

**Town of Sudbury ~ Finance Committee
Minutes of Meeting
Monday – July 12, 2010
Flynn Building (Silva Room) – 7:30pm**

Present: Chairman Jim Rao, Tammie Dufault, Jamie Gossels (arrived 7:42pm), Bob Jacobson (arrived 7:34pm), Bill Kneeland, Marty Ragones, Robert Stein, and Chuck Woodard

Absent: Joan Carlton

Opening Comments

The meeting was opened at 7:33pm.

The committee was informed that they need to take a formal vote to complete the appointment of Tammie Dufault to the Finance Committee.

VOTED: Motion to appoint Tammie Dufault to the Finance Committee, who will fill the position held by Sheila Stewart, and to serve in an interim position until the final adjournment of the 2011 Annual Town Meeting. Motion made by Robert Stein and seconded by Bill Kneeland. On vote, motion carries 5 in support, 0 opposed, and 3 absent (Carlton, Gossels, Jacobson)

Item 1: Approve Meeting Minutes

Jim Rao reminded the committee that he and Chuck Woodard had previously emailed their proposed changes to the June 21 minutes. He asked the committee if they had other changes they would like to add. Robert Stein asked for the wording in paragraph 4 – under item 4 to be reworded. He questioned the applicants regarding the pros & cons of an override, and asked optionally how they voted.

VOTED: Motion to approve the minutes of the June 21, 2010 meeting with the understanding that the recommended changes will be made. Motion made by Marty Ragones, and seconded by Bill Kneeland. On vote, motion carries 6 in support, 0 opposed, 2 absent (Carlton, Gossels), and 1 abstain (Dufault).

Item2: Transfer and Other Business

Transfers: The committee was informed that there were no transfer requests to take action on.

Other Business: FY11 Budget Revenue Forecast Update

The committee was informed that the Gross Receipts are approximately \$48,000 lower than what was voted at the Annual Town Meeting. There is the potential to offset this shortfall with revenues from the local meals tax. The committee was provided with a handout that was prepared by Jim Rao with the help of Andrea Terkelsen.

Robert Stein brought up the various emails from Andy MacEntee in which Mr. MacEntee stated his taxes increased significantly higher than the 2.24% that the FinCom stated it would.

Andrea Terkelsen gave an overview as to how the tax bills are calculated and the factors that have an effect on a resident's tax bill.

Maureen Valente, Town Manager, stated that she and Andrea Terkselsen are here to work with the FinCom. The issue that Robert Stein is arguing is not on the agenda. If the FinCom wants to add this item to a future agenda, they need to be told in advance so they that can be prepared and have the proper documentation put together to discuss.

Jim Rao stated that a lot of good points have been brought up. The committee needs to think about this and address this topic in a more formal fashion. He thought Bob Jacobson made a valid point in that right now, no one knows what that tax rate will be set at. Jim Rao reminded everyone that the calculation/information in the warrant is provided by the FinCom.

Robert Stein questioned Andrea Terkelsen why a 2.24% increase was listed in the warrant when it should have been 3%. Bob Jacobson reminded him that the 2.24% increase was what the FinCom came up with. Chuck Woodard stated that the 2.24% tax increase was based on the average assessed value based on the override amount being proposed and the known assumptions at the time.

Robert Stein stated that he will take up the discussion later. Maureen Valente recommended that if he has not already done so, that he should review the Finance Committee manual as it contains a lot of information.

Item 3: Public Comment

There were no questions from Sudbury residents.

Item 4: Follow up discussion on FinCom priorities for FY11 & FY12

Jim Rao reviewed the potential priorities for Tammie Dufault since she is participating in her first meeting. The list of priorities had been determined at the previous FinCom meeting.

Jim Rao suggested the committee members rank the priorities and the FinCom should concentrate on the top two priorities. Robert Stein suggested that the committee assigns 1 or 2 FinCom members to each priority and then include citizens and members from the other committees. Jim Rao again suggested picking two priorities and dividing into smaller groups. Chuck Woodard stated that the committee should only focus on a couple of items. If too many priorities are chosen, than the residents will stop listening to what the FinCom says.

Marty Ragonis questioned how the committee would publicize the unfunded liabilities. Jim Rao suggested a collective letter from the FinCom be sent to the State Representatives and the Board of Selectmen.

Chuck Woodard thinks this would be a good subject to bring up at the budget forum. Maureen Valente, Town Manager, informed the committee that quotes are currently being accepted to complete the FY10 actuarial study. Chuck Woodard stated that it would be good to start publicizing this figure now. The average taxpayer is going to need time to understand the numbers.

The chart below reflects how each committee member ranked their choice of the priorities:

	1	2	3
Tammie Dufault	Long-Term Forecast	Underfunded Health Liability	Sewer
Jamie Gossels	Long-Term Forecast	Underfunded Health Liability	Underfunded Pension Liability
Bob Jacobson	Underfunded Health Liability	Underfunded Pension Liability	Long-Term Forecast
Bill Kneeland	Underfunded Health Liability	Underfunded Pension Liability	Long-Term Forecast
Marty Ragonas	Long-Term Forecast	Underfunded Health Liability	Underfunded Pension Liability
Jim Rao	Long-Term Forecast	Underfunded Health Liability	Underfunded Pension Liability
Robert Stein	Long-Term Forecast	Benchmarking Analysis	Metco Analysis
Chuck Woodard	Underfunded Health Liability	Long-Term Forecast	Underfunded Pension Liability

Item 6: Liaison Assignments

Jim Rao reminded the committee that they will need to decide who will be participating in the Budget Working Group meetings. He stated in his opinion having members serve on a rotating position does not work.

Bob Jacobson recommended having the current chairman, vice-chairman, the immediate past chairman, and the next potential chairman represent the FinCom for the Budget Working Group.

Marty Ragonas stated she believes the person has to have served for more than one year, in order that they have some experience.

Jim Rao stated that he believes Bob Jacobson’s idea is a good recommendation. He asked members to email him if they are interested.

There being no further business, the committee adjourned at 8:27pm