

**Sudbury Finance Committee
Meeting Minutes
January 23, 2020**

Members of the Finance Committee present were:

Finance Committee Members Present: Chairman, Jeff Atwater, Susan Berry, Ronald Brumback, Jean Nam, Bryan Semple (arrived at 7:20 pm), Scott Smigler

Absent

Eric Poch, Christopher Carmody, and Lisa Gutch

Also in attendance were:

Dennis Keohane, Finance Director/Treasurer-Collector. Interim Town Manager Maryanne Bilodeau, Pat Brown, Sudbury Board of Selectmen

CONVENE:

Chairman Jeff Atwater called the meeting to order at 7:02 p.m. The meeting convened at Flynn Building, in the Silva Meeting Room, 2nd Floor, 278 Old Sudbury Road, Sudbury, MA 01776.

ITEM 1: Public Comment

Chairman Jeff Atwater opened this portion of the meeting for Public Comment. There were no public comments.

ITEM 2: General Business

● **Approve Meeting Minutes**

There were no Meeting Minutes to approve.

● **Budget Transfers**

There were no Budget Transfers to approve.

● **Liaison Report**

Ronald Brumback stated that LS is working on their FY2021 Budget Gap and are scheduled for the Budget Hearing on Monday, January 27, 2020.

Susan Berry stated that the Budget Strategies Task Force (BSTF) has met and had good discussions on the budgets and capital items. She also stated that BSTF members would like to convene early fall and will contact the Board of Selectmen regarding whether the BSTF will continue for another year.

Scott Smigler stated that the Master Plan Steering Committee has met and is going into the phase of policy guidance. He stated

that there are four areas that they are going to focus their policy discussions on over the next three months. He added that the next meeting is Friday, January 31, 2020.

● **Review Calendar**

The Finance Committee briefly discussed the upcoming meeting for LS on Monday, January 27, 2020 and SPS on Thursday, January 31, 2020.

ITEM 3: Town Budget Hearing

Interim Town Manager Maryanne Bilodeau and Dennis Keohane, Finance Director/Treasurer-Collector presented the FY2021 Town Budget within capacity based on the financial forecast that was given to the Finance Committee on December 3, 2019. Ms. Bilodeau stated that the town's revenues and available funds are expected to be \$106,645,960. Ms. Bilodeau summarized revenue sources: Real Estate Personal Property Taxes, State Aid, including Chapter 70 for the schools, Massachusetts School Building Authority (MSBA) reimbursements, the SAFER Grant (Staffing for Adequate Fire and Emergency Response), local receipts, and ambulance receipts. Ms. Bilodeau stated that with the Safer Grant the Town added four new firefighters. She stated that in years 1 and 2 of the grant there is a 75% reimbursement for salaries and benefits, and in year 3 it goes to a 35% reimbursement. She added that FY2021 is the second year of this grant. Ms. Bilodeau summarized local receipts; local fees, fines, permits, and other charges. She stated that other available resources are actual revenues already received. She also stated that the \$660K listed on the worksheet is the ambulance receipts.

Ms. Bilodeau stated that the FY2021 budget of \$106,645,960 is an increase of 4.04% over FY2020. She added that this includes all operating budgets, LS, SPS, and the town as well as debt service, benefits, and OPEB contributions. Ms. Bilodeau presented information on the LS assessment and explained that Sudbury's assessment is determined, in part, by the 3-year rolling average of the ratio of Sudbury's pupil enrollment to total LSRHS pupil enrollment as of October 1. She added that also to be considered is the minimum contribution rate as set by the Department of Elementary and Secondary Education (DESE), and that the two together create a blended rate, which results in the final assessment to Sudbury. Ms. Bilodeau stated the Sudbury portion of the assessment for FY21 was estimated to increase to 87.90% and the total increase to Sudbury for the LS assessment is 3.5%, which is \$903,399.

Ms. Bilodeau presented the FY2021 Town Budget by town cluster. She stated that it is a level service budget. She also stated that one full-time employee was cut from this budget and that there were many new initiatives that could not be fulfilled. The budget includes a 1.5% cost of living adjustment totaling \$189K as well as steps totaling \$176K. Ms. Bilodeau noted that 59% of employees are already on the top step. Ms. Bilodeau reviewed the general government cluster of the budget. She stated that these budgets are personnel based and are level service. Ms. Bilodeau stated that Public Safety, Public Works except for engineering is level service. An increase in contracted services has been added to engineering. Human Services is level service; \$5000 was added to the Board of Health and the Council for Aging for contracted services. Culture and Recreation is level service. The town-wide operating and town-wide reserve account are also level services. Ms. Bilodeau stated that the FY21 OPEB Contribution the OPEB Trust account is slated to be \$680,249 which is an increase of \$70,000. Ms. Bilodeau reviewed the benefits budget for the town and school employees, which is increasing by 7.52%. Ms. Bilodeau responded to Chairman's Atwater's questions on Sewataro in terms of insurance and ownership. Ms. Bilodeau reviewed the town's debt and stated that the debt service has increased by \$530,278 due to debt payments for previously approved projects. Ms. Bilodeau stated that this year the Town Manager's Operating Capital Budget is \$957,420 for the Town, LS, and SPS. She added that this is funded entirely by the levy and is within the operating budget. Ms. Bilodeau stated that the capital budgets will be presented at a future meeting. Ms. Bilodeau presented the full-time headcount over the last three years. Ms. Bilodeau reviewed the Enterprise Funds. Ms. Bilodeau reviewed Vocational Education. She stated that this budget is decreased by 10.57%. The Finance Committee fully discussed the details of the FY2021 Town Budget.

ITEM 4: Discuss LS Budget Pressures

Chairman Atwater opened this item for discussion. He stated that LS has a known budget gap and are considering using staff reduction to reduce the gap. Scott Smigler stated that he would like to see updated cost projections on LS Academy. Susan Berry suggested that LS should prepare to have this information for the Finance Committee meeting on Monday, January 27, 2020. A general discussion followed on capital. Ronald Brumback stated that the bids for renovating the facility came in higher than expected. He described cost-saving measures that LS plans to implement.

ITEM 5: Fairbank Update

Chairman Atwater opened this item for discussion. He stated that he reached out to Maryanne Bilodeau and the short answer is there is no movement on this matter and that it is not feasible to have a discussion at this time. Scott Smigler stated that he had viewed a project plan posted on the Fairbank section of the Sudbury website that described the work the group would be involved in from October through January and that an update would be forthcoming in January. He added that he was under the impression that early February the Working Group would be coming together to present a plan. Chairman Atwater stated that the Working Group is presently responding to the Board of Selectmen's questions. Chairman Atwater also stated that he found the Finance Committee's motion from the last plan for the Fairbank Community Center to advise the Fairbank Committee that the maximum likelihood recommendation of the Finance Committee will occur if operating costs were validated by Park and Rec and the town Finance Director and capital costs are clearly stated, as well as a documented capital report needed to repair existing facility and what services are to be provided. He added that this was a 2017 motion and vote. Bryan Semple stated that understanding of the finances for capital and operating must be clear. A general discussion followed on new questions that the Finance Committee would like to submit to the Fairbank Working Group. Chairman Atwater stated that it would be helpful to see the answers to questions from the Fairbank Working Group to the Board of Selectmen. The Finance Committee will send their questions to Chairman Atwater who will send them to Maryanne Bilodeau.

ITEM 6: Town meeting articles (if available)

No discussion on this item.

ITEM 7: Warrant Letter

Chairman Atwater opened this item for discussion. He stated that this is the Annual Report and that everyone has a copy of the draft. He also stated that he has updated the numbers and sent them to Dennis Keohane with the supporting schedule for him to double check. He added that if everything is okay, he will recirculate the document. A brief discussion followed.

ITEM 8: Public Comment

There were no public comments.

ITEM 9: Possible Future Agenda Topics

Susan Berry suggested that the Finance Committee review past finance reports in the Warrant and decide what makes sense to add to the Warrant for the Annual Town Meeting in May.

ITEM 10: Adjournment

Motion and Vote:

Jean Nam moved, and Susan Berry seconded the motion that the January 23, 2020, Finance Committee meeting be adjourned at approximately 9:40 p.m.

The motion carried. The vote was unanimous.

The next scheduled meeting of the Finance Committee is Monday, January 27, 2020, at 7:00 p.m.

Respectfully Submitted: Cheryl Gosmon, Recording Secretary