

**Town of Sudbury
Finance Committee
Minutes of Meeting
Monday, April 22, 2013
7:30 p.m.**

The Town of Sudbury's Finance Committee ("FinCom") Meeting, held in the Flynn Building, was called to order at 7:34 p.m. by Chairman Jim Rao. Present for this meeting were Joan Carlton, Jamie Gossels, Bill Kneeland, Doug Kohen, Mark Minassian and Chuck Woodard. Bob Jacobson and Bob Stein were absent.

Item #1: Review Articles #40 through #43

Jim welcomed Dan DePompei, the petitioner for Articles 40 through 43, to provide of an update on potential changes to his articles. Jim distributed a copy of the current, proposed changes that Mr. DePompei provided via e-mail. Mr. DePompei stated that he tried to reflect some of the concerns that the Finance Committee previously expressed.

With regard to Article #42, Dan is proposing to revise the article to address a rotating chairmanship for committee's that have less than five members. He believes this should alleviate the FinCom's specific concern that it takes a couple of years for a Finance Committee member to understand the budget process before they could be an effective Chair. Jim asked if this change was still relevant given the upcoming increase in the Board of Selectmen to five members. He stated that as previously discussed, the original intent of this article was to address concerns regarding a rotating chairmanship within the Board of Selectmen and now this would not apply. Dan agreed that his original intent was to address concerns with the Board of Selectmen but that he did not think it was appropriate for any single person to hold the position of chair of a committee for an extended period of time, such as for example for six years as he has seen for some town committees such as the Community Preservation Committee. Jamie expressed concerns that limiting a chair of a committee based on size of the committee might not address the specific expertise required to be a chair of certain committees. Doug disagrees with a concept that limits committee membership only to those people who have the expertise and bandwidth to become chair. People have different constraints regarding the amount of time they can devote whether that be due to family or work responsibilities and that should not preclude them from contributing on committees. Doug stated that if the issue that Dan wants to address is specific to the Board of Selectmen, then the article should be stated as such. Mark agreed with Doug's statement.

Dan then moved on to a discussion of article #41, an article which creates a semi-annual town forum. Jim explained to Mr. DePompei that when the original non-binding article was presented at town meeting several years ago that the FinCom did not take a formal position on it given that it is not directly related to budgets or financing. However, he did welcome any updates that Mr. DePompei could provide. Dan mentioned that he took some of the feedback provided to him at the previous meeting and has decided to change the wording to limit it to a town forum that is conducted only once per year.

The next article discussed was article #43, an article which deals with a by-law change that describes in more detail the data that town departments should be required to disclose to the Finance Committee and appear in the warrant. Jamie expressed a concern with both the effort required to present actual year-to-date information as well as the relevance of providing such data given that municipal financial flows are not linear throughout a given fiscal year. As a result, she is not sure if the data would be relevant or if someone looking at year-to-date information might draw the wrong conclusions. Jim stated that he had a different opinion as he did not think it would be difficult to provide the information and that having discussions and providing a narrative is always helpful. In fact, this is a discussion point when we meet with the cost centers in December when reviewing some of the responses to our cost center letter. Jim raised a concern, however, about adding so much rigidity to a bylaw. To be clear, there is nothing in the current bylaws that require the Finance Committee to provide the level of information that is currently presented in the warrant. The Finance Committee section has evolved over the past several years to include more information and he sees no reason why it can't continue to evolve organically based on public feedback without making so many detailed changes to the bylaw. Moreover, he cautioned that we should be cognizant about how much information is contained in the warrant as the reader can be overloaded. There is a lot of information available on the town website including, but not limited to, audited financial statements, OPEB valuation reports and other information. The purpose of the town warrant is to prepare taxpayers for budget review and discussion at town meeting, not to provide an update on all the financial activities of the town whether or not they are part of an article at town meeting.

Mr. DePompei then moved on to a discussion of article #40, an article which requires that Article 4, the main budget article reviewed at Town Meeting, be pushed out to the next scheduled session of Town Meeting if any expense line item increases by more than 2 percent. Dan is proposing to make a change to this article that would require a delay based on a change of either 25% or \$250,000, whichever is less. Bill Kneeland gave an example of a small line item changing by \$5,000 that based on Dan's proposed, would require that budget item to be delayed. Bill believes any change should be a material one to require such an action at town meeting. Dan agrees in principle but feels that his proposed wording can still accomplish this concept. Mark suggested that perhaps he should consider changing to whichever is more, not less. Jim agreed that it should be a material amount that would trigger a delay and that what is being proposed is not a material amount.

Item #2: Review PILOT Agreement for LSRHS

Jim introduced Nancy Marshall, Chair of the School Committee for the Lincoln-Sudbury Regional High School ("L-S"), to provide an update to the committee on the progress that has been made by L-S in their PILOT agreement to install a solar canopy at the high school. She introduced Kevin Batt from Anderson & Kreiger LLP, a consulting firm that is part of an energy buying consortium in Boston that works with non-profit institutions and has been assisting L-S with this project. The contract length is for 20 years based on specific rate assumptions. When installed, the solar canopy should provide L-S with more than 75 percent of the high school's electricity needs and drive significant annual savings. Chuck asked a question regarding the economics of this contract. Specifically, based on his reading of this proposal, L-S is signing up to pay a specific amount of funds for electricity over the next 20 years and that we are basically

taking a view of energy prices. For example, assuming that energy costs continue to increase over time, than this contract makes a lot of sense. If they decline, however, by more than a certain amount than this could potentially not be a good deal for L-S. He does not believe this will happen nor is he saying this is a bad project, he just wants everyone to understand that we are signing up for a 20 year contract that fixes certain costs.

Item #3: Review Remaining Articles for ATM

Jim then walked everyone through a review of the open articles that the committee still needs to vote on prior to annual town meeting. The vote for these articles will take place at the May 2nd meeting.

Item #4: Public Comments

There being no further questions from the committee, Jim asked if there were any questions or comments from member of the public that were in attendance. Andy MacEntee, Brookdale Road, provided a handout to the committee that he wished to review and also referred to an e-mail he previously sent to the committee. Andy wished to discuss the proposed changes to the bylaws for the Capital Improvement Planning Committee (“CIPC”) outlined in article #22 of the town warrant. Andy pointed out that there is an enabling statute that the town’s original CIPC bylaw was originally based on. In Andy’s opinion, the original CIPC bylaw was clearly not an adhoc bylaw but based on clear, state guidelines so we should not be so quick to make such sweeping changes to the current bylaw. He also raised concerns that we have not always followed the requirements of the current bylaw as based on his opinion article #16, which deals with the construction of a new police headquarters, did not meet the proper deadlines for review by the CIPC. He does not support approval of article #22 and believes more modest changes can and should be made to the CIPC bylaw.

Item #5: General Business – Transfers and Meeting Minutes

Jim then referred to a transfer request from the Town that was previously circulated. The proposed transfer of \$64,197 is requested from the Benefits Reserve Fund to Fire Department Salaries. As a contract has been settlement has been reached for FY13 this transfer amount represents what is required for the remainder of the fiscal year in the fire department. As there were no questions, a motion to approve was made by Bill Kneeland and seconded by Doug Kohen. No further discussion. VOTE: Unanimous (7-0) in favor of motion.

Jim then referred to a transfer request from the Town that was previously circulated. The proposed transfer of \$10,803 is requested from the Benefits Reserve Fund to Highway Overtime to cover unbudgeted highway overtime costs related to the two major storms in August and October that were not reimbursed by the Federal Emergency Management Agency. Doug asked a clarifying question as to what would be left in the reserve after this transfer. Andrea Terkelsen, Finance Director for the Town, explained that this was a sub-account within a larger reserve account balance. As there were no further questions, a motion to approve was made by Bill Kneeland and seconded by Jamie Gossels. No further discussion. VOTE: Unanimous (7-0) in favor of motion.

Members were then asked to refer to the minutes of the meeting on February 4, 2013 that were previously circulated. With no further discussion, comments or questions on the minutes the

Chairman asked for a motion to approve. The motion was so moved by Mark Minassian and seconded by Jamie Gossels. No further discussion. VOTE: On vote, motion was approved (6 in support and 1 abstention, Chuck Woodard).

Members were asked to refer to the minutes of the meeting on February 26, 2013 that were previously circulated. With no further discussion, comments or questions on the minutes the Chairman asked for a motion to approve. The motion was so moved by Jamie Gossels and seconded by Doug Kohen. No further discussion. VOTE: On vote, the motion was approved (6 in support and 1 abstention, Chuck Woodard).

Members were asked to refer to the minutes of the meeting on February 28, 2013 that were previously circulated. With no further discussion, comments or questions on the minutes the Chairman asked for a motion to approve. The motion was so moved by Doug Kohen and seconded by Joan Carlton. No further discussion. VOTE: On vote, the motion was approved (5 in support and 2 abstentions, Bill Kneeland and Chuck Woodard).

Members were asked to refer to the minutes of the meeting on March 12, 2013 that were previously circulated. With no further discussion, comments or questions on the minutes the Chairman asked for a motion to approve. The motion was so moved by Jamie Gossels and seconded by Doug Kohen. No further discussion. VOTE: On vote, the motion was approved (5 in support and 2 abstentions, Bill Kneeland and Joan Carlton).

Members were asked to refer to the minutes of the meeting on March 14, 2013 that were previously circulated. Jim pointed out a small edit to correct for an error on page 3. With no further discussion, comments or questions on the minutes the Chairman asked for a motion to approve. The motion was so moved by Bill Kneeland and seconded by Mark Minassian. No further discussion. VOTE: On vote, the motion was approved (5 in support and 2 abstentions, Doug Kohen and Joan Carlton).

Before adjourning, Jim informed the committee that he would be resigning from the Finance Committee after town meeting. Due to additional work responsibilities that are requiring a significant increase in travel, he does not feel that he can devote the time required to be a contributing member of the committee moving forward. He thanked the committee for all their dedication and contributions this past year and during his entire tenure on the Finance Committee.

The next regularly scheduled Finance Committee Meeting will be held on Thursday, May 2, 2012 at 7:30 p.m.in the Flynn Building.

Bill Kneeland made a motion to adjourn and it was seconded by Mark Minassian. All were in favor. **There being no further business, the committee adjourned at 9:54 p.m.**