

Town of Sudbury ~ Finance Committee Meeting
Minutes of FY15 BUDGET HEARING
Tuesday, February 4 2014
Lower Town Hall - 7:00 PM

The Town of Sudbury's Finance Committee (FinCom) Budget Hearing, held at the Lower Town Hall, was called to order at 7:07 PM by Chairman Doug Kohen. FinCom members present for this meeting were: Doug Kohen, Joan Carlton, Susan Berry, William Kneeland, Robert Stein, Andrew Sullivan and Mark Minassian. Tammie Dufault and Robert Jacobson joined the group late.

Item 1: General business

- Transfers and other business

Maureen Valente described the following transfer requests:

1. Snow and Ice deficit - Maureen Valente is requesting the town to deficit spend for snow and ice

Robert Stein asked about the supply of sand? Mr. Place answered that the salt is coming in at a slow pace.

Currently they have 300 tons and are ready for the next 2 storms. Motion to approve the town to deficit spend for snow and ice. The motion was so moved by Mark Minassian and seconded by Bill Kneeland. VOTE: 9-0.

2. \$463 to pay advertising cost for recruitment of personnel replacement out of reserve funds.

Mark Minnassian asked: Why does the FinCom need to authorize this? Maureen Valente stated that anything out of the reserve funds needs to be authorized by the FinCom. Motion to approve \$463 to pay advertising expenses from the reserve funds. The motion was so moved by Bill Kneeland and seconded by Susan Berry. VOTE: 9-0.

3. Moving Salary line of \$34,000 to Contracted services.

Maureen Valente explained she is reorganizing the assessor's office and using consulting services for Mass appraisal services which are values approved by the DOR, which is typical work to get values ready. Bob Stein inquired was there an opening in the assessor's office; Maureen Valente responded not that they planned on. Robert Stein inquired was it put out to bid? Yes, Andrea Terkelsen has the RFP. Motion to approve moving \$34,000 from Salary line to contracted services. The motion was so moved by Joan Carlton and seconded by Susan Berry. VOTE: 9-0.

4. Police - \$14,565 from police salary to police capitol. Police Chief Nix wants to replace the current motorcycle with a 2014 Harley Davidson that has updated safety features and lights. Bob Stein asked how many officers are trained to ride the motorcycle. Chief Nix responded, 3 are currently trained. Susan Berry asked is the motorcycle replacement a priority? Motion to approve \$14,565 from police salary to police capital. The motion was so moved by Joan Carlton and seconded by Susan Berry. VOTE: 9-0.

5. Police - \$28,208 from police salary to police general expenses account. Sudbury police are down 3 officers at this point, these 2 transfer transactions would replacing their aged motorcycle and take care of training events; \$3000 academy fee, drug screening, outfitting of uniforms, ammunition and psychological testing. Bob Stein asked why are these officers leaving, some are going to the State Police or retiring. Yes. The motion was so moved by Joan Carlton and seconded by Susan Berry. VOTE: 9-0.

Item 2: Presentation of the FY15 No Override and Level Service Budgets for Town Departments

Maureen Valente provided the handout: FY15 Municipal Budget. She then presented the PowerPoint entitled

the same. Unless noted otherwise, Maureen Valente answered all questions in this section.

It was noted that the Health Insurance is set at 5% increase, yet the Town & Employee Benefit & Insurances line item is at 2.5%; why? The line item includes many items including health insurance and workers compensation.

Chairman Kohen asked if Sudbury would consider partnering with Lincoln regarding the Senior Center. Maureen Valente said that she will note this.

Bob Stein asked if Sudbury pays out money for an ALS call, don't we bill that to the user? Maybe, depends on the patient's medical insurance.

Bob Stein noted the past controversy over ALS (Advanced Life Support), we should make it known to citizens about the improvements in services and response times. The dispatching has been smoothed out. .

Robert Stein noted that we have a normal tree removal budget, what happens in an emergency when a tree has to be cut down? Jim Kelly can call one of his arborists.

Chairman Kohen asked if CPA funds can cover tree costs? Maureen Valente will check with Town Council.

Bob Stein asked who pays for pruning around wires; each company takes care of their own levels of wires. He also asked if these funds are only for sick trees. Maureen answered yes.

Chairman Kohen asked about the financial values of the administrative burdens that falls upon the staff; do those numbers ever show up in the budget? We don't keep track of those right now.

Chairman Kohen asked about the move to the GIC that resulted in savings over the past 2 years. Do you have a summary of where those dollars went? No. Each year we build the budget from the bottom up; we don't take from one budget and give to another.

Mark Minassian asked about the staffing changes; one was taken from the assessor's office and added to the planning office? It was a .5 time position that was filled in conservation. The other .5 was in the Board of Health, which was left in for reconfiguration of that department.

Andrew Sullivan asked about the search for the Assistant Town Planner. 38 resumes came in and is now down to 10. 5 perspective people have been asked to come back for another interview. Hopefully it will be filled in March.

Tammie Dufault was following up on Chairman Kohen's question regarding the GIC and asked for a detailed analysis of how much of that savings was given back in contracts. Maureen said she would not even be able to make a cut at that.

Maryann Bilideau stated that the savings for FY14 was 2.7M between the town and SPS. Maureen pointed out that it is important to remember that they were doing other initiatives, the opt-out and new hires being asked to pay a higher price for insurance. Currently we have many less employees taking our health insurance and we are not sure why.

Andrea Terkelsen pointed out that we have high free cash because of the unused health insurance and that gets closed out. Chairman Kohen asked if that is taken into account for the next year. Andrea Terkelsen

answered Yes, it is. The town has to try to find a reasonable headcount to cover for health insurance. They just do not know when an employee might opt back into the town plan.

Bob Jacobsen noted that fewer employees opting to take the town health insurance plan will also significantly reduce Sudbury's OPEB liability as well.

Tammie Dufault asked about tree work vs. cemetery maintenance; what are we giving up in cemetery maintenance, because there were some problems a few years ago. Bill Place answered that it is not sufficient, there have been many complaints, and we try to do with what we've got. Citizens that have family members there are concerned.

Chairman Kohen noted that Bill Place used Chp. 90 funds for the intersection at town center and the Landham Road project; we took money from FY14 & FY15. How do you feel about your department's ability to respond to road needs? Bill Place responded that Landham Road did cost approximately \$325,000; \$225,000 came out of Chp 90 funds. We usually get \$700,000 and \$500,000 will go to Town Center, the balance of that we will do road projects. The Governor released \$200M, \$1M less than expected.

Bob Stein inquired about level funding budget proposals for future years. He would like to see a budget presented that would show what a level service budget looks like. Tammie Dufault agreed taking into consideration the free cash in the past few years. The FinCom has the ability to ask for level funding budgets, 2.5% budgets and override budgets. Chairman Kohen interjected that we do not want to reduce services with a level funded budget especially where health insurance costs could swing at any time unbeknownst to the town.

Jack Ryan, Chair of the Council on Aging (COA) presented his view on issues regarding Sudbury's senior community. The number of seniors in Sudbury has gone up. The percentage currently is just under 20%. Services for seniors has not kept pace. A recent study from Massachusetts Healthy Aging noted that Sudbury's seniors are more educated and healthy. They will be expecting more lifelong services, social and emotional activities and physical activities. The current programs are first-come first-serve and they get filled up quickly. 250 individual volunteers, they are wonderful people, but you have to make sure things get done safely. There are more than 20,000 visits each year. Van transportation is inefficient in Sudbury. They want to socialize with each other, but most don't like to drive after dark. Grants, creative scheduling, using spaces in high school, and addition of personnel will allow for various activities that can take place and can get more services to seniors. 2 generations of seniors; seniors in their 60's that are taking care of their parents that are in their 90's. More senior age in place and live at home. There is a need for more services since seniors have increased from 13% to 20% of town. Now, our senior's need the kind of services that we have been giving our school children. Bob Stein asked about seniors that are moving out because of high costs and taxes. He asked is the 2010-2013 increase in senior citizens from new rentals (age restricted rentals) Jack Ryan answered that we don't have that data, it is a combination of both people moving into the senior housing and some staying in their own homes. Also, citizens are having their parents move into Sudbury. We don't have that data.

Capital Budget Budgets for Town Departments

Susan Berry asked if this is the new Capital Project Budget. Chairman Kohen responded, yes, we used to have the CIPC, it's not in their charter now. Now the Town Manager presents the budget.

DPW

Maureen Valente provided the handout: FY15 Capital Projects and Draft Financing Plan. She and Jim Kelly presented the DPW portion.

Chairman Kohen commented on the fact that we need to replace 5-6 vehicles. He asked have we been running at a deficit of 1-2 vehicles per year? Do we have staff sitting and waiting while these trucks are being repaired? Jim Kelly answered No, we double up on trucks. Chairman Kohen continued questioning and asked do we use contractors when no equipment is available? Jim Kelly responded yes, but it is expensive and most contractors do not have the big equipment or sanders we need to do the work. Maureen Valente also added that we do not have a budget for contractors. Bob Stein asked about a cost differential to hire outside contractors. Tammie Dufault would like to see a lease vs. buy with this investment. She also requested some examples of the impact that citizens would experience? Andrew Sullivan inquired about where these trucks are being fixed, in house or farmed out. Jim Kelly answered that 99% are fixed in house.

Bob Jacobsen asked about specifically excluding manufacturers in bid packages. Jim Kelly answered that you would have to have a good reason to exclude manufacturers in a bid. Towns are also subject to taking the lowest bid.

Chairman Kohen commented on the \$78,000 spent in the first ½ of FY15 for maintenance. With these purchases, would you expect that cost to be lowered? Jim Kelly responded yes.

Tammie Dufault asked if the investment includes salvage or trade-in values? Jim Kelly responded yes, best offer would be \$5,000. She continued with has this been included in this number? Jim Kelly responded yes.

Public Safety Vehicles:

Maureen Valente presented with Chief Myles.

Tammie Dufault inquired about the money that was set aside from insurance for ambulance calls. Chief Myles responded that the receipts are hard to predict now due to their own ALS program. She continued asking is there any money available from those calls to offset the new equipment costs?

Bob Jacobsen asked how old would the 2 reserves be? There is a 1987 with frame/corrosion issues and a 2008 that just sprung a leak in the radiator.

Capital Budget for SPS

Jim Kelly presented with Dr. Anne Wilson

Technology

Chairman Kohen asked if the technology infrastructure at the middle school will support the 1:1 technology use. Dr Wilson answered yes, they have updated yearly.

Bob Jacobsen asked why the 8th graders don't get Chrome books. Dr Wilson answered they will get use of Chrome Books on a rolling cart.

Chairman Kohen asked how long do the Chrome books last? Dr Wilson answered 3 years.

Parking Lots

Chairman Kohen asked if Chp 90 money could be used for the parking lots. Jim Kelly answered No, this is not a public roadway.

Tammie Dufault asked if the article fails, is there a backup plan for the safety issues? Jim Kelly answered yes; they would do a 1 year fix.

Bob Stein began, thinking long term instead of short term and with the enrollment drop, would it make sense to close a school and redistrict? Dr Wilson answered not at this time.

Andrew Sullivan asked about sealing the parking lots to aid with longevity. Jim Kelly answered that they do not seal the parking lots. Is there any perceived value of seal coating? No, only superficial.

Chairman Kohen asked if they reimburse teachers for their use of cell phones for parent calls. Dr Wilson answered no.

Tammie Dufault asked if there is a maintenance budget on this facility. Jim Kelly answered yes.

Item 3: Presentation of the FY15 No Override and Level Service Budgets for Sudbury Public Schools

Dr. Anne Wilson distributed a handout with the slides for her budget presentation. She then presented the FY15 SPS budget.

Tammie Dufault asked if staffing level proposed is from an outside source? Dr. Wilson responded that we have researched and believe this is a fair proposal and we won't know until we are fully implemented.

Tammie Dufault inquired about the math coach at Loring; she said the presentation is not clear. Dr. Wilson responded that the goal is to have a math coach in each school.

Bob Stein wanted to make clear that we are getting rid of 5 FT teachers and hiring 5 administrators? Dr. Wilson responded No, there are no administrators here. They all support teachers.

Chairman Kohen continued with Bob Stein's concerns about reducing 5 teachers, please clarify. Dr. Wilson responded we will accomplish this through retirement, reallocation and attrition. Bob Stein wanted to know if it is going to be 5 teachers? Dr. Wilson responded that they cannot comment on that currently.

Tammie Dufault and Bob Stein share the same concern regarding the huge amount of savings to SPS by going to the GIC, why is there still a 2.5% increase? Dr. Wilson responded, this is the budget that the FinCom requested that we provided.

The Fincom had previously inquired about possibly closing one school. But from previous research and questioning, there is no opportunity to close a school and redistrict for FY15. If the enrollment continues to go down; the FinCom may revisit those questions in 2-3 years.

Joan Carlton asked if there are any new programs to bring more out-of-district students in-house for this school year? Dr. Wilson responded No.

Joan Carlton asked what caused the drop in FY14 in out-of-district students. Dr Wilson explained the program in place to keep more students in district.

Mark Minassian asked if the FY15 budget was voted on unanimously by SPS and was told that it was not (a 4-1 vote). Mark asked if the SPS member who dissented against the budget was in attendance at the meeting,

and it was determined that he was. Mark asked if the Fincom could hear from that member as to why he voted against the budget. The Fincom was advised by the Chairman of SPS that the members of the Fincom could watch the recording of the meeting on Sudbury TV and read the minutes of the SPS meetings to find the reasons for the dissenting vote. The Chairman of SPS subsequently provided feedback that the dissenting member of SPS voted against the budget because he did not agree with the proposed allocation of dollars.

Item 4: Public comments

Mr. Manjarez from Minuteman High School asked to speak.

He explained that Minuteman has lacked a CPA for 2 years. The previous one resigned, his personal opinion is she left because of the financial situation. He is concerned about the over-assessment from Minuteman to Sudbury and the lack of free cash and depleting E&D fund. He has audited financial statements to show this data. Biggest concern is the underutilized tuition revenue. Bob Stein asked if Mr. Manjarez is the only one that is making these accusations? No, there have been other school committee members that have left in disgust because of these problems. Chairman Kohen stated that Minuteman High School is coming on Thursday and will we wait to ask the questions of the presenters at that time.

Item 5: Adjournment

Bill Kneeland made a motion to adjourn the meeting. Joan Carlton seconded it. Vote 9-0. The meeting was adjourned at 10:49pm by Chairman Kohen.