

**Sudbury Finance Committee
Virtual Meeting Minutes
October 28, 2024
7:00PM**

ATTENDANCE

Members of the Finance Committee present: Co-Chair Michael Joachim, Co-Chair Michael Ferrari, Andrew Bettinelli, John Baranowsky, Andrew Sousa, Karl Fries, Ryan Lynch, Henry Sorett and Eric Poch (arrived late).

Absent: None

Also in attendance: Finance Director Victor Garofalo

ITEM 1: Opening Remarks and Member Roll Call

Co-Chair Joachim called the meeting to order at approximately 7:00PM, roll-called the members, and declared a quorum present. He read the Municipal Remote Meeting Disclaimer.

ITEM 2: Public Comment

There was no public comment.

ITEM 3: Budget Updates

Review Final FY24 Budget to Actual

Co-Chair Joachim and Finance Director Garofalo reviewed the final FY24 budget to actual numbers. Discussion ensued, including the following highlights:

- Excise tax, which includes meals and hotel/motel tax, came in higher than budgeted due to higher cost / valuation of personal automobiles.
 - Budgeted excise tax revenues will likely be increased in FY2026 but continue to reflect a conservative estimate.
- Investment income was also high due to high interest rates which are expected to decrease.
 - All monies mature by June 30th.
- Chapter 70 monies came in exactly as estimated.
- With an excess of revenue in the range of \$6M in a year that included a \$750K override, there is a need for sharper revenue and expense projections.
 - Free cash certified at \$7,271,136.
 - FinCom would like to have more input on calculation of cost center revenue guidance and level of associated risk.
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- Decrease in vocational education line item due to low enrollment.
- Budget built to 100% positions filled, and variance due to vacancies not being filled due to present market conditions for recruitment.
- OPEB fund balance of \$16M trended higher because of favorable investment conditions and is consistently funded each year at an actuarial rate of 7%.
 - When pension is fully funded in 2036, delta may be used for OPEB funding.

SPS Responses to Budget Questions

Mr. Lynch reported that prepaid circuit breaker funds used in FY25 totaled \$540,121. Co-Chair Joachim reviewed the recent history of how the school had used the circuit breaker funds including carryover funds from previous years. Mr. Lynch will seek clarification on where the money freed up by the prepaid amount was allocated.

Mr. Lynch also reviewed the sources/uses of funds for HVAC projects at Haynes and Curtis and the controls project.

Mr. Lynch reported that the School Committee had authorized a warrant article of \$6M for the roof projects. Notification by the MSBA on whether the project was selected is expected at the end of October. Discussion ensued on the funding of the project whether selected or not, consideration of rooftop solar planning, as well as the overall capital plan.

LS Roof Capital Request

Mr. Poch reported that a warrant article for the roof is expected in FY26.

Parks and Recreation Update

Mr. Fries updated the Committee on the meeting he had with Parks and Recreation on budget pressures, as well as their priorities and concerns. Discussion ensued on the ways Parks and Recreation can provide additional program offerings and boost the utilization of the Fairbanks Community Center. Mr. Garofalo clarified the purposes and uses of enterprise funds and revolving account funds. Following discussion, it was agreed that representatives of Parks and Recreation will be invited to an upcoming meeting of the FinCom to share further information.

Discussion on Budget Pressures Communication and Meetings**Discussion on Multiyear Data and Reconciliation Sheet Requests**

Co-Chair Joachim reviewed the draft letter that will be sent to the various cost centers to solicit information on their current budget pressures and multi-year data and reconciliation sheet requests in anticipation of meetings to be scheduled. He asked members to review the letter/form for finalization at the next meeting.

ITEM 4: General Discussion**FinCom Communications and Outreach**

Co-Chair Ferrari began the discussion on ways to better communicate with residents on the various activities of the FinCom. Following discussion, it was agreed that he will form a subcommittee with Mr. Fries and Mr. Lynch to explore best practices and report back to the Committee.

ITEM 5: General Business

- **Transfers and other business**
There were none.

- **Liaison reports**
The following reports were made:
Mr. Bettinelli - CPC
Mr. Baranowsky – Permanent Building Committee

- **Calendar**
Next meetings: November 18, December 9 and 16
- **Approval of Minutes**
There were none.

ITEM 6: Public Comment

There was no public comment.

ITEM 7: Adjournment

Upon motion duly made by Mr. Poch and seconded by Co—Chair Ferrari, it was unanimously voted to adjourn. Roll call vote: Co-Chair Joachim-Y, Co-Chair Ferrari-Y, Mr. Poch-Y, Mr. Sorett-Y, Mr. Lynch-Y, Mr. Bettinelli-Y, Mr. Sousa-Y, Mr. Fries-Y and Mr. Baranowsky-Y. Motion carried 9-0, unanimous.

The meeting adjourned at 8:09PM.

Respectfully submitted,

Christine Martin Barraford
Recording Secretary