

**Sudbury Finance Committee
Virtual Meeting Minutes
March 10, 2025
7:00PM**

ATTENDANCE

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

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

The following residents appeared before the FinCom via Zoom and urged the FinCom not to recommend approval of Article 46.

Susan Tericani of Beechwood Ave. She and her Pine Lakes neighbors expressed concern at the initial presentation with regard to traffic and were assured by the Sudbury Housing Authority (SHA) that the project only added a net of four bedrooms. The demolition of three single family homes and building a new duplex in the amount of \$4.2M is not fiscally responsible for the net result of only four bedrooms. She suggested that a new duplex in Fairbanks Circle could be built for less money and maintain the number of single family homes.

Anne Garciametin of Willis Lake Drive. While she supports SHA expanding affordable housing, this project is not fiscally responsible and not in alignment with taxpayer input. The \$4.2M cost does not include architectural renderings. One of the three single family homes designated to be demolished is repairable, and SHA has not kept up with maintenance. 58% of residents responded in a flash survey that single family homes under 2,500 square feet were far more affordable to preserve single family homes, and exploring an alternative to demolition of homes to locations in Fairbanks Circle is cost-effective.

Candace Obratzsov of 61 Lakewood Drive. She agreed with her neighbors' statements. She added that the Fairbanks Circle alternative is a better option as the average plot size for a duplex in Pine Lakes is .20 acres and in Fairbanks Circle .79 acres.

Alicia Carillo of Basswood Drive. She stated that she and her Pine Lakes neighbors are reluctant to send good money after bad as the SHA has intentionally neglected properties and allowed them to deteriorate and remain empty when they could have made the necessary repairs. They have not fulfilled their mission to provide affordable housing.

Jim Kelly of Oakwood Ave. He asked that the open session forum via Zoom display all attendees and allow them to speak via video. He asked that the project be paused to consider the Fairbanks Circle alternative as a more fiscally responsible plan than tearing down single family homes in a denser neighborhood and building duplexes.

ITEM 3: FY26 Budget Hearing**Discussion and deliberation of warrant articles**

Co-Chair Joachim reported that Town Manager Sheehan and Finance Director Garofalo had submitted written answers to the questions raised at the last meeting.

Co-Chair Joachim asked Mr. Sheehan and Mr. Garofalo to explain the address several warrant articles.

Article 5: FY26 Transfer Station Enterprise Fund Budget**Article 6: FY26 Pool Enterprise Fund Budget****Article 7: FY26 Recreation Field Maintenance Enterprise Fund Budget**

Expenditures exceed revenues in all of the above enterprise funds due to user fees not supporting the full expense of the account. Retained earnings will be used to fund the delta in the following percentages: 10% for Article 5, 25% for Article 6, and 50% for field maintenance for a total of \$32K. A comparison study of user fees for comparable communities as well as vendor choice will be done after Town Meeting.

Discussion ensued. Insofar as 70% of residents use private waste pickup, methods to decrease the amount of private trucks on the road will be considered as well as the continued usage of the transfer station and the alternative of town-wide trash pickup. Consideration will also be given to more efficient administration of collection, tracking and management of field use to be cost-effective. Another topic of discussion will be redirecting indirect costs for personnel in the recreation department to the general fund.

Article 8: Snow and Ice Transfer

At this time \$300K is projected for snow and ice costs. At the end of the season, the final number will be presented to Town Meeting.

Article 9: Unpaid Bills from prior Fiscal Years

Article may be removed.

Article 10: Chapter 90 Highway Funding

Vote previously taken.

Article 11: FY26 Revolving Fund Spending Limits

Mr. Garofalo reviewed his chart of revolving fund spending limits showing the current balance on the books, revenue received to date, and expenditures.

Discussion ensued on how the funds are maintained, with some expenses not recorded until the end of the fiscal year. Although interest is earned on accounts, the amount is not applied back to the fund but becomes part of the general fund. Three funds are proposed to increase, i.e. building inspector and plumbing and gas as well as library services for meeting rooms and Goodnow library service. Otherwise, all other accounts' spending limits remain the same as last year. The teen center revolving fund will be rolled into the recreation fund.

Article 12: FY26 Transfer into Stabilization Fund**Article 13: FY26 Transfer into Capital Stabilization Fund**

The request for the general stabilization fund is to bring it to 5% of the operating budget.

Discussion ensued. Mr. Garofalo is working on a financial analysis going back to 2017 on how the town compares to sixteen other neighboring communities in terms of stabilizations funds, free cash and special stabilization funds. In terms of free cash Sudbury is in the bottom four of the communities, and in terms of stabilization funds ranks some higher and lower than other towns.

Insofar as the Select Board determines financial policies, joint discussion with the FinCom is timely on reviewing the policy to determine where the town should be in terms of stabilization and free cash balances.

Article 14: FY25 Pool Enterprise Fund Budget Adjustment

Due to an unexpected shutdown of the Atkinson pool and needed repairs in the range of \$25-50K, this article asks that the vote taken in Article 67 for the FY25 budget be amended to transfer from available funds and retained earnings an exact final number to be presented at Town Meeting to cover the above expenditure.

Article 15: Create Pension Stabilization Fund

This article proposes the creation of a special purpose pension stabilization fund in the amount of \$175K. Although the town is assessed by Middlesex Retirement typically at 6.5% annually, the assessment can vary from year to year as a result of the actuarial report conducted every two years based on mortality rate, new hires, increase in salaries and investment income. In point of fact, Wayland and Dracut were recently assessed at 10% and 10.5% respectively. Although there is no way to know ahead of time to anticipate this increase, the stabilization fund creates a mechanism to fund assessment spikes, thus avoiding a negative impact on balancing the budget.

Discussion ensued on alternatives to creating the stabilization fund, i.e. pre-payment into the pension fund as an investment that better offsets changes in pension liability as it will reduce volatility of pension liability and assessment. This was not considered a better option to creating a stabilization fund and not a method other municipalities have used to pay assessments. Unfunded liability changes every two years with actuarial assessment and fluctuation. If Middlesex Retirement does not meet its full funding deadline in FY36, assessments will be increased in order to ensure goal; stabilization fund can be used to meet increased assessment; if not, stabilization funds can be repurposed.

Article 16: Accrued Leave Fund

This article proposes to appropriate \$25K to an accrued leave fund, which is a special reserve fund under the authority of the town manager that is carried over year to year. If either a union or non-union employee gives a retirement notice after the fiscal year starts, the town is obligated to pay out liability vacation leave or sick leave buyback. In the event there are not enough funds in the budget, the reserve fund is tapped for that purpose. The fund will be maintained at \$25K, and if not needed over several years, can be released by town meeting and repurposed. This fund, which appropriates money to a known liability, is different from a reserve fund which is used to fund unanticipated expenses. There is a cap on vacation rollover as delineated in contract buybacks.

Mr. Garofalo will provide by email the current accrued leave balance.

Article 17: Establishment of a Fairbank Community Center Revolving Fund

This article proposes the establishment of a revolving fund to collect fees and revenue to cover the expenses for rental of the Fairbank Community Center and not rely on the general fund to cover the rental cost of the facility. The rental will cover the direct costs of utilities, custodial fees, maintenance and repairs to support the operation of the Center.

Article 18: Establishment of a Public Health Revolving Fund

This article proposes the establishment of a revolving fund to collect fees due to the town in administering the public health excellence grant. Designated as a regional grant to support health initiatives across several municipalities, the town is due assessment fees from each municipality as the lead municipality in administering the public grant.

Article 18: Establishment of an EV Charging Station Revolving Account

This article proposes the establishment of a revolving account to accept fees for resident's use of EV charging stations. These fees will be used to offset the direct costs of electricity in addition to an overhead percentage to pay for contractual costs related to EV maintenance. There is no added cost for future expansion of the infrastructure.

Article 20: Trailside Circle and Bridle Path – Release of Easement

The easement runs along the back of five to seven properties on Trailside Circle and Bridle Path and was put in place when the subdivision was created to allow passage between two nearby but not connecting conservation areas. The ten-foot wide pedestrian path easement runs along the MBTA right of way.

Article 21: Accept M.G.L. Chapter 200A – Disposition of Unclaimed Property; Section 9A – Disposition of Abandoned Fund by City or Town

This article proposes to accept M.G.L. Chapter 200A with regard to uncashed checks issued by the town. This would allow the town to follow the same process of doing its due diligence to notify the individual by letter and posting online on the town website for one year from the date of issue. If unclaimed, this change would allow the town to retain the funds and not have to return them to the state. At the present time there is \$120K in unclaimed checks.

Discussion ensued on the disadvantage to the consumer on changing the policy. Insofar as the state advertises its unclaimed property website, the consumer does not readily know that the process has changed and a search of town websites needs to be done to claim these funds.

Article 22: Adoption of M.G.L Chapter 59, Section 5 Clause 221: Cost of Living Adjustment for Veteran's Real Property Tax Abatement

As an Assessor-sponsored article, Co-Chair Joachim will reach out to that office for clarification on this article.

Article 23: Amend C.5 Art. II – Finance Committee

No further clarification needed.

Article 24: Amend General Bylaw C.11 - Capital Planning

This article proposes to increase the threshold for capital items for Town Manager review to \$500K due to cost escalation and inflation. Any capital item above that threshold would be considered a town meeting article for review by CIAC. Town Meeting still would have to vote capital items under Article 4 and under the consent agenda any item can be pulled for individual discussion.

Article 25: Amend General Bylaw Chapter 68: Amend Town Meetings, Dates, Times, Notice

Not in FinCom's purview to advise.

Article 26: Amend General Bylaw Chapter 170: Weights and Measures

This article proposes to increase the fees for weights and measures to recoup the cost of the state contractor to cover services. The state increased its assessment this year.

Article 27: Bylaw amendment/vote – Municipal Opt-in Specialized Stretch Energy Code

Mr. Sheehan stated that this article will be presented by the Chair of the Energy and Sustainability Committee to the Select Board tomorrow evening.

Article 28: Modification of Zoning Bylaw Section 5500 Accessory Dwelling Units in Residential Districts and Section 7110 Definition and Word Usage

This article proposes to adopt the provision of state law as adopted by the Governor with regard to accessory dwelling units in residential districts.

Article 29: Purchase of Fire Engine**Article 30: Ambulance Replacement**

Vote taken.

Article 31: Roads, Culvert, Drainage, Consultant and Construction

Mr. Garofalo shared the written breakdown of expenses for roads, culverts and drainage, consultant and construction.

Article 32: Dump Truck with Plow and Spreader**Article 33: Six-Wheel Dump Truck with Slide-in Sander**

Vote taken.

Article 34: Atkinson Pool Renovation Additional Funds

Mr. Sheehan noted that the work put out to bid for the Atkinson pool renovation came in 40% higher than estimated. He met last with the designer, project manager and staff to better understand the high bids and what additional funds would be needed going forward. A topic of discussion was the cost of demolition and rebuild of the forty-year old pool. He is concerned that there will not be enough time to get the information needed to make an informed decision and educate the public. There is a question whether the article can be moved forward at this time.

Discussion ensued on the present condition of the pool and the time already spent over two years in finding the leak and whether indeed it is repairable.

Article 42: Sudbury 250th Committee Funds

Mr. Sheehan reported that the appropriation amount will be discussed and finalized at tomorrow's Select Board meeting.

Article 43: MBTA Buildings – Funding for Acquisition

Mr. Sheehan reported that, following the Town Meeting vote already taken for the town to acquire the train station and tollhouse, it was hoped that the MBTA would gift or sell them to the town at a nominal cost. This article is a placeholder until the town receives direction from the MBTA on its consideration.

Co-Chair Joachim announced a five-minute break.

Article 44: Community Preservation Act Fund – Fairbank Community Center and Haskell Field Landscape Master Plan

Article 45: Community Preservation Act Fund – Hop Brook

Article 46: Community Preservation Act Fund – Sudbury Housing Authority Allocation

Co-Chair Joachim noted that the role of the FinCom is financial and policy-making. It cannot decide on what kind of housing on what sized lots the SHA determines to develop. However, it is important that the finances be clearly understood and whether it is a good use of money to accomplish the goals the SHA has set.

It was agreed that the SHA will be invited to make its presentation to the FinCom.

Article 3: FY26 Budget

Co-Chair Joachim began the discussion on the proposed budget. Mr. Sorett was opposed to the retention of the position of Sustainability Coordinator. Mr. Sheehan stated the position was established in line with the Town's climate resolution article. The town has recently been awarded \$30K in federal grants..

Discussion continued on the LS and SPS budget.

ITEM 4: General Business

- **Transfers and other business**
There were none.
- **Liaison reports**
Mr. Baranowsky – CIAC.
- **Calendar**
Regular meetings every Monday in March.
Proponents for citizens petitions – tbd.
- **Approval of Minutes**
There were none.

ITEM 6: Public Comment

There was no public comment.

ITEM 8: Adjournment

Upon motion duly made by Mr. Sorett and seconded by Mr. Poch, it was unanimously voted to adjourn. Roll call vote: Co-Chair Joachim-Y, Co-Chair Ferrari-Y, Mr. Poch-Y, Mr. Lynch-Y, Mr.

Bettinelli-Y, Mr. Sorett-Y, Mr. Sousa-Y, Mr. Fries-Y and Mr. Baranowsky-Y. Motion carries 9-0, unanimous.

The meeting adjourned at 9:53PM.

Respectfully submitted,

Christine Martin Barraford
Recording Secretary