

**Town of Sudbury  
Finance Committee  
Minutes of Meeting  
Thursday, May 1, 2014**

The Town of Sudbury's Finance Committee (FinCom) Meeting was held at the Flynn Building, and was called to order at 7:32 PM by Chairman Doug Kohen. FinCom members present for this meeting were: Doug Kohen, Susan Berry, Robert Jacobson, William Kneeland, Mark Minassian, Robert Stein, and Andrew Sullivan.

**Item 1: General business**

A. Approve meeting minutes

The Chairman asked if there were any corrections or discussion of the minutes of the February 17, 2014 meeting. Bill Kneeland made a motion to approve the minutes and Andrew Sullivan 2<sup>nd</sup> the motion. VOTE: Unanimous

The Chairman asked if there were any corrections or discussion of the minutes of the February 27, 2014 meeting. Bob Stein made a motion to approve the minutes and Bill Kneeland 2<sup>nd</sup> the motion. VOTE: 6 in favor, 1 Abstain (Bill Kneeland was absent from the February 27<sup>th</sup> meeting).

B. Transfers

None.

The Chair recognized Maureen Valente, Town Manager, who explained a yearly item that needs to be approved by the Fin Com. In order to close out the year, the committee needs to grant the Town Manager discretion to move small amounts of money between line items. Chairman Kohen read language from a previous year. Andrew Sullivan asked whether or not these transfers are reviewed at a later date. Andrea Terkelsen explained that the transfers are in the monthly report.

The Chair asked for a motion to empower the Town Manager to approve transfers of not more than \$10,000 between functions without further Finance Committee approval between dates of 5/1/14 and 7/15/14. Motion moved by Bill Kneeland and seconded by Susan Berry. VOTE: Unanimous.

**Item 2: Discussion of Minuteman Regional High School Budget**

Dave Manjarrez, Sudbury's School Committee representative to Minuteman Regional Vocational High School (MRVHS), made a presentation to the Finance Committee regarding the Minuteman budget process, the underfunding of tuition enrollment, and the sizing of the new building. He is asking the FinCom to support his proposed motion to reduce Sudbury's

Minuteman assessment by \$1. Dr. Bouquillon, Superintendent, and Kevin Mahoney, Business Manager, were present.

Mr. Manjarez presented his case that Sudbury has been and is going to continue to be over assessed and that there is extra tuition money. Chairman Kohen asked Dr. Bouquillon and Mr. Mahoney to the table. He asked them to clarify how the tuition funds go in and out. Dr. Bouquillon clarified that the amount that Minuteman is collecting in this fiscal year is 'prior-year tuition'. Over the last 4 years, based on a vote of the school committee, Minuteman has been trying to reduce reliance on current year tuition to \$0 and use tuition collected in the current year for next year's budget. Minuteman doesn't send out the first bill until November, they are not collecting until January. Chairman Kohen reiterated his understanding that every dollar for tuition collected in FY14 will be applied to FY15 budget. Dr. Bouquillon confirmed and stated that the fluctuations that are seen in these revolving accounts are monies that are collected during the year. Mr. Manjarez claims, based on his investigation, that there is unexplained money in those revolving accounts.

Minuteman study groups have been set up by the administration that meet a couple of times each year with local FinCom and go through the budget and cash flow in more detail. Dr. Bouquillon invited Sudbury representatives to join these meetings.

There is disagreement about the right size for any new MRVHS building currently projected at 800. The administration believes reducing the size of the school will reduce educational opportunities. Also, if a smaller school is built, Minuteman will need a selective admissions policy, which they do not have now. Mr. Manjarez argued for replacing the current building with one that could accommodate fewer students than 800 given that about half the current enrollment are out-of-district students who the district members are subsidizing.

Robert Jacobsen asked about the information previously requested at the February meeting (actual expenditures and revenues compared to budgeted line items for prior years) that has not been given to Sudbury Finance Committee. Kevin Mahoney said that this information will be incorporated into future budget presentations. Robert also commented that rightsizing the Minuteman building is not just about the enrollment and building size; it is also about what programs are offered for what students. When there is not enough money (subsidies), the money should be allocated to where the in-district students are most interested.

Chairman Kohen asked if we should vote. Chairman Kohen said he believes that a motion to amend and adjust the Minuteman budget by \$1 will create a lot of confusion at Town Meeting. His personal preference would be to leave it as is. He asked for a motion to amend the Minuteman budget. No one made the motion.

**Item 3: Discussion of Police Station Costs** exempt from the provisions of proposition two and one-half, so-called, the amounts required to pay for the bonds issued in order to construct a new Police Department Headquarters

Mike Melnick presented an update on the project. When the town voted on the project at the ballot, the project cost was estimated at approximately \$7.8M and \$627,000 remaining from design costs would be applied to reduce the cost of borrowing. Therefore the cost of the project in information about the ballot question was estimated at \$7.2M. Since then, the Permanent Building Committee has learned that this money cannot be applied to the construction cost since the article written was strictly for design funds.

Since many options have been remove from the project with no change in the estimate, following the town election, the Permanent Building Committee decided it would be prudent to get a second estimate. The new estimate came in way over the original amount. What the committee would like to do is go forward with the newly estimated \$7.9M cost. Bob Jacobsen brought up the question, if \$7.9 passes at Town Meeting, do we legally need another election? Andrea Terkelsen answered, no. He continued with: is there an ethical obligation to the voters to go back to the ballot box because the project is \$600,000 - \$700,000 more than originally expected.

Bob Stein brought up his concern about the loss of trust and faith in the Permanent Building Committee because of the price difference and the fact that the price of the project changed significantly only days after the vote.

The Finance Committee talked about rescinding their vote and offering an amendment at Town Meeting that would include the stipulation that if the motion at the higher cost passed at Town Meeting, it would be placed on the ballot again with the information about the higher estimate. Since it was unclear what the final motion will be, the FinCom decided they can vote on a recommendation on the final article at Town Meeting.

**Item 4: Review Remaining Articles for ATM**

Chairman Kohen called Mr. DePompeii for discussion regarding Article 45, funding the Conservation Fund. This article may be amended at Town Meeting. Therefore, the FinCom decided to report at Town Meeting.

Article 46 moves to amend the town bylaws of the Wetlands Administrative Bylaws to be stricter than what the state currently has. Town Council advised that this is outside of Mr. DePompeii authority and not appropriate for the warrant. The FinCom takes no position on this article.

Article 47 moves to amend the Town Bylaws Article IV, Finance Committee, by adding the following sentence in quotations to Section 5: “Additionally, all submittals/reports shall include any amounts currently held in reserve accounts, contingency accounts, escrow accounts and self-

insurance accounts. Siad submittals and reports shall also include all unfunded liabilities.” Mr. DePompeii has noted that this year’s warrant contained much more financial information (free cash and OPEB) than in previous years and he thanks the committee for that. Susan Berry is asking whether we want to have a bylaw to provide this information or do we want to freely distribute this information. Chairman Kohen and other members of the FinCom are concerned that being required to provide information could be difficult because accounts may not be certified or accounts may not be yearly. Bill Kneeland is concerned about legislating this type of information because a number taken out of context can be more challenging for citizens. The FinCom’s goal is to provide as much information as possible and in the last 7 years this section has grown exponentially. Chairman Kohen suggested that if this does not pass Town Meeting, Mr. DePompeii come back before the FinCom in November to continue the conversation. Chairman Kohen asked for a motion to support article 47 as worded in the warrant. Bob Jacobsen made the motion, Bill Kneeland 2<sup>nd</sup>. VOTE: Yes: Mark Minassian, Bob Stein and Andrew Sullivan; No: Bill Kneeland, Susan Berry, Bob Jacobsen, and Chairman Kohen.

#### **Item 5: Finance Committee Budget Deliberations and Vote**

Chairman Kohen stated that we are not going to re-vote the capital articles because there are 2 members missing. In all likelihood, SPS and the town will move to amend Article 4 to increase their budgets by the amount decreased by FinCom. Doug Kohen’s recommended approach is that the FinCom support a limiting motion which includes the higher amount and then let the town debate on the floor of Town Meeting what they would like to support. Bill Kneeland would like The Chairman asked for a motion that the limiting motion for Article 4 to be \$85,083,102 as provided by Andrea Terkelsen; this is the full proposition 2 ½ number. Bill Kneeland made the motion and it was 2<sup>nd</sup> by Susan Berry. VOTE: Unanimous.

#### **Article 3 - Stabilization Fund**

This article will be indefinitely postponed. Therefore, there was no vote on this article by the FinCom.

**Article 21 - Fairbanks Roof**, Move \$100,000 from an existing account (ERV project, article 12, last year) to repair roof. Article moved by Bill Kneeland, 2<sup>nd</sup> by Susan Berry. Vote: Unanimous

**Article 23 - Nixon School** (partial roof) this article will be indefinitely postponed; it is not clear if Sudbury will be invited into the MSBA program. Therefore, there was no vote on this article by the FinCom.

#### **Article 24 - Establishing the Stabilization Fund**

Motion to approve the article in the words of the article. So moved by Andrew Sullivan, 2<sup>nd</sup> by Susan Berry. VOTE: Unanimous.

#### **Article 25 - Energy Savings Program Stabilization Fund**

Chuck Woodward remarked that the idea is to capture the savings from energy efficiency projects like the solar panels. Bob Stein asked if this money will be used for additional energy savings projects. Yes via Town Meeting. Each year, citizens will be asked to vote on how and how much to spend from this Fund. Article moved by Susan Berry, 2nd by Bill Kneeland. Vote: Unanimous

**Article 26 - Engineering Zoning for Rt. 20 Sewer**, request \$50,000 for research, but there is no funding. This article will be indefinitely postponed at Town Meeting. No Vote.

**Article 28 - Disabled Veterans; residency requirement** - Under the advice of Andrea Terkelsen, FinCom takes no position.

**Article 35 - Change deadline of CPC**; Bob Stein made the motion to support Article 35 as stated in the warrant, 2nd by Susan Berry. Vote: Unanimous.

**Article 36 - \$63,000 unused funds returned to Community Preservation Fund**, motion to recommend approval made by Susan Berry, 2nd by Bill Kneeland. Vote: Unanimous.

**Article 37 - CPF general budget**, overall budget for CPA; Bill Kneeland made motion to recommend approval of article 37; 2nd by Bob Jacobson. Vote: Unanimous

**Article 42:** A petitioner would like to take a small piece of land adjacent to Rt. 20 that he currently maintains. Chuck Woodward states that this may be a piece of land that Sudbury wants for the Rt. 20 sewer project. Motion to recommend disapproval of this article was made by Susan Berry, 2nd by Bill Kneeland. Vote: All opposed.

**Article 8 - Unpaid bills**, motion to approve the article as worded in the warrant, so moved by Bob Stein, 2nd by Andrew Sullivan. Vote: Unanimous.

**Article 9 - Chp. 90 funds**, motion to approve the article as worded in the warrant, so moved by Bill Kneeland, 2nd by Susan Berry. Vote: Unanimous.

**Article 10 - Real Estate Exemption**, motion to approve the article as worded in the warrant, so moved by Bill Kneeland, 2nd by Susan Berry. Vote: Unanimous.

**Article 11 - Revolving Fund**, motion to approve the article as worded in the warrant, so moved by Susan Berry, 2nd by Bob Stein. Vote: Unanimous.

**Article 12 - Loan Borrowing**, motion to approve the article as worded in the warrant, so moved by Susan Berry, 2nd by Andrew Sullivan. Vote: Unanimous.

Doug Kohen announced that he and Robert Jacobsen have asked the Moderator not to reappoint

them to the Finance Committee.

**Item 6: Public comments**

Jim Kelly will you be revisiting the rolling stock article? On Monday night. Jim also asked, “On the Nixon Parking lot, why did you vote against it?” Mark Minassian offered his opinion, strictly a funding.

**Item 7: Adjourn**

Bill Kneeland made a motion to adjourn. The motion was seconded by Bob Jacobsen. All were in favor and the meeting was adjourned at 10:34 PM.