

Town of Sudbury ~ Finance Committee
Minutes of Meeting
Monday – March 19, 2007
LS High School Room 302

PRESENT: Chair Bob Jacobson, Bill Kneeland, Marty Ragonas, Larry Rowe, Sheila Stewart, Ralph Verni, Chuck Woodard, and Debbie Zurka

ABSENT: None

The meeting began at 6:35PM. Larry Rowe made a motion to accept the meeting minutes from 12/18/06, 1/8/07, 1/11/07, 1/18/07, 1/22/07 and 1/30/07, which was seconded by Ralph Verni. Motion approved 8 – 0.

The committee met with Town Manager Maureen Valente and members of the Rail Trail Committee to discuss CPA articles 22, 23 and 24 on the Town Warrant.

Bob Jacobson asked if there were any operational costs that will be paid for the town. Maureen Valente said there would be some, but it cannot be quantified at the present time though it is not expected to be a large amount. The town would be required to purchase an environmental liability insurance policy with most likely a \$50K deductible that the town would be responsible for on any claim.

Ralph Verni said that everyone is trying to gauge the costs and we don't even know if the project will happen.

Marty Ragonas asked for a brief synopsis on state funding. Pat Brown, Chair of the Rail Trail Committee, said if the project is built in conjunction with state rules, there could be funding, but there is no promise as to how much, if at all, and when. Federal government funding would be given to the state and Mass Highway Department would be considered the general contractor for the project.

Debbie Zurka asked if the design will include parking. Pat Brown said yes, but they are not included in the present estimate of costs.

Bill Kneeland asked what the minimum costs would be and was told \$575K (\$25K appropriated plus \$145K on current warrant + design costs). Sudbury may also have to pay some of the construction costs.

Prior to a motion being made to vote on these articles, Bill Kneeland recused himself, as he is an abutter to the proposed trail.

Chuck Woodard moved that article 22 be approved, seconded by Ralph Verni. The motion carried 5 – 2 with Marty Ragonas, Sheila Stewart, Ralph Verni, Chuck Woodard, and Debbie Zurka in favor and Bob Jacobson and Larry Rowe opposed.

Chuck Woodard moved that article 23 be approved, seconded by Ralph Verni. The motion ended in a tie vote with Ralph Verni, Chuck Woodard, and Debbie Zurka in favor; Bob Jacobson, Marty Ragonos and Larry Rowe opposed; and Sheila Stewart abstaining.

Chuck Woodard moved that article 24 be approved, seconded by Ralph Verni. The motion ended in a tie vote with Ralph Verni, Chuck Woodard, and Debbie Zurka in favor; Bob Jacobson, Marty Ragonos and Larry Rowe opposed; and Sheila Stewart abstaining.

At 7:05PM the committee met with Ralph Tyler regarding article 33 proposing a senior tax exemption. There was no detail presented as to how the exemption is to be calculated or the requirements to be eligible for it. Mr. Tyler stated that the article is being presented as a way to engage town boards to address the issue as nothing has been done about it and he believes it is an issue of fairness as well as economic sense since seniors utilize fewer services. The purpose of the article would be to retain seniors in town and to attract more seniors.

Bob Jacobson stated that he felt it would be difficult to get the state legislature to approve any senior exemption under a home rule petition without an income test. He also stated that the governor's budget proposal calls for 25% of the local options taxes he is recommending be set aside in a fund to help taxpayers whose real estate taxes exceed 10% of their income.

Mr. Tyler said there is a residential exemption allowed in some Massachusetts cities so there is some precedent for shifting tax burden.

Chuck Woodard asked if there is a direct correlation between real estate taxes and keeping seniors in town. Mr. Tyler stated there was a survey done in the late 1990's that listed the high real estate taxes as being a reason for leaving town.

Marty Ragonos asked about the PTERC conclusions in their survey. The PTERC found the correlation to be inconclusive and that no direct correlation could be established.

Ralph Verni suggested that this would be a good project for some PHD's to do a thesis on for a doctorate in economics.

Mr. Tyler stated that he didn't think this was an article that the FinCom needed to vote on since this was just a shifting of the tax and was not going to raise any additional funds.

Bob Jacobson tabled further discussion and a vote due to the need to attend the budget forum.

The meeting was adjourned at 7:30PM so that the FinCom may attend the budget forum in the LS auditorium.