

**Sudbury Finance Committee  
Joint Meeting with the Select Board  
Virtual Meeting Minutes  
March 21, 2023  
7:30PM**

**PURPOSE**

Joint Meeting with Select Board and Finance Committee to present and discuss Finance Committee recommendations on warrant articles, including FY24 operating budget.

**ATTENDANCE**

Members of the Finance Committee present were: Co-Chair Michael Joachim, Co-Chair Eric Poch, Susan Berry, Henry Sorett, Colin Wang and Andrew Bettinelli (arrived late.)

Members of the Select Board present were: Chair Charles Russo, Vice Chair Janie Dretler, Lisa Kouchakdjian, Daniel Carty and Jennifer Roberts.

**ALSO ATTENDING THE MEETING**

Town Manager Andrew Sheehan and Sandra Duran, Combined Facilities Director.

**Open the Meeting**

● **Welcome and Member Roll Call**

Co-Chair Joachim called the joint meeting of the Finance Committee with the Select Board to order at 7:30PM, declared a quorum present and roll-called members present.

**Article 3: Operating Budget**

Co-Chair Joachim reported that the FinCom voted 5-2 for an override budget and 5-2 in favor of a non-override budget as it exists without moving any money line to line. He highlighted reasons for the vote in favor of the override as follows:

- Funding of schools is one of the most important responsibilities of town government.
- Awareness of critical need for social-emotional and mental health support services for students post-pandemic.
- Inflationary pressure on budget and entry costs.
- Out-of-district costs for both school districts.
- Even if there are funds to cover some of the needs for FY24, the budget would not be sustainable in FY25.
- Recognition that cuts next year in the event of a non-override budget are untenable.
- Issues of class sizes and providing busing for those not mandated by state law.

While the Committee voted in favor of an override, there were some concerns.

- Uncertainty in short-term and long-term what services will be needed, i.e., how long will social emotional services be needed.
- General uncertainty of expenses and how much state aid will provide additional funds to alleviate the need for an override.
- If state aid increases to a projected \$350K, the additional revenue would not require the town to increase the levy by the full amount of the override.
- An additional source of funding would be the bus revolving fund which currently has a balance of \$1M. If the override did not pass, these monies could be used to avoid cuts. In addition, some circuit breaker funds currently planned to be held in reserve for unanticipated out-of-district expenses could offset anticipated OOD expenses.

- Recognition that funds are also needed at the town level, and an override this year may lessen the appetite for an override in the future.
- Option to use one-time funds this year to address needs of schools, and the look at the entire budget holistically for next year for town/school.
- By voting for a non-override budget without moving money, the schools are urged to not make as many cuts as proposed and instead to use circuit breaker and bus revolving funds to cover the needs.

*Mr. Bettinelli joined the meeting.*

Discussion ensued. Mr. Sorett suggested that whatever is done with regard to tax increases is done with recognition of senior citizens who may be struggling financially but make an important contribution as town volunteers. Mr. Russo agreed and noted the resources available to seniors in the tax writeoff program, utilizes increased relief, etc.

Ms. Dretler noted the importance of involving all stakeholders in the proposals, like the Finance Director, Superintendent, School Business Manager and Town Manager. Superintendent Sheehan noted that the Finance Director was at the FinCom meeting last night and was involved in the discussions around the uncertainty of state aid, not only Chapter 70 funds but unrestricted government aid as well as supplemental appropriation filed recently. Insofar as the final state budget is not available before July 1<sup>st</sup>, he stated that the FinCom, with the Finance Director involved in the deliberations, has made the right decision on approaching the budget. If state aid does come through, the supplemental capacity of the override does not have to be used.

Ms. Kouchakdjian stated that if the needs of students are not met when they need them, in the long run this will result in costing the district more money. Also, circuit breaker funds are not intended to fund general operating budget expenses, and allocating significant amounts of funds poses long-term risks. Ms. Kouchakdjian also agreed with Mr. Sorett's concern for senior citizens and suggested that a future agenda item address additional legislation at the state level to provide relief for older residents.

Co-Chair Poch stated that the FinCom is well in command of the knowledge to make a financial assessment as members have been on the Committee for decades. The Committee is expanding the conversation with the schools to challenge the status quo to address challenges. There are deficits in the school budget and the town cost center with 12-15 unfilled positions and the situation is accelerating. Consistency of methodology to attain common goals is necessary both on the regional school structure and municipal structure.

### **Remaining Warrant Articles**

Chair Russo then reviewed the votes of the FinCom (see attached spreadsheet) as in line with the Select Board votes.

Discussion ensued. Co-chair Joachim noted that the Committee is focused on complying with the policies the town has put in place. He also noted that the vote on the revolving fund was deferred until consultation with SPS on the proposed spending thereof in particular if the override does not pass, funds could be used to avoid cuts.

The committees discussed funding of the Uber program via free cash vs. operating budget. Co-chair Joachim suggested that funding of the program be in the operating budget. Ms. Roberts noted the importance of the program serving vulnerable members of the community and hopes that, although not feasible this year, at some time it can be folded into the operating budget. Ms. Kouchakdjian concurred that it would be very hard to eliminate this program, adding there is a need in the community and the expense should be sustainable year by year. Chair Russo noted that there has been discussion on provisions of a co-pay, capping rides, etc., and the final form of how this program operates has not been achieved and requires further discussion.

Co-chair Joachim noted the importance of approving the Fairbank Center for the community and the cost of delaying the project. He did emphasize that, while he was comfortable with the reasons for not having put this project on the prioritization list, he emphasized the importance of having all projects that are being considered in the prioritization process. Co-Chair Poch added that this project was unique in that the project ebbed and flowed at different times if not consistently. At some point, however, there needs to be discussion about when something moves from an engineering change order to a different project or partial redo/amendment.

Ms. Roberts agreed that this was a unique project and fell outside of the normal capital planning process. At the end of the budget cycle, both boards should discuss the financial policy to capture what to do when situations like this arise.

While there was unanimity on Article 23, Ms. Duran, Director of Combined Facilities, was asked to give a report on how the bulk of the money previously voted of \$200K had been spent in conjunction with the new Article 24 on ADA transition plan recommendations. She reviewed her PowerPoint presentation including the following highlights:

- Targeted projects on priority 1 items.
- Estimated cost of accessible water fountain installations to town and PreK-8 schools.
- Breakdown of schools 18/town 5 fountains.
- Estimated cost of accessible pathways.
- Application to CPC for town buildings.
- Continuation of priority 1 items.
- Summary of barriers removed to date and amount of funds remaining.

Discussion ensued. In response to Ms. Kouchakdjian's question on plans to apply for grants again this year, Ms. Duran stated that all grant monies will be applied for. She is also putting together a spreadsheet of detailed expenses and date/time paid. Ms. Kouchakdjian suggested working with COD collaborative to improve chances of obtaining grants.

Chair Russo continued with review of remaining articles. Co-chair Joachim stated that the Committee was not in total agreement for DPW building renovations and space use facility study because some members felt strongly that free cash should be saved in the event of a non-override budget to fund school deficits.

The Finance Report is on target to be submitted for publishing on March 31.

Co-Chair Joachim expressed appreciation to the Select Board for its collaboration efforts.

#### **Finance Committee Vote to Adjourn Joint Meeting with Select Board**

**Upon motion duly made by Mr. Sorett and seconded by Ms. Berry, it was unanimously voted to close the joint meeting with the Select Board. Roll call vote: Co-Chair Poch-Y, Ms. Berry-Y, Mr. Bettinelli-Y, Co-Chair Joachim-Y, Mr. Wang-Y and Mr. Sorett-Y. Motion carried 6-0, unanimous.**

**The joint meeting was adjourned at 8:50PM.**

Respectfully submitted,

Christine Martin Barraford  
Recording Secretary