

**Sudbury Finance Committee
Virtual Meeting Minutes
February 22, 2021**

ATTENDANCE

Members of the FinCom present for the Virtual Meeting were Co-Chair Scott Smigler, Co-Chair Eric Poch (arrived after Opening Remarks), Susan Berry, Ronald Brumback, Howard Feng, Michael Joachim, Jean Nam, Sonny Parente

ALSO PRESENT

Dennis Keohane, Finance Director/Treasurer-Collector, Henry Hayes, Town Manager, Dennis Mannone, Director of Parks, Recreation and Aquatics, Scott Nix, Sudbury Police Chief, John Whalen, Sudbury Fire Chief, Daniel Nason, Director of Public Works, Adam Duchesneau, Director of Planning and Community Development, William Murphy, Health Director, Debra Galloway, Director of Sudbury Senior Center, Esme Green, Library Director, Bill Barletta, Combined Facilities Director, Cynthia Gerry, Director of Assessing, Beth Klein, Town Clerk, Andrew Lewis, Building Inspector, Mark Thompson, Technology Administrator, Christine Nihan, Town Accountant, Lori Capone, Conservation Coordinator, and Marianne Bilodeau, Assistant Town Manager/Human Resources Director

CONVENE:

Co-Chair Scott Smigler called the meeting to order at 7:02 p.m. Co-Chair Smigler roll called members of the FinCom present at the February 22, 2021, Virtual Meeting.

ITEM 1: Open the Meeting

- **Welcome and Member Roll Call**

Co-Chair Smigler stated that FinCom will be joined by the Town Manager and Department Heads for the Town Budget Hearing. He stated that FinCom will deliberate Town Meeting Warrant Articles and potentially vote on updates to the Finance Committee Roles and Operating Procedures as well as engage in a discussion on the FinCom report to the Town Meeting.

- **Opening Remarks (Co-Chairs)**

Co-Chair Smigler stated that the purpose of the Town Budget Hearing is to help FinCom understand the key budget drivers to the Town's budget and to prepare Sudbury residents, with non-override budget recommendations, to make informed votes at Town Meeting. He stated that this presentation on the FY22 Town Budget will include recommendations from the Town Manager and Departments. He added that the Town Manager has requested that the planned presentation on capital is

deferred to the Select Board meeting on February 23 and that the Town Manager and his staff have agreed to join FinCom on March 1 to answer any critical questions on capital as needed.

ITEM 2: Public Comment

There were no public comments.

ITEM 3: Town Budget Hearing including FY22 Town Budget, Capital Articles, Town Manager Capital Budget, and Department-Head Presentations

Co-Chair Smigler welcomed the Town Manager, the Director of Finance, and Department Heads and invited them to engage in a conversation on the FY22 Town Budget.

Henry Hayes took a moment to thank the Department Heads, School Superintendents, and Town Committees including FinCom for their hard work and dedication to the Town of Sudbury.

Mr. Hayes noted that the Town of Sudbury submits a budget document that meets the requirements under the Government Finance Officers' Association (GFOA) guidance. He also noted that Sudbury has received, 8 years in a row, the GFOA Certificate of Achievement for Excellence in Financial Reporting for the fiscal year ending June 2019 and the GFOA Distinguished Budget Presentation Award for the fiscal year ending June 2020. He stated that Standard and Poor reiterated the AAA long-term rating and stable outlook for the Town of Sudbury on January 5, 2021. He stated that the FY22 Town Budget is a transparent, easy-to-understand budget document, that includes not only a recommended budget but also information about town government, budget procedures and policies, goals, and forecasting information.

Mr. Hayes stated that the Town of Sudbury is presenting a balanced budget, within capacity, as determined by its forecasting and additional information learned since then. Mr. Hayes summarized revenue and available funds and stated that the overall recommendation for FY22 is \$108,396,464, a 1.9% increase over FY21. Mr. Hayes summarized recommended expenditures for FY22 including Town Department, Town Debt Service, Employee Benefits (Town and SPS), and OPEB Trust Contributions (Town and SPS) all of which total \$107,293,927 and will net a balanced budget. Mr. Hayes described changes to the Lincoln-Sudbury Regional High School Assessment. He stated that the Sudbury portion of the assessment for FY22 is estimated to decrease to 87.85% a decrease of .5% from FY21. He stated that the FY22 Budget does not include COLA but does include step increases if eligible. He also stated that the Town is requesting no additional overall number of personnel. He noted that all Town

union contracts are unsettled and not accounted for in the FY22 budget. He added that the majority of the budget is level service, intended to sustain current services. Mr. Hayes outlined budget changes to Conservation, Planning and Community Development, DPW, Human Services/Senior Center, Town-wide Operating and Transfers, Employee Benefits, OPEB Trust Contributions, and Debt.

Dennis Keohane responded to Town Budget Questions, Round 1. He responded to question 1 and stated that there have not been any material changes to the financial condition of the Town in the past six months. He responded to questions 2 and 3 regarding Enterprise Funds and explained the policy for funding deficits to Enterprise Funds. He noted that Enterprise Funds are intended to be self-sustaining, but they do at times run a deficit and are required to be filled through the general fund. He also noted that the plan is not to run a deficit in FY21.

Mr. Keohane responded to questions on Feeley Field. He stated that Feeley Field is requested as a two-phase project. He added that the first phase funding is being requested in FY22 and includes design for all phases of the project, and installation of all safety measures for upper Feeley Field, Feeley Field 1, and a batting cage. He stated that the second phase funding will be sought after in future fiscal years.

Dennis Mannone explained what happens when fees are collected by field users and how those funds are used. He explained that fees are collected to cover salaries for half-time park workers at \$126K as well as half of their benefits at \$24K. He added that fees are also used for the upkeep of the fields. Mr. Mannone stated that currently the Field Enterprise Fund, due to COVID, is running a deficit. He added that he is expecting that the spring field funds would balance the budget. He stated that generally all field fees collected go to the Field Enterprise Fund.

Dennis Keohane responded to questions on profit and losses for the pool and recreational programs. He noted that the FY20 actuals and expenditures are available and listed in the budget book. Dennis Keohane continued with Town Budget Questions Round 1. He explained the current policy prioritizing Free Cash. He responded to a question regarding the overlay account. He stated that \$773,451.28 is in the overlay account and that the Board of Assessors has not voted to release excess overlay in FY21.

Henry Hayes responded to questions on the FY22 Capital Plan. He stated that he has not made any changes to the way capital requests are received and assessed. He stated that an assessment is formed by the value of the request and the unintended

consequences of not considering the project. He stated that Form A is added to a list to be reviewed as part of the assessment process. He stated that he does not have a regular replacement schedule but as the year progresses, he will evaluate the capital process. He added that he and Bill Barletta, Combined Facilities Director, have begun preliminary discussions on potential changes. He went on to explain that Town Departments have an inter-department priority list, and an assessment is done based on department priority, measure, and impact of service. Mr. Hayes responded to questions on the Broadacre Farm capital request, which is a request for the demolition of three sheds at Broadacre Farm. He stated that when the property was acquired an assessment was made on the three sheds and it was determined that their stability is questionable. He stated that he is being proactive in that if these structures become a health and safety hazard emergency reserve funds would be needed to demolish the sheds.

Mr. Hayes noted that he has submitted an itemized list and total spent for the projects completed for various building improvements with previous funds voted as part of the Town Manager's Capital Budget. Jean Nam asked how unexpended funds from previous years are used. Mr. Hayes stated that unexpended funds become available for future use on similar projects.

Mr. Hayes noted that the FY22 Noyes Fire Alarm System does not include the sprinkler system. He also responded to the question on Town-wide Walkway Design/Construction Improvements. He explained that DPW Director and Town Engineer are working on a process by which walkways can be categorized and pursued based upon their ability to be shovel-ready. Mr. Hayes responded to the question regarding the Owners Project Manager for the Fairbank Community Center and stated that this person will report to the Town Manager and Bill Barletta will be completely engaged in the Fairbank Community Center Project.

Mr. Hayes provided clarity regarding the items in the 5 Year Plan. Jean Nam pointed out inaccuracies in how certain items are counted within years FY22 and FY24. Mr. Hayes stated that he would follow up with FinCom on the corrections. Mr. Hayes addressed questions on the Wayside Inn Bridge, noting that it is safe but that there are additional requirements from DOT, the Historic District Commission, and the Wayside Inn representatives. He also addressed questions regarding additional space relative to the school maintenance garage and the Fire Headquarters Building. Mr. Hayes explained the need for emergency generators for the schools. Mr. Hayes addressed the question on Town-wide drainage and roadways reconstruction. He stated that if this item is marked urgent, it would trigger the initiation of a debt project. He stated this item is risk

mitigation due to ongoing assessment. Jean Nam stated that one of the things missing from the 5 Year Plan is items considered urgent. She suggested implementing a labeling system that denotes what the urgent items are within the 5 Year Plan. Mr. Hayes responded to questions regarding roof replacement. He stated that roofs were added to the Capital Plan in prior years. He added that in conjunction with the Energy and Sustainability Committee Town buildings are being evaluated for solar electricity generation for new roofs. Mr. Hayes provided information on potential replacement needs relative to the life expectancy of the Atkinson Pool per industry standards.

The discussion continued with Department Heads and their responses to Town Budget Questions Round II. Police Chief Nix responded to the portion of his budget that was reduced by \$20K noting the reason was due to sick leave buyback. Henry Hayes spoke briefly about the Sick Leave Buy Back program.

Fire Chief Whalen responded to questions regarding Phase I and Phase II for Fire Station Two. Chief Whalen stated that he was given direction by the Select Board for a phased project approach. He stated that the Select Board believes that doing a project of \$9.5M to \$10M was not appropriate for the Town of Sudbury at this time. He added that the phased approach provides for flexibility. Chief Whalen addressed additional facility needs in terms of storage space as well as the need for an additional Advance Life Support (ALS) Ambulance. Chief Whalen responded to the question on overtime pay and spoke about the programs that are charged against this line item. Chief Whalen also described the equipment that has been purchased and is needed for the Rail Trail and Eversource projects.

Dan Nason responded to questions on planned scheduled equipment replacement. He stated that two items were removed from last year's Capital Plan due to Covid related needs. He added that this year the DPW is maintaining the planned schedule of equipment replacement. Mr. Nason also responded to a request for a snow and ice storm by storm report and replied that he would submit information to FinCom regarding this.

Adam Duchesneau, Director of Planning and Community Development responded to questions on staffing levels. He stated that there are a lot of new initiatives on the horizon. He added that the finalization of the Master Plan will help in moving the new initiatives forward.

Esme Green responded to questions on the increase of electronic circulation. Ms. Green stated that she has increase purchasing on eBook spending due to the COVID-19 Health Emergency.

Bill Murphy responded to staffing questions for the Health Department. He stated that in addition to the Public Health Nurse there is one full-time nurse and five part-time nurses. He also stated that as more people are vaccinated, there will be fewer cases of COVID, and the contact tracing program can be reduced. He stated that it is difficult to forecast and determine how much nursing services the Health Department will need in FY22.

Mark Thompson provided details relative to data storage. Dennis Keohane continued with Budget Book Review/Town Budget Questions Round II and responded to FinCom questions.

ITEM 4: Updates from Town Manager and Finance Director

None beyond the Budget Hearing Information.

ITEM 5: General Business

- **Approve Meeting Minutes**

- Motion and Vote**

- Sonny Parente moved, and Susan Berry seconded the motion to approve the minutes of the meeting of January 6, 2021, January 11, 2021, and January 12, 2021, as amended.

- Roll call vote:**

- Scott Smigler, yes; Sonny Parente yes; Susan Berry, yes; Michael Joachim, yes; Ronald Brumback, yes; Jean Nam, yes; Howard Feng, yes; and Eric Poch, yes.

- The motion carried. The vote was unanimous.**

- **Budget Transfers**

- There were no Budget Transfers.

- **Membership**

- Co-Chair Smigler stated that two applications have been received. It was the consensus of the committee to interview both applicants at the next FinCom meeting.

- **Liaison Reports**

- Co-Chair Smigler noted that Ron Brumback shared some follow-up Q&A for L-S. Susan Berry stated that she has sent questions to SPS and would reach out to them.

- **Calendar Review**

- There was no discussion on this item.

- **Future Agenda Items**

- Co-Chair Smigler asked members to send him or Co-Chair Poch any follow-up questions they may have for the Town Manager by March 1, 2021.

ITEM 6: Deliberate and Vote to Take Positions on Town Meeting Articles

Co-Chair Smigler opened this item for discussion. Members engaged in a review of the list of Town Meeting Articles and made determinations on which articles members had discussed and were ready to vote to take a position on, which articles to hold for discussion, which articles for which more information is needed, and which articles for which FinCom will not take a position on.

Motion and Vote

Susan Berry moved, and Sonny Parente seconded the motion to recommend approval of Article 5: FY22 Transfer Station Enterprise Fund Budget.

Roll call vote:

Scott Smigler, yes; Sonny Parente yes; Susan Berry, yes; Michael Joachim, yes; Ronald Brumback, yes; Jean Nam, yes; Howard Feng, yes; and Eric Poch, yes.

The motion carried. The vote was unanimous.

Motion and Vote

Sonny Parente moved, and Eric Poch seconded the motion to recommend approval of Article 6: FY22 Pool Enterprise Fund Budget.

Roll call vote:

Scott Smigler, yes; Sonny Parente yes; Susan Berry, yes; Michael Joachim, yes; Ronald Brumback, yes; Jean Nam, yes; Howard Feng, yes; and Eric Poch, yes.

The motion carried. The vote was unanimous.

Motion and Vote

Sonny Parente moved, and Jean Nam seconded the motion to recommend approval of Article 7: FY22 Recreation Field Maintenance Enterprise Fund Budget.

Roll call vote:

Scott Smigler, yes; Sonny Parente yes; Susan Berry, yes; Michael Joachim, yes; Ronald Brumback, yes; Jean Nam, yes; Howard Feng, yes; and Eric Poch, yes.

The motion carried. The vote was unanimous.

Motion and Vote

Susan Berry moved, and Ronald Brumback seconded the motion to recommend approval of Article 10: Chapter 90 Highway Funding.

Roll call vote:

Scott Smigler, yes; Sonny Parente yes; Susan Berry, yes; Michael Joachim, yes; Ronald Brumback, yes; Jean Nam, yes; Howard Feng, yes; and Eric Poch, yes.

The motion carried. The vote was unanimous.

Motion and Vote

Susan Berry moved, and Ronald Brumback seconded the motion to recommend approval of Article 11: Stabilization Fund.

Roll call vote:

Scott Smigler, yes; Sonny Parente yes; Susan Berry, yes; Michael Joachim, yes; Ronald Brumback, yes; Jean Nam, yes; Howard Feng, yes; and Eric Poch, yes.

The motion carried. The vote was unanimous.

Motion and Vote

Susan Berry moved, and Ronald Brumback seconded the motion to recommend approval of Article 31: CPC Historic Preservation Plan

Roll call vote:

Scott Smigler, yes; Sonny Parente yes; Susan Berry, yes; Michael Joachim, yes; Ronald Brumback, yes; Jean Nam, yes; Howard Feng, yes; and Eric Poch, yes.

The motion carried. The vote was unanimous.

Motion and Vote

Susan Berry moved, and Jean Nam seconded the motion to recommend approval of Article 32: CPC Housing Production Plan.

Roll call vote:

Scott Smigler, yes; Sonny Parente yes; Susan Berry, yes; Michael Joachim, yes; Ronald Brumback, yes; Jean Nam, yes; Howard Feng, yes; and Eric Poch, yes.

The motion carried. The vote was unanimous.

Motion and Vote

Susan Berry moved, and Ronald Brumback seconded the motion to recommend approval of Article 33: CPC Housing Trust Allocation.

Roll call vote:

Scott Smigler, yes; Sonny Parente yes; Susan Berry, yes; Michael Joachim, yes; Ronald Brumback, yes; Jean Nam, yes; Howard Feng, yes; and Eric Poch, yes.

The motion carried. The vote was unanimous.

Motion and Vote

Susan Berry moved, and Ronald Brumback seconded the motion to recommend approval of Article 34: CPC Regional Housing Services Office (RHSO) membership fee.

Roll call vote:

Scott Smigler, yes; Sonny Parente yes; Susan Berry, yes; Michael Joachim, yes; Ronald Brumback, yes; Jean Nam, yes; Howard Feng, yes; and Eric Poch, yes.

The motion carried. The vote was unanimous.

Motion and Vote

Susan Berry moved, and Sonny Parente seconded the motion to recommend approval of Article 35: CPC Reversion of Funds.

Discussion: A description was given on Reversion of Funds

Roll call vote:

Scott Smigler, yes; Sonny Parente yes; Susan Berry, yes; Michael Joachim, yes; Ronald Brumback, yes; Jean Nam, yes; Howard Feng, yes; and Eric Poch, yes.

The motion carried. The vote was unanimous.

ITEM 7: Vote to Update Finance Committee Roles and Operating Procedures

This item was postponed until the next FinCom meeting.

ITEM 8: FY22 Budget FinCom Reports to Warrant

Co-Chair Smigler opened this item for discussion. Ronald Brumback will post materials for the FinCom Report to the Warrant for the Committee's review. Co-Chair Poch stated that he will work with Ronald Brumback and Jean Nam to develop a draft report.

ITEM 9: Public Comment

Co-Chair Poch recognized Jennifer Roberts, Vice-Chair of the Sudbury Select Board. Ms. Roberts provided an update on the Select Board's Review of Financial Policies. She stated that she and Select Board member William Schineller are reviewing draft policies received from Dennis Keohane. She added that the DLS report has been reviewed. She stated that she and William Schineller will present a report to the Select Board in April.

ITEM 10: Adjournment

Motion and Vote:

Susan Berry moved, and Ronald Brumback seconded the motion that the February 22, 2021, Finance Committee meeting be adjourned at approximately 11:00 p.m.

Roll call vote:

Scott Smigler, yes; Michael Joachim, yes; Susan Berry, yes; Jean Nam, yes; Howard Feng, yes; Ronald Brumback, yes; Sonny Parente, yes; and Eric Poch, yes.

The motion carried. The vote was unanimous.

The next scheduled meeting of the Finance Committee is Tuesday, February 23, 2021, at 7:45 p.m.

Submitted by Cheryl Gosmon