

Town of Sudbury ~ Finance Committee
Minutes of Meeting
Thursday- January 15, 2009
Lower Town Hall – 7:30pm

Present: Chairman Chuck Woodard, Tobj Gozdeck, Jaime Gossels, Bob Jacobson, Bill Kneeland, Marty Ragonas, Jim Rao, Sheila Stewart, and Debbie Zurka

Opening Comments:

The meeting was opened at 7:35pm.

Snow & Ice Deficit Spending Vote:

Maureen Valente, Town Manager, asked the FinCom to take a vote to authorize the town to deficit spend the Snow & Ice Account. The committee is asked every year to take this vote. It was explained that the DPW has enough salt for one other storm, and they are awaiting the delivery of another shipment. It was explained that both the FinCom and Town Manager must give their approval before this account can be overspent.

VOTE: Pursuant to M.G.L. Chapter 44 - Section 31D, motion is made to authorize the Department of Public Works to deficit spend the Snow & Ice accounts. Motion made by Jim Rao and seconded by Bill Kneeland. On vote, motion carries 9 in support and 0 opposed.

Town of Sudbury Budget Hearing:

Maureen Valente, Town Manager, made the presentation. The audience was reminded that the budget documents are available on the town's website. She introduced the Department Heads that were in attendance.

Wayne Walker, Asst. Town Manager, explained the town's reinsurance program and how it works. It was asked if the town ever considered purchasing aggregate stop loss insurance. Wayne Walker responded that the town has not reached that level in 3 to 4 years. The town is actually saving money by not purchasing it.

Larry O'Brien, Selectmen, discussed the importance of job preservation. He stated the he and the town manager had a meeting yesterday with the employees. He stated the each selectman will be participating in the upcoming contract negotiations. It is possible there will be a pay freeze as well as a step freeze. He urged all negotiation parties to seriously look into changing the structure and cost of the health insurance program. The board wants to avoid the continued deterioration of services.

Maureen Valente gave a brief recap of the FY09 budget. For FY09, the town has 30 departments and consisting of 178.66 FTEs. The FY09 budget is \$209,190 over the FY08 budget, which is equal to a 1.19% increase. \$250,000 was cut in non-personnel expenses. Some of the impacts to FY09 have been reduced library hours and the closing of fire station 3 at times.

Maureen Valente discussed the assumptions that were used to prepare the various FY10 Budgets. Some of the assumptions discussed were: the cola included per the FinCom instructions, Step increases are included, same health insurance options, and the assessment from Middlesex Retirement System. It was noted that the assumptions are discussed in further detail for each department on page 75 in the budget books.

Four Budget Possibilities:

FY10 1% amounts to \$17,909,190 and results in 1% increase over FY09

FY10 2.1% amounts to \$18,104,240 and results in 2.1% increase over FY09

FY10 4.5% amounts to \$18,529,805 and results in 4.5% increase over FY09

FY10 Requested amounts to \$19,039,955 and results in 7.4% increase over FY09

Chuck Woodard thanked Maureen Valente and her staff for the comprehensive budget book. Sudbury has received their third distinguished budget award.

Chuck Woodard asked Maureen Valente to discuss the State Aid cuts. He is wondering about the affect on the FY09 budget if we receive a 10% reduction in State Aid. Maureen Valente stated that she warned the Department Heads months ago not to spend their entire expense budget. There will be savings in some salary lines, because positions are not being filled if an employee leaves. She does not have anything specific yet.

Bob Stein brought up the analysis that was done last year on the Fire & police overtime. He asked if the overtime was eliminated, what would happen to the morale of the police officers. Maureen Valente replied that you can not say there will be no overtime. The overtime lines are used to reduce the number of open shifts. Pete Fadgen, Police Chief, stated that their overtime line has been cut in the past. They are operating now with open shifts. The department does the best they can with what they are provided.

Bob Stein asked if the additional four firefighters are hired to help reduce the overtime cost, than how would this affect the current firefighters. Ken Maclean, fire chief, stated that the hiring of the four additional firefighters would not eliminate the need for overtime. The hope is to increase the amount of revenues raised by having more bodies to make ambulance runs. Anytime you cut someone's pay, this would result in the employee being upset.

Bob Haarde (37Belcher) asked Maureen Valente if the proposed Waste Water Plant was submitted as a Federal Economic Stimulus Project. Maureen Valente responded that it was not, because eligible projects need to be ready to commence within 180 days, and the Wayland project will not be.

Gordon Massey (16 Cake Bread Dr) commended the group of town employees who have agreed to take a pay freeze. His hope is that the unions will follow this lead. He asked if Maureen Valente could explain the Federal Economic Stimulus projects. She stated that 17 projects have been prioritized and submitted. The funds will not cover any operating costs. The project needs to be able to create private sector jobs.

The committee took a five minute break before continuing on to the CIPC Hearing.

Capital Improvement Planning Committee Budget Hearing:

Doug Kohen, CIPC member, made the presentation.

He started his presentation by describing what is considered a capital project. An asset must have a single year cost of \$10,000, or a multi-year cost of more than \$100,000. Assets over \$100,000 are sometimes acquired through Lease/Purchase.

Starting with the FY10 budget, all lease payments will move to the capital budget. Also, the \$20,000 walkway project has been moved from the CPIC to the department's operating budget.

The Sudbury Public Schools did not submit any capital projects for FY10. It is unknown if they have any outstanding leases. It is not known if capital requests are running through the SPS operating budget.

The FY10 Capital Projects requests totaled \$622,108.

Non-Override Target Budget = \$523,816	Non-Override Approved Budget = \$523,383
Override Target Budget = \$536,129	Override Approved Budget = \$535,383

Priority Listing of Projects:

1. DPW Lease Payments (years 2 thru 5)
2. Selectmen Munis Tax Software Lease Payment
3. DPW multiple vehicles lease/purchase
4. Selectmen B&W Copier
5. Various Building Improvements
6. Town Hall Handicap Entrance
7. Library RFID self check-out
8. Fire Station HQ Painting
9. Fire Station 2 light

There being no further business, the committee adjourned at 9:50pm.