

**Sudbury Finance Committee  
Meeting Minutes  
October 23, 2023  
6:45PM**

**ATTENDANCE**

Members of the Finance Committee present were: Co-Chair Joachim, Susan Berry, Andrew Bettinelli, Ryan Lynch, Henry Sorett, Michael Ferrari and Maura Carty.

**ABSENT**

Colin Wang and Co-Chair Poch

**ALSO ATTENDING THE MEETING**

There were none.

**Open the Meeting**

**ITEM 1: Welcome and Declaration of Quorum**

Co-Chair Joachim called the meeting to order at approximately 6:45PM and declared a quorum present.

- **Opening Remarks by Co-Chairs**

- Co-Chair Joachim reported that the Committee will discuss several warrant articles for vote.

**ITEM 2: Public Comment**

There was no public comment.

**ITEM 3: Fall Town Meeting – Deliberate on Warrant Articles**

Co-Chair Joachim distributed the written report on the position of the FinCom on several warrant articles voted on by the FinCom. Discussion ensued and changes were made to the report (attached).

**ITEM 6: Public comment**

There was none.

**ITEM 7: Adjournment to Town Meeting**

**The meeting was adjourned to Town Meeting at 7:11PM.**

Respectfully submitted,

Christine Martin Barraford  
Recording Secretary

*Attachment:*

*Summary report of FinCom rationale for votes on articles*

Article #	Article Title	FinCom Position	Requested Amount	FinCom Comments:
1	Codification of General Bylaws; Renumbering	7-1	\$0	<p>Articles 1 and 3 are simple renumbering and reorganization.</p> <p>Articles 2 and 4 do contain a substantive change with respect to finances in that they move control over fees from Town Meeting to the Select Board and other Town departments/committees</p> <p>We appreciate the Town Manager's judgment that having Town Meeting set fees has been awkward and inefficient, and that it has led to fees that have not kept pace with the cost of services that they support, and to a fee structure that is not consistent with and is lower than that of other towns. This in turn has placed a greater burden on taxpayers, who have had to make up the difference in the cost of the services at issue.</p> <p>Moving fee setting as proposed will allow for more agility.</p> <p>While Town Meeting will no longer have direct control over fees, there are state laws that control the amount of fees, and Town Meeting could address fees through by-laws in the future if it objected to the decisions of town departments/committees.</p>
2	Codification of General Bylaws; Additional Changes	7-1	\$0	
3	Codification of Zoning Bylaws; Renumbering	7-1	\$0	
4	Codification of Zoning Bylaws; Revisions	7-1	\$0	

5	Establish Opioids Stabilization Fund	8-0	\$86,233	FinCom voted 8-0 to support Article 5, "Establish Opioids Stabilization Fund." If Article 5 passes it will do three things: 1) create an Opioid Settlement Stabilization Fund, 2) transfer already received settlement funds in the amount of \$86,232.76 from Free Cash into the newly established Fund, and 3) authorize future opioid settlement monies to go directly to the new Fund. The Finance Committee believes this article is an efficient and effective way to track current and future Opioid Settlement cases and to keep the funds separate from the Town's General Fund. Further, our understanding is that several other municipalities are adopting this approach to opioid settlement funds and that DLS has recommended this approach.
6	Atkinson Pool Funds	9-0	\$100,000	This article, if passed, will allow the Town to hire professionals to design the pool dehumidification system, separate spaces for the boiler and pool chemicals, repair or replacement of the roof, and solar ready the roof; information that is needed in order to get an accurate estimate of what it will cost to do repairs and maintenance on the pool area that are long overdue.
7	Fairbank Community Center -- Supplemental Funds	5-4	\$900,000	See below
8	Fund Collective Bargaining Agreement -- Firefighters	7-0-1	\$475,000	The Town recently reached agreement with the firefighters on a contract for the past two years and this current year; until now, firefighters have been paid an amount based on the prior contract. This article allows the Town to pay for the FY22 and FY23 compensation increases that it has now agreed to. It is appropriate to take this money from Free Cash, as Free Cash includes the money that we would have paid the firefighters had the new contract been in place in FY22 and FY23.

9	Repurpose Melone Stabilization Fund Closeout	9-0	\$1,100,000	<p>The purpose of the Melone Stabilization Fund was to repair the Melone property after it was no longer being used as a gravel pit. The property has been transferred and the Town no longer owns the land. There is no need to redevelop it - there is no need for the fund. This article, if passed, will transfer the money to the capital stabilization fund where the money will be available for the Town to use for other capital projects, with Town Meeting approval.</p>
10	Route 117/Mossman/Powder Mill Roads Intersection Improvements	0-9	\$800,000	<p>The Town has multiple, costly capital projects on the horizon, including 4 school roofs and the Atkinson Pool repairs. We believe that all capital projects should be considered together to consider how best to use existing funds and plan for future funding.</p> <p>In addition, the current project itself has not been vetted under our standard capital review process and is not on the Capital Improvement Plan.</p> <p>Therefore, FinCom recommends voting no on this Article and considering the project as part of our comprehensive capital review process in advance of May Town Meeting.</p>
11	Nixon Elementary School Roof Schematic Design	8-0	\$248,000	<p>The Nixon roof is 30 years old and at the end of life; it frequent leaks and needs repairs.</p> <p>The replacement of the roof has been included on the SPS long-term capital plan for several years.</p> <p>We understand that SPS is seeking MSBA funding for the roof, and that it cannot begin its plan until it receives an answer, which would likely come in June. We support funding the plan now rather than at May Town Meeting so that if SPS learns early that there is no funding for the MSBA program or that it will not receive funding, it can proceed immediately with the plan.</p>

				Even if we do not get MSBA support, the roof will still need to be replaced and the design costs for approval will be necessary.
12	Increase to FY2024 Sudbury Public Schools General Fund Appropriation for Additional Chapter 70 State Aid	1-6	\$232,380	See below
13	Funding of State Approved Special Education Out-of-District Tuition Cost Increase	1-6	\$184,755	At this time we do not know if the legislature will provide additional funding, how much we would receive, and what form the additional money would take. We note that if the money were appropriated directly to school districts as a grant (as has been customary in the past) or by using the existing special education circuit breaker mechanism, it would flow to SPS without need for this Article, but if it were to come in some other form, it could raise as-yet unknown issues with respect to the full budget. FinCom recommends that the Town wait to see whether and how additional funds become available and address the issue at spring Town Meeting.
14	Resolution: Massachusetts Official Seal and Motto	None	\$0	FinCom will not take a position on this article

Article 7:

Pro:

There are \$10 million of expenses left in the project; those funds have been appropriated but there are always unexpected expenses, and the project has minimal contingency funds left to address such unexpected costs. The industry norm is to have 9% contingency, so this article seeks

that amount of contingency: \$900K. Without it, we risk a work stoppage until the May TM if there are unexpected expenses. This would result in delay and potential additional expense.

Covid and supply chain issues raised the cost of the project, and we have of course had unexpected expenses. That said, we have concerns about the amount of additional costs that have put us in this position, and we must review this project carefully and incorporate our learnings into future projects. But to ensure we can finish the project over the next months, we need to provide this funding

Con:

The original \$28.8M article approved at Town Meeting in 2020 has grown significantly - totaling an additional \$4.3M out of budget spend if this article is approved. This excludes significant upcoming expenses attributable to the adjacent Atkinson pool - which will likely need >\$2M in funding to perform necessary repairs to the pool. This project has become bloated since it began. Given that there is still \$10M of work to be done, the project managers should identify savings and reduce scope from the project until such time that there is a clear and present use case for the spend. The Town needs to adopt a philosophy of financial discipline to ensure this project and future projects are right-sized, support a clear purpose and are completed on budget. Given the significant upcoming projects under the CIP budget, the town faces serious financial challenges if it continues on its current path.

Article 12:

There has been a lot of confusion around this Article, so we would like to clarify the facts and explain our position

The facts:

- There has been concern that if we do not pass this Article, the \$232K intended for the schools will instead go to the town's general funds and be used for some other purpose. That is not the case. Every year we set the school budget at May Town Meeting based on an estimate of how much school funding, or Chapter 70, we'll get from the state, and how much we'll get from the taxpayers. We start taxing during the year based on that estimate, but when we get the actual Chapter 70 number, we adjust the tax rate, up or down, to make sure we raise enough to provide the funds that we promised in May. This happens every year behind the scenes. So this year, because Chapter 70 is \$232K higher than the estimate, we'll lower property taxes by that amount to make sure we have the money to fund the budget Town Meeting approved in May.
  - In other words, if we vote no here, all of the Chapter 70 money goes to the schools, the taxpayers pay \$232K less, and the Town does not wind up with extra money.

- If we vote yes here, we raise the school budget by \$232K, the amount that Chapter 70 went up, and we will not adjust the taxes. So to be clear, a yes vote means higher taxes than a no vote.
- The funding for LS is similar: just like SPS, LS gets some funding from Chapter 70 and most from the taxpayers, although the taxpayer money comes to them from two towns. This year LS' Chapter 70 funds are also higher than expected; they are keeping their budget as is, and asking for less from both towns. The concept is the same: all the extra Chapter 70 money goes to education, and the result of more Chapter 70 support is less money coming from the towns.

#### Our position

- Last spring, SPS came to the voters and told us that they needed an additional \$750K beyond their allocated budget to meet student needs. At the polls and at Town Meeting, the taxpayers voted to support the extra \$750K and agreed to a Prop 2 ½ override and higher taxes. Since then, the state has passed its budget and has recognized the sorts of school needs that already led us to increase the SPS budget. The state is giving Sudbury an extra \$232K to help us pay for these needs, which, again, we already recognized and agreed to pay for. By kicking in the \$232K, the state is taking some of the burden off the town taxpayers to fund all the increased needs – it is helping the taxpayers pay for 1/3 of the \$750K that we gave SPS last May.
- Every town is in the same position, and our Town Manager tells us that he has not heard of any other town making the sort of budget change that this Article asks for – in those towns, increased chapter 70 money will lower the burden on local taxpayers to pay for their schools. Also, LS is in the same position – we are not increasing its budget but rather are using the chapter 70 funding to reduce the funding burden on the towns.
- We have many capital needs coming to the town – 4 school roofs, the Atkinson Pool, the Route 117 fixes – and we do not have the funds on hand to pay for them, so we are going to have to increase taxes to cover them – we will likely see requests for these items over the coming years. In addition, as you have seen, there are many unfunded needs with the Town, including a police officer and a fire inspector, that will need to be addressed, perhaps again with increased taxes. With this on the horizon, we are reluctant to ask more from the taxpayers now.
- We recognize that the schools have more needs. We know that if we give SPS more money, it will be used for students. But we also know that we if give LS more money, it will be used for students, and if we give the Town more money, it will be used for public safety, or other key needs. The question is where to draw the limits, and we believe the limit should be the budget that we voted on last May.