included joint meeting including Town Manager and Town's Senior Management
  - Completed June 5, 2007

### ***Financial Capacity Phase***

- Short range forecast/sensitivity analysis conducted (FY08 specific) computed by FinCom
  - Used in FinCom Instructions
  - Follow format already established
- Long range forecast/sensitivity analysis updated (3 year forecast)
  - By November 30, 2007
  - Andrea Terkelsen & Maureen Valente
  - Used in Financial Summit and Financial Condition Analysis
  - Follow format already established
- Financial condition analysis updated
  - By November 30, 2007
  - Andrea Terkelsen, Maureen Valente
  - Format evolving based on key indicators
  - Presentation to Board of Selectmen
  - Shapes second phase of Budget Cycle
- Review of progress vis-à-vis policies and projects from prior years
  - By October 31, 2007
  - Town Manager Maureen Valente
  - Follow format already established

### ***Needs Assessment Phase***

- Departments review their current condition, goals, programs and needs
  - Town Manager's budget memo finalized, sent out by October 11, 2007
- Departments prepare workload indicators, performance indicators, other statistics
  - Andrea Terkelsen and Maureen Valente work with selected department heads
- Departments submit budget requests to Town Manager
  - Departments submit budget request to Sue Petersen by November 1, 2007
- Schools submit budget requests to School Committees
- Town Manager Seeks CIP requests from all department and committees
- Finance Director provides debt information
- Determine CIP priorities, and recommend funded projects to Town Manager
- Update CIP based on staff committee and capital improvement planning committee

### ***Review/Development Phase for Town Budget***

- Town Manager and Finance Director review requests
- Town Manager holds Departmental hearings
  - November 14 – 16, Departmental budget hearings
  - Andrea Terkelsen and Maureen Valente
- Preliminary Town operating budget developed, presented to Selectmen
  - December 11, 2007 Board meeting
- Final Town operating budget assembled and published
  - By December 31, 2007
- Schools hold budget hearings
- School Committees vote final school budgets

### ***Development for Fiscal Year Annual Budget and Financing Plan***

- Town Manager and Finance Director receive School budget requests

- By December 14, 2007
- Sudbury Public Schools
- Lincoln-Sudbury Regional High School
- Minuteman Regional Vocational- Technical High School
- Town Manager and Finance Director finalize revenue projections, state aid projections
  - By December 14, 2007
- Town Manager and Finance Director finalize charges from state, Assessors overlay etc.
  - By December 14, 2007
- Fiscal Year Annual Budget and Financing Plan delivered to FinCom, published on web
  - By December 31, 2007

#### ***FinCom Review Phase***

- FinCom holds hearings on Town, School, capital budget requests
  - January 2008
- FinCom holds hearing on all money articles
  - January 2008
- FinCom votes on budget
  - February 2008
- FinCom votes on all money articles
  - February 2008

#### ***Appropriation Phase***

- Town Meeting begins, votes appropriations, approves all bonding and capital articles
  - April 2008
- Town Meeting approves any budget amendments for current fiscal year, if any

#### ***Enactment Phase***

- As Appropriated Budgets prepared, distributed
  - By June 30, 2008

## FY09 BUDGET CALENDAR

This calendar describes the steps leading to adoption of the budget for those accounts overseen by the Town Manager and requiring appropriation by the Town Meeting. The School Superintendents and School Committees carry out similar steps leading to Town Meeting.

### 2007

June 7	Board of Selectmen voted to accept the FY08 goals
September 10	Town Manager issues capital budget instructions
September 27	Finance Committee Budget memorandum distributed to all cost centers (Town, SPS, LSRHS and CIP)
October 12	Town Manager issues budget instructions to department heads, committee chairs
October 12	Capital requests due to Town Manager
October 15	CIP draft compilation due to Department Heads
October 19	CIP staff committee meets
October 26	CIP staff committee report sent to CIPC for consideration
November 1	Department & Committee Operating budget requests due at Finance Director's Office
November 8-13	Budget hearings with Town Manager and Finance Director
November 28&29	CIP Citizens Committee holds hearing
December 5	CIP Citizens Committee votes projects list for submission to Board of Selectmen
December 7	CIP Committee draft report finalized to Town Manager
December 14	Town Manager, Lincoln-Sudbury Regional High School, Sudbury Public Schools and CIP Committee budgets due to FinCom, Board of Selectmen
December 14	CIPC report forwarded to Board of Selectmen for review
December 31	<b><i>FY2009 Budget and Financing Plan</i></b> delivered to Finance Committee, Board of Selectmen

### 2008

Jan 8	CIP Committee presents report to Board of Selectmen for review
Jan 7 – Jan 29	Public hearings on budget requests held by Finance Committee
Jan 31	Final vote of Finance Committee
March	Town Meeting Warrant and Report of the Finance Committee mailed to residents
April 1	Town Meeting - consideration of FY09 operating and capital budget; enactment of appropriations, budget amendments to FY08 budget, if any
June	Board of Selectmen to vote to accept final FY09 Goals
July 1	FY2009 Budget takes effect

# BOARD OF SELECTMEN BUDGET AND FINANCIAL MANAGEMENT POLICIES

## Introduction

The Town of Sudbury has an important responsibility to carefully account for public funds, to manage municipal finances wisely, and to plan and provide for the adequate funding of services desired by the public and as required by laws, rules, or regulations, including the provision and maintenance of public facilities and improvements. The budget and financial goals and policies set forth by the Board of Selectmen in this document are intended to establish guidelines for the continued financial strength and stability of the Town of Sudbury.

## Goals

Goals are broad, fairly timeless statements of the financial position the Town seeks to attain. The financial goals for the Town of Sudbury are:

- To provide full value to the residents and business owners of Sudbury for each tax dollar by delivering quality services efficiently and on a cost-effective basis.
- To preserve our quality of life by providing and maintaining adequate financial resources necessary to sustain a sufficient level of municipal services, and to respond to changes in the economy, the priorities of governmental and non-governmental organizations, and other changes that may affect our financial well-being.
- To maintain our top level AAA credit rating
- To guide Town decision makers on management and policy decisions which have significant fiscal importance.
- To set forth operating principles that minimizes the cost of government and financial risk.
- To employ balanced and fair revenue policies that provides adequate funding for desired programs.
- To maintain appropriate financial capacity for present and future needs.
- To promote sound financial management by providing accurate and timely information on the Town's financial condition.
- To ensure the legal use of financial resources through an effective system of internal controls.

To achieve these goals, the Board of Selectmen adopts the following policies.

## Achieving a Balanced Budget

A budget is a plan for allocating resources over a specific period of time. For Massachusetts municipalities that timeframe is on a fiscal year basis which begins July 1<sup>st</sup> and ends June 30<sup>th</sup> of the following calendar year. The budget is perhaps one of the most critical aspects of municipal government as it regulates how, when and to what extent the organization may incur costs. Generally speaking, the Town may only spend exactly what has been appropriated (authorized at Annual Town Meeting) for a particular fiscal year. Furthermore, the Town may not spend in excess of anticipated revenues. This framework is established by State law and is commonly referred to as “**a balanced budget**”. It requires that all municipalities adopt and operate under an annual budget where the sum of estimated net receipts and appropriated fund balances (revenues) is equal to appropriations (expenditures). The purpose of this regulation is to prevent budgetary procedures that may create a deficit due to: accounting for revenues before they are received, incurring current expenditures at a level that may jeopardize future operations, underestimating obligations, or postponing recognition of either revenues or expenditures.

As you can see from the budget calendar on page 24, the budget cycle takes several months to complete – from the time all areas of the organization submit their needs for next year,- to the various levels of internal review, -and, finally rounding out the legislative process with approval at Town Meeting. Because of the time that elapses during this long process; and also due to the unpredictability of certain revenues and expenses, individual components of the budget may need adjusting along the way, to maintain a balanced budget throughout the fiscal year. Since Town Meeting only takes place annually in April, the State and Town Bylaws provide some flexibility to make these adjustments; with certain restrictions of course, remaining in place to protect the financial boundaries set the year before. All line item adjustments must be approved by the Town Manager and Finance Committee (for Town-related operations) and the School Committee for (Sudbury Public Schools and Lincoln-Sudbury Regional High School). Budget adjustments that constitute changes in appropriations require further approval at Town Meeting. Therefore, the Town must operate within the spending parameters set forth in each annual budget unless or until Town Meeting permits otherwise (see this Section’s “Appropriations and Budget Amendment Procedures” for further details).

### **Operating Budget Policy**

Sound financial practice and the desire to maintain a strong credit rating dictate that our budgets be balanced, constantly monitored, and responsive to changes in service demands. With these concepts in mind, the Town of Sudbury has adopted the following budget policy statements:

- On or before December 20 of each year, the Town Manager will submit to the Board of Selectmen and Finance Committee a proposed budget plan for Town Operating Departments.
- On or before December 20 of each year, the Sudbury Public School Committee will submit to the Board of Selectmen and Finance Committee a proposed budget plan for the Sudbury Public Schools.
- On or before December 20 of each year, the Lincoln-Sudbury Regional High School Committee will submit to the Board of Selectmen and Finance Committee a proposed budget plan for the Lincoln-Sudbury Regional High School.
- On or before December 20 of each year, the Minuteman Regional Vocational-Technical High School Committee will submit to the Board of Selectmen and Finance Committee a proposed budget plan for the Minuteman Regional Vocational-Technical High School.
- On or before December 31 of each year, the Town Manager will prepare a comprehensive budget for the Town of Sudbury, covering all major cost centers, all spending plans and all anticipated revenues. This comprehensive budget will be submitted to the Finance Committee and to the Board of Selectmen.
- The annual operating budgets will be appropriated on a balanced basis, where operating revenues (estimated revenues) are used to fund operating expenditures/expenses (appropriations).
  - Operating revenues include property taxes, motor vehicle excises, charges for services, interest earnings, license and permit fees, fines and forfeitures, regularly recurring governmental aid, and transfers in from other funds established for operating purposes.
  - Operating expenditures/expenses include salaries and wages, employee benefits, equipment and improvements, depreciation (proprietary funds only), materials, supplies, and contractual costs. The Town of Sudbury traditionally votes to issue all debt exempt for the limits of Proposition of 2 ½, and thus debt service is not considered an operating expenditure.
- Nothing in this policy shall prohibit the use of operating revenues for capital expenditures/expenses



- The Town will avoid relying on Free Cash to fund on-going operating expenses.
- To the extent possible, one-time revenues that are not required by law or agreement to be expended for a particular purpose will only be used for capital purposes, augmenting of Town reserves or emergency expenditures/expense.
- The Town Manager will annually estimate the costs of the Town's obligations for providing benefits for Town and Sudbury Public School employees as part of the preparation of the annual operating budget.
- The operating budget will not be subsidized by the Stabilization Fund.

## **Revenue Policy**

Revenues determine the capacity of the Town to provide services. To ensure that revenues for the Town are balanced and capable of supporting desired levels of services, the Town of Sudbury has adopted the following revenue policy statements:

- The Town Manager and Finance Director are responsible for estimating revenues for the upcoming fiscal year. They will consult with other officials of the town as well as state officials and others with knowledge of state and local finance.
- Revenue forecasts for local receipts and state aid shall be conservative, using generally accepted forecasting techniques and appropriate data. Revenue deficits will be avoided at all costs. To avoid any potential for such a deficit, estimates for local receipts will generally not exceed 100% of the prior year's actual collections.
- The Town Manager and Finance Director will project revenues for the next three years as part of the three year financial forecast.
- Each year and whenever appropriate, existing revenues will be re-examined and possible new sources of revenues will be explored to ensure that we are maximizing our revenue potential.
- Legally restricted revenues will be avoided when they adversely affect the short or long-term financial health of our government.
- The Town will strive to be informed and aware of all grants and other aid that may be available to us. All potential grants and other aid shall be carefully examined for matching requirements (both dollar and level-of-effort) and restrictive covenants, to ensure that our participation in such grants will be beneficial and cost-effective.
- Each year and whenever appropriate, intergovernmental revenues will be reviewed to determine their short and long-term stability, to minimize the impact of any adverse changes. Intergovernmental revenues shall be used as legally prescribed or otherwise set forth by policy.
- A balance will be sought in the revenue structure between elastic and inelastic revenues, to minimize any adverse effects caused by inflationary or economic changes.
- One-time revenues will be used for capital improvements, additions to reserves or as legally restricted to a specific purpose.
- The Town will carefully and routinely monitor all amounts due the Town. An aggressive policy of collection will be followed for all receivables, including property taxes. A target of 98% property tax collection rate by fiscal year end will be achieved.
- Recreational user charges and fees will be set to recover approximately 100% of total direct costs generated by revolving fund recreation programs.

- Enterprise fund (Solid Waste and Atkinson Pool) user charges and fees will be set to recover all direct and associated with the activities of these funds as well as the indirect costs for the Solid Waste Enterprise Fund.

## **Expenditure/Expense Policy**

Expenditure/expenses are a rough measure of a local government's service output. While many expenditures/expenses can be easily controlled, emergencies, unfunded mandates, and unanticipated service demands may strain our ability to maintain a balanced budget. To ensure the proper control of expenditures/expenses and provide for a quick and effective response to adverse financial situations, the Town of Sudbury has adopted the following expenditure/expense policy statements:

- Expenditures/expenses and purchase commitments will be made in a form and process that is legal, appropriate, funded, authorized and sufficiently documented.
- Expenditures/expenses and purchase commitments will be recorded in an accurate and timely fashion.
- The review and approval process for all vouchers shall be followed at all times. Properly completed claims must be prepared and submitted to the accounting department by the department responsible for originating the claim. A "properly completed claim" must include, but is not limited to, the vendor's name and address, date of claim, explanation, and accounts to be charged, department authorization signature and sufficient documentation. "Sufficient documentation" means that a person unfamiliar with the transaction could understand what was ordered, when, by whom, from what vendor, at what price, when the goods or services were delivered, who accepted delivery, and who authorized payment.
- The balances in appropriation accounts will be monitored regularly to ensure that the total of expenditures/expenses and purchase commitments in any account do not exceed the authorized budget for that account.
- Requests for competitive bids, proposals, formal and informal quotes, and other methods of seeking and encouraging vendor competition will be obtained as required by law and as otherwise established by the Town Manager or Town Counsel.
- Arrangements will be encouraged with other governments, private individuals, and firms, to contract out or cooperatively deliver services, in a manner that reduces cost and/or improves efficiency and effectiveness while maintaining service quality.
- The full direct and indirect costs will be calculated for any service provided for a fee or charge, or where there is a potential for the reimbursement of such costs.
- All appropriations shall lapse at the close of the fiscal year to the extent that they shall not have been expended or encumbered.

## **Reserves and Risk Management Policy**

A municipality's fiscal policies should include a plan for maintaining reserves. Operating reserves (or fund balance) are a prudent fiscal management tool and an important credit factor in the analysis of financial flexibility. The Town of Sudbury will maintain a level of reserves that protect the Town from emergency conditions that require financial flexibility, contribute to sufficient liquidity to pay all Town expenses without short-term borrowing, and contribute to the high credit rating that the Town currently holds from Standard & Poor's (AAA). To provide for adequate levels of reserves to protect the Town's financial condition over the long-term, the Town of Sudbury has adopted the following financial reserves policy statements.

### **A. Risk Management**

- The Town will maintain an effective risk management program that provides adequate coverage, minimizes losses, and reduces costs.
- The Town will annually work with the Town's insurance carrier to update all listings of Town owned assets and the value of such covered assets.
- As the Town is self-insured for several of the benefits programs it offers, the Town will maintain adequate reserves for its Workers Compensation, Unemployment Compensation, and Health Insurance Programs, as follows:
  - Workers Compensation Fund, at the beginning of each fiscal year, at least 110 % of the average annual claims for the prior three years
  - For the Unemployment Compensation Fund, at the beginning of each fiscal year, at least 110% of the average annual claims for the prior three years
  - For the Health Insurance Fund, at the beginning of each fiscal year, at least 150% of the estimated run-out claims for each insurance plan that is self-insured.

## **B. Stabilization Fund**

- The Town of Sudbury shall maintain a Stabilization Fund to provide the reserves that are required to protect the financial condition of the Town.
- The Town will work toward the goal of maintaining in the Stabilization Fund an amount equal to five percent (5%) of the total projected general fund operating revenues for the next previous fiscal year.
- Interest earned on Stabilization Fund balances will be retained in the Stabilization Fund.
- Withdrawals from the Stabilization Fund will only be used for sudden and unexpected events such as a loss of a revenue source after Annual Town Meeting has approved the operating budget for the next fiscal year. Withdrawals from the Stabilization Fund will only be made by a two-thirds vote of Town Meeting, only if the balances exceed the 5% target and will not draw the balance below that point.

## **Capital Budgeting and Planning Policy**

Capital assets include land, improvements to land, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, construction in progress and all other tangible and intangible assets that are used in operations and have initial useful lives extending beyond a single reporting period. Infrastructure assets are long-lived capital assets that normally are stationary in nature and can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets owned by the Town of Sudbury include roads, bridges, tunnels, dams and drainage systems.

The Town of Sudbury has a capital planning and budget bylaw and process that require the following:

- On or before November 15 of each year, the Town Manager will submit a capital program to the Capital Improvement Planning Committee. The proposed program will detail each capital project, the estimated cost, description and funding source.
- The Town will update and readopt annually a five-year capital improvement plan ("CIP"), including the upcoming annual capital improvement budget ("CIB") and a four year projection of capital needs and expenditures which details the estimated cost, description and anticipated funding sources for capital projects.
- The first year of the five year CIP will be the basis of formal fiscal year appropriation request during the annual budget process.

- Per the Town's capital bylaw, the Capital Improvement Budget and Plan will generally address those capital assets with a value of more than \$10,000 and a useful life of over five (5) years.
- The Town will emphasize preventive maintenance as a cost-effective approach to infrastructure maintenance. Exhausted capital goods will be replaced as necessary.
- The capital improvements plan should be tied to the Town's master facilities study to ensure that the capital items requested meet the future growth needs for the Town.

## **Debt Management Policy**

Debt is an effective way to finance capital improvements or to even out short-term revenue flows. Properly managed debt preserves our credit rating, provides flexibility in current and future operating budgets, and provides us with long-term assets that maintain or improve our quality of life. To provide for the appropriate issuance and responsible use of debt, the Board of Selectmen of the Town of Sudbury have adopted the following debt management policies.

- Long-term debt will be issued only for objects or purposes authorized by state law under Chapter 44, section 7 and 8.
- Short-term debt may be issued to finance current operating expenditures only in the event of extreme financial emergency.
- Debt maturity will not exceed the lesser of: the useful life (as established by the Town Treasurer-Collector), or the period of probable usefulness (as defined in Massachusetts State Local Finance Law), of the object or purpose so financed, whichever is shorter.
- Debt limits established by law and policy will be calculated by the Town's Finance Director and Treasurer-Collector at least once each year and whenever otherwise requested or appropriate.
- The Town will maintain good communications with bond rating agencies, bond counsel, banks, financial advisors and others involved in debt issuance and management.
- The Town's annual Town Report, Town Manager's Budget Request and annual town meeting warrant will give comprehensive summaries of the debt obligations of the Town.
- The Town will attempt to maintain a long-term debt schedule so that at least 50 percent of outstanding principal will be paid within ten years.
- The Town will attempt to vote all significant debt questions (over \$500,000) exempt from the limits of Proposition 2 1/2.

## **Protection of Credit Rating Policy**

Maintenance of the highest level credit rating possible is important to the continued financial health of Sudbury as it reduces the costs of issuing debt. Credit rating firms consider management practices to be very important factors. There are several management practices that can inadvertently jeopardize the financial health of a local government. To be proactive in assuring the Town of Sudbury does not engage in these practices, the Board of Selectmen of the Town of Sudbury has adopted the following credit rating protection policies.

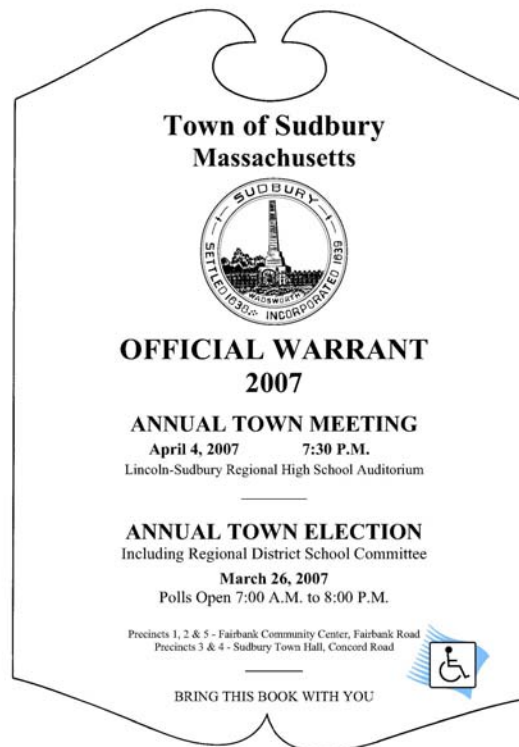
- The Town will not rely on reserves to sustain operating deficits. Use of such reserves will be limited to helping the Town deal with short-term or emerging financial stress, but then the Town will either reduce spending to within the limits of recurring revenues, or seek approval for additional revenues from the voters of the Town.

- The Town will not defer current costs to a future date. This includes costs such as pension costs or benefits costs. From time to time the State offers municipalities the option of deferring payments to their pension system, or other costs, as a short term way of balancing a fiscal year's budget. However, it the intention of the Town of Sudbury not to rely on these options.
- The Town will analyze the full-life costs of multi-year decisions. For example, acquiring or construction of new buildings will be conducted with an assessment of the operating costs of the building. Lease agreements will be conducted with an assessment of future budgets and the ability to make annual payments. Labor agreements will be negotiated with an analysis of the full costs associated with the terms of the agreement.

The Town will follow the policies as outlined in this policy statement. Appendix Five shows Standard & Poor's AAA rating for Sudbury's recently issued General Obligation Bonds.

## APPROPRIATION AND BUDGET AMENDMENT PROCEDURES

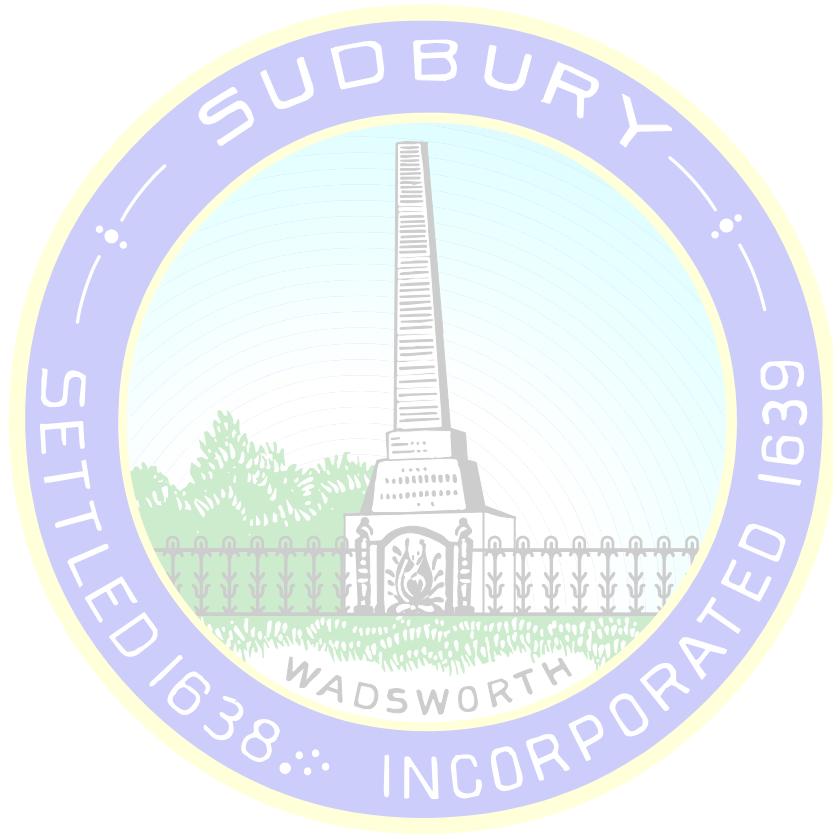
Town Meeting has the sole authority to appropriate funds for the operating budget and the capital budget, as well as for other money articles, and the vote of Town Meeting become the legal authorization to implement the budget. By Sudbury bylaw, the Annual Town Meeting begins on the first Monday in April. Prior to the first session of Annual Town Meeting, the Town Warrant, containing the proposed budget articles, is sent to every household in Town. The Operating Budget Article is moved by the Finance Committee. The Capital Budget Article is moved by the Capital Improvement Planning Committee. After appropriation by Town Meeting, and following the adjournment of Town Meeting budgets can only be amended the following April at the next year's Annual Town Meeting under a Budget Adjustment Article or through a Special Town Meeting. Sudbury only occasionally has needed to amend the operating budget.





# Section Three

## BUDGET OVERVIEW



## A READER'S GUIDE TO THE BUDGET

This section of the budget document contains tables, charts, and narratives that provide context for the important budget deliberations and decisions for the Town. The budget of a municipality has many parts to it. Different cost centers operate under different state laws. They have their own leadership and management structure. Each has revenue sources that are dedicated to specific programs and are not transferable to other parts of the budget. Each has mandated activities and services that can not be discontinued. Each has employees working under collective bargaining agreements, and the provisions and requirements for each group differ from others. And in two cases – the Lincoln-Sudbury Regional High School and the Minuteman Vocational Technical High School – other towns have a role and a say in the budget requests and spending priorities of the cost center. Readers hoping for a budget that is similar to that of a private company will be disappointed. It takes a great deal of effort to gain an understanding of the milieu in which the Town of Sudbury's budget and financing plan is put together.

A municipal budget document can be a challenge to read and understand, especially for those who don't deal with them often. This is true for a number of reasons: first, they involve numbers, often in lengthy tables. Second, a municipal government is responsible for a large and diverse set of operations and services, many of them complex in nature, so even at a summary level there is still a great deal of detail to digest. And lastly, budget documents must serve a number of purposes.

- A Planning Tool. A budget should be a blueprint for the services that the Town will offer in the fiscal year, consistent with the values and goals that have been set by the Board of Selectmen.
- A Communication Tool. Within the budget pages, the reader should be able to find out how the resources of the Town have been allocated. And, if performance data is included, they are a report of how the Town has been using the resources to achieve the mission and goals of the organization.
- Link to Town Meeting Warrant. A budget's layout should be consistent with the Town Warrant, which is organized according to the Town's organizational chart and chain of command. So, for example, funds appropriated within the Town's Public Safety cluster can only be expended for a public safety purpose with the approval of the Town Manager.
- Link to Different Funds. Governmental accounting is fund accounting, unlike private sector accounting, where there is usually only one fund for all the financial transactions of the entity. In the Town of Sudbury, there is the General Fund and two enterprise funds that support the annual budget. The Community Preservation Fund does not support the General Fund, but rather eligible one-time projects that meet State determined criteria.

To help the reader navigate this budget document, below is an explanation of different parts of the budget document that may be helpful in interpreting and understanding its detailed content.



- Appendix One is a ***Glossary of Budget Terms and Definitions***. For the first time reader especially, it may be helpful to be able to check on the meaning of any unfamiliar terms in this document.
- The second section of this document, ***Budget Calendars, Procedures and Policies***, describes how the budget is developed according to various instructions and stages of development:
  - o FY09 Budget Instructions from the Finance Committee
  - o Overview of Phases of Budget Development
  - o FY09 Budget Calendar
  - o Board of Selectmen's Budget and Financial Management Policies
  - o Budget Appropriation and Amendment Procedures
- The third section of this document, titled ***FY09 Budget Overview***, contains the FY09 Budget Highlights, a Consolidated Financial Overview, and an analysis of trends in the Town's revenue sources and expenditures. It provides the following context information for readers who want to understand better the critical factors that affect the Town's financial condition and the development of the FY09 Budget:
  - o Funds and Fund Accounting. This focuses on the funds that make up the Town's Municipal Financial structure.
  - o Expenditure Pressures FY09. This focuses on the major factors that are impacting on the cost of providing services.
  - o Revenue Situation. Annually, the Town updates an analysis of its financial condition through use of indicators that have been trended over time, following the analysis model developed by the International City/County Management Association. Here, we incorporate those indicators that focus on the revenues the Town relies on.
  - o Revenue Sources & Projections for FY09. This provides detailed background information about the revenue sources the Town relies on. Each revenue type is defined, the projection for FY09 is given, and the assumptions that support that projection are given.
- Sections 4 through 7 contain detailed operational budget data and the associated budget issues for FY09. Here the reader can find the explanation of what services are being provided, the level of staffing involved, and other such information related to each budget request. Readers may use this information to dig deeper into the specific budget requests. The three school systems develop separate detailed budget documents that are available upon request; Section 7 of this budget document includes their budget data at a summary level.
- Section 8 has the ***FY09 Operating Capital Budget***, the long range capital plans, and the ***FY09 Debt Budget***.
- Section 9 contains a number of appendices to this budget document. These appendices are intended to be supplemental reference materials as they did not specifically affect the development of the FY09 budget, but provide more historical and longer term information for the interested reader:

<u>Appendix</u>	<u>Title</u>
One	Budget Terms and Definitions
Two	Acronyms
Three	Sudbury Census Data
Four	Sudbury Population History, 1790-2007
Five	Standard & Poor's Sudbury Bond Ratings
Six	The Community Preservation Act
Seven	History of Proposition 2½ Overrides
Eight	Residential Tax Rate History, 1990-2007
Nine	Town Energy Management Program
Ten	C.A.R.E. Program – Cost Avoidance and Revenue Enhancement
Eleven	Grants Listing
Twelve	Sudbury Master Plan Excerpt
Thirteen	FY07 Audit, Management's Discussion & Analysis

## CONSOLIDATED FINANCIAL OVERVIEW

### **Municipal Fund Background**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into the following categories and are described below:

1. Governmental funds
2. Proprietary funds
3. Fiduciary funds

### **Governmental Funds**

Governmental funds reporting focuses on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government function reporting, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term effect of the government's near-term financing decisions. The Town currently maintains 453 individual governmental funds which are broadly categorized into 6 separate functions or operational concerns – *General, Special Revenue, Capital Projects, Trust Funds, Fixed Assets/Infrastructure and Debt Service*.

### **Proprietary funds**

Proprietary funds account for business-type activities (e.g. activities or services are funded primarily by user fees rather than tax levy dollars). Fund types in this area may be broken down into two categories: *Enterprise* and *Internal Services*. Enterprise funds which are governed by [Ch. 44 §53F½](#) allows communities to recover costs associated with particular services. Internal Service funds serve as a vehicle for departmental cross-charging or allocation of Town-wide expenses such as postage, data processing or fleet maintenance. For financial reporting purposes the Town uses enterprise funds to account for its swimming pool and transfer station activities.

### **Fiduciary funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The accounting used for fiduciary funds is similar to that used for proprietary funds. The Town currently maintains 35 fiduciary funds for individuals and other governmental agencies. Fiduciary funds are not reflected in the government-wide financial or budgeting statements because the resources of those funds are not available to support the Town's programs.

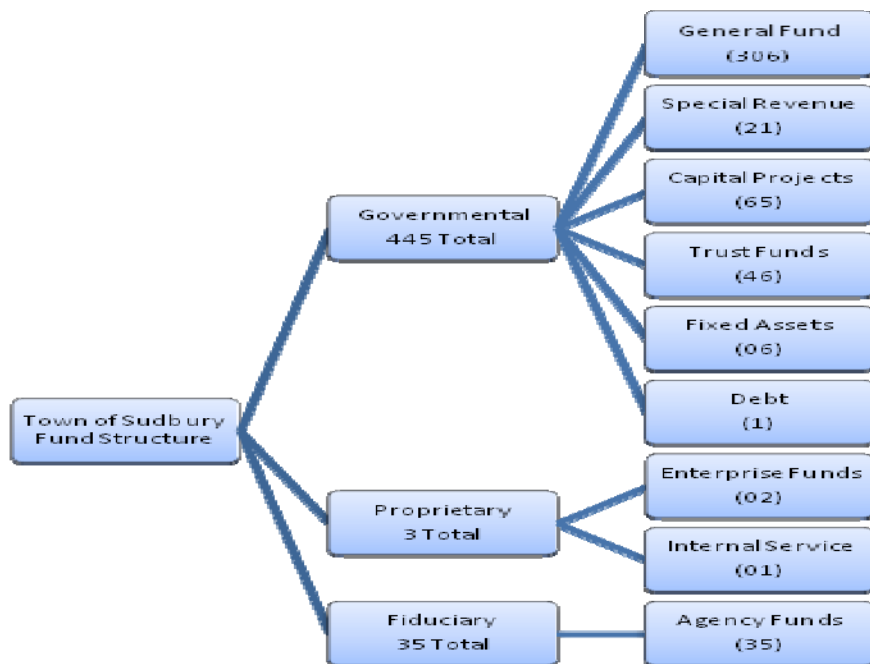


Figure 1 All Funds

### **Sudbury's Financial Funds Structure Overview**

Sudbury currently maintains 483 individual funds (see figure 1 above) the majority of which fall into the category of Governmental funds. Maintaining this many separate funds is required for compliance and reporting purposes. It ensures proper fund management (across the Town's vast Financial and Operational responsibilities) on a constant and consistent basis. Advanced technology and integrated financial systems aide in effectively managing, budgeting and reporting at all levels of the organization (i.e., from fund type and division down to department and line item).

Government-wide financial fund analysis is provided in Sudbury's Comprehensive Annual Financial Report (CAFR) (see Appendix Thirteen for the Town of Sudbury's audited results for FY07). These financials provide not only fund balance detail but also a complete breakdown of revenues and expenditures for the Town's governmental and proprietary funds. Additionally, under State statute the Town files a year-end statement of revenues, expenditures and fund balances (commonly referred to as "Schedule A") with Massachusetts' Department of Revenue.

### **Major Funds Financial Reporting**

For financial reporting and budgeting purposes Sudbury separates all funds into two categories: **major and non-major**. What constitutes a **major fund** may vary for each individual municipality as well as for the type of reporting being done. Generally speaking, a major fund will represent a certain % of total assets, liabilities, revenues and expenditures. As a result, some funds may switch categories from year-to-year. For financial statement reporting purposes Sudbury identifies the following as **major funds**:

**General, Stabilization, Community Preservation and most recently added, Affordable Housing Trust** (see Appendix One for their definitions), all of which are located within the Town's Governmental funds structure. All other governmental and proprietary funds are combined into a single, aggregated presentation titled "***nonmajor***".

### **Fund Balances**

Fund balance is the difference between a fund's assets and liabilities. It's also commonly referred to as "fund equity" since it is the balance that remains for future purposes. To the extent fund balance is not earmarked or reserved for a specific purpose it may be used to offset unexpected costs or revenue shortfalls. Certain fund balances either individually or in aggregate, are viewed as a key indicator of the Town's financial health. In particular, unreserved fund balances serve as a useful measure of the Town's net resources available for spending at the end of a fiscal year. Fund balance liquidity (a fund's ability to meet near-term obligations with expendable resources) may be evaluated by comparing both undesignated fund balance and total fund balance to total fund expenditures. Each fund must be able to support its activities and meet its obligations. A lack of liquidity therefore could require inter-fund balance transfers (allowable under certain circumstances) and/or the postponement of services and expenditure. For these reasons, budgeting must encompass all areas or facets of operation; with all sources and uses considered to avoid fund deficits and conversely, build equity for the future.

The Total Financial Funds table on page 51 provides a multi-year view summary for all the Town's financial fund balances. (Further details regarding revenues and expenditures for all major funds may be obtained in the Town's CAFR Appendix Thirteen, audit report pages 20-21).

As the table shows, only two (major) funds are expected to change significantly from FY08 to FY09. The Affordable Housing Trust is expected to increase by 73.9% from FY08 to FY09. This fund was newly created in FY07 by Town Meeting to provide for the creation and preservation of affordable housing within Sudbury. Since then transfers have been made from the Town's Community Preservation Act (CPA) fund for this allowed purpose (see Appendix Six for a description of the CPA). Building up the Trust's reserves over the past couple of years will allow for greater flexibility and opportunity to purchase and/or renovate suitable properties, as they become available. In FY09, the Trust's revenues are expected to greatly exceed planned expenditures thanks largely in part by the contributions to be made by the CPA fund. The CPA fund balance itself is expected to decrease by 20% in FY09. While CPA surcharge receipts are expected to increase slightly by \$100,000 the fund has several large projects scheduled to get underway in FY09. The most significant of which will require the Town to sell long-term bonds for the purchase of various land parcels. As a result, both the CPA Fund's revenues and expenditures will increase dramatically in FY09. By FY09 year-end the fund's balance is projected to be \$6.2M or nearly \$1.9M lower than FY08.

By and large, fund balance for financial reporting and annual budgeting purposes is concentrated on ***undesignated*** balance. This is what is considered available cash flow or funds that are not restricted, encumbered or reserved for special purpose. The combined unrestricted balance for the Town as of June 30, 2007 was \$15,030,724. Of this total only \$996,718 is considered General funds. The remainder is comprised of

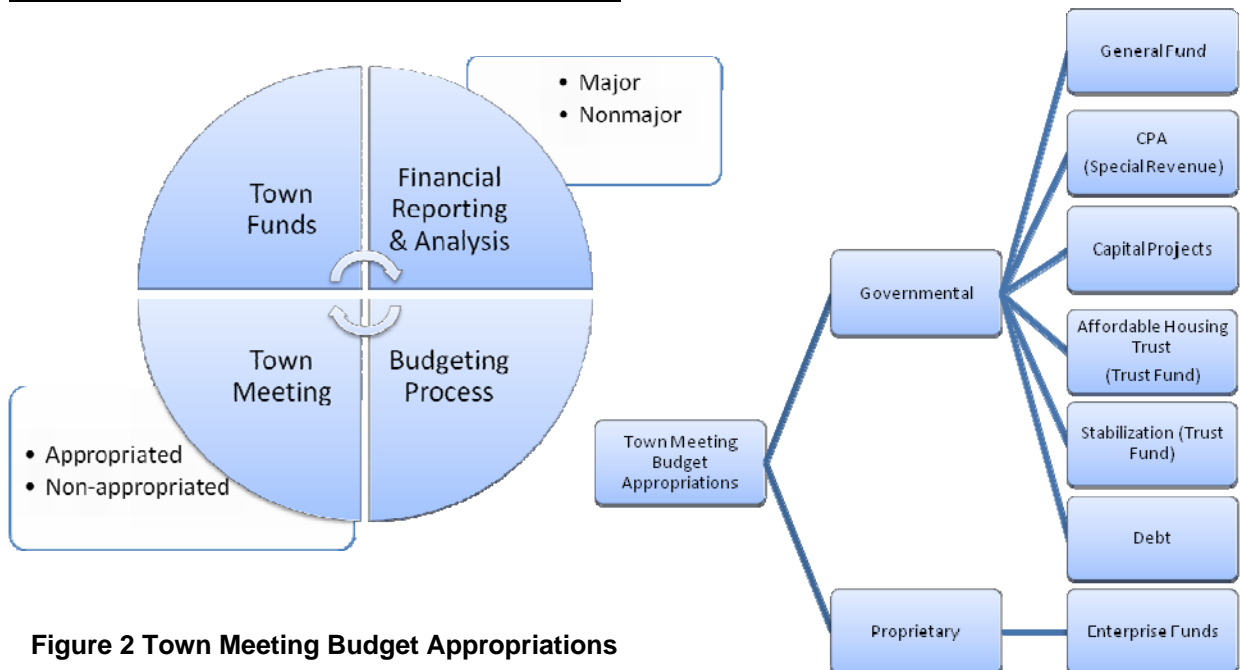
special revenues, capital projects or permanent funds that while available for use may only be expended for specific purposes.

The unrestricted General fund balance is projected to be lower at the end FY08 than in previous years. Conservative revenue projections combined with strict adherence to the appropriations of Town Meeting insures that the fund balance of the general fund does not unintentionally decrease from year to year. However, as general State Aid and local receipts do not increase as much as general fund spending, a reduction in the general fund balance is unavoidable. Over the past several years both revenues and expenses have shifted somewhat from the General fund category moving to the several other areas of sources and uses. This includes special revenue streams, revolving funds and trust funds. All items combined, the Town is expecting to finish FY08 with \$26.7M in consolidated financial funds and \$25.4M in FY09.

	Actual FY06	Actual FY07	Budget FY08	Budget FY09
<b>TOTAL FINANCIAL FUNDS SUMMARY</b>				
<u>General Funds</u>				
Begin. Bal.	7,866,031	9,415,393	10,136,910	10,476,870
Revenues	73,070,693	74,497,088	76,547,618	76,302,057
Expenditures	71,942,877	74,146,913	76,527,658	76,317,750
Excess/(Deficiency)	1,127,816	350,175	19,960	(15,694)
Transfers In/(Out)	421,546	371,342	320,000	375,000
Ending Bal.	9,415,393	10,136,910	10,476,870	10,836,176
% over prior		7.7%	3.4%	3.4%
<u>Stabilization</u>				
Begin. Bal.	1,555,862	1,597,991	1,682,125	1,812,125
Revenues	42,129	84,134	80,000	75,000
Expenditures	-	-	-	-
Excess/(Deficiency)	42,129	84,134	80,000	75,000
Transfers In/(Out)	-	-	50,000	-
Ending Bal.	1,597,991	1,682,125	1,812,125	1,887,125
% over prior		5.3%	7.7%	4.1%
<u>Community Preservation</u>				
Begin. Bal.	7,753,111	6,144,300	6,873,939	7,791,555
Revenues	2,563,286	2,847,328	2,500,000	10,605,000
Expenditures	4,172,097	1,982,689	1,332,384	11,416,950
Excess/(Deficiency)	(1,608,811)	864,639	1,167,616	(811,950)
Transfers In/(Out)	-	(135,000)	(250,000)	(750,000)
Ending Bal.	6,144,300	6,873,939	7,791,555	6,229,605
% over prior		11.9%	13.3%	-20.0%
<u>Affordable Housing Trust</u>				
Begin. Bal.	-	-	158,655	205,655
Revenues	-	35,342	45,000	50,000
Expenditures	-	11,687	248,000	648,000
Excess/(Deficiency)	-	23,655	(203,000)	(598,000)
Transfers In/(Out)	-	135,000	250,000	750,000
Ending Bal.	-	158,655	205,655	357,655
% over prior		n/a	29.6%	73.9%
<u>Nonmajor Funds</u>				
Begin. Bal.	6,776,601	6,334,465	6,566,353	6,446,353
Revenues	5,939,211	5,987,558	6,040,000	6,075,000
Expenditures	5,966,383	5,400,328	5,800,000	6,100,000
Excess/(Deficiency)	(27,172)	587,230	240,000	(25,000)
Transfers In/(Out)	(414,964)	(355,342)	(360,000)	(365,000)
Ending Bal.	6,334,465	6,566,353	6,446,353	6,056,353
% over prior		3.7%	-1.8%	-6.0%
<u>Total Government Funds</u>				
Begin. Bal.	23,951,605	23,492,149	25,417,982	26,732,558
Revenues	81,615,319	83,451,450	85,212,618	93,107,057
Expenditures	82,081,357	81,541,617	83,908,042	94,482,700
Excess/(Deficiency)	(466,038)	1,909,833	1,304,576	(1,375,644)
Transfers In/(Out)	6,582	16,000	10,000	10,000
Ending Bal.	23,492,149	25,417,982	26,732,558	25,366,914
% over prior		8.2%	5.2%	-5.1%

NOTE: Includes all funds including those outside the tax levy and general budget process.

## Financial Funds and the Budgeting Process

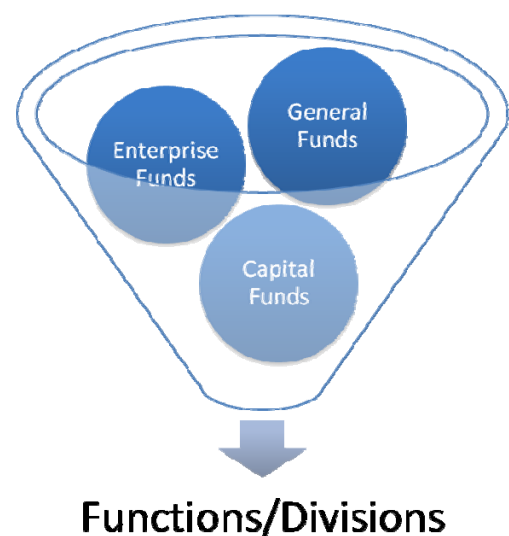


**Figure 2 Town Meeting Budget Appropriations**

As the previous discussion and table indicates, the Town manages and budgets for all of its governmental and proprietary funds. The cycle between Sudbury's ongoing financial concerns and the budgetary process itself is seamlessly connected by the actions of the Annual Town Meeting. While the reporting of information and the data constructed throughout the year may vary, it all comes down to the same funds and fund balances that support the Town's many endeavors. However, it's important to note that the budgets of only some of the Town's financial funds are required to be officially adopted or appropriated (see right-side of figure 2 above).

## Beyond Financial Funds

The financial and budgeting process goes well beyond a discussion of funds. Below the funds-level; at the root of all *sources and uses* of funds, are the Town's many functions, divisions and programs. It is at this level of detail that we begin our detailed discussion of the FY09 budget. By in large, the *majority* of the Town's sources and uses take place within the General fund. Except where otherwise indicated in the text, tables or other exhibits, the remaining sections will focus on General fund sources and use allocations, across various functions and divisions; including specific line-item details, as required by Town policies and other mandates.





## FY09 BUDGET HIGHLIGHTS BY FUNCTIONS AND PROGRAMS

The **FY09 Appropriated Budget** authorized by Town Meeting is \$77,422,933, a decrease of .1% or \$56,842 over the **FY08 Appropriated Budget**, \$77,132,537. The **FY09 Appropriated Budget** is based on the maximum allowable revenue anticipated for FY09, which was severely affected when the Town's Free Cash was certified at a much lower level than in previous years, offsetting the allowed increased in property taxes.

Table 1 shows that the budget for items outside the operating budget, such as debt service, capital spending, and contributions to the stabilization fund, decreased compared to FY08, by \$376,625, or -4.2%. The operating budget, which includes the funding for the operation of the Town Government Departments and the schools, on the other hand, increased by \$319,783 or .5%.

**TABLE 1: FY09 APPROPRIATED BUDGET v. FY08 APPROPRIATED BUDGET**

	FY08 Appropriated Budget	FY09 Appropriated Non-Override Budget	Increase (Decrease)	%
Lincoln Sudbury RHS (Assessment)	\$ 16,514,863	\$ 16,429,155	\$ (85,708)	-0.5%
Sudbury Public Schools (K-8)	\$ 33,341,232	\$ 33,845,714	\$ 504,482	1.5%
Minuteman Vocational H.S.	\$ 224,404	\$ 237,788	\$ 13,384	6.0%
Other High School Assessments	\$ 66,408	\$ 69,064	\$ 2,656	4.0%
Town Government	\$ 17,997,449	\$ 17,882,418	\$ (115,031)	-0.6%
<b>SUBTOTAL, OPERATING BUDGET</b>	<b>\$ 68,144,356</b>	<b>\$ 68,464,139</b>	<b>\$ 319,783</b>	<b>0.5%</b>
Debt Service	\$ 7,129,866	\$ 6,741,131	\$ (388,735)	-5.5%
Enterprise Funds	\$ 729,537	\$ 757,946	\$ 28,409	3.9%
Capital Plan	\$ 384,148	\$ 362,500	\$ (21,648)	-5.6%
Contribution, Stabilization Fund	\$ 50,000	\$ -	\$ (50,000)	-100.0%
Charges	\$ 694,630	\$ 749,979	\$ 55,349	8.0%
<b>SUBTOTAL</b>	<b>\$ 8,988,181</b>	<b>\$ 8,611,556</b>	<b>\$ (376,625)</b>	<b>-4.2%</b>
<b>GRAND TOTAL</b>	<b>\$ 77,132,537</b>	<b>\$ 77,075,695</b>	<b>\$ (56,842)</b>	<b>-0.1%</b>
* L-S will receive \$125,204 in additional state aid, so Sudbury reduced the assessment by same amount.				
**Town appropriation is gross, thus not reduced by Ambulance Offsets				

Table 2 compares the **FY08 Appropriated Budget** against the **FY09 Requested Budget**, showing what had been requested for FY09, at the amounts that would have provided the same number of FTE staff and programs for the Town Government, SPS and L-S Regional High School, and continue making an annual contribution to the stabilization fund. This chart shows that a total of \$2,772,544 was needed over the FY08 appropriation level just to maintain services. That level of growth would have meant a 3.6% increase in total budget spending over the prior year overall, with a 4.5% increase for the operating budget.

The **FY09 Requested Budget** required an override of Proposition 2 ½ to be passed by Sudbury voters, as overall revenue growth without an override would not be enough to support the level staff budget. The passage of Question 1B would have allowed the Requested Budget to be presented to Town Meeting for appropriation. The passage of Question 1A would have allowed a budget that was between the Non-Override Budget and the Requested Budget to be presented at Town Meeting. Since neither of the questions received a majority vote, the **FY09 Non-Override Budget** became the **FY09 Appropriated Budget**.

**TABLE 2: FY09 APPROPRIATED BUDGET v. FY09 REQUESTED BUDGET  
(Contingent on Override Vote)**

	FY08 Appropriated Budget	FY09 Level Staff Request Contingent on Override	Increase (Decrease)	%
Lincoln Sudbury RHS (Assessment)	\$ 16,514,863	\$ 17,273,403	\$ 758,540	4.6%
Sudbury Public Schools (K-8)	\$ 33,341,232	\$ 34,947,457	\$ 1,606,225	4.8%
Minuteman Vocational H.S.	\$ 224,404	\$ 237,788	\$ 13,384	6.0%
Other High School Assessments	\$ 66,408	\$ 69,064	\$ 2,656	4.0%
Town Government*	\$ 17,997,449	\$ 18,665,813	\$ 668,364	3.7%
<b>SUBTOTAL, OPERATING BUDGET</b>	<b>\$ 68,144,356</b>	<b>\$ 71,193,525</b>	<b>\$ 3,049,169</b>	<b>4.5%</b>
Debt Service	\$ 7,129,866	\$ 6,741,131	\$ (388,735)	-5.5%
Enterprise Funds	\$ 729,537	\$ 757,946	\$ 28,409	3.9%
Capital Plan	\$ 384,148	\$ 362,500	\$ (21,648)	-5.6%
Contribution, Stabilization Fund	\$ 50,000	\$ 100,000	\$ 50,000	100.0%
Charges	\$ 694,630	\$ 749,979	\$ 55,349	8.0%
<b>SUBTOTAL</b>	<b>\$ 8,988,181</b>	<b>\$ 8,711,556</b>	<b>\$ (276,625)</b>	<b>-3.1%</b>
<b>GRAND TOTAL</b>	<b>\$ 77,132,537</b>	<b>\$ 79,905,081</b>	<b>\$ 2,772,544</b>	<b>3.6%</b>
<i>*Town appropriation is on a gross basis, thus not reduced by Ambulance Offsets</i>				

### **FY09 Operating Budget**

The operating budget of the Town includes the General Fund amounts for the operation of the Town Government departments and the schools. The education of the children of Sudbury remains the primary focus of the Town, comprising 74% of the operating budget in FY09, about the same percentage of the prior year's budget. There are four educational entities which receive funding from the Town of Sudbury. Sudbury Public Schools (SPS) is a pre-Kindergarten through 8<sup>th</sup> grade system with four elementary schools and one middle school, with an enrollment projected in FY09 to be 3,214 students. SPS is a part of the Town of Sudbury and thus their employees are Town employees, even though SPS is under the direction of an elected five member School Committee and collective bargaining for SPS employee groups is conducted by the School Committee.

The other three educational entities are regional high schools, which mean they are independent political and governmental sub-divisions of the Commonwealth and their employees are not employees of the Town of Sudbury. Public schools in the

Commonwealth do not have their own taxing authority, although regional and vocational schools directly receive state aid and have the ability to charge and collect a variety of fees to supplement their budgets. The regional and vocation high schools that are paid an assessment by the Town of Sudbury are:

- Lincoln-Sudbury Regional High School, located in Sudbury, and projected to enroll approximately 1,380 Sudbury children as well as 247 Lincoln children in FY09.
- Minuteman Vocation Technical Regional High School, located in Lexington, which will educate an estimated 45 Sudbury students next fiscal year.
- Norfolk Agricultural Vocational High School, located in Walpole, which will educate two Sudbury students next fiscal year.

For both the Minuteman Vocational Technical High School (up 6% over FY08) and the Norfolk Agricultural Vocational High School (up 4% over FY08), state law requires that for all practical purposes Sudbury **must** pay the costs as assessed by these two entities and cannot unilaterally reduce those costs. Thus, all reductions made in educational spending in FY09 will be absorbed by L-S and SPS. Since the cost of employee benefits is projected to increase an average of 6.5%, and employee cost of living adjustments for FY09 will range from 2.5% to 3.75%, each of the Town's major cost centers will implement significant reductions in staffing and programs in FY09 to live within their allotted appropriation.

**TABLE 3: FY08 OPERATING BUDGET v. FY09 APPROPRIATED OPERATING BUDGET**

	FY08 Appropriated Budget	FY09 Appropriated Non-Override Budget	Increase (Decrease)	%
Lincoln Sudbury RHS Assessment, net of benefits*	\$ 13,571,995	\$ 13,311,189	\$ (260,806)	-1.9%
Lincoln Sudbury RHS Benefits Assessment	\$ 2,942,868	\$ 3,117,966	\$ 175,098	5.9%
Sudbury Public Schools (K-8), net of benefits	\$ 27,011,377	\$ 27,024,955	\$ 13,578	0.1%
Sudbury Public Schools (K-8), Benefits	\$ 6,329,855	\$ 6,820,759	\$ 490,904	7.8%
Minuteman Vocational H.S.	\$ 224,404	\$ 237,788	\$ 13,384	6.0%
Other High School Assessments	\$ 66,408	\$ 69,064	\$ 2,656	4.0%
Town Government, net of benefits**	\$ 13,993,771	\$ 13,680,289	\$ (313,482)	-2.2%
Town Government Benefits	\$ 4,003,678	\$ 4,202,129	\$ 198,451	5.0%
<b>SUBTOTAL, OPERATING BUDGET</b>	<b>\$ 68,144,356</b>	<b>\$ 68,464,139</b>	<b>\$ 319,783</b>	<b>0.5%</b>
* L-S will receive \$125,204 in additional direct state aid, and Sudbury reduced the assessment by same amount.				
**Town appropriation is on a gross basis, thus is not reduced by Ambulance Offsets				

L-S Regional High School The FY09 assessment for L-S from Sudbury, exclusive of benefits, is \$260,806 (-1.9%) less than the FY08 assessment. Of this amount, \$125,204 was reduced to offset an additional amount of state aid that L-S is projected to receive from the Commonwealth in FY09. The L-S School Committee had requested \$539,244, or a 4% growth, above the FY08 assessment, so the final appropriated amount is

significantly below the amount the School Committee felt was necessary to provide the same staffing and expenses levels as FY08. The L-S School Committee is planning to eliminate 5.7 full-time equivalent positions (FTEs), reduce up to \$223,500 in non personnel costs, and raise fees to deal with the resource reductions available under the **FY09 Appropriated Budget**.

Sudbury Public Schools The FY09 budget appropriated for SPS, net of benefits, is \$13,578 more than the FY08 budget. For SPS to achieve the same level of staffing and expenses in FY09, the SPS School Committee had requested \$1,115,321, or 4.1% growth, above the FY08 budget, so the final appropriated amount is significantly below the amount the School Committee felt was necessary to provide the same staffing and expenses levels as FY08. The SPS School Committee is planning to reduce 21.05 FTEs in FY09, reduce expenses by \$209,843 and raise fees for buses, sports and activities.

Town Government The FY09 budget appropriated for Town Government, net of benefits, is \$313,482 (-2.2%) less than the FY08 budget. The Town Manager had requested \$405,913, or 2.9% growth, above the FY08 budget, so the final appropriated amount is significantly below that considered necessary to provide the same staffing and expense levels as FY08. With the agreement of the Board of Selectmen, the Town Manager, will be eliminating 7.05 FTEs, reducing expenses by \$309,729, and cutting \$120,718 in operational capital expenses.

**TABLE 4: FY09 APPROPRIATED OPERATING BUDGET VS FY09 REQUESTED BUDGET**

	FY08 Voted Budget	FY09 Level Staff Request (Contingent on Override)	Increase from FY08	%
<b>Exclusive of Benefits and Debt</b>				
Lincoln Sudbury (Assessment)	\$ 13,571,995	\$ 14,111,239	\$ 539,244	4.0%
Sudbury Public Schools	\$ 27,011,377	\$ 28,126,698	\$ 1,115,321	4.1%
Town of Sudbury**	\$ 13,993,771	\$ 14,399,684	\$ 405,913	2.9%
<b>Total, exclusive of benefits</b>	<b>\$ 54,577,143</b>	<b>\$ 56,637,621</b>	<b>\$ 2,060,478</b>	<b>3.8%</b>
<i>**Town appropriation is on a gross basis, thus is not reduced by Ambulance Offsets</i>				

FY09 will be a tremendously challenging year for the Town Government, Sudbury Public Schools and the Lincoln-Sudbury Regional High School, but the voters of Sudbury have spoken and all will work within the budgets that have been provided to us. In keeping with the budget policies of the Board of Selectmen and the recommendation of the Finance Committee, wise budget decisions were followed in the wake of the override decision in regard to what was not done. The Town did not turn to the Stabilization Fund to make up the difference between the Requested Budget and the Non-Override Budget, we did not inflate revenue estimates, we did not sell one-time assets, and we did not defer any known obligations, such as payments for pensions or salaries. The school committees, Board of Selectmen, and Finance Committee were very clear that significant staffing and expense cuts, causing reductions in services, would be made under the Non-Override Budget and those reductions are now being implemented. Class sizes will grow, programs will be eliminated or curtailed, equipment will not get repaired or replaced when needed, and a variety of activities that contribute

to the quality of life in Sudbury will change. But the basic services provided and high quality staffing the Town and the schools employ will still be here beginning July 1, 2008.

### Tax Impact

The *FY09 Appropriated Budget* will increase the property tax bill of the average \$683,200 value residential property by a projected \$444. Overall the FY09 property tax levy is estimated to increase by \$2,755,609 over the FY08 levy, or a total 4.55%, but 91.76% of this levy is drawn from the residential properties, for a total of \$2,528,561 of the total levy increase.

**TABLE 5: RESIDENTIAL COMPONENTS OF FY09 PROJECTED LEVY INCREASE**

Component of Levy	Amount of residential increase	% of FY09 increase	% increase vs. FY08	\$632,200 Average Value Home
Proposition 2 1/2 increase	\$ 1,292,761	51.13%	2.33%	\$ 227
Unused levy limit from FY08	\$ 335,119	13.25%	0.60%	\$ 59
Excluded/exempted increase	\$ 441,878	17.48%	0.79%	\$ 77
<b>Subtotal, levy change to existing taxpayers</b>	<b>\$ 2,069,758</b>	<b>81.86%</b>	<b>3.72%</b>	<b>\$ 363</b>
Tax levy projected from New Growth	\$ 458,803	18.14%	0.83%	\$ 81
<b>Total Projected FY09 Change in Tax Levy</b>	<b>\$ 2,528,561</b>	<b>100.00%</b>	<b>4.55%</b>	<b>\$ 444</b>

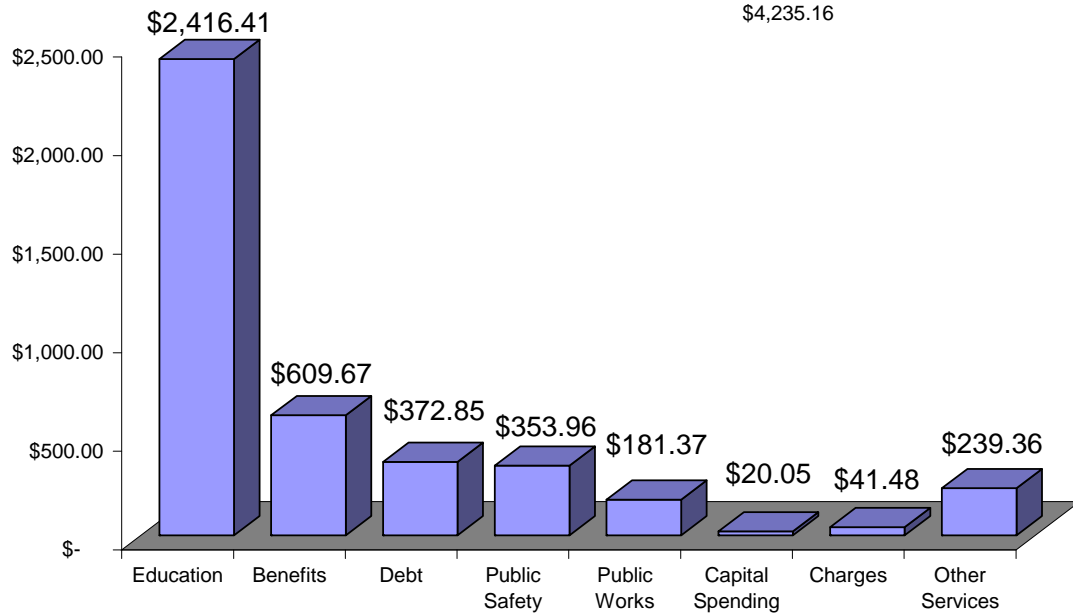
**FY09 BUDGET OVERVIEW BY FUNCTION**

<b>EXPENDITURES</b>	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
LS Gross Assessment	14,900,120	15,847,573	16,806,624	16,566,468
LS Offsets/Re-apportionments	(2,596,198)	(3,378,145)	(3,234,629)	(3,255,278)
LS Employee Benefits Assessment	2,288,091	2,631,666	2,942,868	3,117,966
LS E&D Fund Assessment	-	-	-	-
LSRHS NET (Operating Assessment)	14,592,013	15,101,094	16,514,863	16,429,156
SPS Gross Expenses	24,266,965	25,451,656	28,969,802	29,222,694
SPS Offsets	-	-	(1,958,425)	(2,197,739)
SPS Employee Benefits	4,984,073	5,590,440	6,329,855	6,820,759
SPS NET	29,251,038	31,042,096	33,341,232	33,845,714
Minuteman Regional Assessment	304,640	312,280	224,404	237,788
Other Regional School Assessments	16,692	63,854	66,408	69,064
<b>Total: Schools</b>	<b>44,164,383</b>	<b>46,519,324</b>	<b>50,146,907</b>	<b>50,581,722</b>
General Government	2,129,183	2,110,541	2,288,472	2,253,566
Public Safety	5,691,420	6,169,350	6,377,174	6,399,677
Public Works	3,249,679	3,042,067	3,376,966	3,333,653
Human Services	532,047	557,711	607,659	570,261
Culture & Recreation	978,460	1,045,950	1,089,936	1,112,695
Unclassified & Transfer Accounts	84,116	94,727	253,564	357,675
Town Operating Offsets	(210,189)	(230,342)	(230,342)	(347,238)
subtotal, town services	12,454,715	12,790,004	13,763,429	13,680,289
Town Employee Benefits	3,205,475	3,619,302	4,003,678	4,202,129
<b>Total: Town Departments</b>	<b>15,660,190</b>	<b>16,409,306</b>	<b>17,767,107</b>	<b>17,882,418</b>
Capital Planning Committee	273,000	285,095	384,148	362,500
Capital Exclusion-Fire Engine	-	-	405,000	-
<b>Total: Capital Budget</b>	<b>273,000</b>	<b>285,095</b>	<b>789,148</b>	<b>362,500</b>
<b>Subtotal: Operating Budget</b>	<b>60,097,573</b>	<b>63,213,725</b>	<b>68,703,162</b>	<b>68,826,640</b>
Town Debt Service	5,540,987	5,309,598	4,481,929	4,347,060
LSRHS (Debt Assessment)	2,424,726	2,461,086	2,647,937	2,394,071
<b>Total: Debt Budget</b>	<b>7,965,713</b>	<b>7,770,683</b>	<b>7,129,866</b>	<b>6,741,131</b>
Enterprise Fund Expenditures	761,191	637,848	729,537	757,946
Stabilization Fund	-	-	50,000	-
<b>Total: Other</b>	<b>761,191</b>	<b>637,848</b>	<b>779,537</b>	<b>757,946</b>
Other Charges to be raised	1,281,109	655,774	694,630	749,979
<b>Total: To Be Raised</b>	<b>70,105,586</b>	<b>72,278,030</b>	<b>77,307,195</b>	<b>77,075,696</b>
<b>RECEIPTS</b>				
State Aid (Cherry Sheet)	5,249,234	5,562,741	6,037,109	6,271,012
SBAB School Debt Reimbursement	2,816,206	2,816,206	2,816,206	1,699,872
Local Receipts	5,571,072	5,114,985	4,990,767	4,395,668
Grants	-	30,000	-	-
Free Cash	855,000	1,527,243	1,900,000	294,110
Retirement Trust Fund	25,000	25,000	25,000	25,000
Abatement Surplus	543,450	592,765	238,000	321,000
Prior Year Articles/Recoveries	23,000	81,775	750	-
Enterprise Funds	733,754	702,359	760,328	788,858
<b>Total: State &amp; Local Receipts</b>	<b>15,816,716</b>	<b>16,453,074</b>	<b>16,768,160</b>	<b>13,795,520</b>
<b>Total Tax Levy</b>	<b>55,432,935</b>	<b>57,246,758</b>	<b>60,539,786</b>	<b>63,295,395</b>
<b>Total: Revenue</b>	<b>71,249,651</b>	<b>73,699,832</b>	<b>77,307,946</b>	<b>77,090,915</b>
<b>UNDER/ (OVER)</b>	<b>1,144,065</b>	<b>1,421,802</b>	<b>751</b>	<b>15,218</b>

## How the Town Allocates Its General Fund Spending

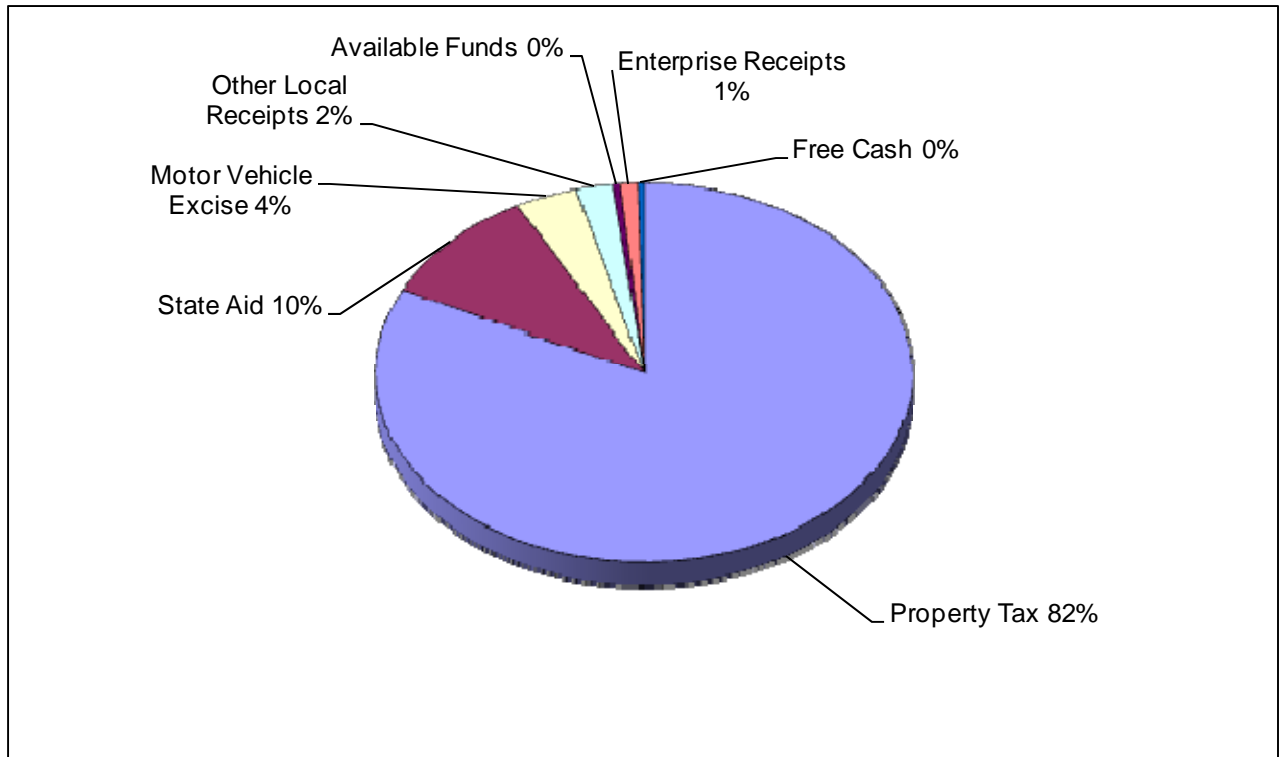
Excludes Enterprise Fund Costs  
(Per Capita)

Total per Resident Cost:  
\$4,235.16



## OVERALL REVENUE PROJECTIONS FOR FY09 AND REVENUES BY FUND

In this section of the **Budget Overview** we present a discussion of fund revenues, discussing both the projections for FY09 and the updated projection for FY08 now that the tax rate has been set. We provide tables showing details of each of the major revenue sources, and present a detailed discussion on each revenue source's authorization, limits and important variables.



Revenue Source	FY09
Within Levy Property Tax	58,262,543
State Aid	6,271,012
Motor Vehicle Excise	2,889,563
Other Local Receipts	1,721,105
Available Funds	346,000
Enterprise Receipts	788,858
Free Cash	294,110
<b>Subtotal, within levy</b>	<b>70,573,190</b>
Excluded Property Taxes	5,032,851
School Construction State Aid	1,699,872
<b>Total Projected Revenues</b>	<b>77,305,913</b>



## Revenue Fund Accounting

General Fund. Nearly all the revenues (99%) used to support the **FY09 Proposed Annual Budget and Financing Plan** are accounted for in the General Fund. General Fund budgeting and accounting is done on a modified accrual basis meaning that revenues are recognized when they become measurable or available (cash basis), while expenditures are accounted for in the accounting period incurred (accrual basis). General Fund Operating Revenues are projected to be \$69,784,332 for FY09.

Enterprise Fund. Enterprise Funds are used for activities that are fully financed through user charges. Budgeting for enterprise funds is done on a GAAP (Generally Accepted Accounting Principles) basis. The Town runs two operations on an enterprise fund basis: The Solid Waste Transfer Station and the Atkinson Pool. All direct and indirect costs of the Transfer Station and all direct costs of the Atkinson have been built into the fees charged. Enterprise Fund Revenues are projected to be \$788,858 for FY09.

Special Revenue Funds. These are funds that have a specific purpose that is restricted by law. Town Meeting does not appropriate these funds.

Community Preservation Fund. Community preservation surcharges are levied annually and at a rate of 3% of residents' real estate tax bills with exemptions for the first \$100,000 of residential property and property owned by qualified persons with low income and seniors (60+) with low or moderate income as defined by Department of Revenue guidelines. These funds are limited to specific types of projects – open space preservation, historical preservation, affordable housing, and recreation – and cannot be used for operating or maintenance purposes. Funds are appropriated by Town Meeting through separate articles, not as part of the Annual Operating or Capital Budget.

## Revenue Summary

	FY08 Projected	FY09 Projected	Dollar Change	Percent Change
Property Tax Raised (net of exclusions)	55,988,491	58,262,543	2,274,051	4.06%
State Aid-Cherry Sheet (net of SBAB)	6,037,109	6,271,012	233,903	3.87%
Local Receipts	4,990,767	4,610,668	(380,099)	-7.62%
Free Cash	1,900,000	294,110	(1,605,890)	-84.52%
Available Funds	263,750	346,000	82,250	31.18%
Subtotal: General Operating Fund	69,180,117	69,784,332	604,215	0.87%
Enterprise Funds	760,328	788,858	28,530	3.75%
Total Available for Operating Purposes	69,940,445	70,573,190	632,745	0.90%
Property Tax Outside Levy (Exclusions)	4,551,295	5,032,851	481,556	10.58%
SBAB Reimbursement for School Debt	2,816,206	1,699,872	(1,116,334)	-39.64%
<b>Total Revenue Projection</b>	<b>77,307,946</b>	<b>77,305,913</b>	<b>(2,033)</b>	<b>0.00%</b>

## Property Tax Growth

	FY07 Actual	FY08 Projected	FY09 Projected	Dollar Change	Percent Change
Previous Year Levy	50,101,942	52,034,558	56,353,700	4,319,142	8.30%
2.5% over prior levy	1,252,549	1,300,864	1,408,843	107,979	8.30%
New Growth	680,068	498,878	500,000	1,122	0.22%
Override	-	2,519,400	-	(2,519,400)	0.00%
Capital Exclusions	-	405,000	-	(405,000)	0.00%
Debt Exclusions	5,225,727	4,146,295	5,032,851	886,556	0.00%
<b>Tax Levy Limit</b>	<b>57,260,285</b>	<b>60,904,995</b>	<b>63,295,393</b>	<b>2,390,398</b>	<b>3.92%</b>
Taxes Raised	57,246,758	60,539,786	63,295,393		
Levy Surplus	13,527	365,209	-		

### Assumptions:

**Property Tax Levy. Projection: \$58,262,543.** Sudbury's property tax levy is anticipated to increase by \$1,908,843 or 3.39 percent. This does not include exempt capital and debt service levy.

As provided under Proposition 2 ½, local governments are permitted to increase property taxes 2.5 percent over the previous years' tax levy limit. In addition, a community may increase its property tax levy by what is known as "new growth." New growth reflects an increase in the property tax levy resulting from new residential and commercial construction in the community.

The new growth estimate for FY09 is based on new residential and commercial construction that occurred during calendar year 2007. This estimate of \$500,000 is based on information provided by the Board of Assessors.

### State Aid/Local Aid

	FY07 Actual	FY08 Projected	FY09 Projected	Dollar Change	Percent Change
Dist., reimb., offsets	804,263	852,517	802,721	(49,796)	-5.84%
Chapter 70 (school aid)	3,676,919	4,083,932	4,367,631	283,699	6.95%
Lottery Aid	1,081,559	1,100,660	1,100,660	-	0.00%
<b>Subtotal: General Purpose State Aid</b>	<b>5,562,741</b>	<b>6,037,109</b>	<b>6,271,012</b>	<b>233,903</b>	<b>3.87%</b>
School Construction (SBAB) Reimb.	2,816,206	2,816,206	1,699,872	(1,116,334)	-39.64%
<b>Total State Aid</b>	<b>8,378,947</b>	<b>8,853,315</b>	<b>7,970,884</b>	<b>(882,431)</b>	<b>-9.97%</b>

## **Assumptions:**

**State Aid:** State aid, which is also referred to as Cherry Sheet aid or local aid, is a function of the State budget. Our first indication of State aid for FY09 will come when Governor Patrick files his FY09 budget with the Legislature in January 2008. This budget, known as "House 2" will include his recommendations for school aid (Chapter 70) and lottery distributions. With the State's own budgeting concerns no one is predicting much in the way of increases in revenue for local communities. In order to move forward with the budgeting process for the Town, we will most likely use the state aid figures in the Governor's budget bill, but for now we are level funding most revenue estimates.

1. **Distributions, Reimbursements and Offsets. Projection: \$802,721.** This category includes various State aid programs such as School Transportation, Charter School Reimbursements, Additional Assistance and Police Career Incentive payments. This is a projected 5.84% loss compared to FY08 in this category. The reason for this decrease is largely due to early indications that this category of Cherry Sheet reimbursement will decline.
2. **Chapter 70 Aid. Projection: \$4,367,631.** Chapter 70 assistance is Sudbury's largest category of State aid. In previous years Chapter 70, also known as educational assistance, has been based on a formula which includes a variety of enrollment and community factors. Because Sudbury's educational spending exceeds the State's minimum requirements, Chapter 70 aid increases have been limited to per pupil minimum aid amounts in recent years. Discussion continues at the state level regarding creation of a new funding formula. This line item has increased from our current FY08 projections by \$283,699 or 6.95%.
3. **Lottery Aid. Projection: \$1,000,660.** This line item has been level-funded showing no increase over FY08.
1. **School Construction. Projection: \$1,699,872.** This aid is reimbursement for the Sudbury Public School construction and renovation projects. The FY09 projection reflects the audited results by the SBA for 3 elementary school projects- Curtis #2778, Haynes #3779, and Loring #3800. The post-audit reimbursement is significantly lower than what was received in the past because the SBA chose to give the Town a larger portion of its overall reimbursement during the earlier years of the projects. Although, the Town will receive approximately the same amount of funding for the schools as originally agreed upon, the annual amounts over the remaining 13 years will be less than what we have been receiving up until FY08. The SBA reimbursement must be directly used to reduce the amount of the Proposition 2 ½ debt exclusion for these projects and, therefore, is not available for appropriation by Town Meeting.

## Local Receipts

	FY07 Actual	FY08 Projected	FY09 Projected	Dollar Change	Percent Change
Motor Vehicle Excise	2,589,563	2,849,016	2,889,563	40,547	1.42%
Other Excise	47,333	52,051	47,333	(4,718)	-9.06%
Penalties & Interest	199,443	283,100	200,000	(83,100)	-29.35%
PILOT	123,777	65,409	124,000	58,591	89.58%
Fees	101,663	122,787	102,000	(20,787)	-16.93%
Rentals	145,488	137,604	156,000	18,396	13.37%
Library	33,420	23,976	24,772	796	3.32%
Cemeteries	20,668	14,800	20,000	5,200	35.14%
Other Departmental	9,917	17,934	10,000	(7,934)	-44.24%
Licenses & Permits	556,379	609,235	557,000	(52,235)	-8.57%
Fines & Forfeits	119,023	113,557	120,000	6,443	5.67%
Investment Income	629,993	303,084	210,000	(93,084)	-30.71%
Misc. Non-Recurring	538,318	398,214	150,000	(248,214)	-62.33%
<b>Total Local Receipts</b>	<b>5,114,985</b>	<b>4,990,767</b>	<b>4,610,668</b>	<b>(380,099)</b>	<b>-7.62%</b>

### Assumptions:

Local Receipts are those fees and charges which may be imposed by a municipality. Massachusetts General Law Chapter 40 Section 22(f) provides that *“any municipal board or officer empowered to issue a license, permit, and certificate or to render a service to perform work for a person or class of persons may, from time to time, fix reasonable fees...”* This is a local acceptance statute which was approved at the 1992 Annual Town Meeting. Overall, local receipts have remained fairly stable over the past two years in upwards of \$5M. The final figure for FY07 of \$5,114,985 might suggest a more favorable trend of remaining above the \$5M mark. However, most of these revenues are very sensitive to the economy, and early indications for FY08 suggest that we should expect a moderate decline in local receipts in FY09 of approximately 7.62%.

- 1. Motor vehicle excise. Projection: \$2,889,563.** The projection represents a 1.42% increase over the FY08 estimate. This assumption will be revisited when the first commitment of calendar year 2008 is received from the Registry of Motor Vehicles, which should be around March 1, 2007. In FY07 the Town saw a drop in excise receipts due to delay by the Registry in issuing commitment #2. Consequently the Town did not receive these revenues until the beginning of FY08.
- 2. Other excise. Projection: \$47,333.** This revenue comes from hotel/motel taxes. This projection is based on actual receipts over the past 2 years and on year-to-date information for FY08.
- 3. Penalties and interest. Projection: \$200,000.** The projection represents level-funding from the FY07 actual receipts. Longer-term tax delinquency is on the decline as taxpayers have been able to pay their overdue taxes sooner and as the Town continues its efforts to keep tax title balances at a minimum. Consequently,

the amount of interest and penalties paid on delinquent accounts will likely continue to decrease.

4. **Payment in lieu of taxes (PILOT). Projection: \$124,000.** This revenue is primarily limited to the three accounts with which the Town has agreements for PILOT (Wayside Inn, US Fish and Wildlife Service, Sudbury Public Housing Authority). Based on the past 3 year's receipts, this is a realistic projection; representing level-funding from FY07 actual receipts.
5. **Fees. Projection: \$102,000.** Fees include charges for application, tax administration, municipal lien certificates, tax redemptions, and administration fees for police detail. This projection reflects a decrease from FY08 projections. Current indications suggest level-funding from FY07 actual receipts to be a reasonable estimate for the coming year.
6. **Rentals. Projection: \$156,000.** We have projected receipts in this area will somewhat higher than in FY07. The major fee in this category is for cell tower leases. Cell tower activity has leveled off. However, a couple of Town-owned properties have recently been occupied and are expected to generate additional rental income starting in the second-half of FY08.
7. **Departmental Revenues. Projection: \$54,772.** These are generally small amounts taken in by departments for such things as photocopy charges, sale of voter lists, etc. This line item also includes library fees and cemetery fees which are both being level-funded from FY07.
8. **Licenses and permits. Projection: \$557,000.** These include building permits, which represents the largest portion of this category and charges for licenses. This projection represents an 8.57% decrease over current year projections. FY08 year-to-date receipts indicate that FY09 is more likely to dip back to FY07 actual receipt levels.
9. **Fines and forfeits. Projection: \$120,000.** Fines include charges for false alarms, parking tickets, court fees, and for over due library materials. We have used a larger projection for FY09 than in FY08 based on recent trends.
10. **Investment income. Projection \$210,000.** The projection represents a substantially large decrease from both FY08 projections and FY07 actual receipts. This reduction reflects lower expectation in both interest rates and general fund balances available for investment during FY09.

## Use of Reserves, Free Cash and Available Funds

	FY07 Actual	FY08 Projected	FY09 Projected	Dollar Change	Percent Change
Retirement Trust Fund	25,000	25,000	25,000	-	0.00%
Abatement/Overlay Surplus	592,765	238,000	321,000	83,000	34.87%
Town Meeting Articles - Remaining					
Balances	81,775	750	-	(750)	0.00%
Grants	30,000	-	-	-	
Subtotal: Available Funds	729,540	263,750	346,000	82,250	31.18%
Free Cash	1,527,243	1,900,000	294,110	(1,605,890)	-84.52%
<b>Total Free Cash &amp; Available Funds</b>	<b>2,256,783</b>	<b>2,163,750</b>	<b>640,110</b>	<b>(1,523,640)</b>	<b>-70.42%</b>

### Assumptions:

1. **Free Cash Projection: \$294,110.** Free Cash is certified by the Department of Revenue. Free Cash (undesignated fund balance) is largely a function of prior year revenue collections in excess of estimates and prior year expenditures less than appropriations. The Town's Free Cash balance available for the FY09 budget is significantly less than it has been for the last several years. Historically the Town has used virtually all of its Free Cash to fund the next year's budget. Consequently, the expense savings and revenue surpluses generated since around 2003 have been used already. What remains available to assist with the FY09 budget is a small fraction as compared to FY08 and prior.
2. **Abatement/ Overlay Surplus Projection: \$321,000.** A reserve for property tax abatements and exemptions is created each year in the Overlay account. Overlay Surplus becomes available when it is determined that all claims for abatements and exemptions of a specific fiscal year have been resolved. Per State statute, this amount must be formally voted by the Board of Assessors before it is available for appropriation.

## Enterprise Funds: Pool Enterprise

	FY08 Projected	FY09 Projected	Dollar Change	Percent Change
<b>Pool Enterprise</b>				
Revenue	440,000	445,667	5,667	1.3%
Retained Earnings used	17,842	26,759	8,917	50.0%
Subsidy-Taxation	62,198	65,530	3,332	5.4%
<b>(Expenses)</b>	<b>(457,842)</b>	<b>(472,426)</b>	<b>(14,584)</b>	<b>3.2%</b>
<b>Total Pool Enterprise</b>	<b>(62,198)</b>	<b>(65,530)</b>	<b>(3,332)</b>	

**Revenue Projection: \$445,667.** All receipts for pool rentals and programming go into the enterprise fund.

**Retained Earnings used: Projection: \$26,759.** Any revenue in excess of expenses from the prior year is recorded as retained earnings. Once certified, retained earnings are available to use to help fund the budget.

**Subsidy-taxation: Projection: \$65,530.** As has been the practice in recent years, the pool is expected to cover all of its direct costs, and the cost of the benefits for the employees is charged to the tax levy. The subsidy thus equals the costs of the benefits.

## Enterprise Funds: Transfer Station Enterprise

Transfer Station	FY08 Projected	FY09 Projected	Dollar Change	Percent Change
Revenue	302,486	290,000	(12,486)	-4.1%
Retained Earnings used	-	26,432	26,432	0.0%
Subsidy	-	-	-	0.0%
(Expenses)	(302,486)	(316,432)	(13,946)	4.6%
<b>Total Transfer Station Enterprise</b>	<b>-</b>	<b>0</b>	<b>0</b>	

**Revenue Projection: \$290,000.** All receipts for transfer station fees go into the enterprise fund. Receipts are projected to decrease 4.1%.

**Retained Earnings used Projection: \$26,432.** Any revenue in excess of expenses from the prior year is recorded as retained earnings. Once certified, retained earnings are available to use to help fund the budget.

**Subsidy Projection: \$0.** None is needed.

## SUDBURY FINANCIAL TRENDS MONITORING SYSTEM ANALYSIS

In this last section of the **Budget Overview** we discuss the basis for our projections for FY09, as a combination of Town-specific historical data and local economic factors. In November of 2007, at the **Annual Financial Summit** for all Town officials, the Town staff released the 8<sup>th</sup> annual report on Sudbury's financial condition. Here in the budget document, we have reproduced several of the charts and tables of the report. The complete Summit report may be found on the Town's website.

### Executive Summary

The ICMA publication ***Evaluating Financial Condition – a Handbook for Local Government*** defines financial condition as the ability to continue to provide the kind of services the community desires and are necessary for the health, safety, and welfare of the community. This is known as service level solvency. This is more than cash solvency (enough cash to pay bills for the next 60 days) and more than budgetary solvency (enough revenues to pay this year's appropriations). It focuses on a balance between available revenues and expenditure decisions on a continuing, sustainable basis, without deferring any costs to the future, or depleting reserves in the process.

Based on this definition and the analysis of the indicators, the Town of Sudbury is in sound financial health. The Town is able to meet its liquidity requirements, has revenues exceeding expenditures, and has been supported by the voters of the Town in maintaining a level of spending that appears to meet demand for services.

Sudbury is a community with residents who have very high expectations of the level and quality of public services from the Town and schools. They have shown a willingness to sustain those services though they may have reached the limit of that willingness. As noted before, it will take a careful balance to continue to provide the services demanded within the revenues currently available.



## Expenditure Pressures

There are six primary “budget busters” that have been driving high rates of spending growth: wages & salaries for employees, health insurance, pension costs, debt service, energy costs and a rapid growth in population, particularly of school age children.

Salaries and wages Salaries and wages are the largest component of the operating budgets for all three major cost centers. Since the majority of the employees are organized for collective bargaining purposes, multi-year wage packages are the norm. The tables below show data for salaries and wages for a six year period, first for the FY09 no-override budget requests, then for the FY09 level staff budget requests.

Both SPS and L-S use various offsets to reduce the salary requests for appropriated budget support, and thus gross and net salary figures are given in these two charts. The Town also has offsets that are used to offset the Town budget, but these are not specifically applied to salaries, but rather to departmental budgets. Thus only a gross figure is shown for Town salaries.

NON OVERRIDE BUDGET								
Budgeted Salary & Wages	2004	2005	2006	2007	2008	2009	Dollar Change, FY04-FY09	Pct Change, FY04-FY09
Town	8,280,749	8,437,198	8,721,520	9,114,216	9,691,900	9,974,540	1,693,791	20.45%
SPS gross	17,738,644	18,591,495	19,664,270	20,495,951	21,647,948	21,701,575	3,962,931	22.34%
L-S (total for LS, not prorated)	11,462,820	11,741,237	13,242,727	13,867,111	15,053,538	15,257,719	3,794,899	33.11%
<b>Total</b>	<b>37,482,213</b>	<b>38,769,930</b>	<b>41,628,517</b>	<b>43,477,278</b>	<b>46,393,386</b>	<b>46,933,834</b>	<b>9,451,621</b>	<b>25.22%</b>
Annual Percent Change	1.54%	3.44%	7.37%	4.44%	6.71%	1.16%		
SPS offsets for salary	(601,597)	(611,023)	(731,121)	(822,154)	(865,778)	(1,032,739)	(431,142)	71.67%
SPS net of offsets	17,137,047	17,980,472	18,933,149	19,673,797	20,782,170	20,668,836	3,531,789	20.61%
LS offsets for salary	0	0	0	0	(171,122)	(451,634)		
LS net of offsets	11,462,820	11,741,237	13,242,727	13,867,111	14,882,416	14,806,085		29.17%

LEVEL STAFF BUDGET								
Budgeted Salary & Wages	2004	2005	2006	2007	2008	2009	Dollar Change, FY04-FY09	Pct Change, FY04-FY09
Town	8,280,749	8,437,198	8,721,520	9,114,216	9,691,900	10,208,946	1,928,197	23.29%
SPS gross	17,738,644	18,591,495	19,664,270	20,495,951	21,647,948	22,862,339	5,123,695	28.88%
L-S (total for LS, not prorated)	11,462,820	11,741,237	13,242,727	13,867,111	15,053,538	15,862,131	4,399,311	38.38%
<b>Total</b>	<b>37,482,213</b>	<b>38,769,930</b>	<b>41,628,517</b>	<b>43,477,278</b>	<b>46,393,386</b>	<b>48,933,416</b>	<b>11,451,203</b>	<b>30.55%</b>
Annual Percent Change	1.54%	3.44%	7.37%	4.44%	6.71%	5.47%		
SPS offsets for salary	(601,597)	(611,023)	(731,121)	(822,154)	(865,778)	(1,032,739)	(431,142)	71.67%
SPS net of offsets	17,137,047	17,980,472	18,933,149	19,673,797	20,782,170	21,829,600	4,692,553	27.38%
LS offsets for salary	0	0	0	0	(171,122)	(161,634)	na	na
LS net of offsets	11,462,820	11,741,237	13,242,727	13,867,111	14,882,416	15,700,497	4,237,677	36.97%

Health Insurance Costs The Town, SPS and L-S provides health insurance for both active employees and retirees. State statutes and case law provide strict guidelines for public employers in Massachusetts as to what benefits must be offered and how changes in such plans can be achieved. Changes in health insurance plans for the Town/SPS are subject to collective bargaining between the unions and the Town/School Committee and generally must be agreed to by all bargaining units before any changes can be implemented. Rates are voted on annually by the Board of Selectmen following recommendations from the Town Manager and Assistant Town Manager. As the



Town/SPS is self-insured for health insurance, it is a complicated and time-consuming process each year to determine the amount that will need to be appropriated to both cover all claims and contribute the required employer match to the employees' contribution. The Assistant Town Manager is responsible for this program, and he works closely with a specialized consulting firm, with representatives of our group health insurance plan providers and with the Employee Insurance Advisory Committee (representing all employee groups) each year to review the trends in medical costs, level of claims activities by our employees and retirees, and amounts of catastrophic reinsurance the Town should purchase. To confirm that self-insured health programs are still the most cost effective approach, the Assistant Town Manager also receives data on the cost of offering our health insurance on a premium basis. And he tracks the costs experienced by other towns and regional purchasing groups, such as the one that L-SRHS belongs to. The Town has saved significant dollars by continuing to offer our health insurance on a stand alone, self-insured basis.

Health Insurance Costs	2003	2004	2005	2006	2007	2008	2009	Pct Change, FY03-FY09
Town	1,323,840	1,472,500	1,601,209	1,793,350	2,008,552	2,249,578	2,461,440	86%
SPS	2,813,160	3,282,900	3,563,980	3,991,650	4,470,648	5,007,126	5,230,560	86%
L-S (total for LS, not prorated)	1,422,127	1,534,414	1,879,908	1,836,386	2,186,705	2,738,634	2,966,793	109%
Total	5,559,127	6,289,814	7,045,097	7,621,386	8,665,905	9,995,338	10,658,793	92%
Percent change over prior year		13.14%	12.01%	8.18%	13.71%	15.34%	6.64%	

As shown in the table above, the rate of increase in the costs of providing health insurance for employees and retirees of the Town, SPS and L-SRHS continued to increase at a double digit rate through FY08, with some relief in FY09. The escalation in health insurance costs is due to forces in the Massachusetts and national economies and is beyond the Town of Sudbury's power to control. The State has made available a new option for localities to join the state employees' health plans, known as the GIC option (Group Insurance Commission). However, this option was made available so late into calendar year 2007 that most towns did not have enough time to bargain with their employees over joining the GIC plan. The GIC has experienced lower rates of increase compared to plans offered by most towns, but much of that success is attributable to the lack of a bargaining role for state employees over plan design and contribution rates. The GIC option will be studied by the Town and SPS during calendar 2008, working with our Insurance Advisory Committee to evaluate if going in this direction saves money and does not unduly harm employees – a key requirement since employee bargaining groups can “veto” this option for the Town if they do not vote to support this option. (Note: The Town and L-S PPO products both have a contribution split of 75%/25% for premium payment. Also, the Town/SPS have a 50%/50% split for the cost of retirees' health insurance products; L-S has a 75%/25% split for both active employees and retirees).

**Pension Costs** The Town of Sudbury, the Sudbury Public Schools and L-S are required to contribute to the Middlesex Retirement System (MRS) on behalf of all Town and school employees who work at least 20 hours per week EXCEPT for teachers. (Teachers are covered by and contribute to the Massachusetts Teachers Retirement System, but the state pays the employer portion of their current and future pension liability). These costs too have risen at a rapid rate. The troubled Middlesex Retirement

System (MRS) recently requested the PRIT (state level pension investment entity) to invest their pension assets. Town officials hope this will bring improvements to the investment outlook and decisions for the MRS.

Pension Costs	2003	2004	2005	2006	2007	2008	2009	Pct Change, FY03-FY09
Town	1,003,508	1,095,891	1,103,241	1,151,911	1,345,545	1,539,276	1,516,122	51%
SPS	313,277	584,916	676,945	706,110	775,392	865,843	1,137,591	263%
L-S (total for LS, r	227,731	211,949	223,299	243,274	276,855	319,454	358,513	57%
Total	1,544,516	1,892,756	2,003,485	2,101,295	2,397,792	2,724,573	3,012,226	95%
Percent change over prior year		22.55%	5.85%	4.88%	14.11%	13.63%	10.56%	

NOTE: While it has been the employers such as the Town of Sudbury that have been asked to offset the decreases in investment earnings in the last few years, employees have always been required to make hefty contributions to their own future retirement. The pension system is a **defined benefit plan**, with set contributions rates from employees depending on their date of hire: Before Jan 1, 1975: 5% of compensation: Jan 1975 - Dec 1983: 7%: Jan 1984 - June 30, 1996: 8%: After July 1, 1996: 9%. Additionally, all employees who earn over \$30,000 annually are required to pay a 2% surcharge on the amount over that threshold. Thus, some employees are paying 11% on earnings toward their own pensions.

Debt Service Costs The Town has issued debt, pursuant to bond authorization votes of Town Meeting and voters' approval to exclude all such debt from the limits of Proposition 2 1/2. Debt service costs for Town and SPS projects has declined from FY03 to FY09 as the Town faced two debt "peaks". In FY02, the total net exempt debt was \$7.2 million, and then declined for FY03, FY04 and FY05, until the debt service costs for the debt issued for the L-S project reached its highest point in FY07.

Debt Service Costs	2003	2004	2005	2006	2007	2008	2009
Town Buildings	493,660	1,640,335	989,986	1,114,686	992,653	713,774	695,574
Land Acquisition	971,545	945,240	919,715	815,815	823,198	752,244	728,538
SPS Net of SBA	4,989,031	2,193,720	1,276,047	1,011,572	948,791	32,340	1,214,669
L-S Net of SBA, Sudbury portion	576,388	1,089,609	1,597,382	2,424,726	2,461,086	2,647,937	2,394,071
Net Exempt Debt Budget	7,030,624	5,868,904	4,783,130	5,366,799	5,225,728	4,146,295	5,032,852
Annual percent change		-16.52%	-18.50%	12.20%	-2.63%	-22.74%	-3.69%

Energy Costs (Town Budget Only – Analysis does not include SPS or L-S) Energy costs are another item that is growing faster than other parts of the Budget. For FY09 we are projecting that for Town Buildings only, the costs of paying for electricity, natural gas and heating oil will rise by only 2.13%, following several years of much more dramatic increases.

Utility Costs for Town Buildings	Actual 2006	Actual 2007	Budgeted 2008	Budgeted 2009
Building Department	266,790	356,195	394,955	396,955
Library	66,080	71,600	71,600	80,600
Fire Department	36,665	42,880	52,770	52,770
Atkinson Pool	84,000	89,000	92,000	94,000
<b>Total</b>	<b>453,535</b>	<b>559,675</b>	<b>611,325</b>	<b>624,325</b>
<b>Annual percent change</b>		<b>23.40%</b>	<b>9.23%</b>	<b>2.13%</b>
<b>4 year percent change</b>				<b>37.66%</b>

Gasoline and diesel fuel costs increased rapidly in FY 06 – FY08, but we are hoping will be stabilized for FY09, as we are level funding our request for the costs of these fuels. We may need reserve transfers if we are wrong.

Gasoline/Diesel for Vehicles	Actual 2006	Actual 2007	Budgeted 2008	Budgeted 2009
DPW/All other town vehicles*	191,160	114,104	140,000	140,000
Police Department	0	62,140	75,961	75,961
Fire Department	0	18,756	24,609	24,609
<b>Total</b>	<b>191,160</b>	<b>195,000</b>	<b>240,570</b>	<b>240,570</b>
<b>Annual percent change</b>		<b>2.01%</b>	<b>23.37%</b>	<b>0.00%</b>
<b>Cumulative percent change</b>				<b>25.85%</b>

\*actual after several reserve fund transfers

Impacts of Population Growth and School Age Children Finally, we must acknowledge the impact of rapid population growth on our budget in recent years. Overall, Town population has risen from 15,510 in 1995 to 17,066 in 2005. Such growth brings demands for more Town services, most acutely felt on our public safety, library, recreation, and human services departments. In most towns, such growth would normally bring about increases in staffing in these areas to keep pace with the population growth. But in Sudbury, that has not occurred, due to the dramatic and challenging growth in the number of children enrolled in the Town's two school systems.

Repeated here is the table presented last year to illustrate the impact of such growth on Sudbury, especially relative to other communities. Even though both school systems are not projecting large growth in enrollment for FY09, the Town of Sudbury still must deal with this large enrollment as a percent of population factor.

FY05 is used as it is the latest year such data is consistently available for each of the towns included. We calculated a blended spending per pupil figure for Sudbury by using spending data for both the Sudbury Public Schools and Sudbury's approximate share for the Lincoln-Sudbury Regional High School. The table shows not only the total number of Sudbury students enrolled in either the Sudbury Public Schools or the Lincoln-Sudbury Regional High School, but also those enrolled in the public schools of a number of other communities, including five of our neighboring towns (Wayland, Hudson, Framingham, Lincoln and Concord), four school systems that are considered to be as

high performing as Sudbury's (Lexington, Needham, Wellesley, Weston and Winchester), as well as two Towns smaller than Sudbury (Bedford and Hopkinton) and one much larger than Sudbury (Arlington).

Particular points to note in looking at these data:

2. Sudbury has more students than Wellesley, a town of nearly 10,000 more residents, and nearly as many as Arlington, which has a population that is more than double Sudbury's.
3. Sudbury's blended spending per pupil is the fourth lowest of this group. If Sudbury's spending per pupil was as high as many of the other towns, then Sudbury would have spent significantly more to educate Sudbury students. For example, if the per pupil spending in Sudbury was the same as Bedford's, an additional \$10 million would have been spent by the Sudbury schools.
4. If you increased each of these towns' number of school children so that it is 26% of their population, you would see the results presented on the right side of this table. For example, Wayland would have 424 more students and based on Wayland's reported spending per pupil of \$11,599 in FY05, Wayland would need to spend \$5.4 million more dollars to educate these students. Lexington would have had 1,778 more students, and would need to have spent \$21.2 million more in FY05 to educate these additional students. Framingham and Arlington would have spent more than twice what they actually did spend in FY05.

#### School Age Children as a Percent of Overall Population

	Population DOR Data for 7/1/05	N of Students, DOE Data	School Children as % of Population	Spending Per Pupil, DOE Data*	FY05 Total Educational Spending DOE Data	If N of Students was 26.61% of population	Then Town would have this many more students	And Town would spend this much more on education at own ppe
Sudbury*	17,066	4,542	26.61%	\$ 10,243	\$ 46,523,948			
Hopkinton	14,112	3,435	24.34%	\$ 9,497	\$ 32,621,955	3,756	321	\$ 3,045,678
Wayland	13,002	2,987	22.97%	\$ 11,599	\$ 34,642,051	3,460	474	\$ 5,494,419
Weston	11,581	2,372	20.48%	\$ 14,414	\$ 34,185,304	3,082	710	\$ 10,239,778
Lexington	30,266	6,277	20.74%	\$ 11,929	\$ 74,877,767	8,055	1,778	\$ 21,212,416
Bedford	12,462	2,365	18.97%	\$ 12,662	\$ 29,939,157	3,317	952	\$ 12,055,156
Lincoln*	7,931	1,477	18.62%	\$ 15,442	\$ 22,800,426	2,111	634	\$ 9,792,973
Concord*	16,833	2,987	17.75%	\$ 13,323	\$ 39,800,229	4,480	1,493	\$ 19,885,372
Winchester	21,181	3,752	17.71%	\$ 9,884	\$ 37,082,202	5,637	1,885	\$ 18,636,107
Needham	28,418	4,939	17.38%	\$ 10,788	\$ 53,278,293	7,563	2,624	\$ 28,309,437
Wellesley	26,978	4,446	16.48%	\$ 11,243	\$ 49,980,414	7,180	2,734	\$ 30,739,687
Hudson	18,943	2,771	14.63%	\$ 10,356	\$ 28,698,426	5,041	2,270	\$ 23,511,986
Framingham	65,060	7,965	12.24%	\$ 13,681	\$ 108,967,478	17,315	9,350	\$ 127,915,095
Arlington	41,224	4,615	11.20%	\$ 10,095	\$ 46,591,511	10,971	6,356	\$ 64,167,301

\* for Sudbury, Lincoln and Concord, this is a blend of K-8 and High School per pupil spending

Source: FY05 Expenditures per Pupil, All funds, Summary by Function, DOE

In 2007, Town management began the C.A.R.E. program (Cost Avoidance and Revenue Enhancement) as a means of documenting the Town's efforts to shrink the gap between the revenue and expenditure pressures discussed in this Section. The items in the C.A.R.E program relate to efforts that are primarily management in nature, and are not items that are more properly within the realm of policy decision-making of the Board of Selectmen. (See Appendix Ten for further details).

## The Revenue Situation

Sudbury officials are faced with a great deal of uncertainty about the level of state aid we should count on as we prepare the FY09 budget. Governor Deval Patrick has pledged to increase state aid and end the over-reliance on the property tax that has resulted from nearly six years of reductions or modest increases in state aid. Significant studies conducted during 2005 documented the reductions in aid and the devastating affect this has had on communities. The first, entitled **“Communities at Risk: Revisiting the Fiscal Partnership between the Commonwealth and Cities and Towns”** was developed by a Municipal Task Force chaired by John Hamill, Chairman of the Sovereign Bank New England. This report documented that property taxes have been rising steeply and that unless the state stepped in with more state aid, deterioration in services or even higher property taxes were in the future. The Task Force concluded that local leaders have generally done a good job of controlling costs and it is not wasteful spending but reductions in support from the state that are forcing local officials to rely more on the property tax, a levy that is particularly burdensome for homeowners on fixed incomes. The report concludes that revenue sharing from the state should be increased, back to the level it was at in 1988 on a percentage basis, that local officials should be given flexibility in having other revenue sources available to us, and that we should be given more flexibility to control costs by reducing many of the constraints of state law. A copy of this report is on the Town’s web site.

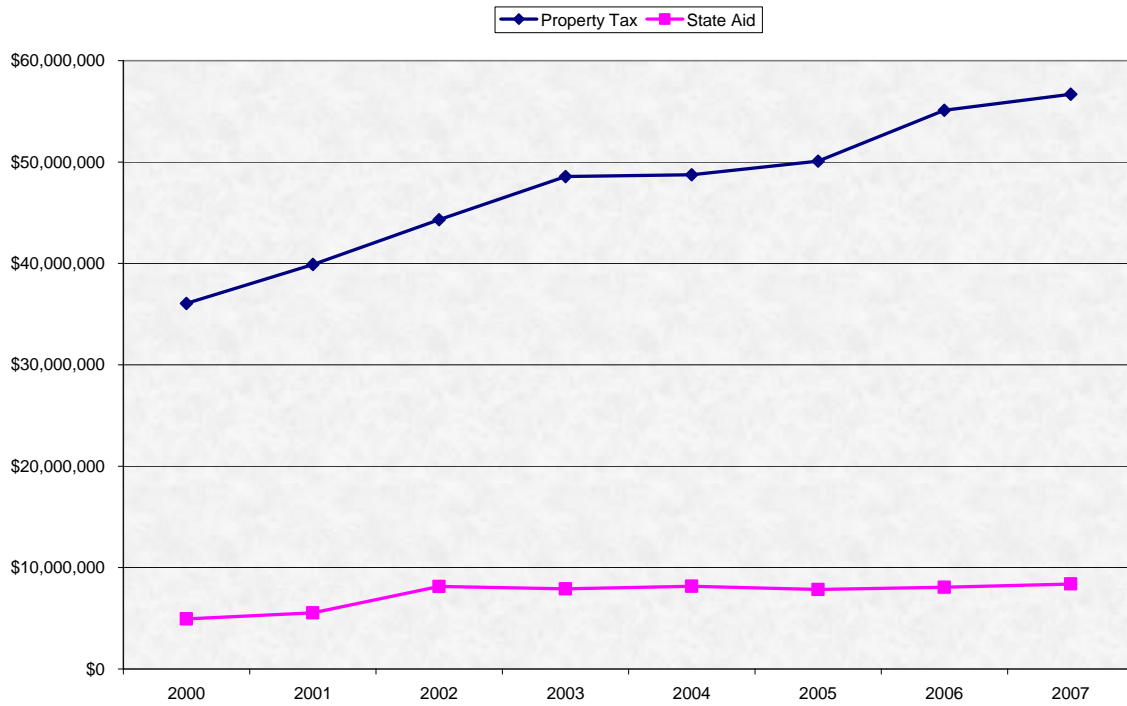


The second report continues this same theme. Entitled **“Revenue Sharing and the Future of our Massachusetts Economy”**, it also documents the decline in spending on municipal services, particularly public works, as state aid for all but educational purposes has declined. This leaves municipalities, such as Sudbury, with few alternatives to increasing property taxes rather than allow town and educational services to decline in quality and quantity. This report also focuses on the long term implication of the continuation of the trend of high property taxes and declining

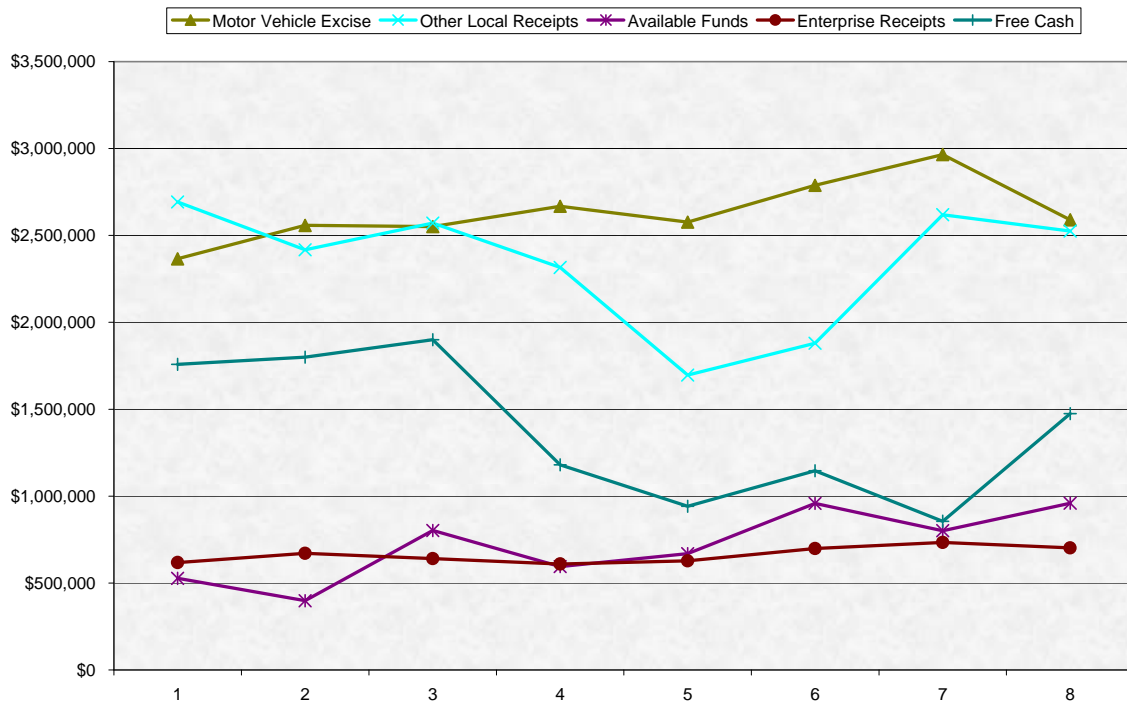
services on the State’s economy, concluding that the State needs to provide more state aid, and give communities more flexibility in revenue options because this will help drive the overall economic engine of the Commonwealth.

Town staff has conducted our own analysis of our revenue patterns and how these trends seen at the state level have played out in Sudbury, titled the **“Sudbury Financial Trends Monitoring Report”**. Recently the Town Manager and Finance Director presented the Board of Selectmen with an update on revenue trends. The following two tables provide a macro view of the Town’s major and minor revenue streams, over the last several years.

Large Value Revenue Trends by Category



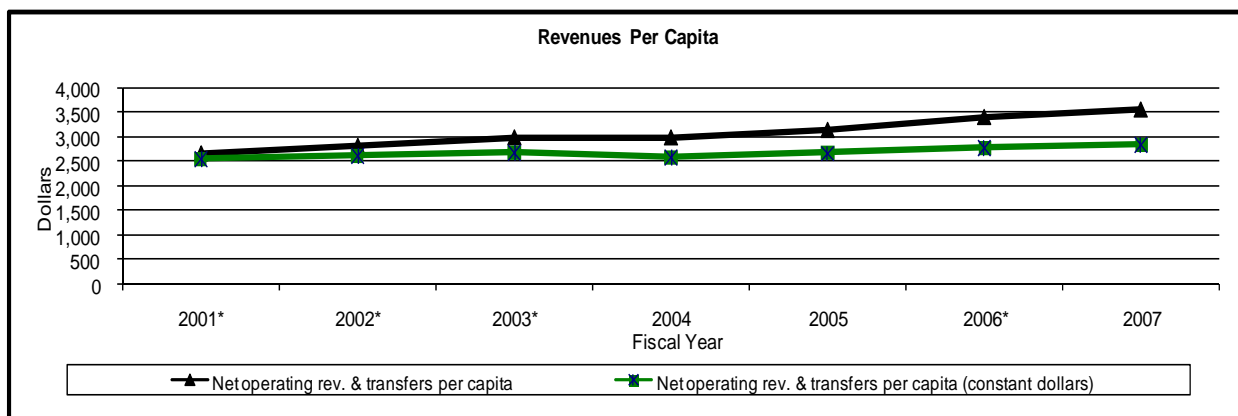
Small Value Revenue Trends by Category





There are several indicators the Town uses to develop its revenue picture for the coming year. Starting below are excerpts from the Town's Summit showing major revenue considerations. The Town also projects revenues going forward for two additional years. So for example, projections for FY10-FY12 are used set expectations for both the government and the Town's residents, for such things as: tax rate increases, possible override levels, and growth in revenues. Although it is expenditures and not revenues that are appropriated/voted at Town Meeting, the funding sources are as critical a consideration to the budgeting process.

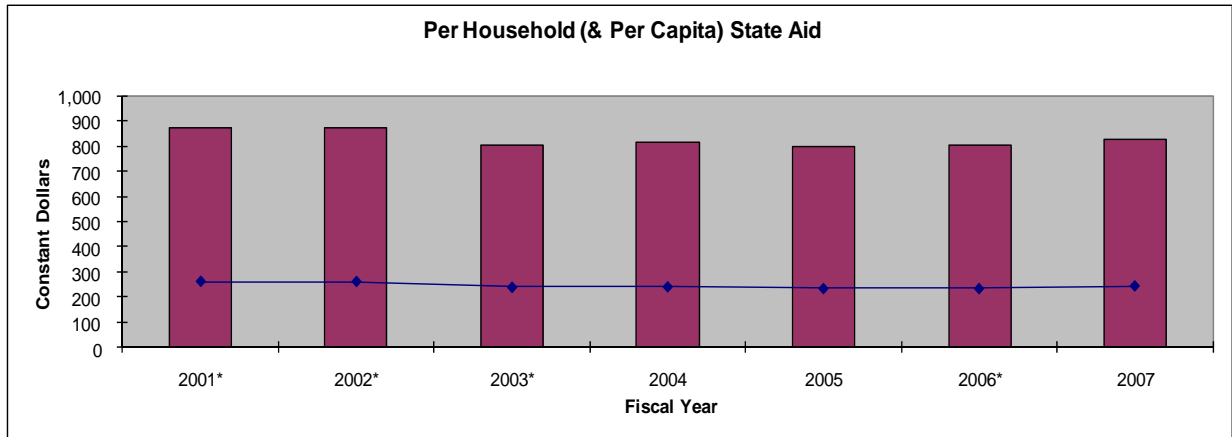
**Indicator 1: Revenue Per Capita.** This indicator shows that while operating revenues have increased over the six years of this study by \$19 million, when the effects of inflation are factored in and adjusting for growth in population, revenues per capita in constant dollars were almost as low in FY07 as in FY02. Overall, the annual growth in constant dollar revenues per capita average is less than 2%.



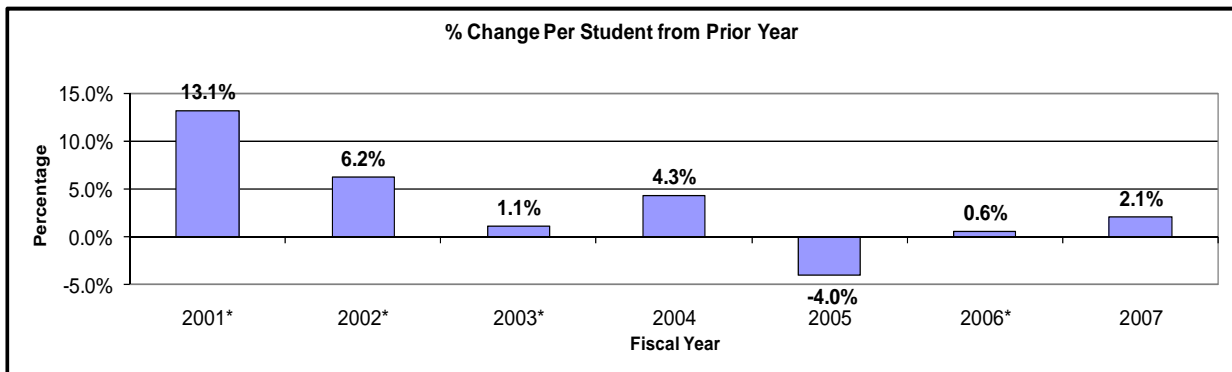
Staff also calculated the annual rate of change for revenues per household indicating those years in which there was an override with an asterisk. This shows that in those years in which there is no override, there is very little growth in revenues to support budgets, which are impacted by the steady increases in pensions, health insurance, and energy costs.

Fiscal Year	2000	2001*	2002*	2003*	2004	2005	2006*	2007
Households	5,141	5,192	5,235	5,251	5,292	5,307	5,332	5,341
Net operating rev. & transfers per household	8,345	8,874	9,405	10,101	10,161	10,761	11,675	12,094
Net operating rev. & transfers per household (constant dollars)	8,345	8,481	8,724	9,056	8,801	9,109	9,511	9,637
% change from prior year (constant dollar)	n/a	1.64%	4.21%	3.33%	-2.72%	3.39%	4.36%	0.92%

**Indicator 2: State Aid Per Household.** State aid has dropped from a high of 11% of Sudbury's operating revenues in FY99 to as little as 8.3% over the past six years. Overall, the state cutback of actual dollars allocated to Sudbury, as well as not keeping up with the annual increases that had been seen in the late 1990's, probably has meant a loss of \$1.5 million on an annual basis to Sudbury.

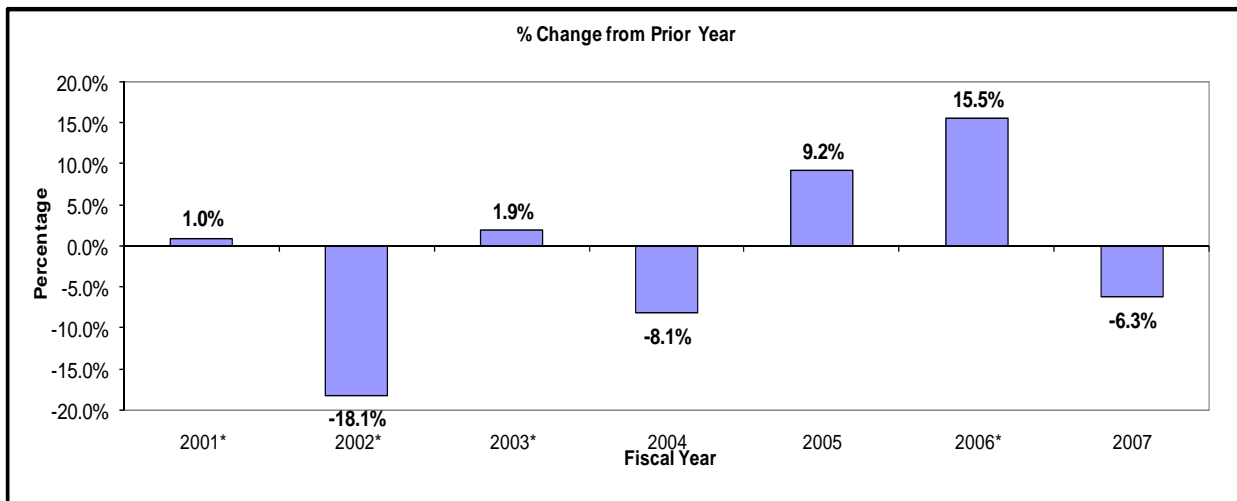
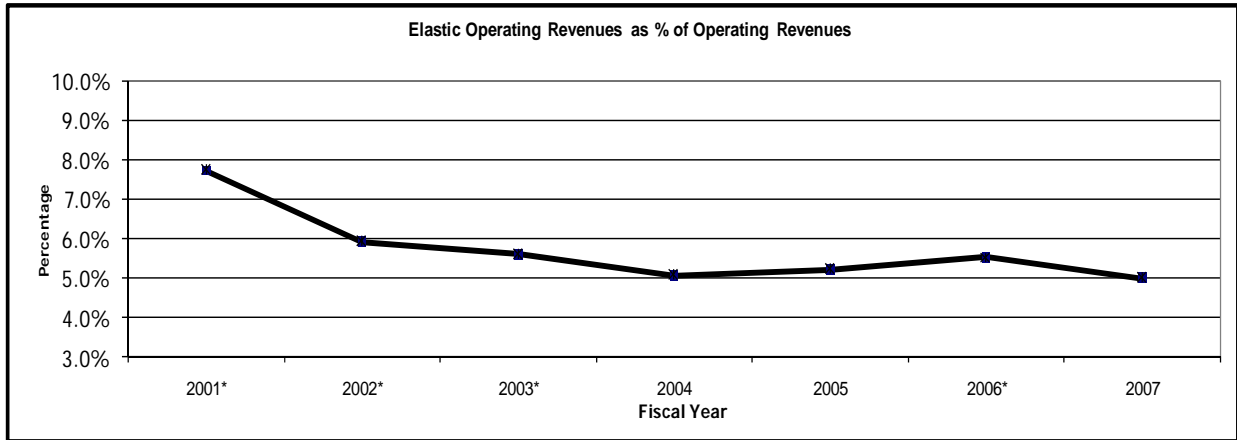


**Indicator 3: Chapter 70 School Aid per student.** This indicator focuses on the largest component of state aid for Sudbury: the Chapter 70 program. Sudbury received large annual increases in this aid up until FY2002 as our school population continued to grow. Then as the State began to experience financial difficulties, it began to slow down or even decrease this aid even as our enrollments were still very high, meaning the state shifted more of the cost of educating Sudbury students onto the local taxpayers.

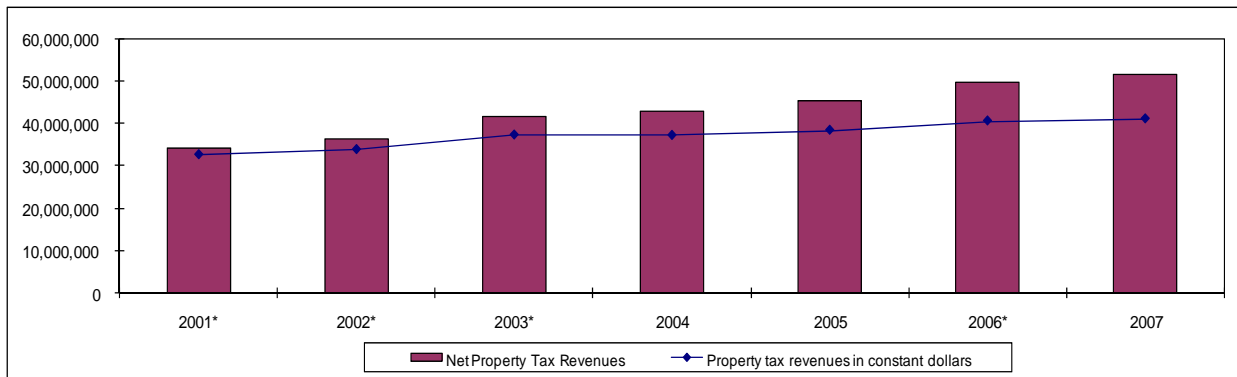


**Indicator 4: Elastic Revenues.** This indicator points to the primary reason for own source revenue fluctuations for the Town. Elastic revenues are those that change as the economy changes, and include items such as motor vehicle excise, investment earnings and permit fees. The actual decrease in these revenues since FY01 compounded the difficulties that losses in state aid was already causing. If elastic revenues were 8.2% of our total operating revenues as they were in FY01, they would have totaled \$5.2 million instead of \$3.4 million in FY07. This loss, plus the loss in state aid, was made up by increases in the property tax.

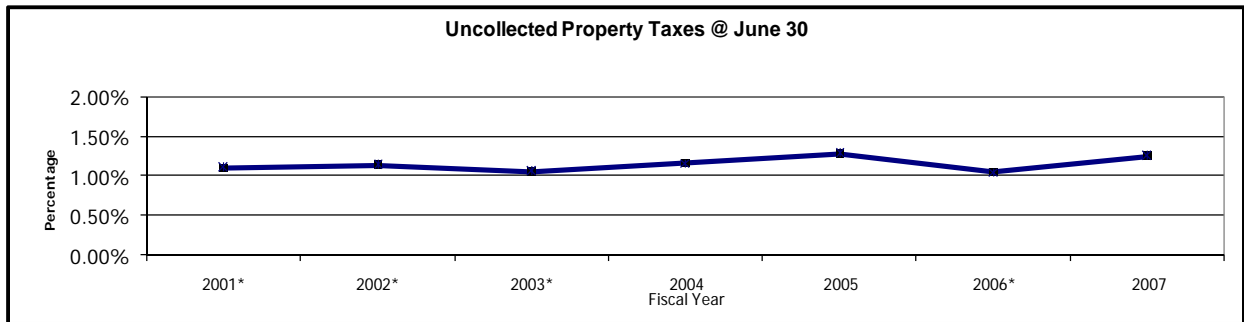




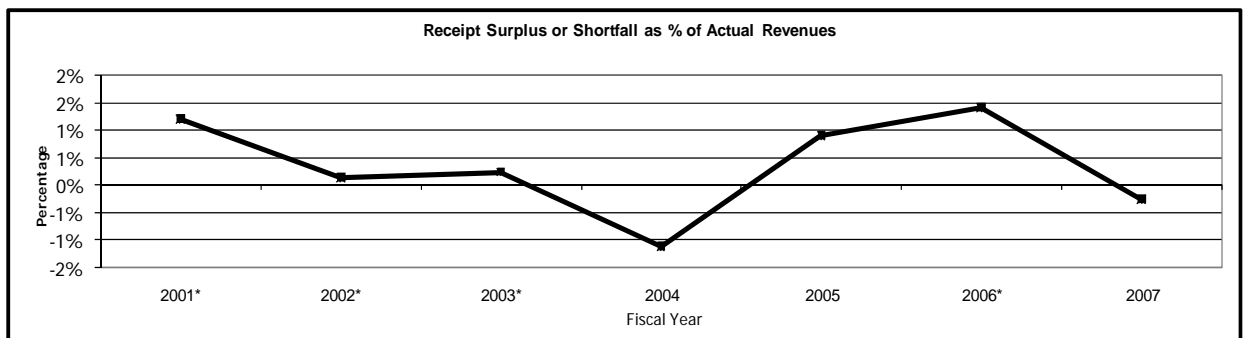
**Indicator 5: Property Taxes.** This trend line shows that on a constant dollar basis Sudbury sees annual growth in this revenue source only when there is an operating override. Without overrides, the amount of revenue on a constant dollar basis generated by this revenue source is less than the 2 ½% annually that is commonly assumed with this property tax.



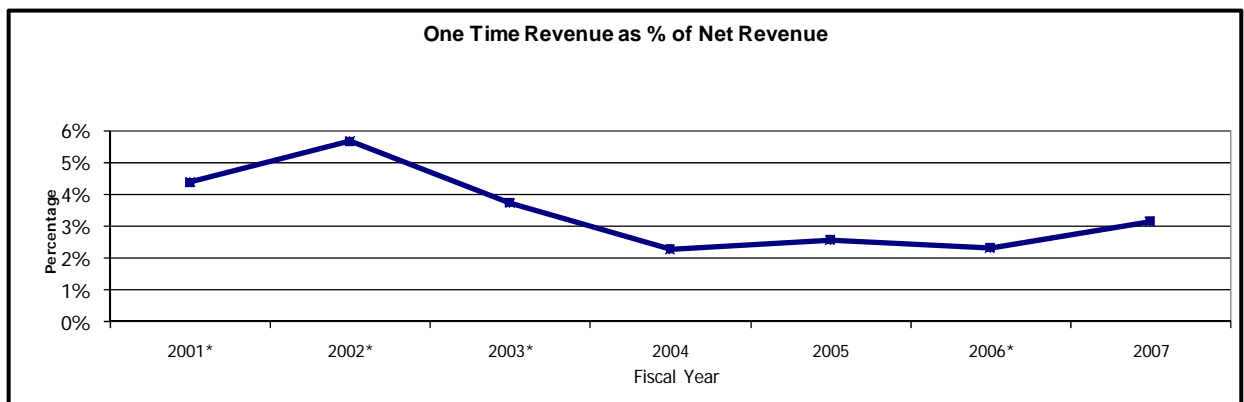
**Indicator 6: Uncollected Property Taxes.** This trend line shows that the Town has consistently collected nearly 99% of taxes owed by the end of the fiscal year, a very healthy trend.



**Indicator 7: Revenue Shortfalls.** This trend line shows that the Town has been consistently conservative in making revenue forecasts, which helped the Town when revenues from state aid and elastic sources began to slow down and then decrease. In FY04 a revenue deficit was narrowly avoided, and showed the wisdom of careful estimates in areas such as state aid, elastic revenues and one time revenues.



**Indicator 8: One Time Revenues.** This trend line shows that in FY2000 – FY2003 the Town relied on Free Cash to provide significant revenue for funding the budget. These funds were not as available in FY04 – FY07. The Town hopes to establish a practice of not using all of its free cash to fund the budget, and hold the rest for as a “rainy day” fund for later appropriation.



## Conclusion

What do these indicators tell us? From an operational standpoint they help us forecast results for each budget cycle. Overall, the indicator analysis of the Town's revenues shows on a constant dollar basis (adjusting for inflation) growth overall revenues has been steady, but only because of overrides in FY01, FY02, FY03 and FY06. Sudbury has become even more reliant on property taxes over the past six years, as state aid, elastic revenues and one time revenues became smaller portions of our revenue base. Residents showed a willingness to approve a large override for FY06, when both the Selectmen and the Finance Committee agreed that further deterioration in our service levels was not something that should occur without asking voters if they would approve an override of Proposition 2½ to provide the funds to prevent that from happening. And by all parties working together, an override was avoided in FY07. By FY08, however, an override was again on the ballot as an additional \$2.9 million was needed to maintain level staffing and target additional resources to a few critical areas where staffing was lower than the minimums needed. The FY08 override was approved by voters. However, this was not the case for FY09, which by all accounts will mean cut-backs (severe in some areas) to accommodate revenue levels within the confines of Proposition 2½.

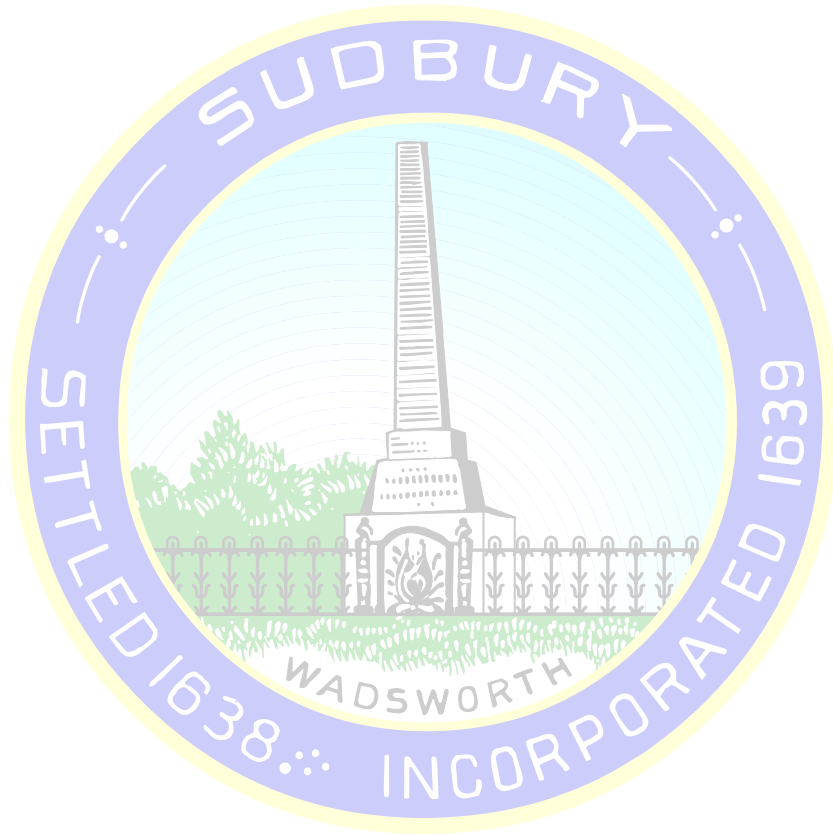
From a broader perspective they indicate we've reached a difficult stress or breaking point in fiscal financial management. Not just Sudbury, but all Massachusetts municipal communities continue to operate within an environment of increasing expenses and slower-paced or even shrinking revenues. It's difficult to say if economic and personal financial pressures being felt by the taxpayers of Sudbury will tolerate future overrides of any large magnitude, or with any great frequency. Therefore, the expenditure pressures we're facing loom larger with every passing budget cycle. When the cost of benefits, utilities and other fixed/required costs for providing Town services continue to outpace revenues, in particular our primary source of income, Property Taxes under Propositions 2½, we must brace for serious financial consequences and very difficult budget decisions. This "structural deficit" became a key topic of discussion among Town leaders and Sudbury Citizen's during the FY08 budget season. While everyone recognizes the widening gap between fiscal expenditures and available revenue sources, communities are hard-pressed to find viable solutions to the problem. The Board of Selectmen and Finance Committee established a Budget Review Task Force to look for potential solutions to this problem in FY08. The task force expects to report back to the Selectmen in the fall of 2008. At that time, the group may be disbanded, or reassigned to assist in further analysis and implementation of certain recommendations. Preliminary results indicate that much of what the task force would suggest for cost saving measures and revenue enhancements are in fact already being done.

The task force also recognizes that State and Federal laws under which municipalities must operate prevent certain changes that might otherwise be allowed and benefit private organizations. This will likely continue to be a source of frustration for us all. But the collaborative efforts of the task force (and the many other groups like it) will continue to serve the Town well as we search for the difficult answers to providing all of the services that taxpayers need, want, and have come to expect, for the least amount of cost possible and within the confines of the Massachusetts Municipal revenue structure.

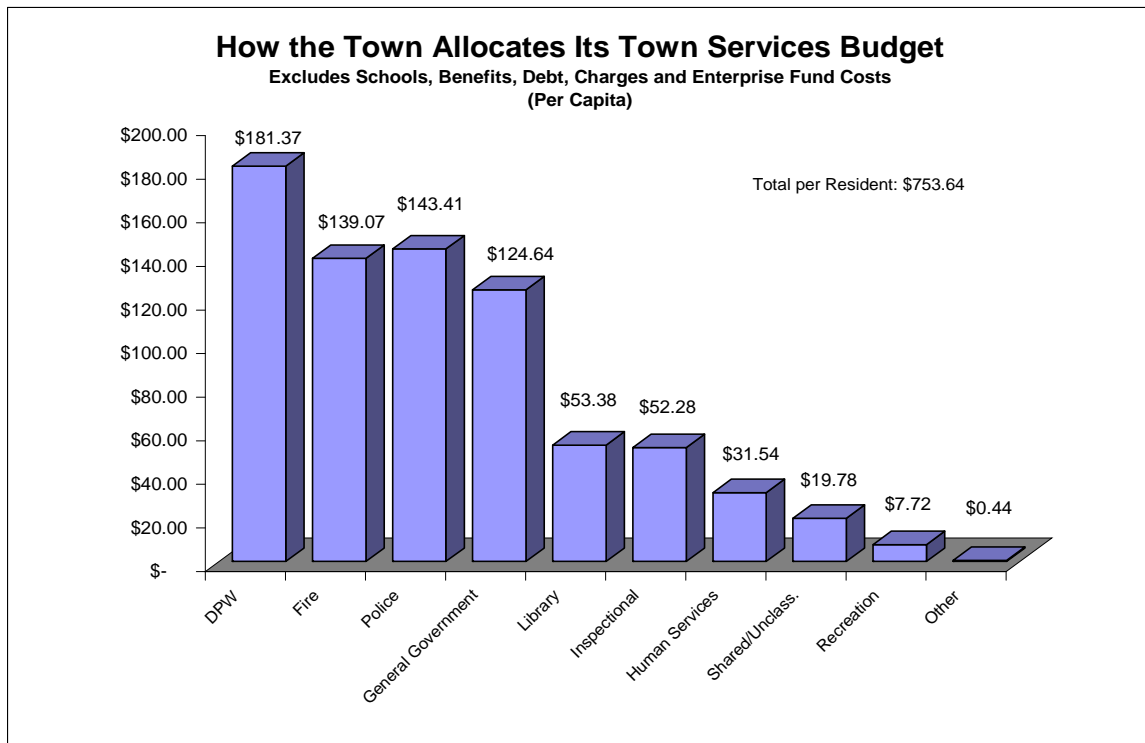


## Section Four

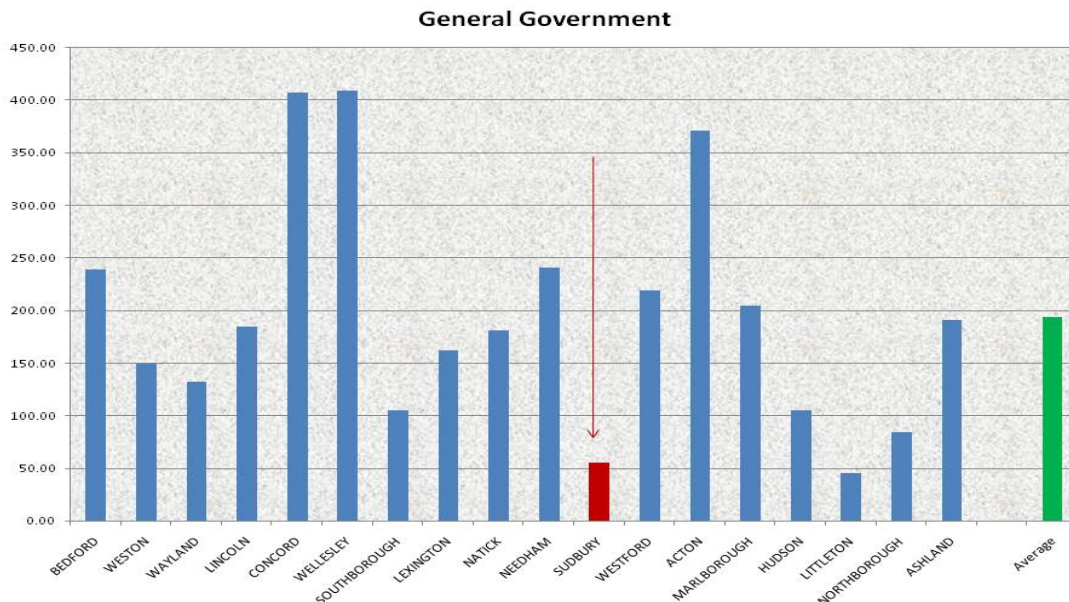
# TOWN OPERATING DEPARTMENTS



This table provides the expense per capita for each Town's Operating Departments (excluding education). While expenses continue to grow year after year, many costs and services are incremental in nature.



The Town of Sudbury's General Government expenses per capita remains one of the *lowest*, compared to its peer communities and the State, as a whole. This pattern holds true for all of the Town's other Operating Departments.



## TOWN MANAGER'S BUDGET REQUESTS

### Summary FY09 Town Manager's Budget Requests for Town Operating Departments

This section presents the Town Manager's budget requests in accordance with the directions of the Finance Committee that three different budget options can be presented. This includes the 1% reduction compared to FY08 budget and the level staff budget. The Town Manager also maintains the departmental request budget, which shows the requests for existing resources and new initiatives that have been presented by Town department heads. However, this budget level has been excluded, given the overall lack of revenue growth for FY09.

Below is a summary of the significant highlights of these FY09 budget requests, both compared to FY08 and as they relate to the challenges facing the Town. This is only an overview – as readers have come to expect, detailed information, both narrative and numerical, and is found in each of the departmental budget pages which follow.

For all three levels of budget requests, here are the areas considered “uncontrollable” for FY09 in that the Town does not have discretion to simply reduce the cost of these items.

1. **Cost of living adjustments.** For nearly all Town employees, a 2.5% COLA has been included. Over the last three fiscal years (FY07-FY09), town employees received COLAs as follows: FY07 – 2%; FY08 – 3%; FY09 2.5%/1.5%. Notable information includes:
  - a. Police Officers Collective Bargaining group. As of the date of the printing of this budget, collective bargaining with this group for the FY07-FY09 period is still in progress. Funds have been placed in the salary contingency reserve for FY09 in anticipation of settling this contract; funds for the FY08 adjustment are held in the FY08 salary contingency account and funds for the FY07 adjustment will need to be funded out of free cash that has been set aside for this purpose.
  - b. DPW Collective Bargaining group. As of the date of the printing of this budget, collective bargaining with this group for the FY0-FY10 period is still in progress. Funds have been placed in the salary contingency reserve for FY09 in anticipation of settling this contract; funds for the FY08 adjustment are held in the FY08 salary contingency account.
  - c. Engineering Collective Bargaining group. Although the Town has settled a new contract with this group, it covers the period FY08-FY10 with the same pattern of COLAs, just one year later for each financial settlement (e.g. FY07 2% COLA for other employees was given to this group in FY08, and so on).
  - d. The Town had originally hoped to settle 2%/3%/2.5% with all groups. An arbitration panel later determined another 1.5% should be given to fire fighters beginning January 1, 2008. Since other collective bargaining groups had a “re-opener” in their agreements for COLA, they too received the 1.5% extra COLA boost for FY09.

2. **Health Insurance Costs.** Although the Board of Selectmen and the Sudbury Public Schools have begun the process of negotiating changes in these programs with our employees, working through the Employee Insurance Advisory Committee, for FY09 the programs we offer are legally required to continue due to state law and collective bargaining agreements. We are fortunate that for FY09 these costs are rising only 6%, as they had gone up 12% in FY08.
3. **Pension Costs.** The Town also does not have the means to control these costs unilaterally, as state law requires how the Town must deal with this obligation. The Middlesex Retirement System has, under a great deal of pressure, given over management of the systems assets to the state for management, and it is hoped this will produce better and more stable earnings to help offset the increases that member towns are expected to pay for these costs.
4. **Vendor Contract Increases.** The Town annually contracts with a wide variety of vendors to accomplish a great deal of the work we must do. However, we are subject to the price increases that the vendors pass on to their customers. For nearly all of these contracts, they cover services the Town MUST provide and thus the costs of these contracts are considered “uncontrollable”. We are proposing NOT to have a hazardous waste collection day for FY09, but that is the only way to control these costs.

Advantages of using contracted services are many, including:

- a. Enabling us to take advantage of regional buying power and activities. For example, we contract with entities such as SuAsCo to perform our public education efforts required by EPA in connection with our National Stormwater (NDPES) Permit for far less a cost than if we chose to conduct these activities ourselves. Other examples include our membership in regional planning entities, and the Police Department’s membership in a regional police entity, METROLEC, which provides very specialized police services (SWAT team, cybercrimes etc) that Sudbury can access as needed. Minuteman Library Network and Dog Officer services are two more examples. Although we bid and contract for a Dog Officer as an individual Town, we are able to enjoy a reduced cost for this service because the vendor also serves our neighboring towns, thus lowering the cost for all the towns.
  - b. Ability to have specialists perform work at lower per unit cost than Town staff can do. For example, bill printing, street sweeping, line painting on our roads, nursing services, landscaping of school and town public buildings, hazardous waste collection and disposal
  - c. Ability to obtain materials at guaranteed cost and availability. There are supplies the Town must have as needed – gasoline and diesel fuel for police, fire and DPW vehicles, sand and salt for snow and ice operations are examples. We also find bidding reduces the cost of items such as office supplies and electricity and natural gas, compared to retail purchasing of such items.
5. **Energy related Costs.** Due to the contracts the Town has entered into with suppliers, we are not seeking large increases in either utilities for our buildings or fuel for the Town’s vehicles.



## Reductions under the Non-Override Budget

Town departments will require a total of \$14,400,599 (after offsets) for the Level Staff Budget in FY09 to avoid reducing positions and other service reductions. This Level Staff budget is an increase of \$637,169 over the FY08 budget of \$13,763,429, or 5.7% and \$774,839 over the Non-Override budget of \$13,625,760. To reach the Non-Override budget, a combination of \$664,853 in cuts were made to departmental FY09 level staff budgets, as well as an increase of \$109,986 in offset revenues from the ambulance reserve for appropriations. Careful deliberation and weighing of consequences was conducted before arriving at these cuts and offset decisions. Reductions will generally be across the board in the Town departments. Every budget was assigned some cut to achieve the goal of getting to 1% below the FY08 appropriation. Each of the budget narratives in Section 4 contains a description of the impact of these cuts on the service delivery capacity of that department. But let me provide a broad overview of the planned reductions.

1. **Staffing Reductions.** There is a \$234,406 overall reduction in salary costs in the FY09 Non-override budget compared to the Level Staff budget. This is a combination of increases in many areas as collective bargaining agreements required COLA adjustments of 2.5% on July 1 for most employees and an additional 1.5% increase as of January 1, 2009 for unionized employees on top of that, pursuant to an arbitration decision in connection with the fire fighters collective bargaining process. To offset these salary increases and get to an overall budget that is below that of FY08, a total of 10 positions will be completely or partially unfunded in FY09. This includes: 1.75 police patrol positions (equivalent of one position is through reduction of overtime for call backs), the assistant planner, a heavy equipment operator in the DPW, the GIS administrator, the budget/personnel analyst, zoning enforcement field agent, summer positions in the streets & roads and parks & grounds division of DPW, and clerical support for the Historic District Commission. The van driver for the Council on Aging position will not be affected if the Town is successful in getting funding from the new Metro West Transit Authority to support this position, and overtime in the Fire Department has not been heavily cut thanks to a one time infusion of extra money from the ambulance receipts reserved for appropriation account. Without these two offset revenue sources, the equivalent of two more positions that would be eliminated in this budget.
2. **Significant Service Reductions.** Expenses (non-personnel) items are reduced a total of \$309,729 in the Non-Override budget compared to the Level Staff budget, and about 50% of this is coming out of the DPW. The DPW depends on materials and supplies and vendor contracts more than nearly every other department. Two particularly notable cuts to mention are the elimination of the hazardous waste day from the Board of Health budget (\$18,700) and the printing of the Annual Town Report (\$9,500). The latter is required by the Town bylaws (Article III, Section 2). Both of these cuts will require alternative ways be developed to provide these services.
3. **Capital and Equipment Reductions.** Finally, the Non-Override budget calls for \$120,718 in reductions from capital budget lines within departments. \$26,000 of this is from the Police Department, where the purchase of one new cruiser will not be made, \$12,450 from the Building Department, which will not be able to move ahead with needed building repairs and \$82,268 for the DPW. In a much appreciated transaction between the DPW and the Capital Improvement Planning Committee, the CIPC has agreed to budget for the 2<sup>nd</sup> year of several DPW lease payments instead of funding new capital, so that the Town does not have to return these items.

4. **Reserve and Salary Contingency Accounts.** The reserve fund has been leveled funded, even though we expect that more departments might not be able to live within their reduced funding level and be forced to as for transfers. The Salary Contingency is set at just what we believe will be needed to settle the final contracts and salary issues still unresolved.

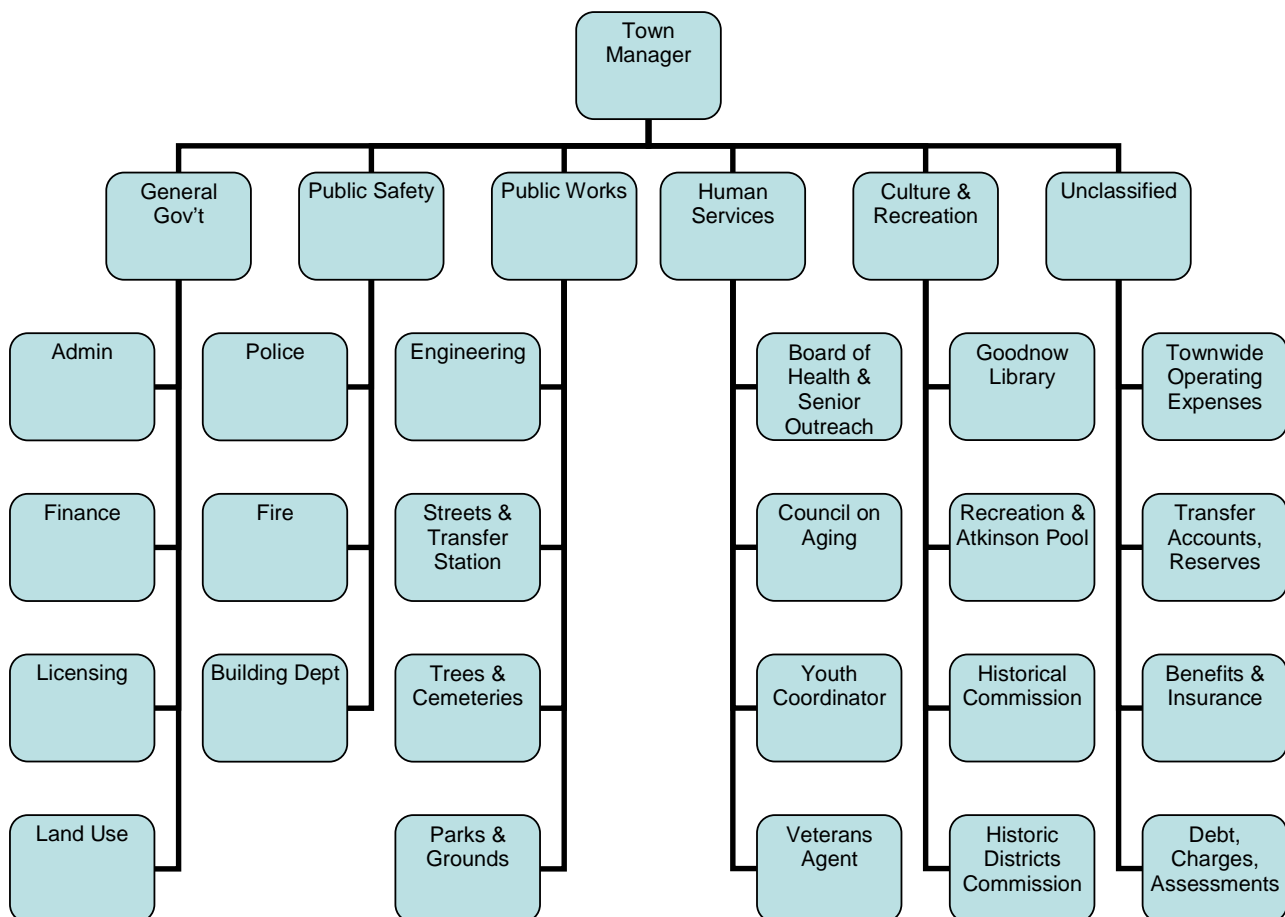
The impacts of these cuts is described in each department and will not be duplicated here, except to note that they undo nearly all the increases that were gained in various departments through the FY08 override and in the years before that. Progress on a number of goals will be delayed or stopped. Critical staffing has been reduced, DPW vehicles again will be allowed to deteriorate in condition, and not be able to be maintained as they should be. Police response time and coverage will be jeopardized, and the many things that DPW does to ensure safe public use of the roads and streets will be reduced. Our ability to maintain the knowledge base of our employees will be severely reduced, at a time when state and federal agencies are heaping even more on towns to upgrade to new standards and best management practices. The spending levels that the Town departments have under the Level Staff budget does not contain any extras or optional items – all items are approved for inclusion in the budget after careful weighing of the consequences of NOT including the items and how it will affect the Town's prime missions of ***Protecting Public Safety, Public Assets, Public Health and a Special Quality of Life*** for all Sudbury residents.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

#### Summary of FY09 Budgets for Town Departments

	Actual FY06	Actual FY07	Appropriated FY08	Appropriated FY09
<u>General Government</u>	2,129,183	2,110,541	2,288,472	2,253,566
<u>Public Safety</u>	5,691,420	6,169,350	6,377,174	6,399,677
<u>Public Works</u>	3,249,679	3,042,067	3,376,966	3,333,653
<u>Human Services</u>	532,047	557,711	607,659	570,261
<u>Culture &amp; Recreation</u>	978,460	1,045,950	1,089,936	1,112,695
<u>Town-Wide Operations &amp; Transfers</u>	84,116	94,727	253,564	357,675
Subtotal	12,664,904	13,020,346	13,993,771	14,027,527
increase over prior year		<b>2.81%</b>	<b>7.48%</b>	<b>0.24%</b>
Town Offsets	(210,189)	(230,342)	(230,342)	(347,238)
net increase over prior year	12,454,715	12,790,004	13,763,429	13,680,289
		<b>2.69%</b>	<b>7.61%</b>	<b>-0.60%</b>
Town Employee Benefits	3,205,475	3,619,302	4,003,678	4,202,129
Total Town Services	15,660,190	16,409,306	17,767,107	17,882,418
increase over last prior year		<b>4.78%</b>	<b>8.27%</b>	<b>0.65%</b>

## Budget Accounts under the Direction of the Town Manager



# General Government Services



	Actual FY06	Actual FY07	Appropriated FY08	Appropriated FY09
<b>GENERAL GOVERNMENT</b>				
<u>Selectmen/Town Manager</u>	271,967	270,618	302,883	302,881
<u>ATM/Personnel</u>	123,129	125,662	153,935	137,087
<u>Law</u>	233,369	199,202	165,162	165,893
<u>Finance Committee</u>	1,141	1,431	2,015	1,988
<u>Accounting</u>	272,743	247,180	268,819	286,912
<u>Assessors</u>	246,946	254,223	266,486	272,011
<u>Treasurer/Collector</u>	246,517	249,106	279,995	276,933
<u>Information Systems</u>	306,023	317,417	343,482	306,867
<u>Document Preservation</u>	999	972	1,750	1,000
<u>Town Clerk &amp; Registrars</u>	208,709	199,870	226,730	234,753
<u>Conservation</u>	80,786	81,009	103,123	106,419
<u>Planning Board</u>	108,102	132,258	147,170	131,691
<u>Board of Appeals</u>	28,752	31,593	26,922	29,132
<b>Total General Government</b>	<b>2,129,183</b>	<b>2,110,541</b>	<b>2,288,472</b>	<b>2,253,566</b>

## GENERAL GOVERNMENT: Selectmen/Town Manager

### MISSION OF THE OFFICE

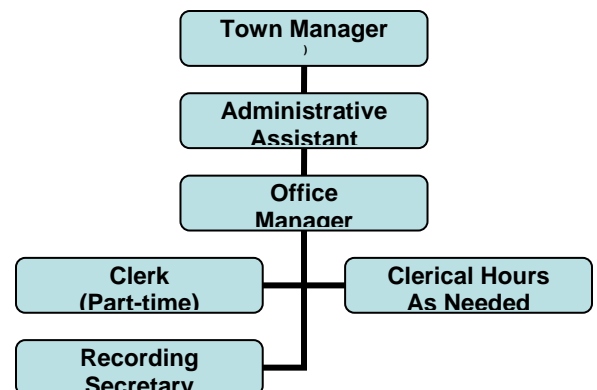
The Board of Selectmen and Town Manager provide executive leadership for the Town of Sudbury. Together, we pursue collaborative process and ethical and professional procedures to insure that Town resources are directed to providing the best services possible to protect public safety, public assets and a special quality of life in Sudbury. This office supports the Board and the Town Manager as they work toward this mission.

### DESCRIPTION OF SERVICES

The Board of Selectmen is the executive branch of the Town government. The Board consists of three members, each elected for a three-year term. They serve without compensation. The Selectmen act as the primary policy-making body for the Town. They provide oversight for matters in litigation, act as the licensing authority for a wide variety of licenses, conduct site plan reviews, and enact rules and regulations for such matters as traffic control, and serve, along with the Town Treasurer, as Trustees of Town Trusts. The Town Manager is appointed by the Board of Selectmen, and is responsible for the management of all Town departments. The Town Manager is the appointing and contracting authority for all departments except the schools and the health department, and is responsible for overseeing all budgetary, financial and personnel administration activities of the Town. This includes preparing the annual budget, appointing all new staff and setting compensation, formulating and implementing personnel policies, and negotiating all contracts with the Town's union employees. Administrative staff in the office serves as liaison between the public and the Board, handles all telephone calls, visitors and correspondence directed to the office, and maintains all records of Board of Selectmen's meetings. The office staff prepare the warrants for all annual and special town meetings, election notices for all elections, and coordinates the Town's annual report. They maintain records of all committee and board appointments and resignations. They maintain the Selectmen's section of the Town's web site.

### STAFFING

Staff in the Selectmen/Town Manager's office includes the Town Manager, the Administrative Assistant to the Board, an office supervisor, a part-time recording secretary and hours for part-time assistance as needed at peak work times. Additionally, some clerical hours are provided by seniors working on the Tax Work-Off program, in exchange for a reduction in their property tax bill.



### FY09 GOALS AND INITIATIVES

- Ensure that the FY09 budget planning provides for the financial sustainability of the Town of Sudbury and protects core municipal and educational services by:
  - Establishing a finance review task force
  - Modifying employee health care programs
  - Examining potential energy efficiencies in town/school buildings

- Restart Sudbury senior tax relief efforts.
- Study the needs of the Park and Recreation Department, including space needs
- Develop a tree planting program which augments funds in DPW budget
- Examine options for shared facilities planning, managing and maintenance with the Sudbury Public Schools.
- Focus on Route 20 Long Range Planning – wastewater options, traffic corridor planning, visioning; bring implementation options to Board of Selectmen
- Develop initiatives for Town, schools, residents and businesses to manage and reduce carbon emissions and energy consumption
- Examine impacts of the Wayland Town Center Project and other projects on the Town borders on Sudbury
- Review and decide on alternative forms of transportation in Sudbury by evaluating the new Regional Transit Authority option
- Review and decide on report /recommendations from the Solid Waste Management Options Committee (SWMOC)
- Complete current projects underway
  - Bruce Freeman Rail Trail evaluation
  - New Police Station Project Approvals
  - Town Center Engineering project
  - Emergency Planning
  - Carding Mill House Repairs

#### **FY07/FY08 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Participated in the L-S Safety Review Committee by naming several members to the Committee, following the tragic death of a student at L-S in January 2007
- Created the new Budget Review Task Force (BRTF) to study the Town's recurring budgetary deficit and develop recommendations to enhance revenues or decrease expenditures.
- Funds for survey and engineering work for the Town Center Project were appropriated by Town Meeting, through a combination of Community Preservation Act funds and funds from the Capital Budget.
- Continued the Town's plans for emergencies, including Pandemic planning, continuity of operations, and disaster recovery. The CERT team was formed, and a table top emergency planning exercise was held
- Worked on Route 20 planning by continuing with funds acquired from developers to conduct a planned traffic study of the Route 20 area.
- Changed Sudbury's membership from one regional planning subgroup (Metro West Growth Management Committee) to a different one (Minuteman Area Growth Advisory Committee)
- Created a Solid Waste Management Options Committee

- Created a Police Station Blue Ribbon Committee to study and make recommendations for next steps following failure of the proposal to exempt the project's debt from Proposition 2 ½ limits
- Updated the Cemetery rules, regulations and customer service standards
- Develop a monthly program, *Town Hall Matters*, for the Board of Selectmen to communicate their goals, plans and activities to residents.
- Began the work of the newly created Housing Trust
- Created a new Traffic Safety Advisory Committee
- Held a joint meeting with the Sudbury Public School Committee to plan the process for developing changes to the Town's health insurance programs in an effort to reduce the excessive rate of increase in these programs.
- Monitored potential impact of major projects in communities abutting Sudbury
- Created a new committee to examine the Senior Tax Deferral program and any steps that can be taken by the Town to enhance the use of the program by Sudbury seniors
- Completed an engineering study of the Town owned Mahoney and Melone properties in connection with future planning for these parcels
- Called a Special Town Meeting to consider the question of the Town purchasing the Young property for a Town Sponsored affordable housing project; appropriate \$10,000 to continue architectural services in planning for a new/renovated Police Station; and fund a collective bargaining agreement with Sudbury fire fighters. The first question did not achieve the required 2/3 approval needed; the second and third were approved.
- Set calendar 2009 health and dental insurance rates for Town and Sudbury Public School employees and retirees that increased by 6% average over 2008, compared to 12% for the prior year's increase.
- Entered into a multi-year agreement with a Sudbury resident to rehabilitate the Town owned Frost Farm house, pursuant to a publicly bid Request for Proposals.
- Voted for Sudbury to join the new Metro West Regional Transit Authority, thereby enabling Sudbury residents to begin receiving transit services in return for the Town's annual \$100,000 payment to the State. The first service being negotiated involves the Senior Center van service, with more enhanced services to be pursued.
- Based on the successful work of the Cable Committee, voted and signed a license for Verizon to provide cable television service in Sudbury.
- Voted to follow the recommendations of the Cable Television Committee and begin the process for creating a Cable Access Corporation to provide PEG programming carried over both Comcast and Verizon cable systems.
- Created an Open Space and Recreation Plan Update Committee, and charged them with updating the 1998 plan, which presents an analysis of the Town's resources and needs for open space and recreation, and offers an action plan for meeting those needs. The updated Plan will enable the Town to both identify priorities for open space preservation and creation of recreational opportunities, as well as increase our eligibility for state grants for these purposes.

- Began three projects associated with the question of developing the Sudbury portion of the Bruce Freeman Rail Trail by completing a title review of the abandoned rail corridor and issuing contracts for a wildlife study and an engineered survey of the corridor.

## **BUDGET ISSUES**

Level Staff Budget: This budget is the same as FY08 level except for compensation adjustments. Thus, it covers the same personnel and basic expenses of running this office. Sudbury belongs to a number of regional entities and the cost of those memberships is covered in this budget. This includes the Massachusetts Municipal Association (MMA) and the Minuteman Advisory Group on Inter-local Cooperation (MAGIC), as well as a regional group planning for hazards mitigation and for compliance with stormwater education efforts. This budget does not provide for any new initiatives, or for restoring positions and initiatives that were cut during previous years, such as the economic development position. This budget level is 4.4% higher than the FY08 appropriation.

Non Override Budget: This budget reduces a number of non-personnel expenses lines. Reductions have been made in a number of areas, including out of state travel for department heads to attend professional conferences, for contracted services and for general expenses.

<b>NOTE:</b> This office brings in nearly \$250,000 annually in fees and rental receipts.
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Town Meeting approved the Non Override Budget shown below as Appropriated FY09.



	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>SELECTMEN/TOWN MANAGER</b>				
Town Manager	129,197	135,499	140,997	145,727
Administration	52,384	52,631	56,231	59,895
Overtime	1,650	2,592	2,000	2,050
Clerical	48,163	38,179	57,605	61,369
Executive Incentive Program	5,750	7,324	13,000	7,990
Non-accountable Travel	3,800	3,666	4,500	5,000
Sick Leave Buy Back	631	0	0	0
<b>Sub Total: Personal Services</b>	<b>241,575</b>	<b>239,890</b>	<b>274,333</b>	<b>282,031</b>
General Expense	19,977	13,443	17,500	14,000
Maintenance	302	504	750	550
Travel	387	176	300	300
Out of State Travel	4,311	1,794	5,000	2,000
Contracted Services	5,160	5,050	5,000	4,000
Equipment	0	0	0	0
Carryforward Expense	255	9,761	0	0
<b>Sub Total: Expenses</b>	<b>30,392</b>	<b>30,728</b>	<b>28,550</b>	<b>20,850</b>
<b>Total: Selectmen</b>	<b>271,967</b>	<b>270,618</b>	<b>302,883</b>	<b>302,881</b>

## GENERAL GOVERNMENT: Assistant Town Manager/Personnel Director

### MISSION OF THE OFFICE

To support the Town Manager in the most effective administration of Town government by employing personnel practices and policies which promote and sustain a high performance Town organization through hiring, developing and retaining high caliber employees.

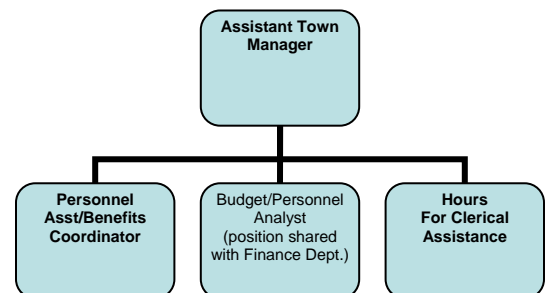
### DESCRIPTION OF SERVICES

The Assistant Town Manager/Personnel Director is responsible for personnel, risk and benefit management for over 700 employees and 200 retirees of the Town and the Sudbury Public Schools. Specific responsibilities include:

- Compliance with Labor Laws & Regulations
- Personnel Policies and Procedures
- Classification and Compensation Plans
- Personnel Records and Data
- Employee Insurance Benefits
- Workers' Compensation Administration
- Property and Liability Insurance Administration
- Collective Bargaining
- Recruitment and Hiring
- Training
- Performance Evaluation Programs
- Supervisor Support
- Employee Relations and Communications
- Employee Recognition

### STAFFING

Staffing consists of the Assistant Town Manager, a part-time Personnel Assistant/Benefits Coordinator, and a part-time Budget/Personnel Analyst position shared with the Finance Department. In addition, a small amount is allocated for limited hours of clerical assistance as needed.



### FY08/09 GOALS AND INITIATIVES

- Compile an administrative policy handbook containing and updating all the administrative (i.e. non personnel) policies of the Town.
- Insure that the Town is in compliance with GASB reporting requirements on the financial liability created by the federal Other Post Employment Benefits (OPEB) rule, and evaluate future funding options to address this liability.
- Conduct analysis of the Town's alternatives for containing escalating costs of health insurance for both active employees and retirees.
- Analyze recent state legislation permitting cities and towns to join the state Group Insurance Commission and develop recommendations.
- Work with health insurance carriers to insure continued compliance with Medicare D.
- Insure Town compliance with the requirement of the new Health Care Reform Act.
- Reduce time and improve process for hiring of Town employees.
- Develop plans to increase training and professional development opportunities for Town staff to meet both certification requirements and best practices knowledge.

- Participate as part of the Town Manager's Senior Management Team in regular deliberation on issues involving collaboration and/or strategic planning.
- Assist in collective bargaining negotiations with several bargaining units.

#### **FY07/FY08 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Produced a new and updated employee personnel handbook.
- Updated Town procedures and options for employees facing long-term illnesses.
- Worked in conjunction with the Police Chief and Civil Service to appoint five (5) new patrolmen, and oversaw the process for promotion of a patrolman to police sergeant.
- Assisted with and/or acted as primary negotiator in the successful settlement of labor agreements with two Town collective bargaining units.
- Completed a classification and compensation study for nonunion positions of employment and oversaw implementation of the study recommendations.
- Continued the recently reestablished employee safety committee and worked with the Town's property and liability and worker's compensation insurance carrier to secure the most cost-effective and comprehensive coverage available.
- Updated the Town's health insurance policies and worked with our health care consultant and with representatives of our health insurance carriers to comply with new federal and state mandates.
- Recommended and secured adoption of two new group health care plans for Town Medicare-eligible retirees.
- Continued with supervisory training program, expanded training opportunities for other Town employee groups, particularly school personnel.
- Arranged for employee wellness initiatives and promoted increased employee awareness of the Town's Employee Assistance Program.
- Continued to work with human resources consultants, professional organizations and colleagues in other municipalities to obtain comparable salary and benefit data and stay current with legal developments relating to personnel and employment law.

#### **PERFORMANCE/WORKLOAD INDICATORS**

<b>Indicator</b>	<b>FY06</b>	<b>FY07</b>
<b>Personnel Action Forms Processed</b>	<b>304</b>	<b>343</b>
<b>Employment Applications received</b>	<b>227</b>	<b>191</b>
<b>Positions Filled</b>	<b>43</b>	<b>35</b>
<b>Average applications per vacancy</b>	<b>14</b>	<b>8</b>
<b>Number of employees covered by Town Health Insurance</b>	<b>484</b>	<b>497</b>
<b>Number of retirees covered by Town Health Insurance</b>	<b>248</b>	<b>267</b>

#### **BUDGET ISSUES**

Level Staff Budget: This budget is the same as FY08 level except for compensation adjustments for staff. Thus, it covers the same personnel and basic expenses of running this office. This includes the full-time Assistant Town Manager/Personnel Director, a part-time Benefits Coordinator, a few hours per week of clerical assistance and a shared part-time budget/personnel analyst position to assist the Assistant Town Manager/Personnel Director with all the personnel and benefits management responsibilities he is charged with. The amount requested for office expenses is the same as for FY08 (and FY07). Funds for contractual services are used to hire specialized consultants for assistance with various personnel matters, and for the cost of recruiting and advertising when hiring employees. Funds for professional development

are used for this office and for other department heads, supervisors and employees for relevant seminars, workshops and courses. This budget maintains the austere level for recruiting and training and professional development that has been carried for the last three years. The minimal funding for professional development seriously undermines our commitment to training our supervisory staff and our employees, and the Selectmen's guiding value of protecting and enhancing the professionalism of the town's staff cannot be fully achieved.

Non Override Budget: This budget eliminates funding for the shared personnel analyst position, as well as for a number of non-personnel expenses lines and is 2.3% lower than the FY08 appropriation. Reductions have been made in a number of areas, including professional development for employees and contracted services. This further reduces our ability to keep employees trained and up to date on current regulations and best management practices.

NOTE: Although this department does not specifically generate revenue, one of its important responsibilities is to closely monitor all employee benefit and insurance programs to insure that costs and expenditures under these programs are accurate and controlled. Working closely with insurance providers, in excess of \$100,000 has been realized through recoveries and savings.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>ASSIST. TOWN MGR./PERSONNEL</b>				
Assistant Town Manager	82,126	87,047	93,359	95,693
Benefits Coordinator	31,591	32,047	30,690	32,203
Personnel Analyst	0	0	17,153	0
Clerical	0	0	4,083	4,291
<b>Sub Total: Personal Services</b>	<b>113,717</b>	<b>119,094</b>	<b>145,285</b>	<b>132,187</b>
General Expense	727	1,254	2,250	2,000
Travel	498	207	400	400
Contracted Services	6,381	3,784	4,000	2,000
Employee Profess. Develop.	1,806	360	2,000	500
Carryforward Expense	0	963	0	0
<b>Sub Total: Expenses</b>	<b>9,412</b>	<b>6,568</b>	<b>8,650</b>	<b>4,900</b>
<b>Total: ATM/Personnel</b>	<b>123,129</b>	<b>125,662</b>	<b>153,935</b>	<b>137,087</b>

## GENERAL GOVERNMENT: Law

### MISSION OF THE OFFICE

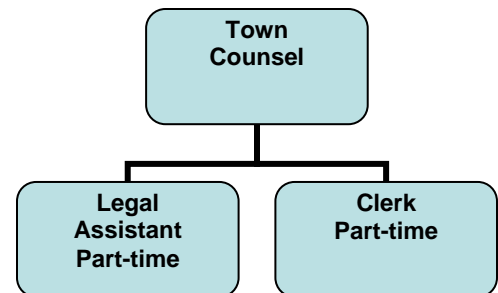
To support the Board of Selectmen, the Town Manager and the Town's departments and committees by providing legal advice and activities which sustain a Town organization that always acts ethically and professionally and avoids unnecessary and costly consequences.

### DESCRIPTION OF SERVICES

The Town Counsel's office performs an intermediary function by providing legal opinions upon request from Town Departments. These requests involve issues such as conflicts of interest, interpretation and understanding of various rules, regulations, procedures, and state law and statutes in connection with town programs and projects. The Town Counsel's office also provides legal review and drafting services for town acts, articles and bylaws, contracts and lease agreements, as well as the preparation of documents and filing, and representing the Town in all court actions.

### STAFFING

Personnel under this budget include a part-time Town Counsel, who is a contracted employee to the Town, a part-time legal assistant and one part-time clerk, who are employees of the town, and "job-share" this position, neither requiring benefits. The Town Counsel is appointed by the Board of Selectmen, but supervised by the Town Manager. Other office staff is appointed by the Town Manager.



### BUDGET ISSUES

Level Staff Budget: This budget contains funds to maintain the same personnel and basic, unavoidable expenses of this office.

It is difficult to anticipate litigation matters. The anticipated costs of hourly legal representation above and beyond the Town Counsel's retainer will probably be greater than this budget allows for. Litigation to defend the decisions of the various boards can be expensive and difficult to predict. The Board of Selectmen will seek a reserve fund transfer to supplement this budget if any of potentially costly legal matters cannot be resolved within the budget. Additionally collective bargaining is a time consuming process that involves detailed knowledge of labor law at both the federal and state level, and specialized counsel is invaluable for these efforts. Collective bargaining has been particularly time consuming in FY06, 07 and 08, and may also force the need for a reserve fund transfer for this budget.

Non Override Budget: This budget reduces funding for the legal expense line, significantly below what was actually spent in FY06 and FY07, and slightly below the appropriation for FY08. If the legal cases reach higher levels similar to FY06 and FY07, this office will need transfers from the Reserve Fund.

Town Meeting approved the Non Override Budget shown below as Appropriate FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>LAW</b>				
Town Counsel	39,423	40,211	41,417	42,244
Clerical	31,307	30,090	37,352	37,906
<b>Sub Total: Personal Services</b>	<b>70,730</b>	<b>70,301</b>	<b>78,769</b>	<b>80,150</b>
General Expense	5,363	5,369	5,975	6,075
Legal Expense	145,007	115,225	80,418	79,668
Carryforward Expense	12,269	8,308	0	0
<b>Sub Total: Expenses</b>	<b>162,640</b>	<b>128,902</b>	<b>86,393</b>	<b>85,743</b>
<b>Total: Law</b>	<b>233,369</b>	<b>199,202</b>	<b>165,162</b>	<b>165,893</b>

<b>GENERAL GOVERNMENT: Finance Department – Finance Committee</b>
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### **MISSION OF THE COMMITTEE**

The Mission of the Finance Committee is to advise Town Meeting on all budgetary and financial matters that come before Town Meeting, and to consider requests from the Town Manager for allocations from the Reserve Fund.

### **DESCRIPTION OF SERVICES**

The Finance Committee is comprised of nine members appointed by the Town Moderator. Approximately nine months before the April Annual Town Meeting, the FinCom issues guidelines for development of the operating budget requests from the various cost centers, based upon revenue expectations and information needs of the FinCom. During the year, members of the FinCom serve as liaisons to the cost centers and attend monthly planning meetings with them. During January and early February of each year, the FinCom conducts detailed budget hearings, leading to a recommended budget that is balanced within the limits of Proposition 2 ½. The Finance Committee may also recommend a budget that exceeds these limits, requiring a Proposition 2 ½ override question be placed on a ballot at the annual or a special election if approved by the Board of Selectmen and Town Meeting

The Reserve Fund is considered part of the budget that is allocated to the Town Operating Departments and provides the Town with the flexibility to address unexpected or emergency costs that arise during the fiscal year.

### **STAFFING**

The only staff for this committee is a part-time recording secretary.

### **BUDGET ISSUES**

Level Staff Budget: The Level Staff Budget provides for the same level of staffing and expenses. The only change is the cost of living adjustment for the employee who provides recording secretary services for this committee.

Non Override Budget: This budget reduces funding for expenses by \$28, leading to an overall -1.4% reduction versus the FY08 appropriation.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>FINANCE COMMITTEE</b>				
Clerical	904	1,170	1,665	1,708
<b>Sub Total: Personal Services</b>	<b>904</b>	<b>1,170</b>	<b>1,665</b>	<b>1,708</b>
General Expense	237	262	350	280
Carryforwad Expense		0		
<b>Sub Total: Expenses</b>	<b>237</b>	<b>262</b>	<b>350</b>	<b>280</b>
<b>Total: Finance Committee</b>	<b>1,141</b>	<b>1,431</b>	<b>2,015</b>	<b>1,988</b>



## GENERAL GOVERNMENT: Finance Department – Accounting

### MISSION OF THE OFFICE

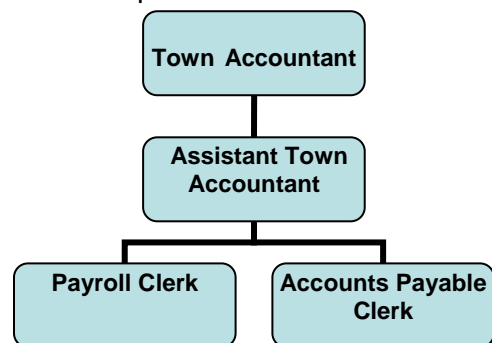
The Mission of the Town Accountant's Office is to protect the Town's financial interests and ensure that Town resources are expended and received according to local bylaws, General Laws of the Commonwealth and sound accounting practices. Charged with maintaining and examining all financial records, the Accounting Office provides Town officials and the public accurate information to facilitate the effective management of the Town.

### DESCRIPTION OF SERVICES

The Town Accountant's Office maintains all the financial records for the Town. Payroll for all town and school employees and accounts payable for all departments are processed through this office. In processing these transactions, the Town Accountant by statute, examines and approves all financial transactions verifying compliance with local and state law, establishes procedures and implements sound business practices and maintains a general ledger. The office monitors all budgets and provides a monthly budget statement to all departments and boards. It also is responsible for maintenance of the financial software used by the Town, and the filing of all reports to the Department of Revenue and various governmental agencies.

### STAFFING

The Accounting division of the Finance Department consists of the Town Accountant, the Assistant Town Accountant and two clerical positions.



### FY09 GOALS AND INITIATIVES

- Address all outstanding issues from Annual Audit for period ending June 30, 2008 and finalize the requirements of GASB 45 – Post Employment Benefits.
- Oversee more use of MUNIS accounts payable functionality, including decentralizing entry of vendor bills by selected departments
- Oversee more use of MUNIS general billing functionality by tracking miscellaneous billing such as “paid detail” and COBRA collections
- Oversee training of the school department on MUNIS Sick/Vacation Accrual Module.

### FY07/08 MAJOR INITIATIVES AND ACCOMPLISHMENTS

- Finalize the requirements of GASB 34 by bringing Infrastructure onto the Financial Statements
- Provide staff support to all departments in preparing their FY09 budgets
- Four Audit Points resolved this fiscal year:
  - 1) Infrastructure
  - 2) Time & Attendance
  - 3) Munis Tax & Receivable Modules
  - 4) Septage Audit

## PERFORMANCE/WORKLOAD INDICATORS

<b>FY07 Indicators</b>	<b>School</b>	<b>Town</b>	<b>Total</b>	<b>% Change</b>
Accrual Records Created (Implementation)	914	396	1,310	
Fixed Asset Records (includes Infrastructure)	0	68	68	
Invoices Paid	7,687	10,780	18,467	13.44%
Payroll & Direct Deposits Processed	12,453	5,860	18,313	.41%
W-2's & 1099's Processed	706	454	1,160	1.49%
Total General Fund Dollars Expended			71,140,126	3.69%

<b>FY06 Indicators</b>	<b>School</b>	<b>Town</b>	<b>Total</b>
Fixed Asset Records	0	34	34
Invoices Paid	5,931	10,347	16,278
Payroll & Direct Deposits Processed	12,401	5,836	18,237
W-2's & 1099's Processed	692	451	1,143
Total General Fund Dollars Expended			68,606,163

Level Staff Budget: The personnel budget provides for the same level of staffing as FY08, adjusted only for the cost of living adjustment. The expense budget is higher than the FY08 budget as the contracts for audit services (\$4,000 increase) and computer support for the financial software the Town relies on (\$4,538) has increased and those cannot be reduced by the Town.

Departmental Request Budget: The Town Accountant has requested that a part-time clerical position be added to her department, to deal with the increased work load generated by both higher levels of transactions processed by her department, but also to handle the demands of mandated reporting requirements, such as Fixed Asset Accounting, Community Preservation Act accounting, the newly added sick and vacation leave MUNIS module added to remedy an auditors concern, and changes in employers responsibility for 403B and 457 plan monitoring among others. She believes it would cost \$12,000 annually to add these extra hours. Unfortunately, no departmental growth requests are being honored for FY09, given the Finance Committees directions for budget requests.

Non Override Budget: This budget slightly reduces funding for expenses and does not make any decreases to personnel levels. This is a critical budget. The financial recordkeeping and payroll responsibilities of this office, with all the state and federal mandates that must be complied with, mean that increasing costs in this budget must be funded, and offsetting cuts identified elsewhere. The Non Override Budget is as lean as can safely be crafted without the risk of unacceptable costly errors and penalties. And it should be noted this office provides required services to both the Sudbury Public Schools as well as the Town departments. Actually, in terms of percentage of payroll processed, vouchers processed, tax filings, retirement board contributions, voluntary deductions remitted to various vendors, etc. the larger percentage of activities of this office is attributable to meeting the financial needs of the Sudbury Public Schools and their employees.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>ACCOUNTING</b>				
Town Accountant	83,390	65,514	68,413	72,845
Asst to FD Stipend	2,500	327	0	0
Salaries	123,798	111,030	119,633	126,058
Clerical	0	0	0	0
Sick Leave Buy Back	2,814	1,800	1,511	1,658
Overtime	1,219	1,233	2,060	2,112
<b>Sub Total: Personal Services</b>	<b>213,721</b>	<b>179,905</b>	<b>191,617</b>	<b>202,672</b>
General Expense	6,392	6,629	7,900	7,200
Computer	15,798	17,836	25,202	29,740
Maintenance	1,702	533	2,400	2,300
Travel	930	2,708	1,700	1,000
Contracted Services	30,000	33,000	40,000	44,000
Carryforward Expense	4,200	6,570	0	0
<b>Sub Total: Expenses</b>	<b>59,022</b>	<b>67,275</b>	<b>77,202</b>	<b>84,240</b>
<b>Total: Accounting</b>	<b>272,743</b>	<b>247,180</b>	<b>268,819</b>	<b>286,912</b>

## GENERAL GOVERNMENT: Finance Department – Assessors

### MISSION OF THE OFFICE

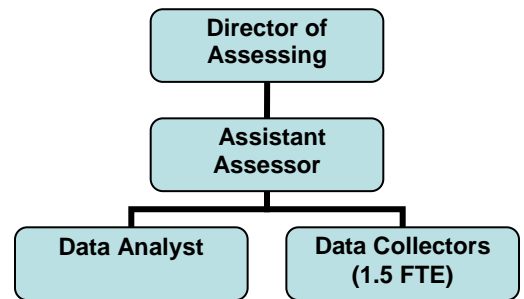
To ensure an equitable share of the tax burden to all taxable real and personal property entities, by regular review and analysis.

### DESCRIPTION OF SERVICES

The Assessor's Office is responsible for the valuation and assessment of property taxes, the major revenue source for the town. To accomplish this, all real and personal property is valued as of January 1st of each year. The valuations are used to fairly allocate the taxes necessary to fund the Town's annual budget. We calculate the annual new growth increase and other factors to determine the levy limit. New growth is an additional amount of tax dollars based on the assessed value of new construction and other additions to the taxable levy base which are not related to any revaluation program. The Assessors' set the annual tax levy and rate(s) for the year after submission of a balanced recapitulation to the Department of Revenue. We prepare the annual tax roll, and commit the list to the Tax Collector with a warrant to collect the taxes. We administer the tax exemption/deferral program and act on abatement and exemption applications, including the Community Preservation Surcharge exemptions. A reserve fund is allocated annually (Overlay Account) to fund anticipated property tax abatements and exemptions. We are responsible for assessing and administering excise taxes. In keeping with the "Financial Team Approach" of service, to share information and resources; the Assessing Department provides data reports to numerous Town Departments.

### STAFFING

The personnel in this office include the Director of Assessing, an Assistant Assessor, one full-time data analyst; one full-time and one part-time data collector. All staff is appointed by the Town Manager.



### FY09 GOALS AND INITIATIVES

- Update all property values commensurate with last year's down turn in the real estate market.
- Analysis and if warranted, revaluation of all residential, commercial, industrial properties, vacant and improved, special use, i.e. Chapter discounts, Personal Property and Mixed Use.
- Commence Fiscal Year 2010 Triennial Certification
- Prepare to defend State Owned Land Value; at ATB if necessary.
- Inspection and valuation of major new condominium complexes (over 100).
- Complete review of large land tracks
- Complete review of land value discounts, their reasons and the market's influence on land value
- Work with senior groups and committee regarding fair tax relief.

## FY07/08 MAJOR INITIATIVES AND ACCOMPLISHMENTS

- Finalized the 10 year re-inspection program.
- Implemented and maintained personal exemption programs;
- Produce local cable TV program, and other venues to explain exemption programs,
- Complete Citizen Information Packet.
- Conversion from Considine to MUNIS System for exemption/abatement processing
- Test and Implement Procedures for IT Department Archiving Software
- Commence Photography Program for new R.E. sales.
- Reviewed and researched 100+ parcel without parcel-ids
- Converted 400+ parcel-ids for GIS mapping Project with engineering.
- Attended LUCA meetings with Town Clerk; worked with IT and Clerk to understand and implement 2010 census
- Research expanding Tax Deferral CL. 41A allowance provisions and tax loss impact
- Prepare detailed reports on residential and small commercial tax exemptions including number eligible and the impact on the tax burden.
- Research Impact of newest senior legislation clause 41C1/2.
- Implement and convert all chapter land to comply with new legislation
- Monitor *ongoing* downtrends and other financial issues relative to current real estate conditions

## PERFORMANCE/WORKLOAD INDICATORS

Indicator	FY06	FY07	%Change
Real & Personal Property values maintained	6,840	6,880	0.58%
Property re-inspections completed	619	548	-11.47%
Permits, valued, measured and listed	565	269	-52.39%
Excise committed and maintained	17,911	17,331	-3.24%
All Exemptions/Deferrals Processed	561	535	-4.63%
Revaluation Performed	Full	Full	

## BUDGET ISSUES

Level Staff Budget: The personnel budget provides for the same level of staffing as FY08. The expense budget is set at the same dollar level as FY08.

Non Override Budget: Several reductions have been made to this department's expenses as part of the overall reductions made to most town budgets. This is not to say these reductions will not affect outcomes or be easy to achieve. The Assessor's office has the immense task of accurate and timely preparation of property values for billing purposes, and confidence in these numbers underlies nearly 75% of the revenues the rest of the town and school departments depend on. Any further reductions could have a significant impact on the ability of the Town to issue timely and correct tax bills. Further, this office labors under many State mandates as to how their work must be performed. The State requires assessing offices to periodically inspect all real properties over a ten

year period. The inspections are conducted on a cyclical basis, and are ongoing. Furthermore, the Assessors are mandated to review and update values annually. Associated costs include the production of a myriad of analytical reports, discovery of all business personal property accounts, field review of all properties, inspection of sold properties, production of 6,800+ new property cards, and all other related requirements.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>ASSESSORS</b>				
Assessor	72,627	74,354	77,636	80,188
Clerical	139,504	146,516	153,936	160,096
Stipend	0	1,000	1,000	1,000
Sick Buy Back	1,113	1,135	1,164	2,977
<b>Sub Total: Personal Services</b>	<b>213,243</b>	<b>223,005</b>	<b>233,736</b>	<b>244,261</b>
General Expense	9,998	8,793	11,750	9,750
Tuition	900	905	1,000	0
Contracted Services	4,527	4,700	20,000	18,000
Carryforward Expense	18,278	16,821	0	0
<b>Sub Total: Expenses</b>	<b>33,702</b>	<b>31,218</b>	<b>32,750</b>	<b>27,750</b>
<b>Total: Assessor</b>	<b>246,946</b>	<b>254,223</b>	<b>266,486</b>	<b>272,011</b>

## GENERAL GOVERNMENT: Finance Department – Treasurer/Collector

### MISSION OF THE OFFICE

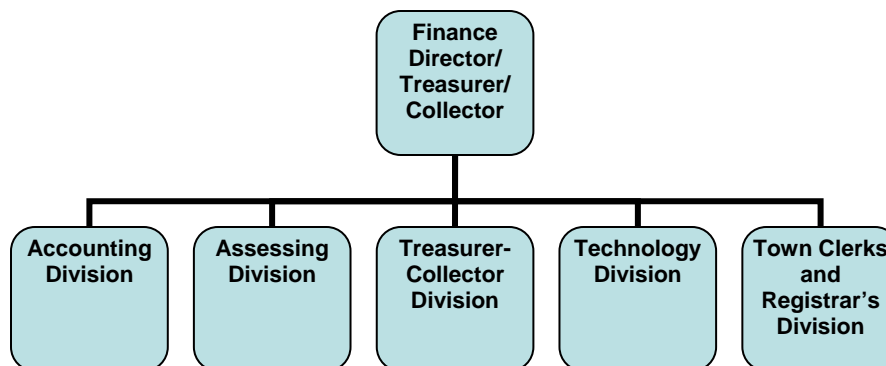
To provide collection, deposit, investment and financial reporting for all funds due to the Town in an efficient and effective manner. To provide all financial custodial services for the Town in compliance with all State and local regulations; in a manner that that best meets the needs of the individual taxpayer and the community, as a whole.

### DESCRIPTION OF SERVICES

The Treasurer/Collector office issues over 24,000 new bills each fiscal year, including real estate and personal property taxes (quarterly), and motor vehicle excise tax (annually). The office pursues timely collection of all bills and maintains a collection rate of nearly 99% of all property tax bills. The Treasurer/Collector establishes and maintains Tax Title accounts on all significantly delinquent tax accounts. In the area of Treasury management, the Treasurer's office is responsible for the receipt, investment and disbursement of all town funds. Staff manages all town bank accounts, conducts both short term and long term borrowing for the Town and invests all available funds to produce investment income. The Treasurer, along with the Board of Selectmen, is a Trustee of Town Trusts, and invests and reports on all Trust Fund Activities. The Investment Advisory Committee assists in recommending investment priorities for the Trust funds.

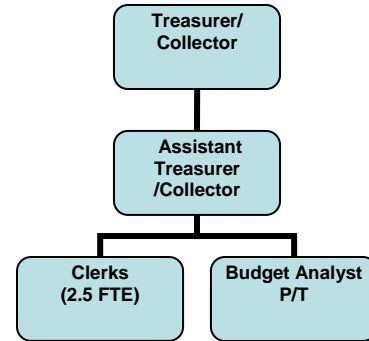
### STAFFING

For FY09, the department includes the Treasurer/Collector, the Assistant Treasurer/Collector, 2 full-time clerks and a ½ time clerical position. Additionally, some clerical hours are provided by a senior who is earning a reduction in her property tax bills through the Town's Tax Work-Off Program.



## FY09 GOALS AND INITIATIVES

- Conduct periodic permanent records review
- Complete foreclosure proceedings for abandoned parcels
- Maintain tax title receivables below \$500,000 or less than 1% of the current year's gross tax levy
- Implement MUNIS budgeting modules
- Conduct receipts audit town-wide; periodic review of revenue processing policies & procedures
- Assist Town Manager with development of anti-fraud and response program.



## FY08 GOALS AND INITIATIVES

- Complete all tax bill cycles within new tax billing and receivables software system
- Review all banking and billing services for pricing and enhancement possibilities  
Consider new online tax payment system(s) for taxpayer convenience
- Finish reconciling application escrow accounts; identify and release excess escrow income for general funds use
- Implement new capital project tracking system.

## PERFORMANCE/WORKLOAD INDICATORS

Generally speaking, since all taxes levied must be collected measurement goals revolve around time outstanding/cycle. Shortening the collection cycle improves the likelihood of collection, cash flow and accuracy in budgeting/forecasting.

Indicator	FY06	FY07
<b>Average Elapse Time to Tax Title</b>	<b>&lt;3 months</b>	<b>&lt;3 months</b>
<b>Delinquent Tax Balance over \$10K</b>	<b>11 parcels</b>	<b>8 parcels</b>
<b>Tax Title Parcels</b>	<b>70 parcels</b>	<b>65 parcels</b>
<b>Original Bills Processed</b>	<b>24,782</b>	<b>24,403+</b>

## BUDGET ISSUES

Level Staff Budget: The personnel part of this budget provides for the same level of staffing as FY08, adjusted only for cost of living adjustment. The expense budget is actually reduced from FY08 levels, as a change to the MUNIS system for property tax billing and collection made in FY08 mean that the computer support for this package is considered part of the overall computer support found in the Accounting department's budget.

Non Override Budget: With a need to reduce the Town's overall budget request to 1% less than FY08, we are proposing to reduce the hours for the budget analyst from 15 hour per week to 10 hours per week. However, the overall need for this position has not gone away and in fact has intensified in this past year. It is clear that the Town and schools need one person to pull together and standardize and make available for analysis all the budget and spending information. The Finance Director and Town



Manager are responsible for too many other things with simultaneous deadlines and equal level of priority to continue without some assistance in this area. Within the expense budget, the Finance Director/Treasurer-Collector has made a number of cuts to her expense line to offset the fact that the Accounting and Assessing offices have so little budget flexibility. This is not to say these reductions will not affect outcomes or be easy to achieve. The Treasurer-Collector's office has the immense task of issuing and collection real estate and motor vehicle excise bills, and taking in and managing the rest of the financial resources taken in by the Town and by extension for SPS and most of that sent on the LS., Any further reductions than are recommended here could have a significant impact on the ability of the Town to issue timely and correct tax bills and thus generate additional resources through cash management and investment activities. Further, this office labors under many State mandates as to how their work must be performed.

**NOTE:** The work of this office generates investment income for the general fund and for various trust funds. In FY08, we estimate that at least \$300,000 will be generated, thanks to timely billing and collection activities.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>TREASURER/COLLECTOR</b>				
Fin. Director/Treasurer-Collector	61,589	78,646	87,080	92,543
Clerical	114,827	114,213	130,587	134,400
Budget Analyst	0	0	17,153	12,500
Stipends	0	2,174	2,500	2,500
<b>Sub Total: Personal Services</b>	<b>176,416</b>	<b>195,032</b>	<b>237,320</b>	<b>241,943</b>
General Expense	11,967	9,864	12,425	10,505
Maintenance	8,594	8,821	8,750	1,500
Travel	1,344	1,179	1,500	985
Tax Collection	18,941	23,842	20,000	20,000
Tax Title Expense	14,699	3,783	0	2,000
Carryforward Expense	14,557	6,585	0	0
<b>Sub Total: Expenses</b>	<b>70,101</b>	<b>54,073</b>	<b>42,675</b>	<b>34,990</b>
<b>Total: Treasurer-Collector</b>	<b>246,517</b>	<b>249,106</b>	<b>279,995</b>	<b>276,933</b>

## GENERAL GOVERNMENT: Finance Department – Information Systems

### MISSION OF THE OFFICE

The mission of the Information Systems Office is to increase productivity by streamlining the flow of information through the Town's internal and external network, and providing technical support and training to all Town offices.

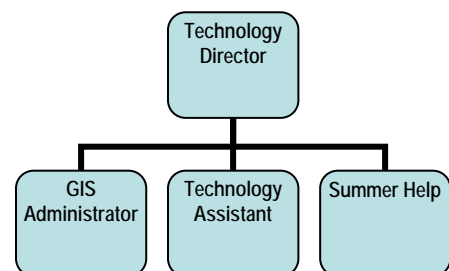
### DESCRIPTION OF SERVICES

The information systems division of the Finance Department is responsible for purchasing, implementing, administering, and maintaining the Town's Microsoft 2003 Active Directory network infrastructure, which includes all network and wireless connectivity, users, servers, computers, software, backup and security. All of the Town's Telecommunications are managed by the IT Department, including: all telephone systems, email, cellular technology, fax operations, pagers and cable television. The IT Department provides computer training, software support, system maintenance and repairs. The software support includes all major data systems, linking the various data stores within the Town network. Examples of some of these applications are the tax collection, accounting, and assessing software used by the Finance Department, the Police dispatch and incident tracking system, as well as the development of Sudbury's GIS program.

The expansion and management of the Town Website is an integral component of the IT Department. The dissemination and posting of information is essential in providing current news, documents and other matters of public interest, in a timely convenient fashion, thus lessening the need to contact departments directly. The department is also responsible for the management of the Town's electronic documents, providing the capability to archive documents securely while offering efficient access when needed. The IT Department added VPN's (virtual private networks) which provide staff and software vendor's access to the Town's network from offsite locations, expanding the work environment outside the confines of the office.

### STAFFING

Staff in the Information Systems Office includes the Technology Director, Technology Assistant and a part-time GIS Administrator, with some summer help and a consultant to work on the Town's website.



### FY09 GOALS AND INITIATIVES

- Upgrade computer software on all computers to latest versions available (ongoing)
- Continue to update the Town Website adding new features and capabilities (ongoing)
- Working with departments to make sure that data is updated on our Town Website. (ongoing)
- Work with the GIS Administrator / GIS Consultant to implement the FY09 initiatives in Sudbury's GIS plan.
- Gather information about the offsite data collection needs of each department.

- Upgrade the Local Area Network (LAN) at the Fire Station by adding a Gigabit core switch. Establishing VLANs on the network which will segment network traffic thus improving the overall network performance. The Fiber WAN connection from the Fire to the Flynn building will also be upgrade to Gigabit speed.
- Purchase and implement an enterprise-wide permitting software solution to be utilized by any department or committee responsible for the issuing of permits or licenses.
- Add an I-SCSI SAN device (mapping SCSI over TCP/IP Storage Area Network) to the town network. This centralized storage device will be used to house our documents, archives, email and database files. It also allows us to implement centralized backup and restore, as well as auto replication, for data disaster recovery.
- Establish building based VPN clients for employee remote access and increase network VLAN segmentation which will add security and reduce network traffic.
- Consolidation of Cellular Nextel/Sprint plans into one centralized account which will allow the town to pool minutes resulting in lower overall costs.
- Replace the School/Town T1 line (1.5Mb) with a Verizon FIOS 50Mb line increasing our internet connection speed by 3,300%. This collaborative project with the School department will require that our external IP addresses be changed to addresses that are provided by Verizon.

#### **FY08 GOALS AND INITIATIVES**

- Build a main GIS data depository in Personal Geodatabase format for town wide data sharing (with all MassGIS layers and existing GIS layers maintained by the Engineering)
- Upgrade Reverse 911 server to web-based version 6.1 and exclude phone numbers which are multiple to the same location. This will speed of the time it takes to send a message town-wide and eliminate the calling of a location more than once.
- Compare Census data supplied by the Federal government with State census data maintain by the Town Clerk's office tagging the records that are additional or not matching. Working with the Town Clerk to supply the Federal Census bureau with an up-to-date accurate listing of residents of Sudbury.
- Assist with the development of 6 short video segments about the Town that are posted on the website.
- Upgrade the Local Area Network (LAN) at the Police Station by adding new Gigabit core switch. Establishing VLANs on the network which will segment network traffic thus improving the overall network performance. The Fiber WAN connection from the Police to the Flynn building will also be upgrade to Gigabit speed.
- Work with the GIS Administrator / GIS Consultant to implement the FY08 initiatives in Sudbury's GIS plan.
- Establish network connection at the Parks and Ground department using the existing Fire Alarm wire. A 10 Mb network connection was established with a SHDSL modem at Park and Grounds and at the Town Hall.
- Implement McAfee Secure Internet Gateway Web URL filtering module which allows the Town to manage employee internet access. Creating reports which analyze how employees are using the Internet and identify activity that is degrading network

performance. Should provide reports such as daily/weekly/monthly/yearly traffic, most blocked URLs, most active users, and individual use.

- Implement an archiving software system at the Police, Assessing and Town Clerk departments which scans, stores and retrieves departments paper and electronic documents from a centralized database server.

#### PERFORMANCE/WORKLOAD INDICATORS

Indicator	FY04	FY05	FY06	FY07
Staff Computers	194	221	221	226
Computer User Accounts	199	219	229	240
Email Accounts / Email Distribution Groups	338/66	1018/119	1551/112	1660/120
New Hires - Town	94	87	64	78
VPN Users	7	24	31	38
Total Website Hits Per Year	1,710,564	2,763,486	4,127,667	5,086,703

#### BUDGET ISSUES

Level Staff Budget: The personnel part of this budget provides for the same level of staffing as FY08, adjusted only for cost of living adjustment. Likewise, the expense budget is at the same dollar level as FY08.

Non Override Budget: With a need to reduce the Town's overall budget request to 1% less than FY08, we are proposing a number of reductions to this office's budget, but only with great regret and full recognition that in doing so the Town will be reducing its ability to continue with productivity improvements and use of technology. Sudbury residents expect and in fact demand that Town staff respond to their needs quickly and that all information is available to them immediately. Town staff is dealing with more and different types of service demands from residents. It is the careful use of technology that has enabled us to cope with these demands. The proposed personnel reduction eliminates the GIS staff position created in FY08, but not yet filled. This is a 30 hour per week position that we had hoped would grow to full-time. The overall need for this position has not gone away and it is particularly frustrating that the Town has been successful in finding non budgetary resources to fund many of the non-personnel costs of developing a fully functional GIS system for the Town, but without a staff person we will not be move forward at this time. The Town has been preparing for roll out of GIS for several years, but it is essential if we are to achieve Sudbury's goal of establishing an integrated, easy to use, multi-departmental enterprise GIS system, that there be a position to assist with the development and implementation of the GIS Town wide system.

The expense budget is being heavily reduced as well. This will sorely affect the ability of this office to continue to obtain new equipment to replace that which is becoming obsolete and difficult to maintain.

This department is critical to the continued operation of all other departments and missions of the Town and even this level of reduction should be avoided if possible. This department has been struggling with an increasing workload for a long time and has no real clerical support as it is.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>INFORMATION SYSTEMS</b>				
Technology Administrator	75,316	76,965	80,664	84,261
Non-clerical	51,219	54,287	58,309	59,767
GIS Administrator	0	0	27,540	0
Sick Leave Buy Back	1,727	1,761	1,850	1,932
Summer Help	13,470	12,356	10,724	10,969
<b>Sub Total: Personal Services</b>	<b>141,732</b>	<b>145,370</b>	<b>179,087</b>	<b>156,928</b>
General Expense	5,553	5,734	5,000	5,000
Software	33,098	28,268	42,845	42,845
Maintenance	13,280	13,984	10,000	10,000
Travel	156	0	1,100	1,000
Contracted Services	16,118	27,051	24,600	24,600
Equipment	50,183	45,213	50,000	35,994
Professional Development	1,152	1,185	4,350	4,000
WAN/Telephone Connections	14,802	30,798	11,500	11,500
Network	8,160	5,981	5,000	5,000
Internet	268	268	10,000	10,000
Carryforward Expense	21,522	13,565	0	0
<b>Sub Total: Expenses</b>	<b>164,292</b>	<b>172,047</b>	<b>164,395</b>	<b>149,939</b>
<b>Total: Information Systems</b>	<b>306,023</b>	<b>317,417</b>	<b>343,482</b>	<b>306,867</b>

## GENERAL GOVERNMENT: Committee for Preservation of Town Documents

### MISSION OF THE OFFICE

This committee was created to insure that documents are properly archived and preserved.

### DESCRIPTION OF SERVICES

The Committee for the Preservation of Town Documents is responsible for preserving and microfilming current and ancient Town documents.

### STAFFING

There is no staff associated with this budget; The Town Clerk's office staff completes the work.

### BUDGET ISSUES

Level Staff Budget: This budget does not have any personnel costs, as the Town Clerk oversees this function. The modest expense is set at the same level as FY08.

Non Override Budget: This budget has been severely reduced in percentage terms (a 50% decrease). This budget pays for the storage for the microfilmed records of the town, plus adding new records and other archival activities. Everything except the storage fee will be delayed until FY10, but must be dealt with sometime – these tasks can't just go away.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	Actual FY06	Actual FY07	Appropriated FY08	Appropriated FY09
<b>DOCUMENT PRESERVATION</b>				
General Expenses	999	972	1,750	1,000
Carryforward Expense		0		
<b>Sub Total: Expenses</b>	<b>999</b>	<b>972</b>	<b>1,750</b>	<b>1,000</b>
<b>Total: Doc. Preservation</b>	<b>999</b>	<b>972</b>	<b>1,750</b>	<b>1,000</b>

## GENERAL GOVERNMENT: Town Clerk and Registrars

### MISSION OF THE OFFICE

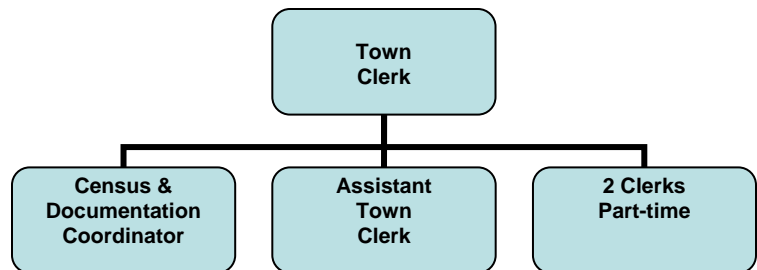
The mission of the Town Clerk's Office is to safeguard the vital records and elections process of the Town through the use of professional administrative practices, in order to preserve the Town's vital and historical records and the integrity in elections.

### DESCRIPTION OF SERVICES

State law provides that the Town Clerk is the official keeper of the Town Seal and the Town's Oath Book. The Town Clerk oversees and ensures all statutory and by-law required functions are correctly and efficiently performed. In conjunction with the Board of Selectmen's Administrative Assistant, Town Moderator and Town Counsel the Town Clerk insures well run Town Meetings and submits general bylaw and zoning bylaw amendments at the close of Town Meeting to the Attorney General for approval. She records and certifies all official actions of the Town, including Town Meeting legislation and appropriations, Planning, Zoning Board and Board of Appeals decisions and signs all notes for borrowing. The Town Clerk serves as chief election official; oversees polling places, election officers, and the general conduct of all elections; directs preparation of ballots, polling places, voting equipment, voting lists, administers campaign finance laws, certifies nomination papers and initiative petitions and serves on the local Board of Registrars. The Town Clerk's Office conducts the annual town census, prepares the street list of residents and furnishes the jury list to the Office of the Jury Commissioner. The Town Clerk and some members of her staff also are Notaries Public and have the authority to notarize documents signed in their presence. The Town Clerk serves as the custodian of Town records and official documents. She is responsible for the maintenance, preservation and disposition of all Town records. She is required by State Law to ensure that Town records are readily available for public inspection.

### STAFFING

Staffing includes a Town Clerk, an Assistant Town Clerk, one full-time Census and Documentation Coordinator, and two part-time clerical positions. The Town Clerk, along with the Board of Registrars, oversees all elections held in Sudbury, and her office includes the salaries for part-time poll workers and police details associated with elections.



### FY09 GOALS AND INITIATIVES

- Continue implementation of the Help America Vote Act
- Conduct fair and impartial elections in compliance with Federal and State laws and the Town Bylaws.
- Conduct mandatory training sessions for election workers to prepare for the State Primary and the Presidential Election
- Continue to work with IT to implement the Electronic Unified Archiving Solution software that will manage Town's documents and records, archiving documents securely, while providing efficient access

- Complete a records survey of Town Hall records to assess environment, condition of records, quality of storage and make recommendations for improvements
- Maintain the Town Clerk website to provide current, pertinent information including links to services, voting information and procedures and current events.

### **FY07/FY08 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Conducted three well run elections, two state elections and one local election
- Completed a year long series of conservation and preservation workshops.
- Began the work with IT to implement the Electronic Unified Archiving Solution software
- Expanded the information available on the Town Clerk website and improved accessibility to information and documents and links to State websites.
- Upgraded the Town Hall door locks, keys and Town Hall access
- Attended Federal Census 2010 LUCA workshops

### **PERFORMANCE/WORKLOAD INDICATORS**

<b>Indicator</b>	<b>FY06</b>	<b>FY07</b>
<b>Certified Vital Records and Burial Permit Issued</b>	<b>1242</b>	<b>1236</b>
<b>Business Certificates Issued</b>	<b>154</b>	<b>147</b>
<b>Generated and Mailed Yearly Census</b>	<b>6,110</b>	<b>6304</b>
<b>Returned and processed</b>	<b>95.70%</b>	<b>96.60%</b>
<b>Number of processed new registered voters</b>	<b>541</b>	<b>657</b>
<b>Official Voter Population</b>	<b>10,891</b>	<b>10,684</b>
<b>Official Population</b>	<b>18,207</b>	<b>18,080</b>
<b>Registered Dogs</b>	<b>2,098</b>	<b>2178</b>

### **BUDGET ISSUES**

Level Staff Budget: The personnel part of this budget provides for the same level of staffing as FY08, adjusted only for cost of living adjustment with the exception of increased funding for election workers. There is a presidential election in FY09, and all those expenses related to one more election are included and cannot be reduced. Except for election related costs the expense budget is slightly reduced from FY08.

Non Override Budget: To make the required reductions, funds have been removed for one election. Generally, this office budgets for one extra election per year beyond what is known so that if the Selectmen call for a special election the funds are available, or as happened this year when an official resigned and a special election was called to replace him. With this safety margin gone, if there is an extra election, funds will need to come from the reserve fund.

**NOTE:** This office generates nearly \$45,000 annually in general fund and revolving fund income through its work issuing a variety of licenses and permits.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.



	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>TOWN CLERK &amp; REGISTRARS</b>				
Town Clerk	60,665	51,861	54,487	58,027
Overtime	336	1,005	1,000	1,538
Clerical	117,785	107,724	124,039	127,842
Election Workers	3,006	11,177	14,000	19,440
Registrars	932	932	956	956
<b>Sub Total: Personal Services</b>	<b>182,724</b>	<b>172,699</b>	<b>194,482</b>	<b>207,803</b>
General Expense	12,163	10,314	12,548	12,000
Computer	1,740	0	1,750	0
Maintenance	169	0	200	200
Travel	621	1,060	750	750
Tuition	192	1,650	1,500	1,000
Elections	6,292	13,701	14,000	13,000
Equipment	1,428	0	1,500	0
Carryforward Expense	3,380	446	0	0
<b>Sub Total: Expenses</b>	<b>25,984</b>	<b>27,171</b>	<b>32,248</b>	<b>26,950</b>
<b>Total: Town Clerk &amp; Registrars</b>	<b>208,709</b>	<b>199,870</b>	<b>226,730</b>	<b>234,753</b>

## GENERAL GOVERNMENT: Conservation

### MISSION OF THE OFFICE

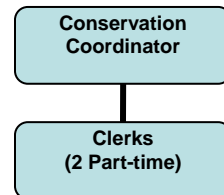
The Sudbury Conservation Commission was established in 1962 to protect local natural resources and features and to act as stewards of the Town's conservation properties. One of the Conservation Commission's most important responsibilities is protecting the ecological integrity of Sudbury's wetlands and the surrounding landscape

### DESCRIPTION OF SERVICES

The Commission is responsible for implementing and enforcing the Massachusetts Wetlands Protection Act and the Sudbury Wetlands Administration Bylaw. The Conservation Commission manages the Town's ten conservation lands for public enjoyment. These properties and the Sudbury River offer many opportunities for outdoor recreation. One major goal is to increase public awareness and appreciation of the many ways in which our local plants, wildlife, and natural landscape add to the quality of life in our community. As part of educational efforts the Conservation Commission leads public walks, speaks to elementary school science classes, and teaches field workshops for local scout groups. The Conservation Coordinator is responsible for preparing the Open Space and Recreation Plan for the Town, which enables the town to receive state reimbursement for land acquisition projects, and assists in review and negotiations for new land purchases.

### STAFFING

Current staffing for the Conservation Commission office includes a full-time Conservation Coordinator, and a part-time clerical position.



### PERFORMANCE/WORKLOAD INDICATORS

Indicator	FY05	FY06
Permit applications	78	79
Wetland Violations Actions	14	12

### BUDGET ISSUES

Level Staff Budget: The personnel part of this budget provides for the same level of staffing as FY08, adjusted only for cost of living adjustment. A few more hours per year will be charged to the wetland revolving fund for the clerical support person in this office. The expense lines are slightly below the FY08 level.

Non Override Budget: In FY08 a part-time (15 hours per week) staff position was added to help with workload of this office, where the number of applications for permits, as well as inquiries from property owners has increased dramatically over recent years. Further the complexity of projects has increased. Land is being developed now that was passed by in earlier years due to the amount of wetland or environmental sensitivity issues. This addition also means this office is open to the public during times when the Conservation Coordinator is on site out of the office for inspections and meetings with applicants, engineers, etc. Finally, this position is shared with the Health Office (15

hours dedicated to that office) and we have been training the new staff person in soil evaluations and other skills needed by both offices. If this position was eliminated at this time, we would lose the training and knowledge the staff person has been gaining. Thus, the only reductions in this budget scenario are in the general expense and trail maintenance line items.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>CONSERVATION</b>				
Conservation Coordinator	62,876	64,129	67,346	70,339
Non Clerical	0	0	17,153	18,112
Clerical	10,269	10,711	11,520	10,877
Sick Leave Buy Back	1,441	1,470	1,494	1,641
<b>Sub Total: Personal Services</b>	<b>74,585</b>	<b>76,310</b>	<b>97,513</b>	<b>100,969</b>
General Expense	2,477	1,858	1,660	1,400
Clothing	275	300	300	450
Trail Maintenance	1,955	1,754	3,000	3,000
Travel	828	787	650	600
Carryforwad Expense	666	0	0	0
<b>Sub Total: Expenses</b>	<b>6,201</b>	<b>4,700</b>	<b>5,610</b>	<b>5,450</b>
<b>Total: Conservation</b>	<b>80,786</b>	<b>81,009</b>	<b>103,123</b>	<b>106,419</b>

## GENERAL GOVERNMENT: Planning and Community Development Department

### MISSION OF THE DEPARTMENT

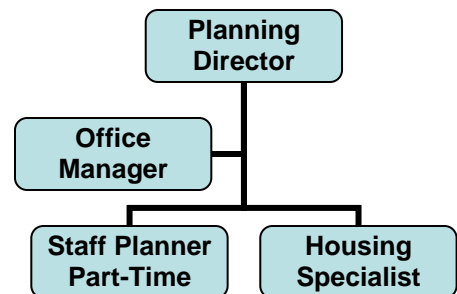
The mission of the department is to provide technical advisory services and coordination of town officials, committees, and commissions on issues involving planning, zoning, land management, development/re-development and affordable housing.

### DESCRIPTION OF SERVICES

The department provides staff services on a regular basis, directly to the Planning Board, Zoning Board, Board of Selectmen, Community Preservation Committee, Design Review Board, Sudbury Housing Trust, Historical Commission, and Historic Districts Commission. They also provide services for the Conservation Commission and the Board of Health. The department processes and reviews development applications, coordinates land acquisition projects, and communicates town projects and goals to the public via the website and other media. Additionally, this department assists with budget preparations for the various boards and committees, coordinates data collection and serves as advisors to the Town Manager on all issues relating to land use, planning, zoning and development.

### STAFFING

The personnel in the department include a full-time Director of Planning and Community Development, a part-time Assistant Planner (funded partially with CPA funds), a part-time Community Housing Specialist (funded entirely with CPA funds) and a part-time clerical position. The Assistant Planner and Community Housing Specialists positions were added to the department in FY07, as was a recording secretary to attend Planning Board meetings bi-monthly.



### PERFORMANCE/WORKLOAD INDICATORS

Indicator	FY06	FY07
Subdivision Applications Filed	3	2
Subdivision Lots Approved	13	6
Senior Development Permit Applications Filed	1	0
Senior Development Units Approved	0	52
Comprehensive Permits Filed	1	1
Comprehensive Permit Units Approved	45	73
Affordable Housing Units Constructed	2	0
Site Plan Applications Reviewed	3	2

### FY09 GOALS AND INITIATIVES

- Complete survey and design phase of Town Center Project
- Continue Traffic Management process, working with DPW Director and Police Chief
- Develop RFP for Route 20 corridor study

- Work with Housing Trust to produce affordable housing – Young property, Dutton Road lot
- Progress on Route 20 wastewater project – work with DEP on Project Evaluation Form and options for disposal
- Continue work on major zoning bylaws, i.e., Earth Removal, farm animals, Low Impact Development, Wireless Facilities
- Continue assessing the impacts to Sudbury from projects in abutting towns - Wayland Town Center project, Alexan Concord 40B
- Complete Melone and Mahoney feasibility studies
- Update Community Preservation Committee Report
- Implement recommendations in Open Space and Recreation Plan

## **FY08 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Fully staffed department
- Walkway Planning and Prioritization Initiative –second season of initiative begun
- Housing Trust property acquisition – Young, Dutton Road
- Became Monitoring Agent for local 40B developments
- Completed the 2007 Open Space and Recreation Plan
- Completed Raymond Road and second portion of Willis Road walkways
- Coordinated review of major development projects with Conservation Coordinator, Health Director, Public Works Director, Fire Chief and Building Inspector
- Negotiated acquisition of development rights on Nobscot Reservation
- Negotiated acquisition of CSX railroad corridor
- Directed UMass LARP student assessment of Melone property
- Completed BFRT Wildlife Study RFP
- Assisted Selectmen in assessing new Regional Transit Authority
- Sudbury Village 40B reviewed and approved – 73 units

## **BUDGET ISSUES**

Level Staff Budget: The personnel part of this budget provides for the same level of staffing as FY08, adjusted only for cost of living adjustment provided for the unionized (full-time) and non- unionized part-time employees of this office. The expense lines have been set at the same level as FY08.

Non Override Budget: It is with tremendous regret that under this budget the part-time Assistant Planner position is eliminated, for a savings of \$24,806. This position is not only responsible for staffing the Community Preservation Committee with their increasing workload of projects, meetings, financial management, etc., but also handles initial subdivision fling work, freeing up the Director of Planning and Community Development to work on projects that help bring in and sustain our commercial sector,

as well as generate significant dollars to the town from developers. For example, she is able to work with each developer and applicant to identify and quantify what negative impacts their project is bringing into the Town and develop a plan for mitigation monies the developer can voluntarily contribute to the Town to offset those impacts. In FY07 alone, her efforts led to over \$100,000 of these contributions for walkway development, public safety equipment purchases, etc, easily paying for the costs of this one part-time staff position. Without this part-time assistance, the Town is back to one professional staff person in this office, supplemented by part-time clerical help. This means this office is closed to the public many times during times during the day when the Director is on site out of the office for meetings with applicants, engineers, etc. Since the first Assistant Planner left for a position as Town Planner with another Town, it is currently vacant and a hiring freeze has been put in place as of December, 2007. Additionally, \$1,067 in expense money has been taken from this office's budget.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>PLANNING &amp; DESIGN REVIEW</b>				
Town Planner	75,611	82,118	86,778	92,406
Assistant Planner	24,347	14,134	23,650	0
Clerical	594	32,930	32,367	35,978
Stipend	0	0	1,000	1,000
<b>Sub Total: Personal Services</b>	<b>100,551</b>	<b>129,182</b>	<b>143,795</b>	<b>129,383</b>
General Expense	1,873	2,326	2,500	1,533
Professional Development	322	750	750	650
Clothing Allowance	100	0	125	125
Carryforwad Expense	5,256	0	0	0
<b>Sub Total: Expenses</b>	<b>7,550</b>	<b>3,076</b>	<b>3,375</b>	<b>2,308</b>
<b>Total: Planning Board</b>	<b>108,102</b>	<b>132,258</b>	<b>147,170</b>	<b>131,691</b>

## **GENERAL GOVERNMENT: Board of Appeals**

### **MISSION OF BOARD**

The Board of Appeals is a statutory Board provided for by Massachusetts State law as well as Sudbury's own bylaws. In the broadest sense, it exists to grant relief from the Town's Zoning Bylaw when literal enforcement would constitute hardship to the property owner without significant impairment of the public welfare and/or without being substantially more detrimental to the adjoining neighborhoods.

### **DESCRIPTION OF SERVICES**

The Board acts as one of Sudbury's special permit granting authorities, hears applications for comprehensive permits under G.L. c.40B and considers applications for relief from the Town's Zoning Bylaw. The ZBA is comprised of five members appointed by the Board of Selectmen. Several associate members are also appointed to serve in place of the regular members as needed. The associate members also serve as full members of the Earth Removal Board.

### **STAFFING**

Staff consists of a part-time clerical position.

### **PERFORMANCE/WORKLOAD INDICATORS**

<b>Indicator</b>	<b>FY07</b>	<b>Est. FY08*</b>
<b>Total Cases Filed</b>	<b>49</b>	<b>55</b>
<b>Tear down applications filed</b>	<b>16</b>	<b>8</b>
<b>Comprehensive Permit applications filed</b>	<b>3</b>	<b>2</b>
<b>Pre-existing, non-conforming lots or structures</b>	<b>7</b>	<b>12</b>

\*As of Nov. 1, 2007, 29 applications have been received which includes 4 tear downs & 8 non-conforming structures. It is anticipated that 2 local 40B applications will be received in FY08.

### **BUDGET ISSUES**

Level Staff Budget: The personnel part of this budget provides for the same level of staffing as FY08, adjusted only for cost of living adjustment. The workload of this office depends on the number of filings with the Board of Appeals, and in the past this is an office that has needed reserve funds transfers when large projects have filed, necessitating multiple hearings and onerous record keeping. The expense portion of this budget has been set at the FY08 levels.

Non Override Budget: The only reduction possible in this budget is for expenses, and those have been cut by \$550. Whether this office can manage on this reduced amount will depend on the number of filings with the Board of Appeals. This office's work is strictly guided by state laws and local bylaws and having hearings within certain dates, having the minutes of these meetings professionally taken to be incorporated into the record for decisions and permits is required.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	Actual FY06	Actual FY07	Appropriated FY08	Appropriated FY09
<b>BOARD OF APPEALS</b>				
Clerical	27,823	30,253	25,072	27,832
<b>Sub Total: Personal Services</b>	<b>27,823</b>	<b>30,253</b>	<b>25,072</b>	<b>27,832</b>
General Expense	865	1,317	1,850	1,300
Carryforward Expense	64	23	0	
<b>Sub Total: Expenses</b>	<b>929</b>	<b>1,340</b>	<b>1,850</b>	<b>1,300</b>
<b>Total: Board of Appeals</b>	<b>28,752</b>	<b>31,593</b>	<b>26,922</b>	<b>29,132</b>



# Public Safety Services



**Sudbury Fire  
Headquarters**



**Sudbury Police  
Station**

	Actual FY06	Actual FY07	Appropriated FY08	Appropriated FY09
<b>PUBLIC SAFETY</b>				
<u>Police</u>	2,327,593	2,515,223	2,625,554	2,592,832
<u>Fire</u>	2,590,279	2,712,066	2,786,165	2,861,658
<u>Building Department</u>	773,548	942,061	965,455	945,187
<b>Total Public Safety</b>	<b>5,691,420</b>	<b>6,169,350</b>	<b>6,377,174</b>	<b>6,399,677</b>

## PUBLIC SAFETY: Police Department

### MISSION OF THE DEPARTMENT

The mission of the Sudbury Police Department is to work with all residents of the community to create a positive partnership emphasizing equality, fairness, integrity and professionalism. Our objective is to provide the most responsive and highest quality police services possible by working in a collaborative proactive manner with the community to identify and solve problems, prevent crime, and apprehend offenders in a manner consistent with established State, and local laws.

### DESCRIPTION OF SERVICES

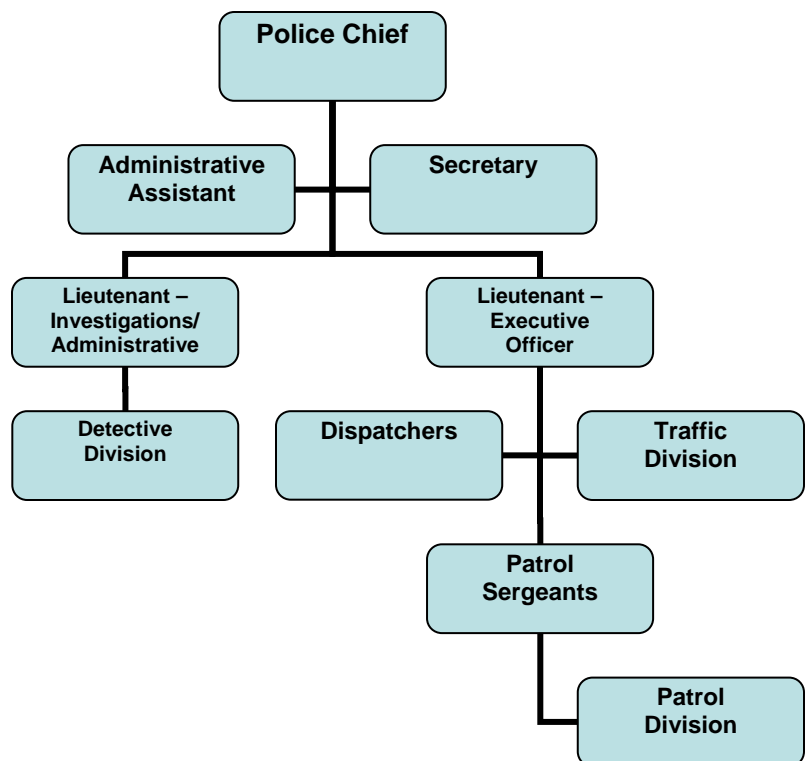
The Sudbury Police Department provides a complete range of public safety and community-based services including: criminal investigation, motor vehicle law enforcement, preventive patrol and emergency response. The Department provides crime prevention programs, services to youth, D.A.R.E., and the processing of permits including firearms, door to door solicitors', raffles and public assembly.

### STAFFING

The Sudbury Police Department has a sworn staff of 29 personnel (one chief, two lieutenants, five sergeants, and twenty-one patrol officers) plus four dispatchers and two administrative positions.

### FY08/09 GOALS AND INITIATIVES

- To complete all aspects of the departments radio frequency re-banding required by the FCC.
- Update aging department radio transmitter and receiver using state grant monies.
- To continue working with the Sudbury Public Schools and the High School to improve upon the Comprehensive School Emergency Plans.
- To continue progress on completing the Department Policies and Procedures.
- Continue to participate in the Town's Local Emergency Planning Committee with the goal of attaining certification
- To complete the implementation of the traffic safety program in the community and continue to develop a community relations plan so that residents are aware of how to access the program to ensure their traffic concerns are addressed.



## **FY07/FY08 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Working with the Town Manager, DPW Director and Town Planner to create an active traffic safety program which is now in its initial stages.
- We have worked with the Sudbury Public Schools and the High School on their Comprehensive School Emergency Plans. The department also participated in tabletop exercises and lockdown procedures at all of our schools. All members of the police department were also trained in Active Shooter Procedures which deals with situations where an intruder may be in a school.
- Oversaw the installation of the new Windows based 911 system and trained department personnel in its use.
- Successfully negotiated the radio frequency changeover with Nextel and the FCC resulting in the town receiving over \$100,000 of new radio equipment. Frequency changeover to be completed this year.
- Worked with the Assistant Town Manager/Personnel Director in progressing towards getting the Sudbury Police Department fully staffed with high quality personnel in all positions.
- Continued progress on the updating Department Policies and Procedures, to be completed by July 1, 2008.
- Participated in the Town's Local Emergency Planning Committee, having obtained a provisional certification
- Have improved the quality and quantity of information on Police Department web site.
- Have integrated the School Departments student roster information into the Reverse 911 system and have run successful town wide tests of the system.

## **PERFORMANCE/WORKLOAD INDICATORS**

Indicator	FY06	FY07
<b>Calls for Service</b>	<b>18,382</b>	<b>18,445</b>
<b>Arrests</b>	<b>253</b>	<b>232</b>
<b>Criminal Complaint Applications</b>	<b>552</b>	<b>556</b>
<b>911 Calls Received</b>	<b>2,309</b>	<b>2,581</b>
<b>Alarms</b>	<b>1,126</b>	<b>1,036</b>
<b>Response to Motor Vehicle Accidents</b>	<b>674</b>	<b>557</b>

## **BUDGET ISSUES**

Level Staff Budget: The personnel part of this budget provides for the same level of staffing as FY08, adjusted only for cost of living adjustment provided for the non- unionized employees of this office- collective bargaining is continuing for those in the union. The expense lines have been set at the same level as FY08 with the following unavoidable exceptions: \$1,000 for copier expenses as the trial courts are now requiring police departments to provide more copies of complaints, saving them the cost of making these copies; \$500 for the police departments share of the maintenance of the new phone system; \$1,280 for hardware and software agreements with the contractor for the instant records checks system; \$1,000 for ammunition which has been under-budgeted, there have been price increases, and there is increased usage due to officers at the academy. A maintenance contract for the typewriter was eliminated. Additionally, the juvenile officer expenses are up \$300 due to the need to

purchase materials for the program and travel in-state is up \$500 for reimbursement to officers for use of their own vehicles to attend training and court. The Town follows the IRS reimbursement rates. Finally, the cost of the cruiser replacement expense line has increased by \$2,910 due to increases in the state contract price for these vehicles.

Departmental Request Budget: The Police Chief has requested that \$7,500 be added to his budget to complete at the installation of radio equipment at the station. This important project was started with grant funding (\$18,000) but needs \$7,500 to complete. Unfortunately, no departmental growth requests are being honored for FY09, given the Finance Committees directions for budget requests.

Non Override Budget:

This budget is set nearly 1% lower than the FY08 appropriation, but it is difficult to calculate exact amounts because the collective bargaining process is still ongoing. Reductions of approximately \$51,000 were taken from police officers salaries, as the Chief is being asked to operate with 1.5 positions vacant for most of the year. Further, \$34,000 is being reduced from the needed overtime account. This means that at many times, the Chief will have to reduce shift coverage in time. For illustration purposes, the Town spent \$286,479 for overtime in FY07, and we are allowing only \$205,000 in this non-override budget for FY09, at a time when salary increases means the dollars won't go as far in terms of hours of coverage for vacant shifts. Another major area that is being cut is the police cruisers line, by \$26,000 compared to the level staff budget. The Town has had good luck with the current replacement schedule we have followed as this keeps the amounts spent for repairs and parts low, and times when a cruiser is out of service almost nil. And we get the best possible trade-in for these vehicles. On the other hand, when we fall behind on the replacement schedule the costs and out of service problems set in. The marked vehicles tend to be on the road 24/7, as they are used on each of the three shifts during the 24 hour day. The fifth vehicle is the unmarked car, which is kept in the department for four years, then passed down to the other departments such as the Building Inspector and Health Department. If these unmarked cars are kept in service with the Police too long, they become too worn out to give much further service to other departments.

It should be noted that the Police Department generates approximately \$229,500 annually for the general fund, through a combination of traffic fines, and other fees charged, plus the Quinn Bill reimbursement program. At this time, all those moneys go to the general fund. Further, it should be noted this department generated over \$40,000 in grant funding during FY07. *(See Appendix Eleven for a log of grant information.)*

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>POLICE</b>				
Police Chief	114,863	122,815	130,908	134,181
Lieutenant	168,192	178,553	190,829	203,188
Patrol Officers	1,239,089	1,243,210	1,381,058	1,366,009
Night Differential	17,743	15,906	20,300	20,300
Overtime	224,144	286,479	230,000	205,000
Clerical	93,516	85,438	97,668	102,927
Dispatchers	146,251	153,394	161,631	169,051
Sick Leave Buy Back	4,390	4,467	5,665	7,165
Holiday Pay	15,354	17,810	14,941	14,941
Non-accountable Clothing	0	9,250	10,730	10,730
Stipend	26,641	25,800	31,350	33,500
<b>Sub Total: Personal Services</b>	<b>2,050,183</b>	<b>2,143,121</b>	<b>2,275,080</b>	<b>2,266,993</b>
General Expense	38,852	69,186	54,083	54,708
Maintenance	47,925	53,981	62,750	63,580
Travel	3,921	2,096	3,000	3,000
Uniforms	27,068	18,301	17,790	17,790
Tuition	12,997	3,773	10,000	9,000
Equipment	5,073	10,177	7,500	7,500
Gasoline	0	58,940	75,961	75,961
Dog Officer Expenses	11,318	9,999	2,000	0
Carryforward Expense	18,513	24,159	0	0
<b>Sub Total: Expenses</b>	<b>165,667</b>	<b>250,612</b>	<b>233,084</b>	<b>231,539</b>
Police Cruisers	111,743	121,490	117,390	94,300
<b>Sub Total: Capital</b>	<b>111,743</b>	<b>121,490</b>	<b>117,390</b>	<b>94,300</b>
<b>Total: Police</b>	<b>2,327,593</b>	<b>2,515,223</b>	<b>2,625,554</b>	<b>2,592,832</b>

## PUBLIC SAFETY: Fire Department

### MISSION OF THE DEPARTMENT

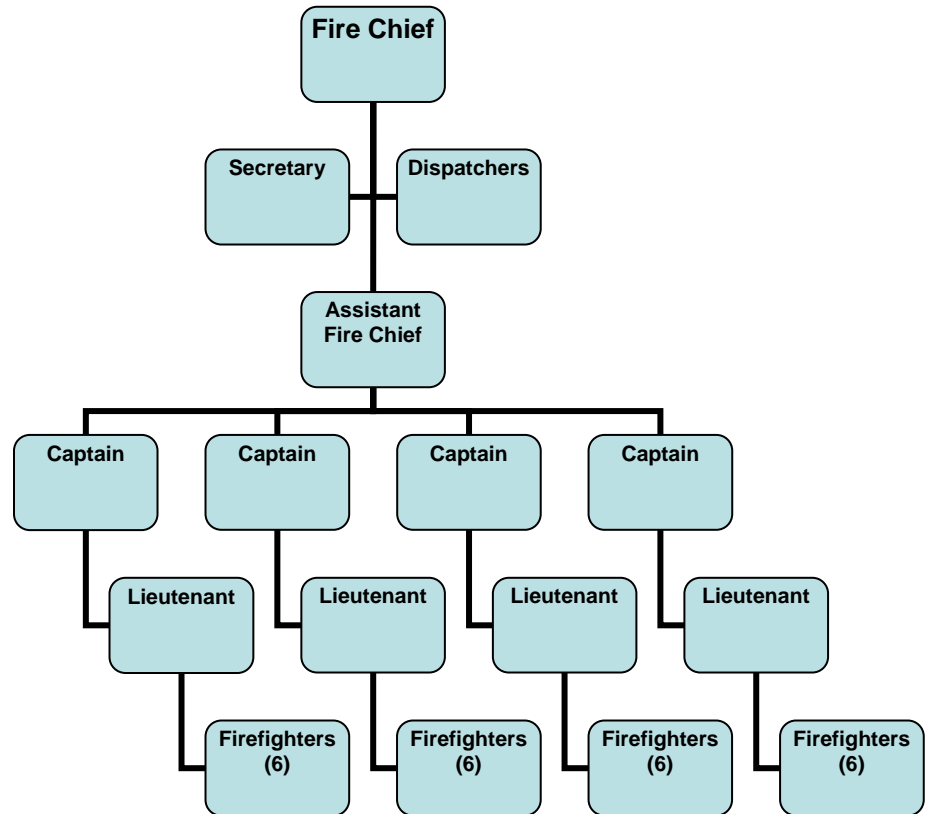
The mission of the Sudbury Fire Department is to protect the lives and property of the community from emergencies involving fire, medical, hazardous materials, and environmental causes.

### DESCRIPTION OF SERVICES

The Fire Department is responsible for fire prevention/education, fire suppression, ambulance and emergency medical services, as well as fire inspections, disaster preparedness and mitigation.

### STAFFING

Currently the Department consists of 1 Chief, 1 Assistant Chief, 4 Captains, 4 Lieutenants and 24 firefighters, as well as 3 civilian dispatchers and a 3/4 secretary. Thirty-five personnel are certified Emergency Medical Technicians.



### FY09 GOALS AND INITIATIVES

- Continue to develop the Community Emergency Response Team (CERT) as an auxiliary force for deployment during catastrophic emergencies
- Bolster the call division of the fire department
- Implement updated Standard Operating Guidelines by which we conduct operations
- Renew the Comprehensive Emergency Management Plan with strategic partners
- Enhance our online presence for permitting, news dissemination, forms, etc.
- Relocate our main radio repeater site to improve communications
- Purchase a new ambulance as part of a scheduled replacement
- Develop interdepartmental Continuity of Operations plans

### FY07/FY08 MAJOR INITIATIVES AND ACCOMPLISHMENTS

- The Community Emergency Response Team (CERT) was established and is operational. There are now 26 members.
- The Local Emergency Planning Committee became Startup certified, held a town-wide tabletop emergency exercise, and is now Provisionally certified
- The Comprehensive Emergency Management Plan (CEMP) was updated and re-written.
- A new fire engine was purchased, outfitted, and put in service at Station 3
- Applied for and received a grant of \$103,030 for replacement of all firefighter turnout gear
- Applied for and received a grant of \$101,970 for call department hiring and training
- Established Medical Director position to enhance our ability to delivery higher levels of emergency medical services.

### PERFORMANCE/WORKLOAD INDICATORS

Indicator	FY06	FY07
<b>Calls for Assistance</b>	<b>1793</b>	<b>1833</b>
<b>Structure Fires</b>	<b>8</b>	<b>9</b>
<b>Calls for Ambulance</b>	<b>952</b>	<b>992</b>
<b>Permits Issued</b>	<b>535</b>	<b>585</b>
<b>Burning Permits</b>	<b>1099</b>	<b>793</b>

### BUDGET ISSUES

Level Staff Budget: The personnel part of this budget provides for the same level of staffing as FY08, adjusted only for cost of living adjustment provided for the employees of this office. The Fire Chief has requested the creation of a 5<sup>th</sup> Lieutenant/EMT position to act as a staff officer/inspector assigned to the Chief's Office. Potential overtime savings and revenue enhancement from ambulance operations could bring in revenue to offset some of the cost of adding this position, but since there is no allowance for new initiatives for FY09, that position is not included at this time.

The expense lines have been set at the same level as FY08, with three exceptions: the travel in-state has been increased to account for firefighters who use their own vehicles when they serve as regional hazardous materials technicians, the allowance for uniforms for the Chief and Assistant Chief is restored (unintentionally omitted in FY08, and \$1,434 additional in general expenses to account for the actual cost of telephone expenses for the department.

Additionally, the rescue boat used by the Fire Department is no longer reliable and needs replacing. This budget provides for the Chief to purchase a replacement.

#### Non Override Budget:

On a gross basis, this budget is 2.7% higher than FY08, but on a net basis it is 1.6% LOWER than FY08, as the Chief has recommended use of much higher level than usual from receipts reserved for the ambulance offset account to prevent the onerous reductions that would otherwise need to be made for this budget. Without this one time use of these funds, the overtime line item was scheduled for very drastic reductions, which would have meant that Station 3, the satellite station on Route 117, would have to

be kept closed whenever staffing levels dipped below normal for much of the year. It is the overtime account that allows the Chief to bring back an off duty firefighter to fill the vacancy and keep this station open.

It should be noted that the Fire Department generates approximately \$12,000 annually for the general fund and revolving funds through the permits it issues. Further, the Fire Department received over \$200,000 in grant funding in FY07.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>FIRE</b>				
Fire Chief	98,668	104,920	114,726	122,004
Deputy Chief	22,569	84,016	90,551	96,285
Staff Officer	0	0	0	0
Firefighters/EMTs	1,609,161	1,649,624	1,692,698	1,745,471
Overtime	477,234	437,258	364,949	393,801
Clerical	26,852	30,827	32,359	34,476
Dispatchers	102,586	105,539	96,861	105,978
Non-accountable Clothing	0	21,370	23,300	23,300
Sick Buy Back	1,869	4,605	14,737	11,575
Fire Stipends	0	2,414	27,070	27,070
<b>Sub Total: Personal Services</b>	<b>2,338,938</b>	<b>2,440,573</b>	<b>2,457,251</b>	<b>2,559,960</b>
General Expense	37,325	29,073	40,985	42,139
Maintenance	89,428	56,456	63,000	63,000
Alarm Maint.	987	1,024	3,000	3,000
Travel	143	188	500	2,130
Utilities	0	42,591	52,770	52,770
Uniforms	21,433	19,265	18,800	18,800
Tuition	715	3,877	15,000	10,000
Contracted Services	15,759	24,253	36,500	36,500
Equipment	32,408	21,736	28,750	28,750
Gasoline/Diesel Fuel	0	21,485	24,609	24,609
Carryforwad Expense	10,217	7,625	0	0
<b>Sub Total: Expenses</b>	<b>208,415</b>	<b>227,574</b>	<b>283,914</b>	<b>281,698</b>
Capital Items	42,926	43,919	45,000	20,000
<b>Sub Total: Capital Expenses</b>	<b>42,926</b>	<b>43,919</b>	<b>45,000</b>	<b>20,000</b>
<b>Total: Fire</b>	<b>2,590,279</b>	<b>2,712,066</b>	<b>2,786,165</b>	<b>2,861,658</b>
<b>OFFSET Ambulance Fund</b>	<b>(210,189)</b>	<b>(230,342)</b>	<b>(230,342)</b>	<b>(347,238)</b>
<b>Net Fire</b>	<b>2,380,090</b>	<b>2,481,724</b>	<b>2,555,823</b>	<b>2,514,420</b>



## **PUBLIC SAFETY: Building Department**

### **MISSION OF THE DEPARTMENT**

The mission of the Building Department is to contribute to the protection of the public through the enforcement of building codes and zoning bylaws. The Building Department is also responsible for keeping many Town Buildings safe, clean, healthy and energy-efficient for use by the public and Town employees.

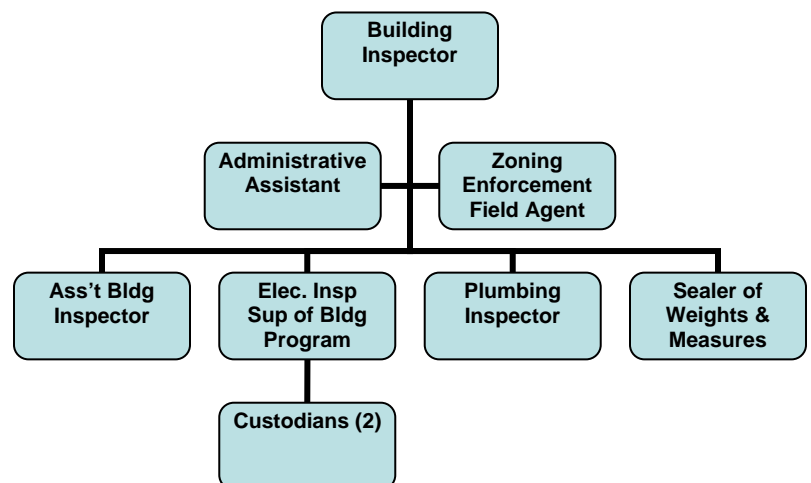
### **DESCRIPTION OF SERVICES**

The Building Department staff enforces State building, electrical, plumbing, gas and mechanical codes, as well as local zoning by-laws and Architectural Access Board Regulations. Many of the functions of the Department are mandated by the Commonwealth of Massachusetts, including enforcement and implementation of the State building code, the State zoning act, the State gas and plumbing codes, and the State architectural access code. Additional local codes and standards must also be enforced. Staff issue permits, inspect construction sites, conduct periodic safety inspections of restaurants, schools, religious institutions, and other places of assembly, and levy fines or prosecute when necessary to obtain code compliance. This office processes 2,000 permits a year, with three to seven inspections per permit.

The Building Maintenance function of this department plans and budgets for the energy needs of Town buildings, secures contracted cleaning services and performs preventative maintenance and minor repairs on Town Buildings including the Town Hall, the Flynn Building, the DPW Building, Loring Parsonage, the Police Station and the Fairbank Community Center. Staff maintains the exterior walkways, including leaf pick up, snow removal, and sanding of these buildings as well. Additionally this department maintains three residential structures owned by the Town: the Haynes Meadow House, the Carding Mill House, and the Frost Farmhouse. Finally, they are responsible for interoffice mail delivery.

### **STAFFING**

This office consists of the Building Inspector, an Assistant Building Inspector, an Electrical Inspector/Supervisor of Buildings, a Plumbing Inspector (part-time), two custodians, a part-time zoning enforcement field agent, and an administrative assistant.



### **GOALS FOR FY08 & FY09**

- Evaluate need and costs for new bathroom to be built at the Town Clerk's office.
- Replace flat tar or gravel roof at the Town Hall.

- Paint the exterior of the Town Hall.
- Restore existing twelve-over-twelve wood windows at the Town Hall.
- Install new casement windows and heating and air conditioning systems at the Police Station.
- Continue looking for ways to reduce energy costs for Town Buildings.
- Implement comprehensive recycling efforts for town offices and staff (i.e. paper, bottles, cans and cardboard)
- Hire consultant engineers to evaluate DPW building design and construction problems.

#### **FY07/FY08 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Renovated the second floor of Flynn Administration Building including the offices of the Planning and Community Development, Conference Room and refinishing the hardwood floors and new stair treads.
- Upgraded the fire alarm systems at the Flynn Building and the DPW building.
- Painted the exterior of the Flynn Building and repaired or replaced exterior woodwork as needed.
- Flynn Building landscaping including the irrigation system, stone wall, driveway lighting, and refurbished sign.
- Removed 45 year old walk-in refrigerator at the Fairbank Community Center and refinished the space for dry good storage
- Continued the Town's efforts to reduce energy costs by installing new energy savings motion sensors, bulbs and ballasts in Town's buildings.
- Created a new Temporary Sign Bylaw, which was approved at Town meeting, allowing the business community more flexibility for signage.
- Continue the building improvements to the Town owned houses including interior and exterior upgrades to the Haynes Meadow House, Frost Farm House and the Carding Mill.

#### **PERFORMANCE/WORKLOAD INDICATORS**

Indicator	FY06	FY07
New Residents Permits	28	41
New Residents Permits (value)	\$9,830,400	\$11,967,066
Tear down and Reconstructions	16	10
Tear down and Reconstructions (value)	\$5,477,200	\$3,800,000
Non-Residential Permits	33	27
Non-Residential Permits (value)	\$2,870,900	\$563,814
Swimming Pools	17	14
Swimming Pools (value)	\$465,700	\$430,275
Additions/Renovations	355	320
Additions/Renovations (value)	\$16,837,000	\$19,325,097

## **BUDGET ISSUES**

Level Staff Budget: The personnel part of this budget provides for the same level of staffing as FY08, adjusted only for cost of living adjustment.

The expense lines have been set at the same level as FY08, with two exceptions: the utilities line has been increased by \$2,000 in anticipation of a possible hike in this expense, and the cleaning service is expected to increase the cost of this contract by 4%. This is another budget where significant reductions are hard to accomplish. The inspectors are required by state and local law to make the inspections, yet the fees that are generated by this office all go into the general fund and do not offset these costs. Further, this is the budget where utilities for nearly all Town buildings are placed, and where the limited dollars for cleaning and maintenance of town buildings are placed.

Non Override Budget: The building maintenance line is set at \$129,900, whereas in FY07 \$182,228 was spent on repairs and care for the buildings. If any significant problems arise, the Reserve Fund will have to be used to supplement this meager budget. And funds for building improvements such as window replacements and installation of energy saving devices won't be done, as the small amount that the Town asks for this -\$12,450 in the Level Staff budget – has been cut here.

It should be noted that the Building Department generates more than \$400,000 annually for the general fund through the permits it issues.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>BUILDING INSPECTION</b>				
Building Inspector	71,795	73,507	77,083	80,521
Supv. of Town Bldgs.	55,834	57,156	59,768	62,418
Asst. Bldg Inspector	27,816	41,198	53,567	53,099
Clerical	41,299	43,600	51,160	55,957
Deputy Inspector	1,411	1,581	2,640	2,640
Zoning Enforcement Field Agent	7,000	7,000	3,000	1,500
Plumbing/ Gas Inspector	27,183	0	0	0
Sealer of Weights	2,150	2,150	2,150	2,150
Wiring Inspector	13,050	13,050	13,050	13,050
Custodial	81,405	82,710	85,498	87,635
Sick Buyback	2,478	1,296	1,309	1,388
<b>Sub Total: Personal Services</b>	<b>331,420</b>	<b>323,247</b>	<b>349,225</b>	<b>360,358</b>
General Expense	3,959	5,991	4,200	3,900
Town Bldg. Utilities	194,747	292,810	394,955	396,955
Town Bldg. Maint.	159,718	182,228	129,900	129,900
Vehicle Maintenance	2,629	1,343	1,500	1,500
Contracted services	51,725	66,362	66,200	48,099
Uniforms	1,412	1,475	1,475	1,475
In-State Travel	3,136	1,266	3,000	3,000
Carryforward Expense	9,803	51,839	0	0
<b>Sub Total: Expenses</b>	<b>427,128</b>	<b>603,314</b>	<b>601,230</b>	<b>584,829</b>
Building Improvements	15,000	15,500	15,000	0
<b>Sub Total: Capital Expenses</b>	<b>15,000</b>	<b>15,500</b>	<b>15,000</b>	<b>0</b>
<b>Total: Building</b>	<b>773,548</b>	<b>942,061</b>	<b>965,455</b>	<b>945,187</b>

# Public Works Department



**Public Works  
Building**

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>PUBLIC WORKS</b>				
<u>Engineering</u>	334,004	360,454	396,418	408,871
<u>Streets &amp; Roads</u>	2,395,074	2,099,080	2,349,976	2,310,502
<u>Trees and Cemetery</u>	294,284	312,328	334,683	331,336
<u>Parks and Grounds</u>	226,316	270,205	295,889	282,945
<b>Total Public Works</b>	<b>3,249,679</b>	<b>3,042,067</b>	<b>3,376,966</b>	<b>3,333,653</b>

## **PUBLIC WORKS: Engineering and Administration**

### **MISSION OF THE OFFICE**

The Department of Public Works is a professional team committed to improving the quality of life in Sudbury and supporting the Town's core values. We make every effort to maximize the efficient, effective use of our resources in the support, maintenance and upkeep of the infrastructure, public lands and programs. We are committed to public safety and providing prompt, courteous quality service to our customers and each other.

### **DESCRIPTION OF SERVICES**

The Engineering division of this department is responsible for the design of public works projects, plan review of proposed developments, implementation of a GIS system, and assistance on Town and School building projects. The Division also provides a wide range of technical assistance to other departments and committees, including the Planning Department, Building Inspection Department, Conservation Department, Recreation Department, Police and Fire Departments and the Town Manager's office. Many other customers are supported as well, including residents, businesses, contractors, consultants, and realtors as well as State and Federal entities. The Engineering Division stores, maintains and updates public records and plans, and designs and administers public works projects of all kinds. Construction plans and documents are prepared, reviewed, and bid; construction inspections are performed and overseen by staff.

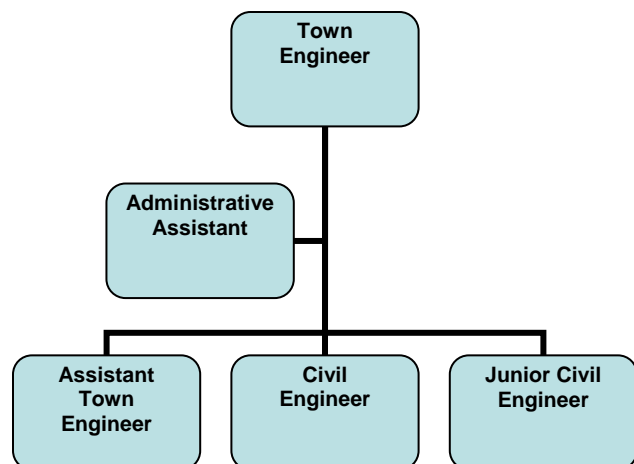
The Town Engineer also serves as the Director of the Public Works Department and as such reports directly to the Town Manager and serves on the Town Manager's Senior Management Team. As DPW Director, he oversees the management of \$3.67 million in appropriations (FY '07 dollars), and provides executive level planning and direction to five divisions, and 35 employees. Services provided by these employees affect the Town's public safety, community character, property values and quality of life. Further, he serves on the Town's land use planning working group, a staff task force chaired by the Planning and Community Development Director, to evaluate and help guide all development proposals made to various offices of the Town.

### **STAFFING**

The engineering division staff consists of the Town Engineer/DPW Director, Assistant Town Engineer, one Civil Engineer, one Junior Civil Engineer, one Engineering Aide, and an Office Manager.

### **FY09 GOALS AND INITIATIVES**

- Continue property line survey, base line survey, topographic survey and design of the Marlboro Road/Willis Road Intersection.
- Set horizontal and vertical control to set grades at North Road Borrow Pit.



- Provide as-built survey of Mt. Pleasant North Cemetery and New Town Cemetery.
- DPW Director/Town Engineer to serve as lead staff on the regional all hazards mitigation project (required by Homeland Security/FEMA/MEMA in order to qualify for grants).
- DPW Director/Town Engineer to serve as key department head on Town Center Redesign project
- DPW Director/Town Engineer to continue to serve as lead department head on Rail Trail Conversion Advisory Committee and Mass Highway Commission's BFRT.
- DPW Director/Town Engineer to serve as lead department head on the Solid Waste Options Committee
- Continue to plan for and coordinate with Mass Highway regarding projects needed at intersections on Route 20

### **FY08 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Provided construction layout for the Concord Road/Union Ave. intersection.
- Provided topographic survey, right-of-way survey and drainage design for Dakin Road from Blacksmith Drive to Philemon Whale Lane.
- Provided construction layout for the Willis Road Walkway.
- Continued developing and updating data layers for Town's Geographical Information System.
- Provided construction layout for Raymond Road walkway from Cider Mill Road to Warren Road.

### **BUDGET ISSUES**

Level Staff Budget: The personnel part of this budget provides for the same level of staffing as FY08, adjusted only for cost of living adjustment.

The expense lines have been set at the same level as FY08.

Non Override Budget: General expenses and maintenance expenses have been reduced in this budget scenario, even though in both cases the department needed and spent the amounts requested in FY06 and FY07. This budget is mostly personnel, so there are not other areas that can be cut that are not required by the collective bargaining agreement with the employees of this office.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>ENGINEERING DEPARTMENT</b>				
Dir. of Public Works	101,566	106,008	108,577	111,291
Non-Clerical	158,772	183,115	216,726	228,165
Clerical	41,490	42,554	45,972	48,178
Summer Help	7,832	6,438	0	0
Sick Leave Buy Back	4,608	4,489	4,190	5,381
<b>Sub Total: Personal Services</b>	<b>314,269</b>	<b>342,604</b>	<b>375,465</b>	<b>393,016</b>
General Expense	14,521	13,846	14,718	10,130
Maintenance	2,479	2,367	2,500	2,000
Travel	60	0	110	100
Uniforms	2,355	1,450	3,625	3,625
Carryforward Expense	320	188	0	
<b>Sub Total: Expenses</b>	<b>19,735</b>	<b>17,850</b>	<b>20,953</b>	<b>15,855</b>
<b>Total: Engineering</b>	<b>334,004</b>	<b>360,454</b>	<b>396,418</b>	<b>408,871</b>



## PUBLIC WORKS: Streets and Roads

### MISSION OF THE OFFICE

The mission of the Streets and Roads Division is to protect the safety, health and welfare of the Town Residents by maintaining the town streets, walkways and storm water system in a safe and clean condition. This department also provides for the safe movement of vehicular traffic by performing minor construction repairs, removing snow and ice from streets, sweeping of streets, installing traffic signs and lane or line markers and supervising the work of contractual service providers who perform repairs, cleaning or maintenance work. In addition, the Road Machinery Division ensures that the Town's fleet is always operational and well maintained by providing an efficient and effective maintenance and repair program and fuel management system.

### DESCRIPTION OF SERVICES

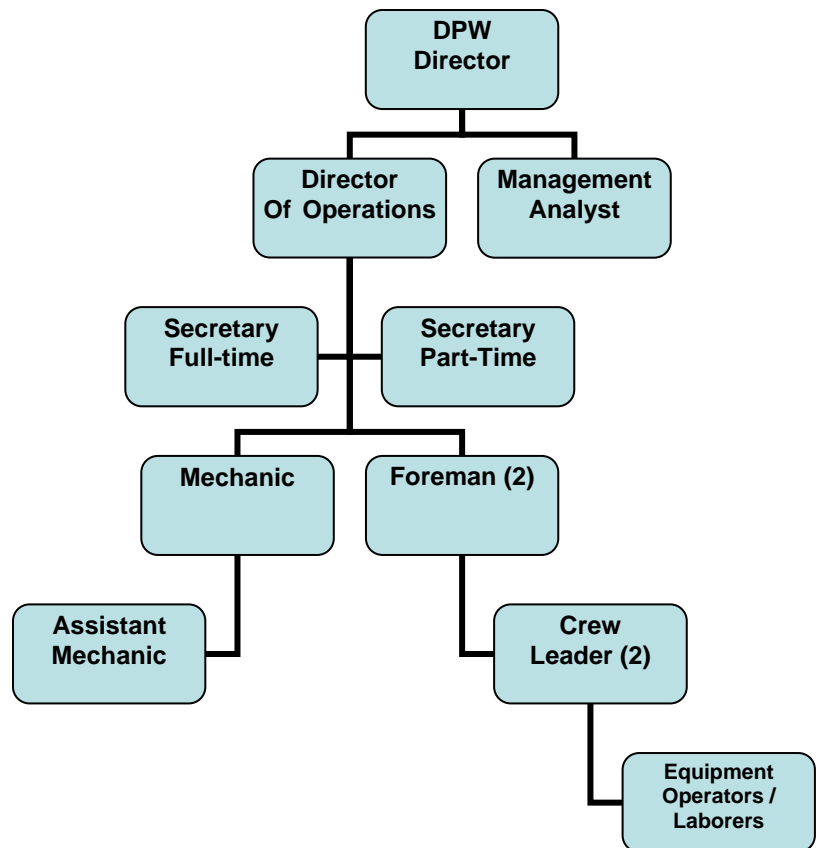
The Streets and Roads cost center is responsible for maintenance, construction, and snow removal of Town ways, including streets, curbing, walkways, drain systems, guardrails and signs. Priority snow removal is given to all school parking lots and driveways. Additional duties include roadside and sidewalk mowing, brush clearance, litter control, seasonal support to other town departments (parades, elections, facility maintenance, celebrations). The department maintains approximately 140 miles of roads and 45 miles of walkways. This division annually evaluates street and walkway conditions as part of the pavement management plan.

### STAFFING

Division staffing includes a Director of Operations, a Management Analyst, one Full-time Secretary, one Part-time Secretary, one Mechanic, one Assistant Mechanic, two Foremen, two Crew Leader/Heavy Equipment Operators, five Heavy Equipment Operators, two Light Equipment Operators and one Heavy Laborer.

### FY09 GOALS AND INITIATIVES

- Maintain town-wide infrastructure including street sweeping, traffic lines, paving, walkways, drain systems, guardrails, signs and snow removal programs.
- Continue to implement vigorous vehicle maintenance program to keep town fleet in compliance with safety and preventative maintenance schedules.



- Implement new Pavement Management Program software, including vehicle maintenance and parts inventory modules

## **FY08 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Completed mandatory street sign replacement program.
- Continued to build on website visibility to inform residents of maintenance and special projects being performed in the town.
- Reconstructed 800 ft. of walkway along Dutton Road.
- Constructed 2,000 ft. of new walkway along Raymond Road, 500 ft. along Willis Road, 700 ft. along Dakin Rd., and 300 ft. along Union Ave.
- Installed 765 ft. of wood guardrail.
- Arrowhead Road reconstructed.

## **PERFORMANCE/WORKLOAD INDICATORS**

Indicator	FY06	FY07
<b>Miles of Roads Maintained</b>	<b>140</b>	<b>141</b>
<b>Drainage Structure Repaired</b>	<b>30</b>	<b>35</b>
<b>Guard Rail Installed</b>	<b>6,000 ft.</b>	<b>765 ft.</b>
<b>Pieces of Equipment Maintained</b>	<b>90</b>	<b>90</b>

## **BUDGET ISSUES**

Level Staff Budget: The personnel part of this budget provides for the same level of staffing as FY08, adjusted only for cost of living adjustment. The DPW Director requested an additional \$5,000 for summer help, as it is difficult to complete projects when this is the time most of the employees in this division take vacation. Summer help has been very cost effective to keep the work moving forward during the good weather months. But this request is not being approved, given the zero-growth in FTE requirements of the FinCom for FY09.

The expense lines have been set at the same level as FY08, with five exceptions for costs that are growing beyond the Town's control: the cost of parts in the vehicle maintenance line, utilities, the street lighting contract (which is out to bid currently), travel (the Town reimburses at the IRS rate which has increased), and roadwork, where the cost of the contractual services has risen each year and we expect will rise even further in this area where costs have grown faster than the rate of inflation.

Overall, the level staff budget would grow 5.5% over FY08.

Non Override Budget: This division has been hit very hard with reductions, to make up for the fact that most other DPW budgets are nearly all personnel. One heavy equipment position has been nearly eliminated in this budget, as there are only enough funds to fill a current vacancy for part of the year. Vehicle maintenance has been significantly reduced, nearly \$20,000 below the FY08 level. This could be very difficult if the Town has a bad winter – that is when the trucks and sidewalk plows begin to need replacement parts. It is particularly difficult and expensive to repair the older vehicles. And if a vehicle is in the shop, it is not doing the sanding and plowing public safety demands. The roadwork account is also set below the FY08 amount by nearly \$31,000. This too will have impacts on public safety if street sweeping and line painting contracts

have to be curtailed. Snow and Ice removal is set at FY08 levels. If a bad winter occurs, we will look to both the Reserve Fund and Deficit spending to supplement this budget.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>STREETS &amp; ROADS</b>				
Highway Dir. of Operations	60,210	64,430	69,145	73,650
Management Analyst	63,455	67,164	71,850	73,782
Non-Clerical	497,406	563,563	577,261	583,494
Overtime	23,007	16,219	21,353	21,353
Clerical	39,114	41,532	52,186	56,767
Summer Temp. Labor	3,918	3,562	5,018	0
Sick Leave Buy Back	1,097	952	1,462	1,650
<b>Sub Total: Personal Services</b>	<b>688,207</b>	<b>757,420</b>	<b>798,275</b>	<b>810,695</b>
General Expense	5,685	13,558	12,000	12,000
Gasoline	191,160	106,557	140,000	140,000
Bldg. Maintenance	13,697	10,898	16,000	16,000
Vehicle Maintenance	112,836	118,772	162,138	145,380
Utilities	12,834	13,301	13,250	13,800
Street Lighting	44,844	47,606	53,475	54,635
Travel	156	286	200	250
Uniforms	13,692	15,283	17,045	17,045
Tuition	0	0	1,500	1,500
Police detail	33,994	40,447	42,500	40,000
Roadwork	389,426	435,870	500,000	494,000
Carryforward Expense	83,019	70,832	0	0
<b>Sub Total: Expenses</b>	<b>901,342</b>	<b>873,410</b>	<b>958,108</b>	<b>934,610</b>
Vehicle Leases/Purchases	227,182	155,940	178,938	150,542
<b>Sub Total: Capital Expenses</b>	<b>227,182</b>	<b>155,940</b>	<b>178,938</b>	<b>150,542</b>
Snow & Ice Overtime	109,373	87,079	117,407	117,407
Snow & Ice Contractors	71,064	69,214	106,520	106,520
Snow & Ice Materials	369,725	156,018	190,728	190,728
Carryforward Expense	28,181	0	0	0
<b>Sub Total: Snow &amp; Ice</b>	<b>578,343</b>	<b>312,311</b>	<b>414,655</b>	<b>414,655</b>
<b>Total: Streets &amp; Roads</b>	<b>2,395,074</b>	<b>2,099,080</b>	<b>2,349,976</b>	<b>2,310,502</b>

## PUBLIC WORKS: Trees and Cemetery

### MISSION OF THE DIVISION

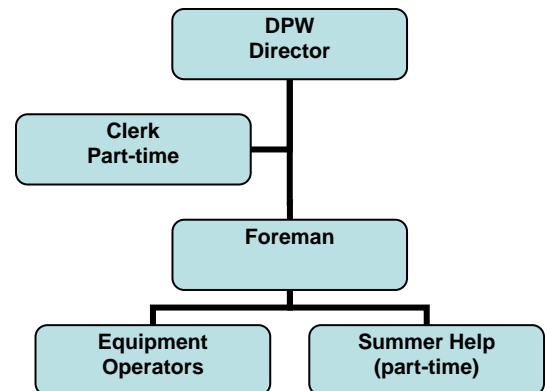
The Mission of this division is twofold: (1) to protect and keep in a healthy state an important public asset of the Town – the beautiful shade trees that are found in the Town's public way and (2) the cemetery division staff provides compassionate, courteous and professional service to bereaved families and strives to maintain a tranquil, well-maintained environment with perpetual care and beautiful historic cemetery grounds.

### DESCRIPTION OF SERVICES

The Trees and Cemetery Division is responsible for maintenance and interments at the Town's five cemeteries. Tree responsibilities include maintenance and removal of trees in the public way, with attention to plantings, trimming, storm damage repairs, vandalism repairs, tree and stump removals, as well as care and watering of newly planted trees.

### STAFFING

Division staffing includes a Foreman, one Crew Leader/Heavy Equipment Operator, two Heavy Equipment Operators, one Light Equipment Operator, one part-time clerical position, and one part-time summer help.



### FY09 GOALS AND INITIATIVES

- Continue with perpetual care at all five cemeteries.
- Continue to maintain streetscapes
- Continue to clear intersections and walkways of brush to improve safety.

### FY08 MAJOR INITIATIVES AND ACCOMPLISHMENTS

- Adopted new cemetery Rules & Regulations.
- Began tree back planting program.

### PERFORMANCE/WORKLOAD INDICATORS

Indicator	FY06	FY07
<b>Tree Removals</b>	<b>58</b>	<b>120</b>
<b>Internments</b>	<b>52</b>	<b>57</b>
<b>Cemetery Maintenance</b>	<b>31 Acres</b>	<b>31 Acres</b>

### BUDGET ISSUES

Level Staff Budget: The personnel part of this budget provides for the same level of staffing as FY08, adjusted only for cost of living adjustment.

The expense lines have been set at the same level as FY08, with one exception: the cost of the tree services contract is expected to rise just to cover the same level of tree removal work as in FY08.

Non Override Budget: Cemetery materials have been reduced, tree contractor funds cut \$14,000 and the new tree planting initiative from FY08 is gone. This division generates over \$30,000 per year in fees from burials, but none of these funds are used to offset this budget – they all go into the general fund.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>TREES &amp; CEMETERY</b>				
Non-Clerical	205,236	214,680	220,525	223,788
Overtime	3,687	5,320	8,638	8,638
Clerical	6,887	9,445	7,287	15,642
Summer help	3,799	7,383	5,018	5,018
<b>Sub Total: Personal Services</b>	<b>219,608</b>	<b>236,828</b>	<b>241,468</b>	<b>253,086</b>
Cemetery Materials	11,184	20,656	23,325	19,000
Tree Planting	0	0	5,000	0
Tree Contractors	52,068	48,844	64,890	59,250
Carryforward Expense	11,425	6,000	0	0
<b>Sub-Total: Expenses</b>	<b>74,677</b>	<b>75,500</b>	<b>93,215</b>	<b>78,250</b>
<b>Total: Trees &amp; Cemetery</b>	<b>294,284</b>	<b>312,328</b>	<b>334,683</b>	<b>331,336</b>

## **PUBLIC WORKS: Parks and Grounds**

### **MISSION OF THE OFFICE**

The Mission of this division is to maintain landscaping throughout the Town in park and field areas, public right-of-ways and around all public buildings and school grounds.

### **DESCRIPTION OF SERVICES**

The Parks and Grounds division is responsible for maintenance of all Town parks, fields, and playgrounds. This includes Josiah Haynes, Peter Noyes, General John Nixon, Israel Loring, Ephraim Curtis Middle, Featherland Field, Davis Field, Frank Grinnell Veterans Memorial Park, Haskell Field, Fairbank Community Center, Frank G. Feeley Field, Cutting Field, Horse Pond Play Field, Training Field, Heritage Park, Central Fire Station, North Fire Station, DPW Building, Police Station, Goodnow Library, Town Common, Frost Farm, Piper Farm, Meachen Field, Davis Farm, Barton Farm, Mahoney Farm and Carding Mill Conservation areas. Maintenance of these facilities includes mowing, aerating, fertilizing, irrigation, line striping and system maintenance, weed and insect control; litter clean-up, leaf removal, leveling, grading and marking fields, fence and vandalism repairs; shrub and tree care, and support for civic activities.

### **STAFFING**

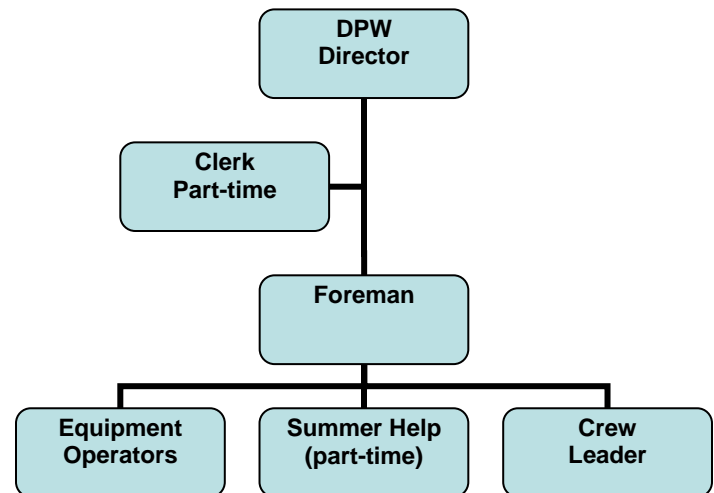
Division staffing includes a Foreman, one Crew Leader/Assistant Mechanic, one Heavy Equipment Operator, one Light Equipment Operator, one part-time clerical position, and part-time summer help.

### **FY09 GOALS AND INITIATIVES**

- Continued maintenance of irrigation systems, athletic fields, conservation areas, school grounds and public parks and grounds.

### **FY07 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Oversee a new contract for maintenance of school grounds.



### **PERFORMANCE/WORKLOAD INDICATORS**

Indicator	FY06	FY07
<b>Mowing Conservation Land</b>	<b>81.0 Acres</b>	<b>81.0 Acres</b>
<b>Public Lands</b>	<b>94.5</b>	<b>64.5</b>
<b>Public Schools</b>	<b>33.57</b>	<b>33.57</b>

## BUDGET ISSUES

Level Staff Budget: The personnel part of this budget provides for the same level of staffing as FY08, adjusted only for cost of living adjustment.

The expense lines have been set at the same level as FY08, with one exception for the cost of the maintenance contracts for school grounds covered by this expense line.

Non Override Budget: Maintenance funds have been cut \$16,000 compared to the level staff budget, meaning that the contracts for maintenance of school and town building landscaping will be reduced. This division maintains SPS as well as Town fields and parks, yet all the costs are shown on the Town side.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>PARKS &amp; GROUNDS</b>				
Non-Clerical	176,590	184,442	185,285	187,130
Overtime	2,642	4,099	3,120	4,206
Clerical	6,887	6,459	7,287	7,761
Summer help	4,066	5,878	17,957	17,957
Sick Leave Buy Back	2,286	2,337	2,480	2,480
<b>Sub Total: Personal Services</b>	<b>192,471</b>	<b>203,215</b>	<b>216,129</b>	<b>219,534</b>
Maintenance	23,831	55,809	69,492	60,411
Uniforms	2,781	2,773	3,000	3,000
Carryforward Expense	9	1,183	0	
<b>Sub Total: Expenses</b>	<b>26,621</b>	<b>59,765</b>	<b>72,492</b>	<b>63,411</b>
Capital Expense	7,225	7,225	7,268	0
<b>Sub Total: Capital Expenses</b>	<b>7,225</b>	<b>7,225</b>	<b>7,268</b>	<b>0</b>
<b>Total: Parks &amp; Grounds</b>	<b>226,316</b>	<b>270,205</b>	<b>295,889</b>	<b>282,945</b>

# Human Services



**Sudbury Senior Center at the  
Fairbank Community Building**

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>HUMAN SERVICES</b>				
<u>Board of Health</u>	340,264	349,126	382,106	367,617
<u>Council on Aging</u>	139,019	147,812	164,409	139,116
<u>Youth Commission</u>	37,951	39,656	42,692	42,201
<u>Veterans Affairs</u>	14,812	21,116	18,452	21,327
<b>Total Human Services</b>	<b>532,047</b>	<b>557,711</b>	<b>607,659</b>	<b>570,261</b>



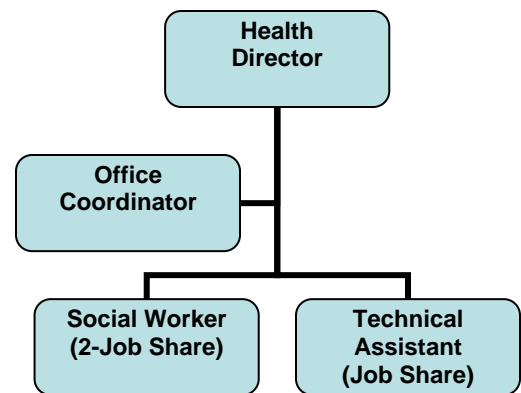
## HUMAN SERVICES: Board of Health

### DESCRIPTION OF SERVICES

The Board of Health is responsible for addressing the health needs of the community. Traditional duties include site evaluation for subsurface sewage disposal, permitting/licensing and inspections for food service establishments, summer camps, public swimming pools, stables, massage therapists, septic installers and haulers, septic system and private well installations, and supplying community nursing and mental healthcare services, as well as involvement in environmental health issues such as housing code violations, mosquito control, hazardous waste, animal/rabies control, public ground water supplies and emergency preparedness.

### STAFFING

This department consists of the Health Director, two part-time social workers who job share, one part-time technical assistant, and a full-time office coordinator. Nursing, mental health, and senior outreach services are provided on a contract basis. Mosquito control is provided as part of a regional district, to which Sudbury pays an annual fee. The annual Household Hazardous Waste Day requires a licensed contractor for the collection. Animal/Rabies control services are provided through a contract as well.



### BUDGET ISSUES

Level Staff Budget: The personnel part of this budget provides for the same level of staffing as FY08, adjusted only for cost of living adjustment.

The expense lines have been set at the same level as FY08, with two exceptions: the contract for nursing services and mosquito control are expected to rise slightly to purchase the same level of service. Also, \$10,000 has been moved from one line item (mental health) to senior outreach to more closely match where the funds are actually being needed and spent.

Overall, this budget is set to increase 2.75% over the FY08 appropriation.

Non Override Budget: Under this budget, which calls for a 3.8% reduction compared to FY08, a hazardous waste day will NOT be held, saving \$18,700. Residents who need this service may still use the regional facility in Lexington. Contracted services have also been reduced by \$10,000.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>BOARD OF HEALTH</b>				
Director	74,521	76,303	80,017	83,594
Town Social Worker	62,938	64,431	66,055	67,748
Non-Clerical	0	0	17,153	18,112
Clerical	35,305	39,773	40,197	41,202
Sick Buy Back	1,142	1,747	1,765	1,914
<b>Sub Total: Personal Services</b>	<b>173,906</b>	<b>182,254</b>	<b>205,187</b>	<b>212,570</b>
General Expense	2,074	1,788	1,900	1,900
Maintenance	0	528	100	100
Mental Health	29,440	14,900	29,560	19,560
Nursing Services	47,440	47,925	49,842	51,347
Contracted Services	5,471	4,898	10,900	4,900
Lab Expense	0	63	500	500
Hazardous Waste	15,993	12,836	18,700	0
Mosquito Control	45,058	45,720	44,092	45,415
Animal/ Rabies Control	8,300	8,455	8,600	8,600
Animal Inspector	926	1,614	1,725	1,725
Senior Outreach	6,000	24,360	7,500	17,500
Community Outreach Prog	1,465	1,325	3,500	3,500
Carryforward Expense	4,191	2,460	0	0
<b>Sub Total: Expenses</b>	<b>166,358</b>	<b>166,872</b>	<b>176,919</b>	<b>155,047</b>
<b>Total: Board of Health</b>	<b>340,264</b>	<b>349,126</b>	<b>382,106</b>	<b>367,617</b>

## **HUMAN SERVICES: Council on Aging**

### **MISSION OF THE DEPARTMENT**

The mission of the Council on Aging (COA) is dedicated to serving the social, recreational, health and educational needs of older adults in the community. The Sudbury Senior Center has been a fully accredited center since December 2003, (one of only seven in Massachusetts).

### **DESCRIPTION OF SERVICES**

The Council on Aging supports programs at the Sudbury Senior Center, provides van services for elders, serves as an information resource for seniors and their families, coordinates numerous volunteer services to elders in the community, and plays an advocacy role for seniors at the local, state, and federal level.

### **STAFFING**

The department currently consists of the Council on Aging Director, a 35 hour a week van driver, a full-time senior clerk and a part-time Information and Referral Specialist, all appointed by the Town Manager. In addition, many Sudbury residents volunteer countless hours helping to run the many programs at the Senior Center. The activities of the COA are overseen by a nine member volunteer Council on Aging, appointed by the Board of Selectmen.

### **FY09 GOALS AND INITIATIVES**

- Work closely with the MWRTA to develop and implement new transportation options for seniors and people with disabilities in Sudbury, under the guidance of the Town Manager, Town Planner, and Selectmen
- Work with the Board of the Council on Aging to publicize the tax deferral program and enhance the circuit breaker program to offer tax relief to seniors on restricted incomes
- Continue outreach to identify and make contact with all Sudbury residents aged 85 and older to offer services, support, and inclusion on the Emergency Assistance List
- Involve younger seniors in services and programming through multiple media avenues
- Serve as part of the Town's Emergency Planning efforts to develop an emergency response plan for seniors and people with disabilities who may be placed at risk due to weather or other events, including facilitating a subcommittee of the LEPC to coordinate the efforts of the senior housing communities and other town entities toward emergency planning.
- Survey people 50 and older who sell their homes to learn to what an extent property tax increases were a factor in a decision to leave Sudbury.
- Work with other area Council on Aging Directors to improve communication with and coordinate services for Sudbury residents received from BayPath Elder Services

### **FY08 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Received and put into service new 9-passenger wheelchair lift-equipped van

- Worked with the Commission on Disabilities to promote advocacy for equal access for residents with disabilities
- Increased publicizing of Senior Center program offerings through press releases and website postings and through work to develop a cable television series.
- Worked on monitoring and encouraging the development of property tax relief efforts for Seniors
- Facilitated meetings of the VIP committee, a subcommittee of the LEPC focused on seniors and people with disabilities, increasing the communication among the Sudbury police, fire, senior housing organizations, nursing homes, and others, to ensure that in a time of crisis the community will be prepared to serve the most vulnerable among us.
- First full year of implementation of a computerized sign-in and participation tracking system that allows a more consistent reporting of Senior Center utilization.

## PERFORMANCE/WORKLOAD INDICATORS

Indicator	FY05	FY06	FY07
<b>Value of Volunteer Services</b>			
Hours	7,600	8,357	13,135
Dollar equivalent (per EOE formula)	\$126,000	\$166,885	\$193,949
Program Attendance	N/A	2,100	1,730
Enhanced Information and Referral	50/25*	111/89*	172/102*

\*Instances of service/Number of individuals receiving service

## BUDGET ISSUES

Level Staff Budget: The personnel part of this budget provides for the same level of staffing as FY08, adjusted only for cost of living adjustment.

The expense lines have been set at the same level as FY08. However, this budget has a new revenue source to offset the cost of the van service provided by the Council on Aging, which will cover the salary of the Van Driver. This is being shown as an offset to this budget and effectively reduces the impact of this budget on the tax levy by \$33,463.

Departmental Request Budget: The COA has requested that the 17 hours per week Information and referral position be increased to 22 hours per week. In collaboration with the Town Social Worker and the senior center Volunteer Coordinator, the I & R specialist has helped to develop and monitor service plans linking seniors to meaningful supports that have kept them living safely and independently in their own homes. The additional time would allow the I & R specialist to be on site 5 days per week, providing for better follow-up services and accessibility for those who seek these services. Unfortunately, no departmental growth requests are being honored for FY09, given the Finance Committees directions for budget requests.

Non Override Budget: To meet the required budget reductions, the COA will have \$1,000 less in general expenses and \$1,000 less for the taxi voucher program. This will be a challenge for the COA, as they needed these funds in prior years.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>COUNCIL ON AGING</b>				
Director	56,963	60,689	64,972	69,194
Van Driver	23,663	25,029	30,401	0
Clerical	32,837	34,149	36,528	38,901
Information/Reference	18,277	19,828	20,508	21,021
<b>Sub Total: Personal Services</b>	<b>131,739</b>	<b>139,695</b>	<b>152,409</b>	<b>129,116</b>
General Expense	6,923	6,655	7,000	6,000
Contracted Services	0	1,398	5,000	4,000
Carryforward Expense	358	64	0	0
<b>Sub Total: Expenses</b>	<b>7,280</b>	<b>8,117</b>	<b>12,000</b>	<b>10,000</b>
<b>Total: Council on Aging</b>	<b>139,019</b>	<b>147,812</b>	<b>164,409</b>	<b>139,116</b>

## **HUMAN SERVICES: Youth Commission**

### **MISSION OF THE OFFICE**

The mission of the Sudbury Youth Coordinator Department is to provide youth with activities that are appealing, safe, easily accessible and ultimately empowering. The goal is to also offer support and education to the parents of the community. Communication with students, parents, youth boards, and established groups is vital to providing these activities.

### **DESCRIPTION OF SERVICES**

The Youth Commission is responsible for addressing youth needs and concerns in the community. The population of the youth of Sudbury is growing. Now more than ever the community needs to provide for our youth. This division of the Town provides programs and activities that are safe as well as educational during the so-called non-learning hours.

Programs run by the Youth Coordinator include the Youth Action Committee, which works with the Youth Coordinator to run Coffee Houses at the LSRHS. These coffee houses are safe and positive events for older teens and the teens use the coffee houses to raise funds for charity. At the middle school level there are after school programs run by the Youth Coordinator as well as Park and Recreation programs designed for this age group. A middle school youth group has also been organized to help the Youth Coordinator generate ideas that will lead to more programming. Community service programming is also a focus for this age group. Some of the activities being offered are fall clean-up for Musketahquid Village in Sudbury, preparing a meal for the Salvation Army, and a joint venture with the Sudbury Veterans Agent to clean the gravesites of local veterans'.

### **STAFFING**

Staffing in this department consists of a full-time Youth Coordinator. She has clerical assistance from the Park and Recreation Administrative Assistant to the Park and Recreation Director and the Atkinson Pool front desk. The Youth Coordinator reports to the Park and Recreation Director.

### **FY08/FY09 GOALS AND INITIATIVES**

- Increase the number of Park and Recreation classes for Middle and High School aged residents.
- Work with the Youth Action Committee and Lincoln-Sudbury to improve the way information about community service is distributed.
- Work with the Senior Center on shared spacing issues
- Continue to expand summer program offerings

### **FY07/FY88 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Expanded summer programs to offer full week activities and options for High School Students

- Create a pamphlet for 6th Grade parents that helped prepare them for the transition their child faced from elementary school to middle school
- Offered an Internet Safety workshop for parents, co-sponsored by Curtis Middle School
- Offered more community service opportunities

#### PERFORMANCE/WORKLOAD INDICATORS

<b>Indicator</b>	<b>FY05</b>	<b>FY06</b>
<b>6<sup>th</sup> Grade Pool Party</b>	<b>75 attended</b>	<b>98 attended</b>
<b>Coffee Houses</b>	<b>200 on average</b>	<b>85-325 attended</b>
<b>Get on the Bus Summer Program</b>	<b>0</b>	<b>5-15 per trip</b>
<b>Vacation Programs</b>	<b>8-25 per trip</b>	<b>5-17per trip</b>
<b>Internet Safety Workshop for Parents</b>	<b>0</b>	<b>40 attended</b>

#### BUDGET ISSUES

Level Staff Budget: The personnel part of this budget provides for the same level of staffing as FY08, adjusted only for cost of living adjustment.

The expense lines have been set at the same level as FY08.

Non Override Budget: To meet the required budget reductions, the Youth Commission budget will have \$1,000 less for programs, and \$1,500 less for transportation and \$450 less for general expenses. All of this despite the Coordinator has needed and used these funds in prior years. This will be a challenge for this very small, one person office.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>YOUTH COMMISSION</b>				
Youth Coordinator	33,173	35,164	37,642	40,101
<b>Sub Total: Personal Services</b>	<b>33,173</b>	<b>35,164</b>	<b>37,642</b>	<b>40,101</b>
General Expense	1,148	725	450	0
Youth Programs	2,248	1,990	2,000	1,000
Professional Development	0	0	100	100
Travel	390	332	500	500
Transportation	993	1,446	2,000	500
Carryforward Expense	0	0	0	0
<b>Sub Total: Expenses</b>	<b>4,778</b>	<b>4,492</b>	<b>5,050</b>	<b>2,100</b>
<b>Total: Youth Commission</b>	<b>37,951</b>	<b>39,656</b>	<b>42,692</b>	<b>42,201</b>

## **HUMAN SERVICES: Veterans' Affairs**

### **MISSION OF THE OFFICE**

The Mission of the Veterans' Affairs office is to help address the financial and medical needs of Sudbury's veterans and their dependents. The Veteran Agent also provides information and support to family members of Service personnel current in the Armed Forces.

### **DESCRIPTION OF SERVICES**

The Agent assists veterans in applying for State and Federal services. The office also offers assistance and referrals in the areas of federal compensation and pensions, state and federal educational benefits, tax exemptions, annuities, home loans, counseling and job training. The Veterans Agent also serves as the Veterans' Graves Agent.

### **BUDGET ISSUES**

Level Staff Budget: The personnel part of this budget provides for the same level of staffing as FY08, adjusted only for cost of living adjustment.

The expense line is slightly higher than in FY08 due to an increase in the number of veterans who are being provided with benefits, as mandated by state law.

Non Override Budget: This budget is nearly the same as the level staff budget, and has already been cut as much as it can be given state requirements to have a veteran's agent and provide this minimum of service for the veterans and their graves.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>VETERANS AFFAIRS</b>				
Veteran Agent	10,472	10,682	11,002	11,277
<b>Sub Total: Personal Services</b>	<b>10,472</b>	<b>10,682</b>	<b>11,002</b>	<b>11,277</b>
General Expense	74	1,393	1,400	1,200
Veteran's Grave Markers	727	880	850	850
Veteran's Benefits	3,539	8,162	5,200	8,000
Carryforward Expense	0	0	0	0
<b>Sub Total: Expenses</b>	<b>4,340</b>	<b>10,434</b>	<b>7,450</b>	<b>10,050</b>
<b>Total: Veterans Affairs</b>	<b>14,812</b>	<b>21,116</b>	<b>18,452</b>	<b>21,327</b>



## Culture & Recreational Services



**Goodnow Library**



**Hosmer House**

	Actual FY06	Actual FY07	Appropriated FY08	Appropriated FY09
<b>CULTURE &amp; RECREATION</b>				
<u>Goodnow Library</u>	837,622	909,781	950,751	965,156
<u>Recreation</u>	132,692	126,809	130,140	139,532
<u>Historical Commission</u>	5,941	5,946	5,950	5,390
<u>Historic Districts Commission</u>	2,205	3,414	3,095	2,617
<b>Total Culture &amp; Recreation</b>	<b>978,460</b>	<b>1,045,950</b>	<b>1,089,936</b>	<b>1,112,695</b>

## CULTURE & RECREATION: Goodnow Library

### MISSION OF THE DEPARTMENT

The Goodnow Library is a lifelong recreational and learning/information resource and community center serving Sudbury residents. The library assists users of all ages and interests in meeting personal, educational, vocational and social goals that contribute to their well being and to reaching their potential as individuals and as members of a democratic society. Goodnow strives to enhance the quality of life of all users, to strengthen the fabric of the Sudbury community and to promote a well informed and enlightened citizenry.

Goodnow's mission is to provide convenient and effective access to a wide array of print and electronic resources, direct and remote services and facilities that support the diverse recreational, informational, educational, social and cultural interests of the community. The Library also serves as a point of access (gateway) to materials and services beyond those it is able to offer locally. The trustees and staff strive to create a welcoming, stimulating and comfortable environment for people of all ages, interests and abilities. The Library emphasizes personal service, innovation, collaboration and cost effectiveness in carrying out its mission.

### DESCRIPTION OF SERVICES

The Goodnow Library is an automated library, a member of the Minuteman Library Network. The Library carries out five primary service roles in Sudbury. Its most prominent role is that of **Popular Materials Center**. From leisure reading and viewing to pursuing hobbies and cultural interests, use of library resources and activities is increasing for all ages. Acquiring sufficient print and non-print material to satisfy recreational and other leisure time interests is an on-going challenge.

As a **Formal Education Center and an Independent Learning Center**, Goodnow supports the personal learning and formal educational pursuits of residents. From strengthening job skills, researching consumer, health and financial information, to completing school assignments, the information and education needs of residents are expanding and becoming more sophisticated and diverse. They require a wider variety of library resources, skills, and services than ever before. (Nine years ago the library offered one public computer station; today it offers twenty-five, as well as a wireless network and 24/7 web resources and services.) Evaluating and integrating relevant emerging technologies into the Library's plan of service has become a major responsibility. The Library's participation in the Minuteman Library Network and its emphasis on Reference and Reader Advisory services exemplify its commitment to both of these roles.

The significant growth in pre-school and early school age population in Sudbury has an impact on how Goodnow carries out each of these roles. In recent years the Library has committed more resources towards being a **Pre-School Door to Learning** for younger children. It has introduced programs and resources to encourage and reinforce reading, listening and socializing skills to toddlers.

Goodnow's fifth role is as a **Community Center**. The Goodnow Library facility is used

as a community meeting place (“commons”) for socializing and sharing experiences and ideas. An estimated 200,000 plus people visit Goodnow annually. Hundreds of meetings take place at Goodnow each year. Staff manages the facility's community resources – meeting rooms, audio-video system, exhibit and display areas. The Friends sponsor and present a wide variety of adult programs to the community. The Children's Department offers many regularly scheduled reading, story telling and craft programs. Special children's programs are planned by staff and funded by the Friends. The Children's and Reference staff offer book discussion programs. Recently Goodnow introduced ESL workshops (through volunteers) and, in collaboration with the Senior Center, home delivery of library materials.

## STAFFING

Staffing consists of 4 full-time positions (Director, Assistant Director, Head of Circulation, and Children's Librarian), 22 adult part-time positions, 6 high school page positions, and 22 volunteers. The Library is open Monday – Thursday 9 am to 9 pm; Friday & Saturday 9 am to 5 pm; and Sunday 2 pm – 5 pm.

Statewide public library reports show that Goodnow remains one of the busiest and most cost effective libraries in Massachusetts – supporting exceptionally high circulation (334,000) with a relatively small staff (15 FTE). Its ratio of circulations per full time equivalency is among the highest. Staffing at Goodnow has 125 fewer staff hours per week) than the average staffing of comparable libraries – libraries serving similar communities (size and make-up) with especially high activity.

Staffing the Library at a level sufficient to support the community's exceptional use of library resources and services is an ever present challenge. The Library responds to the challenge of doing more with less by focusing on basic library services, capitalizing on technologies that offer efficiencies, expanding a dedicated group of volunteers, working with the Friends of the Library, collaborating with other libraries and streamlining operations. However, as noted in prior years, additional staff support is a critical element to sustain the library's efforts. As part of its new Strategic Plan, Goodnow's FY08 budget proposal included a significant increase in staff in key areas: hours, core services and support staff (pages). This met with limited success. In FY09, the focus will be on technology and smaller staffing requests.

## PERFORMANCE/WORKLOAD INDICATORS

- Circulation up almost 70% over 9 years; 7% last fiscal year to over 333,000 annually
- Reference services up 60% over 15 years
- Resource sharing up 400% over 6 years – 63,600 annually
- Increase in services and responsibilities associated with supporting 41 user/staff PCs and a wireless network, maintaining a 32,000 sq. ft. facility that has more than 200,000 visitors a year, and developing Goodnow's electronic branch library (web site) with 130,000 visitors in FY07.

<b>Indicator</b>	<b>FY06</b>	<b>FY07</b>
<b>Circulation</b>	<b>328,862</b>	<b>333,735</b>
<b>Children's Programs</b>	<b>261</b>	<b>293</b>
<b>Children's Program Attendance</b>	<b>3,488</b>	<b>4,520</b>
<b>Meeting Rooms Use</b>		

<b>Meetings</b>	<b>244</b>	<b>258</b>
<b>Attendance</b>	<b>5,468</b>	<b>5,622</b>
<b>Library Visitors</b>	<b>200,000</b>	<b>200,000</b>
<b>Library Web Site Visitors</b>	<b>121,000</b>	<b>129,448</b>
<b>Resource Sharing</b>	<b>52,408</b>	<b>63,608</b>
<b>Reference/Advisory Questions</b>	<b>19,000</b>	<b>19,000</b>

## **FY08/FY09 GOALS**

(Most of our goals are defined by the objectives and activities of our Strategic Plan.)

1. Continue working with Mark Thompson to develop the design and functionality of Goodnow's website and to add resources and services to it. Focus on Web 2.0 features.
2. If our capital request for an RFID system is approved, work with several other libraries to develop an RFP, select a vendor and prepare for implementing the project in FY09.
3. Continue to build upon the collaborative efforts established with the school systems, particularly the school librarians, and with the Senior Center.
4. Continue to assess our staffing, collection and facility needs. Rely on MLN reports and other data for assessing staffing and collections. Continue to review facility needs with Bill Place, Jim Kelly and the Town Manager.
5. Complete Disaster Plan.
6. Continue to develop the Sudbury Archives Project.
7. Expand book and display shelving in key areas.
8. Capitalize on unanticipated opportunities to serve the community, such as collaborating with the Wayside Inn and others on the Longfellow Big Read and working with volunteers on English as a Second Language programs.

## **FY07/FY08 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

1. Initiated the FY07 goals outlined in Goodnow's New Strategic Plan:
  - a) Expanded services and resources available on Goodnow's website.
  - b) Established more effective communication and collaboration with school systems.
  - c) Continued to evaluate RFID technology – self checkout and automatic check-in library system.
  - d) Started work on a formal Disaster Plan for Goodnow.
  - e) Continued to develop the Sudbury Archives Project.
2. Established a pilot English conversation group to support residents interested in improving fundamental English speaking and listening skills. Rely on volunteers to run group.
3. Worked with COA and others (volunteers) to offer delivery of library materials to homebound.

## BUDGET ISSUES

Level Staff Budget: The personnel part of this budget provides for the same level of staffing as FY08, adjusted only for cost of living adjustment.

The expense lines have been set at the same level as FY08 except where contracts are increasing for purchasing the same level of service. Utilities in particular are budgeted for a \$15,000 increase, as the Library Director is finding the amount budgeted in FY08 has been set too low. A small amount is planned for the books and materials expense line due to the increasing cost of these items.

Overall, this budget is planned to increase 5.0% in FY09.

Non Override Budget: With the requirement that all budgets be reduced for FY09, the Library Director and Library Trustees have worked hard to maintain funds in the personnel area, but as there appeared few other places to make a cut, \$10,000 has been taken from the staff salary line item, as well as \$8,450 from books and materials, \$2,000 from maintenance, and \$5,000 from utilities. Contracted services also have been reduced \$5,000. These are heavy hits for the Library to absorb, but as the only non public safety larger budget, it is one of the few places that can be cut without jeopardizing public safety, leaving state and federal mandates unmet, or risking our ability to generate the revenues that all other cost centers depend on.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>GOODNOW LIBRARY</b>				
Library Director	81,364	83,304	87,142	91,028
Non-Clerical	475,913	504,707	526,512	538,426
Overtime	820	0	15,511	14,479
Sick Leave Buy Back	2,434	1,745	2,779	2,653
<b>Sub Total: Personal Services</b>	<b>560,530</b>	<b>589,755</b>	<b>631,944</b>	<b>646,586</b>
General Expense	10,870	10,044	9,937	9,000
Automation	37,592	39,253	41,200	42,000
Books and Materials	117,380	122,780	131,150	125,900
Maintenance	49,989	29,557	23,060	23,660
Utilities	33,295	70,077	71,600	80,600
Travel	33	46	800	650
Contracted Services	27,035	34,841	41,060	36,760
Carryforward Expense	898	13,428	0	0
<b>Sub Total: Expenses</b>	<b>277,091</b>	<b>320,025</b>	<b>318,807</b>	<b>318,570</b>
<b>Total: Goodnow Library</b>	<b>837,622</b>	<b>909,781</b>	<b>950,751</b>	<b>965,156</b>

## CULTURE & RECREATION: Park & Recreation

### MISSION OF THE OFFICE

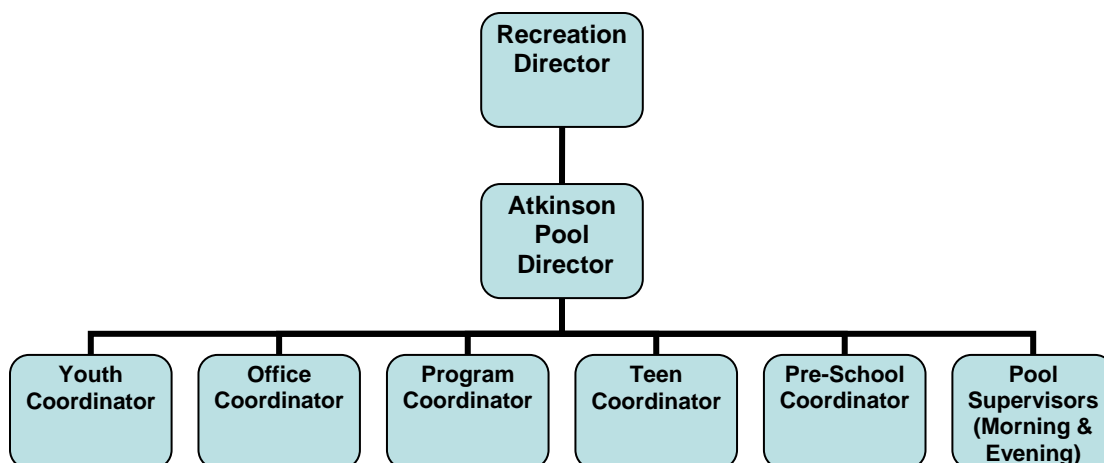
The Mission of The Sudbury Park & Recreation Department is to provide recreation activities, leisure services, facilities and general amenities to the public. To enhance the quality of life for the Town of Sudbury residents by providing clean, safe and attractive parks and recreation facilities that promote a strong sense of community.

### DESCRIPTION OF SERVICES

The Park and Recreation Department offers a comprehensive and varied program of public recreation activities, services, and resources for Sudbury residents. Programs are self-sustaining and offer an opportunity for quality use of leisure time in a productive and healthy manner. A brochure is mailed to all in our database Five times a year with information on recreation, teen center, Youth Programs and Atkinson pool programs. Facilities include Atkinson Pool, Fairbank Community Center, Toddler playground, tennis courts, basketball courts, sand volleyball courts, outdoor skating area (weather permitting), and fields for baseball, field hockey, lacrosse, softball, and soccer. Major areas include Davis Field, Featherland Park, Frank G. Feeley Field, Cutting Field (Turf Field) and the Haskell Recreation area.

### STAFFING

The department covered by this budget consists of a full-time Recreation Director, an office coordinator, a program coordinator and a part-time teen center coordinator. A pre-school coordinator and many program staff, mostly part-time, are also part of the staff but they are paid out of revolving funds, which covers their salaries and benefits. Currently, only approximately half of the office coordinator and program coordinator's salary is paid out of the Town's budget, the rest are charged to the revolving funds.



## **FY08/F09 GOALS AND INITIATIVES**

- Create an IPM Plan for the Town Fields
- Completion of the LS-Community Field project
- Continue efforts to bring financial stability and predictability to the Atkinson Park and Recreation Department
- Create RFP for the Development of Mahoney and Malone property.

## **PERFORMANCE/WORKLOAD INDICATORS**

<b>Indicator</b>	<b>FY05</b>	<b>FY06</b>
<b>Park &amp; Recreation Programs offered</b>	<b>694</b>	<b>749</b>
<b>Activity Participants</b>	<b>7,724</b>	<b>7,634</b>

## **BUDGET ISSUES**

Level Staff Budget: The personnel part of this budget provides for the same level of staffing as FY08, adjusted only for cost of living adjustment.

The expense lines have been set at the same level as FY08.

Departmental Request Budget: The Recreation Director has presented a compelling argument to create an Assistant Director full-time position, and feels with use of revolving funds to cover ½ the hours, the Town could and should add this position. He correctly points out that as the Town has added additional field space, and the demand for recreational activity has increased in Town, he has activities going on during the week and weekend from early morning to late at night. He is increasingly being called out on weekends and nights to handle matters that need a professional staff person's attention, yet his position has typical office hours. He proposes that this position be added to allow management coverage during the evenings and weekends, among other tasks. Unfortunately, no departmental growth requests are being honored for FY09, given the Finance Committee's directives for budget requests.

Non Override Budget: The meager expense budget found here in the level staff budget - \$500 – is halved here.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>RECREATION</b>				
Recreation Director	69,095	73,227	76,701	85,021
Non-Clerical	12,863	12,355	15,650	15,529
Program Coordinator	20,091	21,606	20,259	21,277
Clerical	14,958	18,012	17,030	17,456
<b>Sub Total: Personal Services</b>	<b>117,007</b>	<b>125,199</b>	<b>129,640</b>	<b>139,282</b>
Travel	0	0	250	0
Uniforms	0	110	250	250
Carryforward Expense	15,685	1,500	0	0
<b>Sub Total: Expenses</b>	<b>15,685</b>	<b>1,610</b>	<b>500</b>	<b>250</b>
<b>Total: Recreation</b>	<b>132,692</b>	<b>126,809</b>	<b>130,140</b>	<b>139,532</b>



## CULTURE & RECREATION: Historical Commission

### MISSION OF THE PROGRAM

The Historical Commission is responsible for oversight of all Town-owned historic properties including the Hosmer House, Loring Parsonage, Haynes-Garrison site, Revolutionary Training Field and the Revolutionary Cemetery in the Center of Town. The SHC works with the Town Manager, Planning Board, Building Department and DPW to implement efforts to maintain and protect these properties. The demolition by-law reviews and scenic road hearings also come under the domain of the Commission. In addition, the Commission maintains records for the Massachusetts Historical Commission.

### DESCRIPTION OF SERVICES

The Historical Commission plans and carries out a variety of activities to help the community of Sudbury enjoy the Hosmer House and other historic properties owned by the Town. This year the Commission will be publishing the continuation of the "Old Homes Survey" that documents the old properties throughout the town. It takes many volunteers to give tours and produce the Holiday Open House each year.

### STAFFING

The Commission received no staffing from the Town. The Commission members do all budgets, goals, town report, financial recordings, etc. Manual labor is accomplished by the members or by hiring professional services.

### BUDGET ISSUES

Level Staff Budget: This office/committee has no staffing, and committee members do all the work that needs to be done, relying on the Planning Director, the DPW Director, the Law Office and the Building Department for assistance as needed. The expense line has been set at the same level as FY08.

Non Override Budget: The tiny budget allowed for this function annually in past years - \$5,950 in FY08 – is reduced by \$560.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	Actual FY06	Actual FY07	Appropriated FY08	Appropriated FY09
<b>HISTORICAL COMMISSION</b>				
General Expenses	5,941	5,946	5,950	5,390
Carryforward Expense	0	0	0	0
<b>Sub Total: Expenses</b>	<b>5,941</b>	<b>5,946</b>	<b>5,950</b>	<b>5,390</b>
<b>Total: Historical Commission</b>	<b>5,941</b>	<b>5,946</b>	<b>5,950</b>	<b>5,390</b>

## CULTURE & RECREATION: Historic Districts Commission

### MISSION OF THE OFFICE

The Historic Districts Commission is responsible for assuring the appropriateness of building improvement in the Town's Historic Districts.

### DESCRIPTION OF SERVICES

Upon request from homeowners in three historic districts, the Commission approves Certificates of Appropriateness for construction, paint colors, and demolition.

### STAFFING

Staffing is provided by a part-time clerical position.

### FY09 MAJOR INITIATIVES

- Identify "Historic Districts" on resident tax/lien bills

### FY07/08 MAJOR INITIATIVES

- Continue monitoring all historic districts for appropriate construction, paint colors, and demolition
- Issue certificates of appropriateness

### BUDGET ISSUES

Level Staff Budget: The personnel part of this budget provides for the same level of staffing as FY08, adjusted only for cost of living adjustment. The expense lines have been set at the same level as FY08. This office is a permitting body, and must have limited staff hours to support their function.

Non Override Budget: The tiny budget allowed for this function annually in past years - \$2,645 in FY08 – is reduced to \$2,167 for FY09.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	Actual FY06	Actual FY07	Appropriated FY08	Appropriated FY09
<b>HISTORIC DISTRICTS COMMISSION</b>				
Clerical	1,875	2,250	2,645	2,167
<b>Sub Total: Personal Services</b>	<b>1,875</b>	<b>2,250</b>	<b>2,645</b>	<b>2,167</b>
General Expenses	328	1,145	450	450
Carryforward Expense	1	20	0	0
<b>Sub Total: Expenses</b>	<b>329</b>	<b>1,165</b>	<b>450</b>	<b>450</b>
<b>Total: Hist Dist Commission</b>	<b>2,205</b>	<b>3,414</b>	<b>3,095</b>	<b>2,617</b>

# Unclassified & Transfer Expense



	Actual FY06	Actual FY07	Appropriated FY08	Appropriated FY09
<b>Unclassified &amp; Transfers</b>				
Town-Wide Operating Expenses	84,116	94,727	100,700	90,675
Reserve Fund	0	0	147,000	147,000
Town Non-Clerical Contingency	0	0	5,864	120,000
<b>Total Unclassified &amp; Transfers</b>	<b>84,116</b>	<b>94,727</b>	<b>253,564</b>	<b>357,675</b>

## UNCLASSIFIED – Town Wide Operating Expenses

### MISSION OF THE PROGRAM

This budget provides a place to budget for those costs that do not fit precisely into other cost centers and are shared by many departments.

### DESCRIPTION OF SERVICES

Expenses are included for copiers, postage, telephone, the Town Report, Town Meeting, and the July 4<sup>th</sup> parade. All spending from this budget requires the approval of the Town Manager.

### FY09 GOALS AND INITIATIVES

- Continue efforts to implement electronic filing and records maintenance and reduce the number of photocopies that are made when sharing files and information
- Continue ongoing program of producing an all electronic file for printing the Town Report and the Annual Town Meeting Warrant
- Support work of the Technology Department in implementing new VOIP phone system in Town buildings
- Explore ways to produce paperless agenda packets for Selectmen's meetings

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>TOWN-WIDE OPERATING EXPENSES</b>				
Copiers: Supplies & Service	4,325	7,257	8,000	7,300
Postage	27,982	36,806	39,000	37,675
Telephone	13,436	14,643	20,000	22,000
Town Report Printing	8,107	8,829	9,500	0
Town Meetings and Elections	6,899	8,502	18,000	18,000
Memorial Day	2,043	2,045	2,200	1,700
July 4th Celebration	4,000	4,000	4,000	4,000
Assessed Tuition	16,692	0	0	0
Carryforward Expense	633	12,646	0	0
<b>Total: Operating Expenses</b>	<b>84,116</b>	<b>94,727</b>	<b>100,700</b>	<b>90,675</b>

## MISSION OF THE PROGRAM

Annual Town Meeting is the appropriating body for the Town budget, and yet unless a special need arises; it meets only in April of each year. The School Departments have the ability to move funds around within their appropriation. The two transfer accounts provided for here provide the Town side of government with reserves to rely on should the need arise during the year.

## DESCRIPTION OF SERVICES

This budget has two components for unknown costs facing the Town Departments: the reserve fund and a salary contingency fund for any salary negotiations that are in progress during the year, as well as for adjustments that may be needed during the year.

## BUDGET ISSUES

### **Budget Issues: Reserve Fund**

Level Staff Budget AND Non Override Budget: This is the same dollar amount as is budgeted for FY08 (\$147,000) and that amount is only \$2,000 higher than the FY07 amount. In FY06 and FY08 the Reserve Fund was completely spent through transfers to other Town line items that needed supplementing. As always there are risks the Town runs in making various budget decisions, and it is in this Reserve Fund we set aside funding to cover as many of these risks as possible. These potential areas of additional funding include:

1. **Legal expenses:** Funding for the law budget is set at a minimum level, but it is likely the Town will either be sued or will initiate legal proceedings to protect its rights and to defend the decisions of its Boards and Commissions.
2. **Equipment failure:** the Town relies on aging equipment. Items such as boilers in buildings, and some trucks and heavy equipment are currently beyond their useful life, but we have not been able to budget to replace them. If a failure occurs during the fiscal year we look to this fund for replacement.
3. **Snow and Ice Removal costs:** It is impossible to budget accurately for the costs of snow and ice removal. Per state law, we budget the minimum and if that amount is exceeded, we look to the reserve fund to cover any overages.
4. **Veterans' benefits:** The Town is required to pay for such benefits, but at budget preparation time we do not have any sense of how many veterans might need assistance. Thus, we keep funds against that possibility in the Reserve Fund.
5. **Fire and Police department staff injuries:** In these two critical departments, lengthy health related absences create the demand for shifts to be filled through overtime. We do not budget for this possibility in these departments, but instead assume that all employees will be healthy and able to work all scheduled shifts.

But too often a long-term injury or illness does occur, and reserve fund transfers are needed to cover these overtime costs.

6. **The unexpected:** With every department's budget so tight, there is nowhere else to look for any unexpected costs that must be paid.

The reserve fund amount is slightly over 1% of the total Town budget; and that is about half what most towns of Sudbury's size keep in a Reserve Fund. As Finance Committee approval is needed to spend the money in this fund, Town Meeting can be sure this is a critical part of providing for the continued safe operation of Town departments.

**Budget Issues: Salary Contingency Fund**

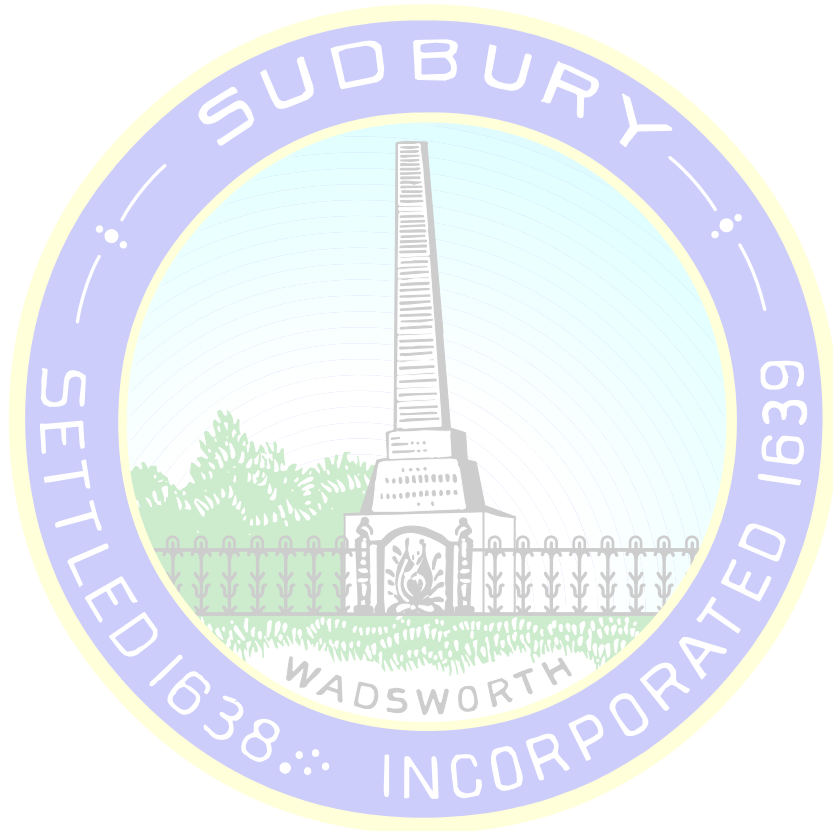
This budget has been set at \$120,000, compared to \$209,151 in FY08. As of the preparation of this budget, two collective bargaining groups have not settled contracts: the police patrol officers, and the DPW employees. The amount set aside here should be sufficient if these contracts settle along the financial pattern as other Town groups.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	Actual FY06	Actual FY07	Appropriated FY08	Appropriated FY09
<b>Unclassified &amp; Transfers</b>				
Town-Wide Operating Expenses	84,116	94,727	100,700	90,675
Reserve Fund	0	0	147,000	147,000
Town Non-Clerical Contingency	0	0	5,864	120,000
<b>Total Unclassified &amp; Transfers</b>	<b>84,116</b>	<b>94,727</b>	<b>253,564</b>	<b>357,675</b>

## Section Five

# SHARED PROGRAMS & COSTS



# SHARED PROGRAMS & COSTS



	Actual FY06	Actual FY07	Appropriated FY08	Appropriated FY09
<b>SHARED PROGRAMS &amp; COSTS</b>				
Town Benefits & Insurance	8,189,548	9,209,742	10,333,533	11,022,888
Stabilization Fund	0	0	50,000	0
Cherry Sheet Charges & Offsets	523,214	216,426	203,732	199,979
Snow/Ice Deficits	165,130	0	0	100,000
Abatements/Exemptions	592,765	434,881	490,898	450,000
<b>Total Shared Programs &amp; Costs</b>	<b>9,470,657</b>	<b>9,861,049</b>	<b>11,078,163</b>	<b>11,772,867</b>



## **BENEFITS AND INSURANCE**

### **MISSION OF THE PROGRAM**

To provide to the employees of the Town of Sudbury (including those who work for the Sudbury Public Schools) both the required and contractually agreed upon benefits to protect their health, provide for their income security if they are injured on the job, and provide for their eventual separation from the Town, either through retirement or leaving before retirement is reached.

### **DESCRIPTION OF SERVICES**

Employee benefits represents the cost of providing health and life insurance for Town and Sudbury Public School employees as well as for Worker's Compensation, unemployment, Medicare Tax, and the Town's assessment from the Middlesex Retirement System. This budget category also includes property and liability coverage for all Town owned property as well as all Town officials, elected and appointed.

### **BUDGET ISSUES**

Level Staff Budget: This budget is the best estimate of the costs of these programs assuming that all benefited positions of the Sudbury Public Schools and Town of Sudbury remain. Of the seven line items in the budget area, three have been essentially level funded (workers compensation, unemployment compensation, and life insurance). Four others have increases as follows: Medicare Tax, mandated by the Federal government, continues to rise as older employees, who were exempt from this requirement, are replaced by employees whose wages are subject to the liability. Medical claims insurance is up 6%, which is good news, given in FY08 we saw a 12% increase. Pension costs are up 10%, per the assessment from the Middlesex Regional Retirement System. Last year it rose 13%. Finally property and liability insurance premiums are up 15%, or about \$30,000, over FY08.

Departmental Request Budget: As the Town had requested upgrading one position from part time to full time (the GIS Coordinator) and creating two new full-time positions (Assistant Recreation Director and Staff Officer in the Fire Department), and SPS had requested to add positions, funds were added to the benefits budget for these proposed positions.

Non Override Budget: The overall benefits budget has been reduced \$32,000 for the Town, as we intend to be sure that all positions that are being eliminated will have no unemployment costs in FY09. We are projecting that positions being eliminated by SPS will have unemployment costs that will offset potential savings in other benefit areas, so we have not projected a reduction for SPS for FY09.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>BENEFITS &amp; INSURANCE</b>				
Worker's Compensation	20,305	17,628	27,220	27,900
Unemployment Compensation	35,630	6,794	39,000	39,000
Medicare Tax	341,278	369,559	368,500	406,515
Life Insurance	4,354	4,182	5,600	5,600
Medical Claims/ Insurance	5,794,621	6,550,505	7,256,704	7,692,000
Retirement Program	1,828,403	2,075,487	2,405,119	2,653,713
Property/Liab. Insurance	164,957	185,587	199,390	230,160
New Hires Estimate	0	0	32,000	-32,000
<b>Total: Employee Benefits</b>	<b>8,189,548</b>	<b>9,209,742</b>	<b>10,333,533</b>	<b>11,022,888</b>

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>EMPLOYEE BENEFITS</b>				
Worker's Compensation	<b>20,305</b>	<b>17,628</b>	<b>27,220</b>	<b>27,900</b>
Town:	10,152	8,814	13,610	13,950
School:	10,153	8,814	13,610	13,950
Unemploy. Compensation	<b>35,630</b>	<b>6,794</b>	<b>39,000</b>	<b>39,000</b>
Town:	4,649	1,638	7,800	7,800
School:	30,981	5,156	31,200	31,200
Medicare Tax	<b>341,278</b>	<b>369,559</b>	<b>368,500</b>	<b>406,515</b>
Town:	98,971	107,172	95,810	117,889
School:	242,307	262,387	272,690	288,626
Life Insurance	<b>4,354</b>	<b>4,182</b>	<b>5,600</b>	<b>5,600</b>
Town:	1,263	2,969	1,848	1,848
School:	3,091	1,213	3,752	3,752
Medical Claims/ Insurance	<b>5,794,621</b>	<b>6,550,505</b>	<b>7,256,704</b>	<b>7,692,000</b>
Town:	1,854,279	2,096,162	2,249,578	2,461,440
School:	3,940,342	4,454,343	5,007,126	5,230,560
Retirement Program	<b>1,828,403</b>	<b>2,075,487</b>	<b>2,405,119</b>	<b>2,653,713</b>
Town:	1,170,178	1,328,312	1,539,276	1,516,122
School:	658,225	747,175	865,843	1,137,591
Property/Liab. Insurance	<b>164,957</b>	<b>185,587</b>	<b>199,390</b>	<b>230,160</b>
Town:	65,983	74,235	79,756	115,080
School:	98,974	111,352	119,634	115,080
New Hires	<b>0</b>	<b>0</b>	<b>32,000</b>	<b>-32,000</b>
Town:	0	0	16,000	-32,000
School:	0	0	16,000	0
<b>Total: Employee Benefits</b>	<b>8,189,548</b>	<b>9,209,742</b>	<b>10,333,533</b>	<b>11,022,888</b>
Town:	3,205,475	3,619,302	4,003,678	4,202,129
School:	4,984,073	5,590,440	6,329,855	6,820,759

## STABILIZATION FUND

### DESCRIPTION OF SERVICES

This is a fund maintained by the Town for several purposes. First, it is the Town's primary reserves for emergencies that occur after the year's annual budget has been approved by Town Meeting. There are really only two state approved mechanisms for building reserves for a source of funds if some large disaster hit the Town. One is free cash, and the other is the stabilization fund. Since Sudbury tends to use nearly all its free cash each year, this is the fund relied on by the Town for one-time, unexpected occurrences that need immediate financial resources.

The stabilization fund balance as of June 30, 2007 was \$ 1,682,125.

### BUDGET ISSUES

No funds were requested for this budget in FY09.

	Actual FY06	Actual FY07	Appropriated FY08	Appropriated FY09
<b>STABILIZATION FUND</b>				
Additions to Fund	0	0	50,000	0
<b>Total Stabilization Fund</b>	<b>0</b>	<b>0</b>	<b>50,000</b>	<b>0</b>

## **CHERRY SHEET: Charges and Offsets**

### **DESCRIPTION OF SERVICES**

**Cherry Sheet Charges & Underestimates** - Certain charges are levied on the Town by state law and are not subject to Town Meeting appropriation. The principal item is the MBTA assessment (Ch. 161A). Other charges are for the Air Pollution District (Ch. 111), the Metropolitan Area Planning Council (Ch. 40B), RMV Non-Renewal Surcharge (Ch. 90; Ch. 60A), Special Education (Ch. 71B), and School Choice Sending Tuition (Ch. 76).

**Cherry Sheet Offsets** - These are amounts that are included on the budget summary to now reflect only two state revenue programs that are to be spent without being part of the appropriated budget. These small grants programs are for public libraries and school lunches. We show these as "offsets" in this un-appropriated category because the revenue for them is included in the total cherry sheet revenues, and must be used for direct expenditures to support the grant program.

### **BUDGET ISSUES**

**Cherry Sheet Charges & Underestimates** - Cherry Sheet charges have been decreasing over the past four years, due to a change in the calculation of the MBTA assessment. Since Sudbury does not receive any direct benefit from the T, such as having a train station or bus service in Sudbury, our charges have reduced while the assessment for Towns and Cities which do receive services has increased. For FY09, the budget assumption is that charges will be \$165,533 which represents a moderate increase from the previous year.

**Cherry Sheet Offsets** - The amount shown is not subject to Town Meeting appropriation or ratification. It is, however, a part of the Town's overall budget plan. For FY09, the total amount of Offsets is estimated to be only \$34,446. The reason for this drastic decrease from prior years is due to the removal of the METCO grant program from the State's Cherry Sheet reimbursement system. While the large grant program still exists, the State has chosen to reclassify it elsewhere starting in FY07.

## **SNOW AND ICE DEFICITS/OTHER DEFICITS TO BE RAISED**

### **DESCRIPTION OF SERVICES**

Snow removal expense is unpredictable from year to year, and subject to wide variations. The budget strategy is to recognize long-term trends without assuming a "worst-case" situation. As long as the amount appropriated is at least equal to the prior year's appropriation, the state law permits deficit spending for this purpose. The amount of any deficit is then added to the following year's levy before any new appropriations can be voted.

### **BUDGET ISSUES**

The Town needs to be careful in estimating this amount, because of the levy limit restriction. By state law, if the deficit for FY09 snow and ice is larger than the amount estimated for FY09, either other budget lines must be cut to pay for the deficit, or the Town must realize enough other non-tax revenues during the year to cover any shortfall. Typically, the Town will budget \$100,000 for deficit in this category so that it can accommodate such a shortfall based on non-tax revenue projections within the same time frame. Occasionally, not even that is enough to handle extraordinarily bad winters; as was the case in FY05. As required by law, Town added the shortfall to the following year's levy for FY06.

On the other hand, if too much is estimated in the regular snow & ice budget and not as much is needed due to a milder winter, then the Town has unnecessarily tied up funds which could have been used to support other areas of the budget. For FY09 planning purposes \$431,401 is being recommended for appropriation for snow & ice removal. However, due to budgetary constraints in all areas of government in FY09 the Town has scaled back the request for appropriation for snow & ice to a minimum of \$414,655 (the same level as FY08). Doing so will free up funds that are vital to support other areas of the budget while preserving the Town's ability to deficit spend, only if the FY09 winter months prove extraordinarily costly due to the number and severity of snow & ice storms.

No other deficits are being projected and therefore, no other amount is being recommended to be set aside.

## **ABATEMENTS AND EXEMPTIONS**

### **DESCRIPTION OF PROGRAM**

This is an amount, also known as "overlay", that is added to the property tax levy in excess of the sum required to meet appropriations, state assessments and deficits. It cannot exceed 5% of the levy and is used to cover abatements and exemptions granted by the Board of Assessors or as a result of appeals to the State Appellate Tax Board or to the courts. This budget item is counted in the total tax levy subject to the limitations of "Proposition 2½".

After all abatements and exemptions have been settled for a given year, any surplus remaining in that year's overlay account is first applied to any deficit balances from other years. Funds remaining after such transfer become part of the Town's fund balance available for appropriation by Town Meeting. This is called Abatement Surplus.

### **BUDGET ISSUES**

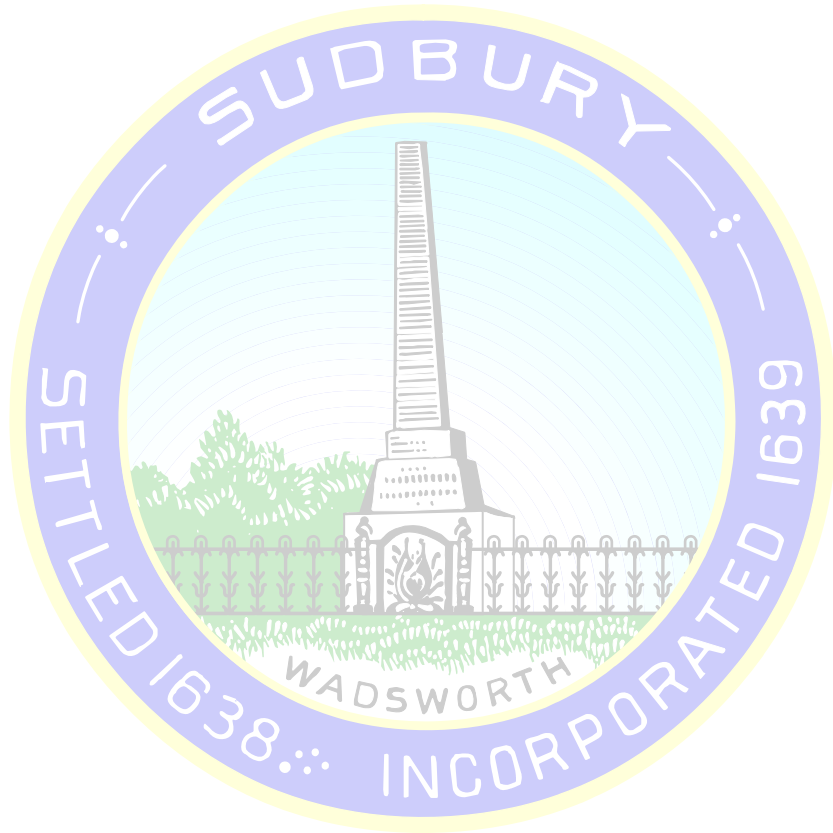
The amount in this account is not subject to Town Meeting appropriation or ratification. It is, however, a part of the Town's budget plan. For FY09, the Board of Assessors has set the amount for this account at \$450,000.





## Section Six

# ENTERPRISE FUNDS



# ENTERPRISE FUNDS



	Actual FY06	Actual FY07	Appropriated FY08	Appropriated FY09
<b>ENTERPRISE FUND EXPENDITURES</b>				
<u>Transfer Station</u>	367,901	232,889	271,610	285,520
<u>Pool</u>	393,290	404,959	457,927	472,426
<b>Total Enterprise Funds (Direct)</b>	<b>761,191</b>	<b>637,848</b>	<b>729,537</b>	<b>757,946</b>

<b>ENTERPRISE FUNDS: Transfer Station/Recycling Center</b>
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**DESCRIPTION OF SERVICES**

The Town of Sudbury does not offer curbside solid waste pickup, but rather operates a Transfer Station/Recycling Center at the site of the former Sand Hill Sanitary Landfill located at 20 Boston Post Road. The Transfer Station is the receiving point for approximately one fourth of the town's residential waste, which is then hauled by the Town to a transfer station in Hudson, Mass. Private contractors hired by residents pick up and haul the remaining residential waste. The Transfer Station also operates an extensive recycling center for glass, plastic paper, CRT's, tires and oil. To cover the costs of operations, residents who wish to use the Transfer Station are charged an annual fee for a sticker; plus through a "pay as you throw" system, residents pay for each bag of waste they bring to the facility. The bags are purchased at a number of retail locations in Sudbury. This "pay as you throw" encourages recycling and allocates the true cost of waste handling to the users with the greater volume of waste produced.

**STAFFING**

There are two employees regularly assigned to the Transfer Station operations.

**BUDGET ISSUES**

The solid waste disposal enterprise fund pays all its direct and indirect costs, and is not subsidized by the tax levy. This enterprise fund remains self-supporting.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	Actual FY06	Actual FY07	Appropriated FY08	Appropriated FY09
<b>TRANSFER STATION ENTERPRISE FUND</b>				
Non-Clerical	85,322	87,749	89,491	87,026
Overtime	5,440	5,831	7,000	7,000
Clerical	6,887	6,459	7,287	7,762
<b>Sub Total: Personal Services</b>	<b>97,648</b>	<b>100,039</b>	<b>103,778</b>	<b>101,788</b>
General Expense	22,774	6,902	24,732	24,732
Maintenance	44,287	39,647	34,100	50,000
Hauling & Disposal	85,996	71,687	89,000	89,000
Resource Recovery	10,050	13,989	20,000	20,000
Carryforward Expense	506	625	0	0
<b>Sub Total: Expenses</b>	<b>163,613</b>	<b>132,850</b>	<b>167,832</b>	<b>183,732</b>
Capital Expense	106,640	0	0	0
<b>Sub Total: Capital Expenses</b>	<b>106,640</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Direct Costs (appropriated)</b>	<b>367,901</b>	<b>232,889</b>	<b>271,610</b>	<b>285,520</b>
INDIRECT COSTS: (Not Appropriated)				
Benefits/Insurance	18,793	24,000	30,912	30,912
<b>Indirect Costs (appropriated in gene</b>	<b>18,793</b>	<b>24,000</b>	<b>30,912</b>	<b>30,912</b>
<b>TOTAL: TRANSFER STATION ENTERPRISE</b>	<b>386,694</b>	<b>256,889</b>	<b>302,522</b>	<b>316,432</b>
Transfer Station Receipts	386,694	256,889	302,486	290,000
Retained Earnings Used	0	0	0	26,432
Salary Contingency Used			36	
<b>Total Revenue</b>	<b>386,694</b>	<b>256,889</b>	<b>302,522</b>	<b>316,432</b>
<b>Surplus/Deficit</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## **ENTERPRISE FUNDS: Atkinson Pool**

### **MISSION OF THE OFFICE**

The Mission of The Sudbury Atkinson Pool is to provide aquatic activities, leisure services to the public. To enhance the quality of life for the Town of Sudbury residents by providing clean, safe and attractive aquatic facility that promote a strong sense of community.

### **DESCRIPTION OF SERVICES**

The Atkinson Pool is a Town owned year round indoor aquatic facility, which opened in January 1988. There is an eight-lane 25-yard pool and a separate dive well with two one-meter boards. The pool offers a variety of aquatic programs and events throughout the year. Programs include swim lessons (ages 3 through adult), parent and child classes, spring board diving lessons, aquatic exercise, deep water workout, masters swimming, family swimming, lap swimming, adult and youth SCUBA lessons, first aid and CPR, Lifeguard Training and Water Safety Instructor classes. The pool also hosts a number of swim teams, including the Sudbury Youth Swim Team, The Lincoln Sudbury Regional High School Swim Team, and several area high schools swimming and diving teams.

### **STAFFING**

The department consists of a full-time aquatic director two full-time aquatic supervisor's, a head lifeguard and many aquatic staff, mostly part-time, who are paid out of enterprise fund.

### **FY08/09 GOALS AND INITIATIVES**

- Update the Maintenance Plan for the Atkinson pool for next 5 years
- Completion of the capital projects
- Continue efforts to bring financial stability and predictability to the Atkinson Pool

### **PERFORMANCE/WORKLOAD INDICATORS**

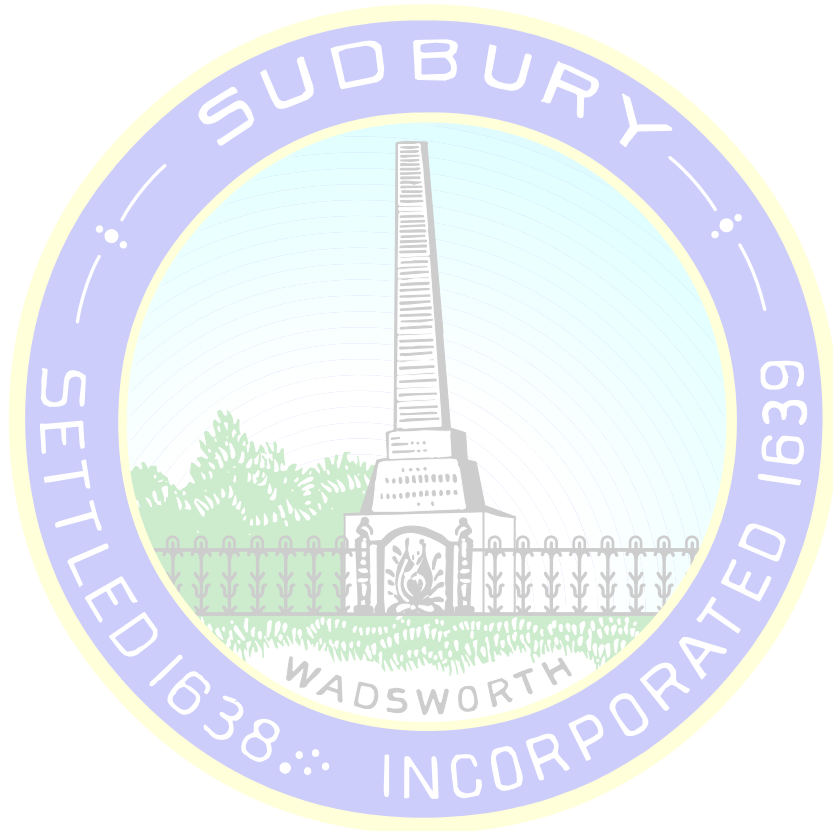
<b>Indicator</b>	<b>FY05</b>	<b>FY06</b>
<b>Atkinson Pool Memberships</b>	<b>1,073</b>	<b>1,045</b>
<b>Atkinson Pool Members</b>	<b>2,075</b>	<b>2,038</b>
<b>Pool Attendance</b>	<b>78,079</b>	<b>83,789</b>

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	Actual FY06	Actual FY07	Appropriated FY08	Appropriated FY09
<b>POOL ENTERPRISE FUND</b>				
Non-Clerical	123,276	117,212	136,262	144,544
Head Lifeguards	31,714	32,317	33,803	35,175
Overtime	914	907	1,133	1,161
Clerical	14,958	13,842	17,030	17,456
Part Time Supervisors	5,682	8,219	8,092	8,294
Receptionists	19,796	21,387	24,345	24,954
WSI Lifeguards	47,241	48,544	65,644	67,285
Instructors	11,975	11,772	12,618	12,556
<b>Sub Total: Personal Services</b>	<b>255,555</b>	<b>254,201</b>	<b>298,927</b>	<b>311,426</b>
General Expense	11,388	11,724	10,000	10,000
Utilities	80,867	83,060	92,000	94,000
Maintenance	28,260	37,396	45,000	45,000
Programs	7,121	8,034	6,000	6,000
Equipment	1,314	0	6,000	6,000
Carryforward Expense	8,785	10,545	0	0
<b>Sub Total: Expenses</b>	<b>137,735</b>	<b>150,759</b>	<b>159,000</b>	<b>161,000</b>
Building improvements	0	0	0	0
<b>Sub Total: Capital Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Direct Costs (appropriated)	<b>393,290</b>	<b>404,959</b>	<b>457,927</b>	<b>472,426</b>
INDIRECT COSTS: (Not Appropriated)				
Insurance & Benefits	58,434	58,434	62,198	65,530
Indirect Costs (appropriated in general fund)	<b>58,434</b>	<b>58,434</b>	<b>62,198</b>	<b>65,530</b>
<b>TOTAL: POOL ENTERPRISE</b>	<b>451,724</b>	<b>463,393</b>	<b>520,125</b>	<b>537,956</b>
Pool Receipts	393,290	404,959	440,000	445,667
Retained Earnings Used	0	0	17,842	26,759
Salary Contingency Used			85	
Total Revenue	<b>393,290</b>	<b>404,959</b>	<b>457,927</b>	<b>472,426</b>
Amounts to be raised in tax levy	<b>-58,434</b>	<b>-58,434</b>	<b>-62,198</b>	<b>-65,530</b>

# Section Seven

## EDUCATIONAL BUDGETS



# EDUCATIONAL BUDGETS



*Loring Elementary School*



*Curtiss Middle School*



*Lincoln-Sudbury High School*

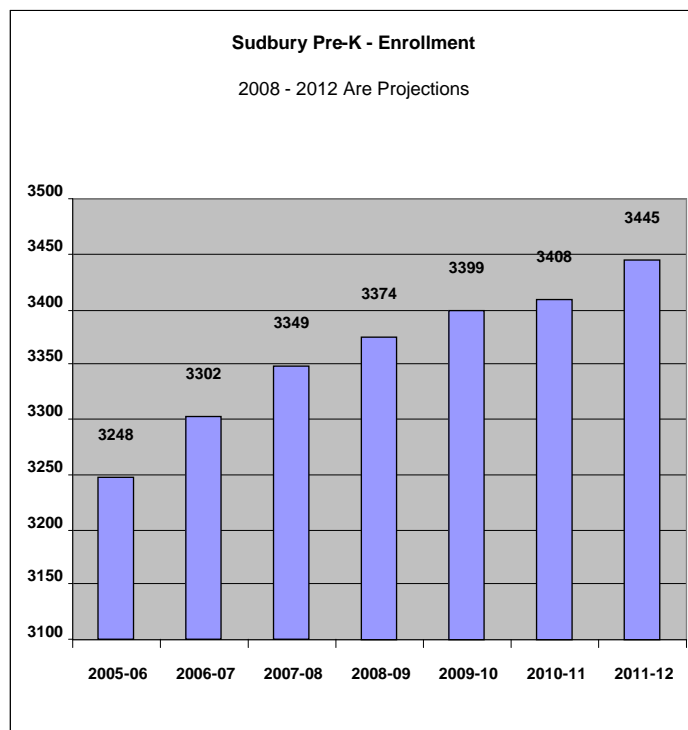
	Actual FY06	Actual FY07	Appropriated FY08	Appropriated FY09
<b>Schools</b>				
<u>SPS Operating Expenses</u>	29,251,038	31,042,096	33,341,232	33,845,714
<u>LSRH Operating Assessments</u>	14,592,013	15,101,094	16,514,863	16,429,156
<u>Minuteman</u>	304,640	312,280	224,404	237,788
<u>Other Vocational</u>	16,692	63,854	66,408	69,064
<b>Total Schools</b>	<b>44,164,383</b>	<b>46,519,324</b>	<b>50,146,907</b>	<b>50,581,722</b>



## SUDBURY PUBLIC SCHOOLS

### MISSION OF THE SUDBURY PUBLIC SCHOOLS

The Sudbury Public Schools strive to enable all students to reach their intellectual and personal potential. The school system, in partnership with families and the community, will work with integrity and respect to realize the shared vision of enabling students to become life-long learners and effective contributors to society.



Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	Actual FY06	Actual FY07	Appropriated FY08	Appropriated FY09
<b>SUDBURY PUBLIC SCHOOLS</b>				
Sudbury Public Schools	24,266,965	25,451,656	28,969,802	29,222,694
Offsets (incl. METCO)	-	-	(1,958,425)	(2,197,739)
Sudbury Public Schools	24,266,965	25,451,656	27,011,377	27,024,955
		4.9%	6.1%	0.1%
Add: Benefits Costs	4,984,073	5,590,440	6,329,855	6,820,759
<b>Total: Sudbury Public Schools</b>	<b>29,251,038</b>	<b>31,042,096</b>	<b>33,341,232</b>	<b>33,845,714</b>

## LINCOLN-SUDBURY REGIONAL HIGH SCHOOL

### VALUES OF THE LINCOLN-SUDBURY REGIONAL HIGH SCHOOL

The Lincoln-Sudbury Regional High School Core Values are as follows: (1) Promotion of cooperative and caring relationships between adults and students; (2) Respect for human differences; and (3) Satisfaction with excellence only, particularly in academics.

In addition, the following budgetary guidelines are distributed and adhered to:

- Make classroom teaching and learning our first priority
- Try to maintain reasonable class size in core academic areas
- Distinguish between what is essential to learn by completion of high school and what is desirable to experience.
- Maintain mainstreaming opportunities for students with special needs.
- Continue to develop initiatives that will provide optimal educational experiences for our most reluctant learners, and support efforts to assess student performance, and make educationally sound decisions based on these assessments.
- Maintain athletic and extra-curricular activities.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	Actual FY06	Actual FY07	Appropriated FY08	Appropriated FY09
<b>LINCOLN-SUDBURY REGIONAL HS</b>				
Sudbury Apportionment	<b>85.75%</b>	<b>85.81%</b>	<b>85.33%</b>	<b>84.81%</b>
LSRHS Benefits Assessment	2,288,091	2,631,666	2,942,868	3,117,966
LSRHS Oper. Assessment	14,900,120	15,847,573	16,806,624	16,566,468
LSRHS Oper. Offsets	(2,596,198)	(3,378,145)	(3,234,629)	(3,255,278)
LSRHS E&D Assessment	-	-	-	-
	14,592,013	15,101,094	16,514,863	16,429,156
LSRHS Debt Assessment	2,461,086	2,935,689	2,647,937	2,394,071
Total LSRHS (Sudbury Portion)	<b>17,053,099</b>	<b>18,036,783</b>	<b>19,162,800</b>	<b>18,823,227</b>

### FY09 Debt Service

Lincoln-Sudbury Regional School District was authorized by the Towns of Sudbury and Lincoln to borrow \$73,900,000 to build the new Lincoln-Sudbury Regional High School. The Commonwealth of Massachusetts has already paid for the majority of their share of the project (\$35,130,685). With the change in how the state now reimburses school building projects, we have estimated that the Towns of Sudbury and Lincoln have saved approximately \$10,000,000 in interest costs that would have otherwise been spent using the state's old method of reimbursing for such projects. Included in the FY09 Budget are

principal and interest costs of \$2,822,864. Sudbury's portion of FY09 debt service is \$2,394,071, which represents a reduction from FY08 of \$253,866.

## **MINUTEMAN REGIONAL VOCATIONAL TECHNICAL HIGH SCHOOL**

The proposed FY08 Budget for Minuteman Regional Vocational Technical School has not yet been voted on or submitted to the Town as of this publication. However, based on recent estimates for enrollment and Minuteman's overall operating budget, the Town is currently projecting an increase of 4.00%. As such, impact of the FY09 overall budget is estimated to be \$233,380 for Sudbury. However, if enrollment numbers change for this school, this assumption could be off. This number should be considered very preliminary until the MRVTSD budget is received.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>MINUTEMAN VOCATIONAL</b>				
Operating Assessment	304,640	312,280	224,404	237,788
<b>Total: Minuteman Vocational</b>	<b>304,640</b>	<b>312,280</b>	<b>224,404</b>	<b>237,788</b>

## **OTHER REGIONAL HIGH SCHOOL ASSESSMENT**

This budget is for two Sudbury students who have elected to attend a vocation high school other than Minuteman, and by state law, Chapter 74 section 7, 7c and 8a, the municipality where the student resides is required to pay the non-residential tuition and transportation costs. The actual FY09 cost for is unknown at this time, but is projected at \$69,064 for both tuition and transportation.

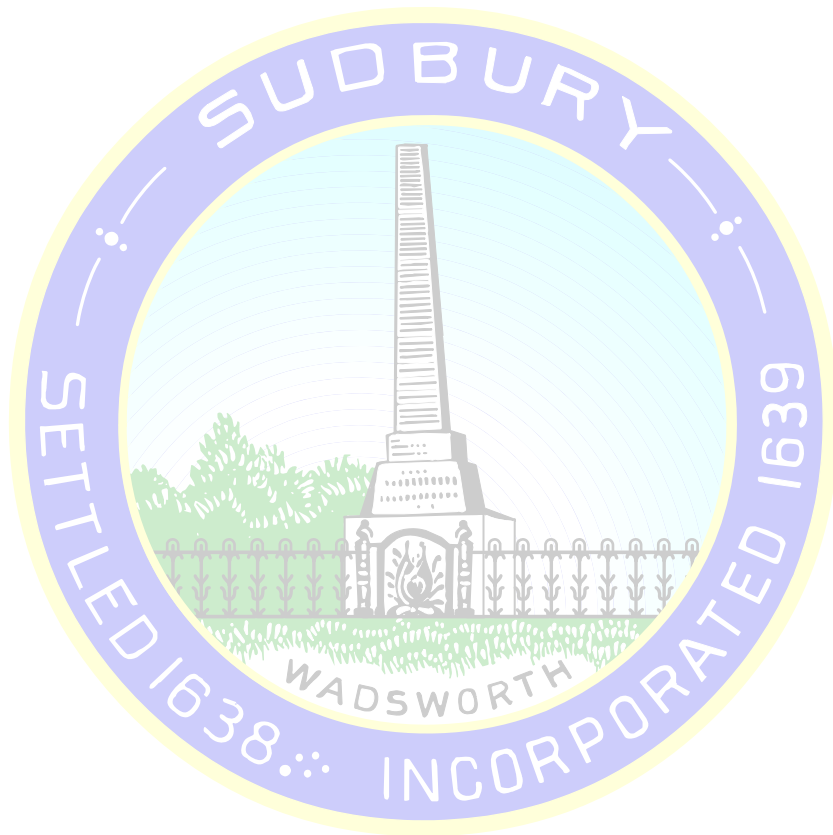
Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>OTHER EDUCATIONAL ASSESSMENTS</b>				
Operating Assessment	16,692	63,854	66,408	69,064
<b>Total: Minuteman Vocational</b>	<b>16,692</b>	<b>63,854</b>	<b>66,408</b>	<b>69,064</b>



## Section Eight

# CAPITAL INVESTMENT BUDGET



# CAPITAL INVESTMENT BUDGET



	Actual FY06	Actual FY07	Appropriated FY08	Appropriated FY09
<b>CAPITAL INVESTMENT</b>				
Total Debt Service	7,965,713	7,770,683	7,129,866	6,741,131
Total Capital & Articles	273,000	285,095	789,148	362,500
<b>Total: Capital Investment</b>	<b>8,238,713</b>	<b>8,055,778</b>	<b>7,919,014</b>	<b>7,103,631</b>

## **MISSION OF THE PROGRAM**

Debt financing is the primary means of financing large capital projects in Sudbury. The use of debt allows the Town to afford the construction of large scale capital assets in a systematic and planned manner.

The mission of the Town as regards to debt management has five components:

1. To achieve the best possible true interest cost associated with the debt.
2. To maintain an amount of debt to be issued and retired each year that results in the impact on the tax rate that is fairly consistent year to year.
3. To maintain the AAA credit rating that was first issued to the Town in 2000 by Standard & Poor's of New York.
4. To keep the average weighted maturities of outstanding debt as low as possible, so as to hold down the amount of debt service that is allocated to interest costs, and to allow for the issuance of new debt as newly recognized capital needs emerge.
5. To integrate any borrowing authorized under the Community Preservation Act into the overall debt financing plans of the Town.

Please see the Board of Selectmen's Debt Policy and Capital Budgeting and Planning Policy.

## **DESCRIPTION OF SERVICES**

This budget provides for the repayment of principal and interest on the Town's long-term general fund debt. (Debt service funded through the Community Preservation Act (CPA) is not considered part of the Town's annual budget, but is shown within the Community Preservation Committee submitted articles at Town Meeting). The Town does not issue any enterprise debt. All of Sudbury's non-CPA debt is exempt from the limits of Proposition 2 ½. This designation allows for the value of such debt service payments (net of any premiums or State reimbursements) to be added to the levy limit for the life of the borrowings/bond issues.

The Town issues debt pursuant to votes of Town Meeting to provide funding for major projects, in accordance with Massachusetts General Laws, Chapter 44, section 7 and 8. The maximum amount of debt for each project is authorized by Town Meeting, and then the Town Treasurer issues the bond after working with the Town Manager and the Town's Financial Advisor to design and structure the bond, and with the approval of the Board of Selectmen.

The General Debt Limit of a city or town consists of a Normal Debt Limit and a Double Debt Limit. The Normal Debt Limit is 5 percent of the (EQV) valuation of taxable property as last equalized by the State Department of Revenue. According to the most recent statistics, the Town of Sudbury's EQV for 2006 was \$4,260,907,900. The normal debt limit (of 5% EQV) is therefore, \$213,045,395. As of June 30, 2007 the Town's permanent debt outstanding was \$42,040,000 or less than 20% of the allowable normal debt limit.

A city or town can authorize debt up to this amount without State approval. It can authorize debt up to twice this amount (the Double Debt Limit) with the approval of the state Municipal Finance Oversight Board composed of the State Treasurer, the State Auditor, the Attorney General and the Director of Accounts.

There are many categories of general obligation debt which are exempt from and do not count against the General Debt Limit. Among others, these exempt categories include revenue anticipation notes and grant anticipation notes, emergency loans, loans exempted by special laws, certain school bonds, sewer bonds, and solid waste disposal facility bonds and economic development bonds supported by tax increment financing. As of June 30, 2007 the Town had \$26,328,000 in long-term debt outside the debt limit; all of which pertains to various school building projects for K-8.

The Town reached a high in terms of debt service payments in FY03 due to the combination of outstanding bond issues for school construction, land acquisition, and various other projects. Since then however, debt has leveled off and is now declining as several Town-related bond issues have been paid in full. Additionally, the Town has taken advantage of lower interest rates to refinance outstanding bonds at lower interest costs.

The Town also pays a prorated share of the debt service for bonds issued in connection with the Lincoln-Sudbury Regional School High School. The Regional School District issues and manages its own debt. Sudbury taxpayers will be expected to pay approximately 85% of that new debt, after grant reimbursements. The School District recently issued the remaining long-term debt for the new building complex. The total debt service for this project has leveled off and is expected to decline starting in FY09. In turn, the Town may expect decreases in their LS assessment for LS debt with the largest reductions starting in FY09 and dropping off significantly in FY2015 through completion in FY2021. It should be noted that the Town's portion of LS debt service is also considered exempt debt for purposes of tax levy calculation.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>DEBT SERVICE</b>				
Long Term Bond Int.	1,679,487	1,559,598	1,411,929	1,277,060
Long Term Bond Principal	3,861,500	3,750,000	3,070,000	3,070,000
LSRHS Debt Service, Sudbury Portion	2,424,726	2,461,086	2,647,937	2,394,071
<b>Total: Debt Service</b>	<b>7,965,713</b>	<b>7,770,683</b>	<b>7,129,866</b>	<b>6,741,131</b>
<b>NON-EXEMPT DEBT/ADJUSTMENTS</b>				
Premium on Bonds	-11,678	(10,743)	(19,151)	(8,408)
SBAB Debt Reimbursement	-2,816,206	(2,816,206)	(2,816,206)	(1,699,872)
DE-1 Tax Recap Adjustments	228,970	281,993	(148,214)	-
<b>Sub-Total: Non-exempt debt adjustments</b>	<b>-2,598,914</b>	<b>(2,544,956)</b>	<b>(2,983,571)</b>	<b>(1,708,280)</b>
<b>Total Exempt Debt to be raised</b>	<b>5,366,799</b>	<b>5,225,727</b>	<b>4,146,295</b>	<b>5,032,851</b>



**DEBT SERVICE DETAIL**

	<b>Date</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
Meachen Land, revoted	7/15/1997	47,535	0	0
Library	7/15/1997	250,655	0	0
Nixon Addition	7/15/1997	175,917	0	0
K-8 Renovations	7/15/1997	205,773	0	0
School Tennis Courts	7/15/1997	345	0	0
Weisblatt Land	6/1/1999	290,413	279,248	268,083
Meachen Land	6/1/1999	197,713	189,628	181,543
Curtis Middle School	12/1/2000	1,182,483	1,128,215	1,074,175
Haynes Elementary	12/1/2000	415,467	393,036	377,413
Loring Elementary	10/1/2001	881,280	864,680	843,880
Haskell Field	10/1/2001	29,200	23,200	22,400
Traffic Signal (Rt. 117)	10/1/2001	17,880	17,280	15,680
Featherland	10/1/2001	24,000	23,200	22,400
Refunding 1992 Issue Unisys/Melone	10/1/2001	134,725	130,556	126,100
DPW	4/1/2003	522,750	512,125	501,500
K-8 Schools Remainder	4/1/2003	123,000	120,500	118,000
Curtis Refunding 2000 Issue	2/15/2005	377,016	377,016	377,016
Haynes Refunding 2000 Issue	2/15/2005	132,465	132,465	132,465
Weisblatt Land Refunding 1999 Issue	6/15/2005	88,631	88,631	88,631
Meachen Land Refunding 1999 Issue	6/15/2005	64,181	64,181	64,181
Capital Items	6/15/2005	148,169	137,969	133,594
L-S Debt, Sudbury share	---	2,461,086	2,647,937	2,394,071
<b>Total Debt Service</b>		<b>7,770,683</b>	<b>7,129,866</b>	<b>6,741,131</b>

**Debt Service by Category**

Schools K-8	3,493,747	3,015,911	2,922,949
Town	992,653	713,774	695,574
Land	823,198	752,244	728,538
L-S Debt, Sudbury share	2,461,086	2,647,937	2,394,071
	<b>7,770,683</b>	<b>7,129,866</b>	<b>6,741,131</b>

## **MISSION OF THE PROGRAM**

For the Town of Sudbury to accomplish its mission of ***Protecting Public Safety, Public Assets and a Special Quality of Life***, the Town and School departments need to have funds for acquiring, maintaining and replacing large items such as infrastructure, buildings, equipment and technology. The Annual Capital Budget is designed to be sure there is an orderly process for evaluating the Town's assets and their expected useful lives, projecting replacement costs, and assigning priorities among such projects when resources cannot fund all requested projects. Further, the Five Year Capital Plan is designed to insure that the Town develops annual operating and capital plans in awareness of and the long range needs and plans of the Town.

## **DESCRIPTION OF SERVICES**

The Annual Capital Budget and the Five Year Capital Plan are developed by the Town's Capital Improvement Planning Committee. A capital bylaw was adopted in 1998, created a capital improvement planning committee, defined what items are to be considered capital, and set forth the capital improvement planning process. In 2005, the Board of Selectmen approved a capital budgeting and planning policy that is meant to complement the capital bylaw. The Selectmen's entire budgeting and financial management policy statement is found in Section One of this budget document. The capital budgeting section is repeated below.

### **Capital Expenditures Budgeting and Planning Policy**

Capital expenditures include land, improvements to land, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, construction in progress and all other tangible and intangible assets that are used in operations and have initial useful lives extending beyond a single reporting period. Infrastructure assets are long-lived capital assets that normally are stationary in nature and can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets owned by the Town of Sudbury include roads, bridges, tunnels, dams and drainage systems. The Town of Sudbury has a capital planning and budget bylaw and process that require the following:

- On or before November 15 of each year, the Town Manager will submit a capital program to the Capital Improvement Planning Committee. The proposed program will detail each capital project, the estimated cost, description and funding source.
- The Town will update and readopt annually a five-year capital improvement plan ("CIP"), including the upcoming annual capital improvement budget ("CIB") and a four year projection of capital needs and expenditures which details the estimated cost, description and anticipated funding sources for capital projects.
- The first year of the five year CIP will be the basis of formal fiscal year appropriation request during the annual budget process.
- Per the Town's capital bylaw, the Capital Improvement Budget and Plan will generally address capital purchases/projects/improvement with a value of more than \$10,000 and a useful life of over five (5) years.

- The Town will emphasize preventive maintenance as a cost-effective approach to infrastructure maintenance. Exhausted capital goods will be replaced as necessary.
- The capital improvements plan should be tied to the Town's master facilities study to ensure that the capital items requested meet the future growth needs for the Town.

### **Capital Investment Categories, Prioritization and Decision-making Process**

All submissions are categorized by following:

"A": Essential. Required for the safety and protection of Town residents, or required to prevent disruption, or significant reduction in Town services.

"B": Asset Maintenance. Required to maintain an important asset of the Town, which will deteriorate substantially without this expenditure.

"C": Enhancement. Provides significant net revenue or cost reduction to the Town, or is self-funding. Estimates of cost reduction or revenue enhancement, together with the assumptions supporting these estimates, should be provided on Form A, under the

D": Needed. Item is needed, but can be postponed until a future year without major impact on Town services. Should be undertaken when funds are available.

Each department must rank or prioritize its own submissions based on specific needs for the coming year as well as long-term goals and new initiatives. Ranking and project specifications are then discussed as a group; the results of a staff committee's deliberations are submitted in detail to the CIPC.

Through a series of working group sessions, liaisons and public meetings the CIPC considers the merits of each project and makes its recommendation for capital outlay to both the Finance Committee and Board of Selectmen. The recommendation includes an overall ranking based on organizational priorities; it considers the financial impact on both the current budget cycle and long-term strategies. The CIPC also reports at Town Meeting.

### **STAFFING**

The Town's Finance Director is an ex-officio member of the Capital Improvement Planning Committee and provides technical advice and support to the committee.

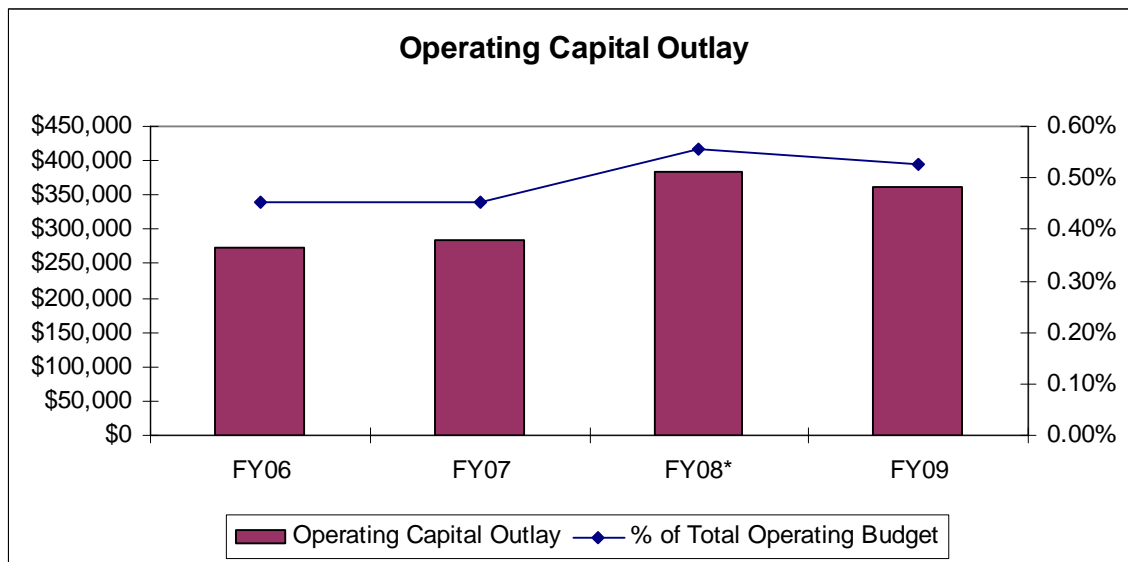
### **FY09 GOALS AND INITIATIVES**

- Evaluate all operating capital requests and prioritized them to remain within the current funds available for FY10 cycle
- Also recommended capital exclusion funding for new large ticket equipment, as necessary, or debt exclusion funding for new municipal building improvements

- Determine if any capital requests have an alternative revenue source besides the operating budget

## FY08 MAJOR INITIATIVES AND ACCOMPLISHMENTS

- The operating capital budget for FY08 for \$384,148 was adopted by Town Meeting
- Also assisted in process leading to adoption of a one-time capital exclusion for a new Fire Engine, valued at \$405,000
- Recommended operating capital projects for FY09 for \$362,500 within the guidelines for a balanced, non-override budget.



## BUDGET ISSUES

All of the projects recommended for funding for FY09 fall into the category of **Operating Capital** and are recommended to be funded through the portion of the Operating Budget that is set aside for such projects. These funds requested, \$362,500 equal approximately .5% of the operating budget for the Town Departments.

1. **Town Building Improvements** Most of the buildings that house our town offices, such as the Flynn Building, the Town Hall and the Loring Parsonage are historic buildings ranging in age from many decades to centuries old. They are in constant need of renovations and improvements in order to halt further deterioration and to provide safe and adequate space in which taxpayers can conduct business and in which town employees work. Some of the projects for which the Building Inspector has requested funds through this capital article include but are not limited to roofing, siding, structural repairs window replacement and HVAC upgrades. The CIPC has determined that attention to these aging buildings should be considered the highest priority in order to protect the town's assets with an eye to safety and efficiency. The Committee feels it is important to make an ongoing annual commitment to completing these long-delayed projects. This article which recommends **\$99,500** for improvements only partially funds a long list of projects that have been delayed over the years,

however, it does allow the Building Inspector to complete those he and the Town Manager have determined to be of the highest priority.

2. Fire Department This year the CIPC recommends funding in the amount of **\$21,400** for use by the Fire Department. \$10,000 is allotted to replace the bathroom floor at Headquarters to correct a structural problem which puts vital electronics equipment in the general vicinity at-risk for water damage. \$ 11,400 will be used to conduct a Station Design Study for all stations. The study will focus on space issues, major repairs and required accommodations for both male and female fire personnel.
3. Fleet Replacement The Department of Public Works has to replace vehicles on a schedule that maximizes the useful life of all of its fleet. Every time there is a delay in replacing aging rolling stock, there is a domino effect that can be costlier in the long run. The automobiles and small pickup trucks are often recycled to other departments in need of vehicles to conduct their business such as the building department or recreation. In the past several years the Town has been forced to acquire vehicles through lease purchases, which cost the town interest. This year, the recommendation for the DPW totaling **\$214,400**, is two-fold: acquiring new equipment and assistance with existing equipment leases.

The CIPC recommends funding for new equipment as follows: \$27,000 (lease cost for one year) for a new John Deere Backhoe, \$24,400 (lease cost for one year) for a new Bombardier, and \$50,000 for the outright purchase of a new Melroe Bobcat. The CIPC also recommends assistance with existing equipment leases totaling \$75,000. While the CIPC cannot commit to additional assistance going forward, the majority felt that under the dire budget constraints for FY09, it would be better to assist the Town in maintaining existing leases of equipment rather than begin new projects of lesser priority. The Director of Public Works and the Town Manager reserve the authority to re-allocate capital monies in the DPW for other vehicles, on an emergency basis only.

4. Park & Recreation Repairs The CIPC recommends funding in the amount of \$15,000 for facility maintenance and to address some ADA compliance issues. The proposed upgrades/replacement of existing doors, railings and signage will help maintain this valuable asset and make it more accessible to all patrons.
5. Tax Collection Software. The CIPC recommends funding in the amount of \$12,200 for the 3rd annual lease payment for new Tax Collection software; as authorized by last year's Town Meeting. This capital outlay is part of the commitment made in FY07 to appropriate funds for all subsequent annual lease payments via capital budget articles rather than through the collector's limited operating budget.

Town Meeting approved the Non Override Budget shown below as Appropriated FY09.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>Capital &amp; Capital Articles</b>				
CIPC Items	273,000	285,095	384,148	362,500
Capital Expenditure Exclusions	0	0	405,000	0
<b>Total Capital &amp; Articles</b>	<b>273,000</b>	<b>285,095</b>	<b>789,148</b>	<b>362,500</b>

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>Capital by Cluster</b>				
SPS				
Town Buildings	20,000	71,895	70,000	109,500
General Government	45,000	79,000	38,548	12,200
Public Safety	23,000	0	450,000	21,400
Public Works	163,550	104,200	146,100	204,400
Culture & Recreation	21,450	30,000	14,500	15,000
Town Center	0		70,000	

In addition to identifying the need for capital projects based on the categories outlined earlier in the CIPC policy, project sponsors are also required to answer the following:

- a) Funding Source. Will the project be paid for by general funds or some other revenue such as grants? Can it be paid for with current funds or will short-term or long-term funding be required?
- b) Funding Horizon. What is the payment or payback timeframe for the project?
- c) Impact to Tax Levy. Will the project funding have an immediate and/or subsequent impact on the tax levy?
- d) Cost Savings. What are the cost savings of going ahead with the project? In particular, what is the impact to the current budget?
- e) Significant Incremental/Future Costs. Will there be any significant incremental costs in future budget cycles as a result of this project? For example, additional insurance, employee labor or maintenance costs?

This decision-making information is summarized on the following page for all of the projects approved during the FY09 budget cycle. Note that CPA-related projects are appropriated under separate articles at Town Meeting. Therefore, they are excluded from the *main* budget tables in Section 3. See Appendix Six for further details on Sudbury's CPA Fund balance, debt and capital projects budget.

## Total Capital Matrix

CLUSTER	DESCRIPTION	FY2009 COST	FUNDING SOURCE	FUNDING HORIZON	TAX LEVY	COST SAVINGS	JUSTIFICATIONS
Buildings	Town Hall Painting	\$ 30,000	GF-Cash	1 yr	Yes	\$ 600	Maintenance
Buildings	Various Bldg Improvements	\$ 62,500	GF-Cash	1 yr	Yes	\$ 5,200	Maintenance & Utilities
Buildings	Flynn HVAC - Computer Rooms	\$ 17,000	GF-Cash	1 yr	Yes	\$ 600	Maintenance & Utilities
Public Safety	Replace HQ Bathroom floor	\$ 10,000	GF-Cash	1 yr	Yes	\$ 500	Repairs/Prevention
Public Safety	Stations Design Study	\$ 11,400	GF-Cash	1 yr	Yes	\$ 1,000	Storage costs & Repairs
Public Works	1997 Melroe Bobcat (Unit 26) Purchase	\$ 50,000	GF-Cash	1 yr	Yes	\$ 1,000	Maintenance
Public Works	1988 John Deere Backhoe (Unit 22) 1st yr lease	\$ 27,000	GF-Cash	1 yr	Yes	\$ 550	Maintenance
Public Works	1988 Bombardier Tractor (Unit 33) 1st yr lease	\$ 24,400	GF-Cash	1 yr	Yes	\$ 485	Maintenance
Public Works	1992 Mack 6 Whl Dump (Unit 27) 1st yr lease	\$ 28,000	GF-Cash	1 yr	Yes	\$ 575	Maintenance
Public Works	1986 Mack 10 Whl Dump (Unit 5)-2nd yr lease	\$ 30,000	GF-Cash	1 yr	Yes	\$ 600	Maintenance
Public Works	1997 Chevy 1 Ton (Unit 23)-2nd yr lease	\$ 19,400	GF-Cash	1 yr	Yes	\$ 385	Maintenance
Public Works	1988 Mack 6 Whl Dump (Unit 4)-2nd yr lease	\$ 25,600	GF-Cash	1 yr	Yes	\$ 500	Maintenance
Culture & Rec	Back Room Maintenance + ADA	\$ 15,000	GF-Cash	1 yr	Yes	\$ 300	Maintenance
General	MUNIS Tax Software Modules	\$ 12,200	GF-Cash	3 yrs	Yes	\$ 245	Maintenance
Public Safety	Police Cruisers	\$ 94,300	GF-Cash	1 yr	Yes	\$ 2,000	Maintenance
Public Safety	Rescue equipment	\$ 20,000	GF-Cash	1 yr	Yes	\$ 400	Maintenance
Public Works	Existing equipment leases	\$ 150,542	GF-Cash	4 yrs	Yes	\$ 3,000	Maintenance
Public Safety	Ambulance	\$ 200,000	SR-Cash	1 yr	No	\$ 4,000	Maintenance
CPA	New Walkway construction	\$ 200,000	CPA-Cash	1 yr	No	\$ -	Safety/Recreation
CPA	Nobscot Reservation Phase I	\$ 5,545,000	CPA-Debt	20 yrs	No	\$ -	Recreation/Open Space
CPA	Nobscot Reservation Phase II	\$ 2,040,000	CPA-Debt	20 yrs	No	\$ -	Recreation/Open Space
CPA	CSX Land Purchase	\$ 420,000	CPA-Debt	20 yrs	No	\$ -	Recreation/Open Space
CPA	Sudbury Housing Authority	\$ 600,000	CPA-Cash	1 yr	No	\$ -	Affordable Housing
CPA	Sudbury Housing Trust	\$ 750,000	CPA-Cash	1 yr	No	\$ -	Affordable Housing
CPA	Town Hall Window Restoration	\$ 46,800	CPA-Cash	1 yr	No	\$ 1,000	Utilities/Historical
CPA	Stearns's Mill Dam Evaluation	\$ 14,600	CPA-Cash	1 yr	No	\$ -	Safety/Historical
CPA	Hosmer Paintings Appraisal	\$ 16,000	CPA-Cash	1 yr	No	\$ -	Historical
CPA	Historic Document Preservation	\$ 2,300	CPA-Cash	1 yr	No	\$ -	Historical
CPA	Military Training Field Archeology	\$ 10,000	CPA-Cash	1 yr	No	\$ -	Historical
Total Capital Items		\$ 10,472,042				\$ 22,940	

### **Five Year Capital Plan**

The table on the following pages shows all capital projects that have been requested and scheduled for municipal departments over the next five years. As always, Town Meeting has the final appropriating authority for all capital projects.

Information related to Projects for renovating or constructing the Town's buildings is taken from the Town-wide Comprehensive Facility Study.



1st submitted	Department	Description	R/ NR	Type	Rank	Total Proj.	Remaining	FY2009	FY2010	FY2011	FY2012	FY2013
2007	Buildings-P	Town Hall Painting	O	B	1	36,000	30,000	30,000				
2008	Buildings-P	Interior Painting of DPW	NR	B		18,000	18,000					18,000
2009	Buildings-P	Fairbank Center - Paint Exterior	O	B		20,000	20,000		20,000			
2009	Buildings-P	Flynn - Exterior Painting	O	B		30,000	30,000					30,000
		<b>Buildings-Painting Projects Total</b>				<b>104,000</b>	<b>98,000</b>	<b>30,000</b>	<b>20,000</b>	<b>-</b>	<b>-</b>	<b>48,000</b>
2003	Buildings-R	Fire-Station 3 roof	NR	B	2	80,000	80,000	80,000				
2003	Buildings-R	Police Station Roof	NR	B		18,000	18,000		18,000			
2003	Buildings-R	Senior Center Roof/Skylights	NR	B		50,000	50,000			50,000		
2005	Buildings-R	Atkinson Pool Roof & Gutters	NR	B		40,000	40,000					40,000
2005	Buildings-R	Town Hall Roof	NR	B		40,000	40,000					40,000
2007	Buildings-R	Fire-Headquarters Roof	NR	B		60,000	60,000				60,000	
2008	Buildings-R	Fairbank Center - Flat Roof	O	B		30,000	30,000				30,000	
2009	Buildings-R	School-Roof Repairs	NR	B		-	-				??	
		<b>Buildings-Roofing Projects Total</b>				<b>318,000</b>	<b>318,000</b>	<b>80,000</b>	<b>18,000</b>	<b>50,000</b>	<b>90,000</b>	<b>80,000</b>
2009	Building-W	Police Station - Window Replacement	NR	B	1	15,000	15,000	15,000				
2006	Building-W	Fire-Station 2 window replacement	NR	D	2	20,000	20,000	20,000				
2006	Building-W	Fire-Station 3 window replacement	NR	D	3	20,000	20,000	20,000				
2006	Building-W	Fairbank Window Replacement	NR	B		30,000	30,000			30,000		
2007	Building W	Town Hall Windows	NR	B		36,000	36,000			36,000		
		<b>Buildings-Windows Projects Total</b>				<b>121,000</b>	<b>121,000</b>	<b>55,000</b>	<b>-</b>	<b>66,000</b>	<b>-</b>	<b>-</b>
2007	Buildings-O	Various Bldg Improvements	O	B	1	175,000	177,500	37,500	35,000	35,000	35,000	35,000
2009	Buildings-O	Flynn HVAC - Computer Rooms	NR	A	1	17,000	17,000	17,000				
2009	Buildings-O	DPW HVAC Study	NR	B	1	10,000	10,000	10,000				
2009	Buildings-O	Energy Savings Lighting Improvements	O	C	3	12,450	12,450	12,450				
2003	Buildings-O	Town Hall Bathrooms	NR	B		30,000	30,000		30,000			
2003	Buildings-O	Town Hall Boiler Replacement	NR	B		35,000	35,000				35,000	
2007	Buildings-O	Town Hall Fire Alarm Upgrade	NR	B		25,000	25,000			25,000		
2008	Buildings-O	Keypad for Flynn Entrance	NR	B		6,000	6,000		6,000			
2008	Buildings-O	Town Hall-Clerk's Bathroom	NR	B		18,000	18,000				18,000	
2008	Buildings-O	Town Hall Handicap Entrance	NR	B		10,000	10,000		10,000			
2009	Buildings-O	Flynn - 2nd Floor Bathroom	NR	D		20,000	20,000			20,000		
2009	Buildings-O	Fairbank - Rooftop HVAC (gymnasium)	NR	B		35,000	35,000				35,000	
		<b>Buildings Other Projects Total</b>				<b>393,450</b>	<b>395,950</b>	<b>76,950</b>	<b>81,000</b>	<b>80,000</b>	<b>123,000</b>	<b>35,000</b>

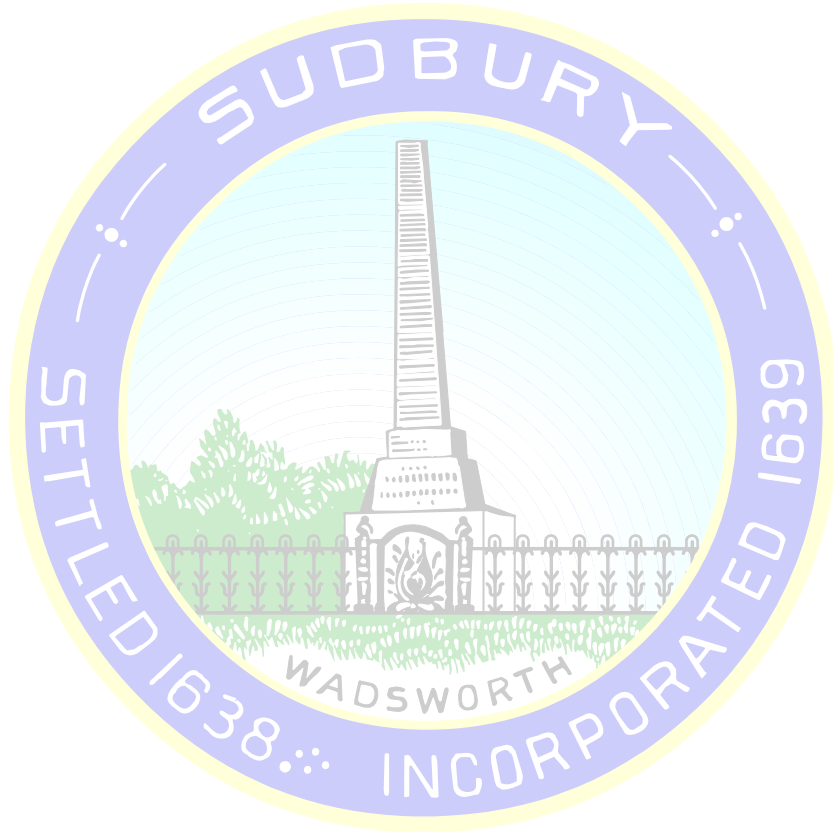
1st submitted	Department	Description	R/ NR	Type	Rank	Total Proj.	Remaining	FY2009	FY2010	FY2011	FY2012	FY2013
2006	Fire	Replace HQ Bathroom floor	NR	A	1	10,000	10,000	10,000				
2006	Fire	Station 2 bedroom alteration	NR	A	2	50,000	50,000	50,000				
2006	Fire	Station 3 bedroom alteration	NR	A	2	50,000	50,000	50,000				
2006	Fire	Station 2 bathroom replacement	NR	D	3	20,000	20,000	20,000				
2009	Fire	Station 2 roof accessibility	NR	D	4	30,000	30,000	30,000				
2008	Fire	Replace HQ Alarm Room Floor	NR	B	5	10,000	10,000	10,000				
2008	Fire	HQ Landscape Plan	NR	B	6	20,000	20,000	20,000				
2006	Fire	Fire Engine 3-97 replacement	NR	A		450,000	450,000					450,000
2009	Fire	Stations Design Study	NR	A	1	11,400	11,400	11,400				
2008	Fire	HQ Addition	NR	A		500,000	500,000		500,000			
2009	Fire	Station 3 wash recycling system	NR	B		40,000	40,000			40,000		
		<b>Fire Department Projects Total</b>				<b>1,191,400</b>	<b>1,191,400</b>	<b>201,400</b>	<b>500,000</b>	<b>40,000</b>	<b>-</b>	<b>450,000</b>
2007	MIS	GIS Data Development	NR	A	1	56,500	56,500	16,500	18,000	15,000	7,000	
2007	MIS	GIS Hardware	NR	A	2	32,500	32,500	14,500	12,000	6,000		
2007	MIS	GIS Software / Training	NR	A	1	56,000	56,000	17,000	10,000	19,000	10,000	
2007	MIS	GIS Application Development	NR	A		108,000	108,000	-	78,000	20,000	10,000	
		<b>GIS Projects Total</b>				<b>253,000</b>	<b>253,000</b>	<b>48,000</b>	<b>118,000</b>	<b>60,000</b>	<b>27,000</b>	<b>-</b>
2008	Highway	1988 John Deere Backhoe (Unit 22) LEASE	R	B	1	135,000	27,000	27,000				
2007	Highway	1997 Melroe Bobcat (Unit 26)	R	B	1	50,000	50,000	50,000				
2008	Highway	1988 Bombardier Tractor (Unit 33) LEASE	R	B	1	122,000	24,400	24,400				
2007	Highway	1992 Mack 6 Whl Dump (Unit 27) LEASE	R	B	2	140,000	28,000	28,000				
2007	Highway	1985 Mack 10 Whl Dump (Unit 10) LEASE	R	B	3	150,000	30,000	30,000				
2009	Highway	Tagalong Trailer - 25 ton (New Unit)	R	B	4	25,000	25,000	25,000				
2007	Highway	1988 Mack 6 Whl Dump (Unit 4) LEASE	R	B		140,000	28,000		28,000			
2008	Highway	1991 GMC Top Kick (Unit 19) LEASE	R	B		100,000	20,000		20,000			
2008	Highway	1991 Mack 6 Whl Dump (Unit 11) LEASE	R	B		138,500	27,700		27,700			
2008	Highway	1992 Mack 6 Whl Dump (Unit 20) LEASE	R	B		140,000	28,000			28,000		
2007	Highway	1999 Chevy Pick Up (Unit 14)	R	B		38,000	38,000		38,000			
2009	Highway	1999 John Deere Backhoe (Unit 16) LEASE	R	B		150,000	30,000				30,000	
2008	Highway	2000 Chevy 1 Ton Dump (Unit 50/29)	R	B		48,000	48,000					48,000
2008	Highway	2001 Chevy 1 Ton P/U (Unit 28)	R	B		46,000	46,000				46,000	
2008	Highway	2001 Chevy 1 Ton P/U (Unit 37)	R	B		46,000	46,000		46,000			
2008	Highway	2001 Chevy 1 Ton P/U (Unit 6)	R	B		46,000	46,000		46,000			
2008	Highway	2002 Chevy 1 Ton P/U (Unit 38)	R	B		46,000	46,000			46,000		
2008	Highway	2002 Chevy 1 Ton P/U (Unit 40)	R	B		46,000	46,000			46,000		
2009	Highway	2005 Chevy 1 Ton P/U (Unit 7)	R	B		48,000	48,000					48,000
2009	Highway	2005 Chevy Pick-Up (Unit 17)	R	B		35,000	35,000					35,000
2008	Highway	2006 Chevy Pick-Up (Unit 1)	R	B		67,000	67,000				35,000	32,000
2009	Highway	2006 Chevy Pick-Up (Unit 2)	R	B		35,000	35,000					35,000
		<b>DPW Projects Total</b>				<b>1,791,500</b>	<b>819,100</b>	<b>184,400</b>	<b>205,700</b>	<b>120,000</b>	<b>111,000</b>	<b>198,000</b>

Description	R/ NR	Type	Rank	Total Proj.	Remaining	FY2009	FY2010	FY2011	FY2012	FY2013
Self-checkout & Security System	NR	B	1	135,000	135,000	135,000				
Carpet replacement	NR	B		80,000	80,000		80,000			
Interior Painting	NR	B		30,000	30,000		30,000			
<b>Library Projects Total</b>				<b>245,000</b>	<b>245,000</b>	<b>135,000</b>	<b>110,000</b>	-	-	-
Storage Building	NR	B	2	70,000	70,000					
2002 Chevy Pick-Up (Unit PR3)	R	B		35,000	35,000		35,000			
2001 Chevy Dump 6 Whl (Unit PR1)	R	B		46,000	46,000			46,000		
2002 Chevy Pick-Up (Unit PR4)	R	B		35,000	35,000				35,000	
<b>Parks &amp; Grounds Projects Total</b>				<b>186,000</b>	<b>186,000</b>	<b>70,000</b>	<b>35,000</b>	<b>46,000</b>	<b>35,000</b>	-
Walkways	NR	A	1	600,000	600,000	200,000		200,000		200,000
<b>Planning Projects Total</b>				<b>600,000</b>	<b>600,000</b>	<b>200,000</b>	-	<b>200,000</b>	-	<b>200,000</b>
Back Room Maintenance + ADA	NR	A	1	15,000	15,000	15,000				
Tennis Court Maintenance Featherland	NR	A	2	10,000	10,000	10,000				
HVAC Roof Unit Atkinson Pool	NR	B		100,000	100,000			100,000		
Tennis Court New Featherland	NR	B		100,000	100,000				100,000	
Tennis Court Maintenance Feeley	NR	B		12,000	12,000		12,000			
Tennis Court New Feeley	NR	B		100,000	100,000					100,000
<b>Park &amp; Recreation Projects Total</b>				<b>337,000</b>	<b>337,000</b>	<b>25,000</b>	<b>12,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>
(2) Student Transportation Vans	R	A	1	44,000	44,000	22,000	22,000			
Cube Truck Replacement	NR	A	2	51,354	51,354	51,354				
HVAC rooftop unit replacements	NR	C	3	50,000	50,000	50,000				
Heating System Control Upgrade	NR	C	4	60,000	60,000	60,000				
Alternate Energy Feasibility Study	NR	C	5	20,000	20,000	20,000				
Truck with Plow	NR	D		43,600	43,600			43,600		
Curtis Modular Classrooms LEASE	NR	A		55,000	55,000		55,000			
Nixon Addressable Fire Alarm Panel	NR	D		40,000	40,000			40,000		
Noyes - Switch Gear Replacement	NR	D		35,000	35,000				35,000	
Noyes - Boiler Repair	NR	B		80,000	80,000			80,000	??	
Nixon/Noyes Sprinklers	NR	D		250,000	250,000					250,000
K Modular Classes LEASE	NR	D		225,000	225,000		225,000			
Early Childhood Center	NR	D		-	-					??
<b>Schools Projects Total</b>				<b>953,954</b>	<b>953,954</b>	<b>203,354</b>	<b>302,000</b>	<b>163,600</b>	<b>35,000</b>	<b>250,000</b>
MUNIS Tax Software Modules	NR	C/D	1	63,653	36,200	12,200	12,000	12,000		
Town Hall Offices	NR	D		8,200,000	8,200,000				8,200,000	
<b>Finance &amp; Administration Projects Total</b>				<b>8,263,653</b>	<b>8,236,200</b>	<b>12,200</b>	<b>12,000</b>	<b>12,000</b>	<b>8,200,000</b>	-
<b>\$ 14,757,957 \$ 13,754,604 \$ 1,321,304 \$ 1,413,700 \$ 937,600 \$ 8,721,000 \$ 1,361,000</b>										



# Section Nine

## APPENDICES





## APPENDIX ONE: BUDGET TERMS AND DEFINITIONS

**Abatements and Exemptions (previously called Overlay):** An amount set by the Assessors to create a fund to cover abatements of (and exemptions from) real and personal tax assessments for the current year, and raised on the tax levy. An abatement is a reduction provided by the Assessors in the assessed tax because of bona fide specific conditions or situations not considered when the tax was levied. An exemption is provided for a variety of purposes, which include, but are not limited to: buildings/property used for religious, government, charity, or pollution control. In addition, exemptions may also be provided to the elderly, handicapped, and veterans under certain conditions.

**Abatement Surplus:** Accumulation of the surplus amounts of Abatements and Exemptions set aside by the Assessors each year to cover abatements of (and exemptions from) real estate and personal property tax assessments. The accumulated amount for previous years no longer committed for abatements may be used by vote of the Town Meeting.

**Accounting System:** A system of financial recordkeeping which records classifies and reports information on the financial status and operation of an organization.

**Accrual Basis for Accounting:** A method of accounting that recognizes revenue when earned, rather than when collected, and recognizes expenses when incurred, rather than when paid.

**Affordable Housing Trust Fund:** A special revenue fund used to provide for the creation and preservation of affordable housing within the Town.

**Allocation:** The distribution of available monies, personnel, buildings and equipment among various Town departments, divisions or cost centers.

**Appropriation:** An authorization granted by the Town Meeting to make expenditures and

to incur obligations for specific purposes. Appropriations for any expenditure specify dollar amounts,

funding sources, and a period of time within which the funds must be spent. Any funds not expended within the specified time (usually one fiscal year) revert to the Unreserved Fund Balance.

**Article:** An article or item on the Warrant of the Annual Town Meeting. There are seven standard budget related articles that appear in the Warrant every year as follows:

- Operating Budget (for the upcoming fiscal year),
- Budget Adjustment (for adjustments to the current fiscal year's budget that was appropriated at the previous year's Town Meeting)
- Prior Year Unpaid Bills
- Enterprise Fund Budgets (one for each enterprise fund)
- Capital Budget (an omnibus article for capital items funded within the levy)
- Capital Projects (for any capital item funded through a request for an override of Proposition 2 ½ limits. This can be an omnibus article for multiple projects or a separate article for a significant project).
- Stabilization Fund (for adding to the Town's Stabilization Reserve Account)

**Assessed Valuation:** The valuation of real estate or other property determined by the Town Assessor for tax levying purposes. The Commonwealth certifies the values and methodology in determining those values every three years.

**Assets:** Property, plant and equipment owned by the Town.

**Audit:** A comprehensive examination as to the manner in which the government's resources were actually utilized concluding in a written report of its findings. An accounting audit is intended to ascertain whether financial statements fairly present the financial position and results of

operations of the Town. The Town is required to conduct an audit annually.

**Available Funds (Free Cash):** Free cash is the available, undesignated fund balance of the general fund and is generated when actual revenue collections are in excess of estimates, when expenditures are less than appropriated, or both. A free cash balance is certified as of July 1 each year by the Department of Revenue and once certified, any or the entire certified amount may be used to defray Town expenses by a vote of the Town Meeting (see Available Fund).

**Budget:** A plan of financial operation embodying an estimate of proposed expenditures for a given period with proposed means of financing. Sudbury's budget is a financial plan that is established for a single fiscal year that begins on July 1 and ends on June 30.

**Budget Message: A general discussion of the submitted** budget presented in writing by the Town Manager as part of the budget document.

**Capital Budget:** A plan of major, non-recurring expenditures involving land acquisition, construction or major rehabilitation of a facility, or purchase of equipment costing \$10,000 or more with a useful life of five years or more.

**Capital Improvement Plan:** A financial planning and management tool which identifies new public facility and equipment requirements, or improvements; places these requirements in order of priority; and schedules them for funding and implementation.

**Charter:** A founding document bestowing certain rights on an incorporated Town or City.

**Cherry Sheet:** An annual statement received from the Department of Revenue detailing estimated receipts for the next fiscal year from the various state aid accounts as well as estimated state and county government charges payable to the state. The name "Cherry Sheet" derives from the color of the paper used.

**COLA:** Cost of Living Adjustment. General referred to as a component of salaries & wages.

**Collective Bargaining:** A collective bargaining agreement is a labor contract between an employer and one or more labor unions. Collective bargaining consists of the process of negotiation between representatives of the union and the employer having to do with terms and conditions of employment.

**Community Preservation Fund:** A special revenue fund used to account for the 3% local real estate tax surcharge on nonexempt property (and matching state trust fund distribution) that can be used for open space, historic resource and affordable housing purposes.

**County:** A legal or geographical grouping of Towns and Cities. Sudbury resides in Middlesex County.

**Cost Center:** The three major governmental entities funded by the operating budget – the Town of Sudbury Operating Departments, the Sudbury Public Schools, and the Lincoln-Sudbury Regional High School – which together account for over 92% of the annual operating budget.

**CPC:** Under the provisions of the Community Preservation Act (CPA), Sudbury established a Community Preservation Committee.

**Debt Exemption:** An override to Proposition 2 ½ for the purpose of raising funds for debt service costs.

**Debt Service:** Payment of interest and principal on an obligation resulting from the issuance of bonds.

**Department:** A principal, functional, and administrative entity created by statute and the Town Manager to carry out specified public services.

**Economic Indicator:** A statistic about the economy. Economic indicators allow analysis of economic performance and predictions of future performance.



**Enterprise Fund:** A separate fund, set up to provide a specific Town service, whereby all direct and indirect/overhead costs of providing the service are funded in total from user charges. An appropriation for an enterprise fund is funded in total from enterprise fund revenue unless otherwise noted. Enterprise fund revenue used to fund services provided by other Town departments will be shown in the warrant after the appropriation total for the department. An enterprise fund is required to fully disclose all costs and all revenue sources needed to provide a service.

**Expenditure:** Decrease in net financial resources for the purpose of acquiring or providing goods and services.

**Expenses:** The cost of delivering or producing goods, rendering services or carrying out other activities that constitute the entity's ongoing major or central operations. Expenses consist of the following objects of expenditure: Utilities, Supplies and Materials, Contractual Services, and Equipment.

**Excess Taxing Capacity:** The difference between actual real and personal property taxes levied in any given year and the amount authorized to be assessed under Proposition 2-½.

**FinCom:** Finance Committee. A group of duly appointed citizens whose purpose is to make recommendation at Town Meeting on all of Sudbury's financial matters.

**Financing Plan:** The estimate of revenues and their sources that will pay for the service programs outlined in the annual budget.

**Fiscal Year:** A 12-month period over which an organization conducts business and budgets its spending. Sudbury's fiscal year runs from July 1 through June 30th. The fiscal year is commonly referred to by the date (year) in which it ends.

**FTE:** Full-time Equivalent. Reference commonly used to quantify the number of Full-time employees; calculated by converting part-time hours into what is

considered the full-time hours per annum for a particular department or function.

**Fund Accounting:** Governmental accounting systems should be organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitation.

**Fund Balance:** The specifically identified funds allocated to meet budget requirements/ expenses.

**Funding Source:** The excess of assets over liabilities also known as surplus funds. A negative fund balance is a deficit.

**Free Cash:** Free cash is the available, undesignated fund balance of the general fund and is generated when actual revenue collections are in excess of estimates, when expenditures are less than appropriated, or both. A free cash balance is certified as of July 1 each year by the Department of Revenue and once certified, any or the entire certified amount may be used to defray Town expenses by a vote of the Town Meeting (see Available Fund).

**Funding Sources for Expenditures:** Authorizations for the Town to expend monies are made in the form of a motion at Town Meeting. The wording of the motions will specify the funding source; that is, the place from where money is going to come or will be raised. When a motion reads, "to appropriate a sum of money" without a source being identified, that amount will be included in the tax calculation, whereby the total of all sums to be appropriated will be reduced by an estimate of local and state revenue. The balance needed will be provided by property taxes. When items in the warrant are offset or raised from available funds, those items will also appear as offsets in the determination of the tax rate.

**General Fund:** Revenues derived from the tax levy, state aid, local receipts and available funds are considered General Fund revenues. The General Fund is distinguished from Enterprise Funds and Special Revenue Funds.

**Generally Accepted Accounting Principles (GAAP):** A set of uniform accounting and financial reporting rules and procedures that define accepted accounting practice.

**GIS:** Geographical Information Systems.

**Goal:** A proposed course of action in which departmental effort is directed.

**Grant:** A contribution of assets by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the State and Federal government. Grants are usually made for specific purposes.

**Inter-fund Transactions:** Payments from one administrative budget fund to another, which results in the recording of a receipt.

**Lease Purchase Agreement:** A financial contract that transfers ownership of an asset to the lessee at the end of the leasing period.

**Levy Limit:** The maximum amount a community can levy in any given year.

**Local Receipts:** This is the third largest source of revenue for the Town after property taxes and Cherry Sheet receipts. While it is comprised of a number of different items, the largest source is the auto excise tax.

**Modified Accrual Basis for Accounting:** A method of accounting that recognizes revenue when it is actually received and recognizes expenditures when a commitment is made.

**New Growth:** Proposition 2 ½ allows a community to increase its levy limit annually by an amount based upon the valuation of certain new construction and other growth in the tax base that is not the result of property

revaluation. New growth becomes part of the levy limit and thus increases at the rate of 2.5% each year as the levy limit increases.

**Operating Budget:** The portion of the budget that pertains to daily operations, or providing basic services throughout the fiscal year. The operating budget contains appropriations for such expenditures as personnel, supplies, utilities, materials, travel, and fuel and the proposed means of financing them.

**Operating Expenditure:** An ongoing or recurring cost of performing a function or providing a service. Operating expenditures include personal services, supplies and materials, utilities, contractual services, minor equipment, and debt service.

**Overlay:** The amount raised in the tax levy for funding abatements granted by the Board of Assessors due to overvaluation or uncollectible tax bills.

**Override:** An override is passed by a majority vote at Town Meeting and at the ballot. There are three types of overrides: An Operating Override, which permanently increases the levy limit; a Debt Exclusion, which increases the levy limit only for the life of the debt; and a Capital Project Override, which increases the levy only for the year in which the project is undertaken.

**Performance/Workload Indicators:** Specific quantitative and qualitative measures of work performed as an objective of the department. Sudbury departments typically use of the following types of indicators: workload measures, efficiency measures and outcome measures.

**PILOT:** Payments In Lieu of Taxes. Compensation paid by the State to local governments for tax-exempt properties within.

**Policy:** A plan of action to guide decisions and actions of a particular function or group.

**Procedure:** A method used in carrying out a policy or plan of action.

**Program:** Collections of work-related activities initiated to accomplish a desired end.

**Proposition 2½:** A Massachusetts General Law enacted in 1980 to limit property taxes.

**Public Meeting/Hearing:** A forum in which citizens may attend and participate in a particular purpose or concern of the Town. By law, public meetings must follow certain rules of public notice and conduct.

**Rating Agencies:** This term usually refers to Moody's Investors Service, Standard and Poor's Corporation, and Fitch ICBA, Inc. These are the three major agencies which issue credit ratings on municipal bonds.

**Reserve Fund:** An amount appropriated by the Annual Town Meeting for emergency or unforeseen purposes. The Finance Committee, by state law, is the sole custodian of the Reserve Fund and approves transfers from the Fund into the operating budgets throughout the year if: (1) the need for funds is of an emergency and/or unforeseen nature, and (2) if, in the judgment of the Finance Committee, the Town Meeting would approve such an expenditure if such a meeting was held. The Reserve Fund is, therefore, a mechanism for avoiding the necessity of frequent Special Town Meetings.

**Retained Earnings:** The equity account reflecting the accumulated earnings of the enterprise funds.

**Revenue:** Budgetary resources. The various revenues the Town receives are listed in the Revenue Summary in the Budget Overview section.

**Revolving Fund:** Funds that may be used without appropriation and that are established for special uses. Recreation fees, for example, may be paid into a revolving fund. Revolving funds are established by state law or Town bylaw.

**Risk Management:** Recognition of a risk, development of strategies to manage it, and mitigation, as needed.

**Stabilization Fund:** Similar to a "savings account", this account has been used to fund large capital projects such as fire trucks and school roofs. A recent amendment to state law allows the Stabilization Fund to be used for the operating budget, as well as capital purchases; however, the Finance Committee would generally be reluctant to recommend doing so. Placing money into this fund requires a majority vote of Town Meeting while withdrawing from the Stabilization Fund requires a 2/3 vote of Town Meeting.

**Tax Levy:** The property tax levy is the revenue a community can raise through real and personal property taxes. In Massachusetts, municipal revenues to support local spending for schools, public safety, general government and other public services are raised through the property tax levy, state aid, local receipts and other sources. The property tax levy is the largest source of revenue for most cities and towns.

**Tax Levy Limit:** The maximum amount that can be raised within Proposition 2 ½.

**Tax Rate:** The amount of tax levied for each \$1,000 of assessed valuation.

**Town Counsel:** Legal representative for the Town. Town Counsel is appointed by the Board of Selectmen, but supervised by the Town Manager.

**Unclassified Operating Expenses:** This account in the general government section of the budget is comprised primarily of operating expenses such as postage, telephone and property liability insurance, that support town-wide operations and are not assigned to any one department or cost center.

**User Fees:** Fees paid for direct receipt of a public service by the user or beneficiary of the service.

**Valuation (100%):** Requirement that the assessed valuation must be the same as the market value for all properties.



## **APPENDIX TWO: ACRONYMS**

ATM	Assistant Town Manager
C.A.R.E.	Cost Avoidance and Revenue Enhancement
CDMA	Code Division Multiple Access
CERT	Community Emergency Response Team
CIB	Capital Improvement Budget
CIPC	Capital Improvement Planning Committee
CMR	Code of Massachusetts Regulations
COA	Council on Aging
COBRA	Consolidated Omnibus Budget Reconciliation Act
COLA	Cost of Living Adjustment
CPA	Community Preservation Act
CPC	Community Preservation Committee
CPR	Cardiopulmonary resuscitation
CRT	Cathode Ray Tube
D.A.R.E.	Drug Abuse Resistance Education
DEP	Department of Environmental Protection
DNS	Domain Name Server
DOE	Department of Education
DOR	Department of Revenue
DPW	Department of Public Works
eCEMP	Electronic Comprehensive Emergency Management Plan
EMD	Emergency Management Director
EMS	Emergency Medical Services
EMT	Emergency Medical Technician
EOC	Emergency Operations Center
EOEA	Executive Office of Elder Affairs
EPA	Environmental Protection Agency
EQV	Equalized Valuation
FCC	Federal Communications Commission
FEMA	Federal Emergency Management Agency
FinCom	Finance Committee
FTE	Full Time Equivalents

FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GFOA	Government Finance Officers Association
GIS	Geographic Information System
HAVA	Help America Vote Act
HMO	Health Maintenance Organization
HVAC	Heating, Ventilation, Air Conditioning
IP	Internet Protocol
IPM	Integrated Pest Management
ISD	Incentive Senior Development
IT	Information Technology
K-8	Kindergarten through Grade Eight
LAN	Local Area Network
LED	Light Emitting Diode
LEPC	Local Emergency Planning Committee
L-S	Lincoln-Sudbury
L.S.R.H.S	Lincoln-Sudbury Regional High School (also abbreviated LSRHS)
MBTA	Metropolitan Boston Transit Authority
MEMA	Massachusetts Emergency Management Agency
METCO	Metropolitan Council for Educational Opportunity
MEWTP	Marlboro Easterly Wastewater Treatment Plant
M.G.L.	Massachusetts General Laws
MLN	Minuteman Library Network
MRC	Medical Reserve Corps
MRS	Middlesex Retirement System
MRVTSD	Minuteman Regional Vocational Technical School District
MUNIS	Municipal Information System
NIMS	National Incident Management System
NYSE	New York Stock Exchange
OPEB	Other Post Employment Benefits
PC	Personal Computer
PERAC	Public Employee Retirement Administration Commission
PILOT	Payment in Lieu of Taxes
PPO	Preferred Provider Organization

PRIM	Pension Reserve Investment Management
PRIT	Pension Reserve Investment Trust
P-T	Part-Time
R & D	Research and Development
RFID	Radio Frequency Identification
RFP	Request for Proposal
RBL	Real-time Black hole List
REPC	Regional Emergency Planning Committee
S & P	Standard and Poors
SBA	School Building Authority
SBAB	School Building Authority Board
SHDSL	Symmetric High-speed Digital Subscriber Line
SPS	Sudbury Public Schools
SQL	Structured Query Language
SRC	Senior Residential Community
SUV	Sports Utility Vehicle
TAC	Technical Advisory Committee
URL	Uniform Resource Locator
US	United States
VLAN	Virtual Local Area Network
VOIP	Voice-Over-Internet-Protocol
VPN	Virtual Private Network
WAN	Wide Area Network
ZBA	Zoning Board of Appeals





## APPENDIX THREE: SUDBURY CENSUS DATA

**Table DP-1. Profile of General Demographic Characteristics: 2000**

Geographic area: Sudbury town, Middlesex County, Massachusetts

[For information on confidentiality protection, nonsampling error, and definitions, see text]

Subject	Number	Percent	Subject	Number	Percent
<b>Total population.....</b>	<b>16,841</b>	<b>100.0</b>	<b>HISPANIC OR LATINO AND RACE</b>		
<b>SEX AND AGE</b>			<b>Total population.....</b>	<b>16,841</b>	<b>100.0</b>
Male.....	8,223	48.8	Hispanic or Latino (of any race).....	208	1.2
Female.....	8,618	51.2	Mexican.....	34	0.2
Under 5 years.....	1,489	8.8	Puerto Rican.....	37	0.2
5 to 9 years.....	1,637	9.7	Cuban.....	27	0.2
10 to 14 years.....	1,559	9.3	Other Hispanic or Latino.....	110	0.7
15 to 19 years.....	1,027	6.1	Not Hispanic or Latino.....	16,633	98.8
20 to 24 years.....	295	1.8	White alone.....	15,711	93.3
25 to 34 years.....	1,226	7.3	<b>RELATIONSHIP</b>		
35 to 44 years.....	3,372	20.0	<b>Total population.....</b>	<b>16,841</b>	<b>100.0</b>
45 to 54 years.....	2,955	17.5	In households.....	16,647	98.8
55 to 59 years.....	1,004	6.0	Householder.....	5,504	32.7
60 to 64 years.....	624	3.7	Spouse.....	4,319	25.6
65 to 74 years.....	977	5.8	Child.....	6,184	36.7
75 to 84 years.....	462	2.7	Own child under 18 years.....	5,370	31.9
85 years and over.....	214	1.3	Other relatives.....	307	1.8
Median age (years).....	38.8	(X)	Under 18 years.....	84	0.5
18 years and over.....	11,365	67.5	Nonrelatives.....	333	2.0
Male.....	5,454	32.4	Unmarried partner.....	131	0.8
Female.....	5,911	35.1	In group quarters.....	194	1.2
21 years and over.....	11,070	65.7	Institutionalized population.....	193	1.1
62 years and over.....	1,994	11.8	Noninstitutionalized population.....	1	-
65 years and over.....	1,653	9.8	<b>HOUSEHOLD BY TYPE</b>		
Male.....	740	4.4	<b>Total households.....</b>	<b>5,504</b>	<b>100.0</b>
Female.....	913	5.4	Family households (families).....	4,751	86.3
<b>RACE</b>			With own children under 18 years.....	2,814	51.1
One race.....	16,679	99.0	Married-couple family.....	4,319	78.5
White.....	15,870	94.2	With own children under 18 years.....	2,554	46.4
Black or African American.....	134	0.8	Female householder, no husband present.....	339	6.2
American Indian and Alaska Native.....	5	-	With own children under 18 years.....	210	3.8
Asian.....	626	3.7	Nonfamily households.....	753	13.7
Asian Indian.....	182	1.1	Householder living alone.....	608	11.0
Chinese.....	322	1.9	Householder 65 years and over.....	301	5.5
Filipino.....	19	0.1	Households with individuals under 18 years.....	2,875	52.2
Japanese.....	23	0.1	Households with individuals 65 years and over.....	1,023	18.6
Korean.....	50	0.3	Average household size.....	3.02	(X)
Vietnamese.....	3	-	Average family size.....	3.28	(X)
Other Asian <sup>1</sup> .....	27	0.2	<b>HOUSING OCCUPANCY</b>		
Native Hawaiian and Other Pacific Islander.....	5	-	<b>Total housing units.....</b>	<b>5,590</b>	<b>100.0</b>
Native Hawaiian.....	-	-	Occupied housing units.....	5,504	98.5
Guamanian or Chamorro.....	3	-	Vacant housing units.....	86	1.5
Samoan.....	1	-	For seasonal, recreational, or		
Other Pacific Islander <sup>2</sup> .....	1	-	occasional use.....	8	0.1
Some other race.....	39	0.2	Homeowner vacancy rate (percent).....	0.3	(X)
Two or more races.....	162	1.0	Rental vacancy rate (percent).....	4.3	(X)
<b>Race alone or in combination with one</b>			<b>HOUSING TENURE</b>		
<b>or more other races: <sup>3</sup></b>			<b>Occupied housing units.....</b>	<b>5,504</b>	<b>100.0</b>
White.....	16,023	95.1	Owner-occupied housing units.....	5,076	92.2
Black or African American.....	164	1.0	Renter-occupied housing units.....	428	7.8
American Indian and Alaska Native.....	36	0.2	Average household size of owner-occupied units.....	3.10	(X)
Asian.....	708	4.2	Average household size of renter-occupied units.....	2.14	(X)
Native Hawaiian and Other Pacific Islander.....	10	0.1			
Some other race.....	67	0.4			

- Represents zero or rounds to zero. (X) Not applicable.

<sup>1</sup> Other Asian alone, or two or more Asian categories.

<sup>2</sup> Other Pacific Islander alone, or two or more Native Hawaiian and Other Pacific Islander categories.

<sup>3</sup> In combination with one or more of the other races listed. The six numbers may add to more than the total population and the six percentages may add to more than 100 percent because individuals may report more than one race.

Source: U.S. Census Bureau, Census 2000.

**Table DP-2. Profile of Selected Social Characteristics: 2000**

Geographic area: Sudbury town, Middlesex County, Massachusetts

[Data based on a sample. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see text]

Subject	Number	Percent	Subject	Number	Percent
<b>SCHOOL ENROLLMENT</b>			<b>NATIVITY AND PLACE OF BIRTH</b>		
Population 3 years and over enrolled in school.....	<b>5,116</b>	<b>100.0</b>	Total population.....	<b>16,841</b>	<b>100.0</b>
Nursery school, preschool.....	668	13.1	Native.....	15,376	91.3
Kindergarten.....	361	7.1	Born in United States.....	15,205	90.3
Elementary school (grades 1-8).....	2,613	51.1	State of residence.....	9,000	53.4
High school (grades 9-12).....	1,000	19.5	Different state.....	6,205	36.8
College or graduate school.....	474	9.3	Born outside United States.....	171	1.0
			Foreign born.....	1,465	8.7
			Entered 1990 to March 2000.....	525	3.1
<b>EDUCATIONAL ATTAINMENT</b>			Naturalized citizen.....	683	4.1
Population 25 years and over.....	<b>10,824</b>	<b>100.0</b>	Not a citizen.....	782	4.6
Less than 9th grade.....	81	0.7			
9th to 12th grade, no diploma.....	317	2.9	<b>REGION OF BIRTH OF FOREIGN BORN</b>		
High school graduate (includes equivalency).....	970	9.0	Total (excluding born at sea).....	<b>1,465</b>	<b>100.0</b>
Some college, no degree.....	1,058	9.8	Europe.....	649	44.3
Associate degree.....	617	5.7	Asia.....	502	34.3
Bachelor's degree.....	3,719	34.4	Africa.....	64	4.4
Graduate or professional degree.....	4,062	37.5	Oceania.....	22	1.5
Percent high school graduate or higher.....	96.3	(X)	Latin America.....	68	4.6
Percent bachelor's degree or higher.....	71.9	(X)	Northern America.....	160	10.9
<b>MARITAL STATUS</b>			<b>LANGUAGE SPOKEN AT HOME</b>		
Population 15 years and over.....	<b>12,184</b>	<b>100.0</b>	Population 5 years and over.....	<b>15,354</b>	<b>100.0</b>
Never married.....	2,003	16.4	English only.....	13,799	89.9
Now married, except separated.....	9,118	74.8	Language other than English.....	1,555	10.1
Separated.....	63	0.5	Speak English less than "very well".....	264	1.7
Widowed.....	492	4.0	Spanish.....	162	1.1
Female.....	383	3.1	Speak English less than "very well".....	16	0.1
Divorced.....	508	4.2	Other Indo-European languages.....	938	6.1
Female.....	365	3.0	Speak English less than "very well".....	166	1.1
			Asian and Pacific Island languages.....	374	2.4
			Speak English less than "very well".....	53	0.3
<b>GRANDPARENTS AS CAREGIVERS</b>					
Grandparent living in household with one or more own grandchildren under 18 years.....	<b>108</b>	<b>100.0</b>	<b>ANCESTRY (single or multiple)</b>		
Grandparent responsible for grandchildren.....	5	4.6	Total population.....	<b>16,841</b>	<b>100.0</b>
			Total ancestries reported.....	20,633	122.5
<b>VETERAN STATUS</b>			Arab.....	33	0.2
Civilian population 18 years and over ..	<b>11,381</b>	<b>100.0</b>	Czech <sup>1</sup> .....	70	0.4
Civilian veterans.....	1,125	9.9	Danish.....	99	0.6
			Dutch.....	413	2.5
<b>DISABILITY STATUS OF THE CIVILIAN NONINSTITUTIONALIZED POPULATION</b>			English.....	2,786	16.5
Population 5 to 20 years.....	<b>4,291</b>	<b>100.0</b>	French (except Basque) <sup>1</sup> .....	518	3.1
With a disability.....	258	6.0	French Canadian <sup>1</sup> .....	357	2.1
Population 21 to 64 years.....	<b>9,434</b>	<b>100.0</b>	German.....	2,058	12.2
With a disability.....	930	9.9	Greek.....	207	1.2
Percent employed.....	77.2	(X)	Hungarian.....	59	0.4
No disability.....	8,504	90.1	Irish <sup>1</sup> .....	4,130	24.5
Percent employed.....	77.6	(X)	Italian.....	2,331	13.8
Population 65 years and over.....	<b>1,433</b>	<b>100.0</b>	Lithuanian.....	148	0.9
With a disability.....	315	22.0	Norwegian.....	276	1.6
			Polish.....	647	3.8
<b>RESIDENCE IN 1995</b>			Portuguese.....	94	0.6
Population 5 years and over.....	<b>15,354</b>	<b>100.0</b>	Russian.....	752	4.5
Same house in 1995.....	10,209	66.5	Scotch-Irish.....	238	1.4
Different house in the U.S. in 1995.....	4,799	31.3	Scottish.....	671	4.0
Same county.....	2,457	16.0	Slovak.....	42	0.2
Different county.....	2,342	15.3	Subsaharan African.....	31	0.2
Same state.....	705	4.6	Swedish.....	441	2.6
Different state.....	1,637	10.7	Swiss.....	159	0.9
Elsewhere in 1995.....	346	2.3	Ukrainian.....	149	0.9
			United States or American.....	774	4.6
			Welsh.....	106	0.6
			West Indian (excluding Hispanic groups).....	-	-
			Other ancestries.....	3,044	18.1

-Represents zero or rounds to zero. (X) Not applicable.

<sup>1</sup>The data represent a combination of two ancestries shown separately in Summary File 3. Czech includes Czechoslovakian. French includes Alsatian. French Canadian includes Acadian/Cajun. Irish includes Celtic.

Source: U.S. Bureau of the Census, Census 2000.

**Table DP-3. Profile of Selected Economic Characteristics: 2000**

Geographic area: Sudbury town, Middlesex County, Massachusetts

[Data based on a sample. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see text]

Subject	Number	Percent	Subject	Number	Percent
<b>EMPLOYMENT STATUS</b>			<b>INCOME IN 1999</b>		
Population 16 years and over .....	11,911	100.0	Households .....	5,523	100.0
In labor force .....	8,180	68.7	Less than \$10,000 .....	164	3.0
Civilian labor force .....	8,176	68.6	\$10,000 to \$14,999 .....	87	1.6
Employed .....	8,018	67.3	\$15,000 to \$24,999 .....	212	3.8
Unemployed .....	158	1.3	\$25,000 to \$34,999 .....	172	3.1
Percent of civilian labor force .....	1.9	(X)	\$35,000 to \$49,999 .....	337	6.1
Armed Forces .....	4	-	\$50,000 to \$74,999 .....	584	10.6
Not in labor force .....	3,731	31.3	\$75,000 to \$99,999 .....	645	11.7
Females 16 years and over .....	6,187	100.0	\$100,000 to \$149,999 .....	1,256	22.7
In labor force .....	3,458	55.9	\$150,000 to \$199,999 .....	714	12.9
Civilian labor force .....	3,458	55.9	\$200,000 or more .....	1,352	24.5
Employed .....	3,357	54.3	Median household income (dollars) .....	118,579	(X)
Own children under 6 years .....	1,805	100.0	With earnings .....	4,955	89.7
All parents in family in labor force .....	869	48.1	Mean earnings (dollars) <sup>1</sup> .....	152,627	(X)
<b>COMMUTING TO WORK</b>			With Social Security income .....	997	18.1
Workers 16 years and over .....	7,939	100.0	Mean Social Security income (dollars) <sup>1</sup> .....	13,676	(X)
Car, truck, or van -- drove alone .....	6,733	84.8	With Supplemental Security Income .....	102	1.8
Car, truck, or van -- carpooled .....	300	3.8	Mean Supplemental Security Income (dollars) <sup>1</sup> .....	9,411	(X)
Public transportation (including taxicab) .....	248	3.1	With public assistance income .....	34	0.6
Walked .....	135	1.7	Mean public assistance income (dollars) <sup>1</sup> .....	1,459	(X)
Other means .....	55	0.7	With retirement income .....	711	12.9
Worked at home .....	468	5.9	Mean retirement income (dollars) <sup>1</sup> .....	24,888	(X)
Mean travel time to work (minutes) <sup>1</sup> .....	33.2	(X)	Families .....	4,836	100.0
Employed civilian population 16 years and over .....	8,018	100.0	Less than \$10,000 .....	82	1.7
<b>OCCUPATION</b>			\$10,000 to \$14,999 .....	30	0.6
Management, professional, and related occupations .....	5,592	69.7	\$15,000 to \$24,999 .....	144	3.0
Service occupations .....	457	5.7	\$25,000 to \$34,999 .....	127	2.6
Sales and office occupations .....	1,480	18.5	\$35,000 to \$49,999 .....	252	5.2
Farming, fishing, and forestry occupations .....	6	0.1	\$50,000 to \$74,999 .....	423	8.7
Construction, extraction, and maintenance occupations .....	226	2.8	\$75,000 to \$99,999 .....	562	11.6
Production, transportation, and material moving occupations .....	257	3.2	\$100,000 to \$149,999 .....	1,183	24.5
<b>INDUSTRY</b>			\$150,000 to \$199,999 .....	706	14.6
Agriculture, forestry, fishing and hunting, and mining .....	10	0.1	\$200,000 or more .....	1,327	27.4
Construction .....	199	2.5	Median family income (dollars) .....	130,399	(X)
Manufacturing .....	1,153	14.4	Per capita income (dollars) <sup>1</sup> .....	53,285	(X)
Wholesale trade .....	147	1.8	Median earnings (dollars):		
Retail trade .....	638	8.0	Male full-time, year-round workers .....	98,593	(X)
Transportation and warehousing, and utilities .....	133	1.7	Female full-time, year-round workers .....	47,500	(X)
Information .....	535	6.7		Number below poverty level	Percent below poverty level
Finance, insurance, real estate, and rental and leasing .....	848	10.6	<b>POVERTY STATUS IN 1999</b>		
Professional, scientific, management, administrative, and waste management services .....	2,035	25.4	Families .....	102	2.1
Educational, health and social services .....	1,628	20.3	With related children under 18 years .....	88	3.0
Arts, entertainment, recreation, accommodation and food services .....	315	3.9	With related children under 5 years .....	40	3.5
Other services (except public administration) .....	201	2.5	Families with female householder, no husband present .....	64	20.0
Public administration .....	176	2.2	With related children under 18 years .....	64	27.9
<b>CLASS OF WORKER</b>			With related children under 5 years .....	40	54.1
Private wage and salary workers .....	6,587	82.2	Individuals .....	466	2.8
Government workers .....	685	8.5	18 years and over .....	246	2.2
Self-employed workers in own not incorporated business .....	735	9.2	65 years and over .....	69	4.8
Unpaid family workers .....	11	0.1	Related children under 18 years .....	211	3.9
			Related children 5 to 17 years .....	144	3.6
			Unrelated individuals 15 years and over .....	107	11.2

-Represents zero or rounds to zero. (X) Not applicable.

<sup>1</sup>If the denominator of a mean value or per capita value is less than 30, then that value is calculated using a rounded aggregate in the numerator. See text.

Source: U.S. Bureau of the Census, Census 2000.

**Table DP-4. Profile of Selected Housing Characteristics: 2000**

Geographic area: Sudbury town, Middlesex County, Massachusetts

[Data based on a sample. For information on confidentiality protection, sampling error, nonsampling error, and definitions, see text]

Subject	Number	Percent	Subject	Number	Percent
<b>Total housing units</b> .....	<b>5,590</b>	<b>100.0</b>	<b>OCCUPANTS PER ROOM</b>		
<b>UNITS IN STRUCTURE</b>			<b>Occupied housing units</b> .....	<b>5,504</b>	<b>100.0</b>
1-unit, detached .....	5,322	95.2	1.00 or less .....	5,504	100.0
1-unit, attached .....	14	0.3	1.01 to 1.50 .....	-	-
2 units .....	37	0.7	1.51 or more .....	-	-
3 or 4 units .....	58	1.0			
5 to 9 units .....	6	0.1	<b>Specified owner-occupied units</b> .....	<b>4,813</b>	<b>100.0</b>
10 to 19 units .....	5	0.1	<b>VALUE</b>		
20 or more units .....	148	2.6	Less than \$50,000 .....	-	-
Mobile home .....	-	-	\$50,000 to \$99,999 .....	-	-
Boat, RV, van, etc .....	-	-	\$100,000 to \$149,999 .....	35	0.7
			\$150,000 to \$199,999 .....	124	2.6
<b>YEAR STRUCTURE BUILT</b>			\$200,000 to \$299,999 .....	900	18.7
1999 to March 2000 .....	78	1.4	\$300,000 to \$499,999 .....	2,146	44.6
1995 to 1998 .....	353	6.3	\$500,000 to \$999,999 .....	1,430	29.7
1990 to 1994 .....	313	5.6	\$1,000,000 or more .....	178	3.7
1980 to 1989 .....	738	13.2	Median (dollars) .....	422,400	(X)
1970 to 1979 .....	948	17.0			
1960 to 1969 .....	1,476	26.4	<b>MORTGAGE STATUS AND SELECTED</b>		
1940 to 1959 .....	1,201	21.5	<b>MONTHLY OWNER COSTS</b>		
1939 or earlier .....	483	8.6	With a mortgage .....	3,684	76.5
			Less than \$300 .....	-	-
<b>ROOMS</b>			\$300 to \$499 .....	8	0.2
1 room .....	15	0.3	\$500 to \$699 .....	39	0.8
2 rooms .....	59	1.1	\$700 to \$999 .....	100	2.1
3 rooms .....	111	2.0	\$1,000 to \$1,499 .....	469	9.7
4 rooms .....	135	2.4	\$1,500 to \$1,999 .....	697	14.5
5 rooms .....	337	6.0	\$2,000 or more .....	2,371	49.3
6 rooms .....	485	8.7	Median (dollars) .....	1,904	(X)
7 rooms .....	880	15.7	Not mortgaged .....	1,129	23.5
8 rooms .....	1,211	21.7	Median (dollars) .....	577	(X)
9 or more rooms .....	2,357	42.2			
Median (rooms) .....	8.1	(X)	<b>SELECTED MONTHLY OWNER COSTS</b>		
<b>Occupied housing units</b> .....	<b>5,504</b>	<b>100.0</b>	<b>AS A PERCENTAGE OF HOUSEHOLD</b>		
<b>YEAR HOUSEHOLDER MOVED INTO UNIT</b>			<b>INCOME IN 1999</b>		
1999 to March 2000 .....	562	10.2	Less than 15.0 percent .....	1,866	38.8
1995 to 1998 .....	1,217	22.1	15.0 to 19.9 percent .....	844	17.5
1990 to 1994 .....	1,133	20.6	20.0 to 24.9 percent .....	635	13.2
1980 to 1989 .....	1,036	18.8	25.0 to 29.9 percent .....	369	7.7
1970 to 1979 .....	865	15.7	30.0 to 34.9 percent .....	313	6.5
1969 or earlier .....	691	12.6	35.0 percent or more .....	764	15.9
			Not computed .....	22	0.5
<b>VEHICLES AVAILABLE</b>			<b>Specified renter-occupied units</b> .....	<b>444</b>	<b>100.0</b>
None .....	121	2.2	<b>GROSS RENT</b>		
1 .....	671	12.2	Less than \$200 .....	32	7.2
2 .....	3,331	60.5	\$200 to \$299 .....	45	10.1
3 or more .....	1,381	25.1	\$300 to \$499 .....	30	6.8
			\$500 to \$749 .....	103	23.2
<b>HOUSE HEATING FUEL</b>			\$750 to \$999 .....	90	20.3
Utility gas .....	2,513	45.7	\$1,000 to \$1,499 .....	32	7.2
Bottled, tank, or LP gas .....	82	1.5	\$1,500 or more .....	90	20.3
Electricity .....	203	3.7	No cash rent .....	22	5.0
Fuel oil, kerosene, etc .....	2,690	48.9	Median (dollars) .....	756	(X)
Coal or coke .....	-	-			
Wood .....	16	0.3	<b>GROSS RENT AS A PERCENTAGE OF</b>		
Solar energy .....	-	-	<b>HOUSEHOLD INCOME IN 1999</b>		
Other fuel .....	-	-	Less than 15.0 percent .....	100	22.5
No fuel used .....	-	-	15.0 to 19.9 percent .....	53	11.9
			20.0 to 24.9 percent .....	45	10.1
<b>SELECTED CHARACTERISTICS</b>			25.0 to 29.9 percent .....	20	4.5
Lacking complete plumbing facilities .....	10	0.2	30.0 to 34.9 percent .....	49	11.0
Lacking complete kitchen facilities .....	8	0.1	35.0 percent or more .....	134	30.2
No telephone service .....	11	0.2	Not computed .....	43	9.7

-Represents zero or rounds to zero. (X) Not applicable.

Source: U.S. Bureau of the Census, Census 2000.

## APPENDIX FOUR: POPULATION HISTORY OF SUDBURY, 1790-2007

<b>YEAR</b>	<b>POP</b>	<b>YEAR</b>	<b>POP</b>
<b>1790</b>	1,290	<b>1970</b>	13,350
<b>1800</b>	1,303	<b>1971</b>	13,882
<b>1810</b>	1,287	<b>1972</b>	14,460
<b>1820</b>	1,417	<b>1973</b>	14,872
<b>1830</b>	1,423	<b>1974</b>	15,047
<b>1840</b>	1,422	<b>1975</b>	15,092
<b>1850</b>	1,578	<b>1976</b>	14,923
<b>1855</b>	1,673	<b>1977</b>	15,047
<b>1860</b>	1,691	<b>1978</b>	14,930
<b>1875</b>	1,177	<b>1979</b>	15,023
<b>1880</b>	1,178	<b>1980</b>	14,972
<b>1885</b>	1,165	<b>1981</b>	14,726
<b>1890</b>	1,197	<b>1982</b>	14,599
<b>1985</b>	1,141	<b>1983</b>	14,548
<b>1900</b>	1,150	<b>1984</b>	14,444
<b>1910</b>	1,120	<b>1985</b>	14,242
<b>1915</b>	1,206	<b>1986</b>	14,395
<b>1920</b>	1,121	<b>1987</b>	14,561
<b>1925</b>	1,394	<b>1988</b>	15,390
<b>1930</b>	1,182	<b>1989</b>	15,662
<b>1935</b>	1,638	<b>1990</b>	15,800
<b>1940</b>	1,754	<b>1991</b>	14,891
<b>1945</b>	2,051	<b>1992</b>	14,543
<b>1948</b>	2,241	<b>1993</b>	15,325
<b>1949</b>	2,431	<b>1994</b>	15,713
<b>1950</b>	2,597	<b>1995</b>	15,510
<b>1951</b>	2,733	<b>1996</b>	16,079
<b>1952</b>	2,898	<b>1997</b>	16,542
<b>1953</b>	2,946	<b>1998</b>	16,923
<b>1954</b>	3,415	<b>1999</b>	16,532
<b>1955</b>	3,646	<b>2000</b>	16,929
<b>1956</b>	4,251	<b>2001</b>	17,245
<b>1957</b>	5,204	<b>2002</b>	17,423
<b>1958</b>	5,793	<b>2003</b>	17,678
<b>1959</b>	6,592	<b>2004</b>	17,925
<b>1960</b>	7,450	<b>2005</b>	18,107
<b>1964</b>	10,492	<b>2006</b>	18,207
<b>1965</b>	10,894	<b>2007</b>	18,080
<b>1966</b>	11,275	<b>2008</b>	17,924
<b>1967</b>	11,869	<b>2009</b>	
<b>1968</b>	12,200	<b>2010</b>	
<b>1969</b>	12,823	<b>2011</b>	





## APPENDIX FIVE: STANDARD & POOR'S SUDBURY BOND RATINGS



Publication date: 14-Jun-2005 Primary Credit Analyst(s): Colin A MacNaught, Boston (1) 617-530-8312; colin\_macnaught@standardandpoors.com Secondary Credit Analyst(s): Geoffrey Buswick, Boston (1) 617-530-8311; geoffrey\_buswick@standardandpoors.com  
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### Summary: Sudbury, MA; Tax Secured, General Obligation

#### Credit Profile

US\$3.315 mil GO ser A dtd 06/15/2005 due 06/15/2025 AAA  
Sale date: 15-JUN-2005  
US\$4.325 mil GO rfdg bnds ser B dtd 06/15/2005 due 09/15/2018 AAA  
Sale date: 15-JUN-2005

#### AFFIRMED

\$8.505 mil. Sudbury GO AAA

**OUTLOOK:** STABLE

#### Rationale

Standard & Poor's Ratings Services assigned its 'AAA' rating, and stable outlook, to Sudbury, Mass.' series 2005A GO bonds and series 2005B GO refunding bonds.

The rating reflects the town's:

- Very high wealth and income factors,
- Strong property tax base growth,
- Strong financial performance with comfortable reserves, and
- Low debt burden.

The town's full faith and credit pledge secures the bonds.

Sudbury's experienced financial management has contributed to the town's strong financial position, including comfortable reserves. Although the town does not follow a formal fund balance policy, it has maintained a healthy balance of reserves that provides revenue flexibility. Over the past five years, Sudbury's unreserved general fund has averaged a balance equal to nearly 8% of expenditures. Furthermore, it has maintained a roughly \$1.5 million stabilization fund, or 2% of expenditures, over that same period, providing additional reserves. Following a \$3 million operating override in fiscal 2003 and a planned fund balance drawdown, the town closed fiscal 2004 with a healthy \$1 million operating surplus. The unreserved general fund increased to \$3.3 million, or 5.2% of total operating expenditures. The \$62.5 million fiscal 2005 budget, just a 1% growth in expenditures over the previous year, is on budget and expected to close with another positive operating result. The fiscal 2006 budget is adopted and includes revenues from a \$3.05 million Proposition 2 1/2 operating override; Sudbury's last operating override was in fiscal 2003. The electorate's willingness to authorize revenue flexibility beyond Proposition 2 1/2 constraints is a credit strength. The town's electorate has consistently supported property tax overrides and capital exclusions, indicating a strong willingness and ability to pay for general services and needed capital improvements; about 89% of the town's total debt outstanding has been excluded from Proposition 2 1/2 limits. The town is heavily dependent on local property taxes, which account for 75% of general fund revenues. Historically, tax collections are strong at about 98% in each fiscal year. Given its affluence, Sudbury receives just 14% of its operating fund revenues from the commonwealth.

Sudbury's debt position is positive. Net of state school construction aid, the town's overall net debt burden is a moderate \$1,125 per capita, or 0.5% of total market value, including the overlapping regional high school's debt. Amortization of principal is rapid with 69% being retired over 10 years. The town issued the majority of its debt outstanding to finance a \$43 million K-8 school project; the commonwealth reimburses the town for 64% of all project costs. Officials will use bond proceeds to refund a portion of debt outstanding and fund the acquisition of open space.

### **Outlook**

The stable outlook reflects the expectation that the town will continue its strong management practices and that the town will maintain its prudent reserve levels.

### **Economy**

Sudbury, with a population of about 17,000, is a very affluent, primarily residential suburb 20 miles west of Boston, Mass.; the town has one of the nation's highest per capita income levels. At 209% of the commonwealth's level and 262% of the nation's level, median household income is among Massachusetts' highest levels. The property tax base, which is 94% residential, has experienced strong growth over the past five years. Assessed valuation reached \$3.6 billion in fiscal 2005, an increase of more than \$1.5 billion, or a strong 73%, over 2000 assessed value. Sudbury officials attribute growth to property appreciation more than new growth and development; the town, however, has averaged nearly \$36 million in permitted valuation over the past few years. New construction is centered on high-end residential properties with new homes selling for between \$750,000 and \$1 million-plus. Market value is a very strong \$222,903 per capita. Historically, unemployment is well below commonwealth and national rates. The town's leading employers include Raytheon Co., a defense electronics contractor, with about 2,000 employees.

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## **APPENDIX SIX: SUDBURY'S COMMUNITY PRESERVATION FUND (CPF)**

### **MISSION OF THE PROGRAM**

The Community Preservation Fund was created to further the Town's community preservation efforts. Under the direction of the Community Preservation Committee (CPC), the Town may consider using CPA funds for acquisition, creation or preservation of recreational space, community housing, and historic resources.

### **DESCRIPTION OF CPA**

Below is an excerpt from the Massachusetts Department of Revenue that explains the Community Preservation Act of 2000:

The CPA allows communities to create a local Community Preservation Fund to raise money through a surcharge of up to 3% of the real estate tax levy on real property for open space protection, historic preservation and the provision of affordable housing. The act also creates a significant state matching fund, which serves as an incentive to communities to pass the CPA. The Department of Revenue has distributed matching funds to CPA cities and towns of more than \$17 million in FY'03, \$27 million in FY'04, \$30 million in FY'05, \$46 million in FY'06, and \$58 million in FY'07.

Municipalities must adopt the Act by ballot referendum. To date, one hundred and nineteen (119) cities and towns have adopted the Community Preservation Act and are appropriating fund revenues and matching state funds to thousands of community-based projects and needs.

The Community Preservation Act (CPA) is an innovative tool for communities to address important community needs and finance specific community preservation acquisitions and initiatives. Once adopted locally, the Act requires the legislative body to annually appropriate, or reserve for future appropriation, at least 10% of the estimated annual fund revenues for acquisitions or initiatives in each of the following three categories of allowable community preservation purposes: open space (excluding recreational uses), historic resources, and community housing. This allows the community flexibility in distributing the majority of the money for any of the three categories as determined by the community.

### **STAFFING**

The CPC, appointed by the Board of Selectmen, includes nine standing members, with representatives from the Town's Conservation Commission, Finance Committee, Historical Commission, Housing Authority, Planning Board, Park and Recreation Commission, Board of Selectmen, and two at-large citizen members. The CPC is also supported by Town Planning, Finance and Administration, as needed.

### **FY09 GOALS AND INITIATIVES**

- Implement all approved FY09 capital projects
- Review all project submissions for FY10 and make recommendations at Town Meeting

- Successfully conclude Nobscot and CSX land purchases by Nov/Dec 2008
- Obtain self-help grants from State for Nobscot Phase I and CSX land purchase

## **FY08 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Implemented all short-term capital projects for FY08
- Reviewed all project submissions for FY09 and made recommendations at Town Meeting. All CPC articles were approved.
- Developed strategic planning for Town's top open-space and preservation parcels
- Conducted appraisals and other studies related to parcels under negotiation

## **BUDGET ISSUES**

The Community Preservation Fund is completely separate from the Town's general finance and budget process. Funding consists solely of surcharge receipts, State matching funds, grants and investment income (see Fund Balance Table, Section Three for CPA Revenue figures). Regular tax levy dollars may not be used for CPA related projects or expenses. Similarly, CPF may not be used for regular Town-related projects or expenses. Consequently, budgeting for CPF is handled separately through a series of articles at Town Meeting.

The CPC received dozens of project requests for FY09. Of those submitted, the Committee voted to recommend 11 new projects along with the fund's general operating budget.

The CPF also incurs long-term debt from time to time to fund large projects. CPF bonds for land purchases are usually issued for 20 years to allocate the cost of capital across current and future beneficiaries of the land. The CPF issued long-term bonds for the first time in June 2004. As of June 30, 2008 the CPF will have \$6,375,000 in outstanding debt. Three new capital projects approved for FY09 will require borrowing: Nobscot Phase I, Phase 2 and CSX Land Purchase.

	<b>Actual FY06</b>	<b>Actual FY07</b>	<b>Appropriated FY08</b>	<b>Appropriated FY09</b>
<b>CPA</b>				
Administration and Operations	8,898	68,408	95,000	95,000
Debt Service	851,273	811,797	793,098	1,226,923
Nobscot Phase 1 Interest	0	0	0	100,000
Capital Projects and Budgeted Reserves	3,311,926	1,102,484	444,286	9,995,027
<b>Total CPA</b>	<b>4,172,097</b>	<b>1,982,689</b>	<b>1,332,384</b>	<b>11,416,950</b>

	<b>Appropriated FY09</b>
<b>CPA FY09 Project Detail</b>	
Historic Document Preservation	2,300
New Walkway construction	200,000
Nobscot Reservation Phase I	5,545,000
Nobscot Reservation Phase II	2,040,000
CSX Land Purchase	420,000
Sudbury Housing Authority	600,000
Sudbury Housing Trust	750,000
Town Hall Window Restoration	46,800
Stearns's Mill Dam Evaluation	14,600
Hosmer Paintings Appraisal	16,000
Military Training Field Archeology	10,000
	<b>9,644,700</b>

	<b>Outstanding Principal @ 6/30/2008</b>	<b>Appropriated Debt Service FY09</b>
<b>CPA DEBT Service</b>		
Cutting Land (FY04)	3,871,631	439,885
Dickson Land (FY04)	248,369	28,219
Libby Land (FY05)	2,255,000	221,969
Nobscot Phase I (FY09)	0	499,050
Nobscot Phase II (<FY11)	0	0
CSX Land (FY09)	0	37,800
<b>Total CPA</b>	<b>6,375,000</b>	<b>1,226,923</b>



## APPENDIX SEVEN: HISTORY OF PROPOSITION 2½ OVERRIDES

HISTORY OF APPROVED OPERATING OVERRIDES FY1991 - FY2008							
Date of Ballot	Year Funded	SPS	LS	Stabilization	Town	Capital	TOTAL
May-90	FY91	\$250,000	\$135,000		\$175,000		\$560,000
		44.64%	24.11%		31.25%		100.00%
May-91	FY92	\$150,000	\$100,000		\$65,000		\$315,000
		47.62%	31.75%		20.63%		100.00%
May-98	FY99	\$592,250					\$592,250
		100.00%					
Mar-00	FY01	\$1,034,659	\$333,139	\$200,000	\$173,148		\$1,740,946
		59.43%	19.14%	11.49%	9.95%		100.00%
Mar-01	FY02	\$337,712	\$371,972		\$309,136		\$1,018,820
		33.15%	36.51%		30.34%		100.00%
Mar-02	FY03	\$1,599,687	\$575,100		\$757,208	\$68,000	\$2,999,995
		53.32%	19.17%		25.24%	2.27%	100.00%
Mar-05	FY06	\$1,147,940	\$1,122,950		\$699,800	\$79,310	\$3,050,000
		37.64%	36.82%		22.94%	2.60%	100.00%
Mar-07	FY08	\$1,230,032	\$674,684	\$50,000	\$471,618	\$93,066	\$2,519,400
		48.82%	26.78%	1.98%	18.72%	3.69%	100.00%
	Total	\$6,342,280	\$3,312,845	\$250,000	\$2,650,910	\$240,376	\$12,796,411
		49.56%	25.89%	1.95%	20.72%	1.88%	100.00%

HISTORY OF APPROVED DEBT and CAPITAL EXCLUSIONS FY1991 - FY2008						
Year of Ballot	SPS Debt	LS Debt	Land Acquisition Debt	Town Debt	Capital Exclusions	TOTAL
FY91			\$1,000,000			\$1,000,000
			100.00%			100.00%
FY92			\$1,000,000			\$1,000,000
			100.00%			100.00%
FY93		\$2,134,424				\$2,134,424
		100.00%				100.00%
FY94	\$5,451,000			\$399,000		\$5,850,000
	93.18%			6.82%		100.00%
FY95				\$2,900,000		\$2,900,000
				100.00%		100.00%
FY96	\$2,650,000					\$2,650,000
	100.00%					100.00%
FY97	\$43,604,000			\$168,500		\$43,772,500
	99.62%			0.38%		100.00%
FY98			\$8,690,000			\$8,690,000
			100.00%			100.00%
FY99		\$1,500,000	\$315,000		\$782,500	\$2,597,500
		57.75%	12.13%		30.13%	100.00%
FY00			\$2,550,000	\$345,000		\$2,895,000
			88.08%	11.92%		100.00%
FY01		\$68,500,000		\$5,273,800		\$73,773,800
		92.85%		7.15%		100.00%
FY02		\$3,900,000				\$3,900,000
		100.00%				100.00%
FY05				\$650,000		\$650,000
				100.00%		100.00%
FY08					\$405,000	\$405,000
					100.00%	100.00%
Total	\$51,705,000	\$76,034,424	\$13,555,000	\$9,736,300	\$1,187,500	\$152,218,224
	33.97%	49.95%	8.90%	6.40%	0.78%	100.00%



## APPENDIX EIGHT: RESIDENTIAL TAX RATE HISTORY, 2000-2008

Residential Tax History Fiscal Year 2000 to 2008						
Fiscal Year	Number of Parcels	Average Single Family Value	RES Tax Rate	AVG SFD RES Tax Bill	AVG SFD RES % CHG	AVG SFD RES Dollar CHG
2000	5,141	359,388	\$16.66	5,987		
2001	5,192	426,486	\$15.56	6,636	10.8%	\$649
2002	5,235	432,961	\$17.09	7,399	11.5%	\$763
2003	5,251	479,865	\$16.78	8,052	8.8%	\$653
2004	5,292	596,200	\$13.46	8,025	-0.3%	(\$27)
2005	5,307	601,849	\$13.46	8,101	0.9%	\$76
2006	5,332	661,000	\$13.55	8,957	10.6%	\$856
2007	5,341	712,800	\$13.12	9,345	2.9%	\$264
2008	5,353	683,800	\$14.27	9,758	4.4%	\$414





## **APPENDIX NINE: TOWN ENERGY MANAGEMENT PROGRAM**

**Selectmen's Goal: Examine ways for the Town to be more fuel and energy efficient.**

Reasons to be more energy efficient:

1. prevents waste
2. cost of utilities is climbing and consuming more of our limited budgets
3. helps the environment when we use less fossil fuel

Well before Hurricane Katrina hit, or gasoline prices rose this summer, the Board of Selectmen asked the Town Manager and Town department heads to look into what could be done to reduce energy costs, or at least try to minimize how much more of the Town's budget will be spent on energy costs in the future. I have been working with department heads to evaluate what we are already doing, what more can be done, and what areas hold the most promise.

First, in background, we believe the Town of Sudbury spent about \$1.2 million on energy related costs in FY05, with the Town offices accounting for about \$335,000 of this (approximately 27%), Sudbury Public Schools accounting for the rest. This is down from \$351,000 slightly for town buildings in FY04. These are just approximate numbers – we pay many different vendors and had not previously coded these costs to roll up to a total. We will use a new coding system to help us track better for the future.

The first thing I found when looking at this issue is how much Town staff has already done and continues to work on to analyze and reduce energy costs in Town buildings over the past few years. Jim Kelly and Art Richard have systematically looked at all the ways that the Town buildings could be improved for energy use reduction, and put in place those improvements they could do within the limited maintenance budget we allocate for that use.

The Town's Energy Management Program reflects what we have been doing and will be continuing to do as what more we believe we can be doing in the Future. This Energy Management Program is draft at this time, but this is the framework we will be working within as we continue on this goal.

### **Town of Sudbury Energy Management Program**

There are three primary components of our Energy Management Program. Each is described below.

#### **I. Consumption Management**

- a. We will use operations and maintenance best practices
- b. We will continue to do bill analysis and look for savings opportunities
- c. We will continue to use programmable thermostats and control the settings
- d. Where it makes sense for safety and energy management reasons, lights will be put on motion activators and timers
- e. We will continue and enhance the training and guidelines given to staff on best uses and choices. For example:
  - i. Turning off lights and equipment when not using
  - ii. Not pushing up the heat for one person
  - iii. Restricting the use of one person heaters
- f. We will continue developing ideas for dealing with the buildings we have.  
Factors that make it very challenging to conserve energy:
  - i. Old drafty buildings – not built with conservation in mind
  - ii. Old heating systems – Flynn, Police Station, Fairbank
  - iii. Old windows – Flynn Building, Fairbank
  - iv. Some buildings are used 24/7, do not have an “unused” time in day

- 1. Fire, Police
- v. Some buildings are used long hours of the day
  - 1. Library, Pool
- vi. Some buildings are used by the public for meetings
  - 1. Town Hall, Fairbank Center, Flynn Building, Library

## **II. Facility Assessment and Improvements**

- a. Already done:
  - i. Purchased street lights – estimate savings at least \$20K in FY06, could be more
  - ii. We have retrofitted older buildings with insulation
  - iii. We have replaced windows in Town Hall and most of Flynn Building, Atkinson Pool
  - iv. We have done energy audits in some buildings and made recommended improvements (Fire Station)
  - v. We have put in all new energy efficient light bulbs in the Park and Recreation and Atkinson Pool areas
  - vi. We have put in LED in our traffic signals which use less energy
  - vii. We have some new construction – Library and DPW building – which are designed more efficiently
- b. Improvements in progress
  - i. We have asked Keyspan to conduct energy audits on buildings
  - ii. We have asked for money to replace the boilers in Fairbank building – could recoup our expenses through our savings very quickly on this project
  - iii. We continue to examine lighting in buildings for savings possibilities
- c. Improvements we plan to make
  - i. Build a new Police Station – construct new with conservation in mind. This is one of the worst buildings for energy loss
  - ii. Replace the rest of the windows in Flynn Building
  - iii. Replace windows in Fairbank

## **III. Procurement of energy supply**

- a. Electricity
  - i. We began bidding for electric supply with other towns several years ago – Jan, Jim Kelly and Maureen participate in this, along with SPS Business Manager Mary Will
  - ii. Currently we are paying 5.55 cents per therm. At the time we locked that rate in three years ago, that was market rate, so no real savings in the first year. But today, for the November – January period, NSTAR is charging customers of our size 9.6 cents. Jan estimates that for this calendar year, we are probably saving \$125,000 because we bid and locked in this rate two years ago. Next year we stand to save roughly \$225,000 if prices stay high, as our 5.55 cent rate continues through calendar 2006. (Because we bid for SPS too, they get 75% of the savings, but the taxpayers get it all).
  - iii. We have recently locked in a price that will go into effect at the end of 2006. We went out to bid 5 times over the last 5 months, carefully watched the trends, and finally decided to lock in at a rate that is comparable to October market rate for NSTAR default customers. But our best expectations is that energy costs will continue to climb and two years from now we will be happy that we secured a constant supply at a set rate.
  - iv. We did adopt the green certificate. Small percent higher to use more environmentally safer energy supply
- b. Natural Gas. Now looking at our natural gas contract. Current contract lapses in August of FY06.

## **APPENDIX TEN: C.A.R.E. PROGRAM – COST AVOIDANCE AND REVENUE ENHANCEMENT**

**To:** Board of Selectmen  
Finance Committee

**From:** Maureen G. Valente, Town Manager  
Senior Management Team – Police Chief Fadgen, Fire Chief MacLean, DPW  
Director Place, Planning Director Kablack, Finance Director Petersen,  
Assistant Town Manager/Personnel Director Walker

**Subject:** The C.A.R.E. Program: Cost Avoidance and Revenue Enhancement Efforts  
by the Town Government

Attached is a report that the Senior Management Team and I have developed to inform the Board of Selectmen, the Finance Committee, and the community at large about the many steps Town staff have taken to enhance revenues, and to avoid costs that otherwise divert resources away from core services. When you add up these efforts, they result in significant dollar savings. Section One looks at Cost Avoidance and Reduction efforts. Section Two addresses Revenue Enhancement efforts.

The last section of the report contains ideas that have not been studied by staff as yet, but we believe hold promise for becoming part of our C.A.R.E. program. We are including them so that the Board of Selectmen and Finance Committee can begin thinking about them philosophically, before staff puts in time and effort toward exploring these ideas further. We welcome suggestions from Selectmen, Finance Committee members, Town staff and residents of Sudbury community on other ideas for cost avoidance and revenue enhancement you may have that we can add to this list.

Please note that I have not listed the number one way we have worked to reduce costs, and that is by maintaining our AAA credit rating.

### Principles of the C.A.R.E. Program

1. There are no “sacred cows”. Town staff will consider all alternatives to current business practices if they seem likely to reduce costs, or enhance revenues, without sacrificing any of the values articulated by the Board of Selectmen.
2. Town staff is viewed as key tools needed for the achievement of quality, revenue enhancement and cost containment efforts.
3. Town staff will rely on proven “best practices” for management operations and decisions. We are committed to continuously striving to improve the quality and efficiency of municipal services.
4. A return on investment mentality will be used in our decision making. We will examine both the short and long term costs and implications of implementing any changes.
5. The job of C.A.R.E. is never done. All programs and decisions will be re-visited periodically to look for opportunities.
6. Tools such as benchmarking and performance measurement will be used to assist in assessing effectiveness and efficiency.

## **The Sudbury C.A.R.E. PROGRAM: Cost Avoidance and Revenue Enhancement**

### **I. Cost Avoidance Efforts**

#### **Effort #1: Debt Refinancing**

The Town has refinanced outstanding debt twice in the past 24 months to take advantage of lower interest rates. We conducted an advance refunding of \$4,350,000 in June 2005 and an advance refunding of \$13,400,000 in January 2005 to take advantage of lower interest rates.

- a. Estimated savings over the life of these bonds: \$787,000

#### **Effort #2: Purchase of Street Lights**

The Town purchased street lights from NSTAR and bid out their maintenance. We achieved cost reductions by ending maintenance payments to NSTAR and instead competitively contracting out the maintenance. An additional advantage of this effort is better maintenance and repair of street lights than NSTAR had provided

- a. Estimated annual savings: \$29,000
- b. Estimated savings over five years: \$145,000.

#### **Effort # 3: Streamlined Tax Payment Processing**

After the Town reduced the staffing in the Tax Collectors' office by ½ positions, we put in place or enhanced our use of technology or other approaches to enable us to continue processing payments without increased delays. We have added an on-line payment option, enhanced the use of a lockbox outsourcing service and we provide automated files to mortgage services so they can post payments to our system. We have also added a tax drop box outside the building and begun a list-serve option so that taxpayers can sign up to know when bills are mailed and due. All this makes it possible to provide the same high level of service even with a staff reduction.

- a. Estimated annual savings from reducing by ½ position: \$14,000
- b. Estimated savings over five years: \$70,000

#### **Effort # 4: Energy Management Program**

Per the direction of the Board of Selectmen, Town staff has spent considerable time investigating and implementing various energy management steps. A description of these efforts is found in Appendix 4 of the FY07 Town of Sudbury Annual Budget and Financing Plan, entitled **Energy Management Program**.

- a. Estimated annual savings from purchasing of energy supplies: \$125,000 for calendar 2005, \$225,000 for calendar 2006
- b. Estimated savings over five years: Uncertain, depends on future energy costs

#### **Effort # 5: Vehicle/Fleet Management Program**

The Town has not purchased any new automobiles except for police and fire departments, in several years. Instead, we began a program of retaining and "passing down" detective cars and fire command SUVs to other departments after 4 – 5 years use. Departments which are assigned one of these used vehicles include: Engineering (2 vehicles), Building Inspector (2 vehicles), Assessors Office (1 vehicle), Technology Administrator (1 vehicle), Building Maintenance (2 Vehicles), and Dog Officer (1 vehicle).

- a. Annual cost to the Town for one of these vehicles is estimated at \$2,080: \$500 for insurance + \$1080 for gasoline+ 500 for parts/repair.
- b. Annual cost for reimbursing employee for using personally owned vehicle could exceed \$3,200 per employee (Assume use 240 days/year, 30 miles per day, mileage reimbursement rate of \$.445 per mile)
- c. Estimated annual savings for retaining and using 9 vehicles rather than reimbursing for personal vehicles: \$10,000
- d. Estimated savings over five years: \$50,000

#### Effort # 6: Regional Purchasing Programs

The Town has entered into three different regional purchasing efforts in the past two years. Regional approaches to bidding and purchasing has many advantages. It reduces administrative costs because only one bid is developed and overseen. Preparing bid specifications, advertising, answering questions of potential bidders, etc. is very time consuming. The savings quoted below do not include those staff costs which are avoided, only the direct costs, but the time savings are important to consider as well. Also, bidders are often more aggressive in reducing their proposed price in the hopes of landing larger book of business.

- a. Ambulance Billing – Fire Chiefs in the area worked together to develop an overall bid for billing for ambulance services. The rate for ambulance billing went from 6.5% to 4%, saving about \$7,500 annually, or \$37,500 over five years.
- b. Office Supplies – The Town Managers in this area group bid office supplies and received a discount over catalog price of 80%.
- c. Police vehicles – Police Chiefs in this area worked together to develop overall bids for police vehicles. Average price per vehicle went from \$24,000 to \$22,478, a savings of \$1,588 per vehicle or \$7,710 annually. Five year savings estimate: \$38,050.

#### Effort # 7: Self insuring for unemployment compensation

The Town annually re-evaluates the savings possible from self insuring for unemployment compensation.

- a. Current amount Town budgets is \$39,000
- b. Alternative is to pay annual premium of 1% of annual payroll, which for calendar year 2005, gross payroll total for SPS plus Town was \$28,575,304 so 1% is approximately \$285,753.
- c. Estimated annual savings: \$285,753
- d. Estimated savings over 5 years: \$1,428,000

#### Effort # 8: Contracting out cleaning services

- a. Town has contracted out cleaning services for town buildings
- b. Estimated annual savings: \$14,000
- c. Estimated savings over 5 years: \$70,000

#### Effort # 9: Switching to bi-weekly payroll for all employees

- a. State law does not allow any less frequent payment, such as monthly
- b. Reduces administrative and banking costs for not running weekly payrolls
- c. Estimated annual savings: \$15,000
- d. Estimated savings over 5 years: \$75,000

#### Effort # 10: Join the MIIA Rewards Program for Worker's Compensation, Property and Liability Insurance

The Town belongs to a collaborative formed by the Massachusetts Municipal Association, known as the Massachusetts Inter-local Insurance Association. We achieve better coverage at a lower price through participation in MIIA, and we receive financial rewards for taking actions that result in lower claims.

- a. Estimated annual savings: approximately \$8,800 in credits
- b. Estimated savings over 5 years: \$44,000

#### Effort # 11: Leasing Town owned office building

The Town owns the Loring Parsonage, which is no longer needed as a Town office building. The Town has leased this building to the Sudbury Foundation on a short term basis, and under the lease the Foundation pays all the utilities. The Selectmen and Town Manager will be working with others to determine the long term uses for the Parsonage, with a goal to have its annual operating costs NOT be carried on the tax levy unless it is being used for a town office building again.

- a. Estimated annual savings: \$18,162

- b. Estimated savings over 5 years: unknown as current lease arrangement is only for two years.

#### Effort # 12: DPW Reorganization

The Town has reorganized and streamlined DPW operations and personnel, pursuant to the Town Manager Act. This reorganization allows the Town to have two fewer high level supervisory positions, and we have instead added two equipment operators. These positions would have needed to be added to cope with the growing work load. This has also contributed to higher productivity in the face in growing demands for services from residents. Quantifiable savings are as follows:

- a. Estimated annual savings of funding two equipment operators out of eliminated supervisory positions: \$40,000 (difference between supervisory salary and equipment operator salary)

## II. Revenue Enhancement Efforts

#### Effort # 1: Annually evaluate fees charged by Town of Sudbury

Town staff annually evaluates the amount and nature of the fees that are charged for services that directly benefit individual users rather than the public at large. Where the intent of the fee is to cover 100% of the cost of the service, it is necessary to make periodic adjustments in the amount of the fee as Town costs rise. The Town has increased several fees, including fees in the Town Clerk's office, ambulance transport fees and advance life support reimbursement fees, among others.

For FY06, the Selectmen voted to establish a new burning permit fee. For this new fee alone:

- a. Estimated annual revenue generated: \$10,000
- b. Estimated revenue over 5 year period: \$50,000
- c. Fee will be set up as revolving fund to cover costs of building an on-line system for obtaining the burning permit, and communicating with permit holders on safe use of the permit (e.g. daily conditions).

#### Effort # 2: Use Town owned assets to generate income

There are two major efforts here: leases from cell towers and selling of gravel from the Town's gravel pit.

- a. Cell tower leases:
  - a. Town leases town owned land for cell towers.
  - b. Estimated annual revenue generated: \$120,000
  - c. Estimated revenue over 5 year period: \$600,000
- b. Gravel sales.
  - a. Town works with buyers of gravel (borrow) to supply as needed
  - b. Revenue generated to General Fund annually: \$100,000
  - c. Revenue generated to General Fund over 5 year period: \$500,000

#### Effort # 3: Town is looking to sell non-developable land to interested parties

There are a number of small parcels of land in Town which are too wet or nonconforming to be developed and owners have stopped paying taxes on. The Town can take these parcels for nonpayment of taxes, and then sell them to interested parties. Negotiations are in progress with Federal government, with abutters and any others who might be interested in purchasing these from the Town if we do the work to take title to them. The process is cumbersome, time consuming and expensive to foreclose or do a land of low value taking but if we know of a buyer, it can be worthwhile.

- a. Potential revenue: unknown at this point, but could be \$50,000 to \$100,000 in one time revenue from sales

#### Effort # 4: Accelerating collection of Tax Title cases

The Tax Collector's office has been giving concentrated efforts into resolving older tax delinquencies by finding missing owners, using a Town bylaw which denies permits to tax scofflaws, putting mortgage companies on notice, and other staff intensive efforts. These are the more "stubborn" cases such as where there are heirs to property to be tracked down, a developer who is not paying on multiple properties, or other circumstances that require extraordinary staff time to resolve. For comparison purposes, in FY04 \$120,000 in tax title was collected.

- a. Estimated revenue: Collected \$395,000 tax title in FY05, and \$415,000 thus far in FY06.
- b. Estimated revenue over 5 years: unknown at this point once backlog is cleared up
- c. NOTE: Extra revenue gets generated in this process because there are penalties and interest charged on the tax title accounts, and these collected dollars become investable balances, leading to increased investment income as well.

#### Effort # 5: Cash Management and Investment Income

The Treasurer is working on reducing the cost of banking services and enhancing the investment return earned by investing town funds. Actions she has taken thus far:

- a. Reduced number of banks the Town is using, by 5.
- b. Also significantly reduced number of bank accounts by removing duplicate/inactive accounts.
- c. Reduced number of investment firms by 2.
- d. Estimated annual increase in revenue due to these efforts is difficult to quantify because market conditions also affect investment earnings. However, investment income in FY05 was up from FY04 by more than \$100,000.

#### Effort # 6: Grants and Gifts.

Town staff develops and submits grant applications to numerous entities for support of Town priorities. Often our efforts are rejected because Sudbury appears to be too wealthy to meet granting agencies criteria. Nevertheless, we continue to put in the staff time to develop those we believe might consider our request. Here is a summary of recent grants awarded to Town Departments.

- a. Total Fire Department grants awarded in FY05 and FY06 to date: \$86,904
- b. Total Police Department grants awarded in FY05 and FY06 to date: \$35,296
- c. Total Council on Aging grants awarded in FY05 and FY06 to date: \$54,191
- d. Total to other Town departments in FY05 and FY06 to date: \$171,000

## **C.A.R.E. IDEAS FOR FUTURE CONSIDERATION**

### Proposed Effort # 1: Examine Payment in Lieu of Taxes to Town.

- a. Town currently receives PILOT payments from the Federal government, state government and one non-profit in Sudbury.
- b. Staff will work to see if other non-profits in Sudbury could be encouraged to make a public safety PILOT payment to the Town in recognition of the public safety services received but not paid for by the non-profit entity.
- c. Estimated revenue possible: unknown at this time

### Proposed Effort # 2: Begin an Emergency Response Cost Recovery Program

- a. Town public safety departments respond to a number of vehicle accidents annually
- b. Staff is examining if any of the costs expended for these efforts can be recovered from the insurance companies of the owner's of the vehicles
- c. Selectmen will examine if this is an approach they believe is in the Town's best interest
- d. Estimated revenue possible: unknown at this time

### Proposed Effort # 3: Examine potential collaboration with Sudbury Public Schools for shared facilities maintenance.

### Proposed Effort # 4: Examine potential benefits of building and maintaining a multipurpose municipal wireless broadband network that would provide coverage for the entire community.

### Proposed Effort # 5: Examine potential benefits of building and maintaining a Town of Sudbury municipal light plant.

### Proposed Effort # 6: Examine possibility for converting more Town services to "e-services", and automating as many routine and repetitive procedures as possible.

### Proposed Effort # 7: Develop a list of laws that cost the Town additional funds but offer no value added for our citizens, and ask State legislators to change the laws

### Proposed Effort # 8: Examine options for regionalization or collaboration in new areas

### Proposed Effort # 9: Examining feasibility of paying Town and School employees a cash incentive NOT to take Town health insurance if they have such insurance available elsewhere

### Proposed Effort # 10: Have Town staff open a passport office and take in revenue for processing passports

### Proposed Effort # 11: Examine capability for and advantages of running two ambulances instead of one.



**C.A.R.E. ESTIMATES SUMMARY****I. Cost Avoidance Estimates**

Debt Refinancing	\$ 787,000.00	life of bond estimate
Street Light Purchase	\$ 145,000.00	5 year estimate
Streamlined tax processing	\$ 70,000.00	5 year estimate
Energy Management	\$ 350,000.00	FY05 and FY06 estimate
Fleet Management	\$ 34,380.00	5 year estimate
Regional Purchasing	\$ 75,550.00	5 year estimate
Self insurance for unemployment	\$ 1,428,000.00	5 year estimate
Contracting out cleaning services	\$ 70,000.00	5 year estimate
Bi-weekly payroll	\$ 75,000.00	5 year estimate
MIIA Rewards program	\$ 44,000.00	5 year estimate
Leasing town building	\$ 18,162.00	2006 savings
DPW Reorganization	\$ 40,000.00	5 year savings
Total	\$ 3,137,092.00	

**II. Revenue Enhancements**

New Burning Fee	\$ 50,000.00	5 year estimate
Cell tower leases	\$ 600,000.00	5 year estimate
Gravel sales	\$ 500,000.00	5 year estimates
Land sales	\$ 50,000.00	One time revenue
Grants and Gifts	\$ 347,391.00	FY05 and FY06
Total	\$ 1,547,391.00	



## APPENDIX ELEVEN: GRANTS LISTING

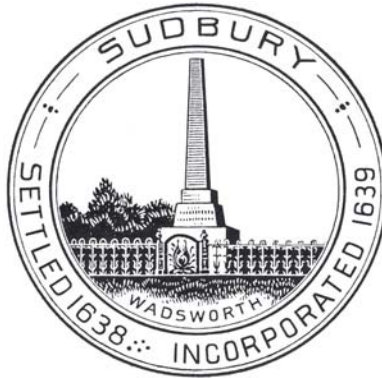
Name	Department	Amount	Source	Remarks
<b>FY08</b>	<b>as of</b>	<b>11/16/2007</b>		
HazMat	Fire	\$ 2,602	State	some amount received annually
Community Policing	Police	\$ 18,024	State	some amount received annually
Council on Aging	COA	\$ 11,225	State	some amount received annually
Emergency Preparedness	Board of Health	\$ 5,600	State	some amount received annually
MEMA Crossroads	Fire	\$ 500	State	one time
CIRRIIP	Fire	\$ 9,615	State	Homeland Security Related
E911 Software	Police	\$ 5,000	State	one time
Sudbury Foundation Registry	COA	\$ 1,000	Local	one time
<b>TOTAL</b>		<b>\$ 53,566</b>		

<b>FY07</b>				
HazMat	Fire	\$ 39,527	State	some amount received annually
Community Policing	Police	\$ 18,024	State	some amount received annually
Council on Aging	COA	\$ 14,345	State	some amount received annually
Emergency Preparedness	Board of Health	\$ 1,523	State	one time
MEMA Crossroads	Fire	\$ 500	State	one time
DARE program	Police	\$ 1,545	Gifts	one time
Library	Library	\$ 4,434	State	some amount received annually
Library	Library	\$ 11,966	State	some amount received annually
Library	Library	\$ 7,979	State	some amount received annually
Cultural Council	cultural council	\$ 4,000	state	some amount received annually
S.A.F.E grant	Fire	\$ 4,971	State	some amount received annually
Ambulance	Fire	\$ 1,000	State	one time
Highway Safety	Police	\$ 5,488	State	reimbursement program - annual option
ATV/Video	Fire	\$ 2,211	State	one time
Local Emergency Planning	Fire	\$ 250	State	one time
Fire Equipment	Fire	\$ 7,800	State	one time
Community Coordinator	COA	\$ 12,000	Sudbury Foundation	some amount received annually
Sr. Management Training	Town Manager	\$ 1,500	Sudbury Foundation	one time
GPS Grant	Fire	\$ 3,600	Sudbury Foundation	one time
METROLEC	Police	\$ 1,927	Federal	Regional Police Organization
National Park Svcs		\$ 1,500	Federal	one time
Bulletproof vests	Police	\$ 13,745		one time
<b>TOTAL</b>		<b>\$ 159,835</b>		

<b>FY06</b>				
HazMat	Fire	\$ 6,250	State	
Community Policing	Police	\$ 36,048	State	
Council on Aging	COA	\$ 13,366	State	
Pandemic Prep	Board of Health	\$ 1,523	State	
Regional Fire Investigation	Fire	\$ 1,087	State	
DARE program	Police	\$ 1,275	Gifts	
Library	Library	\$ 12,250	State	
Library	Library	\$ 4,632	State	
Library	Library	\$ 6,498	State	
Cultural Council	cultural council	\$ 2,591	state	
S.A.F.E grant	Fire	\$ 4,532	State	
Ambulance	Fire	\$ 1,000	State	
Highway Safety	Police	\$ 2,185	State	
ATV/Video	Fire	\$ 9,789	State	
Wildlife truck	Fire	\$ 13,500	Federal	
METROLEC	Police	\$ 734	Federal	
Community Coordinator	COA	\$ 12,000	Sudbury Foundation	
Nat Incident Mgmt System	Fire	\$ 1,269	Sudbury Foundation	
Pay as you go	DPW	\$ 1,200	State	
Sr. Management Training	Town Manager	\$ 4,500	Sudbury Foundation	
National Park Svcs		\$ -	Federal	
Bulletproof vests	Police	\$ -		



## APPENDIX TWELVE: SUDBURY MASTER PLAN EXCERPT



# SUSTAINABLE SUDBURY

## MASTER PLAN

2001



## SUDBURY PLANNING BOARD

# Introduction

Since 1962, when the last Master Plan was prepared for the Town of Sudbury, there has been little comprehensive examination of the development patterns and trends that have occurred and are expected to occur until the Town finally reaches build-out. Vacant land has been converted into residential use at a rapid rate, with over 1000 acres developed in the last decade. What many residents consider to be residential overbuilding in recent years is likely to continue until all developable land area is depleted – a date which has been forecasted to occur in approximately the year 2015 with the addition of between 1000-2000 new single family homes to the existing housing stock.

The alarm has been sounded. The Planning Board and the Board of Selectmen initiated the preparation of this Master Plan in order to address residential growth and its effects on the Town. Specific ideas and recommendations have largely been compiled from the Strategic Planning Committee reports and documents. These very issues have been the core of that committee's mission since 1996, and were specified in their original charge to develop a comprehensive growth management plan for the Town. In addition, input from all major town boards and committees, as well as responses from several public forums have been incorporated. In all, nearly 300 citizens have participated in the formation of this Plan.

The process and format of this Master Plan follow the recommendations of the Master Plan Task Force (a subcommittee of the Strategic Planning Committee), and meet the statutory requirements of the M.G.L. Chapter 41, Section 81D, Master or Study Plan. The intent of the statute is for municipalities to translate statements of public policy into a comprehensive, long-term document, which can serve as a guide to decision making. The Plan was prepared by a group of volunteers overseen by the Town Planner and the Planning Board. It is hoped that this local, grassroots effort will be the springboard for widespread acceptance of the Plan and its recommendations.

The Plan addresses land use, economic development, natural resources, open space, historic resources, housing, transportation and community services, and facilities. A broad range of goals dealing with the Town's needs and objectives in each of these areas has been developed. Each chapter, or element, of the Master Plan is broken down into three sections – goals, objectives, and implementation strategies, in a sequence from general to specific. Goals are the most basic community values that reflect the general agreement of the community, and are considered relatively permanent. Objectives are general guidelines or principals that form the basic recommendations of the plan and are meant to be relatively permanent, changing only rarely over the years. Implementation strategies are specific suggestions or actions to carry out policies. There are generally several alternative methods of implementing a policy. Implementation strategies are

meant to be flexible and subject to modification. A particular strategy may be rejected without compromising the objective. If one strategy is not approved, there are other alternatives to carry out the overall goals and objectives.

The Master Plan attempts to integrate the critical issues presently facing Sudbury, or those that may threaten our quality of life in the next 10 years – erosion of community character, loss of commercial tax base, development of critical open spaces, degradation of groundwater quality and the ability of the Town to provide essential services. In its six fundamental chapters, moderation of impact is stressed so that no one neighborhood, age group, or economic sector is overly burdened. The recommendations of the Master Plan should not be in conflict with one another. It does not compromise environmental protection for advances in economic development or housing. The Plan recognizes that we must all bear some responsibility and cooperate in order to manage and direct growth in a manner that is mutually beneficial to the community as a whole. It is not the intent of this Plan to stop growth, but rather to identify where growth can occur, where it shouldn't occur, and to carefully manage growth to the Town's best advantage while avoiding erosion of the Town's character and the quality of life offered here.

Although Sudbury's developable land is nearly 80 percent consumed, a difference can be made in determining the land use patterns of the remaining land. The recommendations in the Master Plan incorporate several different methods of preserving community character—land acquisition, establishing standards for building scale, clustering—which can have a positive impact on the character of new development and the remaining land.

The Master Plan also stresses the need for capital planning, so that we are prepared to implement the actions that will eventually cost the Town money.

It is the intent of the Planning Board and the Board of Selectmen that the Master Plan will continue to evolve and be updated regularly, as issues and priorities change. This Plan is not intended to be a static document, but a useful and dynamic resource used frequently by the Planning Board, Board of Selectmen and other Town officials as we work together to solve problems and improve the quality of life for Sudbury residents.

## **Character of Sudbury Statement**

One commonly cited complaint of Sudbury residents is that growth is eroding Sudbury's character. When pressed, it is difficult for people to define exactly what the character of the town is. On the premise that such a definition was fundamental to the process of recommending how to preserve character, the Strategic Planning Committee set out to define what the "character of Sudbury" was. With this definition, a common vision could be applied when attempting to mitigate the effects of growth on the town. A task force was formed for this specific purpose. In the fall of 1997 the task force developed a slide show of various scenes in Town which may best describe the

community's character, ranging from new development, to old development, to open spaces, to the Route 20 commercial district, to historic properties, to town residents. Over 150 people participated in the process by reacting to the slides and specifying their likes and dislikes, and at the 1998 Annual Town Meeting, the following statement was unanimously adopted as a resolution:

*"We in Sudbury appreciate our town but are concerned about its future.*

*We value the town's essentially residential, low-density nature. A significant aspect of Sudbury's charm and character is derived from its rural/suburban feeling. Becoming more like towns nearer Boston would not be considered "progress." This is not to say that the value and convenience of consumer oriented, commercial activity and development is not appreciated. We remain open to positive change, while zealously safeguarding historical treasures and traditions. High value is placed upon Sudbury's natural resources and beauty, its open spaces, wetlands, forests and wildlife. The opportunities that these resources provide for enjoying and appreciating nature, recreation and escaping from our hectic lives is precious. Aligned with these natural resources is the diligent protection of the quality of Sudbury's water and air.*

*We feel that Sudbury's residential housing should be built in harmony with and in proportion to its surroundings and acreage. Encouragement of this harmony for all construction is highly recommended. Moderation in the rate of growth within the town is also desirable.*

*Sudbury's people are one of its most valued assets. Promoting a socioeconomic environment that permits and encourages a diversity of ethnicity, religion, age and income will perpetuate this important town value. We value the traditions and institutions that create a sense of community. However, to sustain our legacy of helping others and our spirit of volunteerism we need more involvement by citizens.*

*Maintenance of the quality of Sudbury's public services and recognition and appreciation of the people that provide them is essential to Sudbury's character. The high quality of Sudbury's public schools is particularly valued. We expect that public officials, working in conjunction with others, will keep the sense of Sudbury's character at the forefront in their decision making process. In such undertakings openness, fairness, proactivity and a view to preservation of Sudbury's character and to the common good will be highly valued by Sudbury's citizens."*

While this statement in and of itself is subjective, it was substantiated by extensive research by various task forces, which further defined the problems and set forth directions for change. The issues of residential growth, loss of community character, water quality and supply, municipal infrastructure, scenic vistas, protection of historical



landmarks, haphazard commercial development and lack of housing for seniors and young people were tackled by the Housing Task Force, the Environmental Task Force, the Route 20 Task Force, the Economic Sustainability Task Force, the Master Plan Task Force, and the Zoning Task Force. Once the initial identification of issues and potential solutions was completed, the Strategic Planning Committee issued its first report in November of 1997 entitled *"New Directions for Sudbury, a Framework for Action."* This document and the work of the task forces form the basis of the recommendations of this Master Plan.





## **APPENDIX THIRTEEN: FY07 AUDIT, MANAGEMENT'S DISCUSSION & ANALYSIS**

The following pages comprise the independent auditor's report on basic financial statements and required supplementary information for the Town of Sudbury fiscal year ended June 30, 2007.

**TOWN OF SUDBURY, MASSACHUSETTS**

**INDEPENDENT AUDITORS' REPORT ON  
BASIC FINANCIAL STATEMENTS AND  
REQUIRED SUPPLEMENTARY INFORMATION**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

TOWN OF SUDBURY, MASSACHUSETTS  
INDEPENDENT AUDITORS' REPORT ON  
BASIC FINANCIAL STATEMENTS AND  
REQUIRED SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

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## *Independent Auditors' Report*



Certified Public Accountants

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**Independent Auditors' Report**

To the Honorable Board of Selectmen  
Town of Sudbury, Massachusetts

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Sudbury, Massachusetts, as of and for the fiscal year ended June 30, 2007, which collectively comprise the Town of Sudbury, Massachusetts' basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Sudbury, Massachusetts' management. Our responsibility is to express opinions on these financial statements based on our audit.

Except as discussed in the following paragraph, we conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

We were unable to obtain audited financial statements supporting the Town's investment in the Way;and-Sudbury Septage Facility (the Facility) stated at \$578,000 at June 30, 2007, or its equity in the Facility's change in net assets; nor were we able to satisfy ourselves about the carrying value of the investment or the equity in its change in net assets by other auditing procedures.

In our opinion, except for the effects of such adjustments, if any, as might have been determined to be necessary had the Facility's financial statements been audited, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities of the Town of Sudbury, Massachusetts, as of June 30, 2007, and the respective changes in financial position thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

In addition, in our opinion, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Sudbury, Massachusetts, as of June 30, 2007, and the respective changes in financial position and cash flows, where applicable, thereof for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

As more fully described in Note 13, the Town has implemented the retroactive infrastructure reporting requirements of Governmental Accounting Standards Board Statement #34, *Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments*.



In accordance with *Government Auditing Standards*, we have also issued our report dated February 26, 2008, on our consideration of the Town of Sudbury, Massachusetts' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis (located on pages 4 through 13) and budgetary comparison information (located on pages 51 through 54) are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

A handwritten signature in dark ink, appearing to read "Sullivan & Company, LLC". The signature is written in a cursive, flowing style.

February 26, 2008

## *Management's Discussion and Analysis*

As management of the Town of Sudbury, Massachusetts (Town), we offer readers of these financial statements this narrative overview and analysis of the Town's financial activities for the fiscal year ended June 30, 2007.

#### *Financial Highlights*

- The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$95,319,031 (net assets). Of this amount, \$17,201,728 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The Town's total net assets increased by \$4,795,223.
- As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances totaling \$25,417,982, an increase of \$1,925,833 in comparison with the prior year. Approximately \$17,169,000 represents unreserved fund balance.
- At the end of the fiscal year, undesignated fund balance for the general fund totaled \$996,718 or 1.3 percent of total general fund expenditures.
- The Town's total bonded debt (gross) decreased by \$4,265,000 during the fiscal year; no new debt was issued.

#### *Overview of the Basic Financial Statements*

This discussion and analysis is intended to serve as an introduction to the *basic financial statements*, which consists of the following three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements.

This report also contains other supplementary information in addition to the basic financial statements.

#### Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The *statement of net assets* presents information on all of the Town's non-fiduciary assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The *statement of activities* presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, earned but unused vacation leave, etc.).

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). Governmental activities include general government, public safety, education, public works, health and human services, culture and recreation and debt service (interest). Business-type activities include the Town's swimming pool and landfill operations.

The government-wide financial statements can be found on pages 15-17 of this report.

#### Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into the following categories and are described below:

1. Governmental funds
2. Proprietary funds
3. Fiduciary funds

#### **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental funds financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term effect of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains 326 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general, stabilization, community preservation (special revenue) and affordable housing (special revenue) funds, each of which are considered to be major funds. Data from the other 322 governmental funds are combined into a single, aggregated presentation titled *nonmajor governmental funds*.

The basic governmental funds financial statements can be found on pages 18-23 of this report.

#### **Proprietary funds**

The Town maintains one type of proprietary fund.

*Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its swimming pool and landfill activities, each of which are considered to be major funds.

The basic proprietary funds financial statements can be found on pages 24-26 of this report.

#### **Fiduciary funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's programs. The accounting used for fiduciary funds is similar to that used for proprietary funds.

Private-purpose trust funds and agency funds are reported and combined into a single, aggregate presentation in the fiduciary fund financial statements under the captions "private purpose trust funds" and "agency funds", respectively.

The basic fiduciary funds financial statements can be found on pages 27-28 of this report.

#### **Notes to the basic financial statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29-50 of this report.

#### **Other Information**

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information. Presented in this information is the budget comparison for the general fund, which can be found on pages 51-54 of this report.

#### ***Government-Wide Financial Analysis***

The following tables present current and prior year data on the government-wide financial statements.

#### **Net Assets**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The Town's assets exceeded liabilities by \$95,319,031 at the close of the fiscal year and are summarized as follows:

	Governmental Activities		Business-Type Activities		Total	
	2007	2006 *	2007	2006	2007	2006 *
<b>Assets</b>						
Current assets.....	\$ 32,478,517	\$ 28,907,079	\$ 287,490	\$ 259,742	\$ 32,766,007	\$ 29,166,821
Noncurrent assets						
(excluding capital assets).....	21,507,234	24,789,228	-	-	21,507,234	24,789,228
Capital assets (net).....	86,588,636	86,281,150	884,783	927,197	87,473,419	87,208,347
Total assets.....	140,574,387	139,977,457	1,172,273	1,186,939	141,746,660	141,164,396
<b>Liabilities</b>						
Current liabilities						
(excluding debt).....	4,308,139	4,347,411	27,942	40,706	4,336,081	4,388,117
Noncurrent liabilities						
(excluding debt).....	776,342	911,592	-	-	776,342	911,592
Current debt.....	3,345,673	4,025,673	-	-	3,345,673	4,025,673
Noncurrent debt.....	37,969,533	41,315,206	-	-	37,969,533	41,315,206
Total liabilities.....	46,399,687	50,599,882	27,942	40,706	46,427,629	50,640,588
<b>Net Assets</b>						
Invested in capital assets						
(net of related debt).....	68,169,867	64,554,277	884,783	927,197	69,054,650	65,481,474
Restricted.....	9,062,653	8,374,793	-	-	9,062,653	8,374,793
Unrestricted.....	16,942,180	16,448,505	259,548	219,036	17,201,728	16,667,541
Total net assets.....	\$ 94,174,700	\$ 89,377,575	\$ 1,144,331	\$ 1,146,233	\$ 95,319,031	\$ 90,523,808

\* As restated and more fully described in Note 13.

A significant portion of the Town's net assets (72.4%) reflects its investment in capital assets (e.g., land, construction in progress, land improvements, buildings and improvements, machinery and equipment, vehicles and infrastructure), less any related outstanding debt used to acquire those assets. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town's net assets (9.5%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (18.1% or \$17,201,728) may be used to meet the Town's ongoing obligations to citizens and creditors. Of this amount, \$16,942,180 may be used to support governmental activities and \$259,548 may be used to support business-type activities.

#### Changes in Net Assets

The Town's total net assets increased by \$4,795,223 during the current fiscal year and are summarized as follows:

	Governmental Activities		Business-Type Activities		Total	
	2007	2006 *	2007	2006	2007	2006 *
<b>Revenues</b>						
<i>Program Revenues:</i>						
Charges for services.....	\$ 4,088,408	\$ 4,053,119	\$ 694,359	\$ 721,544	\$ 4,782,767	\$ 4,774,663
Operating grants and contributions.....	11,926,642	10,993,718	-	-	11,926,642	10,993,718
Capital grants and contributions.....	2,071,929	1,928,350	-	-	2,071,929	1,928,350
<i>General Revenues:</i>						
Real estate, personal property taxes and tax liens.....	57,330,784	55,696,151	-	-	57,330,784	55,696,151
Motor vehicle and other excise taxes.....	2,585,595	2,898,295	-	-	2,585,595	2,898,295
Penalties and interest on taxes.....	200,005	338,103	-	-	200,005	338,103
Payments in lieu of taxes.....	123,777	65,409	-	-	123,777	65,409
Community preservation surcharges.....	1,305,841	1,243,198	-	-	1,305,841	1,243,198
Grants and contributions not restricted to specific programs.....	1,747,626	1,672,142	-	-	1,747,626	1,672,142
Unrestricted investment income.....	857,260	620,763	-	-	857,260	620,763
<b>Total revenues.....</b>	<b>82,237,867</b>	<b>79,509,248</b>	<b>694,359</b>	<b>721,544</b>	<b>82,932,226</b>	<b>80,230,792</b>
<b>Expenses</b>						
General government.....	3,229,179	3,033,860	-	-	3,229,179	3,033,860
Public safety.....	7,929,198	7,547,355	-	-	7,929,198	7,547,355
Education.....	56,684,168	54,524,814	-	-	56,684,168	54,524,814
Public works.....	4,281,069	4,070,174	-	-	4,281,069	4,070,174
Health and human services.....	773,297	751,824	-	-	773,297	751,824
Culture and recreation.....	2,480,583	1,942,628	-	-	2,480,583	1,942,628
Debt service - interest.....	2,079,248	2,242,108	-	-	2,079,248	2,242,108
Swimming pool.....	-	-	433,709	422,041	433,709	422,041
Landfill.....	-	-	246,552	236,954	246,552	236,954
<b>Total expenses.....</b>	<b>77,456,742</b>	<b>74,112,763</b>	<b>680,261</b>	<b>658,995</b>	<b>78,137,003</b>	<b>74,771,758</b>
Change in net assets before transfers.....	4,781,125	5,396,485	14,098	62,549	4,795,223	5,459,034
Transfers, net.....	16,000	6,582	(16,000)	(6,582)	-	-
Change in net assets.....	4,797,125	5,403,067	(1,902)	55,967	4,795,223	5,459,034
Net assets - beginning of year (as restated).....	89,377,575	83,974,508	1,146,233	1,090,266	90,523,808	85,064,774
<b>Net assets - end of year.....</b>	<b>\$ 94,174,700</b>	<b>\$ 89,377,575</b>	<b>\$ 1,144,331</b>	<b>\$ 1,146,233</b>	<b>\$ 95,319,031</b>	<b>\$ 90,523,808</b>

\* As restated and more fully described in Note 13.

Governmental activities increased the Town's net assets by \$4,797,125. In the prior year, governmental activities increased the Town's net assets by \$5,403,067. The key element of this change is an increase in depreciation of approximately \$462,000 resulting from the Town's implementation of retroactive infrastructure reporting as required by Governmental Accounting Standards Board Statement #34 (see Note 13).

Business-type activities decreased the Town's net assets by \$1,902. In the prior year, business-type activities increased the Town's net assets by \$55,967. The key element of this change is a decrease in usage of the swimming pool and landfill during fiscal year 2007.

*Fund Financial Statement Analysis*

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds

The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the governmental funds reported combined ending fund balances totaling \$25,417,982, an increase of \$1,925,833 in comparison with the prior year. Approximately \$15,031,000 represents undesignated fund balance. The remainder of fund balance is reserved or designated to indicate that it is not available for new spending because it has already been committed to:

- Liquidate contracts and purchase orders of the prior period (\$1,363,925)
- Employee benefits (\$5,638,267)
- Perpetual permanent funds (\$941,155)
- Other specific purposes (\$305,911)
- Fund a portion of the fiscal year 2008 budget (\$2,138,000)

The general fund is the chief operating fund of the Town. At the end of the current fiscal year, undesignated fund balance of the general fund totaled \$996,718, while total fund balance was \$10,136,910. As a measure of the general fund's liquidity, it may be useful to compare both undesignated fund balance and total fund balance to total general fund expenditures. Undesignated fund balance represents 1.3% of total general fund expenditures, while total fund balance represents 13.7% of that same amount.

The fund balance of the Town's general fund increased \$721,517 during the current fiscal year. This is primarily attributable to the following:

- Use of unreserved fund balance (\$2,875,443)
- Conservative spending against budgeted appropriations (positive variance of \$1,894,627 before encumbrances and continuing appropriations)
- Unbudgeted collections of revenue (\$138,616)
- Net increase of self-insurance activities reported in the general fund for GAAP (\$1,654,282)

Financial highlights of the Town's other major governmental funds are as follows:

The fund balance of the stabilization fund (special revenue) increased by \$84,134 during the current fiscal year. This is attributable to investment income earned by the fund.

The fund balance of the community preservation fund (special revenue) increased by \$729,639 during the current fiscal year. The fund recognized \$1,303,239 in surcharges, \$1,248,806 in intergovernmental revenues and \$295,283 in investment income. Expenditures of \$1,982,689 were incurred during the fiscal year. Transfers out of \$135,000 to the affordable housing fund were made during the fiscal year.

The fund balance of the affordable housing fund (special revenue) increased by \$158,655 during the current fiscal year. This is primarily attributable to transfers in from the community preservation fund.



Proprietary funds

The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the swimming pool and landfill enterprise funds at the end of the year amounted to \$103,978 and \$155,570, respectively. The swimming pool and landfill enterprise funds had a decrease/increase in net assets for the year of \$21,410 and \$19,508, respectively. Other factors concerning the finances of these two funds have already been addressed in the discussion of the Town's business-type activities.

General Fund Budgetary Highlights

The original and final general fund budget was \$73,248,766 (including prior year encumbrances and continuing appropriations).

During the year, general fund revenues exceeded budgetary estimates and expenditures and encumbrances and continuing appropriations were less, resulting in an actual increase in fund balance that exceeded the final amended budget amount by \$669,318.

Capital Asset and Debt AdministrationCapital assets

The Town's investment in capital assets for its governmental and business type activities at the end of the fiscal year totaled \$87,473,419 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, machinery and equipment, vehicles, and infrastructure. The total increase in the investment in capital assets for the current fiscal year totaled \$265,072 or 0.3% (a 0.4% increase for governmental activities and a 0.1% decrease for business-type activities).

Major capital asset events that occurred during the current fiscal year include the following:

- Construction of community athletic field complex (\$960,000)
- Various roadway and other infrastructure improvements (\$950,000)
- Purchases of vehicles (\$385,000)
- Contributions of land (\$252,000)
- HVAC system upgrades (\$180,000)

The following table summarizes the Town's capital assets (net of accumulated depreciation):

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total</i>	
	2007	2006 *	2007	2006	2007	2006 *
Land.....	\$ 25,583,502	\$ 25,331,102	\$ 192,500	\$ 192,500	\$ 25,776,002	\$ 25,523,602
Construction in progress.....	-	812,368	-	-	-	812,368
Land improvements.....	2,139,761	1,113,825	-	-	2,139,761	1,113,825
Buildings and improvements.....	51,058,264	51,645,913	575,000	603,750	51,633,264	52,249,663
Machinery and equipment.....	767,116	786,947	-	-	767,116	786,947
Vehicles.....	1,734,744	1,755,939	117,283	130,947	1,852,027	1,886,886
Infrastructure.....	5,305,249	4,835,056	-	-	5,305,249	4,835,056
Total capital assets.....	\$ 86,588,636	\$ 86,281,150	\$ 884,783	\$ 927,197	\$ 87,473,419	\$ 87,208,347

\* As restated and more fully described in Note 13.

Additional information on the Town's capital assets can be found in Note 5 on pages 42-43 of this report.

#### Long-Term Debt

At the end of the current fiscal year, the total gross bonded debt outstanding was \$42,040,000, which is backed by the full faith and credit of the Town and consists entirely of general obligation bonds.

The Town's total gross bonded debt decreased by \$4,265,000 (9.2%) during the current fiscal year, with no new debt issuances.

The Town's bond rating from Standard & Poor's for the June 2005 bond issue (the Town's most recent bond issue) was AAA.

Additional information on the Town's long-term debt can be found in Note 9 on pages 45-48 of this report.

#### *Economic Factors and Next Year's Budgets and Rates*

The development of the fiscal year 2008 general fund operating budget was hampered by limited growth in the Town's major revenue sources. Changes in State aid and local receipts for fiscal year 2008 are expected to essentially cancel each other out, leaving Free Cash (savings and surplus from prior years) as the only non-tax revenue source to help fund the Town's increased operating costs.

Property tax remains the primary local-source revenue for the Town. Property taxes in Massachusetts municipalities are limited to a levy growth of 2 ½% plus a factor for new construction, unless the voters at an election approve an increase for operating expenses or debt service for a specific project. Due to the rise in costs, especially having to do with wages and benefits, the Town sought and received approval of a proposition 2 ½ override for fiscal year 2008.

With approval of the override budget, fiscal year 2008 projections for general fund revenues increased by \$3.6 million, primarily due to the following:

- Approved tax override and capital exclusion for a combined \$2,900,000;
- Free cash from the prior year, up a significant \$372,000 over fiscal year 2007.

Capital needs for the Town continue to be an area of concern. The fiscal year 2008 capital spending plan included a moderate \$99,053 increase over fiscal year 2007. With a variety of old equipment and needed building improvements still stacking up under the weight of meager increases for other operating expenses, the Town may need to ask for future capital exclusion funding or override dollars earmarked for infrastructure in order to protect against the further erosion of public assets and continue meeting the needs of the community as a whole.

The 2008 budget included an approved Capital Exclusion of \$405,000 to purchase a new fire engine. Annual debt service for Town of Sudbury debt continues to decline as we pay off the bonds issued for expansion of the Sudbury Public Schools. This decline in excluded debt will provide room in the Town's tax levy for other much-needed building improvement projects. The timing of these new significant projects will allow the Town to upgrade their facilities without having to increase the debt-related component of the tax rate during fiscal year 2008 and beyond.

The permanent increase to the levy limits during the last override in fiscal year 2006 and once again in fiscal year 2008 has allowed more flexibility for the Town during the fiscal year 2007 budget cycle. However, the budget outlook for fiscal year 2008 and beyond remains guarded as operating expenses, in particular, the areas of utilities, fuel, supplies and health insurance costs, continue to rise year-to-year at a much greater pace than the Town's aggregate revenues and receipts. A particular cautionary footnote for Sudbury and other communities is the uncertainty of State aid from year-to-year. Whereas fiscal year 2007 showed a bump up in this area, recent indications suggest just the opposite going forward as the State's own budget difficulties remain closely tied to how much and where local aid is distributed. Free Cash for the Town is also expected to steadily decline in future years as certain non-recurring receipts continue to dwindle. As such, using Free Cash to help fund recurring operating costs is more risky than in past years.

Management continues to take steps to protect the Town's financial health in fiscal year 2008 and beyond. Sudbury's comprehensive budget policies and practices earned the Town top-honors again in fiscal year 2008 by being awarded the National Government Finance Officers Association's "Distinguished Budget Award." The financial policies require us to avoid making short-term decisions that solve the problems only for today but jeopardize the future. Such actions that have been avoided include using our Stabilization Fund, designated for emergency reserves, to cover operating costs, further postponing funds for capital and building maintenance, or "raiding" trust fund balances. These types of actions could be tremendously harmful to the Town over the long-run. The Board of Selectmen continues working on strategies to increase our tax base by working on alternatives to provide wastewater treatment in the downtown area. This has been identified as the major inhibitor for any growth of our commercial sector.

Finally, elected and appointed officials remain committed to using a forecasting model we developed to project long-range costs as well as adhering to long-term financial principles for decision-making. We believe this approach will serve the Town well in managing our way out of the current financial difficulties and any future ones. The model allows us to focus not just on the balance between revenues and expenditures in the current year but also on those of future years because it isolates the primary drivers of future costs. As part of this forward-thinking, Sudbury's management has successfully identified several key revenue-enhancing and cost-savings measures that have positively impacted the financial results for the Town in fiscal year 2007 and thereafter. The Town remains committed to these efforts as outlined in Sudbury's C.A.R.E. program (Cost Avoidance and Revenue Enhancement) and others like it.

The key to maintaining our excellent financial condition and retaining our hard won AAA credit rating from Standard & Poor's is to continue to make decisions with multi-year sustainability in mind, and to respect the voters of the Town as to the service levels and property tax overrides they approve.

#### *Requests for Information*

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Town Hall, 288 Old Sudbury Road, Sudbury, Massachusetts 01776.

## *Basic Financial Statements*

## STATEMENT OF NET ASSETS

JUNE 30, 2007

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents.....	\$ 11,975,459	\$ 287,490	\$ 12,262,949
Restricted cash and cash equivalents.....	5,947,853	-	5,947,853
Investments.....	7,524,080	-	7,524,080
Restricted investments.....	2,979,554	-	2,979,554
Receivables, net of allowance for uncollectible amounts:			
Real estate and personal property taxes.....	709,421	-	709,421
Tax liens.....	431,402	-	431,402
Motor vehicle and other excise taxes.....	109,586	-	109,586
Community preservation surcharges.....	14,062	-	14,062
Intergovernmental.....	2,111,277	-	2,111,277
Tax foreclosures.....	32,827	-	32,827
Working capital deposit.....	642,996	-	642,996
Total current assets.....	32,478,517	287,490	32,766,007
Noncurrent assets:			
Receivables, net of allowance for uncollectible amounts:			
Real estate tax deferrals.....	822,234	-	822,234
Intergovernmental.....	20,107,000	-	20,107,000
Investment in joint venture.....	578,000	-	578,000
Capital assets not being depreciated.....	25,583,502	192,500	25,776,002
Capital assets, net of accumulated depreciation.....	61,005,134	692,283	61,697,417
Total noncurrent assets.....	108,095,870	884,783	108,980,653
Total assets.....	140,574,387	1,172,273	141,746,660
<b>LIABILITIES</b>			
Current liabilities:			
Warrants payable.....	272,106	16,276	288,382
Accrued payroll.....	2,470,950	11,666	2,482,616
Tax refunds payable.....	104,390	-	104,390
Other liabilities.....	652,981	-	652,981
Accrued interest.....	162,267	-	162,267
Accrued health claims payable.....	377,864	-	377,864
Capital lease obligations.....	189,948	-	189,948
Workers' compensation claims.....	24,336	-	24,336
Compensated absences.....	53,297	-	53,297
Long-term bonds and notes payable.....	3,345,673	-	3,345,673
Total current liabilities.....	7,653,812	27,942	7,681,754
Noncurrent liabilities:			
Capital lease obligations.....	257,259	-	257,259
Workers' compensation claims.....	39,406	-	39,406
Compensated absences.....	479,677	-	479,677
Long-term bonds and notes payable.....	37,969,533	-	37,969,533
Total noncurrent liabilities.....	38,745,875	-	38,745,875
Total liabilities.....	46,399,687	27,942	46,427,629
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt.....	68,169,867	884,783	69,054,650
Restricted for:			
Investment in joint venture.....	578,000	-	578,000
Community preservation.....	6,904,112	-	6,904,112
Permanent funds:			
Expendable.....	333,475	-	333,475
Nonexpendable.....	941,155	-	941,155
Other specific purposes.....	305,911	-	305,911
Unrestricted.....	16,942,180	259,548	17,201,728
Total net assets.....	\$ 94,174,700	\$ 1,144,331	\$ 95,319,031

See notes to basic financial statements.

STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED JUNE 30, 2007

Functions/Programs	Expenses	Program Revenues			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense)/Revenue
Primary government:					
Governmental activities:					
General government.....	\$ 3,229,179	\$ 1,149,249	\$ 238,260	\$ 252,400	\$ (1,589,270)
Public safety.....	7,929,198	440,694	288,501	-	(7,200,003)
Education.....	56,684,168	1,172,865	10,158,223	-	(45,353,080)
Public works.....	4,281,069	332,358	98,005	570,723	(3,279,983)
Health and human services.....	773,297	52,981	32,560	-	(687,756)
Culture and recreation.....	2,480,583	940,261	271,887	1,248,806	(19,629)
Debt service - interest.....	2,079,248	-	839,206	-	(1,240,042)
Total governmental activities...	77,456,742	4,088,408	11,926,642	2,071,929	(59,369,763)
Business-type activities:					
Swimming pool.....	433,709	412,299	-	-	(21,410)
Landfill.....	246,552	282,060	-	-	35,508
Total business-type activities...	680,261	694,359	-	-	14,098
Total primary government.....	\$ 78,137,003	\$ 4,782,767	\$ 11,926,642	\$ 2,071,929	\$ (59,355,665)

See notes to basic financial statements.

STATEMENT OF ACTIVITIES (Continued)

FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Primary Government		
	Governmental Activities	Business-type Activities	Total
<b>Changes in net assets:</b>			
Net (expense)/revenue (from previous page).....	\$ (59,369,763)	\$ 14,098	\$ (59,355,665)
<i>General revenues:</i>			
Real estate, personal property taxes and tax liens.....	57,330,784	-	57,330,784
Motor vehicle and other excise taxes.....	2,585,595	-	2,585,595
Penalties and interest on taxes.....	200,005	-	200,005
Payments in lieu of taxes.....	123,777	-	123,777
Community preservation surcharges.....	1,305,841	-	1,305,841
Grants and contributions not restricted to specific programs.....	1,747,626	-	1,747,626
Unrestricted investment income.....	857,260	-	857,260
Transfers, net .....	16,000	(16,000)	-
Total general revenues and transfers.....	64,166,888	(16,000)	64,150,888
Change in net assets.....	4,797,125	(1,902)	4,795,223
Net assets - beginning of year (as restated).....	89,377,575	1,146,233	90,523,808
Net assets - end of year.....	\$ 94,174,700	\$ 1,144,331	\$ 95,319,031

GOVERNMENTAL FUNDS  
BALANCE SHEET

JUNE 30, 2007

ASSETS	General	Stabilization	Community Preservation
Cash and cash equivalents.....	\$ 7,263,882	\$ 33,370	\$ -
Investments.....	5,875,325	1,648,755	-
Receivables, net of allowance for uncollectible amounts:			
Real estate and personal property taxes.....	709,421	-	-
Real estate tax deferrals.....	822,234	-	-
Tax liens.....	415,291	-	16,111
Motor vehicle and other excise taxes.....	109,586	-	-
Community preservation surcharges.....	-	-	14,062
Intergovernmental.....	22,156,000	-	-
Tax foreclosures.....	32,827	-	-
Working capital deposit.....	642,996	-	-
Restricted assets:			
Cash and cash equivalents.....	-	-	5,360,721
Investments.....	-	-	1,515,165
<b>TOTAL ASSETS.....</b>	<b>\$ 38,027,562</b>	<b>\$ 1,682,125</b>	<b>\$ 6,906,059</b>
<b>LIABILITIES AND FUND BALANCES</b>			
LIABILITIES:			
Warrants payable.....	\$ 272,106	\$ -	\$ -
Accrued payroll.....	2,466,230	-	-
Tax refunds payable.....	104,390	-	-
Other liabilities.....	651,034	-	1,947
Deferred revenue.....	23,955,286	-	30,173
Accrued health claims payable.....	377,864	-	-
Workers' compensation claims.....	63,742	-	-
<b>TOTAL LIABILITIES.....</b>	<b>27,890,652</b>	<b>-</b>	<b>32,120</b>
FUND BALANCES:			
Reserved for:			
Encumbrances and continuing appropriations.....	1,363,925	-	-
Employee benefits.....	5,638,267	-	-
Perpetual permanent funds.....	-	-	-
Other specific purposes.....	-	-	-
Unreserved:			
Designated for subsequent year's expenditures.....	2,138,000	-	-
Undesignated, reported in:			
General fund.....	996,718	-	-
Special revenue funds.....	-	1,682,125	6,873,939
Capital projects funds.....	-	-	-
Permanent funds.....	-	-	-
<b>TOTAL FUND BALANCES.....</b>	<b>10,136,910</b>	<b>1,682,125</b>	<b>6,873,939</b>
<b>TOTAL LIABILITIES AND FUND BALANCES.....</b>	<b>\$ 38,027,562</b>	<b>\$ 1,682,125</b>	<b>\$ 6,906,059</b>

See notes to basic financial statements.



Affordable Housing	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 4,678,207	\$ 11,975,459
-	-	7,524,080
-	-	709,421
-	-	822,234
-	-	431,402
-	-	109,586
-	-	14,062
-	62,277	22,218,277
-	-	32,827
-	-	642,996
158,864	428,268	5,947,853
-	1,464,389	2,979,554
<u>\$ 158,864</u>	<u>\$ 6,633,141</u>	<u>\$ 53,407,751</u>

\$ -	\$ -	\$ 272,106
209	4,511	2,470,950
-	-	104,390
-	-	652,981
-	62,277	24,047,736
-	-	377,864
-	-	63,742
<u>209</u>	<u>66,788</u>	<u>27,989,769</u>

-	-	1,363,925
-	-	5,638,267
-	941,155	941,155
-	305,911	305,911
-	-	2,138,000
-	-	996,718
158,655	4,513,642	13,228,361
-	472,170	472,170
-	333,475	333,475
<u>158,655</u>	<u>6,566,353</u>	<u>25,417,982</u>
<u>\$ 158,864</u>	<u>\$ 6,633,141</u>	<u>\$ 53,407,751</u>

GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	General	Stabilization	Community Preservation
<b>REVENUES</b>			
Real estate and personal property taxes.....	\$ 56,629,289	\$ -	\$ -
Motor vehicle and other excise taxes.....	2,589,563	-	-
Tax liens.....	251,389	-	-
Payments in lieu of taxes.....	123,777	-	-
Community preservation surcharges.....	-	-	1,303,239
Charges for services.....	-	-	-
Intergovernmental .....	12,627,161	-	1,248,806
Penalties and interest on taxes.....	200,005	-	-
Licenses, permits and fees.....	872,593	-	-
Fines and forfeitures.....	146,078	-	-
Departmental.....	199,973	-	-
Contributions.....	-	-	-
Investment income.....	857,260	84,134	295,283
<b>TOTAL REVENUES.....</b>	<b>74,497,088</b>	<b>84,134</b>	<b>2,847,328</b>
<b>EXPENDITURES</b>			
Current:			
General government.....	2,426,349	-	68,408
Public safety.....	6,116,708	-	-
Education.....	43,428,234	-	-
Public works.....	3,042,071	-	-
Health and human services.....	557,712	-	-
Culture and recreation.....	1,045,953	-	1,102,484
Pension benefits.....	6,303,237	-	-
Employee benefits.....	5,560,952	-	-
Property and liability insurance.....	185,587	-	-
State and county charges.....	170,512	-	-
Debt service:			
Principal.....	3,750,000	-	515,000
Interest.....	1,559,598	-	296,797
<b>TOTAL EXPENDITURES.....</b>	<b>74,146,913</b>	<b>-</b>	<b>1,982,689</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....</b>	<b>350,175</b>	<b>84,134</b>	<b>864,639</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in.....	379,342	-	-
Transfers out.....	(8,000)	-	(135,000)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>371,342</b>	<b>-</b>	<b>(135,000)</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>721,517</b>	<b>84,134</b>	<b>729,639</b>
<b>FUND BALANCES AT BEGINNING OF YEAR (AS RESTATED).....</b>	<b>9,415,393</b>	<b>1,597,991</b>	<b>6,144,300</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 10,136,910</b>	<b>\$ 1,682,125</b>	<b>\$ 6,873,939</b>

See notes to basic financial statements.

Affordable Housing	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 56,629,289
-	-	2,589,563
-	-	251,389
-	-	123,777
-	-	1,303,239
-	340,514	340,514
-	2,689,338	16,565,305
-	-	200,005
34,836	2,540,060	3,447,489
-	18,293	164,371
-	21,866	221,839
-	238,484	238,484
506	139,003	1,376,186
<u>35,342</u>	<u>5,987,558</u>	<u>83,451,450</u>
-	184,996	2,679,753
-	166,585	6,283,293
-	3,304,094	46,732,328
-	747,181	3,789,252
11,687	50,580	619,979
-	946,892	3,095,329
-	-	6,303,237
-	-	5,560,952
-	-	185,587
-	-	170,512
-	-	4,265,000
-	-	1,856,395
<u>11,687</u>	<u>5,400,328</u>	<u>81,541,617</u>
<u>23,655</u>	<u>587,230</u>	<u>1,909,833</u>
135,000	-	514,342
-	(355,342)	(498,342)
<u>135,000</u>	<u>(355,342)</u>	<u>16,000</u>
158,655	231,888	1,925,833
-	6,334,465	23,492,149
<u>\$ 158,655</u>	<u>\$ 6,566,353</u>	<u>\$ 25,417,982</u>

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TOTAL FUND BALANCES TO THE STATEMENT OF NET ASSETS

FOR THE FISCAL YEAR ENDED JUNE 30, 2007

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Total governmental fund balances (page 19).....	\$ 25,417,982
Capital assets (net of accumulated depreciation) used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.....	86,588,636
The equity interest in the assets of the governmental joint venture is not reported in the governmental funds.....	578,000
Other assets are not available to pay for current period expenditures and, therefore, are deferred in the governmental funds.....	24,047,736
In the statement of activities, interest is accrued on outstanding long-term debt, whereas in the governmental funds interest is not reported until due.....	(162,267)
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Bonds and notes payable.....	(41,315,206)
Capital lease obligations.....	(447,207)
Compensated absences.....	(532,974)
Net assets of governmental activities (page 15).....	\$ <u>94,174,700</u>

See notes to basic financial statements.

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES

FOR THE FISCAL YEAR ENDED JUNE 30, 2007

Net change in fund balances - total governmental funds (page 21).....	\$ 1,925,833
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. These amounts represent the related activity of the current period.	
Capital outlays and contributions.....	2,921,374
Depreciation.....	(2,651,793)
In the statement of activities, the <i>gain</i> or <i>loss</i> on the disposal of capital assets is reported, whereas in the governmental funds the disposal is not reported. As a result, the change in net assets differs from the change in fund balance by the net book value of the capital assets disposed.....	
	(77,340)
The investment in joint venture accounts for the equity interest in the Wayland-Sudbury Septage Facility. Since a majority of the equity interest is invested in capital assets, the investment in joint venture is only reported in the statement of net assets. This represents the net change in the investment in joint venture.....	
	(136,000)
Revenues in the statement of activities that do not provide current financial resources are fully deferred in the statement of revenues, expenditures and changes in fund balances. Therefore, the recognition of revenue for various types of accounts receivable (i.e., real estate and personal property, motor vehicle excise, etc.) differ between the two statements. This amount represents the net change in deferred revenue.....	
	(1,465,983)
The issuance of long-term debt (e.g., bonds and leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any impact on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. These amounts represent the related activity of the current period.	
Bond maturities.....	4,265,000
Amortization of deferred losses on refundings.....	(239,327)
Capital lease maturities.....	187,032
In the statement of activities, interest is accrued on outstanding long-term debt, whereas in the governmental funds interest is not reported until due. This amount represents the net change in accrued interest payable.....	
	16,474
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds. This amount represents the net change:	
Compensated absences.....	51,855
Changes in net assets of governmental activities (page 17).....	<u>\$ 4,797,125</u>

See notes to basic financial statements.

PROPRIETARY FUNDS  
STATEMENT OF NET ASSETS

JUNE 30, 2007

	Business-Type Activities - Enterprise Funds		
	Swimming Pool	Landfill	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents.....	\$ 119,579	\$ 167,911	\$ 287,490
Noncurrent assets:			
Capital assets not being depreciated.....	-	192,500	192,500
Capital assets, net of accumulated depreciation.....	575,000	117,283	692,283
Total noncurrent assets.....	575,000	309,783	884,783
Total assets.....	694,579	477,694	1,172,273
<b>LIABILITIES</b>			
Current liabilities:			
Warrants payable.....	8,929	7,347	16,276
Accrued payroll.....	6,672	4,994	11,666
Total current liabilities.....	15,601	12,341	27,942
<b>NET ASSETS</b>			
Invested in capital assets, net of related debt.....	575,000	309,783	884,783
Unrestricted.....	103,978	155,570	259,548
Total net assets.....	\$ 678,978	\$ 465,353	\$ 1,144,331

See notes to basic financial statements.

**PROPRIETARY FUNDS**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2007**

	<u>Business-Type Activities - Enterprise Funds</u>		
	<u>Swimming Pool</u>	<u>Landfill</u>	<u>Total</u>
<b>OPERATING REVENUES</b>			
Charges for services.....	\$ 412,299	\$ 282,060	\$ 694,359
<b>OPERATING EXPENSES</b>			
Cost of service and administration.....	367,563	193,241	560,804
Repairs and maintenance.....	37,396	39,647	77,043
Depreciation.....	28,750	13,664	42,414
<b>TOTAL OPERATING EXPENSES.....</b>	<u>433,709</u>	<u>246,552</u>	<u>680,261</u>
<b>INCOME (LOSS) BEFORE TRANSFERS.....</b>	<u>(21,410)</u>	<u>35,508</u>	<u>14,098</u>
<b>TRANSFERS</b>			
Transfers in.....	-	8,000	8,000
Transfers out.....	-	(24,000)	(24,000)
<b>TOTAL TRANSFERS.....</b>	<u>-</u>	<u>(16,000)</u>	<u>(16,000)</u>
<b>CHANGE IN NET ASSETS.....</b>	<u>(21,410)</u>	<u>19,508</u>	<u>(1,902)</u>
<b>NET ASSETS AT BEGINNING OF YEAR.....</b>	<u>700,388</u>	<u>445,845</u>	<u>1,146,233</u>
<b>NET ASSETS AT END OF YEAR.....</b>	<u>\$ 678,978</u>	<u>\$ 465,353</u>	<u>\$ 1,144,331</u>

See notes to basic financial statements.

PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS

FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Business-Type Activities - Enterprise Funds		
	Swimming Pool	Landfill	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers and users.....	\$ 412,299	\$ 282,060	\$ 694,359
Payments to vendors.....	(191,648)	(151,226)	(342,874)
Payments to employees.....	(211,205)	(96,532)	(307,737)
NET CASH FROM OPERATING ACTIVITIES.....	9,446	34,302	43,748
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers in.....	-	8,000	8,000
Transfers out.....	-	(24,000)	(24,000)
NET CASH FROM NONCAPITAL FINANCING ACTIVITIES.....	-	(16,000)	(16,000)
NET CHANGE IN CASH AND CASH EQUIVALENTS.....	9,446	18,302	27,748
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR.....	110,133	149,609	259,742
CASH AND CASH EQUIVALENTS AT END OF YEAR.....	\$ 119,579	\$ 167,911	\$ 287,490
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES</b>			
Operating income (loss).....	\$ (21,410)	\$ 35,508	\$ 14,098
Adjustments to reconcile operating income (loss) to net cash from operating activities:			
Depreciation.....	28,750	13,664	42,414
Changes in assets and liabilities:			
Warrants payable.....	1,444	(15,987)	(14,543)
Accrued payroll.....	662	1,117	1,779
Total adjustments.....	30,856	(1,206)	29,650
NET CASH FROM OPERATING ACTIVITIES.....	\$ 9,446	\$ 34,302	\$ 43,748

See notes to basic financial statements.



**FIDUCIARY FUNDS**  
**STATEMENT OF FIDUCIARY NET ASSETS**

JUNE 30, 2007

ASSETS	Private Purpose Trust Funds	Agency Funds
Cash and cash equivalents.....	\$ 134,287	\$ 965,310
Receivables, net of allowance for uncollectible amounts:		
Departmental and other.....	-	305,400
Total assets.....	<u>134,287</u>	<u>1,270,710</u>
<b>LIABILITIES</b>		
Warrants payable.....	-	60,485
Liabilities due depositors.....	-	1,210,225
Total liabilities.....	<u>-</u>	<u>1,270,710</u>
<b>NET ASSETS</b>		
Held in trust for other purposes.....	<u>\$ 134,287</u>	<u>\$ -</u>

See notes to basic financial statements.

FIDUCIARY FUNDS  
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2007

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	Private Purpose Trust Funds
<b>ADDITIONS</b>	
Contributions:	
Private donations.....	\$ 42,480
Net investment income:	
Interest.....	<u>7,987</u>
TOTAL ADDITIONS.....	50,467
<b>DEDUCTIONS</b>	
Scholarships awarded.....	<u>4,925</u>
CHANGE IN NET ASSETS.....	45,542
NET ASSETS AT BEGINNING OF YEAR.....	<u>88,745</u>
NET ASSETS AT END OF YEAR.....	<u><u>\$ 134,287</u></u>

See notes to basic financial statements.

**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****A. General**

The basic financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the standard-setting body for establishing governmental accounting and financial reporting principles. The significant accounting policies are described herein.

**B. Reporting Entity**

The Town of Sudbury, Massachusetts (Town) is a municipal corporation that is governed by an elected Board of Selectmen.

For financial reporting purposes, the basic financial statements include all funds, organizations, agencies, boards, commissions and institutions that are not legally separate from the Town.

The Town has also considered all potential component units for which it is financially accountable as well as other organizations for which the nature and/or significance of their relationship with the Town are such that exclusion would cause the Town's basic financial statements to be misleading or incomplete. It has been determined that there are no component units that require inclusion in the basic financial statements.

**Joint Ventures**

A joint venture is an organization (resulting from a contractual arrangement) that is owned, operated or governed by two or more participants as a separate and specific activity subject to joint control in which the participants retain an ongoing financial interest or ongoing financial responsibility. Joint control means that no single participant has the ability to unilaterally control the financial or operating policies of the joint venture.

The Town participates in the following joint ventures with other municipalities to pool resources and share the costs, risks and rewards of providing goods and services to venture participants directly, or for the benefit of the general public or specified recipients.

***Wayland-Sudbury Septage Disposal Facility (Facility)***

The Town is a participant in a joint venture with the Town of Wayland for the operation of a septage disposal facility. The Towns of Sudbury and Wayland each appoint five members of the Operational Review Committee who oversee the operations. Each town has a 50 percent interest in the venture. The Town of Sudbury is the custodian of the Facility's cash and investments, which is reported in the Agency Fund. As of June 30, 2007, the Town's unaudited equity interest (departure from GAAP) in the operation of the Facility totaled \$578,000 and is reported in governmental activities.

***Lincoln Sudbury Regional High School District (LSRHSD)***

The LSRHSD is governed by a six member school district committee consisting of three elected representatives of the Town. The Town is indirectly liable for the LSRHSD debt and expenditures and is assessed annually for its share of operating and capital costs. For the fiscal year ended June 30, 2007, the Town's assessment totaled \$18,036,782. Separate financial statements may be obtained by writing to the Treasurer of the LSRHSD at 390 Lincoln Road, Sudbury, MA 01776.

*Minuteman Regional High School (MRHS)*

The MRHS is governed by a seventeen member school committee consisting of one elected representative from the Town. The Town is indirectly liable for the MRHS debt and expenditures and is assessed annually for its share of operating and capital costs. For the fiscal year ended June 30, 2007, the Town's assessment totaled \$312,280. Separate financial statements may be obtained by writing to the Treasurer of the MRHS at 758 Marrett Road, Lexington, MA 02421-7313.

*C. Government-Wide and Fund Financial Statements*Government-Wide Financial Statements

The government-wide financial statements (statement of net assets and the statement activities) report information on all non-fiduciary activities of the primary government and its component units. *Governmental activities*, which are primarily supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which are primarily supported by user fees.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements. Nonmajor funds are aggregated and displayed in a single column. Fiduciary funds are reported by fund type.

*D. Measurement Focus, Basis of Accounting and Basis of Presentation*Government-Wide and Fund Financial Statements

The government-wide and enterprise fund financial statements apply all applicable Financial Accounting Standards Board (FASB) pronouncements issued on or prior to November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements.

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded when the liabilities are incurred. Real estate and personal property taxes are recognized as revenues in the fiscal year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The statement of activities demonstrates the degree to which the direct expenses of a function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include the following:

- Charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment.
- Grants and contributions that are restricted to meeting the operational requirements of a specific function or segment.
- Grants and contributions that are restricted to meeting the capital requirements of a specific function or segment.

Taxes and other items not identifiable as program revenues are reported as general revenues.

Except for charges between the general fund and enterprise funds, the effect of interfund activity has been eliminated from the government-wide financial statements. Elimination of these charges would distort the direct costs and program revenues reported for the functions affected.

#### Fund Financial Statements

**Governmental funds** financial statements are reported using the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences, capital lease obligations, claims and judgments which are recognized when the obligations are expected to be liquidated with current expendable available resources.

Real estate and personal property tax revenues are considered available if they are collected within 60-days after the end of the fiscal year. Investment income is susceptible to accrual. Other receipts and tax revenues become measurable and available when the cash is received and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria is met. Expenditure driven grants recognize revenue when the qualifying expenditures are incurred and all other grant requirements are met.

The following major governmental funds are reported:

The *general fund* is the primary operating fund. It is used to account for all financial resources, except those required to be accounted for in another fund.

The *stabilization fund* is a special revenue fund used to account for the accumulation of resources to provide general and capital reserves. Use of this fund is subject to Town Meeting approval.

The *community preservation fund* is a special revenue fund used to account for the 3% local real estate tax surcharge on nonexempt property (and matching state trust fund distribution) that can be used for open space, historic resource and affordable housing purposes. Property exempt from the surcharge consists of the first \$100,000 of all residential property and also property owned by low-income residents or seniors with low or moderate income as defined by Massachusetts Department of Revenue (DOR) guidelines. Disbursements from this fund must originate from the Community Preservation Committee and be approved by Town Meeting.

The *affordable housing fund* is a special revenue fund used to provide for the creation and preservation of affordable housing within the Town.

The nonmajor governmental funds consist of other special revenue, capital projects and permanent funds that are aggregated and presented in the *nonmajor governmental funds* column on the governmental funds financial statements. The following describes the general use of these fund types:

The *special revenue fund* is used to account for the proceeds of specific revenue sources (other than capital projects funds or permanent funds) that are restricted by law or administrative action to expenditures for specified purposes.

The *capital projects fund* is used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by enterprise funds).

The *permanent fund* is used to account for financial resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the governmental programs.

**Proprietary funds** financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting, whereby revenues are recorded when earned and expenses are recorded when the liabilities are incurred.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds principal ongoing operations. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

The following major proprietary funds are reported:

The *swimming pool enterprise fund* is used to account for recreational swimming pool activities.

The *landfill enterprise fund* is used to account for landfill activities.

**Fiduciary funds** financial statements are reported using the flow of economic resources measurement focus and use the accrual basis of accounting. Fiduciary funds are used to account for assets held in a trustee capacity for others that cannot be used to support the government's programs.

The following fiduciary fund types are reported:

The *private-purpose trust fund* is used to account for trust arrangements, other than those reported in the permanent fund, under which principal and investment income exclusively benefits individuals, private organizations, or other governments.

The *agency fund* is used to account for assets held in a custodial capacity. Such assets consist primarily of performance bonds, bid deposits and cash receipt collections for the Facility. Agency funds do not present the results of operations or have a measurement focus.

#### **E. Cash and Investments**

##### Government-Wide and Fund Financial Statements

Cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with an original maturity of three months or less from the date of acquisition. Investments are carried at fair value.

#### **F. Accounts Receivable**

##### Government-Wide and Fund Financial Statements

The recognition of revenue related to accounts receivable reported in the government-wide financial statements and fund financial statements are reported under the accrual basis of accounting and the modified accrual basis of accounting, respectively.

**Real Estate Taxes, Real Estate Tax Deferrals, Personal Property Taxes and Tax Liens**

Real estate and personal property taxes are levied and based on values assessed on January 1<sup>st</sup> of every year. Assessed values are established by the Board of Assessor's for 100% of the estimated fair market value. Taxes are due on August 1<sup>st</sup>, November 1<sup>st</sup>, February 1<sup>st</sup>, and May 1<sup>st</sup> and are subject to penalties and interest if they are not paid by the respective due date. Real estate and personal property taxes levied are recorded as receivables in the fiscal year of the levy.

Real estate tax liens are processed approximately one-year after the close of the valuation year on delinquent properties and are recorded as receivables in the fiscal year they are processed.

**Motor Vehicle and Other Excise Taxes**

Motor vehicle excise taxes are assessed annually for each vehicle registered in the Town and are recorded as receivables in the fiscal year of the levy. The Commonwealth is responsible for reporting the number of vehicles registered and the fair values of those vehicles to the Town. The tax calculation is the fair value of the vehicle multiplied by \$25 per \$1,000 of value.

**Community Preservation Surcharges**

Community preservation surcharges are levied annually and at a rate of 3% of residents' real estate tax bills with exemptions for the first \$100,000 of residential property and property owned by qualified persons with low income and seniors (60+) with low or moderate income as defined by DOR guidelines. The surcharge is due with the real estate tax on August 1<sup>st</sup>, November 1<sup>st</sup>, February 1<sup>st</sup>, and May 1<sup>st</sup> and are subject to penalties and interest if they are not paid by the respective due date. Overdue surcharges are included on the tax liens processed on delinquent real estate taxes. Surcharges are recorded as receivables in the fiscal year of the levy.

**Departmental and Other**

Departmental and other receivables represent amounts due for the Facility and from vendors related to police details and are recorded as receivables in the fiscal year accrued.

**Intergovernmental**

Various state and federal operating and capital grants are applied for and received annually. For non-expenditure driven grants, revenue is recognized as soon as all eligibility requirements imposed by the provider have been met. For expenditure driven grants, revenue is recognized when the qualifying expenditures are incurred and all other grant requirements are met.

**G. Allowance for Uncollectible Accounts**

The allowance for uncollectible accounts is estimated based on historical trends and specific account analysis for the following accounts receivable:

- Personal property taxes
- Motor vehicle and other excise taxes
- Departmental and other

As of June 30, 2007, the allowance for uncollectible amounts for departmental and other receivables is immaterial and therefore not reported.

The following types of accounts receivable are secured via the lien process and are considered 100% collectible. Accordingly, an allowance for uncollectible accounts is not reported.

- Real estate taxes and real estate tax deferrals
- Tax liens
- Community preservation surcharges

Intergovernmental receivables are considered 100% collectible.

#### *H. Inventories*

##### Government-Wide and Fund Financial Statements

Inventories are recorded as expenditures at the time of purchase. Such inventories are not material in total to the government-wide and fund financial statements and therefore are not reported.

#### *I. Restricted Assets*

##### Government-Wide and Fund Financial Statements

Assets are reported as restricted when limitations on their use change the nature of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

#### *J. Capital Assets*

##### Government-Wide and Proprietary Fund Financial Statements

Capital assets, which consist of land, construction in progress, land improvements, buildings and improvements, machinery and equipment, vehicles and infrastructure (e.g., roads, sidewalks and similar items), are reported in the applicable governmental or business-type activities column of the government-wide financial statements.

Capital assets are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at the estimated fair market value at the date of donation.

All purchases and construction costs in excess of \$5,000 are capitalized at the date of acquisition or construction, respectively, with expected useful lives of greater than one year.

Capital assets (excluding land) are depreciated on a straight-line basis. The estimated useful lives of capital assets are as follows:

<u>Capital Asset Type</u>	<u>Estimated Useful Life (in years)</u>
Land improvements.....	30
Buildings and improvements.....	20 - 40
Machinery and equipment.....	5 - 20
Vehicles.....	4 - 20
Infrastructure.....	20

The cost of normal maintenance and repairs that do not add to the value of the assets or materially extend asset lives are not capitalized and are treated as expenses when incurred. Improvements are capitalized.



Governmental Fund Financial Statements

Capital asset costs are recorded as expenditures in the acquiring fund in the fiscal year of the purchase.

*K. Interfund Receivables and Payables*

During the course of its operations, transactions occur between and within funds that may result in amounts owed between funds.

Government-Wide Financial Statements

Transactions of a buyer/seller nature between and within governmental funds are eliminated from the governmental activities in the statement of net assets. Any residual balances outstanding between the governmental activities and business-type activities are reported in the statement of net assets as "internal balances".

Fund Financial Statements

Transactions of a buyer/seller nature between and within funds are not eliminated from the individual fund statements. Receivables and payables resulting from these transactions are classified as "Due from other funds" or "Due to other funds" on the balance sheet.

*L. Interfund Transfers*

During the course of its operations, resources are permanently reallocated between and within funds.

Government-Wide Financial Statements

Transfers between and within governmental funds are eliminated from the governmental activities in the statement of net assets. Any residual balances outstanding between the governmental activities and business-type activities are reported in the statement of activities as "Transfers, net".

Fund Financial Statements

Transfers between and within funds are not eliminated from the individual fund statements and are reported as transfers in and transfers out.

*M. Deferred Revenue*

Deferred revenue at the fund financial statement level represents billed receivables that do not meet the available criterion in accordance with the current financial resources measurement focus and the modified accrual basis of accounting. Deferred revenue is recognized as revenue in the conversion to the government-wide financial statements (full accrual).

*N. Net Assets and Fund Equity*Government-Wide Financial Statements (Net Assets)

Net assets are reported as restricted when amounts are restricted by outside parties for a specific future use.

Net assets have been "restricted" for the following:

"Investment in joint venture" represents the Town's equity interest in the operation of the Facility.

"Community preservation" represents amounts restricted for affordable housing, open space and historic purposes.

"Permanent funds – expendable" represents amounts held in trust for which the expenditures are restricted by various trust agreements.

"Permanent funds – nonexpendable" represents amounts held in trust for which only investment earnings may be expended.

"Other specific purposes" represents restrictions placed on assets from outside parties.

#### Fund Financial Statements (Fund Balances)

Fund balances are reserved for amounts that are not available for appropriation or are legally restricted by outside parties for a specific future use. Designations of fund balance represent tentative management plans that are subject to change.

Fund balances have been "reserved for" the following:

"Encumbrances and continuing appropriations" represents amounts obligated under purchase orders, contracts and other commitments for expenditures that are being carried over to the ensuing fiscal year.

"Employee benefits" represents amounts accumulated for self-insurance activities.

"Perpetual permanent funds" represents amounts held in trust for which only investment earnings may be expended.

"Other specific purposes" represents restrictions placed on assets from outside parties.

Fund balances have been "designated for" the following:

"Subsequent year's expenditures" represents amounts appropriated for the fiscal year 2008 operating budget.

#### *O. Long-term Debt*

##### Government-Wide and Proprietary Fund Financial Statements

Long-term debt is reported as liabilities in the government-wide and proprietary fund statements of net assets. Material bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

##### Governmental Fund Financial Statements

The face amount of governmental funds long-term debt is reported as other financing sources when the debt is issued. Bond premiums and discounts, as well as issuance costs, are recognized in the current period. Bond premiums are reported as other financing sources and bond discounts are reported as other financing uses. Issuance costs, whether or not withheld from the actual bond proceeds received, are reported as general government expenditures.

#### *P. Investment Income*

Excluding the permanent funds, investment income derived from major and nonmajor governmental funds is legally assigned to the general fund unless otherwise directed by Massachusetts General Law (MGL).

Investment income from proprietary funds is voluntarily assigned to the general fund.

*Q. Compensated Absences*

Employees are granted vacation and sick leave in varying amounts based on collective bargaining agreements, state laws and executive policies.

Government-Wide and Proprietary Fund Financial Statements

Vested or accumulated vacation and sick leave are reported as liabilities and expensed as incurred.

Governmental Fund Financial Statements

Vested or accumulated vacation and sick leave, which will be liquidated with expendable available financial resources, are reported as expenditures and fund liabilities upon employee retirements and resignations.

*R. Post Retirement Benefits*

Government-Wide and Fund Financial Statements

In addition to providing pension benefits, health insurance coverage is provided (on a pay-as-you-go basis) for retired employees and their survivors in accordance with MGL Chapter 32. These costs are recognized by recording the employer's 50% share of insurance premiums in the general fund in the fiscal year paid. For the fiscal year ended June 30, 2007, this expenditure totaled approximately \$721,000. There were approximately 260 participants eligible to receive benefits at June 30, 2007.

*S. Use of Estimates*

Government-Wide and Fund Financial Statements

The preparation of basic financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure for contingent assets and liabilities at the date of the basic financial statements and the reported amounts of the revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

*T. Total Column*

Government-Wide Financial Statements

The total column presented on the government-wide financial statements represents consolidated financial information.

Fund Financial Statements

The total column presented on the fund financial statements is presented only to facilitate financial analysis. Data in this column is not the equivalent of consolidated financial information.

**NOTE 2 - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY***Budgetary Information*

Municipal Law requires the adoption of a balanced budget that is approved by Town Meeting vote. The Finance Committee presents an annual budget to Town Meeting, which includes estimates of revenues and other financing sources and recommendations of expenditures and other financing uses. Town Meeting, which has full authority to amend and/or reject the budget or any appropriation at the functional level, adopts the expenditure budget by majority vote.

Increases to the original budget subsequent to Annual Town Meeting require Special Town Meeting approval.

The majority of appropriations are non-continuing which lapse at the end of each fiscal year. Others are continuing appropriations for which the governing body has authorized that an unspent balance from a prior fiscal year be carried forward and made available for spending in the current fiscal year.

Generally, expenditures may not exceed the level of spending (salaries, expenses and capital) authorized for an appropriation account. However, the Town is statutorily required to pay debt service, regardless of whether such amounts are appropriated.

An annual budget is adopted for the general fund in conformity with the guidelines described above. The original fiscal year 2007 approved budget for the general fund authorized \$72,257,038 in appropriations and other amounts to be raised. During fiscal year 2007, no supplemental appropriations were authorized.

The Accountant's office has the responsibility to ensure that budgetary control is maintained. Budgetary control is exercised through the accounting system.

**NOTE 3 - DEPOSITS AND INVESTMENTS**

The municipal finance laws of the Commonwealth authorize the Town to invest temporarily idle cash in bank term deposits and certificates of deposits, and treasury and agency obligations of the United States government, with maturities of one year or less; U.S. treasury or agency repurchase agreements with maturities of not more than 90 days; money market accounts; and the state treasurer's investment pool - the Massachusetts Municipal Depository Trust (MMDT).

The MMDT meets the criteria of an external investment pool and operates in accordance with applicable state laws and regulations. The Treasurer of the Commonwealth serves as Trustee. The reported value of the pool is the same as the fair value of pool shares.

A cash and investment pool is maintained that is available for use by all funds with unrestricted cash and investments. The deposits and investments of the permanent funds and private purpose trust funds are held separately from other town funds.

Deposits - Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of a bank failure, the Town's deposits may not be recovered. The Town's policy for custodial credit risk is to rely on FDIC and DIF insurance coverage. As of June 30, 2007, \$6,108,179 of the Town's bank balance of \$13,564,798 was uninsured, uncollateralized and exposed to custodial credit risk.

Investments Summary

The Town's investments at June 30, 2007 are presented below. All investments are presented by investment type, with debt securities presented by maturity.

Investment Type	Fair Value	Investment Maturities (in Years)	
		Less Than 1	1 - 5
<u>Debt Securities:</u>			
U.S. Treasuries.....	\$ 975,530	\$ 99,297	\$ 876,233
U.S. Agencies.....	7,360,387	4,847,896	2,512,491
Corporate bonds.....	1,678,858	493,858	1,185,000
Money market mutual funds.....	4,574,169	4,574,169	-
External investment pools.....	1,429,833	1,429,833	-
Total debt securities.....	16,018,777	\$ 11,445,053	\$ 4,573,724
<u>Other Investments:</u>			
Equity mutual funds.....	488,859		
Total investments.....	\$ 16,507,636		

Investments - Interest Rate Risk of Debt Securities

Interest rate risk for debt securities is the risk that changes in interest rates of debt securities will adversely affect the fair value of an investment. The Town's policy for interest rate risk of debt securities is to follow the municipal finance laws of the Commonwealth, which requires (with the exception of certain trust funds) the Town to limit investments to U.S. backed securities with a maturity of one year or less.

Investments - Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town does not have a policy for custodial credit risk of investments. As of June 30, 2007, \$493,858 of the Town's investments of \$16,507,636 was uninsured, not registered in the name of the Town, held by a counterparty and exposed to custodial credit risk, as follows:

Investment Type	Fair Value	Held by Counterparty's Trust or Agent
Corporate bonds.....	\$ 493,858	\$ 493,858

Investments - Credit Risk of Debt Securities

Credit risk for debt securities is the risk that an issuer or other counterparty to a debt security will not fulfill its obligations. The Town does not have a policy for credit risk of debt securities. As of June 30, 2007, the credit quality ratings of the Town's debt securities are as follows:

Investment Type	Fair Value	Quality Ratings *	
		AAA	Unrated
Corporate bonds.....	\$ 1,678,858	\$ 1,678,858	\$ -
Money market mutual funds.....	4,574,169	-	4,574,169
External investment pools.....	1,429,833	-	1,429,833
Total.....	\$ 7,682,860	\$ 1,678,858	\$ 6,004,002

\* Per the rating scale of Standard and Poor's (a national credit rating organization)

Deposits and Investments - Foreign Currency Risk

Foreign currency risk is the risk that fluctuations in exchange rates will adversely affect the fair value of an investment or a deposit. The Town does not have a policy for foreign currency risk. As of June 30, 2007, the Town was not exposed to foreign currency risk.

Investments - Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the Town's investment in a single issuer. The Town does not have a policy for concentration of credit risk. As of June 30, 2007, the Town was not exposed to concentration of credit risk.

**NOTE 4 - ACCOUNTS RECEIVABLE**

At June 30, 2007, receivables for the individual major governmental funds and nonmajor governmental and fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	Gross Amount	Allowance for Uncollectibles	Net Amount
<u>Receivables:</u>			
Real estate and personal property taxes.....	\$ 771,821	\$ (62,400)	\$ 709,421
Real estate tax deferrals.....	822,234	-	822,234
Tax liens.....	431,402	-	431,402
Motor vehicle and other excise taxes.....	137,719	(28,133)	109,586
Community preservation surcharges.....	14,062	-	14,062
Departmental and other.....	305,400	-	305,400
Intergovernmental.....	22,218,277	-	22,218,277
	<u>\$ 24,700,915</u>	<u>\$ (90,533)</u>	<u>\$ 24,610,382</u>

Governmental funds report *deferred revenue* in connection with receivables and other assets (tax foreclosures) for revenues that are not considered to be available to liquidate liabilities of the current period. The following identifies the various components of *deferred revenue* reported in the governmental funds:

	General Fund	Other Governmental Funds	Total
<u>Receivable type:</u>			
Real estate and personal property taxes.....	\$ 419,348	\$ -	\$ 419,348
Real estate tax deferrals.....	822,234	-	822,234
Tax liens.....	415,291	16,111 (a)	431,402
Motor vehicle and other excise taxes.....	109,586	-	109,586
Community preservation surcharges.....	-	14,062 (a)	14,062
Intergovernmental (state school construction).....	22,156,000	-	22,156,000
Intergovernmental (other state and federal).....	-	62,277 (b)	62,277
Tax foreclosures.....	32,827	-	32,827
Total.....	<u>\$ 23,955,286</u>	<u>\$ 92,450</u>	<u>\$ 24,047,736</u>

(a) Community preservation fund (major fund)

(b) Nonmajor governmental funds

The Commonwealth has approved school construction assistance to the Town. The assistance program, which is administered by the Massachusetts School Building Authority (MSBA), provides resources for future debt service of general obligation school bonds outstanding. During fiscal year 2007, approximately \$2,816,000 of such assistance was received. Approximately \$34,451,000 will be received in future fiscal years. Of this amount, approximately \$12,295,000 represents reimbursement of long-term interest costs, and approximately \$22,156,000 represents reimbursement of approved construction costs. Accordingly, a \$22,156,000 intergovernmental receivable and corresponding deferred revenue have been reported in the governmental fund financial statements. The deferred revenue has been recognized as revenue in the conversion to the government-wide financial statements.

## NOTE 5 - CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2007, was as follows:

	Beginning Balance *	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 25,331,102	\$ 252,400	\$ -	\$ 25,583,502
Construction in progress.....	812,368	-	(812,368)	-
Total capital assets not being depreciated.....	26,143,470	252,400	(812,368)	25,583,502
<u>Capital assets being depreciated:</u>				
Land improvements.....	1,522,093	1,083,889	-	2,605,982
Buildings and improvements.....	66,251,291	1,036,335	-	67,287,626
Machinery and equipment.....	4,344,843	141,636	-	4,486,479
Vehicles.....	4,316,146	384,527	(279,630)	4,421,043
Infrastructure.....	10,224,163	950,200	-	11,174,363
Total capital assets being depreciated.....	86,658,536	3,596,587	(279,630)	89,975,493
<u>Less accumulated depreciation for:</u>				
Land improvements.....	(408,268)	(57,953)	-	(466,221)
Buildings and improvements.....	(14,605,378)	(1,623,984)	-	(16,229,362)
Machinery and equipment.....	(3,557,896)	(161,467)	-	(3,719,363)
Vehicles.....	(2,560,207)	(328,382)	202,290	(2,686,299)
Infrastructure.....	(5,389,107)	(480,007)	-	(5,869,114)
Total accumulated depreciation.....	(26,520,856)	(2,651,793)	202,290	(28,970,359)
Total capital assets being depreciated, net.....	60,137,680	944,794	(77,340)	61,005,134
Total governmental activities capital assets, net.....	\$ 86,281,150	\$ 1,197,194	\$ (889,708)	\$ 86,588,636

\* As restated and more fully described in Note 13.



	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-Type Activities:</b>				
<u>Capital assets not being depreciated:</u>				
Land.....	\$ 192,500	\$ -	\$ -	\$ 192,500
<u>Capital assets being depreciated:</u>				
Buildings and improvements.....	1,150,000	-	-	1,150,000
Machinery and equipment.....	49,000	-	-	49,000
Vehicles.....	136,640	-	-	136,640
Total capital assets being depreciated.....	1,335,640	-	-	1,335,640
<u>Less accumulated depreciation for:</u>				
Buildings and improvements.....	(546,250)	(28,750)	-	(575,000)
Machinery and equipment.....	(49,000)	-	-	(49,000)
Vehicles.....	(5,693)	(13,664)	-	(19,357)
Total accumulated depreciation.....	(600,943)	(42,414)	-	(643,357)
Total capital assets being depreciated, net.....	734,697	(42,414)	-	692,283
Total business-type activities capital assets, net.....	\$ 927,197	\$ (42,414)	\$ -	\$ 884,783

Depreciation expense was charged to functions/programs of the primary government as follows:

**Governmental Activities:**

General government.....	\$ 79,194
Public safety.....	254,726
Education.....	1,311,340
Public works.....	873,086
Health and human services.....	4,805
Culture and recreation.....	128,642
Total depreciation expense - governmental activities.....	\$ 2,651,793

**Business-Type Activities:**

Swimming pool.....	\$ 28,750
Landfill.....	13,664
Total depreciation expense - business-type activities.....	\$ 42,414

**NOTE 6 - CAPITAL LEASES**

The Town has entered into certain capital lease agreements for vehicles under which the vehicles will become the property of the Town when all terms of the lease agreements are met. The agreements also contain early purchase options which would allow the Town to purchase the vehicles before the end of the lease terms.

The following schedule presents future minimum lease payments as of June 30, 2007:

<u>Fiscal Years Ending June 30</u>	<u>Governmental Activities</u>
2008.....	\$ 210,545
2009.....	151,187
2010.....	99,027
2011.....	<u>25,234</u>
Total minimum lease payments.....	485,993
Less: amounts representing interest.....	<u>(38,786)</u>
Present value of minimum lease payments.....	<u>\$ 447,207</u>

Vehicles and related accumulated amortization under capital lease are as follows:

	<u>Governmental Activities</u>
Vehicles.....	\$ 959,509
Less: accumulated amortization.....	<u>(512,302)</u>
Total.....	<u>\$ 447,207</u>

Amortization of leased vehicles under capital assets is included with depreciation expense.

#### NOTE 7 - INTERFUND TRANSFERS

Interfund transfers for the fiscal year ended June 30, 2007, are summarized as follows:

<u>Transfers Out:</u>	<u>Transfers In:</u>			
	<u>General Fund</u>	<u>Affordable Housing Fund</u>	<u>Landfill Enterprise Fund</u>	<u>Total</u>
General Fund.....	\$ -	\$ -	\$ 8,000	\$ 8,000 (1)
Community Preservation Fund.....	-	135,000	-	135,000 (2)
Nonmajor Governmental Funds.....	355,342	-	-	355,342 (3)
Landfill Enterprise Fund.....	<u>24,000</u>	<u>-</u>	<u>-</u>	<u>24,000 (4)</u>
	<u>\$ 379,342</u>	<u>\$ 135,000</u>	<u>\$ 8,000</u>	<u>\$ 522,342</u>

- (1) Represents budgeted transfer to fund the landfill enterprise fund
- (2) Represents budgeted transfer to fund the affordable housing fund
- (3) Represents budgeted transfers from the ambulance receipts special revenue (\$230,342), DPW mining special revenue (\$100,000) and the retirement special revenue (\$25,000) funds to fund the fiscal year 2007 operating budget
- (4) Represents budgeted indirect cost transfer

#### NOTE 8 - SHORT-TERM FINANCING

Short-term debt may be authorized and issued to fund the following:

- Current operating costs prior to the collection of revenues through issuance of revenue anticipation notes (RAN) or tax anticipation notes (TAN).
- Capital project costs and other approved expenditures incurred prior to obtaining permanent financing through issuance of bond anticipation notes (BAN) or grant anticipation notes (GAN).

Short-term loans are general obligations and carry maturity dates that are limited by statute. Interest expenditures and expenses for short-term borrowings are accounted for in the general fund and enterprise funds, respectively.

The Town did not issue or retire any short-term debt during fiscal year 2007 nor was there any short-term debt outstanding at June 30, 2007.

#### NOTE 9 - LONG-TERM OBLIGATIONS

Chapter 44, Section 10, of the MGL authorizes indebtedness up to a limit of 5% of the equalized valuation. Debt issued in accordance with this section of the law is designated as being "inside the debt limit". However, debt may be authorized in excess of that limit for specific purposes. Such debt, when issued, is designated as being "outside the debt limit".

During fiscal year 2005, certain general obligation bonds were defeased by placing the proceeds of bonds in an irrevocable trust to provide for all future debt service payments on the refunded bonds. Accordingly, the trust account's assets and liabilities for the defeased bonds are not included in the basic financial statements. At June 30, 2007, \$16,525,000 of bonds outstanding from this advance refunding are considered defeased.

Details related to the outstanding indebtedness at June 30, 2007, and the debt service requirements are as follows:

*Bonds and Notes Payable – Governmental Funds*

Project	Interest Rate (%)	Outstanding at June 30, 2006	Additions	Reductions	Outstanding at June 30, 2007
Municipal Purpose.....	4.74	\$ 650,000	\$ -	\$ (650,000)	\$ -
Land Acquisition.....	4.63	1,320,000	-	(440,000)	880,000
School Construction.....	5.00	1,665,508	-	(338,348)	1,327,160
School Construction.....	5.00	4,684,492	-	(951,652)	3,732,840
School Construction.....	4.44	7,808,000	-	(540,000)	7,268,000
Municipal Purpose.....	4.00	105,000	-	(25,000)	80,000
Municipal Purpose.....	4.00	72,000	-	(15,000)	57,000
Municipal Purpose.....	4.00	100,000	-	(20,000)	80,000
Land Acquisition Refunding.....	3.50	565,000	-	(115,000)	450,000
School & Public Works Construction.....	2.89	3,675,000	-	(525,000)	3,150,000
Land Acquisition.....	4.18	4,880,000	-	(380,000)	4,500,000
School Construction Refunding.....	3.81	13,400,000	-	-	13,400,000
Land Acquisition Refunding.....	3.60	4,350,000	-	-	4,350,000
Municipal Purpose.....	3.93	3,030,000	-	(265,000)	2,765,000
Sub-total.....		46,305,000	-	(4,265,000)	42,040,000
Deferred loss on refundings.....		(964,121)	-	239,327	(724,794)
Total governmental funds (net).....		\$ 45,340,879	\$ -	\$ (4,025,673)	\$ 41,315,206

Debt service requirements for principal and interest for governmental bonds and notes payable (gross) in future fiscal years are as follows:

Fiscal Year	Principal	Interest	Total
2008.....	\$ 3,585,000	\$ 1,680,449	\$ 5,265,449
2009.....	3,500,000	1,537,133	5,037,133
2010.....	3,540,000	1,396,039	4,936,039
2011.....	3,585,000	1,254,000	4,839,000
2012.....	3,420,000	1,106,738	4,526,738
2013.....	3,305,000	980,863	4,285,863
2014.....	2,755,000	857,663	3,612,663
2015.....	2,680,000	752,679	3,432,679
2016.....	2,565,000	647,842	3,212,842
2017.....	2,490,000	545,664	3,035,664
2018.....	2,470,000	442,652	2,912,652
2019.....	2,230,000	343,822	2,573,822
2020.....	2,310,000	253,646	2,563,646
2021.....	2,380,000	125,396	2,505,396
2022.....	365,000	54,584	419,584
2023.....	365,000	38,458	403,458
2024.....	365,000	22,050	387,050
2025.....	130,000	5,526	135,526
Total.....	\$ 42,040,000	\$ 12,045,204	\$ 54,085,204

#### Authorized and Unissued Debt

The Town is subject to various debt limits by statute and may issue additional general obligation debt under the normal debt limit. At June 30, 2007, the Town had the following authorized and unissued debt:

Purpose	Amount
Septic system.....	\$ 200,000
Wastewater feasibility study.....	90,000
Libby land.....	30,000
Capital equipment/renovation.....	13,500
Dickson land.....	6,500
Public works facility.....	3,800
Total.....	\$ 343,800

Changes in Long-Term Liabilities

During the fiscal year ended June 30, 2007, the following changes occurred in long-term liabilities:

	Balance June 30, 2006	Increases	Decreases	Balance June 30, 2007	Current Portion
<b>Governmental Activities:</b>					
Bonds and notes payable (net).....	\$ 45,340,879	\$ -	\$ (4,025,673)	\$ 41,315,206	\$ 3,345,673
Capital lease obligations.....	518,994	115,245	(187,032)	447,207	189,948
Workers' compensation claims.....	87,300	33,716	(57,274)	63,742	24,336
Compensated absences.....	584,829	-	(51,855)	532,974	53,297
<b>Total.....</b>	<b>\$ 46,532,002</b>	<b>\$ 148,961</b>	<b>\$ (4,321,834)</b>	<b>\$ 42,359,129</b>	<b>\$ 3,613,254</b>

Except for bonds issued for the community preservation fund, long-term liabilities are generally liquidated by the general fund. Long-term debt issued for the community preservation fund is liquidated by the community preservation fund.

**NOTE 10 - RISK FINANCING**

The Town is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Town carries commercial insurance.

The Town is self-insured for its health insurance, workers' compensation (excluding public safety employees injured on duty), and municipal building insurance activities. These activities are accounted for in the general fund, where revenues are recorded when earned and expenses are recorded when incurred.

**A. Health Insurance**

The estimated "Incurred But Not Reported (IBNR)" claims are based on actual and historical lag claims. The liability at June 30, 2007 totaled \$377,864. Changes in the reported liability since July 1, 2005, are as follows:

	Balance at Beginning of Fiscal Year	Current Year Claims and Changes in Estimate	Claims Payments	Balance at Fiscal Year-end
Fiscal year 2006.....	\$ 739,668	\$ 6,251,207	\$ (6,201,743)	\$ 789,132
Fiscal year 2007.....	789,132	6,789,965	(7,201,233)	377,864

**B. Workers' Compensation**

Workers' compensation claims are administered by a third party administrator and are funded on a pay-as-you-go basis from annual appropriations. The Town has recorded a liability of \$63,742 at June 30, 2007, which represents an estimate of all outstanding claims as of that date. Changes in the reported liability since July 1, 2005, are as follows:

	Balance at Beginning of Fiscal Year	Current Year Claims and Changes in Claims Estimate	Payments	Balance at Fiscal Year-end
Fiscal year 2006.....	\$ 74,484	\$ 60,872	\$ (48,056)	\$ 87,300
Fiscal year 2007.....	87,300	33,716	(57,274)	63,742

**NOTE 11 - PENSION PLAN**

**Plan Description** - The Town contributes to the Middlesex Retirement System (System), a cost-sharing multiple-employer defined benefit pension plan administered by the Middlesex Retirement Board. Substantially all employees of the Town are members of the System, except for public school teachers and certain administrators who are members of the Massachusetts' Teachers Retirement System (MTRS), to which the Town does not contribute. Pension benefits and administrative expenses paid by the Teachers Retirement Board are the legal responsibility of the Commonwealth. The amount of these on-behalf payments totaled \$4,227,750 for the fiscal year ended June 30, 2007, and, accordingly, are reported in the general fund as intergovernmental revenues and pension expenditures.

The System provides retirement, disability and death benefits to plan members and beneficiaries. Chapter 32 of the MGL assigns authority to establish and amend benefit provisions of the plan. Cost-of-living adjustments granted between 1981 and 1997 and any increases in other benefits imposed by the Commonwealth's state law during those years are borne by the Commonwealth and are deposited into the pension fund. Cost-of-living adjustments granted after 1997 must be authorized by the Middlesex Retirement Board and are borne by the System. The System issues a publicly available report in accordance with guidelines established by the Commonwealth's Public Employee Retirement Administration Commission. That report may be obtained by contacting the System located at 25 Linnell Circle, Billerica, Massachusetts 01865.

**Funding Policy** - Plan members are required to contribute to the System at rates ranging from 5% to 11% of annual covered compensation. The Town is required to pay into the System its share of the system-wide actuarial determined contribution that is apportioned among the employers based on active current payroll. Chapter 32 of MGL governs the contributions of plan members. The Town's contributions to the System for the fiscal years ended June 30, 2007, 2006, and 2005 were \$2,075,487, \$1,828,403, and \$1,726,606, respectively, which equaled its required contribution for each fiscal year.

**NOTE 12 - CONTINGENCIES**

Various legal actions and claims are pending against the Town. Litigation is subject to many uncertainties, and the outcome of individual litigated matters is not always predictable. Although the amount of liability, if any, at June 30, 2007, cannot be ascertained, management believes any resulting liability should not materially affect the financial position of the Town at June 30, 2007.

The Town participates in a number of federal award programs. Although the grant programs have been audited in accordance with the provisions of the Single Audit Act Amendments of 1996 through June 30, 2007, these programs are still subject to financial and compliance audits. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the Town expects such amounts, if any, to be immaterial.

#### NOTE 13 - IMPLEMENTATION OF RETROACTIVE INFRASTRUCTURE REPORTING REQUIREMENTS

The Town's beginning net assets of its governmental activities has been restated from \$86,011,882 to \$89,377,575 to reflect the implementation of retroactively reporting its infrastructure assets in accordance with GASB Statement #34.

#### NOTE 14 - PRIOR PERIOD RECLASSIFICATIONS

The beginning fund balances of the school construction, public works facilities and nonmajor governmental funds have been restated from \$347,469, \$85,513 and \$5,901,483, respectively, to zero, zero, and \$6,334,465, respectively, to reflect the reclassification of the school construction and public works facilities funds from major funds to nonmajor governmental funds.

#### NOTE 15 - FUTURE IMPLEMENTATION OF GASB PRONOUNCEMENTS

The GASB has issued the following statements:

- Statement #43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, which is required to be implemented during fiscal year 2008. This Statement will not impact the Town's basic financial statements.
- Statement #45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, which is required to be implemented during fiscal year 2009. The Town is currently evaluating the effect that this Statement will have on the basic financial statements.
- Statement #48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, which is required to be implemented during fiscal year 2008. The Town is currently evaluating the effect that this Statement will have on its basic financial statements.
- Statement #49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, which is required to be implemented during fiscal year 2009. The Town is currently evaluating the effect that this Statement will have on its basic financial statements.
- Statement #50, *Pension Disclosures*, which is required to be implemented during fiscal year 2008. The Town is currently evaluating the effect that this Statement will have on its basic financial statements.
- Statement #51, *Accounting and Financial Reporting for Intangible Assets*, which is required to be implemented during fiscal year 2010. The Town is currently evaluating the effect that this Statement will have on its basic financial statements.

These pronouncements will be implemented by their respective due dates.



## *Required Supplementary Information*

GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
BUDGET AND ACTUAL

FOR THE FISCAL YEAR ENDED JUNE 30, 2007

	Prior Year Encumbrances and Continuing Appropriations	Original Budget	Supplemental Appropriations and Transfers	Final Budget
<b>REVENUES</b>				
Real estate and personal property taxes.....	\$ -	\$ 56,711,877	\$ -	\$ 56,711,877
Motor vehicle and other excise taxes.....	-	3,031,914	-	3,031,914
Tax liens.....	-	-	-	-
Payments in lieu of taxes.....	-	90,000	-	90,000
Intergovernmental.....	-	8,406,543	-	8,406,543
Penalties and interest on taxes.....	-	260,000	-	260,000
Licenses, permits and fees.....	-	915,869	-	915,869
Fines and forfeitures.....	-	80,000	-	80,000
Departmental.....	-	297,778	-	297,778
Investment income.....	-	200,000	-	200,000
<b>TOTAL REVENUES.....</b>	<b>-</b>	<b>69,993,981</b>	<b>-</b>	<b>69,993,981</b>
<b>EXPENDITURES</b>				
Current:				
General government.....	92,784	2,592,555	138,401	2,823,740
Public safety.....	98,548	6,163,274	(56,129)	6,205,693
Education.....	419,291	43,805,650	(13,817)	44,211,124
Public works.....	98,407	3,203,045	(122,968)	3,178,484
Health and human services.....	16,672	558,369	(8,610)	566,431
Culture and recreation.....	29,096	1,027,672	(6,685)	1,050,083
Pension benefits.....	9,323	2,120,937	(54,773)	2,075,487
Employee benefits.....	29,250	6,905,610	113,919	7,048,779
Property and liability insurance.....	-	182,925	2,662	185,587
State and county charges.....	-	194,793	-	194,793
Debt service:				
Principal.....	-	3,750,000	-	3,750,000
Interest.....	198,357	1,752,208	-	1,950,565
<b>TOTAL EXPENDITURES.....</b>	<b>991,728</b>	<b>72,257,038</b>	<b>(8,000)</b>	<b>73,240,766</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....</b>	<b>(991,728)</b>	<b>(2,263,057)</b>	<b>8,000</b>	<b>(3,246,785)</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in.....	-	379,342	-	379,342
Transfers out.....	-	-	(8,000)	(8,000)
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>-</b>	<b>379,342</b>	<b>(8,000)</b>	<b>371,342</b>
<b>NET CHANGE IN FUND BALANCE.....</b>	<b>(991,728)</b>	<b>(1,883,715)</b>	<b>-</b>	<b>(2,875,443)</b>
<b>FUND BALANCE AT BEGINNING OF YEAR.....</b>	<b>5,155,159</b>	<b>5,155,159</b>	<b>5,155,159</b>	<b>5,155,159</b>
<b>FUND BALANCE AT END OF YEAR.....</b>	<b>\$ 4,163,431</b>	<b>\$ 3,271,444</b>	<b>\$ 5,155,159</b>	<b>\$ 2,279,716</b>

See notes to required supplementary information.

Actual	Current Year Encumbrances and Continuing Appropriations	Actual and Encumbrances and Continuing Appropriations	Variance Positive/ (Negative)
\$ 56,719,814	\$ -	\$ 56,719,814	\$ 7,937
2,589,563	-	2,589,563	(442,351)
251,389	-	251,389	251,389
123,777	-	123,777	33,777
8,399,411	-	8,399,411	(7,132)
200,005	-	200,005	(59,995)
872,593	-	872,593	(43,276)
146,078	-	146,078	66,078
199,973	-	199,973	(97,805)
629,994	-	629,994	429,994
<u>70,132,597</u>	<u>-</u>	<u>70,132,597</u>	<u>138,616</u>
2,429,909	232,413	2,662,322	161,418
6,116,708	81,129	6,197,837	7,856
43,428,234	764,145	44,192,379	18,745
3,042,071	77,445	3,119,516	58,968
557,712	4,686	562,398	4,033
1,045,953	2,850	1,048,803	1,280
2,075,487	-	2,075,487	-
6,984,368	2,900	6,987,268	61,511
185,587	-	185,587	-
170,512	-	170,512	24,281
3,750,000	-	3,750,000	-
1,559,598	198,357	1,757,955	192,610
<u>71,346,139</u>	<u>1,363,925</u>	<u>72,710,064</u>	<u>530,702</u>
<u>(1,213,542)</u>	<u>(1,363,925)</u>	<u>(2,577,467)</u>	<u>669,318</u>
379,342	-	379,342	-
(8,000)	-	(8,000)	-
<u>371,342</u>	<u>-</u>	<u>371,342</u>	<u>-</u>
(842,200)	(1,363,925)	(2,206,125)	669,318
<u>5,155,159</u>	<u>5,155,159</u>	<u>5,155,159</u>	<u>-</u>
<u>\$ 4,312,959</u>	<u>\$ 3,791,234</u>	<u>\$ 2,949,034</u>	<u>\$ 669,318</u>

***Budgetary - GAAP Reconciliation***

For budgetary financial reporting purposes, the Uniform Massachusetts Accounting System basis of accounting (established by the Commonwealth) is followed, which differs from the GAAP basis of accounting. A reconciliation of budgetary-basis to GAAP-basis results for the general fund for the fiscal year ended June 30, 2007, is presented below:

	<u>Revenues</u>	<u>Expenditures</u>
Budgetary basis as reported on the schedule of revenues, expenditures and changes in fund balance - budget and actual.....	\$ 70,132,597	\$ 72,710,064
<u>Reclassifications</u>		
Activity of health insurance and workers' compensation trusts recorded in the general fund for GAAP purposes.....	227,266	(1,426,976)
<u>Adjustments</u>		
Net change in recording 60 day receipts.....	(71,493)	-
Net change in recording tax refunds payable.....	(19,032)	-
To record activity for MTRS on-behalf payments.....	4,227,750	4,227,750
To account for encumbrances and continuing appropriations.....	-	(1,363,925)
GAAP basis as reported on the statement of revenues, expenditures and changes in fund balances.....	<u>\$ 74,497,088</u>	<u>\$ 74,146,913</u>