

**Sudbury Finance Committee
Virtual Meeting Minutes
March 30, 2026
7:00PM**

ATTENDANCE

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

Absent: Eric Poch

Also in attendance: Assistant Town Manager/Finance Director Victor Garofalo
Town Manager Andrew Sheehan

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. Co-Chair Joachim read the Municipal Remote Meeting Disclaimer and reviewed the agenda.

ITEM 2: Public Comment

Susan Tericani of Beechwood Avenue, Ann Garcia Meitin of Willis Lake Drive, Alicia Carillo of Vassar Avenue, and Jim Kelly of Oakwood Avenue all appeared before the Board united in their support for the citizens' petition concerning SHA funding.

ITEM 3: Opening Remarks

Co-Chair Ferrari announced that the Warrant articles would be reviewed and voted on, and the FinCom Report would be finalized.

ITEM 4: Town FY27 Budget and Warrant Discussion

Article 39: Repair of Single-Family Homes for Family Housing - Sudbury Housing Authority (SHA)

Petitioners David Merrill, Matt Allen, and C.J. Davis presented a proposal requesting \$500,000 in free cash to repair four existing Sudbury Housing Authority housing units rather than demolishing and replacing them with duplexes. Repairs would include electrical, heating, plumbing, and interior modernization. The petitioners noted previous replacement proposals estimated at approximately \$4.2 million. Discussion included the three-year sunset clause for funds and clarification that Town Counsel advised the Town cannot require SHA to perform repairs if funds are appropriated.

PowerPoint presentation, including the following highlights:

- Citizen's petition request for FinCom support.
- Petition summary.
- Why this is fiscally responsible.
- Why this is practical now.
- Why FinCom should support it.

Discussion ensued including the following highlights:

- Petitioners had met with two members of the Sudbury Housing Authority to provide an overview of their proposal. SHA has indicated that it intends to restart the RFP process, which was originally submitted approximately three years ago at an estimated cost of \$4.2 million, to demolish the existing housing and construct four duplexes.
- The intent of the warrant article is to demonstrate that there is a group of residents interested in working collaboratively with SHA over the long term and in supporting the use of CPA funds for ongoing repairs to existing housing as a fiscally responsible alternative.
- If Town Meeting appropriates funds from free cash, the Town intends to place specific conditions on the appropriation, including a three-year sunset provision for repairs. Funds would be disbursed only after repairs are completed, and any funds not expended within the three-year period would revert to the Town.
- Town Counsel has advised, however, that while the Town may appropriate funds on these terms, it cannot require SHA to proceed with the project.
- The \$500,000 figure was developed as an estimate based on publicly available information and reasonable assumptions regarding current market costs to bring two vacant and two occupied units into building code compliance. The warrant article is structured to preserve flexibility and does not obligate the Town to expend funds absent further action.
- Scrivener's errors regarding the legal location of the properties will be corrected on the floor of Town Meeting.

Mr. Fries arrived at the meeting at 7:32PM.

Article 33: Authorization to proceed with Solar Canopies at Curtis School

Article 34: Authorization to proceed with Solar Canopies at Haskell Field

Article 35: Authorization to proceed with Solar Canopies at Police Station

Sandra Duran, Combined Facilities Director, and Consultant Byron Woodman of SolectEnergy Services Provider appeared before the Board and reviewed their PowerPoint presentation, including the following highlights:

- Town of Sudbury solar energy presentation: Haskell Field, Police Station and Curtis School
 - Pictorial renderings and PPA savings summaries.
 - Haskell Field.
 - Police Station.
 - Curtis School.

Discussion ensued, including the following highlights:

- The project is expected to generate economic benefits for the Town through electricity savings estimated at approximately \$120,000 annually. The project is projected to be cash-flow positive in the first year, with all energy generated by the solar installations credited to the Town in the form of energy credits.
- These savings may be directed toward specific cost centers within the Town budget.
- The project also creates opportunities to maximize credit agreements by evaluating additional locations such as rooftops and parking lots. Each additional installation integrated into the Town's facilities increases the amount of energy credits generated and further improves the project's positive cash flow.
- As part of a broader strategy, future capital projects such as roof replacements should be designed to be "solar ready," allowing the Town to incorporate solar installations as projects arise and to optimize available tax credits.

- The current 30% federal tax credit must be utilized within the applicable timeframe in order to reduce overall capital costs.
- Solar equipment has already been placed in “safe harbor” for Sudbury’s use.
- Certain preparatory work may be required prior to installation, including items such as geotechnical surveys at Haskell Field, engineering analyses, and potential paving or upgrades to parking lot areas.
- A Town Meeting vote would authorize the Select Board and School Committee to move forward with the project and execute the lease agreement; however, the project would remain subject to standard due diligence and approvals, including review by the Planning Board, Historic Commission, and Eversource. If the Power Purchase Agreement (PPA) rate changes materially, the Town retains the option to withdraw from the project.
- The Energy and Sustainability Committee has expressed support for the project, not only from a financial perspective but also in alignment with the Town’s Climate Action and sustainability policies. The Committee may also assist in addressing potential shortfalls in solar funding.
- Coordination with the Park and Recreation Department will be important for any installations located on or adjacent to park facilities, particularly parking lot areas.
- Town Counsel is reviewing potential Article 97 considerations related to installing a solar canopy over an existing parking lot to determine whether it qualifies as an existing use under applicable law.
- The projected return from the Haskell Field solar array is expected to remain approximately \$0.06 below the Town’s current electricity rate.

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Deliberation and discussion ensued, including the following highlights:

- Insofar as solar canopies provide an environmental option for production of energy and the economics have not been proven, feedback from the Energy and Sustainability Committee would be relevant; Mr. Garofalo will arrange for both Energy and Sustainability and the SHA to come to the next meeting.
- The lease option rather than the DIY option for the town makes more sense from a fiscal and management perspective.
- Has the town done its due diligence in going out to bid for providers other than SolectEnergy.
- Positive impact of savings of fixed electricity rate over a twenty-year period.
- Current annual electricity charges are \$394K for the Town.

Article 11: FY27 Stabilization Fund

Mr. Garofalo reported that the balance in the Stabilization Fund is \$6.7 million, representing 5.09% of the Town’s operating budget. Under the Town’s fiscal policies, the Stabilization Fund is required to maintain a minimum balance of 5%. Use of funds from the Stabilization Fund requires a two-thirds vote of Town Meeting, while deposits into the fund require a majority vote. Interest earned on the Stabilization Fund remains in the fund, whereas interest generated from free cash reverts to the General Fund.

Mr. Sheehan noted that establishing and maintaining a Stabilization Fund reflects a disciplined approach to budgeting in order to ensure the Town is prepared for potential future fiscal downturns.

The Committee discussed the advantages and disadvantages of utilizing funds from the Stabilization Fund versus free cash. Historically, free cash has been used for one-time capital expenditures, while the Stabilization Fund is generally intended to address revenue shortfalls in a given fiscal year. Because withdrawals from the Stabilization Fund require two-third Town Meeting approval, while free cash appropriations require majority approval, the Committee expressed general agreement that maintaining reserves in the Stabilization Fund for potential future emergencies is a prudent financial practice.

Mr. Garofalo also noted that Stabilization Funds may be used in conjunction with an override appropriation to help mitigate the impact on taxpayers in the first year.

MOTION: Upon motion duly made by Co-Chair Joachim and seconded by Mr. Ryan, it was voted to recommend approval of Article 11 stabilization fund. Co-Chair Joachim-Y, Co-Chair Ferrari-Y, Mr. Sousa-Y, Mr. Baranowsky-Y, Mr. Sorett-Y, Mr. Lynch-N, Mr. Fries-N and Mr. Bettinelli-Y. Motion carries 6-2.

Article 12: Capital Stabilization Fund

Mr. Garofalo reported that the Capital Stabilization Fund currently has a balance of \$2.6 million. Discussion followed regarding the possible use of these funds to pay interest on debt associated with the replacement of the Fire Station concrete floor, as well as the broader strategy of allocating free cash to the Capital Stabilization Fund rather than using all available free cash for direct project expenditures.

Mr. Sheehan noted that the Town's fifteen-year capital plan identifies approximately \$400 million in capital projects to be funded over that period. The Capital Stabilization Fund serves as a financial tool to support this long-term plan by allowing the Town to cycle funds over multiple years to meet capital funding needs. An additional benefit is that interest earned on the fund remains in the fund, thereby helping to grow the available balance.

Mr. Sheehan further explained that while the Stabilization Fund functions as a "rainy day fund" intended to address unexpected revenue shortfalls or unanticipated expenditures within a fiscal year, the Capital Stabilization Fund is intended to support long-term capital planning. Under the Town's financial policies, expenditures from the Capital Stabilization Fund are generally aligned with established funding targets and long-term capital priorities.

MOTION: Upon motion duly made by Co-Chair Joachim and seconded by Co-Chair Ferrari, it was voted to recommend approval of Article 12 capital stabilization fund. Co-Chair Joachim-Y, Co-Chair Ferrari-Y, Mr. Sousa-Y, Mr. Poch-Y, Mr. Baranowsky-Y, Mr. Sorett-Y, Mr. Lynch-N, Mr. Fries-N and Mr. Bettinelli-Y. Motion carries 6-2.

Discuss FinCom Budget Report

The Co-Chairs and Mr. Garofalo reviewed the latest draft of the FinCom Budget Report and suggestions were made for revision.

ITEM 4: Town Budget Discussion

Assistant Town Manager/Finance Director

No updates.

ITEM 5: General Business

- **Transfers and other business**
- **Liaison reports**
- **Calendar**
Next regular meetings: April 6, 13 and 27
- **Approval of Minutes**
There are no minutes.

ITEM 6: Public Comment

There was no public comment.

ITEM 7: Adjournment

MOTION: Upon motion duly made by Mr. Sorett and seconded by Co-Chair Joachim, it was unanimously voted to adjourn. Co-Chair Joachim-Y, Co-Chair Ferrari-Y, Mr. Sousa-Y, Mr. Baranowsky-Y, Mr. Sorett-Y, Mr. Lynch-Y, and Mr. Bettinelli-Y. Motion carries 8-0, unanimous. The meeting adjourned at 10:15PM.

Respectfully submitted,

Christine Martin Barraford
Recording Secretary

Updated and Reviewed by Assistant Town Manager/Finance Director Victor Garofalo