

[Type text]

**Town of Sudbury  
Finance Committee  
Minutes of Meeting  
Thursday, February 12, 2015**

The Town of Sudbury's Finance Committee (Fincom) Meeting was held in Lower Town Hall and was called to order at 6:38 PM by Chairman Susan Berry.

Fincom Attendance: Present: Susan Berry, Adrian Davies, Jose Garcia-Meitin, William Kneeland, Mark Minassian, Fred Floru (arrived late) and Jeff Atwater (joined meeting after being voted onto the committee)

Absent: Jeff Barker, Joan Carlton

**Item 1: Final vote to appoint Jeff Atwater to Fincom to replace the position vacated by Andrew Sullivan**

The motion to officially appoint Jeff Atwater to Fincom was made by Bill Kneeland and was seconded by Adrian Davies. The vote was unanimous 5-0 with three members absent.

**Item 2: Review final report from the Strategic Financial Planning Committee for OPEB Liabilities**

Selectman Chuck Woodard presented the report and reviewed the recommendations made by the OPEB committee (report available at [https://sudbury.ma.us/sfpcol/?attachment\\_id=101](https://sudbury.ma.us/sfpcol/?attachment_id=101)).

Adrian asked about the use of the different discount rates used in the assumptions for the liability calculations under the pay-as-you-go (PAYG) method. Chuck indicated that a discount rate of 3.5% is used in the PAYG calculations.

Susan asked if the option to dedicate local meals tax revenues to the OPEB liabilities would be revocable. Maureen Valente said such an option would have to be written into such an agreement.

**Item 3: Review final report from the Strategic Financial Planning Committee for Capital Funding**

Chuck presented the final report and reviewed the recommendation made by the Capital Funding Committee (report available at [https://sudbury.ma.us/sfpccf/?attachment\\_id=65](https://sudbury.ma.us/sfpccf/?attachment_id=65)).

Susan asked if cell tower revenues would be recognized in the FY16 budget. Chuck indicated that they would be.

Mark asked which capital projects were bondable and which ones weren't. Chuck said that he has a list detailing which types of projects are not eligible for bonding.

Adrian asked if the Other Revenue line in the proposed FY16 was being reduced by \$113,000. Maureen indicated that the revenue stays the same and that there would be an article asking for the cell tower revenues to be put into a special fund.

**Item 4: Presentation of FY16 operating capital budget by Maureen Valente**

Maureen presented the town's FY16 capital budget and reviewed a memo detailing the \$392,750 capital budget request (FY16 capital project requests available at <https://sudbury.ma.us/finance/wp-content/uploads/sites/292/2015/02/FY16-Preliminary-Budget-Document.pdf>).

Susan asked about the increased capital budget amount. Maureen said the Capital Funding Committee suggested that the annual capital budget be increased to close to \$400,000.

**Item 5: Q&A on the town budget**

Susan asked if anyone had questions about the town budget as a whole.

Bill asked what triggered a drop in ambulance receipts. Maureen said it was primarily due to reimbursement rates dropping from Medicare and private insurers. Fire Chief Miles added that the town runs about 800 ambulance transports every year that are now being reimbursed at lower rates.

Fred asked if the town has contracts with insurance companies. Chief Miles said that the town does not and added that the town bills the patients what insurance doesn't pay and the town gets charged a 4% administrative fee by the billing processor.

Susan asked about DPW level service expenditures above 2.5% and if they were added to the level services budget to stay ahead of the curve of the projects. Maureen said that was correct.

Mark asked if a \$400K override was still being considered to fund the rolling stock stabilization fund. Maureen said that it was not being considered for FY16.

Adrian asked if the Sudbury Valley Trustees contribute resources to maintain the conservation land in town. Maureen said that they do. Adrian also asked about a slight discrepancy in the numbers in the budget book. Maureen said that the figure in question in the budget was incorrect due to a clerical error.

**Item 6: Capital Improvement Advisory Committee (CIAC) FY16 recommendations**

Tom Travers and Jim Kelly presented the updated CIAC FY16 recommendations (report available at [https://sudbury.ma.us/capitalimprovement/?attachment\\_id=225](https://sudbury.ma.us/capitalimprovement/?attachment_id=225)).

Adrian asked about the cost for the Davis Field renovations dropping from \$3.5 million to \$1.2 million. Tom said that the work will be done by the DPW and not outside contractors thus

lowering the cost. He also said that since the work will be done by the DPW, the project cannot be bonded.

Bill asked if the cost of the fire alarm upgrade at LS (\$125,000) was the entire cost or just Sudbury's share. Tom said that it was just Sudbury's share. Bill also asked if there was consideration having the user groups pay for the Cutting Field lighting. Tom said that the user groups most likely don't have the funds to contribute towards the lights.

Susan asked if the carpet and flooring replacements were multi-year projects. Tom said there would be flooring replacements in other buildings in future years. Susan also asked if the town and school parking lots would have sections needed to be replaced in future years. Tom said yes.

Jose asked if the school security system would require additions in future years. Tom said that it most likely would.

Susan asked if there would be research done on the life expectancy of the fuel storage replacement. Tom said that the research would be done. Susan also asked for a cost estimate of irrigating Davis Field. Tom said there are various factors involved but that the original proposal was around \$300,000 but that the town could reduce that cost if the DPW did some of that work.

Jim Kelly thanked the CIAC for the amount of effort they put into developing their recommendations. Tom thanked Jim for his help with the CIAC.

### **Item 7: Review Community Preservation Committee (CPC) FY16 budget and Town Meeting articles**

Chris Morley and Jody Kablack presented the CPC articles for the 2015 Town Meeting.

Chris reviewed the purpose of the CPC and how it operates. He provided data showing that the CPC has received revenues of \$29,577,20 since inception (2002) and that estimated FY16 revenues would be \$2,180,100. He also said that the CPC currently has approximately \$2.9 million in reserve,

Chris reviewed the CPC articles to be presented at 2015 Town Meeting (articles available at [https://sudbury.ma.us/cpc/?attachment\\_id=732](https://sudbury.ma.us/cpc/?attachment_id=732)).

Fred asked about the FY16 budget shortfall of approximately \$660,000. Chris said that the shortfall is closed by transfers from the reserve fund. Chris also said that while the CPC has approximately \$4 million in bonding capacity, but the CPC cannot bond more than their annual revenue can cover for debt principal and interest.

Mark asked Jody if she could describe the differences between the Sudbury Housing Authority (SHA) and the Sudbury Housing Trust (SHT). Jody said that the SHA is a state funded quasi-

government agency that operates exclusively public housing rentals serving a low-income population. She said the SHT is a town board that operates within the town finances and is governed by the town laws. The SHT focuses on home ownership and currently concentrates on buying down one single-family home each year and placing eligible families in those houses.

**Item 8: Fincom deliberations**

Susan decided not to start any Fincom deliberations due to the late hour.

**Item 9: Public comment**

None

**Item 10: Adjourn**

Susan Berry asked for a motion to adjourn. Jose made the motion and it was seconded by Adrian and it passed unanimously. The meeting adjourned at 8:51 PM.