

**Finance Committee ~ Minutes of Meeting
Tuesday, December 17, 2002
Fairbank Senior Center – 7:30pm**

Present: Co-Chairs Michael Grosberg & Tracy Billig, Bob Jacobson, Don Hutchinson, John Nikula, Sheila Stewart, Marty Ragonas, Bob Hurstak, Larry Rowe. Also present: Kerry Speidel, Finance Director, and Robin Porcella, Recording Secretary

Opening Remarks from Co-Chairs

Co-Chairs Tracy Billig and Michael Grosberg opened the meeting at 7:40pm. Michael Grosberg welcomed everyone and wished everyone a happy holiday.

Item 1: Approve Minutes from November 12, 2002 meeting

Michael Grosberg asked the committee to review the minutes and ask any questions they might have.

Marty Ragonas mention that Item 3 did not contain the information regarding the vote on the Reserve Fund Transfer for the ambulance.

VOTED: Move to approve the minutes from the November 12, 2002 meeting. Motion made by Don Hutchinson and seconded by John Nikula. On vote, motion carries 9 in favor and 0 opposed.

Item 2: Brief update from Tracy Billig about pension program

Tracy Billig informed the committee that Town Manager Maureen Valente wanted the FinCom members to be aware of the future problem regarding the pension program for Town & School employees who pay into the Middlesex Retirement System. Tracy Billig informed the committee that Maureen Valente was willing to discuss this with them in more detail at a future meeting if they so desired. Tracy Billig also informed the committee that the Town & School employees for Sudbury are exempt from paying into social security.

Kerry Speidel informed the committee that the system must be fully funded by the year 2028.

Kerry Speidel also informed the committee of the different retirement rates:

- 5% - if hired before 1975
- 7% - hired between 1975 thru 1978
- 7% - hired between 1979 thru 1983
- 8% - hired 1983 thru June 30 ,1996
- 9% - hired July 1, 1996 – present date

(There is an additional 2% retirement cap
for all employees making over \$30,000
per year)

Item 3: Review of monthly financial statements

Kerry Speidel asked the Finance Committee for their opinion on the financial statements. She is willing to have them printed for the Committee monthly if they find them useful. She informed the committee that the School Department uses the bottom line figure, and that is why there are amounts in the "Transfers and Adjustments column. If an amount appears in the "Transfer and Adjustments" column on the Town's statements, it is because a Reserve Fund Transfer has been approved. Speidel informed the committee that all local receipts are keyed in as Motor Vehicle Excise, and that this will need to be changed in the future. Trust Fund Statements are prepared quarterly.

Item 4: Reserve Fund Transfer Request for Veteran's benefits

Kerry Speidel informed the committee that no funds were allocated for Veteran's Benefits in Fiscal Year 2003. Speidel informed the committee that this request should take care of the rest of the Fiscal Year, and that money is being budgeted for Fiscal Year 2004 for Veteran's Benefits.

VOTED: Move to approve the Reserve Fund Transfer in the amount of \$3,732.00 to Veteran's Benefits. Motion made by Don Hutchinson and seconded by Bob Hurstak. On vote, motion carries 9 in favor and 0 opposed.

Item 5: Expenditure Authorization for Park & Recreation Revolving Fund

Kerry Speidel informed the committee that Massachusetts General Laws requires that the Board of Selectmen & the Finance Committee to approve an increase in the spending allocation during the Fiscal Year. For FY 2003, \$175,000 was allocated to be spent from this revolving fund. This amount is much lower than the actual need, due to the addition of new programs. Dennis Mannone, Park & Recreation Director, is requesting that the amount to be expended be raised to \$320,000.

Kerry Speidel also informed the committee that this topic is on the Board of Selectmen agenda tonight.

VOTED: Move to approve the Expenditure Authorization for Park & Recreation Revolving Fund. Motion made by John Nikula and seconded by Larry Rowe. On vote, motion carries 9 in favor and 0 opposed.

Item 6: FY2004 Budget – review of hearing schedule and materials presented

Kerry Speidel informed the committee that she has received budgets from L-S High School, the Town, and K-8 school system, and a preliminary budget from Minuteman High School.

Michael Grosberg asked if all members of the committee have received their topics for the FinCom report. If so, please start working on them and contact the department liaisons for any questions they might have.

Maureen Valente, Town Manager, will provide the committee with a completion of the budget requests by December 31, 2002.

Tracy Billig asked if the committee members had any conflicts with the dates listed on the budget hearing calendar. Larry Rowe said he would be absent on January 16th and 21st. Marty Ragonos said she would be absent on January 23rd.

Item 7: Other Business and Follow-Up Items

Self-Assessment of Committee Goals & Update from Liaisons:

John Nikula – the new DPW Building is still scheduled to be occupied by February 2003.

Marty Ragonos – The Capital Improvement Committee met to the discussed the budget.

- Marty Ragonos handed out a Teacher's Salary Grid that she created. She informed the committee that this grid only contained base salary amount, and did not take Longevity into account.
- John Nikula asked if it was possible to come up with a list showing how many teacher are at each step in the Sudbury K-8 school system

Sheila Stewart – Sheila informed the committee that the CPA Committee has 3 items on the list for Town Meeting: Dixon Land, Sudbury housing, and Hosmer House.

Bob Jacobson – Informed the committee that the High School construction is still 1 month behind.

Self-Assessment of Committee Goals:

Michael Grosberg informed the committee that he and Tracey Billig made their presentation to the Board of Selectmen. Grosberg informed the committee that Selectmen Larry O'Brien stated the committee is doing a good job, and is raising the bar for future Finance Committees.

Other Pertinent Business:

Kerry Speidel informed the committee that she had copies of the FinCom Handbook on CD-Rom if anyone would like one.

There being no further business, the meeting adjourned at 8:50pm.