

**Town of Sudbury
Finance Committee
2013 Town Meeting Positions
Minutes of Meeting
Thursday, May 2, 2013
7:30 p.m.**

The Town of Sudbury's Finance Committee Meeting, held in the Flynn Building, was called to order at 7:31 p.m. by Chairman Jim Rao. Present for this meeting were Joan Carlton, Jamie Gossels, Doug Kohen, Mark Minassian, Robert Stein and Chuck Woodard. Bill Kneeland and Bob Jacobson were absent.

Item# 1: Review Articles #17 and #18

Jim welcomed Jim Kelly, Facilities Director for the Town and SPS, and Jack Ryan to present an update on Article 17 and Article 18 from the annual town meeting warrant (the "Warrant"). Jack explained that after much discussion on Article 17 (Fairbank Master Plan) and Article 18 (Roof Project), the sponsors of the article have decided to take a different approach to funding. As a matter of background, Article 17 provides funding is a feasibility study for Fairbanks which is estimated to cost \$75,000. The funding for Article 17 is in the amount of \$10,000 and the sponsors of the article will ask that the funding come from a transfer of \$10,000 from for Article 18 (Natatorium) of 2012 Annual Town Meeting, an article which has excess funds remaining. The remaining \$65,000 will be coming from private sources, a process which is ongoing. In summary, the purpose of Article 17 has not changed from what was previously discussed, just the source of funding and amount for 2013 Annual Town Meeting. Jim Rao noted that this is not new funds that Town Meeting is being asked to appropriate but rather a shift of previously appropriated funds from an article in 2012 to an article in 2013.

Article 18 provides funding for roof repairs at the Fairbanks. The funding for Article 18 is in the amount of \$50,000 and similarly, the sponsors of the article will ask that the funding come from a transfer of \$50,000 from for Article 18 (Natatorium) of 2012 Annual Town Meeting, an article which has excess funds remaining. The purpose of Article 18 is to maintain the roof while the feasibility study (Article 17 previously discussed) is being performed. Jim Kelly mentioned that we were able to obtain a grant which helped to offset the final costs the town needed to fund for Article 18 from 2012 Annual Town Meeting which is why there are excess funds available to support Article 17 and Article 18, respectively, in 2013.

Doug Kohen asked if the \$50,000 for Article 18 represented funds for one year's worth of repairs or would it support more than one year. Jim Kelly explained that there is a segment of the Fairbanks roof that requires repairs immediately but that barring any new issues, he believed the \$50,000 would support a couple of years of repairs while the overall plan for the Fairbanks building is determined. That said, he cannot predict whether some other issue might come up with the Fairbank building roof as the structure is quite old and may require additional repairs and funding. Ultimately, the roof needs to be replaced and what he is trying to do is keep the building functional while the feasibility study is completed. He cannot predict the future and

cannot provide assurances that additional funding may be needed for repairs in the future before a new roof and/or building structure plan is approved by Town Meeting and the voters.

Item# 2: Review Remaining Articles and Take Positions for 2013 Town Meeting

Members were asked to refer to the package of warrant article materials provided at a previous meeting. Whereas some articles are not financial in nature the Committee will not take a position on all items for the warrant nor will they be asked to report further at Town Meeting. Such articles addressed here in will be so noted as “no position required or taken”. Chairman Rao led a discussion of each article by referring to each by number and subject, as contained in the Warrant. [All of Chairman Jim Rao’s comments herein are referred to by “Chairman” and Finance Committee referred to as “Committee”]

Chairman - Article 4: FY14 Budget (Finance Committee). Everyone was given a copy of the latest budget summary containing information for consideration under column labeled “FY14 No Override Budget”. The Chairman also provided an overview of a revised revenue forecast. While the total tax revenue forecast has not changed, the components have changed. The revenue assumption for state aid has been adjusted based on new Cherry Sheet forecasts published by the House, while the assumption for local receipts has been adjusted based on actual March 2013 YTD revenue figures, which are ahead of the original FY13 budget for local receipts. As total tax revenues have not changed, the FY14 No Override budgets for the three principal cost centers as well as assumptions regarding the use of Excess & Deficiency Funds by Lincoln-Sudbury Regional High School (“LS”) to supplement their FY14 budget have not changed from the budget assumptions previously reviewed and presented in the Warrant. However, due to a lower state aid assumption for LS that is contained in the House state aid forecast, the LS assessment to Sudbury has been revised upward to accommodate the lower state aid that will be received from the state. This is offset by higher local receipts resulting in no change to the No Override tax impact to taxpayers as compared to the Warrant. The Chairman indicated a total of \$82,957,172 for Article 4 under for consideration for a No Override vote. After several clarifying questions on the updated assumptions for article 4 the Chairman asked for a motion to approve the FY14 No Override Budget for article 4 in the amount of \$ 82,957,172. The motion was so moved by Joan Carlton. Motion was seconded by Doug Kohen. No further discussion. VOTE: (Unanimous) 7 - 0 in favor of the motion.

Chairman - Article 17: Fairbank Community Center Projects. With no further discussion, comments or questions the Chairman asked for a motion to approve a transfer approve article 17 which asks for a transfer of \$10,000 from Article 18 (Natatorium) of the 2012 annual town meeting. With no further discussion, comments or questions on article 17 the Chairman asked for a motion to approve the Fairbank Center Complex Master Plan. The motion was so moved by Chuck Woodard. Motion seconded by Jamie Gossels. No further discussion. VOTE: (Unanimous) 7 - 0 in favor of the motion.

Chairman - Article 18: Fairbank Community Center Projects. With no further discussion, comments or questions the Chairman asked for a motion to approve a transfer approve article 18 which asks for a transfer of \$50,000 from Article 18 (Natatorium) of the 2012 annual town meeting. With no further discussion, comments or questions on article 18 the Chairman asked

for a motion to approve the Fairbank Center Roof Project. The motion was so moved by Mark Minassian. Motion seconded by Joan Carlton. No further discussion. VOTE: (Unanimous) 7 - 0 in favor of the motion.

Chairman - Article 19: Town Center Traffic Improvements. The Chairman started the discussion by reminding the Committee of the previous discussion with the Board of Selectmen (the sponsors of this article) as well as the memorandum provided to the Committee by the DPW Director, Bill Place. While the total cost of the project is approximately \$1.8 million, this article deals with funding in the form of a capital exclusion in the amount of \$700,000. The remaining funding for the project will come from Chapter 90 Highway Funding as well as \$100,000 from CPA funds. Doug Kohen mentioned that he is supportive of the project but he is firmly opposed to the funding model being proposed and does not believe that diverting such a large portion of Chapter 90 Highway Funding for two years is a prudent thing to do. Rather, he believes the total amount of funding should be presented to, and come from, the taxpayers. Bob Stein is firmly against this article because he believes only a new traffic light is needed. Chuck is supportive of the project and thinks that the funding mechanism the Board of Selectmen proposed is actually quite novel and thrifty. He actually believes we have spent plenty of money over the years resurfacing the roads and thinks that we will be fine diverting Chapter 90 Highway Funding for two years to support his project. Mark Minassian is concerned that while we can carry over Chapter 90 funds from one fiscal year to another, because we do not potentially have much of a surplus that he has similar concerns as Doug in terms of using too much Chapter 90 funding for this project. With no further discussion, comments or questions on article 19 the Chairman asked for a motion to approve the Town Center Traffic Improvements. The motion was so moved by Jamie Gossels. Motion seconded by Chuck Woodard. No further discussion. VOTE: 4 in favor of motion and 3 against (Doug Kohen, Mark Minassian and Bob Stein). Motion carried by vote of 4 to 3.

Chairman - Article 22: Amend Town of Sudbury Bylaws, Capital Planning Bylaw Amendment. With no further discussion, comments or questions on article 22 the Chairman asked for a motion to approve article 22. The motion was so moved by Chuck Woodard. Motion seconded by Doug Kohen. No further discussion. VOTE: 6 in favor of motion and 1 against (Bob Stein). Motion carried by vote of 6 to 1.

Chairman - Article 40: Amend Town Bylaws, Art. II, Government of Town Meeting – Add New Section, Budget Changes (Petition). . Jim explained to the committee that despite the proposed changes that the petitioner, Mr. DePompei, discussed with the committee on April 22nd, they would have to vote on his articles as presented in the warrant because they do not know what exactly might pass at annual town meeting and need to provide an opinion on what is contained in the warrant if asked. With no further discussion, comments or questions on article 40 the Chairman asked for a motion to approve article 40. The motion was so moved by Mark Minassian. Motion seconded by Jamie Gossels. No further discussion. VOTE: 2 in favor of motion and 5 against (Joan Carlton, Jamie Gossels, Doug Kohen, Jim Rao and Chuck Woodard). Motion is not approved by a vote of 2 to 5 against.

Chairman - Article 42: Amend Town Bylaws, Art. III, Town Affairs – Add New Section 10, Chairmanship (Petition) With no further discussion, comments or questions on article 40 the

Chairman asked for a motion to approve article 42. The motion was so moved by Joan Carlton. Motion seconded by Doug Kohen. No further discussion. VOTE: 1 in favor of motion and 6 against (Joan Carlton, Jamie Gossels, Doug Kohen, Mark Minassian, Jim Rao and Chuck Woodard). Motion is not approved by a vote of 1 to 6 against.

Chairman – Article 43: Amend Town Bylaws, Art. IV, Finance Committee, s. 5 - Expanded Reporting (Petition) With no further discussion, comments or questions on article 40 the Chairman asked for a motion to approve article 40. The motion was so moved by Joan Carlton. Motion seconded by Doug Kohen. No further discussion. VOTE: 2 in favor of motion and 5 against (Joan Carlton, Jamie Gossels, Doug Kohen, Jim Rao, and Chuck Woodard). Motion is not approved by a vote of 2 to 5 against.

Item# 3: Public Comments

Dan DePompei mentioned that, as previously discussed with the Committee, he will be revising his articles and presenting amendments on the floor of Town Meeting. He will try to provide the Committee with new information as it becomes available.

Bob Stein mentioned that he wanted to share new information with the Committee regarding the Police Station articles based on new cost data he received. Bob is supportive of a new police station, but that he has concerns regarding the process to build and fund a new police station. Bob referenced several cost comparisons for cost per square foot of police stations from several national and regional markets. In particular, a new police station in Littleton was constructed a few years ago for what he believes was a lower cost per square foot than our new police station is contemplated to cost. He is concerned that an article in the amount of \$7.5 million is being presented to taxpayers with only a conceptual plan and believes that we would be better served funding a design and architectural plan first before trying to fund such a large construction project before having all the details ironed out. Jim said that he appreciated Bob's comments and concerns regarding process, but that we have already voted on this article and that it is up to the sponsors of the police station article (article 16 of the 2013 warrant). Doug questioned why we were having this discussion given that we already voted on this article.

Jim asked Mike Melnick, Co-Chair of the Permanent Building Committee, if he would like to respond to Bob Stein's comments. Mike mentioned that he received a correspondence from John Kohler this past week regarding comparative statistics for the cost for different police station projects around the country and that Mr. Kohler believes the proposed costs for the Sudbury police station are too high. Mike mentioned that comparing national statistics can be very misleading as the relative costs of labor, specific site costs and other items can vary significantly by region across the country. Mike provided the Committee with comparative statistics for several local police stations that were built over the past several years in Littleton, Swampscott, Duxbury and Holliston. Based on this data comparison, the cost estimates for the new police station in Sudbury are very much in line with other communities. Chuck mentioned that using local data (from west suburban communities of similar size to Sudbury) for police station construction costs that are of comparable size is a much better comparison point to use for our police station vs. using national data that is not an apples-to-apples comparison.

The next regularly scheduled Finance Committee Meeting will be held on Monday, May 6, 2013 at 6:00 p.m. in Conference Room 300D of Lincoln-Sudbury Regional High School prior to the start of annual town meeting.

Mark Minassian made a motion to adjourn and it was seconded by Chuck Woodard. All were in favor. **There being no further business, the committee adjourned at 9:18 p.m.**