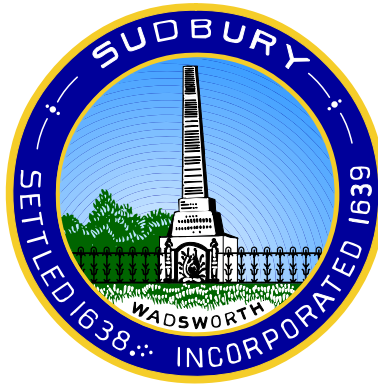
The background of the entire page is a photograph of the Sudbury Town Hall. It is a classical-style building with a prominent portico supported by four white columns. Above the columns, the words "SUDBURY TOWN HALL" are inscribed on the pediment. An American flag is visible on a tall pole to the left of the building. The overall image has a slightly faded, light green tint.

***TOWN OF SUDBURY  
MASSACHUSETTS***

***PROPOSED BUDGET  
AND FINANCING PLAN  
FOR FISCAL YEAR 2007***

***July 1, 2006 – June 30, 2007***

# TOWN OF SUDBURY MASSACHUSETTS



## FY07 PROPOSED BUDGET AND FINANCING PLAN

July 1, 2006 - June 30, 2007

### Board of Selectmen

Lawrence O'Brien, Chair

William Keller, Jr.

John Drobinski

Prepared by  
Maureen G. Valente, Town Manager  
Suzanne Petersen, Finance Director/Town Accountant

March 28, 2006



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# Town of Sudbury

## Town Manager's Office

Townmanager@town.sudbury.ma.us

278 Old Sudbury Road  
Sudbury MA 01776  
978-443-8891 x 381

Maureen G. Valente, Town Manager

March 28, 2006

The Honorable Board of Selectmen:

I am hereby presenting to you the "**FY07 Proposed Annual Budget and Financing Plan for the Town of Sudbury**". This budget recommends \$73,845,916 in appropriations and costs, an increase of 5.28% over FY06. Fortunately, our revenue estimates shows that we will be able to support this level of spending without the need to ask voters to override the limits of Proposition 2 ½, making us unique among our peer communities. And we will be able to keep class sizes the same in our rapidly growing school systems in the process.

This proposed budget will be presented to the 2006 Annual Town Meeting for appropriation on April 3, 2006 and I expect it will be enacted as presented. This budget document contains details of what is recommended for the Departments of the Town government, the Sudbury Public Schools, the Lincoln-Sudbury Regional High School, the Minuteman Regional Vocational Technical High School, the FY07 Capital Plan, the Debt Service Budget, the Enterprise Funded operations, and various Shared Expenses and Costs that must be included in an overall financing plan each fiscal year.

As Town Manager, I am responsible for preparing and submitting this document to you. However, many people have worked collaboratively to develop these two alternative budget scenarios to recommend to Town Meeting for appropriation. There were many meetings along the path of budget development, as our process in Sudbury is highly collaborative between the three primary cost centers – the Town government, the Sudbury Public Schools and the Lincoln-Sudbury Regional High School – as we worked to refine budget alternatives that are sufficient to provide the quality and level of services residents of Sudbury expects of us, yet still within the policies and guidelines set by the Board of Selectmen and Finance Committee.

This budget contains a number of new features that I want to bring to your attention. I think they should be helpful to you as well as residents who wish to learn more about the Town's financial planning efforts. These new features include:

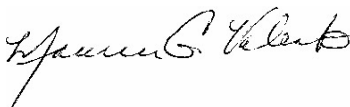
1. A statement of the **FY06 Goals of the Board of Selectmen** and how those goals have influenced the budget developed.
2. A copy of the Finance Committee's **Instruction Letter to the Cost Centers**.
3. A description of the phases that Town staff and committees go through to develop the proposed budget for Town Meeting's consideration. This shows all that has occurred leading up to this budget being presented to Town Meeting. As a town, we have the responsibility to obtain the maximum public input possible, to use our financial resources to try to achieve the policy goals of our elected leadership, and to protect the future of the Town. We do this during the phases described here. It is a lengthy process but one that fits with a responsible and responsive government.
4. A statement of the **Budget and Financial Management Goals and Policies of the Board of Selectmen of Sudbury**. The Board adopted these goals and policies this year and ask all of us associated with the budgeting and financial management of the Town to adhere to these goals and use them for guidance in our decision making.
5. Expanded historical and background information in the Appendices. This includes
  - One: Budget Terms and Definitions

- Two: History of Proposition 2 ½ operating overrides and debt exemption and capital exclusions, broken down by cost center and fiscal year
- Three: Residential Tax Rate History since 1990
- Four: Population History for the Town since 1790
- Five: Energy Management Program for Sudbury
- Six: The C.A.R.E. Program – Cost Avoidance and Revenue Enhancement
- Seven: Excerpt from FY05 Audit: Management’s Discussion & Analysis

Retaining our AAA bond rating continues to be a primary goal of the Board of Selectmen and myself, and adherence to the budget and financial policies recently established by the Selectmen will serve us well in achieving this goal. The Selectmen and Finance Committee have firmly kept to the policy of not allowing our reserves to be used to sustain a level of expenditure that exceeds our recurring revenues, even during very trying times. We have successfully kept our reserves at a healthy level, and through careful management and strategic reductions in some services, through avoiding all the short term gimmicks and traps that solve a budget problem for the present only to hurt us in later years, such as taking a pension holiday, under-funding our health insurance or utilities budgets, or depleting all investment in maintaining our assets and continuing our capital plan, we have kept the Town in excellent financial health. And for the most part we arrived at collective bargaining agreements that were within our ability to pay and did not “backload” salary increases in future years. If we all work together, I am sure we will continue to maintain our prestigious and cost saving AAA bond rating as we tackle the next stage of the FY07 budget development .

I will conclude my report once again acknowledging the tremendous contributions of Sue Petersen, the Town’s Finance Director, who has probably worked 80 hours per week since mid-November on budgeting, capital budgeting, getting the Town ready for the tax rate setting process and working with the auditors, and working with the Finance Committee. Maureen Hafner, Director of Assessing; Andrea Terkelsen, Treasurer-Collector; Wayne Walker, Assistant Town Manager/Personnel Director; Debbie Greeno, Personnel Assistant, and Barbara Chisholm all worked on aspects of budget development and I thank them as well. Finally, I must thank Jan Silva, who is nearing her retirement as Administrative Assistant. She contributes in so many ways to this annual undertaking.

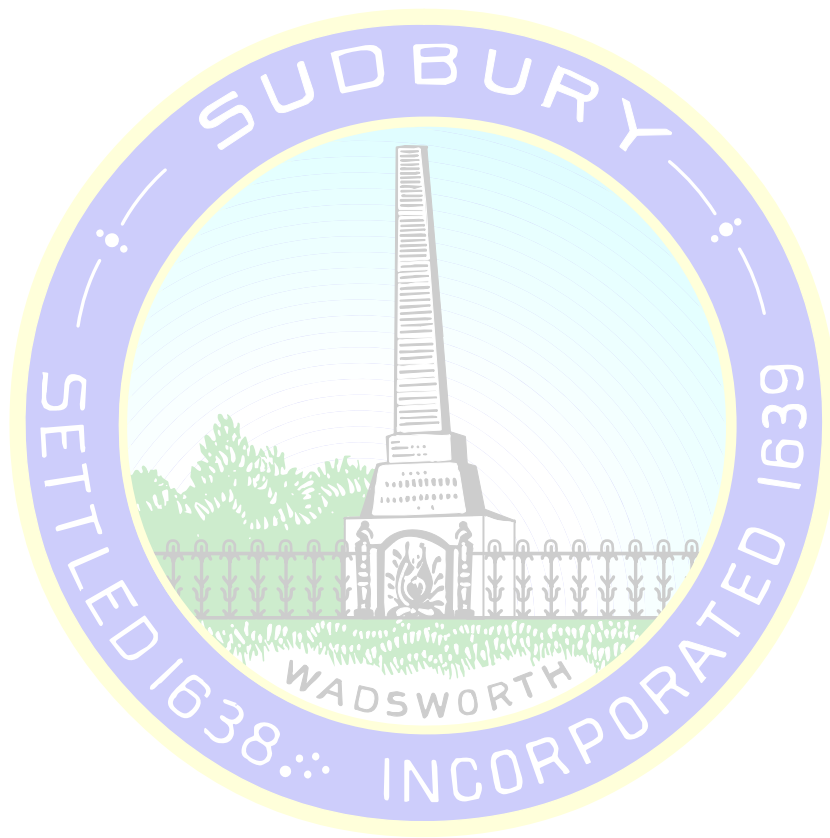
Sincerely,



Maureen G. Valente  
Town Manager

# Section One

## OVERVIEW OF THE TOWN OF SUDBURY



# TOWN OF SUDBURY

## Statement of Mission and Values for Determining Goals of the Board of Selectmen

*The Mission of the Town of Sudbury is to ensure the safety and well-being of the community, to protect and enhance the financial health, education excellence, and environmental quality of our Town by relying on the professionalism of our staff and volunteers, and use of long-term, strategic planning and enhanced communications in our governance. The Board is dedicated to protecting and enhancing the unique sense of place found in Sudbury and protecting and encouraging tolerance and diversity. The Board of Selectmen, as the chief policy making and governance body of the Town of Sudbury, will provide leadership for staff, volunteers, residents and other stakeholders in the Town by advancing goals, programs and decisions that are based on these values.*

**Ensure the Safety and Well-being of the Community**

**Protect and Enhance the Financial Health of the Town**

**Protect and Enhance the Educational Excellence offered by the Town**

**Protect and Enhance the Environmental Quality of the Town**

**Protect and Enhance the Professionalism of the Town's Staff, Boards and Committees**

**Enhance Relationships and Communications**

**Emphasize Long-Term, Strategic Planning**

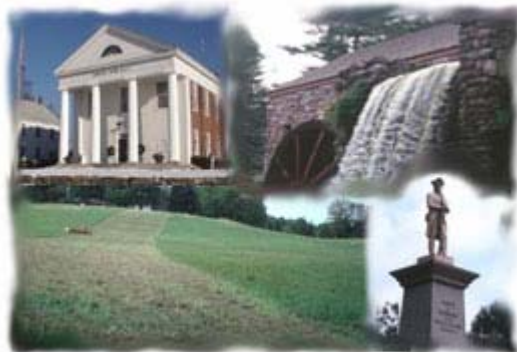
**Protect and Enhance the Unique Sense of Place offered by the Town**

**Protect and Enhance a Climate of Acceptance and Tolerance within the Community of Sudbury**

**Encourage Diversity of Housing Opportunities within the Community of Sudbury**

*First adopted by the Board of Selectmen May 10, 2000*

*Amended and reaffirmed by the Board of Selectmen, 5/23/02, 6/1/04, and 6/10/05*





## Board of Selectmen FY06 Goals, Progress and Budget Implications for FY07

**1. *Ensure that the FY07 budget planning provides for the future financial sustainability of the Town of Sudbury and protects core municipal and educational services.***

Progress: The Selectmen have carefully assessed the budget requests of the Town Manager, the Sudbury Public Schools, the Lincoln-Sudbury Regional High School and the Capital Improvement Planning Committee to determine what level of services can reasonably be expected to be sustained by the Town in the future. There are many services that residents desire from the Town but the Town cannot fund them all without negatively affecting our future financial health. At this point, it appears that the Town has sufficient revenues to support a level services/level class size budget for FY07.

Budget Implications: It is the responsibility of the Board of Selectmen to vote if and when to call for a question to be put on the ballot asking voters of the Town if they will approve an override of the limitations of Proposition 2 ½, and increase their own taxes to support services. If the Board does not call for such a question, then budget proposals are limited to revenue availability.

**2. *Update the long range financial forecast and outlook for the Town***

Progress: The Town staff will be updating the long range forecast after Town Meeting meets and appropriates funds for FY07.

Budget Implications: The Selectmen will weigh the future implications of the FY07 budget as well as the current impacts in determining their strategy for FY07.

**3. *Adopt Financial Policies for the Town***

Progress: Completed. The Board adopted a comprehensive statement of budget and financial policies this fiscal year.

Budget Implications: Though the Town complies with nearly all of these newly adopted policies, there are a few policy areas that will need additional budget resources to bring the Town into full compliance. These are in the areas of capital budgeting and reserves.

**4. *Hold a joint planning session with the Planning Board on Route 20 progress and issues.***

Progress: The Board of Selectmen met with Planning Board members on August 23, 2005. It was reaffirmed again that the Town cannot make real progress on any efforts to encourage and sustain the economic efforts without staff devoted to the various projects.

Budget Implications: This budget contains a recommendation to change an intern position in the Planning Department into a part-time staff position. This newly formulated position will be able to assist the Town Planner so that she has time freed up to dedicate to these projects.

- 5. *Initiate planning for restoring and improving the Town Center***  
Progress: An RFP for engineering and design services was issued on December. We anticipate the cost of this study will be around \$50,000 - \$75,000.  
Budget Implications: The Town has put in a request for funding this study to the Sudbury Foundation and we are hopeful they will vote favorably on this request. If so, there is no budget implications for this in FY07, beyond the staffing need articulated under Goal #4.
- 6. *Develop a fund for assisting seniors with property taxes***  
Progress: The Finance Department and Council on Aging staff have met on this, and evaluated the models adopted by several other towns, such as Needham. However, no proposal has been finalized at this time, and thus this will miss being submitted as an item for the 2006 Town Meeting.  
Budget Implications: None at this time.
- 7. *Continue the on-going dialogue with Sudbury's legislative delegation requesting legislation for senior tax relief options be enacted state wide***  
Progress: The Board of Selectmen has submitted an article that would allow the Town to adopt any senior tax relief options that might be enacted by the State legislature prior to Town Meeting.  
Budget Implications: Unknown at this time. Staff will do an analysis of any potential option to see the impact on the Town's overlay account, or on taxpayers in general if any option shifts the tax burden from one class or group of taxpayers to another.
- 8. *Examine options to increase oversight of town owned parks and public spaces***  
Progress: The Town Manager is working with the Public Works Department and the Parks and Recreation Department, as well as other Departments such as the Goodnow Library, the Fire Department and the Police Department, to assess how we are currently managing public landscaping surrounding our office buildings. We also are examining how to best manage the landscaping at the Sudbury Public Schools, the Heritage and Grinnell Parks, and our many traffic islands. We have many dedicated volunteer groups in town, such as the Permanent Landscape Committee and the garden clubs, who work on our public spaces as well. Finally, we have a "main street" on Route 20/Boston Post Road, which we need to consider how to make as attractive as possible. This is a big project to figure out how, with limited funding and many entities involved, we can increase oversight and improve the appearance of our town owned parks and spaces.  
Budget Implications: The Town Manager is requesting \$28,260 in additional funding to hire outside contractors to maintain landscaped areas at Sudbury public schools and some Town buildings. Securing additional funding is only the first step, but a necessary first step, in achieving this goal of the Selectmen.
- 9. *Encourage Planning Board and Conservation Commission to continue Environmental Summits***  
Progress: The Board will be sending a message to both boards encouraging them to hold a summit meeting in the spring of 2006.  
Budget Implications: None.
- 10. *Kick-off the new Ponds and Waterways Committee***  
Progress: Completed  
Budget Implications: None.
- 11. *Continue legal efforts to end the pollution of the Hop Brook ponds***  
Progress: In progress with positive results to date. The EPA Appeals Board has acted positively on the Town's appeal of the permit, and this has sent a strong message that affects both of Marlboro's wastewater facilities for the future. The Selectmen of the Town

of Sudbury will continue to press EPA and DEP aggressively to require Marlboro to upgrade their facilities and end the pollution of the Hop Brook ponds.

Budget Implications: Both the legal budget and the Reserve Fund budget must be **fully** funded as requested to insure the financial resources are available to continue pursuing this litigation. Even this full funding might not be sufficient, but we feel chances are greater that we can pursue this to our satisfaction if we have this level of funding.

**12. Examine ways for the Town to be more fuel and energy efficient**

Progress: On-going. The Town Manager presented the Board of Selectmen with a draft Energy Management Program for the Town (see Appendix V to this budget). This program shows that we have categorized our efforts into three areas – consumption practices, facility improvement opportunities; and procurement of energy supplies.

Budget Implications: Estimated energy costs are up 33% (just over \$100,000) over FY06. Besides the improvements described in the Energy Management Program, we have revised the Town's budget request in two areas:

- a. We are now showing a separate budget line for utilities in several departments, such as Building Department, Fire Department, and the Library. In the past, these costs were part of an overall maintenance budget line. This new method allows management to track these costs more closely.
- b. We are now showing the gasoline usage of the Police and Fire Department in their own departmental budgets instead of in the Streets and Roads budget within the DPW. This will allow the two Chiefs to better monitor the gasoline usage patterns of their departments and helps counter the perception that the DPW budget is growing so fast, when in fact they are not the department consuming most of the gasoline. And this enables Town management to better understand the full costs of the Police and Fire Departments. All other departments' gasoline usage will continue to be part of the DPW budget.

**13. Review membership of town in regional planning groups**

Progress: On-going. The Town belongs to one regional planning group – the Metro West Growth Management Committee (MWGMC) and in the past has belonged to another – the Minuteman Advisory Growth Committee (MAGIC). There is a fee to belong to these groups. The groups can be very helpful in dealing with regional issues, providing regional solutions, and identifying activities that our neighboring towns are involved in, potentially saving us from reinventing the wheel at times, and allowing us to apply for grants and assistance from the state, who favors seeing towns in regional cooperative efforts. Also, the Town Manager belongs to a regional purchasing group that through centralized bidding and purchasing, has saved the Town money in areas such as office supplies. All these efforts are being evaluated by staff, the Selectmen and the Planning Board.

Budget Implications: In the Town Manager's Budget proposal, funds for membership in these groups has been reduced but not eliminated. The Board and Town Manager will have to determine which groups will assist the Town the most if full funding is not restored, as has been requested in the Town Manager's Recommended Budget.

**14. Develop better communication efforts by Town boards and committees, using Town web site and public access channels.**

Progress: On-going, but positive results already achieved. The Town Manager developed a weekly email newsletter for staff and committees, and this effort has earned an Innovations Award from the Massachusetts Municipal Management Association. We continue to work on putting more information on the Town's web site and the Public Access Channels. Additionally, the Board is working on a request from Verizon to be a second cable television provider in Sudbury, and if approved, will be asking Verizon to contribute to the Town's effort to improve public access to meetings and information.

Budget Implications: None at this time

**15. Examine ways to continue the No Place for Hate concept**

Progress: On-going, but no major results to show at this time. This project depends on Town staff at this point, although our goal is to find a resident of Sudbury who will energetically chair this committee and coordinate efforts to get grant funding for training for Town staff, and hold community wide events that demonstrate our commitment to Sudbury being a prejudice free community. The Board continues to support Sudbury Day, which is a multi-cultural themed day.

Budget Implications: None at this time.

**16. Examine ways to move forward on the Action Plan for creating units of community housing as outlined in the Community Housing Plan.**

Progress: Progress has been slowed due to lack of staffing to work on these efforts. The Town cannot make real progress on any efforts to move forward on our Action Plan without dedicated staffing efforts.

Budget Implications: This budget contains a recommendation to change an intern position in the Planning Department into a position for a part-time staff position. This newly formulated position will be able to assist the Town Planner so that she has time freed up to dedicate on these projects.

**17. Examine ways to ensure Sudbury continues to have access to Advanced Life Support**

Progress: Completed for now. Sudbury's Fire Chief and Town Manager have been working with a consortium of area Town Fire Chiefs and Town Managers to develop administrative and financial incentives to allow Emerson Hospital to continue providing ALS service to Sudbury residents. As of December 20<sup>th</sup>, we received news that the state will provide Emerson with the financial incentives to continue this invaluable service to Sudbury residents, which is great news.

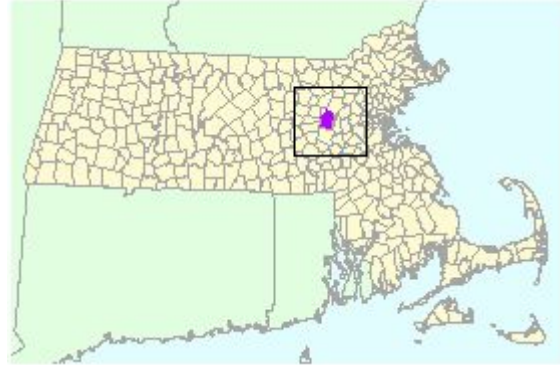
Budget Implications None for FY07, but still could be very costly for Sudbury if Emerson ever drops providing this service. The Town Manager, Fire Chief and Board of Selectmen will continue to monitor this service.

## SUDBURY AT A GLANCE

SETTLED:	1638 - Incorporated 1639; 366 years old in 2005	
POPULATION:	18,107	Voters: 11,030
AREA:	24.7 Square Miles	
FY2006 BUDGET:	Operating Budget:	\$67,710,198
	CPA Appropriations:	2,851,500
	Other Appropriations:	1,249,055
	Borrowing:	<u>3,340,000</u>
	TOTAL:	\$75,150,753
TAX RATE:	FY2005: \$13.46 Residential; \$20.53 Commercial/Ind./Personal Property FY2006: \$13.55 Residential; \$21.71 Commercial/Ind./Personal Property	
GOVERNMENT:	Selectmen/Town Manager with open Town Meeting	
PUBLIC LIBRARY:	Goodnow Library, member of Minuteman Library Network	
SCHOOLS:	Four elementary schools, one middle school, Lincoln-Sudbury Regional High School and Minuteman Regional Vocational Technical High School	
PUBLIC SAFETY:	Full-time Fire Department with three stations, also provides emergency ambulance service to hospitals Full-time Police Department	
RECREATION:	Programs offered year round; informational brochures mailed to all Sudbury residents four times a year. Recreation buildings include the Atkinson Town Pool, the Fairbank Community Center, which houses the Teen Center, Park and Recreation Office and the Fairbank Senior Center. Major recreation areas include Davis Field, Featherland Park, Feeley Field, and Haskell Recreation Area. Facilities include a toddler playground, tennis courts, basketball courts, golf putting green, sand volleyball court, outdoor ice skating area, and fields for: baseball, field hockey, lacrosse, softball, and soccer.	
HOSPITALS WITHIN 10 MILES:	Emerson Hospital, Concord Metrowest Medical Center/Framingham Union Campus, Framingham UMASS Health System-Marlborough Hospital, Marlborough.	
HEALTH/HOSPICE CARE SERVICES:	Parmenter Health Services, Inc.	
HOUSES OF WORSHIP:	Baptist, Catholic, Congregational, Episcopal, Jewish (2), Lutheran, Methodist, Presbyterian, Swedenborg Chapel, Unitarian, and non-denominational.	
UTILITIES:	Electrical service: NSTAR Natural Gas service: Keyspan Water: Sudbury Water District Telephone service: Verizon Cable Service: Comcast of Massachusetts III, Inc.	

## Governmental Structure

The Town of Sudbury, Massachusetts (the “Town”) was incorporated in 1639. It is located in Middlesex County, about 20 miles west of Boston. The Town is governed by an open Town Meeting, an elected Board of Selectmen, and an appointed Town Manager. Local legislative decisions for the Town are made by an open town meeting.



The Town implemented its current charter on July 1, 1996. This charter provided for appointment of a Town Manager by the Board of Selectmen. The Town Manager has broad responsibility for day-to-day management of Town affairs, as well as preparation of annual operating and capital budgets. The Town provides general governmental services for the territory within its boundaries, including police and fire protection, streets, library, parks and recreation. For budgeting purposes, the Town services are divided into six program areas, and the Town Manager has authority to move funds as needed within a program area, but not to transfer funds between these areas. These areas are as follows: General Government; Public Safety; Public Works; Human Services; Culture and Recreation; and Unclassified.

The Sudbury Water District of Sudbury, which is entirely separate from the Town, provides water services to 87% of the territory located within the Town. The Town has an inter-municipal septage disposal facility agreement with the Town of Wayland. The facility is operated as an enterprise fund; however, the Town remains liable for its portion of the debt (50 percent) in the event of a revenue shortfall. For Sudbury, the outstanding principal balance of the debt on June 30, 2005 is \$60,000.

The Town provides education in grades K-8 through the Sudbury Public Schools; the Lincoln-Sudbury Regional School District provides education in grades 9 through 12. The Minuteman Regional Vocational Technical High School provides vocational technical education in grades 9 through 12. Capacity of the Town’s schools has been significantly increased in recent years. Elementary school capacity increased from 1,804 to 2,486; capacity of the middle school increased from 769 to 1,135. The regional high school has built a new, larger facility to replace the existing building and the capacity of the new high school is 1,850. The older facility had 1,420 students enrolled in its final year.

## Economic and Demographic Characteristics of Sudbury

### Property Valuation

Classification of Property	FY03 Assessed Valuation	% of Total Assessed Valuation	FY04 Assessed Valuation	% of Total Assessed Valuation	FY05 Assessed Valuation	% of Total Assessed Valuation
Residential	\$ 2,661,438,000	93.72%	\$ 3,345,758,101	94.35%	\$ 3,389,867,806	94.14%
Commerical	\$ 101,686,500	3.58%	\$ 116,426,964	3.28%	\$ 123,810,145	3.44%
Industrial	\$ 47,094,900	1.66%	\$ 50,564,200	1.43%	\$ 50,571,100	1.40%
Personal	\$ 29,563,578	1.04%	\$ 33,246,870	0.94%	\$ 36,724,221	1.02%
<b>Total</b>	<b>\$ 2,839,782,978</b>	<b>100.00%</b>	<b>\$ 3,545,996,135</b>	<b>100.00%</b>	<b>\$ 3,600,973,272</b>	<b>100.00%</b>

### Largest Taxpayers

Largest Taxpayers, FY05	Nature of Business	Total Assessed Valuation, FY05	Amount of Tax	Percent of Levy
Boston Edison	Utility	\$19,252,254	\$395,249	0.54%
Raytheon Corporation	R & D	\$14,521,900	\$298,135	0.40%
David F. Bolger	R & D	\$11,370,900	\$233,445	0.32%
Pasquarello & Spertner	R & D	\$10,428,800	\$214,103	0.29%
Sudbury Crossing	Shopping Center	\$9,483,900	\$194,704	0.26%
Der Manuelian Haig TRS	Shopping Center	\$7,532,800	\$154,648	0.21%
GPT - Longfellow Glen	Apartments	\$10,779,500	\$149,404	0.30%
Dowie William J. Trustee		\$9,785,800	\$134,279	0.27%
1776 Plaza Limited Partnership	Shopping Center	\$5,474,400	\$112,389	0.15%
Richard J. Bosse Holdings LLC	Sports Complex	\$5,409,000	\$111,047	0.15%
		\$104,039,254	\$1,997,403	2.89%

### Largest Employers

Largest Employers, FY05	Nature of Business	Approximate Current Employees
Raytheon Corporation	R & D	2000
Sudbury Farms	Supermarket	250
Lincoln-Sudbury Regional School	School	227
Chiswick Trading Co.	Packaging	178
Wayside Inn	Restaurant/Inn	150
Star Market	Supermarket	135
Sudbury Pines Nursing Home	Nursing Home	104
Wingate Nursing Home	Nursing Home	40

Household Income Distribution 1999, per US Department of Commerce

<b>Income for Households</b>	<b>Households</b>	<b>Percent</b>
Less than \$10,000	164	3.0%
\$10,000 - \$24,999	299	5.4%
\$25,000 - \$49,999	509	9.2%
\$50,000 - \$74,999	584	10.6%
\$75,000 - \$99,999	645	11.7%
\$100,000 - \$149,999	1,256	22.7%
\$150,000 or more	2,066	37.4%
<b>Total</b>	<b>5523</b>	<b>100.0%</b>

Population Composition, per US Department of Commerce

<b>Population Composition 2000</b>	<b>Number</b>	<b>Percent</b>
Under 5 years	1,489	8.8%
5 years to 19 years	4,223	25.1%
19 years to 65 years	9,476	56.3%
65 years and older	1,653	9.8%
<b>Total</b>	<b>16,841</b>	<b>100.0%</b>

Educational Attainment, per US Department of Commerce

<b>Years of School Completed</b>	<b>Number</b>	<b>Percent</b>
Less than 9th grade	81	0.7%
9th to 12th grade, no diploma	317	2.9%
High School Graduate	970	9.0%
Some College - no degree	1,058	9.8%
Associate's degree	617	5.7%
Bachelor's degree	3,719	34.4%
Graduate or professional degree	4,062	37.5%
<b>Total</b>	<b>10,824</b>	<b>100.0%</b>



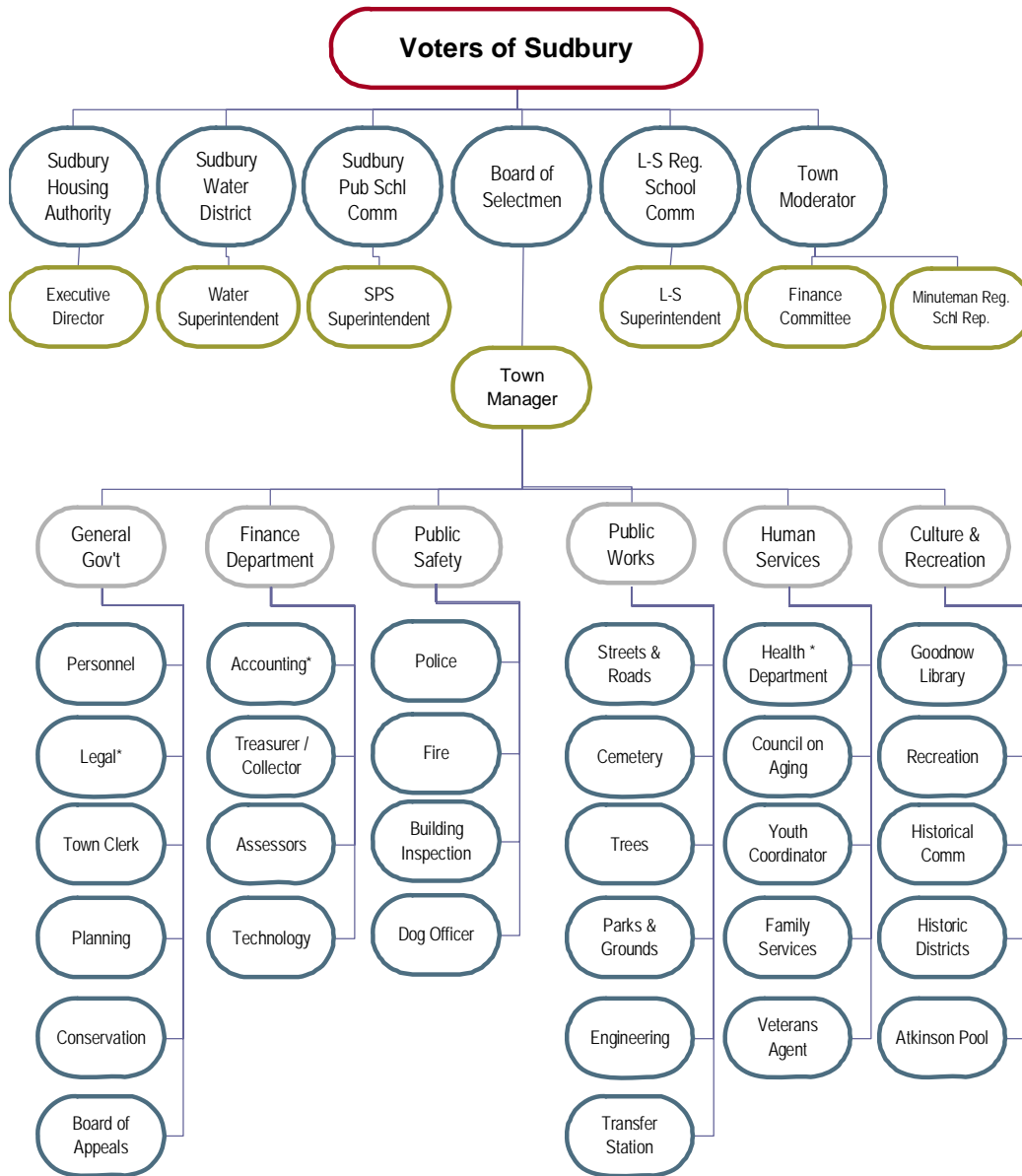
**EMPLOYEE HEADCOUNT**  
(Full Time Equivalents)

<b>Cost Center</b>	<b>A Actual FY 05</b>	<b>B Fin. Comm. Recmd. FY 06</b>	<b>C Actual FY 06</b>	<b>D Fin. Comm. Recmd. FY 07</b>	<b>E Net Change C to D</b>
Sudbury K-8 Schools	389.07	402.63	413.93	414.93*	1.00
L.S.R.H.S.**	193.50	201.50	207.00	210.70*	3.70
Public Safety	76.40	78.40	78.40	79.80	1.40
Public Works	33.80	33.80	33.80	34.80	1.00
General Government	31.80	31.80	31.80	32.30	0.50
Human Services	7.30	7.30	7.30	7.30	0.00
Culture & Recreation	29.50	30.00	30.00	30.00	0.00
Town Sub-total	178.80	181.30	181.30	184.20	2.90
<b>TOTAL</b>	<b>761.37</b>	<b>785.43</b>	<b>802.23</b>	<b>809.83</b>	<b>7.60</b>

\*Estimates as of the date of this printing subject to further review.

\*\*Sudbury's estimated share of the L.S.R.H.S. operating budget for FY 04 is 85.27%.  
Revenues other than the Town's assessments support salaries for 6.00 FTE positions, including out-of-District tuition and grants.

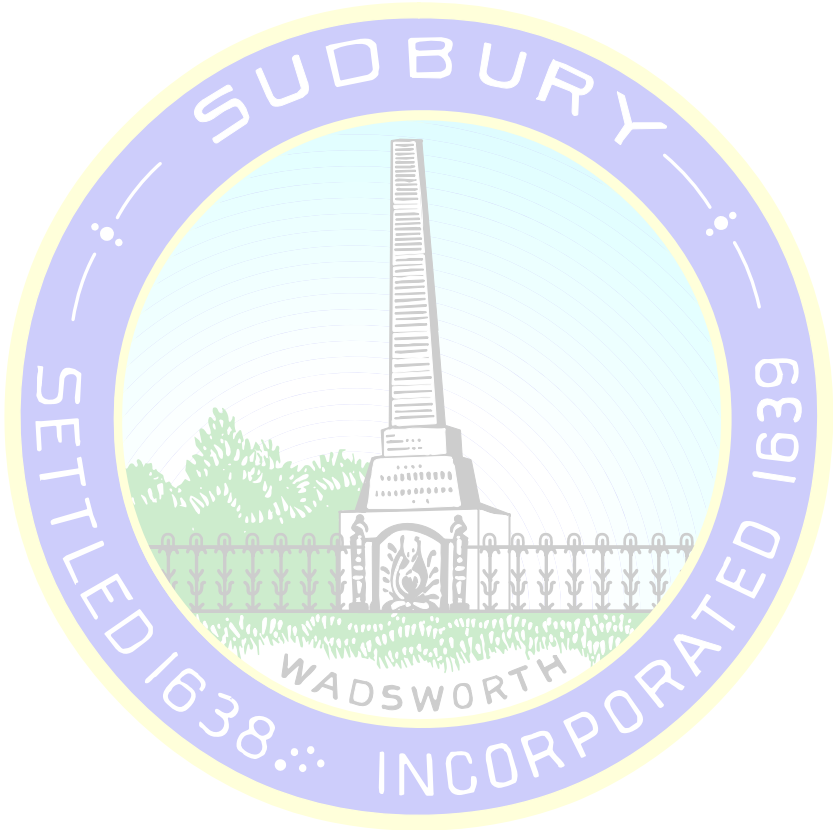
# Organizational Chart of the Town of Sudbury

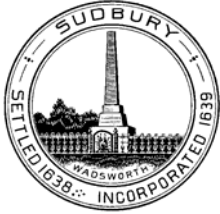


**\* Note: All Employees of all departments under the Board of Selectmen are appointed by the Town Manager with the following exceptions:  
 The Town Accountant and Town Counsel are appointed directly by the Board of Selectmen  
 All employees in the Health Department are appointed by the Board of Health**

# Section Two

# CALENDARS, PROCEDURES & POLICIES





# Town of Sudbury

## Finance Committee

Finance Committee  
278 Old Sudbury Road  
Sudbury, MA 01776

(978) 443-8891

September 26, 2005

Board of Selectmen, Town of Sudbury

Ms. Maureen Valente, Town Manager, Town of Sudbury

Ms. Jane S. Santinelli, Sudbury Public Schools Committee, Chairman

Dr. John R. Brackett, Sudbury Public Schools, Superintendent

Mr. John J. Ryan, Jr., Lincoln Sudbury Regional School District Committee, Chairman

Dr. John M. Ritchie, Lincoln-Sudbury Regional High School, Superintendent

Mr. Paul Lynch, Minuteman Regional High School Representative

Dear Town and School Leaders and Administrators:

The Finance Committee (the "Committee") looks forward to working with you on the FY07 budget. Municipal budgeting continues to be a challenging task in a difficult environment requiring resourcefulness, strategic thinking and choices. We congratulate the officials and representatives of the Town and its various committees for working together in the past in the best interests of the Town's residents and taxpayers. It is the Committee's desire to see this spirit of cooperation continue as we all work through the FY07 budget process.

While the budget process, definitions and formats previously established will continue (as consistency is an inherently necessary function in budgeting), the Committee realizes that the economic times, the Town population (both student and resident), and the utilization of Town and school provided services change. While the Committee is aware of these changes, it is also bound by its obligation to recommend a no override budget. In an effort to help achieve its obligations and to insure that the Committee is recommending a budget that meets the various levels of services it deems appropriate, we respectfully suggest the following milestones and guidelines:

- Milestone 1. By October 12th, the Committee requests each cost center provide a written FY05 Budget vs. Actual Expended cost analysis with commentary for material differences. This information should be sent to Sue Petersen, Finance Director, for inclusion in the Committee's October 17<sup>th</sup> meeting packet.
- Milestone 2. By December 16th, each cost center should submit a FY07 budget to Sue Petersen (preferably on 3-hole punched paper) based on the suggested following criteria:

- Budgeted expenses assuming both 1.5% and 3.5% increases over the FY06 budget in each respective cost center's budget (excluding pension and insurance line items to be reflected at projected cost). Please include details of the impacts at these levels as well as the additional services or programs from the 1.5% to the 3.5% budget.
- Any other budget a cost center wishes the Committee to consider.

Milestone 3. In January, the Committee will hold budget hearings to gain a greater understanding of each budget and its impact. This schedule will be made available by mid-November.

Milestone 4. By mid-February, the Committee intends to vote on the submitted budget under Proposition 2 ½ and any override budget, if deemed necessary.

Attached you will find schedules for FY07 revenue projections (current projections of the Town Manager and Finance Director) and budget forecasts with noted assumptions. These figures are *very preliminary* and will likely be revised, as we get further into the budgeting process. As additional information regarding state aid, pension and insurance costs, and other figures for which projections have been made become available, we will adjust accordingly.

Your cooperation is very much appreciated.

Members of the Finance Committee

Cc: Town Moderator (w/o encl.)  
John Robinson, Town of Lincoln Finance Committee, Chairman (w/o encl.)

Sudbury Finance Committee			
FY07 Budget Hearings Schedule			
(All Hearings/Meetings begin @ 7:30pm unless otherwise noted)			
Monday	January 9	Lincoln-Sudbury Regional School District Budget Hearings	Town Hall
Thursday	January 12	Sudbury Public Schools Budget Hearings	Town Hall
Monday	January 16	(Martin Luther King Holiday)	
Thursday	January 19	Town of Sudbury Budget Hearings	Town Hall
Monday	January 23	Minuteman Regional Vo-Tech / Capital Improvements / CPA	Town Hall
Thursday	January 26	Joint meeting with Lincoln FinCom / Other Articles	Town Hall
Monday	January 30	Revenue Update / Other Articles	Town Hall
Tuesday	January 31	Joint Meeting with Sudbury's Board of Selectmen	Town Hall
Thursday	February 2	FinCom Deliberations, Final Votes *, Discussion of Warrant Reports	Fairbank
Monday	February 6	FinCom Reports due	
* Final Vote by Sudbury FinCom must be taken no later than Friday, February 10, 2006 for Non-Override Budget, Override Budget (if any) and Warrant Article positions to be published.			

## **Phases of Budget Preparation and Development**

### ***Policy/Strategy Phase***

- Based on long range planning efforts of the Town, such as the Master Plan, as well as current needs, the Board of Selectmen set goals for next fiscal year
  - Completed July 26, 2005
- Town Manager sets goals
  - Completed July 26, 2005
- Town Manager/Department heads jointly set their goals
  - Completed September, 2005

### ***Financial Capacity Phase***

- Short range forecast/sensitivity analysis conducted (FY07 specific)
  - By September 30, 2005
  - Sue Petersen and Andrea Terkelsen
  - Used in FinCom Instructions, Financial Summit and Financial Condition Analysis
  - Follow format already established
- Long range forecast/sensitivity analysis updated (3 year forecast)
  - By September 30, 2005
  - Sue Petersen, Andrea Terkelsen & Maureen Valente
  - Used in Financial Summit and Financial Condition Analysis
  - Follow format already established
- Financial condition analysis updated
  - By October 14, 2005
  - Sue Petersen, Andrea Terkelsen, Maureen Valente,
  - Format to be discussed
- Review of progress vis-à-vis policies and projects from prior years
  - By October 14, 2005
  - Town Manager Maureen Valente
  - Format to be developed

### ***Needs Assessment Phase***

- Departments review their current condition, goals, programs and needs
  - Town Manager's budget memo finalized, sent out by September 29, 2005
- Departments prepare workload indicators, performance indicators, other statistics
  - Sue Petersen and Maureen Valente work with selected department heads
- Departments submit budget requests to Town Manager
  - Departments submit budget request to Sue Petersen by November 1, 2005
- Schools submit budget requests to School Committees
- Town Manager Seeks CIP requests from all department and committees
- Finance Director provides debt information
- Determine CIP priorities, and recommend funded projects to Town Manager
- Update CIP

### ***Review/Development Phase for Town Budget***

- Town Manager and her budget team review requests
- Town Manager holds Departmental hearings
  - November 7 – 16, Departmental budget hearings

- Sue Petersen, Maureen Valente, Fin Com liaisons
- Preliminary Town operating budget developed, presented to Selectmen
  - December 6, 2005 Board meeting
- Final Town operating budget assembled and published
  - By December 20, 2005
- Schools hold budget hearings
- School Committees vote final school budgets

***Development for Fiscal Year Annual Budget and Financing Plan***

- Town Manager and Finance Director receive School budget requests
  - By December 20, 2005
  - Sudbury Public Schools
  - Lincoln-Sudbury Regional High School
  - Minuteman Regional Vocational- Technical High School
- Town Manager and Finance Director finalize revenue projections, state aid projections
  - By December 20, 2005
- Town Manager and Finance Director finalize charges from state, Assessors overlay etc.
  - By December 20, 2005
- Fiscal Year Annual Budget and Financing Plan delivered to FinCom, published on web
  - By December 30, 2005

***FinCom Review Phase***

- FinCom holds hearings on Town, School, capital budget requests
  - January 2006
- FinCom holds hearing on all money articles
  - January 2006
- FinCom votes on budget
  - February 2006
- FinCom votes on all money articles
  - February 2006

***Appropriation Phase***

- Town Meeting begins, votes appropriations
  - April 3-5, 2006
- Town Meeting approves all bonding and capital articles
  - April 3-5, 2006
- Town Meeting approves any budget amendments for current fiscal year, if any

***Enactment Phase***

- As Appropriated Budgets prepared, distributed
  - June 30, 2006



## FY07 Budget Calendar

This calendar describes the steps leading to adoption of the budget for those accounts overseen by the Town Manager and requiring appropriation by the Town Meeting. The School Superintendents and School Committees carry out similar steps leading to Town Meeting.

### 2005

June 10	Board of Selectmen holds goal setting session
September 22	Town Manager issues capital budget instructions
September 8	Town Manager and Finance Director prepare preliminary three year forecast model, draft sensitivity analysis for use by Finance Committee
September 26	Sensitivity analysis completed, Finance Committee Budget memorandum approved for distribution to all cost centers (Town, SPS, LSRHS and CIP)
October 14	Capital requests due to Town Manager
October 12	Town Manager issues budget instructions to department heads, committee chairs
October 28	Preliminary CIP compiled for Town Manager's review
October 15	Cost Centers submit FY04 Budget to Actual to Finance Committee
October 28	CIP preliminary list submitted to CIP staff committee
November 2	CIP staff committee meets
November 3	Depart & Committee Operating budget requests due at Finance Director's Office
November –9-14	Budget hearings with Town Manager and Finance Director
November 29	CIP Citizens Committee holds hearings
December 13	CIP Committee draft report finalized
December 16	Town Manager, Lincoln-Sudbury Regional High School, Sudbury Public Schools and CIP committee budgets due to FinCom, Board of Selectmen
December 30	<b><i>FY2007 Annual Budget and Financing Plan</i></b> delivered to Finance Committee, Board of Selectmen

### 2006

Jan 9 – Jan 31	Public hearings on budget requests held by Finance Committee
February 2	Final vote of Finance Committee
March 10	Town Meeting Warrant and Report of the Finance Committee mailed to residents
April 3	Town Meeting - consideration of FY07 operating and capital budget; enactment of appropriations, budget amendments to FY06 budget if any
July 1	FY2007 Budget takes effect

# Town of Sudbury Board of Selectmen Budget and Financial Management Policies

## Introduction

The Town of Sudbury has an important responsibility to carefully account for public funds, to manage municipal finances wisely, and to plan and provide for the adequate funding of services desired by the public and as required by laws, rules, or regulations, including the provision and maintenance of public facilities and improvements. The budget and financial goals and policies set forth by the Board of Selectmen in this document are intended to establish guidelines for the continued financial strength and stability of the Town of Sudbury.

## Goals

Goals are broad, fairly timeless statements of the financial position the Town seeks to attain. The financial goals for the Town of Sudbury are:

- To provide full value to the residents and business owners of Sudbury for each tax dollar by delivering quality services efficiently and on a cost-effective basis.
- To preserve our quality of life by providing and maintaining adequate financial resources necessary to sustain a sufficient level of municipal services, and to respond to changes in the economy, the priorities of governmental and non-governmental organizations, and other changes that may affect our financial well-being.
- To maintain our top level AAA credit rating
- To guide Town decision makers on management and policy decisions which have significant fiscal importance.
- To set forth operating principles that minimizes the cost of government and financial risk.
- To employ balanced and fair revenue policies that provides adequate funding for desired programs.
- To maintain appropriate financial capacity for present and future needs.
- To promote sound financial management by providing accurate and timely information on the Town's financial condition.
- To ensure the legal use of financial resources through an effective system of internal controls.

To achieve these goals, the Board of Selectmen adopts the following policies.

## Operating Budget Policy

Sound financial practice and the desire to maintain a strong credit rating dictate that our budgets be balanced, constantly monitored, and responsive to changes in service demands. With these concepts in mind, the Town of Sudbury has adopted the following budget policy statements:

- On or before December 20 of each year, the Town Manager will submit to the Board of Selectmen and Finance Committee a proposed budget plan for Town Operating Departments.
- On or before December 20 of each year, the Sudbury Public School Committee will submit to the Board of Selectmen and Finance Committee a proposed budget plan for the Sudbury Public Schools.
- On or before December 20 of each year, the Lincoln-Sudbury Regional High School Committee will submit to the Board of Selectmen and Finance Committee a proposed budget plan for the Lincoln-Sudbury Regional High School.
- On or before December 20 of each year, the Minuteman Regional Vocational-Technical High School Committee will submit to the Board of Selectmen and Finance Committee a proposed budget plan for the Minuteman Regional Vocational-Technical High School.
- On or before December 31 of each year, the Town Manager will prepare a comprehensive budget for the Town of Sudbury, covering all major cost centers, all spending plans and all anticipated revenues. This comprehensive budget will be submitted to the Finance Committee and to the Board of Selectmen.
- The annual operating budgets will be appropriated on a balanced basis, where operating revenues (estimated revenues) are used to fund operating expenditures/expenses (appropriations).
  - Operating revenues include property taxes, motor vehicle excises, charges for services, interest earnings, license and permit fees, fines and forfeitures, regularly recurring governmental aid, and transfers in from other funds established for operating purposes.
  - Operating expenditures/expenses include salaries and wages, employee benefits, equipment and improvements, depreciation (proprietary funds only), materials, supplies, and contractual costs. The Town of Sudbury traditionally votes to issue all debt exempt for the limits of Proposition of 2 ½, and thus debt service is not considered an operating expenditure.
- Nothing in this policy shall prohibit the use of operating revenues for capital expenditures/expenses
- The Town will avoid relying on Free Cash to fund on-going operating expenses.
- To the extent possible, one-time revenues that are not required by law or agreement to be expended for a particular purpose will only be used for capital purposes, augmenting of Town reserves or emergency expenditures/expense.
- The Town Manager will annually estimate the costs of the Town's obligations for providing benefits for Town and Sudbury Public School employees as part of the preparation of the annual operating budget.
- The operating budget will not be subsidized by the Stabilization Fund.

## **Revenue Policy**

Revenues determine the capacity of the Town to provide services. To ensure that revenues for the Town are balanced and capable of supporting desired levels of services, the Town of Sudbury has adopted the following revenue policy statements:

- The Town Manager and Finance Director are responsible for estimating revenues for the upcoming fiscal year. They will consult with other officials of the town as well as state officials and others with knowledge of state and local finance.
- Revenue forecasts for local receipts and state aid shall be conservative, using generally accepted forecasting techniques and appropriate data. Revenue deficits will be avoided at all costs. To avoid any potential for such a deficit, estimates for local receipts will generally not exceed 100% of the prior year's actual collections.

- The Town Manager and Finance Director will project revenues for the next three years as part of the three year financial forecast.
- Each year and whenever appropriate, existing revenues will be re-examined and possible new sources of revenues will be explored to ensure that we are maximizing our revenue potential.
- Legally restricted revenues will be avoided when they adversely affect the short or long-term financial health of our government.
- The Town will strive to be informed and aware of all grants and other aid that may be available to us. All potential grants and other aid shall be carefully examined for matching requirements (both dollar and level-of-effort) and restrictive covenants, to ensure that our participation in such grants will be beneficial and cost-effective.
- Each year and whenever appropriate, intergovernmental revenues will be reviewed to determine their short and long-term stability, to minimize the impact of any adverse changes. Intergovernmental revenues shall be used as legally prescribed or otherwise set forth by policy.
- A balance will be sought in the revenue structure between elastic and inelastic revenues, to minimize any adverse effects caused by inflationary or economic changes.
- One-time revenues will be used for capital improvements, additions to reserves or as legally restricted to a specific purpose.
- The Town will carefully and routinely monitor all amounts due the Town. An aggressive policy of collection will be followed for all receivables, including property taxes. A target of 98% property tax collection rate by fiscal year end will be achieved.
- Recreational user charges and fees will be set to recover approximately 100% of total direct costs generated by revolving fund recreation programs.
- Enterprise fund (Solid Waste and Atkinson Pool) user charges and fees will be set to recover all direct and associated with the activities of these funds as well as the indirect costs for the Solid Waste Enterprise Fund.

## **Expenditure/Expense Policy**

Expenditure/expenses are a rough measure of a local government's service output. While many expenditures/expenses can be easily controlled, emergencies, unfunded mandates, and unanticipated service demands may strain our ability to maintain a balanced budget. To ensure the proper control of expenditures/expenses and provide for a quick and effective response to adverse financial situations, the Town of Sudbury has adopted the following expenditure/expense policy statements:

- Expenditures/expenses and purchase commitments will be made in a form and process that is legal, appropriate, funded, authorized and sufficiently documented.
- Expenditures/expenses and purchase commitments will be recorded in an accurate and timely fashion.
- The review and approval process for all vouchers shall be followed at all times. Properly completed claims must be prepared and submitted to the accounting department by the department responsible for originating the claim. A "properly completed claim" must include, but is not limited to, the vendor's name and address, date of claim, explanation, and accounts to be charged, department authorization signature and sufficient documentation. "Sufficient documentation" means that a person unfamiliar with the transaction could understand what was ordered, when, by whom, from what vendor, at what price, when the goods or services were delivered, who accepted delivery, and who authorized payment.

- The balances in appropriation accounts will be monitored regularly to ensure that the total of expenditures/expenses and purchase commitments in any account do not exceed the authorized budget for that account.
- Requests for competitive bids, proposals, formal and informal quotes, and other methods of seeking and encouraging vendor competition will be obtained as required by law and as otherwise established by the Town Manager or Town Counsel.
- Arrangements will be encouraged with other governments, private individuals, and firms, to contract out or cooperatively deliver services, in a manner that reduces cost and/or improves efficiency and effectiveness while maintaining service quality.
- The full direct and indirect costs will be calculated for any service provided for a fee or charge, or where there is a potential for the reimbursement of such costs.
- All appropriations shall lapse at the close of the fiscal year to the extent that they shall not have been expended or encumbered.

## **Reserves and Risk Management Policy**

A municipality's fiscal policies should include a plan for maintaining reserves. Operating reserves (or fund balance) are a prudent fiscal management tool and an important credit factor in the analysis of financial flexibility. The Town of Sudbury will maintain a level of reserves that protect the Town from emergency conditions that require financial flexibility, contribute to sufficient liquidity to pay all Town expenses without short-term borrowing, and contribute to the high credit rating that the Town currently holds from Standard & Poor's (AAA). To provide for adequate levels of reserves to protect the Town's financial condition over the long-term, the Town of Sudbury has adopted the following financial reserves policy statements.

### **A. Risk Management**

- The Town will maintain an effective risk management program that provides adequate coverage, minimizes losses, and reduces costs.
- The Town will annually work with the Town's insurance carrier to update all listings of Town owned assets and the value of such covered assets.
- As the Town is self-insured for several of the benefits programs it offers, the Town will maintain adequate reserves for its Workers Compensation, Unemployment Compensation, and Health Insurance Programs, as follows:
  - Workers Compensation Fund, at the beginning of each fiscal year, at least 110 % of the average annual claims for the prior three years
  - For the Unemployment Compensation Fund, at the beginning of each fiscal year, at least 110% of the average annual claims for the prior three years
  - For the Health Insurance Fund, at the beginning of each fiscal year, at least 150% of the estimated run-out claims for each insurance plan that is self-insured.

### **B. Stabilization Fund**

- The Town of Sudbury shall maintain a Stabilization Fund to provide the reserves that are required to protect the financial condition of the Town.
- The Town will work toward the goal of maintaining in the Stabilization Fund an amount equal to five percent (5%) of the total projected general fund operating revenues for the next previous fiscal year.
- Interest earned on Stabilization Fund balances will be retained in the Stabilization Fund.

- Withdrawals from the Stabilization Fund will only be used for sudden and unexpected events such as a loss of a revenue source after Annual Town Meeting has approved the operating budget for the next fiscal year. Withdrawals from the Stabilization Fund will only be made by a two-thirds vote of Town Meeting, only if the balances exceed the 5% target and will not draw the balance below that point.

## **Capital Budgeting and Planning Policy**

Capital assets include land, improvements to land, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, construction in progress and all other tangible and intangible assets that are used in operations and have initial useful lives extending beyond a single reporting period. Infrastructure assets are long-lived capital assets that normally are stationary in nature and can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets owned by the Town of Sudbury include roads, bridges, tunnels, dams and drainage systems.

The Town of Sudbury has a capital planning and budget bylaw and process that require the following:

- On or before November 15 of each year, the Town Manager will submit a capital program to the Capital Improvement Planning Committee. The proposed program will detail each capital project, the estimated cost, description and funding source.
- The Town will update and readopt annually a five-year capital improvement plan ("CIP"), including the upcoming annual capital improvement budget ("CIB") and a four year projection of capital needs and expenditures which details the estimated cost, description and anticipated funding sources for capital projects.
- The first year of the five year CIP will be the basis of formal fiscal year appropriation request during the annual budget process.
- Per the Town's capital bylaw, the Capital Improvement Budget and Plan will generally address those capital assets with a value of more than \$10,000 and a useful life of over five (5) years.
- The Town will emphasize preventive maintenance as a cost-effective approach to infrastructure maintenance. Exhausted capital goods will be replaced as necessary.
- The capital improvements plan should be tied to the Town's master facilities study to ensure that the capital items requested meet the future growth needs for the Town.

## **Debt Management Policy**

Debt is an effective way to finance capital improvements or to even out short-term revenue flows. Properly managed debt preserves our credit rating, provides flexibility in current and future operating budgets, and provides us with long-term assets that maintain or improve our quality of life. To provide for the appropriate issuance and responsible use of debt, the Board of Selectmen of the Town of Sudbury have adopted the following debt management policies.

- Long-term debt will be issued only for objects or purposes authorized by state law under Chapter 44, section 7 and 8.
- Short-term debt may be issued to finance current operating expenditures only in the event of extreme financial emergency.
- Debt maturity will not exceed the lesser of: the useful life (as established by the Town Treasurer-Collector), or the period of probable usefulness (as defined in Massachusetts State Local Finance Law), of the object or purpose so financed, whichever is shorter.
- Debt limits established by law and policy will be calculated by the Town's Finance Director and Treasurer-Collector at least once each year and whenever otherwise requested or appropriate.

- The Town will maintain good communications with bond rating agencies, bond counsel, banks, financial advisors and others involved in debt issuance and management.
- The Town's annual Town Report, Town Manager's Budget Request and annual town meeting warrant will give comprehensive summaries of the debt obligations of the Town.
- The Town will attempt to maintain a long-term debt schedule so that at least 50 percent of outstanding principal will be paid within ten years.
- The Town will attempt to vote all significant debt questions (over \$500,000) exempt from the limits of Proposition 2 1/2.

### **Protection of Credit Rating Policy**

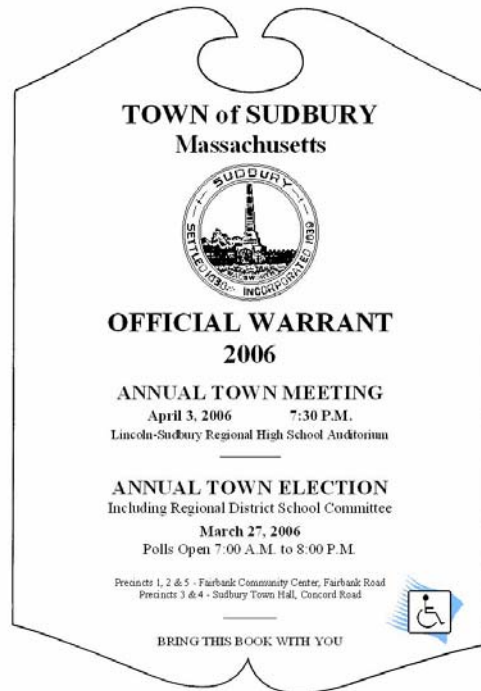
Maintenance of the highest level credit rating possible is important to the continued financial health of Sudbury as it reduces the costs of issuing debt. Credit rating firms consider management practices to be very important factors. There are several management practices that can inadvertently jeopardize the financial health of a local government. To be proactive in assuring the Town of Sudbury does not engage in these practices, the Board of Selectmen of the Town of Sudbury has adopted the following credit rating protection policies.

- The Town will not rely on reserves to sustain operating deficits. Use of such reserves will be limited to helping the Town deal with short-term or emerging financial stress, but then the Town will either reduce spending to within the limits of recurring revenues, or seek approval for additional revenues from the voters of the Town.
- The Town will not defer current costs to a future date. This includes costs such as pension costs or benefits costs. From time to time the State offers municipalities the option of deferring payments to their pension system, or other costs, as a short term way of balancing a fiscal year's budget. However, it the intention of the Town of Sudbury not to rely on these options.
- The Town will analyze the full-life costs of multi-year decisions. For example, acquiring or construction of new buildings will be conducted with an assessment of the operating costs of the building. Lease agreements will be conducted with an assessment of future budgets and the ability to make annual payments. Labor agreements will be negotiated with an analysis of the full costs associated with the terms of the agreement.

The Town will follow the policies as outlined in this policy statement.

## Appropriation and Budget Amendment Procedures

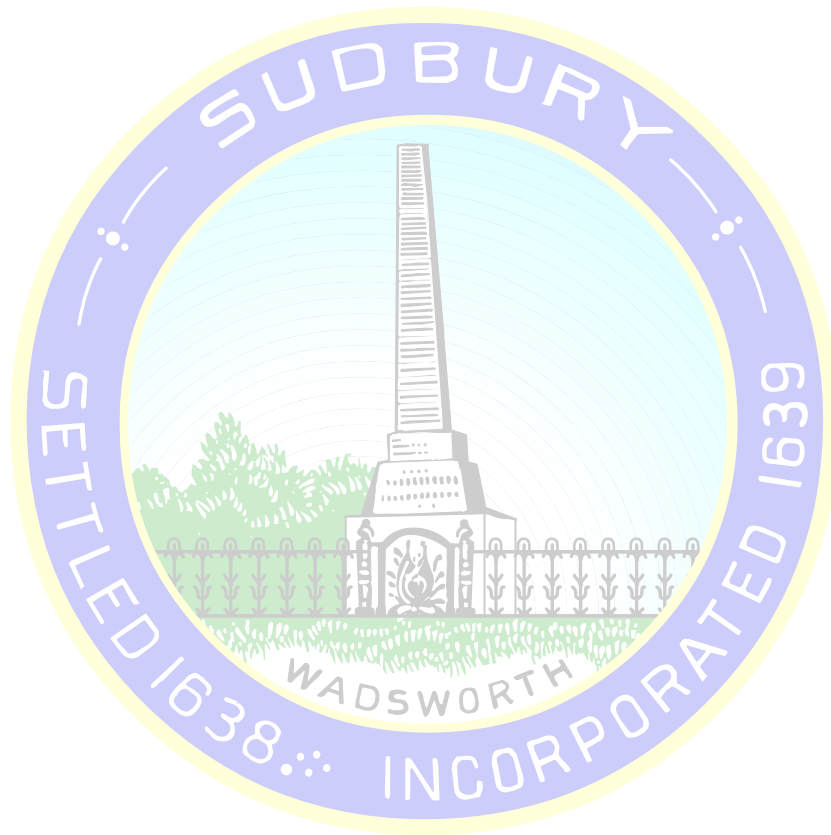
Town Meeting has the sole authority to appropriate funds for the operating budget and the capital budget, as well as for other money articles, and the vote of Town Meeting become the legal authorization to implement the budget. By Sudbury bylaw, the Annual Town Meeting begins on the first Monday in April. Prior to the first session of Annual Town Meeting, the Town Warrant, containing the proposed budget articles, is sent to every household in Town. The Operating Budget Article is moved by the Finance Committee. The Capital Budget Article is moved by the Capital Improvement Planning Committee. After appropriation by Town Meeting, and following the adjournment of Town Meeting budgets can only be amended the following April at the next year's Annual Town Meeting under a Budget Adjustment Article or through a Special Town Meeting. Sudbury only occasionally has needed to amend the operating budget.





# Section Three

## BUDGET MESSAGE



## Budget Message

This ***FY07 RECOMMENDED Budget*** is the one that is critical to providing a level of services that is not a decrease over FY06 levels and this is the budget that will be presented by the Finance Committee to Town Meeting for appropriation. The successful override in FY06 was a signal that Town residents felt the public safety and public works departments in particular were operating with too few resources and needed additional support. Below is a summary of the significant changes contained in this budget, both compared to FY06 and as they relate to the challenges facing the Town. For further information, a great deal of detail, both narrative and numerical, is found in each of the departmental budget pages which follow.

### ***Town Manager's FY07 Recommended Budget Request***

#### 1. Wage Adjustments:

- a. **A wage adjustment of 1.5% has been made for Town employees not covered by a contract or collective bargaining agreements.** Wage adjustments for these employees are not arrived at by collective bargaining but are determined at the discretion of the Town Manager. This 1.5% is a very minimal wage adjustment, and if later, higher wage adjustments are settled on other town or school groups, I would vigorously advocate for a similar level of wage adjustment to be offered to these non unionized employees as well.
- b. **A wage adjustment of 2.25% is included where contractually required for two unions.** Two groups will receive a wage adjustment of 2.25%, as they are in the 3<sup>rd</sup> year of their current three year agreement (Public Works and Engineering). These two groups tend to track other Town groups but one year later. Thus, police, fire and non-union groups had a 2.25% wage adjustment in FY06.
- c. **No specific wage adjustment is set for three unions.** The Town has not entered into a successor three year contract with three collective bargaining groups: Police, Fire and the Supervisory Association. Some funds for settlement of wage adjustments for these employees are requested in the salary contingency line item; if the final negotiated increases exceed these amounts, then a special town meeting will need to be held to appropriate those funds.

#### 2. Staffing Changes

- a. **The part-time Building Inspector position is restored to full-time status.** Two positions were eliminated during the FY03 – FY05 budgets: the Senior Outreach Worker position and a part-time Economic Development specialist. Two full-time positions were reduced to part-time: a clerical position in the Treasurer/Collector's office and the Assistant Building Inspector. Out of these four cuts, this is the only one I seek to restore due to the workload in this office, coupled with the retirement of the current Assistant Building Inspector. The Town needs to hire someone to fill this position, and we need to restore the hours to full-time.

- b. **A mechanic position is added in DPW.** The Town has far too many vehicles for our one mechanic to maintain, especially in snow storms. Our vehicles are for the most part pretty old and easily break down. This is a high priority item to allow the Town to continue with our current level of services.
  - c. **A patrol officer position is added in the Police Department.** As I demonstrated last year, we have not even kept level staffing in the police department in the last 10 years, while population and service demands keep growing.
  - d. **A part-time planning assistant is added while a Planning intern is eliminated.** The workload in the planning office is far too great for one professional. Our Planning Director staffs numerous committees and handles other responsibilities, such as economic development and housing issues, beyond her planning duties. This is not really a new position given the previous intern position, but this does change the kind of skills and background we are seeking to assist the Town Planner.
- 3. **Public Safety Adequacy**
  - a. **Police Department overtime is not increased.** With the addition of one more patrol officer we will have less need to call in officers to backfill open shifts at an overtime rate. During FY05 we had fallen as low as covering about 50% of all scheduled shifts. If we can keep FY07 overtime at the proposed level and fill this patrol officer slot, we should be able to stay at filling 75% of the vacant shifts.
  - b. **Fire Department.** Barring a major problem with injuries to fire fighters, this budget should provide sufficient funding to keep all three stations open.
- 4. **Goals of the Board of Selectmen.** This budget allows for some progress in meeting many long standing goals and program efforts of the Board by creating a part-time planning staff position. The Town has lacked real capacity or depth to do more in many areas where they would like to see progress. However this budget does not provide the necessary funding for sufficient professional development for all professional and administrative staff.
- 5. **A Hazardous Waste Day is provided for in the Board of Health.** The Town had record turnout for this in November 2005, showing that the residents value the opportunity to safely dispose of household hazardous waste.
- 6. **Council on Aging New Service Added.** The COA has asked for \$5,000 to begin a new taxi voucher service. This is highly recommended, both because it is such a small amount for a very deserving population, but also because the COA is planning to leverage these funds by looking at offering regionalized services with Wayland, or obtaining other funds from the state.
- 7. **DPW vehicle replacement remains a problem.** The Town continues to rely on lease purchases for replacing DPW fleet vehicles, and faces a backlog of needs even with such leasing. The Town has not been able to outright purchase vehicles for several years now. We need to be able to move away from this pattern and start allocating a recurring sum of money for vehicle replacement as an operating cost of this department. I hope to submit a plan to address this in a more comprehensive way in FY08.
- 8. **Utilities Impact and Changes.** The Town was protected from mid-year utility increases in FY06 due to the long term contracts we had negotiated several years ago. While other towns are having special town meetings and cutting other areas to pay huge FY06 surges in energy costs, we believe we can make it

through the rest of this fiscal year with the current appropriation for electricity, natural gas and heating oil (if this winter is not too severe) (however, we may need reserve fund transfer to supplement our line items). However, the Town's contract for electricity expires during FY07, and thus we will be paying nearly double the rate as we have enjoyed for the past several years. We have budgeted over \$100,000 more for heating costs for FY07. Additionally, gasoline costs have increased. In the past all gasoline costs were covered out of the DPW budget. For FY07 I have moved to the Police and Fire Departments the costs of gasoline for their vehicles. This will help them monitor how their department staff uses this commodity, and helps from making it appear that the DPW's budget is increasing so rapidly, when in fact that department is only one of the primary consumers of gasoline. We have budgeted an additional \$54,000 for gasoline costs over the FY06 appropriation.

9. **Increase in Contracted Services.** The Town relies on many contracted services to fulfill our mission. The cost of these contracts continues to rise. We can't do without these services. They range from the maintenance costs of our financial software, audit services, nursing services, mosquito control, maintenance of public safety communications equipment, etc. This budget funds those critical contracts.
10. **The Reserve Fund request is slightly lower than FY06.** My ability as Town Manager to move modest amounts of funds within functions has meant that there has been a reduced need to ask for transfers from the Reserve Fund compared to years ago. Nevertheless, the \$145,000 requested is as low as this fund safely can go without potentially jeopardizing critical Town operations. Please see the detailed explanation in this budget narrative.
11. **Increase in Offsets.** The Town will be using funds that can only be used to offset the expenses of a specific service or cost. In this case, the funds used for offset are from the ambulance fees reserved for appropriation and a Federal grant to offset the costs of one patrol officer's salary. The \$50,153 shown is not the entire amount of offset used, but only the increase over the amount used in FY06. The final financial summary will show the entire amount of offsets used to balance the budget.

## A Reader's Guide to the Budget

In this section of the budget document, we have included tables, charts, and narratives that we hope will provide context for the important budget deliberations and decisions that are ahead of the Town. The budget of a municipality has many parts to it. Different cost centers operate under different state laws. They have their own leadership and management structure. Each has revenue sources that are dedicated to specific programs and are not transferable to other parts of the budget. Each has mandated activities and services that can not be discontinued. Each has employees working under collective bargaining agreements, and the provisions and requirements for each group differ from others. And in two cases – the Lincoln-Sudbury Regional High School and the Minuteman Vocational Technical High School – other towns have a role and a say in the budget requests and spending priorities of the cost center. Readers hoping for a budget that is similar to that of a private company will be disappointed. It takes a great deal of effort to gain an understanding of the milieu in which the Town of Sudbury's budget and financing plan is put together.

A municipal budget document can be a challenge to read and understand, especially for those who don't deal with them often. This is true for a number of reasons: first, they involve numbers, often in lengthy tables. Second, a municipal government is responsible for a large and diverse set of operations and services, many of them complex in nature, so even at a summary level there is still a great deal of detail to digest. And lastly, budget documents must serve a number of purposes.

- A Planning Tool. A budget should be a blueprint for the services that the Town will offer in the fiscal year, consistent with the values and goals that have been set by the Board of Selectmen.
- A Communication Tool. Within the budget pages, the reader should be able to find out how the resources of the Town have been allocated. And, if performance data is included, they are a report of how the Town has been using the resources to achieve the mission and goals of the organization.
- Link to Town Meeting Warrant. A budget's layout should be consistent with the Town Warrant, which is organized according to the Town's organizational chart and chain of command. So, for example, funds appropriated within the Town's Public Safety cluster can only be expended for a public safety purpose with the approval of the Town Manager.
- Link to Different Funds. Governmental accounting is fund accounting, unlike private sector accounting, where there is usually only one fund for all the financial transactions of the entity. In the Town of Sudbury, there is the General Fund and two enterprise funds that support the annual budget. The Community Preservation Fund does not support the General Fund, but rather eligible one-time projects that meet State determined criteria.

To help the reader navigate this budget document, below is an explanation of different parts of the budget document that may be helpful in interpreting and understanding the actual budget requests.

- Appendix One in the back is a ***Glossary of Budget Terms and Definitions***. For the first time reader especially, it may be helpful to be able to check on the meaning of unfamiliar terms that are contained in this document.
- The second section of this document, ***Budget Calendars, Procedures and Policies*** describes how the budget is developed according to various instructions and stages of development.
  - FY07 Budget Instructions from the Finance Committee
  - Overview of Phases of Budget Development
  - FY07 Budget Calendar
  - Board of Selectmen's Budget and Financial Management Policies

- Budget Appropriation and Amendment Procedures
- The third section of this document **Budget Message** contains summary information about the FY07 Budget that has been recommended by the Finance Committee, as well as two other budget scenarios that were considered but not voted for recommendation by the Finance Committee. This section also has five subsections which contain financial information that was critical as the Town developed the FY07 Budget.
  - State Actions. This is an overview of the actions at the State level that are affecting the Town's financial and budgetary situation, both for the upcoming fiscal year and for the future beyond the next year.
  - Sudbury Financial Trend Analysis. Annually, the Town updates an analysis of its financial condition through use of 11 indicators that have been trended over time, following the analysis model developed by the International City/County Management Association.<sup>1</sup>
  - Revenue Projections for FY07. This is a quick summary of the projected revenues supporting the FY07 Recommended Budget.
  - Expenditure Pressures FY07. This focuses on the major factors that are impacting on the cost of providing services.
  - Revenues and Fund Accounting. This section contains detailed background information about the revenue sources the Town relies on. Each revenue type is defined, the projection for FY07 is given, and the assumptions that support that projection are given.

The **Budget Message** section is meant to stand alone as it also can serve as an Executive Summary of the FY07 Budget plan that will be recommended for appropriation at the Annual Town Meeting in April, 2006.

- Detailed operational budget requests are found in sections 4 through 7. Here can be found the explanation of what services are being provided, the level of staffing involved, and other such information related to each budget request. Readers may use this information to dig deeper into the specific budget requests. Note that the three school systems develop separate detailed budget documents that are not included in this budget. Only summary level information is presented here for these school systems.
- The FY07 Operating Capital Budget, the long range capital plans, and the FY07 Debt Budget are found in Section 8.
- There are a number of appendices to this budget document, located in Section 9. These appendices are intended to be supplemental reference materials as they did not specifically affect the development of the FY07 budget, but provide more historical and longer term information for the interested reader.
  - One: Budget Terms and Definitions
  - Two: History of Proposition 2 ½ Overrides in Sudbury
  - Three: Residential Tax Rate History, 1990 – 2005
  - Four: Population History of Sudbury, 1790- 2005
  - Five: The Town's Energy Management Program (draft at this time)
  - Six: C.A.R.E. Program (Cost Avoidance and Revenue Enhancement)
  - Seven: FY05 Audit, Management's Discussion & Analysis

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<sup>1</sup> Groves and Valente **Evaluating Financial Condition**, International City/County Management Association, Washington D.C., 1994

## FY07 Budget Summaries

This section contains an overall picture of the FY07 budget requests in one summary table so that the reader can see on one page the total presentation of these requests. The Table on the next page contains three alternatives for the overall FY07 budget submissions that were debated, as well as the final summary budget that was approved by the Finance Committee.

The first of these scenarios is titled **Level Staff Budget (A)**. As implied, this level of budget would not require any reductions in staffing, or cut back in contracted services used by the Town and the Schools. This Budget would produce an overall surplus of \$417,039 of revenues over appropriations.

The next budget level is titled **Level Services/Level Class Size Budget (B)** and shows the FY07 budget if all three major cost centers, plus the operating capital budget, supported the same level of services as is currently provided. This means that there would be added staff where demand for services has grown beyond the ability of existing staff to provide. For example, both schools would add teaching staff to maintain class sizes at FY06 levels, and the Town would add a patrol officer and an Assistant Mechanic to keep up with workload growth. This Budget is essentially balanced to projected available revenue, but does not add to reserves nor enable the Town or the schools to regain staffing lost in FY03, FY04 and FY05 (and prior year) cutbacks.

The third scenario, titled **Town Manager/School Committee/Capital Improvement Planning Committee Requested Budget (C)**, shows the FY07 Summary Budget if all three major cost centers, plus the operating capital budget, increased by the full amount voted/requested by each of these entities. This Summary Budget is \$675,910 above available revenues, and would require an override of the Proposition 2 ½ tax levy limit to be balanced. The Finance Committee has not endorsed this Budget, and therefore has not recommended that the Selectmen put an override question on the March ballot for consideration by the voters of Sudbury.

The final column of this table shows the Budget that was voted by the Finance Committee for presentation to Town Meeting, which at this time is exactly the same as **Level Services/Level Class Size Budget (B)**. Should the revenue expectations for the Town grow before Town Meeting through increased allocation of State Aid to the Town or L-S Regional High School, the Finance Committee has indicated that they would like to meet with representatives of the Town and the two school systems to discuss if and how this might affect the budget that is being recommended by the finance Committee.

The two pages that follow the Table I are charts that illustrate how the Town of Sudbury will have allocated its budgetary resources if the **Level Services/Level Class Size Budget** is enacted by Town Meeting.

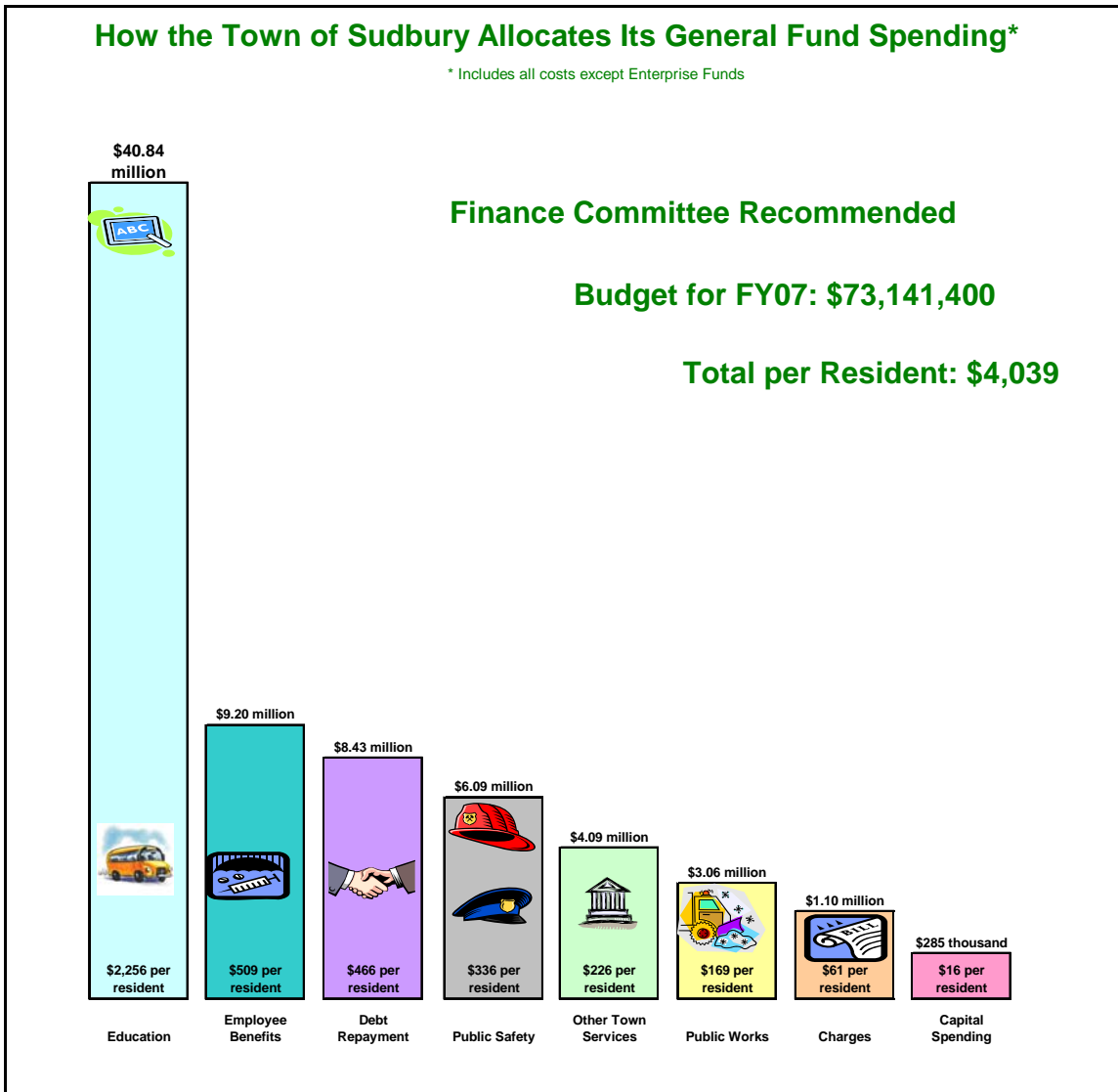
- The first chart shows the entire Town's spending on a per resident basis except the enterprise fund spending. Enterprise fund costs are paid only by the user of the service and are not spread over the entire population, as general fund costs are.
- The second chart focuses on just the Town Government departments, showing on a per resident basis the costs of the various Town services, such as police, library, recreation, etc.

**FY07 Budget Alternatives and Finance Committee Recommendation**

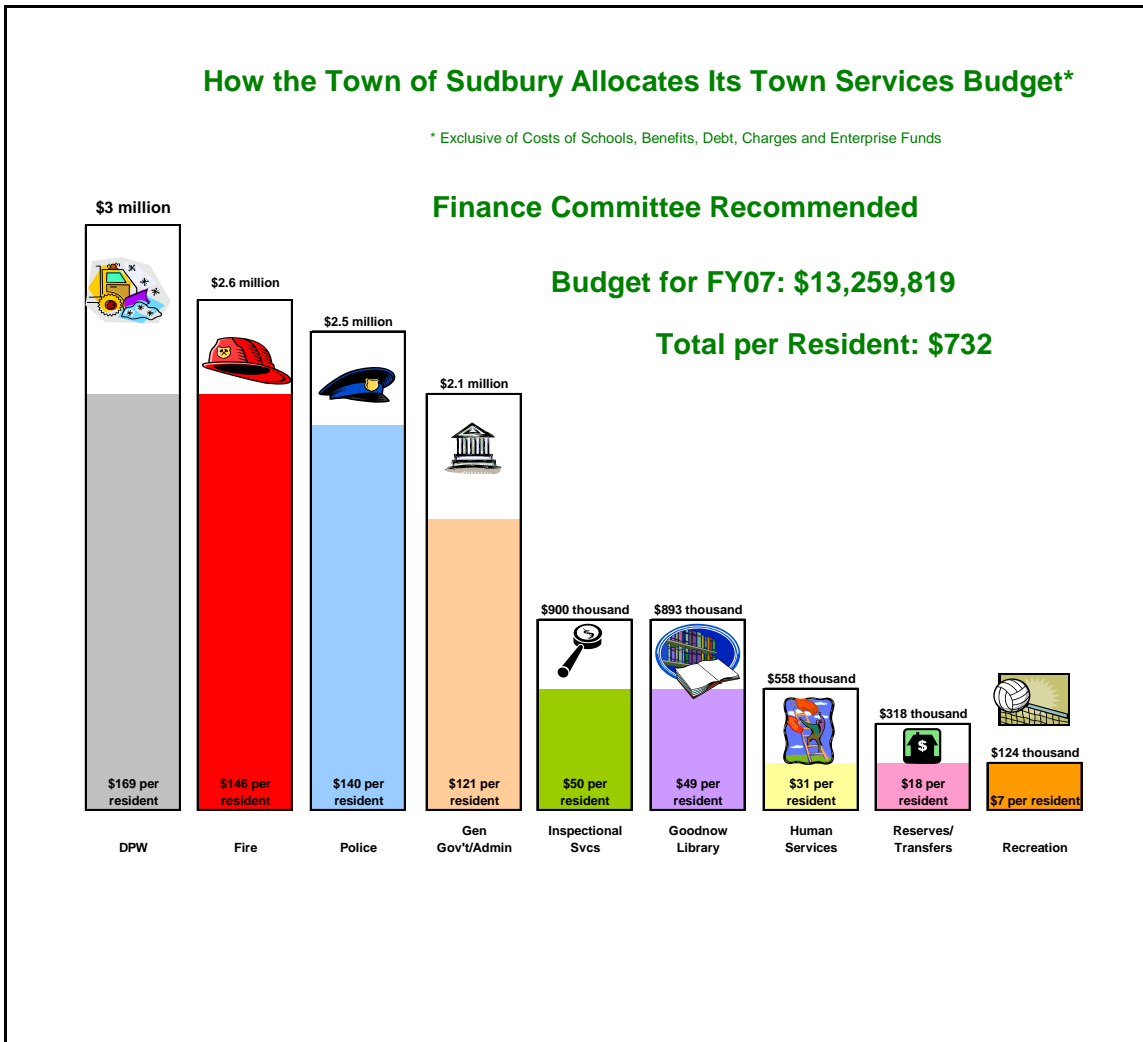
	Appropriated	Appropriated	"A"	"B"	"C"	Final
EXPENDITURES	FY05	FY06	Level Staff	Level Service/ Class Size	Town Mgr/ Schl Cm/ CIP Requested	Fin Com Recommended
	FY05	FY06	FY07	FY07	FY07	FY07
LSRHS NET (Operating Assessment)	\$12,804,319	\$14,592,013	\$14,923,607	\$15,101,093	\$15,378,160	\$15,101,093
LSRHS (Debt Assessment)	\$1,597,371	\$2,461,086	\$2,935,689	\$2,935,689	\$2,935,689	\$2,935,689
SPS less offsets	\$22,683,653	\$24,058,431	\$25,346,559	\$25,392,734	\$25,630,270	\$25,392,734
SPS Employee Benefits	\$4,626,464	\$5,107,457	\$5,643,772	\$5,651,772	\$5,715,722	\$5,651,772
Minuteman Regional (Assessment)	\$293,321	\$304,640	\$309,590	\$309,590	\$309,590	\$309,590
Other Regional Assessment	\$0	\$0	\$45,500	\$45,500	\$45,500	\$45,500
<b>Total: Schools</b>	<b>\$42,005,128</b>	<b>\$46,523,627</b>	<b>\$49,204,717</b>	<b>\$49,436,378</b>	<b>\$50,014,931</b>	<b>\$49,436,378</b>
General Government	\$1,965,410	\$2,011,226	\$2,067,064	\$2,091,735	\$2,091,735	\$2,091,735
Public Safety	\$5,289,182	\$5,733,642	\$6,038,870	\$6,091,379	\$6,091,379	\$6,091,379
Public Works	\$2,591,406	\$2,883,083	\$2,991,414	\$3,068,845	\$3,068,845	\$3,068,845
Human Services	\$503,523	\$537,382	\$552,869	\$558,369	\$558,369	\$558,369
Culture & Recreation	\$931,316	\$994,242	\$1,021,147	\$1,027,672	\$1,027,672	\$1,027,672
Unclassified & Transfer Accounts	\$370,825	\$313,345	\$427,210	\$421,819	\$421,819	\$421,819
subtotal, town services	\$11,651,662	\$12,472,920	\$13,098,574	\$13,259,819	\$13,259,819	\$13,259,819
Town Employee Benefits	\$2,879,021	\$3,124,307	\$3,533,700	\$3,557,700	\$3,557,700	\$3,557,700
<b>Total: Town Departments</b>	<b>\$14,530,683</b>	<b>\$15,597,227</b>	<b>\$16,632,274</b>	<b>\$16,817,519</b>	<b>\$16,817,519</b>	<b>\$16,817,519</b>
Debt Service	\$6,014,574	\$5,589,344	\$5,502,208	\$5,502,208	\$5,502,208	\$5,502,208
<b>Total: Operating Budget Article</b>	<b>\$62,550,385</b>	<b>\$67,710,198</b>	<b>\$71,339,199</b>	<b>\$71,756,105</b>	<b>\$72,334,658</b>	<b>\$71,756,105</b>
Proposed New Debt Service	\$0	\$150,000	\$0	\$0	\$0	\$0
Operating Capital Budget	\$169,000	\$273,000	\$285,095	\$285,095	\$332,585	\$285,095
Capital	\$55,000	\$0	\$0	\$0	\$0	\$0
Stabilization/Reserves	\$0	\$0	\$0	\$0	\$50,000	\$0
Articles in Operating	\$825	\$0	\$0	\$0	\$50,000	\$0
Charges	\$1,430,228	\$1,181,308	\$1,100,200	\$1,100,200	\$1,100,200	\$1,100,200
<b>Total: Other</b>	<b>\$1,655,053</b>	<b>\$1,604,308</b>	<b>\$1,385,295</b>	<b>\$1,385,295</b>	<b>\$1,532,785</b>	<b>\$1,385,295</b>
<b>Subtotal, General Fund</b>	<b>\$64,205,438</b>	<b>\$69,314,506</b>	<b>\$72,724,494</b>	<b>\$73,141,400</b>	<b>\$73,867,443</b>	<b>\$73,141,400</b>
Solid Waste Enterprise	\$220,453	\$399,843	\$267,803	\$267,803	\$267,803	\$267,803
Pool Enterprise	\$405,078	\$426,212	\$436,713	\$436,713	\$436,713	\$436,713
<b>Total Appropriations and Costs</b>	<b>\$64,830,969</b>	<b>\$70,140,561</b>	<b>\$73,429,010</b>	<b>\$73,845,916</b>	<b>\$74,571,959</b>	<b>\$73,845,916</b>
<b>RECEIPTS</b>						
State Aid	\$5,265,048	\$5,456,696	\$5,863,671	\$5,863,671	\$5,863,671	\$5,863,671
Local Receipts	\$4,039,545	\$3,955,092	\$4,668,869	\$4,668,869	\$4,668,869	\$4,668,869
Grants			\$30,000	\$30,000	\$30,000	\$30,000
Free Cash	\$1,146,292	\$800,000	\$1,475,243	\$1,475,243	\$1,475,243	\$1,475,243
Retirement Trust Fund	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Abatement Surplus	\$684,566	\$543,450	\$492,765	\$492,765	\$492,765	\$492,765
Prior Year Articles	\$55,000	\$23,000	\$0	\$0	\$0	\$0
Ambulance Fund	\$193,372	\$210,189	\$230,342	\$230,342	\$230,342	\$230,342
Enterprise Funds	\$644,324	\$844,848	\$728,516	\$728,516	\$728,516	\$728,516
<b>Total: Receipts</b>	<b>\$12,053,147</b>	<b>\$11,858,275</b>	<b>\$13,514,406</b>	<b>\$13,514,406</b>	<b>\$13,514,406</b>	<b>\$13,514,406</b>
<b>REQUIRED TAX LEVY</b>	<b>\$52,777,821</b>	<b>\$58,282,286</b>	<b>\$60,140,654</b>	<b>\$60,140,654</b>	<b>\$60,140,654</b>	<b>\$60,140,654</b>
Previous Year Levy + 2 1/2%	\$44,532,238	\$46,313,461	\$51,354,490	\$51,354,490	\$51,354,490	\$51,354,490
New Growth	\$651,627	\$738,480	\$550,000	\$550,000	\$550,000	\$550,000
Prop 2 1/2 Override (Operating)	\$0	\$3,050,000	\$0	\$0	\$0	\$0
LEVY LIMIT	\$45,183,865	\$50,101,941	\$51,904,490	\$51,904,490	\$51,904,490	\$51,904,490
Prop 2 1/2 Exemption for Debt Service	\$4,783,129	\$5,216,799	\$5,610,947	\$5,610,947	\$5,610,947	\$5,610,947
Exemption Proposed for New Debt	\$0	\$150,000	\$0	\$0	\$0	\$0
<b>APPLICABLE LEVY LIMIT</b>	<b>\$49,966,994</b>	<b>\$55,468,740</b>	<b>\$57,515,437</b>	<b>\$57,515,437</b>	<b>\$57,515,437</b>	<b>\$57,515,437</b>
Cherry Sheet Grants for School Debt	\$2,816,206	\$2,816,206	\$2,816,206	\$2,816,206	\$2,816,206	\$2,816,206
<b>TOTAL: REVENUE</b>	<b>\$64,836,347</b>	<b>\$70,143,221</b>	<b>\$73,846,049</b>	<b>\$73,846,049</b>	<b>\$73,846,049</b>	<b>\$73,846,049</b>
<b>UNDER/ (OVER) LEVY LIMIT</b>	<b>\$5,378</b>	<b>\$2,661</b>	<b>\$417,039</b>	<b>\$133</b>	<b>-\$725,910</b>	<b>\$133</b>



# FY07 Finance Committee Recommended General Fund Budget



# FY07 Finance Committee Recommended Budget For Town Departments



## Backdrop for FY07 Budget Discussions

### Reductions in State Aid Increase Property Tax Burdens, Harm Economic Growth

Municipal governments in Massachusetts continue to be placed in a very difficult situation. Two significant studies were conducted during 2005. The first, entitled **“Communities at Risk: Revisiting the Fiscal Partnership between the Commonwealth and Cities and Towns”** was developed by a Municipal Task Force chaired by John Hamill, Chairman of the Sovereign Bank New England. This report documented that property taxes have been rising steeply and that unless the state stepped in with more state aid, deterioration in services or even higher property taxes were in the future. The Task Force concluded that local leaders have generally done a good job of controlling costs and it is not wasteful spending but reductions in support from the state that are forcing local officials to rely more on the property tax, a levy that is particularly burdensome for homeowners on fixed incomes. The report concludes that revenue sharing from the state should be increased, back to the level it was at in 1988 on a percentage basis, that local officials should be given flexibility in having other revenue sources available to us, and that we should be given more flexibility to control costs by reducing many of the constraints of state law. A copy of this report is on the Town’s web site.



The second report continues this same theme. Entitled **“Revenue Sharing and the Future of our Massachusetts Economy”**,

this report is still a draft, but also documents the decline in spending on municipal services, particularly public works, as state aid for all but educational purposes has declined. This leaves municipalities, such as Sudbury, with few alternatives to increasing property taxes rather than allow town and educational services to decline in quality and quantity. This draft report also focuses on the long term implication of the continuation of the trend of high property taxes and declining services on the State’s economy,

concluding that the State needs to provide more state aid, and give communities more flexibility in revenue options because this will help drive the overall economic engine of the Commonwealth. This draft document is also on the Town’s website.



Sudbury has fared better than many other communities during this recent economic downturn for many reasons. First the Town avoided overrides during FY04 and FY05, when many of our residents were experiencing economic difficulties of their own. Residents showed a willingness to approve an override for FY06, when both the Selectmen and the Finance Committee agreed that further deterioration in our service levels was not something that should occur without asking voters if they would raise approve an override of Proposition 2 ½ to provide the funds to prevent that from happening.

# Sudbury Financial Trends Monitoring System Analysis

In October of 2005, at the **Annual Financial Summit** for all Town officials, the Town staff released the 6<sup>th</sup> annual report on Sudbury's financial condition. Here is in the budget document, we have reproduced most of the Executive Summary of the report, and follow this with selected slides from the Power Point presentation that was made. The entire report is found on the Town's website.

## Executive Summary

The ICMA publication *Evaluating Financial Condition – a Handbook for Local Government* defines financial condition as the ability to continue to provide the kind of services the community desires and are necessary for the health, safety, and welfare of the community. This is known as service level solvency. This is more than cash solvency (enough cash to pay bills for the next 60 days) and more than budgetary solvency (enough revenues to pay this year's appropriations). It focuses on a balance between available revenues and expenditure decisions on a continuing, sustainable basis, without deferring any costs to the future, or depleting reserves in the process.

Based on this definition and the analysis of the indicators, the Town of Sudbury is in sound financial health. The Town is able to meet its liquidity requirements, has revenues exceeding expenditures, and has been supported by the voters of the Town in maintaining a level of spending that appears to meet demand for services.

However, the indicators for Sudbury tell the same story that other analyses report for municipalities across the Commonwealth. Property taxes are replacing other revenues that were a key part of the Town's revenue mix just five years ago. It is estimated that Sudbury has lost over \$1.5 million annually in state aid from the FY02 levels and trends, and during the recession period, we had not been realizing nearly \$700,000 in motor vehicle excise and investment earnings that we had before the recession. Thus, of the \$3 million dollar property tax override voted for FY06, 3/4ths of that amount was just replacing other revenues that used to be part of Sudbury's revenue base. Further, the indicators show that we are spending nearly \$3 million more annually for benefits than we did five years ago.

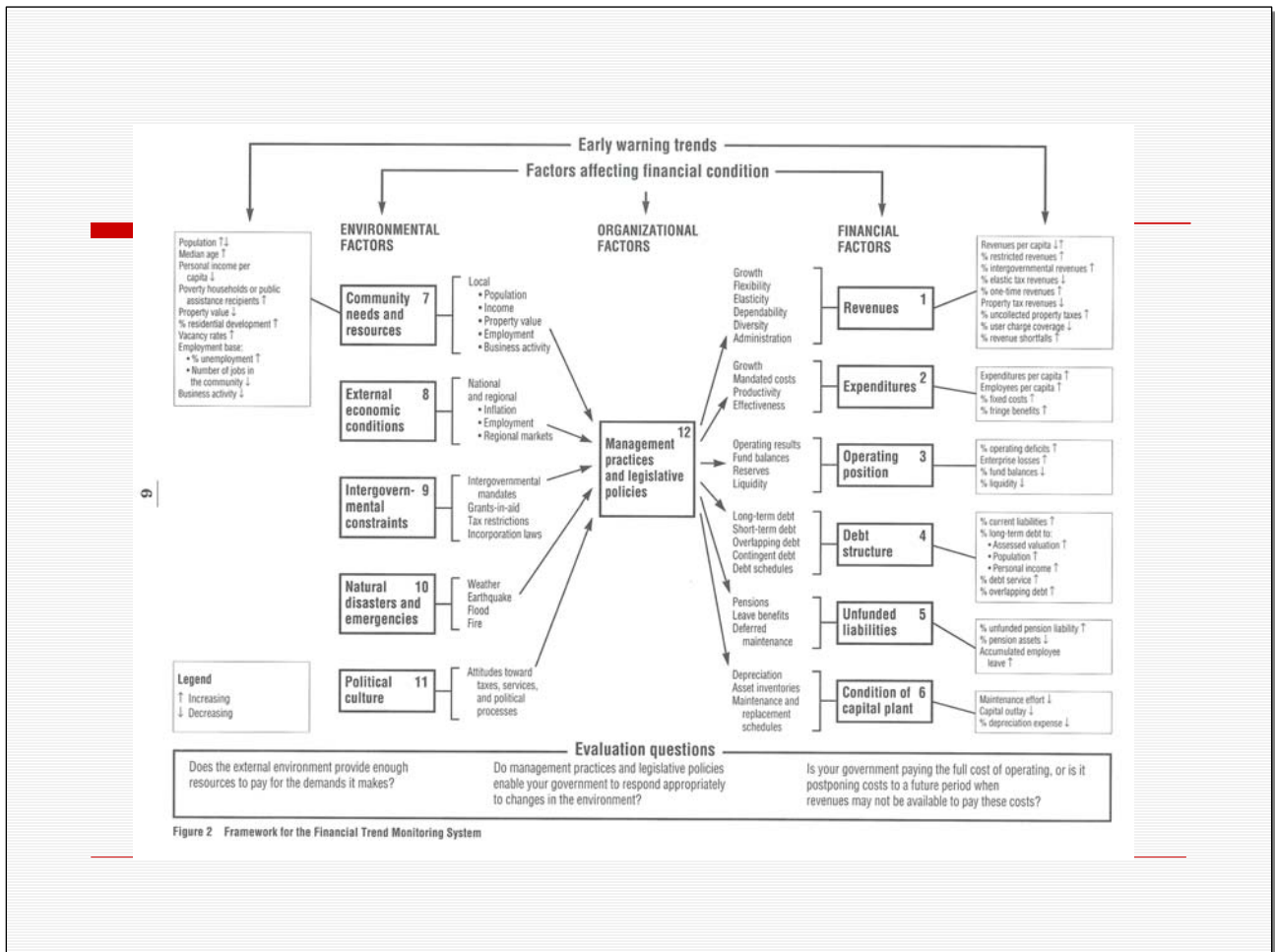
The indicators further point to where the reductions have occurred to offset the loss of revenue and increasing benefits costs. Spending for wages and salaries as a percent of overall spending has decreased from 67% to 61%, and the number of FTE employment has decreased for both the Sudbury Public Schools and the Town. Not as clear is the effect this turnover in the employment profile has had on the school and town. In both entities there has been a remarkable level of turnover, primarily caused by retirements, and the new employees are earlier in their careers and thus starting lower on the salary schedules.

Thus we have identified the wage and employment indicators as having both positive and uncertain impact. Financially it has made it easier for the Town and SPS to maintain service levels by shifting to lower compensated workforce. But both organizations rely on skilled, knowledgeable and experienced employees to meet the high service demands of Sudbury and provide leadership to the newer employees. Much of the time of younger employees is spent on learning and training.

On the positive side, the collection of property taxes continues on a very high level, and very successful efforts are ongoing now to bring in the back taxes that began to grow during the recession. Additionally, while the Town faces one more "spike" year in debt service in connection with the Lincoln-Sudbury High School project, debt service is and will continue to decline. And readers are reminded we accomplished both the elementary and high school projects (with a combined appropriation of \$107 million dollars for Sudbury portion of these projects) when the state was still reimbursing total project costs at 64% and 62% respectively.

We financed these projects at extremely low interest rates seen only a few years ago, we began construction before such costs began climbing sharply, and with the LS project, we will not have to permanently bond the state's share of the project costs but instead receive the funds as a lump sum payment. Many towns are undertaking such projects today and face a much more expensive and more difficult situation.

Sudbury is a community with residents who have very high expectations of the level and quality of public services from the Town and schools. They have shown a willingness to sustain those services though they may have reached the limit of that willingness. As noted before, it will take a careful balance to continue to provide the services demanded within the revenues currently available.



### **Sudbury Financial Trend Monitoring System**

- Based on the ICMA handbook for analyzing the financial condition of a municipality
- Focuses on Trends
  - Revenues
  - Expenditures

### **Purpose of the SFTMS**

- To arrive at a shared background of the key financial ratios
- To step Back and look at the big picture
- Set the stage for FY07 budget deliberations
- To force us to keep thinking beyond FY07
- To reaffirm our commitment to our financial policies

### **Why Trend Analysis as Tool?**

Because:

- A public entity is not for profit, so bottom line is not a good measure of financial health
- There is no standards for what is good or bad in municipal spending or revenues, as long as they balance each other
- Municipal accounting is different than private sector accounting

### **What is Municipal Financial Condition Analysis?**

The Focus Is On

- Solvency and Sustainability
- Long-term, not short-term

The Focus is Not on Policy Issues such as:

- Proper level of taxes
- Where tax burden falls
- Proper level of services

### **Benefits of SFTMS**

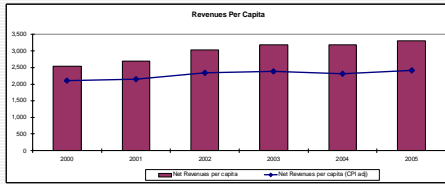
**Decision makers can:**

- Better understand the town's financial condition
- Identify emerging problems before they reach serious proportions
- Identify existing problems we might not be aware of
- Present a comprehensive picture of our strengths, weaknesses, instead of just focusing on one ratio
- Introduce long-range considerations into budget process
- Provide a starting place for setting of financial policies that guide financial decision making.

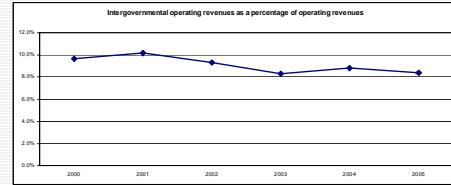
### **Approach of the SFTMS**

- Framework combines
  - Financial information
  - Demographic information
  - Economic information
- Framework also
  - Puts information in a multi-year perspective

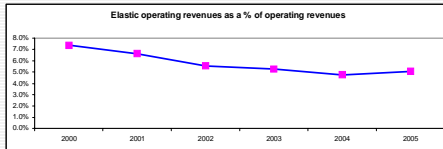
### Indicator 1 Revenues Per Capita



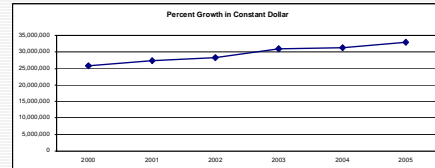
### Indicator 2 Intergovernmental Revenue



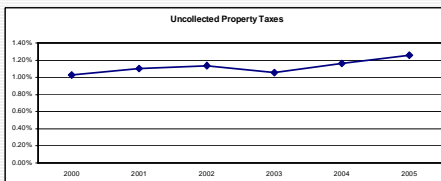
### Indicator 3 Elastic Revenue



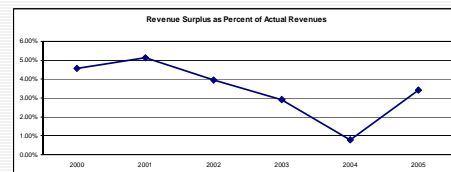
### Indicator 4 Property Tax Revenue



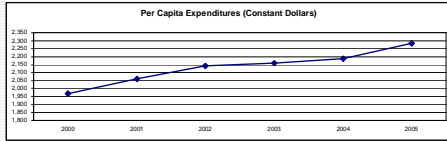
### Indicator 5 Uncollected Property Taxes



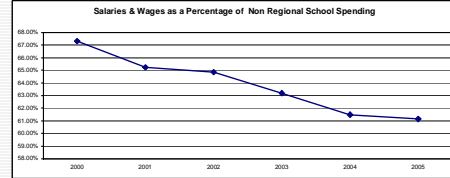
### Indicator 6 Revenue Surpluses



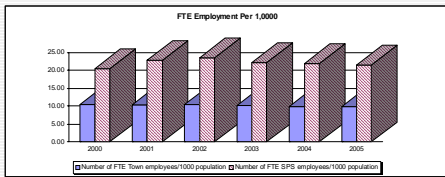
### Indicator 7 Expenditures Per Capita



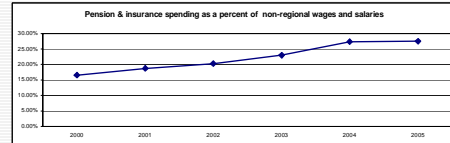
### Indicator 8 Salaries & Wages



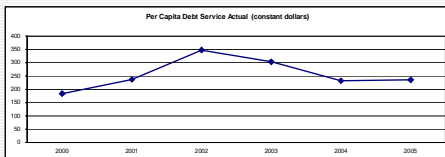
### Indicator 9 Employees Per 1,000 Population



### Indicator 10 Pensions & Insurance



### Indicator 11 Debt Service





### **Positive Observations**

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- ❑ The Town has not experienced any revenue shortfalls.
  - ❑ Overall revenues up, but due to property taxes
  - ❑ Property Tax Collections exceed 98%.
  - ❑ Reserves have not been depleted.
  - ❑ Debt services levels reducing
  - ❑ Employment totals and costs slowed down
- 

### **Concerns**

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- ❑ Growth in Wages has slowed down.
  - ❑ Elastic (growth related) revenues decreased.
  - ❑ Cost of Pensions & Insurance continues to grow.
  - ❑ Reliance on Property Taxes increasing
  - ❑ Energy costs on the rise
  - ❑ Potential for service deterioration still there
- 

### **Overall Evaluation**

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- ❑ Town continues in good financial condition, especially relative to other towns
  - ❑ We as a Town are taking steps that have protected our financial health
  - ❑ Town has retained the AAA rating from S & P with a stable outlook
  - ❑ Property taxes are high but protect a desired level of services and capital spending
- 

### **Maintaining Our Financial Condition**

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- ❑ Adhere to the Selectmen's Financial Policies
  - ❑ Keep careful control of costs – labor, benefits and energy
  - ❑ Keep monitoring our financial situation and make decisions with sustainability in mind
  - ❑ Using the state studies to send message to the Governor and Legislature on the recommendations from the studies
- 

### **THANK YOU**

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Detailed report is on the Town of  
Sudbury's Website  
[www.sudbury.ma.us](http://www.sudbury.ma.us)

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## EXPENDITURE PRESSURES

There are five primary “budget busters” that have been driving high rates of growth: benefits & insurance, wages & salaries for employees, debt service, energy costs and rapid growth in population, particularly of school age children. Each is briefly discussed.

Benefits and insurance The Town provides benefits for both active employees and retirees, as does LSRHS. State statute and case law provide strict guidelines for public employers in Massachusetts as to what benefits must be offered and how changes in such plans can be achieved. The most costly benefits are health insurance and pensions. Changes in health insurance plans are subject to collective bargaining between the unions and the Town/School Committee and generally must be agreed to by all bargaining units before any changes can be implemented. Rates are voted on annually by the Board of Selectmen following recommendations from the Town Manager and Assistant Town Manager. As the Town/SPS is self-insured for health insurance, it is a complicated and time-consuming process each year to determine the amount that the Town will need to appropriate to both cover all claims and contribute the required employer match to the employees’ contribution. The Assistant Town Manager is responsible for this program, and he works closely with a specialized consulting firm, with representatives of our group health insurance plan providers and with the Employee Insurance Advisory Committee (representing all employee groups) each year to review the trends in medical costs, level of claims activities by our employees and retirees, and amounts of catastrophic reinsurance the Town should purchase. To confirm that the health insurance programs offered by the Town are still the most cost effective approach, the Assistant Town Manager also receives data on the cost of offering our health insurance on a premium basis. And he tracks the costs experienced by other towns and the regional purchasing group that LSRHS belongs to. The Town has saved significant dollars by continuing to offer our health insurance on a stand alone, self-insured basis.

### Benefits & Insurance

Benefits & Insurance	FY02	FY03	FY04	FY05	FY06	FY07
Town/SPS Costs	4,788,925	5,819,220	6,807,777	7,347,685	8,236,707	9,273,472
LSRHS, Sudbury Portion	1,468,810	1,702,855	1,865,101	2,115,725	2,288,091	2,622,465
Total, benefits & Insur	6,257,735	7,522,075	8,672,878	9,463,410	10,524,798	11,895,937
Annual percent increase	18.73%	20.20%	15.30%	9.11%	11.22%	13.03%

As shown above, the rate of increase in the costs of providing benefits for employees and retirees of the Town, SPS and LSRHS continues to increase at a double digit rate and consumes ever growing percentage of new revenues each year.

Pension costs The Town is required to contribute to the Middlesex Retirement System (MRS) on behalf of all Town and SPS employees who work at least 20 hours per week EXCEPT for teachers. This assessment to the MRS has increased significantly in recent years, but fortunately ended up not as high as could have been. In the fall of 2002 the MRS notified Sudbury and other member entities of an upcoming significant assessment hike. For Sudbury the increase was 59%, but for some it was even higher. After an outcry from the Boards of Selectmen and Town Managers of member communities, the percentage rate for assessment growth for Sudbury was reduced by half. Since then a number of Town Managers have joined together to monitor the investment and administrative activities of the MRS, and the state’s pension oversight board, PERAC, has undertaken a large management audit of the MRS. With these changes, I hope that the decisions of MRS will be more carefully scrutinized in the future.

While it has been the employers that have been asked to offset the decreases in investment earnings in the last few years, employees have always been required to make hefty contributions to their own future retirement. The pension system is a defined benefit plan, with set contributions

rates from employees depending on their date of hire: Before Jan 1, 1975: 5% of compensation: Jan 1975 - Dec 1983: 7%: Jan 1984 - June 30, 1996: 8%: After July 1, 1996: 9%.

Additionally, all employees who earn over \$30,000 annually are required to pay a 2% surcharge on the amount over that threshold. Thus, some employees are paying 11% on earnings. Finally, note that teachers of both school system are covered by a State administered pension system, and the Town is not required to make contributions on their behalf. However, the pensions systems run by the state have also experienced dramatic cost escalation, and that in turn has reduced the amount available for state aid to communities. As the table below shows, the Town will be paying 14.15% more in FY07 than in FY06 for our pension assessment.

**Pension Assessment, Town and SPS only**

Pension Assessment	FY02	FY03	FY04	FY05	FY06	FY07
Town/SPS Costs	1,029,585	1,316,785	1,680,807	1,780,186	1,858,021	2,120,937
Annual dollar growth	20,686	287,200	364,022	99,379	77,835	262,916
Annual percent increase	2.05%	27.89%	27.64%	5.91%	4.37%	14.15%

Salaries and wages Salaries and wages are the largest component of the operating budgets for all three major cost centers. Since the majority of the employees in all three cost centers are organized for collective bargaining purposes, multi-year wage packages are the norm. The table below shows a much smaller increase in wage costs in FY04 and FY05, but increasing again in FY06. This increase probably had as much to do with adding employees as increases in wage levels in FY06. It's important to note also that LS wage increases are not included in this table due to the difficulty of translating those into assessment impacts on Sudbury.

**Salaries and Wages, Town and SPS only**

Salaries & Wages	FY02	FY03	FY04	FY05	FY06	FY07
Town	7,841,872	8,102,989	8,280,749	8,437,198	8,801,919	9,116,673
SPS	16,974,206	17,204,114	17,137,047	17,980,472	19,342,996	19,911,333
Town,SPS combined	24,816,078	25,307,103	25,417,796	26,417,670	28,144,915	29,028,006
Annual dollar increase	1,893,156	491,025	110,693	999,874	1,727,245	883,091
Annual percent increase	8.26%	1.98%	0.44%	3.93%	6.54%	3.14%

Debt Service Costs The Town has issued debt, pursuant to bond authorization votes of Town Meeting and voters' approval to exclude all such debt from the limits of Proposition 2 1/2. Debt service costs for Town and SPS projects has declined sharply, from \$9.5 million in FY03 to \$5.5 million for FY07, a decrease of \$4 million. Debt for the LS building project has been increasing, going from just over \$1 million in FY05 to \$2.9 million in FY07.

**General Fund Debt by Category**

Cost Centers - Debt Service	Appropriated FY06	% of FY06 Budget	Scheduled FY07	% of FY07 Budget	% Change FY06-FY07
Sudbury Public Schools	3,597,048	44%	3,481,070	41%	-3%
L-Sudbury Regional High (net of SBA)	2,461,086	30%	2,935,689	35%	19%
Town	1,128,124	14%	1,005,330	12%	-11%
Land Acquisition	1,008,425	12%	1,015,808	12%	1%
<b>Sub-Total: Long-Term Debt</b>	<b>8,194,682</b>	<b>100%</b>	<b>8,437,896</b>	<b>100%</b>	<b>3%</b>
	2,827,884.00		2,826,949.34		
<b>Offsets To Debt</b>					
School Business Administration Grant	-2,816,206		-2,816,206		
Premiums on Debt	-11,678		-10,743		
<b>Sub-Total: Offsets to Debt</b>	<b>-2,827,884</b>		<b>-2,826,949</b>		
<b>Net Debt</b>	<b>5,366,798</b>		<b>5,610,947</b>		

Energy Costs Energy costs another item that is growing faster than other parts of the Budget. For FY07 we are projecting that for Town Buildings only, the costs of paying for electricity, natural gas and heating oil will rise from \$255,800 in FY06 to \$358,280 in FY07, a 39% increase. This increase would be more except that last year the Town had locked in a per KWH price for electricity of 5.5 cents for the entire 2006 calendar year, when market rate currently is closer to 13 cents per KWH. Gasoline and diesel fuel costs are also increasing rapidly. For FY07, we project a 38% increase in these fuels.

**Projected Energy Costs**

<b>Gasoline</b>	<b>Budgeted FY06</b>	<b>Proposed FY07</b>
DPW	141,240	114,104
Police	0	62,140
Fire	0	18,756
<b>TOTAL</b>	<b>141,240</b>	<b>195,000</b>
Difference		53,760
<b>Utilities</b>	<b>Budgeted FY06</b>	<b>Proposed FY07</b>
Natural Gas	142,900	204,600
Electricity	103,700	142,500
Heating Oil	9,200	9,280
<b>TOTAL</b>	<b>255,800</b>	<b>356,380</b>
Difference		100,580
<b>TOTAL</b>		<b>\$ 154,340</b>

Impacts of Population Growth and School Age Children Finally, we must acknowledge the impact of rapid population growth on our budget in recent years. Overall, Town population has risen from 15,510 in 1995 to 18,107 in 2005, a nearly 17% increase. Such growth brings demands for more Town services, most acutely felt on our public safety, library, recreation, and human services departments. Of particular note is the rapid increase in school age children. The table below uses Department of Education figures for FY04, the latest year such data is consistently available for each of the towns included, and a blended spending per pupil covering both the Sudbury Public Schools and the L-Sudbury Regional High School. Sudbury has close to the same number of students as Wellesley, Arlington and Needham, towns significantly larger. That is a steep financial cost for a smaller tax base to bear, and without the state stepping in and offering assistance to towns with such a large percentage of school children, will continue to dramatically affect our budget for years to come.

**School Age Children as a Percent of Overall Population**

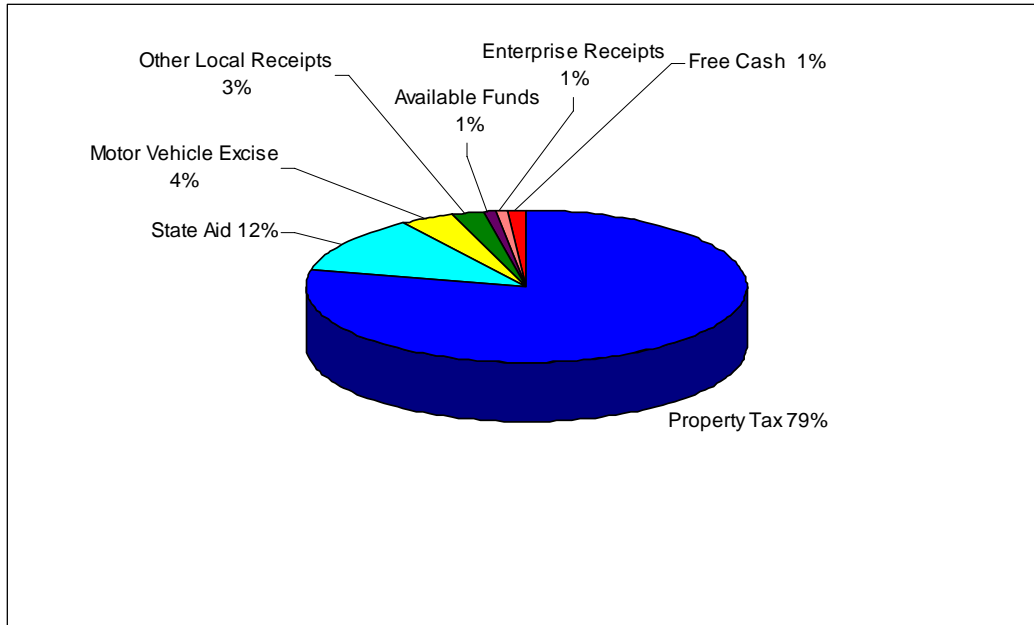
<b>FY04</b>	<b>Population</b>	<b>N of Students</b>	<b>% of Population</b>	<b>Spending Per Pupil</b>	<b>Total Educational Spending*</b>
Sudbury	17,925	4,316	24.08%	\$ 8,958	\$ 38,663,522
Wellesley	26,578	4,229	15.91%	\$ 9,802	\$ 41,448,972
Needham	29,137	4,716	16.19%	\$ 9,004	\$ 42,460,978
Hudson	18,348	2,741	14.94%	\$ 8,350	\$ 22,886,720
Concord	16,937	2,993	17.67%	\$ 10,734	\$ 32,121,219
Wayland	13,190	2,985	22.63%	\$ 9,944	\$ 29,678,950
Weston	11,645	2,359	20.26%	\$ 12,077	\$ 28,490,445
Lincoln	8,066	1,505	18.66%	\$ 13,075	\$ 19,678,606
Arlington	41,903	4,411	10.53%	\$ 7,823	\$ 34,508,797
Framingham	66,243	8,045	12.14%	\$ 10,518	\$ 84,617,310

\* using Department of Education Spending Figures

## Revenues and Fund Accounting

In this final section of the **Budget Message** we present a discussion of revenues and fund accounting, discussing both the projections for FY07, the updated projection for FY06 now that the tax rate has been set (revenue totals won't be finalized until the end of the current fiscal year, when we have a final tally of all revenues that have been collected). We offer here six tables showing details of each of the major revenue sources, and present a detailed discussion on each revenue source's authorization, limits and important variables.

### FY07 Revenue Sources



Revenue Source	FY07
Within Levy Property Tax	51,904,490
State Aid	5,863,671
Motor Vehicle Excise	2,789,222
Other Local Receipts	1,879,647
Available Funds	778,107
Enterprise Receipts	728,516
Free Cash	1,475,243
<b>Subtotal, within levy</b>	<b>65,418,896</b>
Excluded Property Taxes	5,610,947
School Construction State Aid	2,816,206
<b>Total Projected Revenues</b>	<b>73,846,049</b>

## Revenues and Fund Accounting

**General Fund.** Nearly all the revenues (99%) used to support the *FY07 Proposed Annual Budget and Financing Plan* are accounted for in the General Fund. General Fund budgeting and accounting is done on a modified accrual basis meaning that revenues are recognized when they become measurable or available (cash basis), while expenditures are accounted for in the accounting period incurred (accrual basis). General Fund Revenues are projected to be \$73,117,533 for FY07.

**Enterprise Fund.** Enterprise Funds are used for activities that are fully financed through user charges. Budgeting for enterprise funds is done on a GAAP (Generally Accepted Accounting Principles) basis. The Town runs two operations on an enterprise fund basis: The Solid Waste Transfer Station and the Atkinson Pool. All direct and indirect costs of the Transfer Station and all direct costs of the Atkinson have been built into the fees charged. Enterprise Fund Revenues are projected to be \$782,516 for FY07.

**Special Revenue Funds.** These are funds that have a specific purpose that is restricted by law. Town Meeting does not appropriate these funds.

**Community Preservation Fund.** Community preservation surcharges are levied annually and at a rate of 3% of residents' real estate tax bills with exemptions for the first \$100,000 of residential property and property owned by qualified persons with low income and seniors (60+) with low or moderate income as defined by Department of Revenue guidelines. These funds are limited to specific types of projects – open space preservation, historical preservation, affordable housing, and recreation – and cannot be used for operating or maintenance purposes. Funds are appropriated by Town Meeting through separate articles, not as part of the Annual Operating or Capital Budget.

## Revenue Summary

	FY06 as of 12/30/05	FY07 Projected	Dollar Change	Percent Change
Property Tax Levy (net of exclusions)	50,101,942	51,904,490	1,802,549	3.60%
State Aid-Cherry Sheet (net of SBA)	5,654,841	5,863,671	208,830	3.69%
Local Receipts	3,955,092	4,668,869	713,777	18.05%
Free Cash	800,000	1,475,243	675,243	84.41%
Available Funds	801,639	778,107	(23,532)	-2.94%
Subtotal: General Operating Fund	61,313,514	64,690,380	3,376,867	5.51%
Enterprise Funds	844,848	728,516	(116,332)	-13.77%
Total Available for Operating Purposes	62,158,362	65,418,896	3,260,535	5.25%
Property Tax Outside Levy (Debt Exclusions)	5,222,545	5,610,947	388,402	7.44%
School Construction Reimbursement (SBAB)	2,816,206	2,816,206	-	0.00%
<b>Total Revenue Projection</b>	<b>70,197,113</b>	<b>73,846,049</b>	<b>3,260,535</b>	<b>4.64%</b>

## Property Tax Growth

	FY04 Actual	FY05 Actual	FY06 Tax Recap	FY07 Projected	Dollar Change	Percent Change
Previous Year Levy	41,685,195	43,446,086	45,183,865	50,101,942	4,918,077	10.88%
2.5% over prior levy	1,042,130	1,086,152	1,129,597	1,252,549	122,952	10.88%
New Growth	718,761	651,627	738,480	550,000	(188,480)	-25.52%
Override	-	-	3,050,000	-	(3,050,000)	0.00%
<b>Total Tax Levy (excluding debt exemptions)</b>	<b>43,446,086</b>	<b>45,183,865</b>	<b>50,101,942</b>	<b>51,904,490</b>	<b>1,802,549</b>	<b>3.60%</b>

### Assumptions:

1. **Property Tax Levy. Projection: \$51,904,490.** Sudbury's property tax levy is anticipated to increase by \$1,802,549 or 3.60 percent. This is exclusive of excluded debt service.

As provided under Proposition 2 ½, local governments are permitted to increase property taxes 2.5 percent over the previous years' tax levy limit. In addition, a community may increase its property tax levy by what is known as "new growth." New growth reflects an increase in the property tax levy resulting from new residential and commercial construction in the community.

The new growth estimate for FY07 is based on new residential and commercial construction that occurred during calendar year 2005. This estimate of \$550,000 is based on information provided by the Board of Assessors.

### State Aid/Local Aid

	FY04 Actual	FY05 Actual	FY06 Tax Recap	FY07 Projected	Dollar Change	Percent Change
Dist., reimb., offsets	1,075,757	1,133,016	1,256,200	1,186,046	(70,154)	-5.58%
Chapter 70 (school aid)	3,351,225	3,351,225	3,502,825	3,596,066	93,241	2.66%
Lottery Aid	778,236	778,236	895,816	1,081,559	185,743	20.73%
<b>Subtotal: General Purpose State Aid</b>	<b>5,205,218</b>	<b>5,262,477</b>	<b>5,654,841</b>	<b>5,863,671</b>	<b>208,830</b>	<b>3.69%</b>
School Construction (SBAB)	3,134,689	2,816,206	2,816,206	2,816,206	-	0.00%
<b>Total State Aid</b>	<b>8,339,907</b>	<b>8,078,683</b>	<b>8,471,047</b>	<b>8,679,877</b>	<b>208,830</b>	<b>2.47%</b>

### Assumptions:

**State Aid:** State aid, which is also referred to as Cherry Sheet aid or local aid, is a function of the State budget. Our first indication of State aid for FY07 came when Governor Romney filed his FY07 budget with the Legislature in January 2006. This budget, known as "House 2" included his recommendations for school aid (Chapter 70) and lottery distributions. State revenue collections have been exceeding expectations in late 2005 and the Governor had promised to increase State Aid by significant amounts statewide: Chapter 70 by 5% and other local aid accounts by 17%. However, for Sudbury his actual net recommendations are up only 2.47% over

FY06, which is very disappointing. Proposed changes in the Chapter 70 formula did not work out in Sudbury's favor. In order to move forward with the budgeting process for the Town, we are using the state aid figures in the Governor's budget bill, but we are still hoping that the State legislature will make changes to give Sudbury more of a slice of the extra State Aid that will be sent to Towns and Cities in FY07.

1. **Distributions, Reimbursements and Offsets. Projection: \$1,186,046.** This category includes various State aid programs such as School Transportation, METCO, Charter School Reimbursements, Additional Assistance and Police Career Incentive payments. This is a projected 5.5% loss compared to FY06 in this category.
  
2. **Chapter 70 Aid. Projection: \$3,596,066.** Chapter 70 assistance is Sudbury's largest category of State aid. In previous years Chapter 70, also known as educational assistance, has been based on a formula which includes a variety of enrollment and community factors. Because Sudbury's educational spending exceeds the State's minimum requirements, Chapter 70 aid increases have been limited to per pupil minimum aid amounts in recent years. Discussion continues at the state level regarding creation of a new funding formula. This is a 2.66% increase over FY06, when we had been hoping for a 4 to 5% increase over FY06.
  
3. **Lottery Aid. Projection: \$1,081,559.** The Governor proposes to end the Lottery diversion that has sent Lottery proceeds to the state budget instead of to the Towns and Cities, as it was originally enacted to do. This is an increase of \$185,743 over FY06. The State legislature will have to agree with the Governor to "upcap" the Lottery for Sudbury to see this level of receipts for this program.
  
4. **School Construction. Projection: \$2,816,206.** This aid is a function of reimbursements for the Sudbury Public School construction and renovation projects. The FY07 projection assumes 100% funding for 4 projects- Nixon #3564, Curtis #2778, Haynes #3779, and Loring #3800. These amounts, however, must be directly used to reduce the amount of the Proposition 2 ½ debt exclusion for these projects and, therefore, are not available for appropriation by Town Meeting.

## Local Receipts

	FY04 Actual	FY05 Actual	FY06 Projected	FY07 Projected	Dollar Change	Percent Change
Motor Vehicle Excise	2,685,321	2,789,222	2,635,000	2,789,222	154,222	5.53%
Other Excise	50,000	63,132	30,000	66,000	36,000	57.02%
Penalties & Interest	125,000	252,513	120,000	260,000	140,000	55.44%
PILOT	60,000	70,688	52,000	90,000	38,000	53.76%
Fees	119,925	115,929	90,000	125,000	35,000	30.19%
Rentals	100,000	169,258	100,000	170,000	70,000	41.36%
Departmental Revenues	59,248	71,080	53,000	72,000	19,000	26.73%
Licenses & Permits	425,000	585,218	525,092	590,869	65,777	11.24%
Fines & Forfeits	75,000	99,986	75,000	100,000	25,000	25.00%
Investment Income	300,000	184,128	155,000	200,000	45,000	24.44%
Chapter 203	50,000	59,954	20,000	60,000	40,000	66.72%
Melone Gravel Sales	100,000	100,000	100,000	100,000	-	0.00%
Miscellaneous	-	107,761	-	45,778	45,778	42.48%
<b>Total Local Receipts</b>	<b>4,149,494</b>	<b>4,668,869</b>	<b>3,955,092</b>	<b>4,668,869</b>	<b>713,777</b>	<b>15.29%</b>

### Assumptions:

Local Receipts are those fees and charges which may be imposed by a municipality. Massachusetts General Law Chapter 40 Section 22(f) provides that "any municipal board or officer empowered to issue a license, permit, certificate or to render a service to perform work for



*a person or class of persons may, from time to time, fix reasonable fees...*" This is a local acceptance statute which was approved at the 1992 Annual Town Meeting. Overall, local receipts have started a slow recovery over the past two years. Most of these revenues are very sensitive to the economy, and we hope we will continue to see a rebound as the year-to-date figures indicate for FY06. Until then, expectations for this revenue source remain cautiously optimistic and we are projecting receipts for FY07 to be equivalent to the actual receipts for FY05.

1. **Motor vehicle excise. Projection: \$2,789,222.** The projection represents a 5.53% increase over the FY06 estimate. This assumption will be revisited when the first commitment of calendar year 2006 is received from the Registry of Motor Vehicles, which should be around February 1, 2006.
2. **Other excise. Projection: \$66,000.** This revenue comes from hotel/motel taxes. This projection is based on consistent increases in actual receipts over the past 2 years and on year-to-date information for FY06.
3. **Penalties and interest. Projection: \$260,000.** The projection represents a slight increase over the FY05 actual receipts and a substantial increase over the FY06 projection. More once delinquent taxpayers have been able to begin to pay their overdue taxes and the interest and penalties that have accrued. This is represented in the increased receipts in this area that we have seen. As the economy improves and more people are able to pay their taxes on time before interest and penalties accrue, these receipts will likely level off.
4. **Payment in lieu of taxes (PILOT). Projection: \$90,000.** This revenue is limited to the three accounts with which the Town has agreements for PILOT (Wayside Inn, US Fish and Wildlife Service, Sudbury Public Housing Authority). Based on the past 3 year's receipts, this is a realistic projection. .
5. **Fees. Projection: \$125,000.** Fees include charges for application, tax administration, municipal lien certificates, tax redemptions, and administration fees for police detail. This projection reflects an increase of 8% over the actual receipts in FY05. In FY06 we have already seen an increase of nearly 20% over the last year.
6. **Rentals. Projection: \$170,000.** We have projected receipts in this area will be equivalent to FY05. The major fee in this category is for cell tower leases. Town staff has worked diligently to obtain lease agreements for cell towers on town owned land.
7. **Departmental Revenues. Projection: \$72,000.** These are small amounts taken in by departments for such things as photocopy charges, sale of voter lists, etc. The projection is based on FY05 collections continuing on target to date.
8. **Licenses and permits. Projection: \$590,869.** These include building permits, which represents the largest portion of this category and charges for licenses. This projection represents an increase over the actual receipts for FY05 of only 1%.
9. **Fines and forfeits. Projection: \$100,000.** Fines include charges for false alarms, parking tickets, court fees, and for over due library materials. We have used FY05 actual receipt for this projection.
10. **Investment income. Projection \$200,000.** The projection represents a very slight increase over actual receipts for FY05. Indications are that there will be a modest increase in our investment returns. Rates remain low, but average daily balances are growing due increased collections. For FY06, we are running well above projections and we are optimistic for FY07.

## Use of Reserves, Free Cash and Available Funds

	FY04 Actual	FY05 Actual	FY06 Tax Recap	FY07 Projected	Dollar Change	Percent Change
Retirement Trust Fund	15,000	25,000	25,000	25,000	-	0.00%
Abatement/Overlay Surplus	273,138	684,566	543,450	492,765	(50,685)	-9.33%
Town Meeting Articles - Remaining Balances	40,000	55,000	23,000	-	(23,000)	-100.00%
Cops Fast Grant	-	-	-	30,000	30,000	0.00%
Ambulance Reserve	340,853	193,372	210,189	230,342	20,153	9.59%
Subtotal: Available Funds	668,991	957,938	801,639	778,107	(23,532)	-2.94%
Free Cash	940,000	1,146,292	800,000	1,475,243	675,243	84.41%
<b>Total Free Cash &amp; Available Funds</b>	<b>1,608,991</b>	<b>2,104,230</b>	<b>1,601,639</b>	<b>2,253,350</b>	<b>701,864</b>	<b>43.82%</b>

### Assumptions:

1. **Free Cash Projection: \$1,475,243.** Free Cash is certified by the Department of Revenue. Free Cash (undesignated fund balance) is largely a function of prior year revenue collections in excess of estimates and prior year expenditures less than appropriations.
2. **Abatement/ Overlay Surplus Projection: \$492,765.** A reserve for property tax abatements and exemptions is created each year in the Overlay account. Overlay Surplus becomes available when it is determined that all claims for abatements and exemptions of a specific fiscal year have been resolved. Per State statute, this amount must be formally voted by the Board of Assessors before it is available for appropriation.
3. **Ambulance Reserve for Appropriation Projection: \$230,342.** Fees are collected for use of the Town's ambulances. These fees are set aside in a separate account to offset future ambulance and related expenses. In FY07 this amount will be used to purchase ambulance supplies, equipment, and to fund EMT stipends.

## Enterprise Funds: Pool Enterprise

	FY04 Actual	FY05 Actual	FY06 Tax Recap	FY07 Projected	Dollar Change	Percent Change
Pool Enterprise						
Revenue	410,758	412,641	426,212	430,000	3,788	1%
Retained Earnings used	-	-	-	6,713	6,713	0%
Subsidy-Taxation	82,277	-	58,434	48,615	(9,819)	-17%
<b>(Expenses)</b>	<b>(416,746)</b>	<b>(405,607)</b>	<b>(484,646)</b>	<b>(485,328)</b>	<b>682</b>	<b>0%</b>
<b>Total Pool Enterprise</b>	<b>76,289</b>	<b>7,034</b>	<b>-</b>	<b>-</b>	<b>1,364</b>	

**Revenue Projection: \$430,000.** All receipts for pool rentals and programming go into the enterprise fund.

**Retained Earnings used: Projection: \$6,713.** Any revenue in excess of expenses from the prior year is recorded as retained earnings. Once certified, retained earnings are available to use to help fund the budget.

**Subsidy-taxation: Projection: \$48,615.** As has been the practice in recent years, the pool is expected to cover all of its direct costs, and the cost of the benefits for the employees is charged to the tax levy. The subsidy thus equals the costs of the benefits.

## Enterprise Funds: Transfer Station Enterprise

<b>Transfer Station</b>	<b>FY04 Actual</b>	<b>FY05 Actual</b>	<b>FY06 Tax Recap</b>	<b>FY07 Projected</b>	<b>Dollar Change</b>	<b>Percent Change</b>
Revenue	241,940	285,900	278,636	291,803	13,167	5%
Retained Earnings used	-	9,644	140,000		(140,000)	-100%
Subsidy	-	-	-	-	-	0%
<b>(Expenses)</b>	<b>(218,188)</b>	<b>(252,469)</b>	<b>(418,636)</b>	<b>(291,803)</b>	<b>(126,833)</b>	<b>30%</b>
<b>Total Transfer Station Enterprise</b>	<b>23,752</b>	<b>43,075</b>	<b>-</b>	<b>-</b>	<b>(253,666)</b>	

**Revenue Projection: \$291,803.** All receipts for transfer station fees go into the enterprise fund. Receipts are projected to increase 5% increase.

**Retained Earnings used Projection: \$0** Any revenue in excess of expenses from the prior year is recorded as retained earnings. Once certified, retained earnings are available to use to help fund the budget.

**Subsidy Projection: \$0.** None is needed.

### **Projected Changes in Fund Balance in the General Fund**

The general fund balance is projected to be the same or grow slightly at the end of FY06 and FY07. Conservative revenue projection combined with strict adherence to the appropriations of Town Meeting insures that the fund balance of the general fund does not unintentionally decrease from year to year. The fund balance of the Town's general fund increased by \$165,824 during FY05, per the Town's FY05 financial statements.

As stated earlier, the Community Preservation Fund is reserved for projects in four limited areas, and amounts collected in this fund are projected to continue to accumulate as the Town prepares to purchase sizeable parcels of land as they become available.

**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

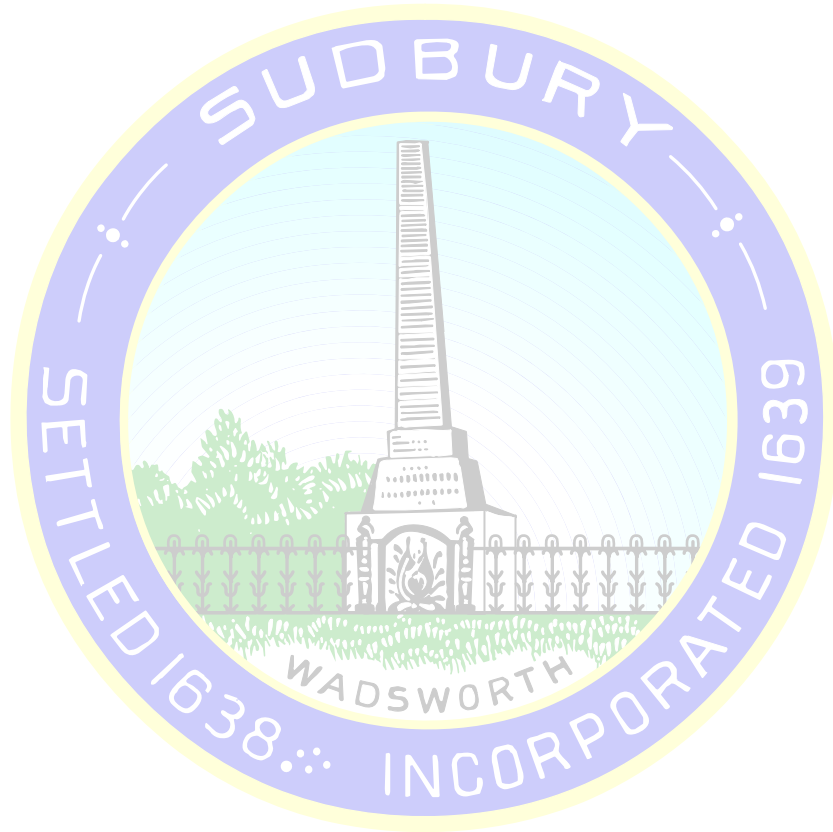
	General	Stabilization	Community Preservation
<b>REVENUES</b>			
Real estate and personal property taxes.....	\$ 49,439,489	\$ -	\$ -
Motor vehicle and other excise taxes.....	2,789,223	-	-
Tax liens.....	395,482	-	-
Payments in lieu of taxes.....	70,688	-	-
Community preservation surcharges.....	-	-	1,108,054
Charges for services.....	-	-	-
Intergovernmental.....	11,368,452	-	1,090,772
Penalties and interest on taxes.....	253,752	-	-
Licenses, permits and fees.....	892,316	-	-
Fines and forfeitures.....	123,779	-	-
Departmental.....	269,496	-	-
Contributions.....	-	-	-
Investment income.....	376,609	40,693	74,624
<b>TOTAL REVENUES.....</b>	<b>65,979,286</b>	<b>40,693</b>	<b>2,273,450</b>
<b>EXPENDITURES</b>			
<b>Current:</b>			
General government.....	2,210,774	-	-
Public safety.....	5,591,016	-	-
Education.....	37,275,684	-	-
Public works.....	2,788,873	-	-
Health and human services.....	483,133	-	-
Culture and recreation.....	923,717	-	189,536
Pension benefits.....	5,218,335	-	-
Employee benefits.....	5,224,482	-	-
Property and liability insurance.....	152,348	-	-
State and county charges.....	187,786	-	-
<b>Debt service:</b>			
Principal.....	3,990,000	-	380,000
Interest.....	1,876,360	-	227,086
<b>TOTAL EXPENDITURES.....</b>	<b>65,922,508</b>	<b>-</b>	<b>796,622</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES.....</b>	<b>56,778</b>	<b>40,693</b>	<b>1,476,828</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in.....	362,165	-	-
Proceeds of bonds and notes.....	-	-	2,678,500
Proceeds of refunding bonds.....	-	-	-
Premium from issuance of refunding bonds.....	-	-	-
Transfers out.....	(253,119)	-	-
Payments to refunding bond escrow agent.....	-	-	-
<b>TOTAL OTHER FINANCING SOURCES (USES).....</b>	<b>109,046</b>	<b>-</b>	<b>2,678,500</b>
<b>NET CHANGE IN FUND BALANCES.....</b>	<b>165,824</b>	<b>40,693</b>	<b>4,155,328</b>
<b>FUND BALANCES AT BEGINNING OF YEAR.....</b>	<b>7,700,207</b>	<b>1,515,169</b>	<b>3,597,783</b>
<b>FUND BALANCES AT END OF YEAR.....</b>	<b>\$ 7,866,031</b>	<b>\$ 1,555,862</b>	<b>\$ 7,753,111</b>

See notes to basic financial statements.

School Construction	Public Works Facilities	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 49,439,489
-	-	-	2,789,223
-	-	-	395,482
-	-	-	70,688
-	-	-	1,108,054
-	-	289,337	289,337
-	-	1,994,476	14,453,700
-	-	-	253,752
-	-	2,245,862	3,138,178
-	-	7,962	131,741
-	-	58,651	328,147
-	-	265,523	265,523
-	-	105,809	597,735
-	-	4,967,620	73,261,049
152,469	-	186,227	2,549,470
-	-	71,659	5,662,675
255,953	-	2,813,133	40,344,770
-	72,648	166,594	3,028,115
-	-	52,846	535,979
-	-	870,618	1,983,871
-	-	-	5,218,335
-	-	-	5,224,482
-	-	-	152,348
-	-	-	187,786
-	-	-	4,370,000
-	-	-	2,103,446
408,422	72,648	4,161,077	71,361,277
(408,422)	(72,648)	806,543	1,899,772
148,214	-	92,011	602,390
-	-	636,500	3,315,000
13,400,000	-	4,350,000	17,750,000
158,074	-	-	158,074
-	-	(343,372)	(596,491)
(13,522,414)	-	(4,325,697)	(17,848,111)
183,874	-	409,442	3,380,862
(224,548)	(72,648)	1,215,985	5,280,634
581,455	245,073	5,031,284	18,670,971
\$ 356,907	\$ 172,425	\$ 6,247,269	\$ 23,951,605

# Section Four

## TOWN OPERATING DEPARTMENTS

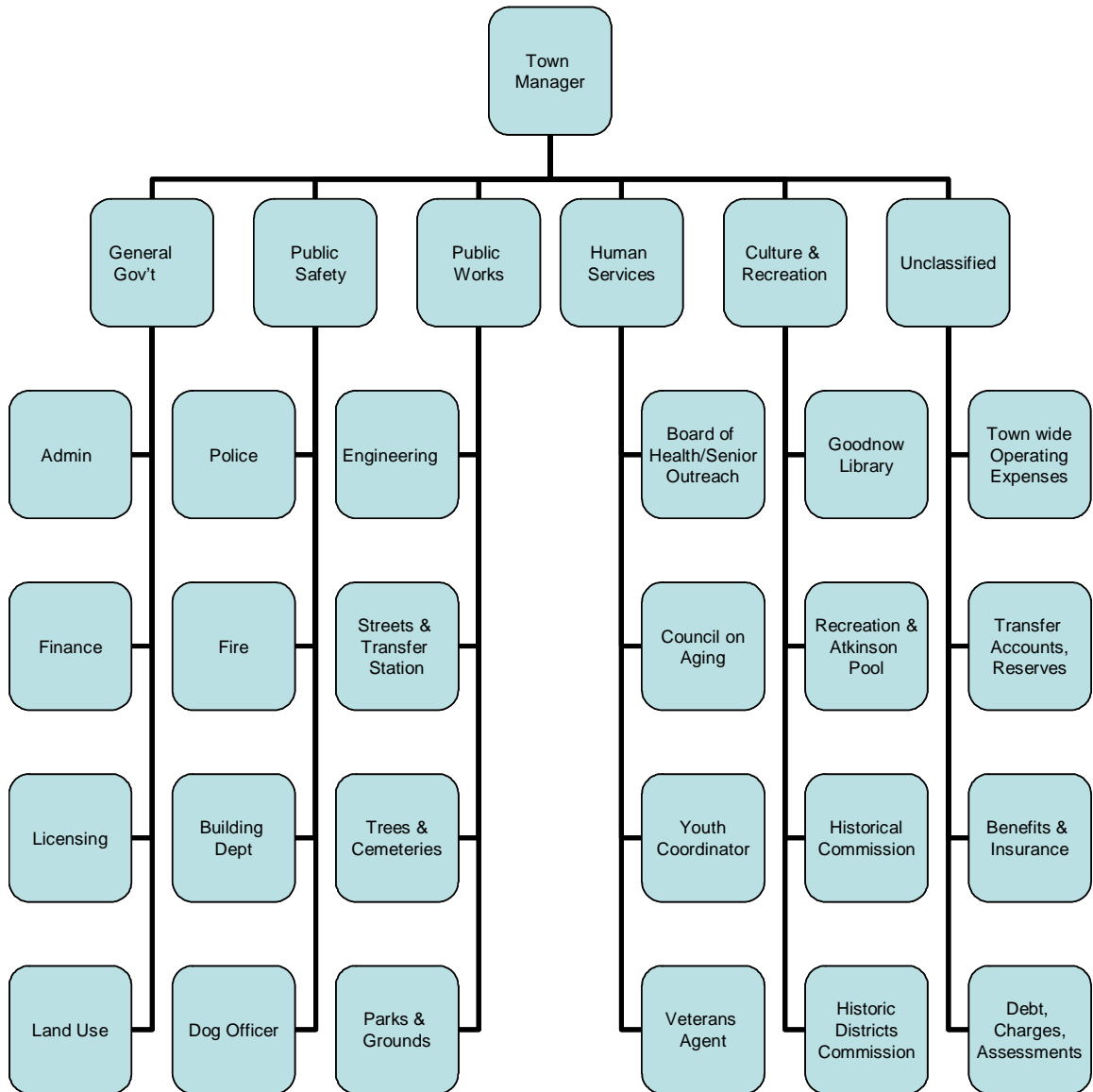


## Summary

### FY07 Town Manager's Recommended Budget Request for Town Operating Departments

	Appropriated FY05	Appropriated FY06	Level Staff Requested FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
General Government	1,965,409	2,011,226	2,067,064	2,146,816	2,059,810	2,091,735
Public Safety	5,095,811	5,733,642	6,038,870	6,116,755	6,034,534	6,091,379
Public Works	2,591,406	2,883,083	2,991,414	3,078,845	2,950,904	3,068,845
Human Services	518,522	537,382	552,869	558,369	557,369	558,369
Culture & Recreation	931,316	994,242	1,021,147	1,044,429	1,022,672	1,027,672
Unclassified & Transfer	355,825	313,345	427,210	417,210	334,146	421,819
<b>total: Town Operating Depts.</b>	<b>11,458,289</b>	<b>12,472,920</b>	<b>13,098,574</b>	<b>13,362,424</b>	<b>12,959,435</b>	<b>13,259,819</b>
<b>ADDITIONAL OFFSET</b>		<b>0</b>	<b>-50,153</b>	<b>-50,153</b>	<b>-50,153</b>	<b>-50,153</b>
<b>NET TOTAL TOWN OPER DEPTS</b>		<b>12,472,920</b>	<b>13,048,421</b>	<b>13,312,271</b>	<b>12,909,282</b>	<b>13,209,666</b>
Increase over prior year			4.61%	6.73%	3.50%	5.91%
Increase over prior year			575,501	839,351	436,361	736,746

# Budget Accounts under the Direction of the Town Manager





# GENERAL GOVERNMENT SERVICES



	Appropriated FY05	Appropriated FY06	Level Staff FY07	Department Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>GENERAL GOVERNMENT</b>						
<b>Administration</b>						
Selectmen	267,085	288,187	272,232	273,547	267,321	273,547
Personnel	120,781	123,136	121,422	122,422	116,172	122,422
Law	153,026	155,694	162,586	162,586	158,586	162,586
Finance Committee	1,750	1,835	1,959	1,959	1,959	1,959
<b>Finance</b>						
Accounting	247,981	276,538	287,529	287,529	287,529	287,529
Assessors	234,749	244,593	250,813	252,403	251,313	251,813
Treasurer/ Collector	266,508	222,798	232,563	233,103	231,953	232,563
Information Systems	264,373	277,386	293,769	349,746	288,669	296,275
<b>Licensing and Registration</b>						
Documents Preservation	1,000	1,000	1,200	2,000	1,200	1,500
Town Clerk & Registrars	205,781	210,526	222,980	223,210	222,797	223,180
<b>Land Use</b>						
Conservation	76,290	78,514	80,148	80,098	80,098	80,148
Planning Board	100,902	105,329	113,671	132,021	126,021	132,021
Board of Appeals	25,183	25,690	26,192	26,192	26,192	26,192
<b>Total: General Government</b>	<b>1,965,409</b>	<b>2,011,226</b>	<b>2,067,064</b>	<b>2,146,816</b>	<b>2,059,810</b>	<b>2,091,735</b>

## GENERAL GOVERNMENT: Selectmen/Town Manager

### MISSION OF THE OFFICE

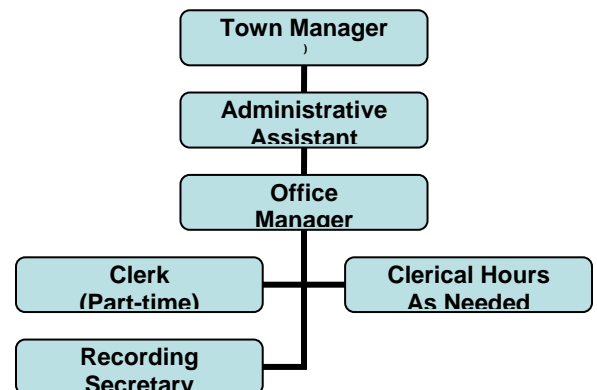
The Board of Selectmen and Town Manager provide executive leadership for the Town of Sudbury. Together, we pursue collaborative process and ethical and professional procedures to insure that Town resources are directed to providing the best services possible to protect public safety, public assets and a special quality of life in Sudbury. This office supports the Board and the Town Manager as they work toward this mission.

### DESCRIPTION OF SERVICES

The Board of Selectmen is the executive branch of the Town government. The Board consists of three members, each elected for a three-year term. They serve without compensation. The Selectmen act as the primary policy-making body for the Town. They provide oversight for matters in litigation, act as the licensing authority for a wide variety of licenses, conduct site plan reviews, and enact rules and regulations for such matters as traffic control, and serve, along with the Town Treasurer, as Trustees of Town Trusts. The Town Manager is appointed by the Board of Selectmen, and is responsible for the management of all Town departments. The Town Manager is the appointing and contracting authority for all departments except the schools and the health department, and is responsible for overseeing all budgetary, financial and personnel administration activities of the Town. This includes preparing the annual budget, appointing all new staff and setting compensation, formulating and implementing personnel policies, and negotiating all contracts with the Town's union employees. Administrative staff in the office serves as liaison between the public and the Board, handle all telephone calls, visitors and correspondence directed to the office, and maintain all records of Board of Selectmen's meetings. The office staff prepare the warrants for all annual and special town meetings, election notices for all elections, and coordinates the Town's annual report. They maintain records of all committee and board appointments and resignations. They maintain the Selectmen's section of the Town's web site.

### STAFFING

Staff in the Selectmen/Town Manager's office includes the Town Manager, the Administrative Assistant to the Board, an office supervisor, a part-time recording secretary and hours for part-time assistance as needed at peak work times. Additionally, some clerical hours are provided by seniors working on the Tax Work-Off program, in exchange for a reduction in their property tax bill.



### FY07 GOALS AND INITIATIVES

- Examine options to increase oversight of town owned parks and public spaces
- Resolve the legal efforts to end the pollution of the Hop Brook pond system
- Examine ways to continue the No Place for Hate concept
- Develop a long-range plan to provide for "catch-up" funding for DPW heavy equipment
- Find additional funding to support a full-time staff planning position

### FY05/FY06 MAJOR INITIATIVES AND ACCOMPLISHMENTS

- Held the 6<sup>th</sup> Annual Financial Summit in November 2005
- Updated the long range financial forecast and outlook for the Town

- Adopted Budget and Financial Management Policies for the Town
- Created a committee to plan for restoring and improving the Town Centre. The committee developed and issued an RFP for engineering services to assist with process
- Created a new Ponds and Waterways Committee
- Continue legal efforts to end the pollution of the Hop Brook ponds
- Developed an overall Energy Management Program for the Town
- Developed the C.A.R.E Program – Cost Avoidance and Revenue Enhancement Efforts by Town staff (See Appendix 5 of this budget document for a copy of the program)
- Developed improved communication efforts including a new email newsletter from the Town Manager, and enhanced use of the local access cable channel and the Town's web site.
- Obtained commitment from Emerson Hospital to continue to provide Advanced Life Support services in Sudbury

### BUDGET ISSUES

This request asks for funds to maintain the same personnel and basic expenses of running the office as are available in FY06. This budget contains sufficient funds for the equivalent of a 1.5% cost of living adjustment for the employees of this office. This budget request reduces funding for membership in the Metro West Growth Management Committee, the Regional Purchasing Consortium, and participation in the weed harvesting program at Carding Mill Pond. Costs of these programs are going up, but we are not allocating sufficient funds to completely keep up. Additionally, the part-time economic development specialist position, which was originally cut in FY04, is still not restored under this budget.

The ability to accomplish many of the goals of the Board of Selectmen and Town Manager is hindered by these cuts. We have been committed to the programs that are slated to be cut, and our neighboring communities will be less likely to support joint problem solving by our withdrawal from these programs.

	Appropriated FY05	Appropriated FY06	Level Staff FY07	Department Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>SELECTMEN/TOWN MANAGER</b>						
Town Manager	124,746	129,197	133,092	133,092	133,092	133,092
Administrative Staff	53,625	54,866	50,838	50,838	50,838	50,838
Overtime	1,171	1,660	1,685	2,000	1,685	2,000
Clerical	51,560	61,202	45,517	45,517	45,517	45,517
Executive Incentive Progr.	8,000	9,250	10,250	11,250	10,250	11,250
Sick Leave Buy Back	1,233	1,262	0	0	0	0
<b>Sub Total: Personal Ser</b>	<b>240,335</b>	<b>257,437</b>	<b>241,382</b>	<b>242,697</b>	<b>241,382</b>	<b>242,697</b>
General Expense	15,000	16,500	16,500	16,500	14,089	16,500
Maintenance	750	750	750	750	750	750
Travel	4,000	4,000	4,100	4,100	4,100	4,100
Out of State Travel	4,500	4,500	4,500	4,500	4,500	4,500
Contracted Services	2,500	5,000	5,000	5,000	2,500	5,000
Equipment	0					
<b>Sub Total: Expenses</b>	<b>26,750</b>	<b>30,750</b>	<b>30,850</b>	<b>30,850</b>	<b>25,939</b>	<b>30,850</b>
<b>Total: Selectmen</b>	<b>267,085</b>	<b>288,187</b>	<b>272,232</b>	<b>273,547</b>	<b>267,321</b>	<b>273,547</b>

**GENERAL GOVERNMENT: Assistant Town Manager/Personnel Director**

**MISSION OF THE OFFICE**

To support the Town Manager in the most effective administration of Town government by employing personnel practices and policies which promote and sustain a high performance Town organization through hiring, developing and retaining high caliber employees.

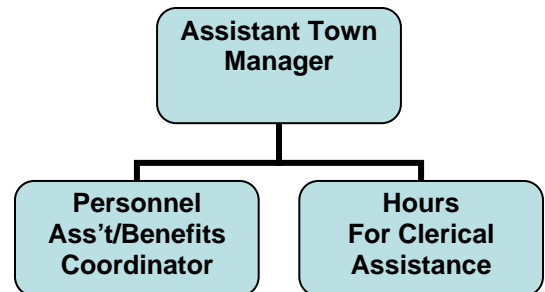
**DESCRIPTION OF SERVICES**

The Assistant Town Manager/Personnel Director is responsible for personnel, risk and benefit management for over 700 employees and 200 retirees of the Town and the Sudbury Public Schools. Specific responsibilities include:

- Compliance with Labor Laws & Regulations
- Personnel Policies and Procedures
- Classification and Compensation Plans
- Personnel Records and Data
- Employee Insurance Benefits
- Workers' Compensation Administration
- Property and Liability Insurance Administration
- Collective Bargaining
- Recruitment and Hiring
- Training
- Performance Evaluation Programs
- Supervisor Support
- Employee Relations and Communications
- Employee Recognition

**STAFFING**

Staffing consists of the Assistant Town Manager and a part-time Personnel Assistant/Benefits Coordinator. In addition, a small amount is allocated for limited hours of clerical assistance as needed.



**FY07 GOALS AND INITIATIVES**

- To produce for the Town Manager's approval a new personnel policies manual including draft policies on: snow days; municipally owned vehicles; internet access and use.
- Review and update Town procedures and options for employees facing long-term illnesses.
- Working with the Police Chief and other town officials, develop a response plan any hate incidents that may occur in Sudbury
- Develop and oversee a process for recruitment and selection of a new Finance Director
- Work on the Flynn Building Improvement Committee, focusing especially on the areas identified as safety concerns by the employees on the committee

**FY05/FY06 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Oversaw the recruitment, assessment, and selection of a new Fire Chief, a new Council on Aging Director, a new Youth Coordinator, a new Treasurer-Collector and other staff within that office, and a new Veterans Services Director.
- Working with the Director of Public Works, completed the reorganization of the Public Works Department.
- Working with the Building Inspector and the Permanent Building Inspector, completed the handicap accessibility improvement and renovations to the Flynn Building and oversaw the relocation of Assistant Town Manager’s offices from the Loring Parsonage to the Flynn Building.
- Continued the recently reestablished employee safety committee and worked with the Town’s property and liability and worker’s compensation insurance carrier to secure the most cost-effective and comprehensive coverage available.
- Updated the Town’s health insurance policies
- Develop job description and a process for recruitment and selection for the newly created position of Assistant Fire Chief
- Continue with the supervisory training program and expand training opportunities to other Town employee groups.
- Continued to work with human resources consultant(s) to update nonunion classification and compensation plan.

**PERFORMANCE/WORKLOAD INDICATORS**

<b>Indicator</b>	<b>FY04</b>	<b>FY05</b>
<b>Personnel Action Forms Processed</b>	<b>465</b>	<b>480</b>
<b>Employment Applications received</b>	<b>137</b>	<b>212</b>
<b>Positions Filled</b>	<b>21</b>	<b>37</b>
<b>Average applications per vacancy</b>	<b>6</b>	<b>15</b>
<b>Number of employees covered by Town Health Insurance</b>	<b>459</b>	<b>463</b>
<b>Number of retirees covered by Town Health Insurance</b>	<b>221</b>	<b>230</b>

**BUDGET ISSUES**

The Town Manager’s Recommended Budget requests only enough funds to maintain the same personnel and basic, unavoidable expenses of the office and the equivalent of a 1.5% cost of living adjustment for the employees. The amount requested for office expenses is the same as for FY06. Funds for contractual services are used to hire specialized consultants for assistance with various personnel matters that come up during the year, and for the cost of recruiting and advertising when hiring employees. Funds for professional development of department heads have been reduced slightly.

This budget maintains the austerity level for recruiting and training and professional development that has been carried for the last three years. The lack of funding for professional development seriously undermines our commitment to training our employees, and the Selectmen’s guiding value of protecting and enhancing the professionalism of the town’s staff cannot be achieved.

NOTE: Although this department does not specifically generate revenue, one of its important responsibilities is to closely monitor all employee benefit and insurance programs to insure that costs and expenditures under these programs are accurate and controlled. Working closely with insurance providers, in excess of \$100,000 has been realized through recoveries and savings.

	Appropriated FY05	Appropriated FY06	Level Staff FY07	Department Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>ASSISTANT TOWN MGR/PERSONNEL</b>						
Assistant Town Manager	79,336	81,170	82,388	82,388	82,388	82,388
Clerical	36,195	31,216	31,684	31,684	26,684	31,684
<b>Sub Total: Personal Servic</b>	<b>115,531</b>	<b>112,386</b>	<b>114,072</b>	<b>114,072</b>	<b>109,072</b>	<b>114,072</b>
General Expense	1,750	2,000	2,000	2,000	2,000	2,000
Travel	400	400	400	400	400	400
Contracted Services	2,000	7,400	4,000	4,000	3,000	4,000
Employee Profess. Develop.	1,100	950	950	1,950	1,700	1,950
<b>Sub Total: Expenses</b>	<b>5,250</b>	<b>10,750</b>	<b>7,350</b>	<b>8,350</b>	<b>7,100</b>	<b>8,350</b>
<b>Total: ATM/Personnel</b>	<b>120,781</b>	<b>123,136</b>	<b>121,422</b>	<b>122,422</b>	<b>116,172</b>	<b>122,422</b>

**MISSION OF THE OFFICE**

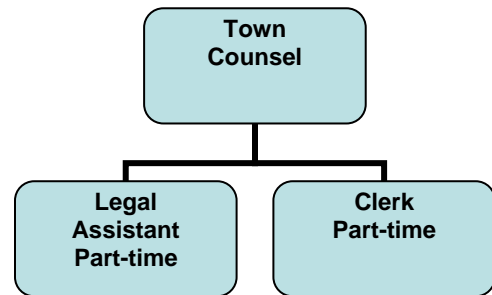
To support the Board of Selectmen, the Town Manager and the Town's departments and committees by providing legal advice and activities which sustain a Town organization that always acts ethically and professionally and avoids unnecessary and costly consequences.

**DESCRIPTION OF SERVICES**

The Town Counsel's office performs an intermediary function by providing legal opinions upon request from Town Departments. These requests involve issues such as conflicts of interest, interpretation and understanding of various rules, regulations, procedures, and state law and statutes in connection with town programs and projects. The Town Counsel's office also provides legal review and drafting services for town acts, articles and bylaws, contracts and lease agreements, as well as the preparation of documents and filing, and representing the Town in all court actions.

**STAFFING**

Personnel under this budget include a part-time Town Counsel, who is a contracted employee to the Town, a part-time legal assistant and one part-time clerk, who are employees of the town, and "job-share" this position, neither requiring benefits. The Town Counsel is appointed by the Board of Selectmen, but supervised by the Town Manager. Other office staff is appointed by the Town Manager.



**BUDGET ISSUES**

The Town Manager's Recommended Budget requests funds to maintain the same personnel and basic, unavoidable expenses. This budget contains sufficient funds for the equivalent of a 1.5% cost of living adjustment for the employees of this office.

It is difficult to anticipate litigation matters. The anticipated costs of hourly legal representation above and beyond the Town Counsel's retainer will probably be greater than this budget allows for. Litigation to defend the decisions of the various boards can be expensive and difficult to predict. And we anticipate that the Selectmen's intention to protect the best interests of Sudbury in the matter of the Marlboro Easterly Wastewater Treatment Plan permitting will continue into FY07. If so, legal costs are anticipated to be high on this matter, as the Town has retained specialized counsel and the city of Marlboro has indicated they are willing to make this a protracted issue. The Board of Selectmen will seek a reserve fund transfer to supplement this budget if any of these potentially costly legal matters cannot be resolved within the budget. Additionally collective bargaining is a time consuming process that involves detailed knowledge of labor law at both the federal and state level, and specialized counsel is invaluable for these efforts.

	Appropriated FY05	Appropriated FY06	Level Staff FY07	Department Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>LAW</b>						
Town Counsel	38,555	39,423	40,014	40,014	40,014	40,014
Clerical	34,771	35,728	36,264	36,264	36,264	36,264
<b>Sub Total: Personal Services</b>	<b>73,326</b>	<b>75,151</b>	<b>76,278</b>	<b>76,278</b>	<b>76,278</b>	<b>76,278</b>
General Expense	5,700	5,700	5,890	5,890	5,890	5,890
Legal Expense	74,000	74,843	80,418	80,418	76,418	80,418
<b>Sub Total: Expenses</b>	<b>79,700</b>	<b>80,543</b>	<b>86,308</b>	<b>86,308</b>	<b>82,308</b>	<b>86,308</b>
<b>Total: Law</b>	<b>153,026</b>	<b>155,694</b>	<b>162,586</b>	<b>162,586</b>	<b>158,586</b>	<b>162,586</b>



**GENERAL GOVERNMENT: Finance Department - Finance Committee**

**MISSION OF THE COMMITTEE**

The Mission of the Finance Committee is to advise Town Meeting on all budgetary and financial matters that come before Town Meeting, and to consider requests from the Town Manager for allocations from the Reserve Fund.

**DESCRIPTION OF SERVICES**

The Finance Committee is comprised of nine members appointed by the Town Moderator. Approximately nine months before the April Annual Town Meeting, the FinCom issues guidelines for development of the operating budget requests from the various cost centers, based upon revenue expectations and information needs of the FinCom. During the year, members of the FinCom serve as liaisons to the cost centers and attend monthly planning meetings with them. During January and early February of each year, the FinCom conducts detailed budget hearings, leading to a recommended budget that is balanced within the limits of Proposition 2 ½. The Finance Committee may also recommend a budget that exceeds these limits, requiring a Proposition 2 ½ override question be placed on a ballot at the annual or a special election if approved by the Board of Selectmen and Town Meeting

The Reserve Fund is considered part of the budget that is allocated to the Town Operating Departments and provides the Town with the flexibility to address unexpected or emergency costs that arise during the fiscal year.

**STAFFING**

The only staff for this committee is a part-time recording secretary.

**BUDGET ISSUES**

The Town Manager’s Recommended Budget requests only enough funds to maintain the same personnel and basic expenses. This budget contains sufficient funds for the equivalent of a 1.5% cost of living adjustment for the employees of this office. The allowance for expenses has been increased by a very small amount.

No additional funds are requested for this department beyond the Town Manager’s Recommended Budget request.

	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>FINANCE COMMITTEE</b>						
Clerical	1,500	1,585	1,609	1,609	1,609	1,609
<b>Sub Total: Personal Services</b>	<b>1,500</b>	<b>1,585</b>	<b>1,609</b>	<b>1,609</b>	<b>1,609</b>	<b>1,609</b>
General Expense	250	250	350	350	350	350
<b>Sub Total: Expenses</b>	<b>250</b>	<b>250</b>	<b>350</b>	<b>350</b>	<b>350</b>	<b>350</b>
<b>Total: Finance Committee</b>	<b>1,750</b>	<b>1,835</b>	<b>1,959</b>	<b>1,959</b>	<b>1,959</b>	<b>1,959</b>

## GENERAL GOVERNMENT: Finance Department - Accounting

### MISSION OF THE OFFICE

The Mission of the Town Accountant's Office is to protect the Town's financial interests and ensure that Town resources are expended and received according to local bylaws, General Laws of the Commonwealth and sound accounting practices. Charged with maintaining and examining all financial records, the Accounting Office provides Town officials and the public accurate information to facilitate the effective management of the Town.

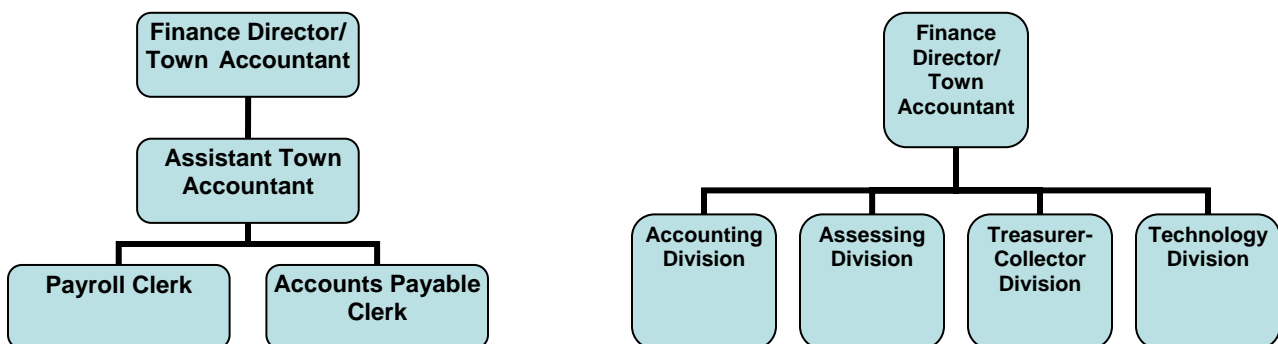
### DESCRIPTION OF SERVICES

The Town Accountant's Office maintains all the financial records for the Town. Payroll for all town and school employees and accounts payable for all departments are processed through this office. In processing these transactions, the Town Accountant by statute, examines and approves all financial transactions verifying compliance with local and state law, establishes procedures and implements sound business practices and maintains a general ledger. The office monitors all budgets and provides a monthly budget statement to all departments and boards. It also is responsible for maintenance of the financial software used by the Town, and the filing of all reports to the Department of Revenue and various governmental agencies.

The Town Accountant also serves as the Town's Finance Director, and as such is responsible for all hiring and supervising of Finance Department heads and long-range financial analysis and planning for the Town. She oversees preparing the operating and capital budgets for the Town. She also provides limited assistance to the Finance Committee and the Capital Improvement Planning Committee.

### STAFFING

The Accounting division of the Finance Department consists of the Town Accountant/Finance Director, the Assistant Town Accountant and two clerical positions. Overall, the Finance Department has four operational divisions, as shown below, which the Finance Director oversees as well.



### **FY07 GOALS AND INITIATIVES**

- Address all outstanding issues from Annual Audit for period ending June 30, 2006 and finalize the requirements of GASB 34 by bringing Infrastructure on to the Financial Statements
- Oversee more use of current MUNIS accounts payable functionality, including decentralizing entry of vendor bills by selected departments
- Oversee more use of current MUNIS general billing functionality by tracking miscellaneous billing such as paid detail and COBRA collections
- Oversee training and use of MUNIS payroll module for tracking compensated leave
- Oversee more use of current MUNIS Crystal Reports functionality by Treasurer's office for reporting revenues
- Submit the FY07 Proposed budget to GFOA for the Budget Award program

### **FY05/FY06 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Completed change of access to Treasurer's vault room and related office renovations
- Oversee more use of current MUNIS Budget module functionality by working with the Town Manager to use module during budget preparation
- Streamline forms used for information gathering from departments in preparation of FY07 budget
- Prepare report and analysis for FY06 Financial Summit, including updating Financial Trend Monitoring Report of Town's Financial Condition
- Provide staff support to the Finance Committee and Town Manager for preparation of the FY07 budget
- Provide staff support to the Capital Improvement Planning Committee for preparation of the FY07 capital budget

### **PERFORMANCE/WORKLOAD INDICATORS**

<b>Indicator</b>	<b>FY04</b>	<b>FY05</b>	<b>% Change</b>
<b>Invoices Paid</b>	<b>14,623</b>	<b>15,430</b>	<b>5.5%</b>
<b>Payroll Checks Processed</b>	<b>17,034</b>	<b>17,525</b>	<b>2.9%</b>
<b>W-2's Processed</b>	<b>1,009</b>	<b>1,023</b>	<b>1.4%</b>
<b>Total General Fund Dollars Expended</b>	<b>\$61,146,297</b>	<b>\$62,840,260</b>	<b>2.8%</b>

### **BUDGET ISSUES**

The Town Manager's Recommended Budget contains sufficient funds for the equivalent of a 1.5% cost of living adjustment for the employees of this office. Otherwise it allows for the same personnel and basic expenses of the office. The cost of the contract for audit services has increased by \$1,500.

This is a critical budget. The financial recordkeeping and payroll responsibilities of this office, with all the attendant state and federal mandates that must be complied with, mean that increasing costs in this budget must be funded, and offsetting cuts identified

elsewhere. This Town Manager's Recommended Budget is as lean as can safely be crafted without the risk of unacceptable costly errors and penalties. And it should be noted this office provides required services to both the Sudbury Public Schools as well as the Town departments. Actually, in terms of percentage of payroll processed, vouchers processed, tax filings, retirement board contributions, voluntary deductions remitted to various vendors, etc. the larger percentage of activities of this office is attributable to meeting the financial needs of the Sudbury Public Schools and their employees.

	Appropriated FY05	Appropriated FY06	Level Staff FY07	Departmental Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>ACCOUNTING</b>						
Fin. Dir/Town Accountant	68,413	82,426	86,915	86,915	86,915	86,915
Asst Acct Stipend	0	2,500	2,500	2,500	2,500	2,500
Salaries	118,235	123,785	128,424	128,424	128,424	128,424
Sick Leave Buy Back	1,425	3,096	3,218	3,218	3,218	3,218
Overtime	1,038	1,061	1,077	1,077	1,077	1,077
<b>Sub Total: Personal Services</b>	<b>189,111</b>	<b>212,868</b>	<b>222,134</b>	<b>222,134</b>	<b>222,134</b>	<b>222,134</b>
General Expense	6,100	7,900	7,900	7,900	7,900	7,900
Computer	18,500	21,000	21,000	21,000	21,000	21,000
Maintenance	2,020	2,020	2,020	2,020	2,020	2,020
Travel	750	1,250	1,475	1,475	1,475	1,475
Contracted Services	31,500	31,500	33,000	33,000	33,000	33,000
<b>Sub Total: Expenses</b>	<b>58,870</b>	<b>63,670</b>	<b>65,395</b>	<b>65,395</b>	<b>65,395</b>	<b>65,395</b>
<b>Total: Accounting</b>	<b>247,981</b>	<b>276,538</b>	<b>287,529</b>	<b>287,529</b>	<b>287,529</b>	<b>287,529</b>

**GENERAL GOVERNMENT: Finance Department - Assessors**

**MISSION OF THE OFFICE**

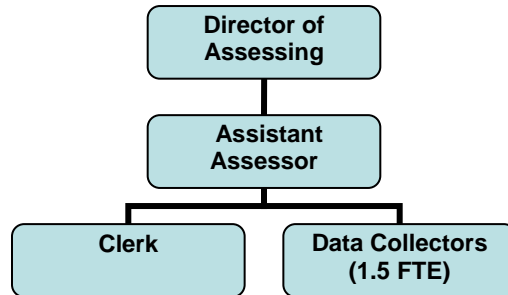
To ensure an equitable share of the tax burden to all taxable real and personal property entities, by regular review and analysis.

**DESCRIPTION OF SERVICES**

The Assessors Office is responsible for assessing property taxes, the major revenue source for the town. To accomplish this all real and personal property is valued as of January 1st of each year. The valuations are used to fairly allocate the taxes necessary to fund the Town’s annual budget. We calculate the annual new growth increase in the levy limit. New growth is an additional amount based on the assessed value of new construction and other growth in the tax base not related to any revaluation program. The Assessors’ set the annual tax levy and rate(s) for the year. We prepare the annual tax roll, and commit the list to the Tax Collector with a warrant to collect the taxes. We administer the tax exemption/deferral program and act on abatement and exemption applications, including the Community Preservation Surcharge exemptions. A reserve fund is allocated annually (Overlay Account) to fund anticipated property tax abatements and exemptions. We are responsible for assessing and administer excise taxes. In keeping with the “Financial Team Approach” of service, to share information and resources the Assessing Department provides data reports to numerous Town Departments.

**STAFFING**

The personnel in this office include the Director of Assessing, an Assistant Assessor, one full-time clerical position and one full time and one part-time data collectors. All staff in this officer is appointed by the Town Manager.



**FY07 GOALS AND INITIATIVES**

- Complete full revaluation of all residential, commercial, industrial properties, vacant and improved, special use, i.e. Chapter discounts, Personal Property and Mixed Use.
- Finalize the 10 year re-inspection program.
- Implement and maintain personal exemption programs;
- produce local cable TV program explaining exemption programs,
- Inspect and value Chapter 203 accounts.
- Redefine parcel-id’s for engineering and GIS

**FY05/FY06 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Analyze market and update property values;
- continue re-inspection program;
- update Chapter 203 accounts,
- maintain exemption programs
- Reorganize office space

**PERFORMANCE/WORKLOAD INDICATORS**

Indicator	FY04	FY05
Property values maintained	6,382	6,408

<b>Property re-inspections completed</b>	<b>284</b>	<b>553</b>
<b>Permits, valued, measured and listed</b>	<b>302</b>	<b>355</b>
<b>Excise committed and maintained</b>	<b>17,620</b>	<b>17,722</b>
<b>Exemptions Processed</b>	<b>228</b>	<b>288</b>
<b>Revaluation Performed</b>	<b>Full</b>	<b>Full</b>

### **BUDGET ISSUES**

The Town Manager's Recommended Budget requests only enough funds to maintain the same personnel and basic, unavoidable expenses of meeting this department's critical mission. This budget contains sufficient funds for the equivalent of a 1.5% cost of living adjustment for the non-unionized employees of this office and adds a \$1,000 stipend for the Assistant Assessor to be responsible for assisting the Board of Assessors with administering all the newly enacted senior tax relief programs. Otherwise the budget is the same as FY06.

This budget must be retained as any reductions could have a significant impact on the ability of the Town to issue timely and correct tax bills. And it is critical for all cost centers that the Town issue all tax bills on time, so that the Town's cash flow is not jeopardized at any time. The state requires assessing offices to periodically inspect all real properties over a ten year cycle. The Town of Sudbury will complete the program this summer, a cyclical re-inspection program with less than 1400 properties remaining. If we do not finish our re-inspection program, the state will not certify our revaluation in Fiscal Year 2007. Furthermore, the Assessors are mandated to revalue all properties under a mandated triennial certification program for FY2007. Additional costs include the production of a myriad of analytical reports, field review and discovery of all business personal property accounts, field review of all properties, inspection of sold property (along with gas mileage costs) production of 6800 new property cards, and all other related requirements.

	Appropriated FY05	Appropriated FY06	Level Staff FY07	Department Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>ASSESSORS</b>						
Director of Assessing	68,263	70,838	72,427	72,427	72,427	72,427
Clerical	133,899	139,392	144,506	144,506	144,506	144,506
Stipend	0	0	0	1,590	500	1,000
Sick Buy Back	1,087	1,113	1,130	1,130	1,130	1,130
<b>Sub Total: Personal Services</b>	<b>203,249</b>	<b>211,343</b>	<b>218,063</b>	<b>219,653</b>	<b>218,563</b>	<b>219,063</b>
General Expense	10,500	11,750	11,750	11,750	11,750	11,750
Tuition	1,000	1,500	1,000	1,000	1,000	1,000
Contracted Services	20,000	20,000	20,000	20,000	20,000	20,000
<b>Sub Total: Expenses</b>	<b>31,500</b>	<b>33,250</b>	<b>32,750</b>	<b>32,750</b>	<b>32,750</b>	<b>32,750</b>
Vehicle Purchase	0	0	0	0	0	0
<b>Sub Total: Capital Spending</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total: Assessor</b>	<b>234,749</b>	<b>244,593</b>	<b>250,813</b>	<b>252,403</b>	<b>251,313</b>	<b>251,813</b>

## GENERAL GOVERNMENT: Finance Department - Treasurer/Collector

### MISSION OF THE OFFICE

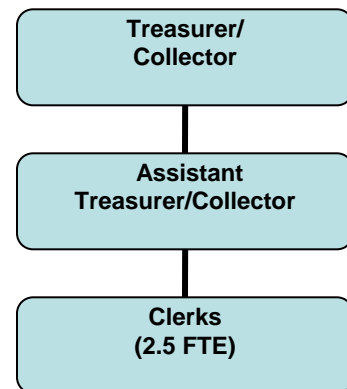
To provide collection, deposit, investment and financial reporting for all funds due to the Town in an efficient and effective manner. To provide all financial custodial services for the Town in compliance with all State and local regulations; in a manner that that best meets the needs of the individual taxpayer and the community, as a whole.

### DESCRIPTION OF SERVICES

The Treasurer/Collector office issues over 21,000 bills each fiscal year, including real estate and personal property taxes (quarterly), and motor vehicle excise tax (annually). The office pursues timely collection of all bills and maintains a collection rate of nearly 99% of all property tax bills. The Treasurer/Collector establishes and maintains Tax Title accounts on all significantly delinquent tax accounts. In the area of Treasury management, the Treasurer's office is responsible for the receipt, investment and disbursement of all town funds. Staff manages all town bank accounts, conducts both short term and long term borrowing for the Town and invests all available funds to produce investment income. The Treasurer, along with the Board of Selectmen, is a Trustee of Town Trusts, and invests and reports on all Trust Fund Activities. The Investment Advisory Committee assists in recommending investment priorities for the Trust funds.

### STAFFING

For FY07, the department includes the Treasurer/Collector, the Assistant Treasurer/Collector, 2 full-time clerks and a ½ time clerical position. Additionally, some clerical hours are provided by a senior who is earning a reduction in her property tax bills through the Town's Tax Work-Off Program.



### FY07 GOALS AND INITIATIVES

- Implementation of new tax software system to fully-integrated MUNIS base modules.
- Further reduce tax title receivables to \$277,165 or 0.5% of the current year's gross tax levy.
- Finish reconciling performance escrow accounts; identify and release excess escrow income to general funds use.

### FY05/FY06 MAJOR INITIATIVES AND ACCOMPLISHMENTS

- Reduced tax title receivable balance from \$866,907 as of 6/30/04 to \$580,008 as of 12/31/05. Reflects increased collections efforts.
- Reconciled abandoned property tailings resulting in a liability reduction of \$102,412 as of 6/30/05; took necessary steps to release some tailings to general funds by October 2006 of between \$50-60K.
- Converted "cash book" to QuickBooks; improved and accelerated cash reconciliation between banks and MUNIS accounts.

### PERFORMANCE/WORKLOAD INDICATORS



Generally speaking, since all taxes levied must be collected measurement goals revolve around time outstanding/cycle. Shortening the collection cycle improves the likelihood of collection, cash flow and accuracy in budgeting/forecasting.

Indicator	FY04	FY05
<b>Average elapse time to tax title</b>	<b>7 months</b>	<b>3 months</b>
<b>Delinquent tax balance over \$10K</b>	<b>32 parcels</b>	<b>14 parcels</b>
<b>Tax titles outstanding</b>	<b>135 parcels</b>	<b>124 parcels</b>
<b>Bills turned over to Deputy for collection</b>	<b>1, 007</b>	<b>749</b>

### BUDGET ISSUES

The Town Manager's Recommended Budget request is higher than the FY06 budget mainly due to step increases for the staff, most of who have worked for this department for less than three years and thus are on the lower steps of their respective pay grids, and a small increase in the travel line. Since both the Treasurer/Collector and Assistant Treasurer/Collector are still fairly new, they need to attend courses to obtain their certification and this account was underfunded in the FY06. A modest addition is made to the equipment maintenance line to insure that this department has complete maintenance contracts on all printers and equipment used to manage the collection and treasury management operation.

Staffing in this office was reduced by a ½ time clerical position in FY04, so no further staffing cuts should be considered for this office. This office collects all payments and maintains all bank accounts. Any reductions in staff or shortcuts to procedures that insure the timeliness and safeguarding of Town funds would only reduce the revenue available to the Town as a consequence by lessening opportunities for investment income.

	Appropriated FY05	Appropriated FY06	Level Staff FY07	Departmental Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>TREASURER/COLLECTOR</b>						
Treasurer-Collector	86,477	60,038	63,796	63,796	63,796	63,796
Clerical	132,231	118,760	121,267	121,267	121,267	121,267
Stipends	2,500	0	0	0	0	0
<b>Sub Total: Personal Services</b>	<b>221,208</b>	<b>178,798</b>	<b>185,063</b>	<b>185,063</b>	<b>185,063</b>	<b>185,063</b>
General Expense	25,800	24,500	24,050	24,050	24,050	24,050
Maintenance	8,750	8,750	8,750	9,290	8,140	8,750
Travel	750	750	1,200	1,200	1,200	1,200
Tax Collection	10,000	10,000	10,000	10,000	10,000	10,000
Tax Title Expense	0	0	3,500	3,500	3,500	3,500
<b>Sub Total: Expenses</b>	<b>45,300</b>	<b>44,000</b>	<b>47,500</b>	<b>48,040</b>	<b>46,890</b>	<b>47,500</b>
<b>Total: Treasurer-Collector</b>	<b>266,508</b>	<b>222,798</b>	<b>232,563</b>	<b>233,103</b>	<b>231,953</b>	<b>232,563</b>

## GENERAL GOVERNMENT: Finance Department – Information Systems

### MISSION OF THE OFFICE

The mission of the Information Systems Office is to increase productivity by streamlining the flow of information through the Town's internal and external network, and providing technical support and training to all Town offices.

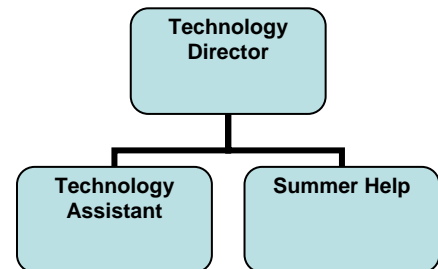
### DESCRIPTION OF SERVICES

The information systems division of the Finance Department is responsible for purchasing, implementing, administering, and maintaining the Town's Microsoft 2003 Active Directory network infrastructure, which includes all network and wireless connectivity, users, servers, computers, software, backup and security. All of the Town's Telecommunications are managed by the IT Department, including: all telephone systems, email, cellular technology, fax operations, pagers and cable television. The IT Department provides computer training, software support, system maintenance and repairs. The software support includes all major data systems, linking the various data stores within the Town network. Examples of some of these applications are the tax collection, accounting, and assessing software used by the Finance Department, the Police dispatch and incident tracking system, as well as the development of Sudbury's GIS program.

The expansion and management of the Town Website is an integral component of the IT Department. The dissemination and posting of information is essential in providing current news, documents and other matters of public interest, in a timely convenient fashion, thus lessening the need to contact departments directly. The department is also responsible for the management of the Town's electronic documents, providing the capability to archive documents securely while offering efficient access when needed. The IT Department added VPN's (virtual private networks) which provide staff and software vendor's access to the Town's network from offsite locations, expanding the work environment outside the confines of the office.

### STAFFING

Staff in the Information Systems Office includes the Technology Director and a Technology Assistant, with some summer help and a consultant to work on the Town's website.



### FY07 GOALS AND INITIATIVES

- Distribute new PC's to employees who need higher performance to keep up with their productivity (ongoing)
- Upgrade computer software on all computers to latest versions available (ongoing)
- Keep troubleshooting records which will be incorporated into the Town Intranet as part of a computer help desk.
- Increase knowledge of new technologies through seminars, courses, trade journals and IT events (ongoing)
- Continue to update the Town Website adding new features and capabilities (ongoing)
- Gather information from our software vendors about adding Online Transaction capability to our website and then implement the solution.

- Upgrade Filemaker Pro Server to 8.0 moving it from Server06 to the new ServerSQL. Requires that all databases be converted to the new version and the client software be upgraded to 8.0.
- Upgrade Patriot Properties Assessing Software to an SQL 2005 compatible version moving it from Server06 to new ServerSQL. All client software must be upgraded and reconfigured to connect to the new server
- Upgrade Sudbury Historical Archives to new SQL content version and move the database from Server06 to new ServerSQL. Clients at the Goodnow Library and IT departments will need their software upgraded and reconfigured.
- Purchase and implement an enterprise-wide permitting software solution to be utilized by any department or committee responsible for the issuing of permits or licenses.
- Gather information about the offsite data collection needs of each department.
- Working with departments to make sure that data is updated on our Town Website. (ongoing)
- Implement public and vendor internet access in the town buildings through the cable modem located at the library
- Implement web component module of the Patriot Properties Assessing software.
- Build a main GIS data depository in Personal Geodatabase format for town wide data sharing (with all MassGIS layers and existing GIS layers maintained by the Engineering)
- Work with the GIS Consultant to implement the FY07 initiatives in Sudbury's GIS plan.

#### **FY05/FY06 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Upgraded all Windows NT 4.0 servers to Windows 2000 / 2003 and implemented Active Directory services on the Town's data network.
- Distributed new PC's to employees who need higher performance to keep up with their productivity (ongoing)
- Created Filemaker Database to track Fire Department Residential Burning Permits. Residents have the ability to go website to register on a day they plan to burn. They can also call in to an automated line in which they can enter their permit number and register to burn. Both of these methods integrate with the permit database, sending the data to the server and updating the residential record.
- Replaced SQL Server (Server06) and upgraded our database software to SQL 2005.
- Upgraded Website database to SQL 2005 and move it from Server06 to ServerSQL.
- Upgraded computer software on all computers to latest versions available (ongoing)
- Replaced email server (Server02) and upgraded email software to Exchange 2003 on new server.
- Replaced PAMET NT Server (PAMET) with new Windows 2003 server with SQL 2000 installed. Upgraded the PAMET Police databases to SQL 2000 then transferred data to new server and reconfigured client software.
- Added spam and virus filtering to our internet gateway by adding a McAfee E250 Web filtering appliance and also installed McAfee Exchange Group Shield Antivirus software on our email server.
- Purchase and implement an archiving software system at the Police, Assessing and Town Clerk departments which scans, stores and retrieves departments paper and electronic documents from a centralize database server.
- Purchase and implement an VOIP (Voice-Over-Internet-Protocol) telephone system in both the Flynn and Fairbank buildings.
- Increase knowledge of new technologies through seminars, courses, trade journals and IT events (ongoing)

- Working with departments to make sure that data is updated on our Town Website. (ongoing)
- Developed and implemented Marriage Licensing database for the Town Clerk.
- Added redundant internet connections to the Town's Network by installing and configuring Radware LinkProof device. This device load balances our client internet connections utilizing all three available internet sources (School T1 line; Minuteman T1 Line; and Library Cable Modem). If an internet line goes down the clients are redirected to the remaining functioning internet connections thus eliminating downtime.
- Implemented wireless networking in the library for patrons who want to bring laptops into the library and utilize the library's internet connection.
- Added a new generator to the Flynn Building which will power all networking and telecommunications equipment during a power failure
- Work together with GIS Consultant to create a comprehensive 5-year GIS Implementation Plan for the town.
- Secure wireless private access points installed and implemented for Town Staff in the Flynn, Town Hall, Library, DPW and Fairbank buildings
- Continue to update the Town Website adding new features and capabilities (ongoing)

**PERFORMANCE/WORKLOAD INDICATORS**

<b>Indicator</b>	<b>FY04</b>	<b>FY05</b>
<b>Staff Computers</b>	<b>194</b>	<b>221</b>
<b>Computer User Accounts</b>	<b>199</b>	<b>219</b>
<b>Email Accounts / Email Distribution Groups</b>	<b>338 / 66</b>	<b>1018 / 119</b>
<b>New Hires - Town</b>	<b>94</b>	<b>87</b>
<b>VPN Users</b>	<b>7</b>	<b>24</b>
<b>Total Website Hits Per Year</b>	<b>1,710,564</b>	<b>2,763,486</b>

**BUDGET ISSUES**

The Town Manager's Recommended Budget requests only enough funds to maintain the same personnel and basic expenses of keeping up with a large inventory of hardware and software to support numerous Town departments. This budget asks for sufficient funds for the equivalent of a 1.5% cost of living adjustment for the non-union member of this office, and additional hours for summer help.

This department has become critical to the continued operation of all other departments and missions of the Town and cuts to the Town Manager's Recommended Budget should be avoided. However, the Town Manager's Recommended Budget presented does not include additional money for staffing requested by the Department. This department is struggling with an increasing workload and has no real clerical support.

	Appropriated FY05	Appropriated FY06	Level Staff FY07	Departmental Requests FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>INFORMATION SYSTEMS</b>						
Technology Administrator	70,786	73,464	75,116	75,116	75,116	75,116
Salaries	41,780	44,403	54,021	107,492	54,021	54,021
Sick Leave Buy Back	1,652	1,714	1,727	1,727	1,727	1,727
Summer Help	3,710	7,510	7,510	10,016	7,510	10,016
<b>Sub Total: Personal Services</b>	<b>117,928</b>	<b>127,091</b>	<b>138,374</b>	<b>194,351</b>	<b>138,374</b>	<b>140,880</b>
General Expense	4,750	5,000	5,000	5,000	5,000	5,000
Software	32,545	35,045	40,045	40,045	35,045	40,045
Maintenance	10,000	10,000	10,000	10,000	10,000	10,000
Travel	500	1,000	1,100	1,100	1,000	1,100
Contracted Services	18,400	18,400	18,400	18,400	18,400	18,400
Equipment	50,000	50,000	50,000	50,000	50,000	50,000
Professional Development	3,750	4,350	4,350	4,350	4,350	4,350
WAN/Telephone Connections	11,500	11,500	11,500	11,500	11,500	11,500
Network	5,000	5,000	5,000	5,000	5,000	5,000
Internet	10,000	10,000	10,000	10,000	10,000	10,000
<b>Sub Total: Expenses</b>	<b>146,445</b>	<b>150,295</b>	<b>155,395</b>	<b>155,395</b>	<b>150,295</b>	<b>155,395</b>
<b>Total: Information Systems</b>	<b>264,373</b>	<b>277,386</b>	<b>293,769</b>	<b>349,746</b>	<b>288,669</b>	<b>296,275</b>

**GENERAL GOVERNMENT: Committee for Preservation of Town Documents**

**MISSION OF THE OFFICE**

This committee was created to insure that documents are properly archived and preserved.

**DESCRIPTION OF SERVICES**

The Committee for the Preservation of Town Documents is responsible for preserving and microfilming current and ancient Town documents.

**STAFFING**

There is no staff associated with this budget, as the committee has successfully relied on volunteers within the committee for handling work needs. The Town Clerk's office also works with this committee as needed.

**BUDGET ISSUES**

This budget has been increased by \$500, due to the rising cost of archiving town documents. The Town Clerk requests that this budget be increased to \$2,000 to allow for more files to be archived and stored as part of the Town's permanent record retention program. Given the need to cut back so many departments, however, only \$500 is included.

	Appropriated FY05	Appropriated FY06	Level Staff FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>COMMITTEE FOR PRESERVATION AND MANAGEMENT OF DOCUMENTS</b>						
General Expenses	1,000	1,000	1,200	2,000	1,200	1,500
<b>Sub Total: Expenses</b>	<b>1,000</b>	<b>1,000</b>	<b>1,200</b>	<b>2,000</b>	<b>1,200</b>	<b>1,500</b>
<b>Total: Doc. Preservation</b>	<b>1,000</b>	<b>1,000</b>	<b>1,200</b>	<b>2,000</b>	<b>1,200</b>	<b>1,500</b>

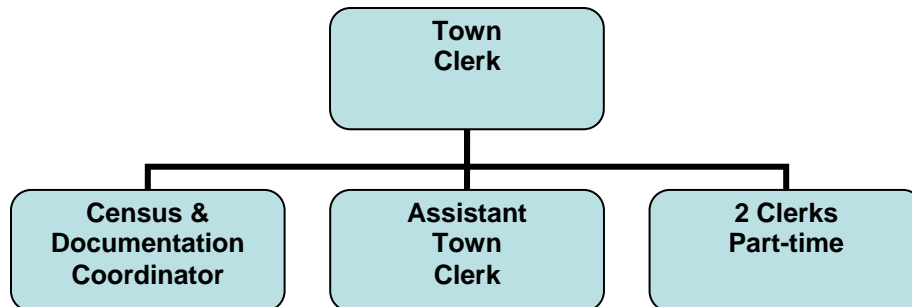
## GENERAL GOVERNMENT: Town Clerk and Registrars

### MISSION OF THE OFFICE

The mission of the Town Clerk's Office is to safeguard the vital records and elections process of the Town through the use of professional administrative practices in order to preserve the Town's vital and historical records and the integrity in elections.

### DESCRIPTION OF SERVICES

State law provides that the Town Clerk is the official keeper of the Town Seal and the Town's Oath Book. The Town Clerk oversees and ensures all statutory and by-law required functions are correctly and efficiently performed. In conjunction with the Board of Selectmen's Administrative Assistant, Town Moderator and Town Counsel the Town Clerk insures well run Town Meetings and submits general bylaw and zoning bylaw amendments at the close of Town Meeting to the Attorney General for approval. She records and certifies all official actions of the Town, including Town Meeting legislation and appropriations, Planning, Zoning Board and Board of Appeals decisions and signs all notes for borrowing. The Town Clerk serves as chief election official; oversees polling places, election officers, and the general conduct of all elections; directs preparation of ballots, polling places, voting equipment, voting lists, administers campaign finance laws, certifies nomination papers and initiative petitions and serves on the local Board of Registrars. The Town Clerk's Office conducts the annual town census, prepares the street list of residents and furnishes the jury list to the Office of the Jury Commissioner. The Town Clerk and some members of her staff also are Notaries Public and have the authority to notarize documents signed in their presence. The Town Clerk serves as the custodian of Town records and official documents. She is responsible for the maintenance, preservation and disposition of all Town records. She is required by State Law to ensure that Town records are readily available for public inspection.



### STAFFING

Staffing includes a Town Clerk, an Assistant Town Clerk, one full-time Census and Documentation Coordinator, and two part-time clerical positions. The Town Clerk, along with the Board of Registrars, oversees all elections held in Sudbury, and her office includes the salaries for part-time poll workers and police details associated with elections.

### FY07 GOALS AND INITIATIVES

- Continue to implement Help America Vote Act
- Run flawless elections; train all (75) election workers up to speed regarding HAVA.
- Continue to work with vendors in conjunction with the IT department to set up a data base to address in a more efficient manner the many requests for information regarding Town Meeting actions, documentation, microfilmed records, vital records, etc.

- Work with the Community Preservation Committee to request monies regarding preserving some of the old vital records ledgers.

**FY06 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Created a new storage area in the Town Hall to house our many old records as these records were in the basement of the Flynn Building and not as readily accessible.
- Participated in the MA Environmental Monitoring Program for multi-type libraries, archives, historical societies, and town clerks’ offices/vaults as well as other repositories in Massachusetts focusing on our vaults.
- Computerized office procedures for future reference and ease of processing.
- Participated in the League of Woman Voters forum “How to Run for Office”.
- Updated all of the annotated Town Bylaws (General and Zoning) from 1988 forward.

**PERFORMANCE/WORKLOAD INDICATORS**

<b>Indicator</b>	<b>FY04</b>	<b>FY05</b>
<b>Certified Vital Records and Burial Permit Issued:</b>	<b>1,429*</b>	<b>1,352</b>
<b>Business Certificates Issued</b>	<b>130</b>	<b>175</b>
<b>Generated and Mailed Yearly Census</b>	<b>5,995</b>	<b>6,062</b>
<b>Returned and processed</b>	<b>89.30%</b>	<b>90.25%</b>
<b>Number of processed new registered voters</b>	<b>994**</b>	<b>877</b>
<b>Official Voter Population</b>	<b>10,852</b>	<b>11,028</b>
<b>Official Population</b>	<b>17,925</b>	<b>18,107</b>
<b>Registered Dogs</b>	<b>1,954</b>	<b>2,055</b>

\*Presidential Election Year

\*\*Same Sex Marriage was legalized in Massachusetts

**BUDGET ISSUES**

The budget is up over FY06 due to two additional elections in FY07, costing an additional \$12,000. The cost of maintaining the same personnel and basic, unavoidable expenses of running this office is down \$1,055 due to the replacing two retired employees at lower salaries. The Town Clerks line salary adjustment \$1,326 due to a step increase. An additional amount of \$383 is added for overtime costs and office expenses. This budget will be adequate if no more than four elections take place in FY07.



	Appropriated	Appropriated	Level	Departmental	Town Mgr	Town Mgr
	FY05	FY06	Staff	Request	Guideline Budget	Recommended
	FY05	FY06	FY07	FY07	FY07	FY07
<b>TOWN CLERK &amp; REGISTRARS</b>						
Town Clerk	54,648	59,139	60,465	60,465	60,465	60,465
Overtime	800	800	800	1,000	800	1,000
Clerical	110,733	116,631	115,576	115,576	115,576	115,576
Election Workers	12,000	8,000	14,000	14,000	14,000	14,000
Registrars	946	956	956	956	956	956
<b>Sub Total: Personal Services</b>	<b>179,127</b>	<b>185,526</b>	<b>191,797</b>	<b>191,997</b>	<b>191,797</b>	<b>191,997</b>
General Expense	10,854	12,180	12,363	12,363	12,180	12,363
Computer	1,750	1,750	1,750	1,750	1,750	1,750
Maintenance	200	200	200	200	200	200
Travel	650	670	670	700	670	670
Tuition	700	700	700	700	700	700
Elections	12,000	8,000	14,000	14,000	14,000	14,000
Equipment	500	1,500	1,500	1,500	1,500	1,500
<b>Sub Total: Expenses</b>	<b>26,654</b>	<b>25,000</b>	<b>31,183</b>	<b>31,213</b>	<b>31,000</b>	<b>31,183</b>
<b>Total: Town Clerk &amp; Registrars</b>	<b>205,781</b>	<b>210,526</b>	<b>222,980</b>	<b>223,210</b>	<b>222,797</b>	<b>223,180</b>

## GENERAL GOVERNMENT: Conservation

### MISSION OF THE OFFICE

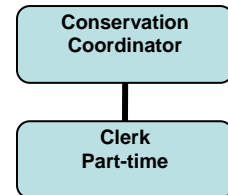
The Sudbury Conservation Commission was established in 1962 to protect local natural resources and features and to act as stewards of the Town's conservation properties. One of the Conservation Commission's most important responsibilities is protecting the ecological integrity of Sudbury's wetlands and the surrounding landscape

### DESCRIPTION OF SERVICES

The Commission is responsible for implementing and enforcing the Massachusetts Wetlands Protection Act and the Sudbury Wetlands Administration Bylaw. The Conservation Commission manages the Town's nine conservation lands for public enjoyment. These properties and the Sudbury River offer many opportunities for outdoor recreation. One major goal is to increase public awareness and appreciation of the many ways in which our local plants, wildlife, and natural landscape add to the quality of life in our community. As part of educational efforts the Conservation Commission leads public walks, speaks to elementary school science classes, and teaches field workshops for local scout groups.

### STAFFING

Staffing for the Conservation Commission office includes a full-time Conservation Coordinator, and a part-time clerical position.



### PERFORMANCE/WORKLOAD INDICATORS

Indicator	FY04	FY05
Permit applications	63	78
Wetland Violations Actions	17	14

### BUDGET ISSUES

The Town Manager's Recommended Budget requests only enough funds to maintain the same personnel and basic expenses. This budget contains sufficient funds for the equivalent of 1.5% cost of living adjustments for the clerical employee of this office. Dues for conservation professional association membership have increased, as has the cell phone plan for the Nextel unit that the Coordinator is required to carry when she is in the field and to respond to emergencies.

Trail maintenance is a public safety issue, and the small amounts allotted for maintenance mean that the Town is not able to keep the trails as well maintained for the public when they are walking on conservation land. Nor have we been able to dedicate any funds for creating trails on newly acquired conservation land. While this office has been organizing volunteers to help with trail maintenance efforts, this is a problem that will need to be addressed in the future.

	Appropriated FY05	Appropriated FY06	Level Staff FY07	Department Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>CONSERVATION</b>						
Conservation Coordinator	59,062	61,297	62,676	62,676	62,676	62,676
Clerical	9,863	10,269	10,421	10,421	10,421	10,421
Sick Leave Buy Back	2,272	1,413	1,441	1,441	1,441	1,441
<b>Sub Total: Personal Services</b>	<b>71,197</b>	<b>72,979</b>	<b>74,538</b>	<b>74,538</b>	<b>74,538</b>	<b>74,538</b>
General Expense	1,443	1,660	1,660	1,660	1,660	1,660
Clothing	250	275	300	300	300	300
Trail Maintenance	3,000	3,000	3,000	3,000	3,000	3,000
Travel	400	600	650	600	600	650
<b>Sub Total: Expenses</b>	<b>5,093</b>	<b>5,535</b>	<b>5,610</b>	<b>5,560</b>	<b>5,560</b>	<b>5,610</b>
<b>Total: Conservation</b>	<b>76,290</b>	<b>78,514</b>	<b>80,148</b>	<b>80,098</b>	<b>80,098</b>	<b>80,148</b>

## GENERAL GOVERNMENT: Planning Department & Design Review Board

### MISSION OF THE DEPARTMENT

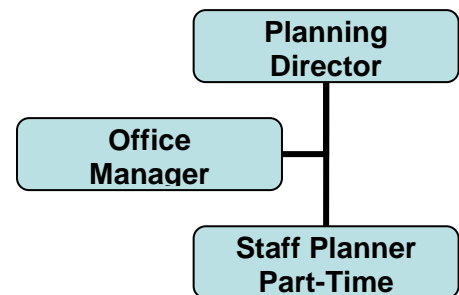
The Board primarily sees its mission as being the overseers for development in the Town - present and future. One of its statutory responsibilities is to ensure the health, safety and welfare of the residents of Sudbury within the context of subdivision review. Subdivision review requires much more than just land use and zoning analysis. It requires balancing the economic and environmental impacts of private development with the Town's fiscal ability to provide services, while adequately protecting resources which make Sudbury an attractive place to live.

### DESCRIPTION OF SERVICES

Massachusetts General Laws Chapter 41, Section 81A requires the establishment of a Planning Board in all communities with a population over ten thousand. Under this statute, the Planning Board's duties are to carry out the provisions of M.G.L. Chapter 41, sections 81K-GG (the Subdivision Control law); "(to) make careful studies and when necessary prepare plans of the resources, possibilities and needs of the town" (section 81C); and "to make a master plan of the town... which provides a basis for decision making regarding the long term physical development of the municipality" (section 81D). The Planning Board is also the special permit granting authority for Senior Residential Communities, Incentive Senior Developments, Cluster Developments, Flexible Developments, Water Resource Special Permits and Wastewater Treatment Facility Special Permits. Recommendations to the Zoning Board of Appeals on petitions, including Comprehensive Permits, and to the Selectmen on site plans are required. The Planning Board is also the key board responsible for obtaining funding and support for walkway construction townwide, submitting zoning amendment articles to Town Meeting, and issuing permits for changes to scenic roads.

### STAFFING

The personnel in the office include a full-time Town Planner and a part-time clerical position. The FY07 budget requests the elimination of the summer intern position and the creation of a part-time planning assistant position.



### FY07 GOALS AND INITIATIVES

- Working with the Assistant Town Manager/Personnel Director, create the position of staff planner and recruit and appoint professional planner to this position
- Seek funding to supplement Town funding for office staff, including CPC funding for CPC related projects
- Town Center Planning Process completed
- Traffic Management Process begun, working with DPW Director and Police Chief

### FY06 MAJOR INITIATIVES AND ACCOMPLISHMENTS

- Worked with the Town Manager to obtain approval and funding for a part-time staff planner to assist Town Planner
- Sign Bylaw revision enacted by Town Meeting

- Town Center Planning Committee initiated, Request for Proposal (RFP) developed and consultant selected

**BUDGET ISSUES**

The Town Manager's Recommended Budget requests \$24,000 of additional funds to hire a part-time planning assistant, while maintaining the current staff. Staff assistance to the Community Preservation Committee will be provided in this budget, and it is anticipated that some funding from the CPC administrative budget may be sought for staff time devoted to that committee. This budget contains sufficient funds for the equivalent of a 1.5% cost of living adjustment for the non-unionized employees of this office. This request also allocates an additional \$350 for professional development to accommodate the three employees in the department. The budget for the Design Review Board is included in the general expense line, which is unchanged from FY06.

This budget provides the department with additional staff to work on plan review, and to assist unstaffed committees with complex applications and projects (Zoning Board of Appeals, Historical Commission, and Historic Districts Commission). Oversight and coordination of these committees will be provided by the Town Planner under this request. The administration of Site Plan Review will be transferred from the Selectmen's office to the Planning Department in FY07 under this budget.

	Appropriated FY05	Appropriated FY06	Level Staff FY07	Department Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>PLANNING BOARD &amp; DESIGN REVIEW BOARD</b>						
Town Planner	70,334	72,982	80,019	80,019	80,019	80,019
Planning Intern/staff	6,000	6,000	6,000	24,000	18,000	24,000
Clerical	22,418	23,822	25,127	25,127	25,127	25,127
<b>Sub Total: Personal Services</b>	<b>98,752</b>	<b>102,804</b>	<b>111,146</b>	<b>129,146</b>	<b>123,146</b>	<b>129,146</b>
General Expense	1,650	2,000	2,000	2,000	2,000	2,000
Professional Development	400	400	400	750	750	750
Clothing	100	125	125	125	125	125
<b>Sub Total: Expenses</b>	<b>2,150</b>	<b>2,525</b>	<b>2,525</b>	<b>2,875</b>	<b>2,875</b>	<b>2,875</b>
<b>Total: Planning Board</b>	<b>100,902</b>	<b>105,329</b>	<b>113,671</b>	<b>132,021</b>	<b>126,021</b>	<b>132,021</b>

## **GENERAL GOVERNMENT: Board of Appeals**

### **MISSION OF BOARD**

The Board of Appeals is a statutory Board provided for by Massachusetts State law as well as Sudbury's own bylaws. In the broadest sense, it exists to grant relief from the Town's Zoning Bylaw when literal enforcement would constitute hardship to the property owner without significant impairment of the public welfare and/or without being substantially more detrimental to the adjoining neighborhoods.

### **DESCRIPTION OF SERVICES**

The Board acts as one of Sudbury's special permit granting authorities, hears applications for comprehensive permits under G.L. c.40B and considers applications for relief from the Town's Zoning Bylaw. The ZBA is comprised of five members appointed by the Board of Selectmen. Several associate members are also appointed to serve in place of the regular members as needed. The associate members also serve as full members of the Earth Removal Board.

### **STAFFING**

Staff consists of a part-time clerical position.

### **PERFORMANCE/WORKLOAD INDICATORS**

<b>Indicator</b>	<b>FY04</b>	<b>FY05</b>
<b>Total Cases Filed</b>	<b>51</b>	<b>50</b>
<b>Tear down applications filed</b>	<b>12</b>	<b>10</b>
<b>Comprehensive Permit applications filed</b>	<b>0</b>	<b>2</b>
<b>Pre-existing, non-conforming lots or structures</b>	<b>13</b>	<b>6</b>

### **BUDGET ISSUES**

The Town Manager's Recommended Budget requests only enough funds to maintain the same personnel and expenses of the office. This budget contains sufficient funds for the equivalent of a 1.5% cost of living adjustment for the clerical employee of this office.

The workload of this office depends on the number of applications filed. If more than the normal permits are filed, or lengthy projects are submitted, such as those associated with a comprehensive permit (40B), then the secretary for this board will need to work more hours than are budgeted. In this situation, a reserve fund transfer may be needed.

	Appropriated FY05	Appropriated FY06	Level Staff FY07	Department Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>BOARD OF APPEALS</b>						
Clerical Staff	23,333	23,840	24,342	24,342	24,342	24,342
<b>Sub Total: Personal Services</b>	<b>23,333</b>	<b>23,840</b>	<b>24,342</b>	<b>24,342</b>	<b>24,342</b>	<b>24,342</b>
General Expense	1,850	1,850	1,850	1,850	1,850	1,850
<b>Sub Total: Expenses</b>	<b>1,850</b>	<b>1,850</b>	<b>1,850</b>	<b>1,850</b>	<b>1,850</b>	<b>1,850</b>
<b>Total: Board of Appeals</b>	<b>25,183</b>	<b>25,690</b>	<b>26,192</b>	<b>26,192</b>	<b>26,192</b>	<b>26,192</b>

# PUBLIC SAFETY SERVICES



**Sudbury Fire  
Headquarters**



**Sudbury  
Police Station**

<b>PUBLIC SAFETY</b>	<b>Appropriated FY05</b>	<b>Appropriated FY06</b>	<b>Level Staff FY07</b>	<b>Department Request FY07</b>	<b>Town Mgr Guideline Budget FY07</b>	<b>Town Mgr Recommended FY07</b>
Police Department	2,223,143	2,345,053	2,479,519	2,529,036	2,518,756	2,530,756
Fire Department	2,133,836	2,567,006	2,640,642	2,642,142	2,621,637	2,642,637
Building Department	727,648	810,242	907,207	934,075	882,639	906,484
Dog Officer	11,184	11,341	11,502	11,502	11,502	11,502
<b>Total: Public Safety</b>	<b>5,095,811</b>	<b>5,733,642</b>	<b>6,038,870</b>	<b>6,116,755</b>	<b>6,034,534</b>	<b>6,091,379</b>



## PUBLIC SAFETY: Police Department

### MISSION OF THE DEPARTMENT

The mission of the Sudbury Police Department is to work with all residents of the community to create a positive partnership emphasizing equality, fairness, integrity and professionalism. Our objective is to provide the most responsive and highest quality police services possible by working in a collaborative proactive manner with the community to identify and solve problems, prevent crime, and apprehend offenders in a manner consistent with established State, and local laws.

### DESCRIPTION OF SERVICES

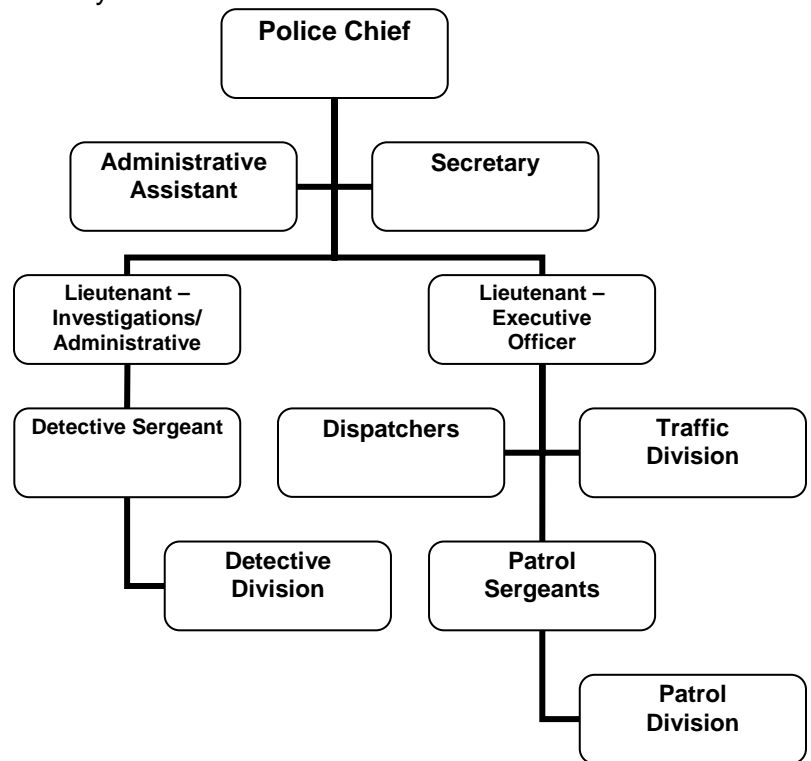
The Sudbury Police Department provides a complete range of public safety and community-based services including: criminal investigation, motor vehicle law enforcement, preventive patrol and emergency response. The Department provides crime prevention programs, services to youth, D.A.R.E., and the processing of permits including firearms, raffles and public assembly.

### STAFFING

The Sudbury Police Department has a sworn staff of 28 personnel (one chief, two lieutenants, five sergeants, and twenty patrol officers) plus four dispatchers and two administrative positions.

### FY07 GOALS AND INITIATIVES

- To work with the Town Manager, DPW Director and Town Planner to create an active traffic safety program in the community and developed a public relations plan so that residents know how to access the program to obtain assistance with their traffic concerns.
- Finalize the Police Station Feasibility Study and plan for the Design phase of the project to bring to Town Meeting in 2007



### FY05/FY06 MAJOR INITIATIVES AND ACCOMPLISHMENTS

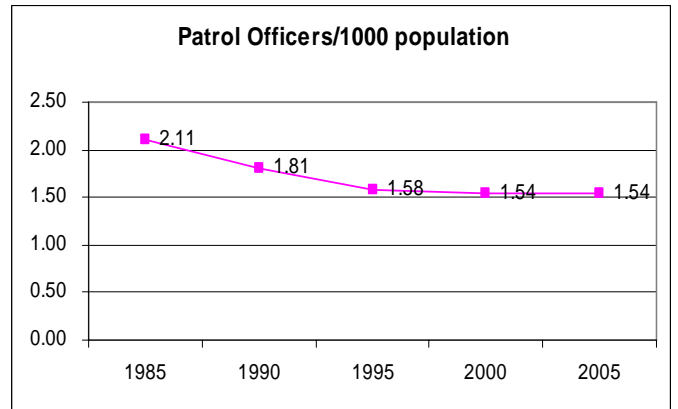
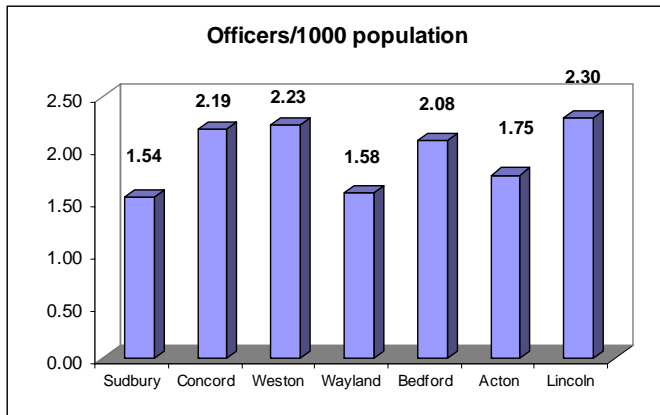
- Worked with the Assistant Town Manager/Personnel Director to get the Sudbury Police Department fully staffed with high quality personnel in all positions, including the hiring of three female police officers into the department.
- Worked with the Town Manager and the Permanent Building Committee to initiate the Police Station Feasibility Study.
- Oversaw the purchase, installation and training of police and town staff on the use of the Reverse 911 system.

- Continued progress on the Department Policies and Procedures, with the goal of having them completely up to date by July 1, 2006.
- Continued progress on the Accreditation Process, with the goal of receiving Accreditation by July 1, 2006.
- Participated in the Town's Local Emergency Planning Committee, with the goal of having a provisional certification by July 1, 2006.
- Evaluated the quality and quantity of information on Police Department web site.

**PERFORMANCE/WORKLOAD INDICATORS**

Indicator	FY04	FY05
Calls for Service	14,487	17,979 *
Arrests	165	285
Response to motor vehicle accidents	674	706
911 Calls Received	2,455	2,186

\* Large increase is due in part to a new way of tracking people who have come in to the station requiring services, such as permits, licenses, and requests to speak to officers about legal issues.



**BUDGET ISSUES**

The budget request is higher than the FY06 budget by \$143,703, yet with one exception it still provides only enough funds to maintain the same level complement of personnel and basic expenses of the department. That exception is \$51,000 to hire one additional patrol officer. This will allow the town to prevent further reductions in our staffing/population ratio. Staffing in the Police Department of the Town of Sudbury is one of the lowest among towns in the area. With 28 full-time officers to serve a population of 18,200 Sudbury has 1.54 full time officers per thousand, compared to Concord (2.06), Weston (2.20), Bedford (2.08), Lincoln (1.70), Acton (1.72), and Wayland at (1.59). This limited staffing causes concerns in several areas. It affects our ability to provide motor vehicle law enforcement, preventive patrols, to fill certain specialty position such as a full time Juvenile Officer and to cover all open shifts. The budget also contains an additional \$62,140 in the General Expense Accounts. This reflects the estimated cost of gasoline the police department will use in FY07. These monies had been paid in the past out of

the DPW fuel account for all town vehicles and it is now in the department's budget to reflect the cost/usage of fuel by police department.

	Appropriated FY05	Appropriated FY06	Level Staff FY07	Department Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>POLICE DEPT</b>						
Police Chief	107,348	114,133	115,845	115,845	115,845	115,845
Lieutenants	159,707	164,116	174,341	174,341	174,341	174,341
Salaries	1,223,119	1,272,628	1,336,926	1,387,233	1,377,233	1,387,233
Night Differential	20,300	20,300	20,300	20,300	20,300	20,300
Overtime	164,542	197,583	197,583	197,583	197,583	197,583
Clerical	81,455	91,428	94,654	94,654	94,654	94,654
Dispatchers	155,432	162,266	152,631	152,361	152,631	152,631
Sick Leave Buy Back	6,211	5,500	5,500	5,500	5,500	5,500
Holiday Pay	14,506	14,506	14,506	14,506	14,506	14,506
Stipend	29,850	30,850	31,350	31,900	31,350	31,350
<b>Sub Total: Personal Service</b>	<b>1,962,470</b>	<b>2,073,310</b>	<b>2,143,636</b>	<b>2,194,223</b>	<b>2,183,943</b>	<b>2,193,943</b>
General Expense	38,818	54,818	52,083	50,083	50,083	52,083
Maintenance	55,265	56,015	60,750	60,750	60,750	60,750
Travel	2,500	2,500	2,500	2,500	2,500	2,500
Uniforms	27,590	28,520	28,520	29,450	29,450	29,450
Tuition	10,000	10,000	10,000	10,000	10,000	10,000
Equipment	6,500	7,500	7,500	7,500	7,500	7,500
Gasoline			62,140	62,140	62,140	62,140
<b>Sub Total: Expenses</b>	<b>140,673</b>	<b>159,353</b>	<b>223,493</b>	<b>222,423</b>	<b>222,423</b>	<b>224,423</b>
Police Cruisers	120,000	112,390	112,390	112,390	112,390	112,390
<b>Sub Total: Capital</b>	<b>120,000</b>	<b>112,390</b>	<b>112,390</b>	<b>112,390</b>	<b>112,390</b>	<b>112,390</b>
<b>Total: Police</b>	<b>2,223,143</b>	<b>2,345,053</b>	<b>2,479,519</b>	<b>2,529,036</b>	<b>2,518,756</b>	<b>2,530,756</b>
<b>OFFSET COPS FAST</b>		0	30,000	30,000	30,000	30,000
<b>Net Police</b>		<b>2,345,053</b>	<b>2,449,519</b>	<b>2,499,036</b>	<b>2,488,756</b>	<b>2,500,756</b>

**PUBLIC SAFETY: Fire Department**

**MISSION OF THE DEPARTMENT**

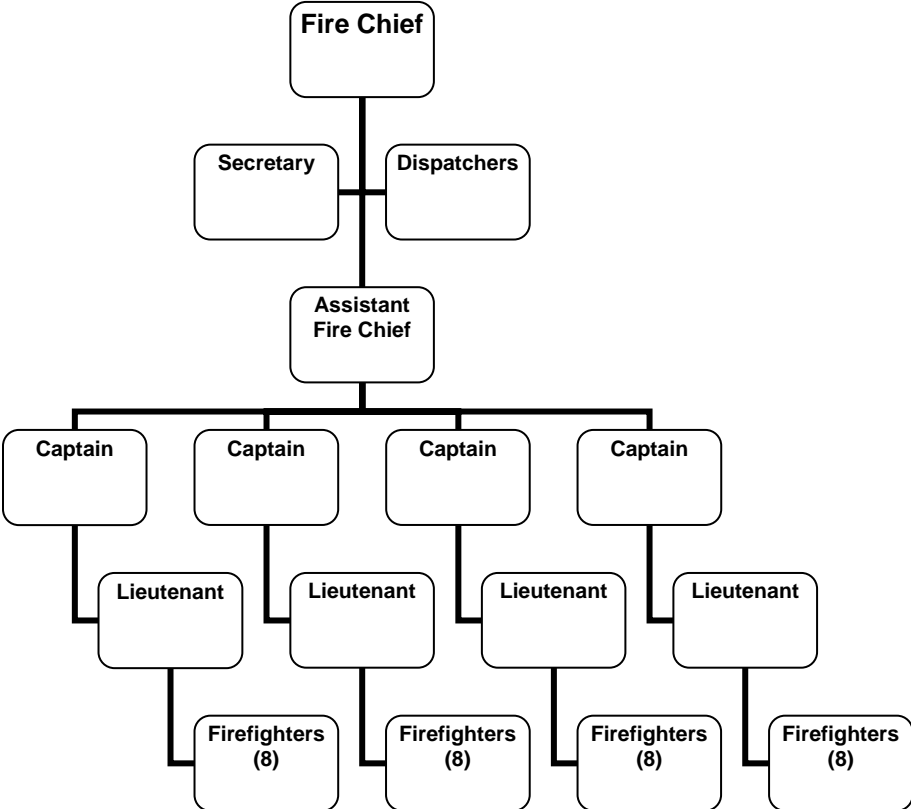
The mission of the Sudbury Fire Department is to protect the lives and property of the community from emergencies involving fire, medical, hazardous materials, and environmental causes.

**DESCRIPTION OF SERVICES**

The Fire Department is responsible for fire prevention/education, fire suppression, ambulance and emergency medical services, as well as fire inspections, disaster preparedness and mitigation.

**STAFFING**

Currently the Department consists of 1 Chief, 4 Captains, 4 Lieutenants and 24 firefighters, as well as 3 civilian dispatchers and a 3/4 secretary. An Assistant Chief is authorized and funded but not yet filled. Thirty-one personnel are certified Emergency Medical Technicians.



**FY07 GOALS AND INITIATIVES**

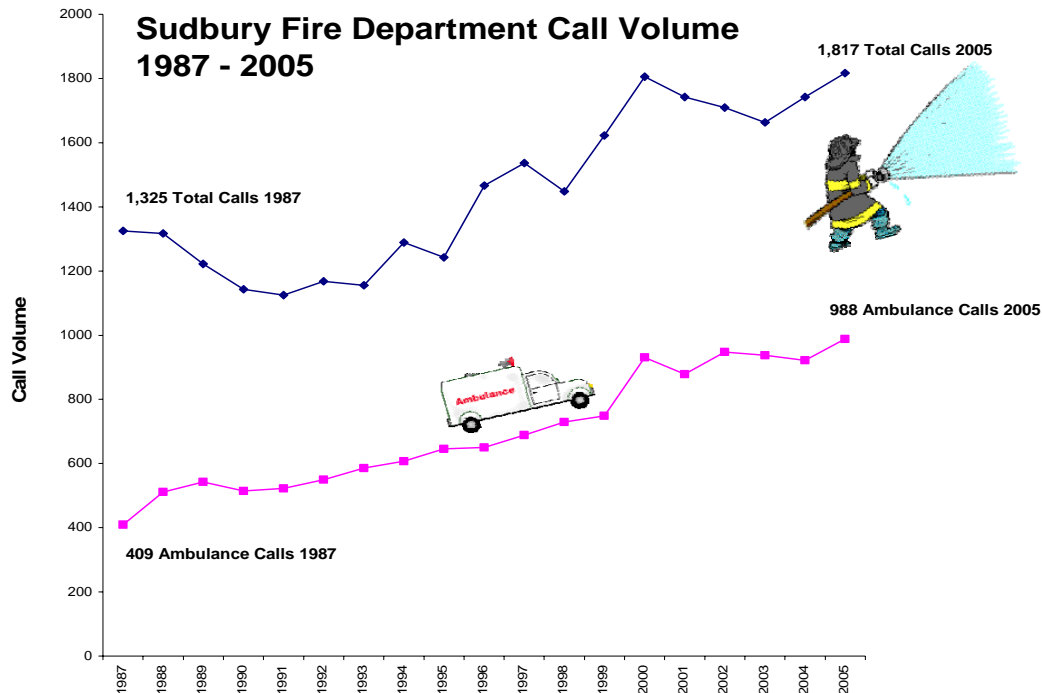
- Work with the Town Manager, Police Chief and other department heads to comply with all Homeland Security Directives and responsibilities within required due dates.
- Continue efforts to upgrade and replace aging fire apparatus

**FY05/FY06 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Developed an automated burning permit tracking and approval program to better use staff time and developed funding proposal to support this activity
- Began the Town’s Local Emergency Planning Committee (LEPC) by soliciting a citizen to serve as coordinator and ensuring our Town Emergency Action Plan is ready to use.
- Worked with the Assistant Town Manager/Personnel Director, created and filled the new position of Assistant Fire Chief.
- Implemented Sudbury joining in Regional Fire Investigation Team
- Plymovent installation completed.
- Received Town Meeting appropriation to purchase new fire engine, chief’s car and replace bucket truck.

## PERFORMANCE/WORKLOAD INDICATORS

Indicator	FY04	FY05
Calls for Assistance	1,742	1,817
Structure Fires	10	8
Calls for Ambulance	921	988
Permits Issued	554	531



## BUDGET ISSUES

The Fire Department budget should be considered both on a gross and net basis. Expenses for the ambulance operation are offset from the ambulance reserve for appropriation fund, so all increases in these items are matched with an increase in funding from the reserve account.

The Budget requests funds to maintain the same number of personnel, keep open all three fire stations and allow for the expenses of providing the same level of fire protection and emergency medical services as is currently provided in FY06. Purchase of a command vehicle purchase occurs under this budget. An ancillary benefit of the command vehicle purchase is the movement of a retired response vehicle to another department, relieving budget pressures elsewhere. This budget contains no cost of living adjustment for the unionized employees of this department, although step increases under the contract are included. Salary increases are by contract negotiation.

The Town Manager's Recommended Budget is planned to be sufficient for the fire department needs for the fiscal year. Maintenance, showing a decrease, is actually now spread over two line items so that Utility expenses can be clearly identified. The sum therefore of Maintenance and Utilities increases over FY06 is largely due to anticipated

utility increases. Uniforms have increased under contract language. Contracted Services has increased as an accounting offset as a new ambulance billing company now invoices for their services rather than remitting net proceeds from collection.

	Appropriated FY05	Appropriated FY06	Level Staff FY07	Department Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>FIRE DEPT</b>						
Fire Chief	96,548	97,221	102,675	102,675	102,675	102,675
Assistant Chief		73,073	73,073	73,073	73,073	73,073
Salaries	1,537,214	1,624,400	1,631,256	1,631,256	1,631,256	1,631,256
Overtime	330,195	350,399	350,399	350,399	350,399	350,399
Clerical	29,426	31,259	32,976	32,976	33,471	33,471
Dispatchers	107,572	113,271	119,351	119,351	119,351	119,351
Sick Buy Back	5,583	3,323	12,060	12,060	12,060	12,060
<b>Sub Total: Personal Services</b>	<b>2,106,538</b>	<b>2,292,946</b>	<b>2,321,790</b>	<b>2,321,790</b>	<b>2,322,285</b>	<b>2,322,285</b>
General Expense	32,060	32,810	34,010	34,010	34,010	34,010
Maintenance	92,860	95,500	61,156	61,156	61,156	61,156
Alarm Maint.	1,500	1,500	1,500	3,000	3,000	3,000
Travel, In State	500	500	500	500	500	500
Utilities			42,880	42,880	42,880	42,880
Uniforms	38,500	38,500	39,800	39,800	39,800	39,800
Tuition	10,000	15,000	15,000	15,000	15,000	15,000
Contracted Services	19,000	19,000	34,000	34,000	34,000	34,000
Gasoline			18,756	18,756	18,756	18,756
Equipment	26,250	26,250	26,250	26,250	26,250	26,250
<b>Sub Total: Expenses</b>	<b>220,670</b>	<b>229,060</b>	<b>273,852</b>	<b>275,352</b>	<b>275,352</b>	<b>275,352</b>
Capital Items	0	45,000	45,000	45,000	24,000	45,000
<b>Sub Total: Capital Expenses</b>	<b>0</b>	<b>45,000</b>	<b>45,000</b>	<b>45,000</b>	<b>24,000</b>	<b>45,000</b>
<b>Total: Fire</b>	<b>2,327,208</b>	<b>2,567,006</b>	<b>2,640,642</b>	<b>2,642,142</b>	<b>2,621,637</b>	<b>2,642,637</b>
Offset: Ambulance Fund	193,372	210,189	230,342	230,342	230,342	230,342
<b>Net Fire Budget</b>	<b>2,133,836</b>	<b>2,356,817</b>	<b>2,410,300</b>	<b>2,411,800</b>	<b>2,391,295</b>	<b>2,412,295</b>

**PUBLIC SAFETY: Building Department**

**MISSION OF THE DEPARTMENT**

The mission of the Building Department is to contribute to the protection of the public through the enforcement of building codes and zoning bylaws. The Building Department is also responsible for keeping many Town Buildings safe, clean, healthy and energy-efficient for use by the public and Town employees.

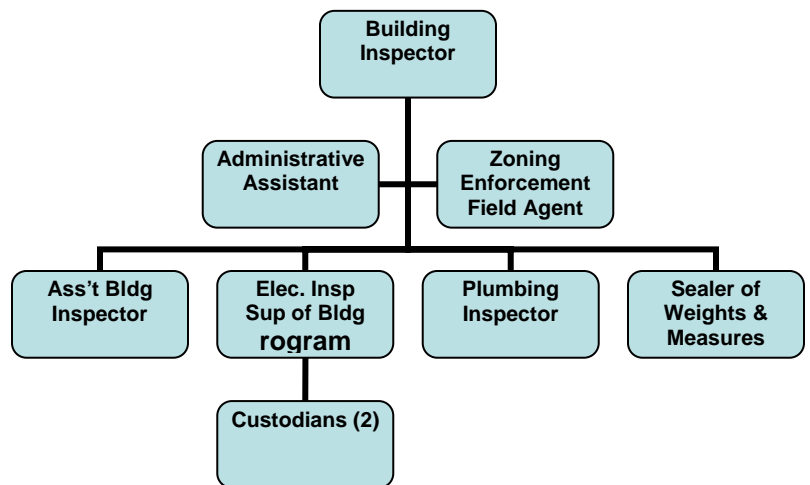
**DESCRIPTION OF SERVICES**

The Building Department staff enforces state building, electrical, plumbing, gas and mechanical codes, as well as local zoning by-laws and Architectural Access Board Regulations. Many of the functions of the Department are mandated by the Commonwealth of Massachusetts, including enforcement and implementation of the state building code, the state zoning act, the state gas and plumbing codes, and the state architectural access code. Additional local codes and standards must also be enforced. Staff issue permits, inspect construction sites, conduct periodic safety inspections of restaurants, schools, religious institutions, and other places of assembly, and levy fines or prosecute when necessary to obtain code compliance. This office processes 2,000 permits a year, with three to seven inspections per permit.

The Building Maintenance function of this department plans and budgets for the energy needs of Town buildings, secures contracted cleaning services and performs preventative maintenance and minor repairs on Town Buildings including the Town Hall, the Flynn Building, the DPW Building, the Police Station and the Fairbank Community Center. Staff maintains the exterior walkways, including leaf pick up, snow removal, and sanding of these buildings as well. They also maintain three residential structures owned by the Town: the Haynes Meadow House, the Carding Mill House, and the Frost Farmhouse. Finally, they are responsible for interoffice mail delivery. In addition, the Building Inspector works with the Permanent Building Committee on major projects for repair or renovations of Town buildings or construction of new ones.

**STAFFING**

This office consists of the Building Inspector, an Assistant Building Inspector, an Electrical Inspector/Supervisor of Buildings, a Plumbing Inspector (part-time), two custodians, a part-time zoning enforcement field agent, and an administrative assistant. The Assistant Building Inspector position was reduced to part-time in FY05 and will be returned back to a full-time position in the FY07 Budget.



### **FY07 GOALS AND INITIATIVES**

- Work with other regulatory offices and Mark Thompson to purchase and install permit software if Town Meeting appropriates such funds.
- Complete the project to install new boilers at the Fairbank Community Center.
- Recruit, hire and train a new Assistant Building Inspector to succeed the incumbent upon his retirement.
- Replace the windows in the Flynn Building basement
- Work with Town Counsel and Town Manager to determine best use for Town owned residential properties

### **FY06 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Completed the work needed to accommodate the Town Manager, Assistant Town Manager and Town Counsel's move to the Flynn Building.
- Completed all Accessibility projects at the Flynn Building.
- Completed the work needed to prepare the Loring Parsonage for leasing
- Completed the work in the Accountant and Town Treasurer's storage areas
- Completed the work needed to create two conference rooms at the Flynn Building
- Installed Emergency Generators at Flynn Building and Police Station
- Worked with the Permanent Building Committee and the DPW Director on resolving the air quality problems in the DPW building.

### **PERFORMANCE/WORKLOAD INDICATORS**

<b>Indicator</b>	<b>FY04</b>	<b>FY05</b>
<b>New Residents Permits</b>	<b>20</b>	<b>13</b>
<b>New Residents Permits (value)</b>	<b>\$7,852,000</b>	<b>\$6,825,400</b>
<b>Tear down and Reconstructions</b>	<b>11</b>	<b>18</b>
<b>Tear down and Reconstructions (value)</b>	<b>\$3,906,600</b>	<b>\$7,575,000</b>
<b>Non-Residential Permits</b>	<b>28</b>	<b>36</b>
<b>Non-Residential Permits (value)</b>	<b>\$2,188,000</b>	<b>\$3,505,000</b>
<b>Swimming Pools</b>	<b>7</b>	<b>22</b>
<b>Swimming Pools (value)</b>	<b>\$151,000</b>	<b>\$625,890</b>

### **BUDGET ISSUES**

The Budget has increased by \$96,242 over FY06. The majority of this increase is due to utility costs and a small increase in the general expenses. The office expense account has not been increased since 2002 and therefore, an additional \$700 is added for the rising costs of dues, license recertification and training for all inspectors, reference materials for revised code compliance etc. The budget has added \$15,500 for the Capital Expense line. This capital expenditure is designated for building improvements including replacement windows on the second floor of the Town Hall and window replacement at the Fairbank Center School Department wing and other energy savings improvements at Town buildings.

This Recommended Budget will provide the necessary funds to address the need for increasing the Assistant Building Inspector position from part time to full time. The salary and expenses for the Plumbing and Gas Inspector will now be funded through a new Revolving Fund which will be made up from plumbing and gas permit fees. Finally, the recommended budget will allow the Building Department to add 7 hours to our



existing administrative staff position. Currently, the administrative position is for 28 hours and one administrative position is for 6 hours per week. The additional staffing request will address the administrative needs of the department at a cost of \$8,000 per year.

	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>BUILDING DEPT.</b>						
Building Inspector	64,922	70,020	71,595	71,595	71,595	71,595
Supv. of Town Bldgs.	52,096	54,417	55,634	55,634	55,634	55,634
Asst. Bldg Inspector	34,074	34,997	35,522	54,045	54,045	54,045
Clerical	39,835	40,714	41,325	49,670	41,325	49,670
Deputy Inspector	2,640	2,640	2,640	2,640	2,640	2,640
Zoning Enforcement Agent	8,134	7,000	7,000	7,000	7,000	7,000
Plumbing/ Gas Inspector	26,585	27,183	27,591	27,591	0	0
Sealer of Weights	2,150	2,150	2,150	2,150	2,150	2,150
Wiring Inspector	13,250	13,050	13,050	13,050	13,050	13,050
Custodial	79,692	81,406	82,627	82,627	82,627	82,627
<b>Sub Total: Personal Services</b>	<b>323,378</b>	<b>333,577</b>	<b>339,134</b>	<b>366,002</b>	<b>330,066</b>	<b>338,411</b>
General Expense	3,500	3,500	4,200	4,200	4,200	4,200
Utilities	258,340	266,790	356,198	356,198	356,198	356,198
Town Bldg. Maint.	72,883	119,900	120,000	120,000	120,000	120,000
Vehicle Maintenance	1,000	1,000	1,500	1,500	1,500	1,500
Contracted services	64,272	66,200	66,200	66,200	66,200	66,200
Clothing	1,475	1,475	1,475	1,475	1,475	1,475
In-State Travel	2,800	2,800	3,000	3,000	3,000	3,000
<b>Sub Total: Expenses</b>	<b>404,270</b>	<b>461,665</b>	<b>552,573</b>	<b>552,573</b>	<b>552,573</b>	<b>552,573</b>
Building Improvements	0	15,000	15,500	15,500	0	15,500
<b>Sub Total: Capital Expenses</b>	<b>0</b>	<b>15,000</b>	<b>15,500</b>	<b>15,500</b>	<b>0</b>	<b>15,500</b>
<b>Total: Building Department</b>	<b>727,648</b>	<b>810,242</b>	<b>907,207</b>	<b>934,075</b>	<b>882,639</b>	<b>906,484</b>

**PUBLIC SAFETY: Dog Officer**

**MISSION OF THE OFFICE**

The Dog Officer is responsible for enforcement of dog control laws and investigation of complaints. Some of these calls are particularly difficult and required many hours of staff time.

**DESCRIPTION OF SERVICES**

The Dog Officer responds to complaints from residents and when appropriate brings complaints to the Board of Selectmen for a hearing on possible measures to control dogs who are nuisances or dangerous.

**STAFFING**

This office is staffed by one part-time dog officer supplemented with hours available from the Animal Control officer, who is also under contract to provide staffing hours to the Board of Health.

**PERFORMANCE/WORKLOAD INDICATORS**

Indicator	FY04	FY05
<b>Calls for Service</b>	<b>904</b>	<b>781</b>
<b>Dogs Picked up</b>	<b>28</b>	<b>29</b>

**BUDGET ISSUES**

The Town Manager's Recommended Budget is identical to the FY06 budget except for an allowance for the equivalent of a 1.5% increase for the dog officer. The Town Manager's Recommended Budget should be sufficient for this department.

	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>DOG OFFICER</b>						
Dog Officer	8,701	8,897	9,030	9,030	9,030	9,030
Sick Leave Buy Back	713	674	684	684	684	684
<b>Sub Total: Personal Services</b>	<b>9,414</b>	<b>9,571</b>	<b>9,714</b>	<b>9,714</b>	<b>9,714</b>	<b>9,714</b>
General Expense	400	400	400	400	400	400
Vehicle Maintenance	200	200	200	200	200	200
Contracted Services	1,170	1,170	1,188	1,188	1,188	1,188
<b>Sub Total: Expenses</b>	<b>1,770</b>	<b>1,770</b>	<b>1,788</b>	<b>1,788</b>	<b>1,788</b>	<b>1,788</b>
<b>Total: Dog Officer</b>	<b>11,184</b>	<b>11,341</b>	<b>11,502</b>	<b>11,502</b>	<b>11,502</b>	<b>11,502</b>

# Public Works Department



Public Works  
Building

<b>PUBLIC WORKS</b>	<b>Appropriated FY05</b>	<b>Appropriated FY06</b>	<b>Level Staff FY07</b>	<b>Dept Request FY07</b>	<b>Town Mgr Request FY07</b>	<b>Town Mgr Request FY07</b>
Engineering Department	337,361	344,477	361,944	361,944	361,934	361,944
Streets & Roads	1,768,141	2,016,873	2,082,407	2,141,578	2,042,907	2,131,578
Trees & Cemetery	268,774	287,477	305,800	305,800	304,800	305,800
Parks & Grounds	217,130	234,256	241,263	269,523	241,263	269,523
<b>Total: Public Works</b>	<b>2,591,406</b>	<b>2,883,083</b>	<b>2,991,414</b>	<b>3,078,845</b>	<b>2,950,904</b>	<b>3,068,845</b>

## **PUBLIC WORKS: Engineering and Administration**

### **MISSION OF THE OFFICE**

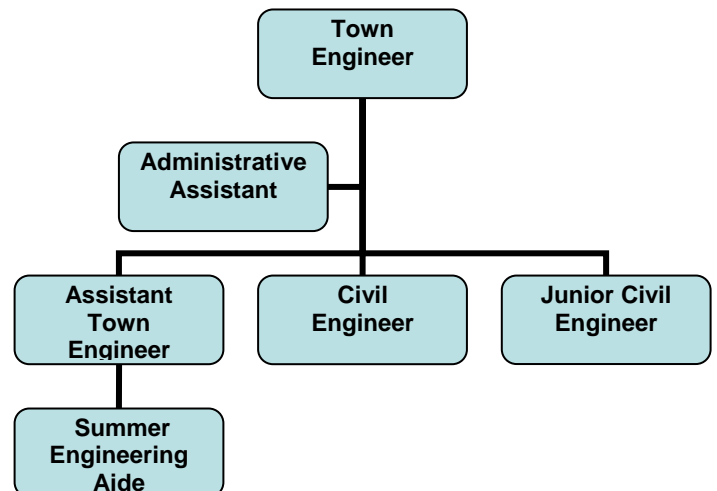
The Department of Public Works is a professional team committed to improving the quality of life in Sudbury and supporting the town's core values. We make every effort to maximize the efficient, effective use of our resources in the support, maintenance and upkeep of the infrastructure, public lands and programs. We are committed to public safety and providing prompt, courteous quality service to our customers and each other.

### **DESCRIPTION OF SERVICES**

The Engineering division of this department is responsible for the design of public works projects, plan review of proposed developments, implementation of a GIS system, and assistance on Town and School building projects. The Division also provides a wide range of technical assistance to other departments and committees, including the Planning Department, Building Inspection Department, Recreation Department, Police and Fire Department and the Town Manager's office. Many other customers are supported as well, including residents, businesses, contractors, consultants, and realtors as well as State and Federal entities. The Engineering Division stores, maintains and updates public records and plans, and designs and administers public works project of all kinds. Construction plans and documents are prepared, reviewed, and bid; construction inspections are performed and overseen by staff.

### **STAFFING**

The department staff consists of the Town Engineer, Assistant Town Engineer, one Civil Engineer, one Junior Civil Engineer, and a part-time Engineering Aide in the summer, and an Office Manager. The Town Engineer also serves as the Director of the Public Works Department.



### **FY07 GOALS AND INITIATIVES**

- Provided property line survey, base line survey, topographic survey and design of the Marlboro Road/Willis Road Intersection.
- Provide construction layout for the Concord Road/Union Ave. intersection.
- Provide topographic survey, right of way survey and drainage design for Dakin Road at Blacksmith Drive.
- Provide construction layout for the Willis Road Walkway.

### **FY05/FY06 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Provided survey control for the synthetic turf field at Maynard Road
- Perambulation of the Town boundary was completed.
- Provided Line and grade for Arrowhead Drive drainage.

- Continued updating of the Geographical Information System.

### BUDGET ISSUES

The Town Manager's Recommended Budget requests only enough funds to maintain the same personnel and basic necessary expenses. This budget contains funds for the equivalent of 1.5% cost of living adjustments for the non-unionized employees of this office, and 2.25% for the members of the Engineering union, who are in the 3<sup>rd</sup> year of a three year contract.

This office has two fewer staff persons than it had in 1990, which has limited the projects it can support. This budget does not advance GIS efforts at a time when the Town is trying to move ahead on our GIS program.

	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>ENGINEERING DEPARTMENT</b>						
Dir. of Public Works	93,891	97,330	100,945	100,945	100,945	100,945
Salaries	171,271	169,727	180,113	180,113	180,113	180,113
Clerical	33,904	39,125	41,257	41,257	41,257	41,257
Summer Help	13,756	13,756	14,598	14,598	14,598	14,598
Sick Leave Buy Back	4,946	4,946	5,253	5,253	5,253	5,253
<b>Sub Total: Personal Services</b>	<b>317,768</b>	<b>324,884</b>	<b>342,166</b>	<b>342,166</b>	<b>342,166</b>	<b>342,166</b>
General Expense	14,718	14,718	14,718	14,718	14,718	14,718
Maintenance	2,500	2,500	2,500	2,500	2,500	2,500
Travel	100	100	110	110	100	110
Uniforms	2,275	2,275	2,450	2,450	2,450	2,450
<b>Sub Total: Expenses</b>	<b>19,593</b>	<b>19,593</b>	<b>19,778</b>	<b>19,778</b>	<b>19,768</b>	<b>19,778</b>
Operating Capital Items	0	0	0	0	0	0
<b>Sub Total: Capital Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total: Engineering</b>	<b>337,361</b>	<b>344,477</b>	<b>361,944</b>	<b>361,944</b>	<b>361,934</b>	<b>361,944</b>

**PUBLIC WORKS: Streets and Roads**

**MISSION OF THE OFFICE**

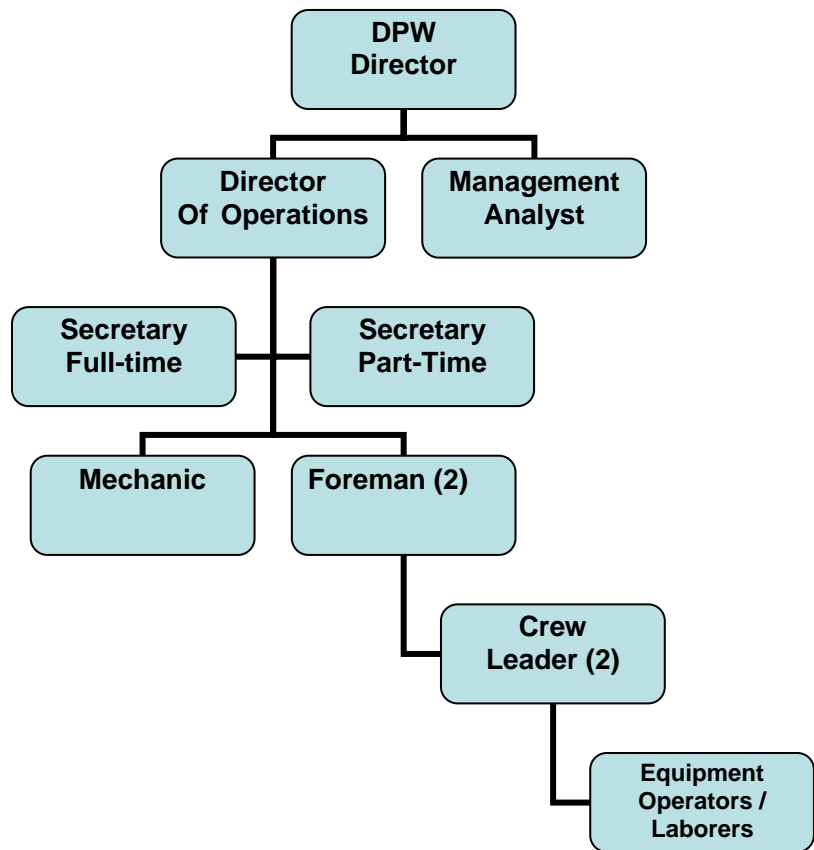
The mission of the Streets and Roads Division is to protect the safety, health and welfare of the Town Residents by maintaining the town streets, walkways and storm water system in a safe and clean condition. This department also provides for the safe movement of vehicular traffic by performing minor construction repairs, removing snow and ice from streets, sweeping of streets, installing traffic signs and lane or line markers and supervising the work of contractual service providers who perform repairs, cleaning or maintenance work. In addition, the Road Machinery Division ensures that the Town's fleet is always operational and well maintained by providing an efficient and effective maintenance and repair program and fuel management system.

**DESCRIPTION OF SERVICES**

The Streets and Roads cost center is responsible for maintenance, construction, and snow removal of Town ways, including streets, curbing, walkways, drain systems, guardrails and signs. Priority snow removal is given to all school parking lots and driveways. Additional duties include roadside and sidewalk mowing, brush clearance, litter control, seasonal support to other town departments (parades, elections, facility maintenance, celebrations). The department maintains approximately 138 miles of roads and 45 miles of walkways. This division annually evaluates street and walkway conditions as part of the pavement management plan.

**STAFFING**

Division staffing includes a Director of Operations, a Management Analyst, one Full-time Secretary, on Part-time Secretary, one Mechanic, two Foremen, two Crew Leader/Heavy Equipment Operators, five Heavy Equipment Operators two Light Equipment Operators and one Heavy Laborer.



**FY07 GOALS AND INITIATIVES**

- Continue to update the snow plowing fleet as well as other trucks and equipment.
- Maintain town-wide infrastructure including street sweeping, traffic lines, paving, walkways, drain systems, guardrails, signs and

- snow removal programs.
- Continue to implement vigorous vehicle maintenance program to keep town fleet in compliance with safety and preventative maintenance schedules.
- Oversee mandatory street sign replacement program.
- Hire Assistant Mechanic for Fleet Maintenance and Fueling Station.
- Continue to build on website visibility to inform residents of maintenance and special projects being performed in the town.

**FY05/FY06 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Installed canopy over gas pumps at Highway Garage.
- Implemented staff reorganization due to several senior staff retirements.
- New salt shed constructed
- Reconstructed 3 miles of walkways.
- Constructed 2 miles of new walkways.
- Guardrails – 6,000 ft of wood guardrail and 1,000 ft of metal guardrail installed.
- Arrowhead Road reconstructed

**PERFORMANCE/WORKLOAD INDICATORS**

Indicator	FY04	FY05
Miles of Roads Maintained	137	138
Drainage Structures Repaired	10	25

**BUDGET ISSUES**

There are many changes in the FY07 budget compared to the FY06 appropriation. First the gasoline line has been reduced by \$27,136 due to a decision to show the cost of gasoline for public safety departments in their own budgets, leaving this budget covering only gasoline for DPW and other general government vehicles. The budget for street lighting has also been reduced by \$9,125 due to savings achieved through purchase of the street light fixtures by the Town (this is in addition to the \$20,000 reduction already made in FY06 as we continue to see savings from this purchase). These decreases offset increases in the salaries line and the roadwork accounts. The increases in the salaries reflect the finalization of the DPW reorganization, cost of living adjustments for the unionized employees, and step increases. Finally the new wash bay of the DPW garage requires special maintenance costs (\$2,839). The roadwork account has been increased by \$29,500 and a much needed position of assistant mechanic is planned. The vehicle maintenance responsibility has increased significantly in the past 3-5 years and we now require an additional employee to cover the amount of maintenance on town vehicles.

The Town Manager’s Recommended Budget request includes the minimum needed to perform the mission of this division. An analysis of spending for DPW purposes shows that, in constant dollars, from FY87 to FY04, spending on DPW purposes decreased by 18% - and that is at the same time that the Town has added more roads, walkways, drainage structures, school parking lots, and other amenities that need maintenance and replacement on a regular basis. The FY06 appropriation and this proposed FY07 budget are modest efforts to turn this disturbing trend.

	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>STREETS &amp; ROADS</b>						
Highway Director of Operations	74,375	0	63,156	63,156	63,156	63,156
Management Analyst	54,810	63,207	66,819	66,819	66,819	66,819
Salaries	487,141	538,796	528,312	567,483	528,312	567,483
Overtime	21,353	21,353	21,353	21,353	21,353	21,353
Clerical	36,807	47,983	50,466	50,466	50,466	50,466
Summer Temp. Labor	4,872	4,872	4,872	4,872	4,872	4,872
Sick Leave Buy Back	2,626	1,146	1,419	1,419	1,419	1,419
<b>Sub Total: Personal Services</b>	<b>681,984</b>	<b>677,357</b>	<b>736,397</b>	<b>775,568</b>	<b>736,397</b>	<b>775,568</b>
General Expense	11,500	11,500	11,500	11,500	11,500	11,500
Gasoline	109,000	141,240	114,104	114,104	114,104	114,104
Bldg. Maintenance	8,250	9,661	12,500	12,500	12,500	12,500
Vehicle Maintenance	97,125	102,038	104,588	104,588	104,588	104,588
Utilities	12,500	12,500	12,500	12,500	12,500	12,500
Street Lighting	82,600	62,600	53,475	53,475	53,475	53,475
Travel	150	200	200	200	200	200
Uniforms	16,545	17,045	17,045	17,045	17,045	17,045
Tuition	1,300	1,500	1,500	1,500	1,500	1,500
Police detail	27,625	40,000	40,000	40,000	40,000	40,000
Roadwork	355,000	400,500	430,000	450,000	420,500	450,000
<b>Sub Total: Expenses</b>	<b>721,595</b>	<b>798,784</b>	<b>797,412</b>	<b>817,412</b>	<b>787,912</b>	<b>817,412</b>
Vehicle Leases/Purchases	89,244	237,628	185,313	185,313	185,313	185,313
<b>Sub Total: Capital Expenses</b>	<b>89,244</b>	<b>237,628</b>	<b>185,313</b>	<b>185,313</b>	<b>185,313</b>	<b>185,313</b>
Snow & Ice Overtime	92,783	92,783	116,089	116,089	106,089	106,089
Snow & Ice Contractors	72,275	72,275	96,655	96,655	86,655	96,655
Snow & Ice Materials	110,260	138,046	150,541	150,541	140,541	150,541
<b>Sub Total: Snow &amp; Ice</b>	<b>275,318</b>	<b>303,104</b>	<b>363,285</b>	<b>363,285</b>	<b>333,285</b>	<b>353,285</b>
<b>Total: Streets &amp; Roads</b>	<b>1,768,141</b>	<b>2,016,873</b>	<b>2,082,407</b>	<b>2,141,578</b>	<b>2,042,907</b>	<b>2,131,578</b>



**PUBLIC WORKS: Trees and Cemetery**

**MISSION OF THE DIVISION**

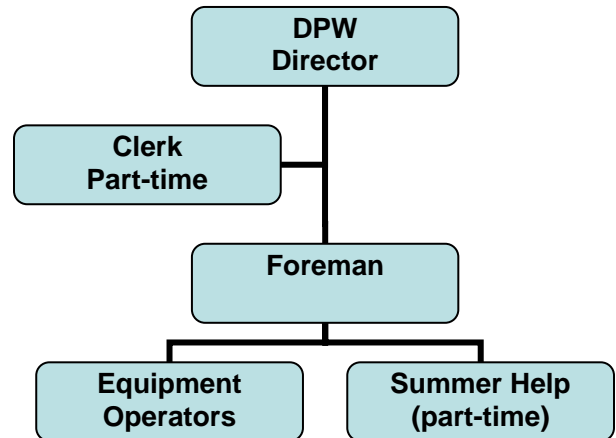
The Mission of this division is twofold: (1) to protect and keep in a healthy state an important public asset of the Town – the beautiful shade trees that are found in the Town’s public way and (2) the cemetery division staff provides compassionate, courteous and professional service to bereaved families and strives to maintain a tranquil, well maintained environment with perpetual care and beautiful historic cemetery grounds.

**DESCRIPTION OF SERVICES**

The Trees and Cemetery Division is responsible for maintenance and interments at the Town’s five cemeteries. Tree responsibilities include maintenance and removal of trees in the public way, with attention to plantings, trimming, storm damage repairs, vandalism repairs, tree and stump removals, as well as care and watering of newly planted trees.

**STAFFING**

Division staffing includes a Foreman, one Crew Leader/Heavy Equipment Operator, two Heavy Equipment Operators, one Light Equipment Operator, one part-time clerical position, part-time summer help as well as stipends for the tree warden and crew leader.



**FY07 GOALS AND INITIATIVES**

- Continue with perpetual care.
- Continue to maintain streetscapes.
- Continue cemetery expansion at Newtown.

**FY06 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Expanded Mt. Pleasant Cemetery by approximately 2 acres

**PERFORMANCE/WORKLOAD INDICATORS**

Indicator	FY04	FY05
Tree Removals	33	54
Internments	62	55
Cemetery Maintenance	25 Acres	27 Acres

**BUDGET ISSUES**

The Town Manager’s Recommended Budget requests enough funds to maintain the same personnel and basic necessary expenses, except for an additional \$1,000 to allow for material price increases and additional quantities needed to cover cemetery expansion. Funds for the contractually obligated cost of living adjustment and step increases are included for the unionized employees, as is an increase for the higher rate for the contract for the tree and stump removals.

This budget will not quite allow the Town to continue providing the same level of service as in the current fiscal year, as the cost of materials has increased along with expenses incurred due to necessary cemetery expansion projects.

	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>TREES &amp; CEMETERY</b>						
Salaries	191,741	205,975	215,512	215,512	215,512	215,512
Overtime	8,638	8,638	8,638	8,638	8,638	8,638
Clerical	6,502	7,342	7,743	7,743	7,743	7,743
Sick Buyback	0	0	0	0	0	0
Summer help	4,872	4,872	4,872	4,872	4,872	4,872
<b>Sub Total: Personal Services</b>	<b>211,753</b>	<b>226,827</b>	<b>236,765</b>	<b>236,765</b>	<b>236,765</b>	<b>236,765</b>
Cemetery Materials	19,150	20,650	22,835	22,835	21,835	22,835
Tree Contractors	37,871	40,000	46,200	46,200	46,200	46,200
<b>Sub-Total: Expenses</b>	<b>57,021</b>	<b>60,650</b>	<b>69,035</b>	<b>69,035</b>	<b>68,035</b>	<b>69,035</b>
<b>Total: Trees &amp; Cemetery</b>	<b>268,774</b>	<b>287,477</b>	<b>305,800</b>	<b>305,800</b>	<b>304,800</b>	<b>305,800</b>

**PUBLIC WORKS: Parks and Grounds**

**MISSION OF THE OFFICE**

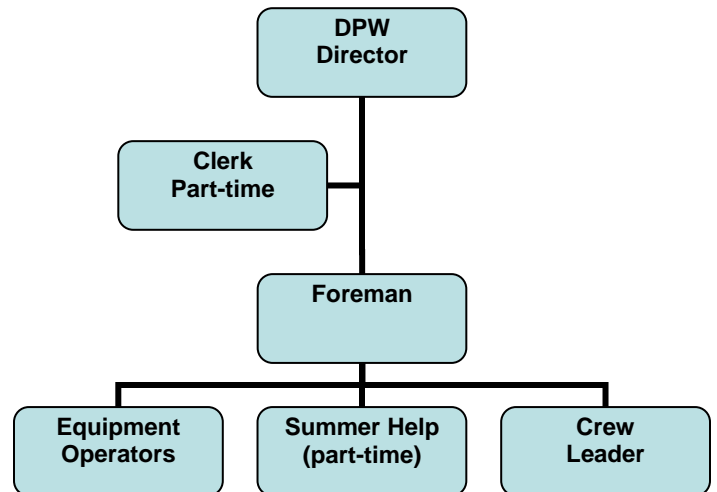
The Mission of this division is to maintain landscaping throughout the Town in park and field areas, public right-of-ways and around all public buildings and school grounds.

**DESCRIPTION OF SERVICES**

The Parks and Grounds division is responsible for maintenance of all Town parks, fields, and playgrounds. This includes Josiah Haynes, Peter Noyes, General John Nixon, Israel Loring, Ephraim Curtis Middle, Featherland Field, Davis Field, Frank Grinnell Veterans Memorial Park, Haskell Field, Fairbank Community Center, Frank G. Feeley Field, Horse Pond Play Field, Heritage Park, Central Fire Station, North Fire Station, DPW Building, Police Station, Goodnow Library, Town Common, Frost Farm, Piper Farm and Carding Mill Conservation areas. Maintenance of these facilities includes mowing, aerating, fertilizing, irrigation, line striping and system maintenance, weed and insect control; litter clean-up, leaf removal, leveling, grading and marking fields, fence and vandalism repairs; shrub and tree care, and support for civic activities.

**STAFFING**

Division staffing includes a Foreman, one Crew Leader/Assistant Mechanic, one Heavy Equipment Operator, one Light Equipment Operator, one part-time clerical position, part-time summer help.



**FY07 GOALS AND INITIATIVES**

- Continued maintenance of sprinkler systems, athletic fields, conservation areas and school grounds.
- Contract for maintenance of school grounds.

**FY06 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Installation of new artificial turf field on Route 27/Maynard Road.

**PERFORMANCE/WORKLOAD INDICATORS**

Indicator	FY04	FY05
Mowing Conservation Land	40 Acres	50 Acres

**BUDGET ISSUES**

This budget requests asks for \$28,260 to allow for the contracting for outside vendors for school parks and sprinkler maintenance and repair. Otherwise, this budget requests only enough for the same level of personnel and basic necessary expenses, and funds the contractually obligated cost of living and step increases.

This budget will not enable the Town to continue providing the same level of service as in the current fiscal year as the cost of materials has increased long with expenses incurred due to the additional responsibilities for the new DPW building and other town and school grounds.

	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>PARKS &amp; GROUNDS</b>						
Salaries	166,364	177,260	183,207	183,207	183,207	183,207
Overtime	2,600	3,100	3,120	3,120	3,120	3,120
Clerical	6,502	7,342	7,743	7,743	7,743	7,743
Summer help	8,717	8,717	8,717	8,717	8,717	8,717
Sick Leave Buy Back	2,129	2,129	2,408	2,408	2,408	2,408
<b>Sub Total: Personal Services</b>	<b>186,312</b>	<b>198,548</b>	<b>205,195</b>	<b>205,195</b>	<b>205,195</b>	<b>205,195</b>
Maintenance	21,450	25,640	26,000	54,260	26,000	54,260
Uniforms	2,100	2,800	2,800	2,800	2,800	2,800
<b>Sub Total: Expenses</b>	<b>23,550</b>	<b>28,440</b>	<b>28,800</b>	<b>57,060</b>	<b>28,800</b>	<b>57,060</b>
Capital Expense	7,268	7,268	7,268	7,268	7,268	7,268
<b>Sub Total: Capital Expenses</b>	<b>7,268</b>	<b>7,268</b>	<b>7,268</b>	<b>7,268</b>	<b>7,268</b>	<b>7,268</b>
<b>Total: Parks &amp; Grounds</b>	<b>217,130</b>	<b>234,256</b>	<b>241,263</b>	<b>269,523</b>	<b>241,263</b>	<b>269,523</b>

# HUMAN SERVICES



Sudbury Senior Center at the  
Fairbank Community Building

<b>HUMAN SERVICES</b>	<b>Appropriated FY05</b>	<b>Appropriated FY06</b>	<b>Level Staff Request FY07</b>	<b>Dept Request FY07</b>	<b>Town Mgr Guideline Budget FY07</b>	<b>Town Mgr Recommended FY07</b>
Board of Health	321,659	338,099	351,743	351,743	351,243	351,743
Council on Aging	135,587	137,388	143,998	148,998	148,998	148,998
Youth Commission	37,226	37,973	39,049	39,549	39,049	39,549
Family Services	6,000	6,000	0	0	0	0
Veterans Affairs	18,050	17,922	18,079	18,079	18,079	18,079
<b>Total: Human Services</b>	<b>518,522</b>	<b>537,382</b>	<b>552,869</b>	<b>558,369</b>	<b>557,369</b>	<b>558,369</b>

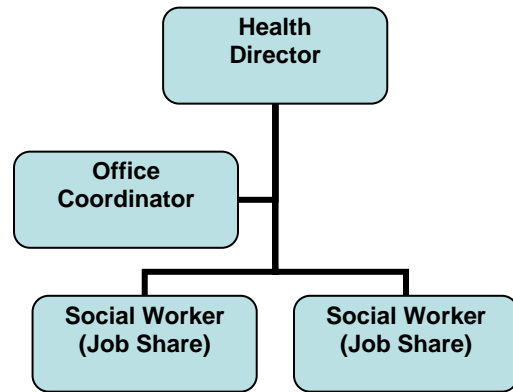
**HUMAN SERVICES: Board of Health**

**DESCRIPTION OF SERVICES**

The Board of Health is responsible for addressing the health needs of the community. Traditional duties include site evaluation for subsurface sewage disposal, permitting/licensing and inspections for food service establishments, summer camps, public swimming pools, stables, massage therapists, septic installers and haulers, septic system and private well installations, and supplying community nursing and mental healthcare services, as well as involvement in environmental health issues such as housing code violations, mosquito control, hazardous waste, animal/rabies control, public ground water supplies and emergency preparedness.

**STAFFING**

This department consists of the Health Director, two part-time social workers who job share, and a full-time office coordinator. Nursing, mental health, and senior outreach services are provided on a contract basis. Mosquito control is provided by a separate district, to which Sudbury pays an annual fee. Animal inspection services are provided through a contract as well.



**BUDGET ISSUES**

The Town Manager’s Recommended Budget requests only enough funds to maintain the same personnel and basic, unavoidable expenses, with one exception. This year, the funds that had been budgeted into the Family Services budget in FY06 for contracted services for frail and needy senior residents of Sudbury are provided for here instead. This budget contains sufficient funds for the equivalent of 1.5% cost of living adjustments for the employees of this office who are not members of a collective bargaining group. The Town Manager’s Recommended Budget also provides for a hazardous waste collection day with a projected 10% increased cost for this program, a slight increase in the budget for the regional mosquito control program and nursing services due to increases in these contracts for the same level of services.

The Town Manager’s recommended budget limits the services and activities to the status quo. Nursing services and mosquito control line items are adjusted only for the increased cost for level services.

	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>BOARD OF HEALTH</b>						
Director	70,224	72,881	74,521	74,521	74,521	74,521
Salaries	61,620	63,028	63,981	63,981	63,981	63,981
Clerical	36,555	38,068	38,842	38,842	38,842	38,842
Sick Buy Back	1,077	1,117	1,428	1,428	1,428	1,428
<b>Sub Total: Personal Services</b>	<b>169,476</b>	<b>175,094</b>	<b>178,772</b>	<b>178,772</b>	<b>178,772</b>	<b>178,772</b>
General Expense	1,650	1,900	1,900	1,900	1,900	1,900
Maintenance	100	100	100	100	100	100
Mental Health	29,560	29,560	29,560	29,560	29,560	29,560
Nursing Services	46,058	47,440	48,390	48,390	48,390	48,390
Contracted Services	5,600	10,900	10,900	10,900	10,900	10,900
Lab Expense	500	500	500	500	500	500
Hazardous Waste	15,000	17,000	18,700	18,700	18,700	18,700
Mosquito Control	39,590	40,780	41,596	41,596	41,596	41,596
Animal/ Rabies Control	8,100	8,600	8,600	8,600	8,600	8,600
Animal Inspector	1,725	1,725	1,725	1,725	1,725	1,725
Senior Outreach			6,500	6,500	6,000	6,500
Community Outreach Prog	4,300	4,500	4,500	4,500	4,500	4,500
<b>Sub Total: Expenses</b>	<b>152,183</b>	<b>163,005</b>	<b>172,971</b>	<b>172,971</b>	<b>172,471</b>	<b>172,971</b>
Capital Expense	0	0	0	0	0	0
<b>Sub Total: Capital Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total: Board of Health</b>	<b>321,659</b>	<b>338,099</b>	<b>351,743</b>	<b>351,743</b>	<b>351,243</b>	<b>351,743</b>

## HUMAN SERVICES: Council on Aging

### MISSION OF THE DEPARTMENT

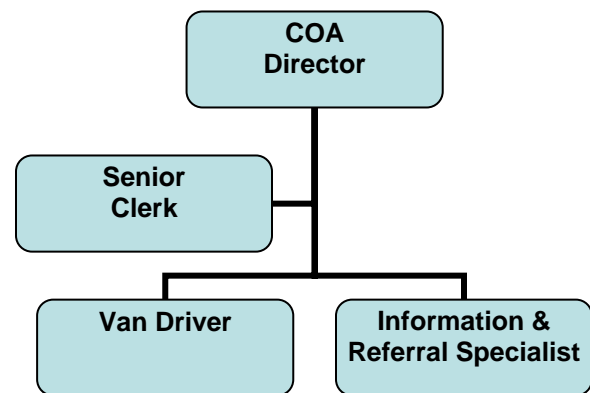
The mission of the Council on Aging (COA) is dedicated to serving the social, recreational, health and educational needs of older adults in the community. The Sudbury Senior Center has been a fully accredited center since December 2003,

### DESCRIPTION OF SERVICES

The Council on Aging supports programs at the Sudbury Senior Center, provides van services for elders, serves as an information resource, coordinates numerous volunteer services to elders in the community, and plays an advocacy role for seniors at the local, state, and federal level.

### STAFFING

The department currently consists of the Council on Aging Director, a full-time van driver, and a full-time senior clerk and a part-time Information and Referral Specialist, all appointed by the Town Manager. In addition, many Sudbury residents volunteer countless hours helping to run the many programs at the Senior Center. The activities of the COA are overseen by a nine member volunteer Council on Aging, appointed by the Board of Selectmen.



### FY07 GOALS AND INITIATIVES

- Continue to increase transportation options for Sudbury seniors
- Work with other Town officials to develop a mechanism to allow Sudbury residents to donate funds to assist Seniors with property tax burdens
- Evaluate current balance in course and program offerings at the Senior Center
- Continue reaching out to younger seniors through multiple media avenues
- Serve as part of the Town's Emergency Planning efforts to develop an emergency response plan for senior who may be placed at risk due to weather or other events.

### FY06 MAJOR INITIATIVES AND ACCOMPLISHMENTS

- Developed job description and other personnel aspects needed to establish the Information and Referral position of the Town of Sudbury
- Worked with the Commission on Disabilities and helped it become more active.
- Began several options to increase transportation alternatives for Sudbury seniors and those with disabilities, including a proposal for funding a new taxi voucher program, improving access to the MBTA program "The Ride", applying for grant funding for a new Senior Center van and working with the Town of Wayland to develop a two town program.
- Increased publicizing of Senior Center program offerings.



- Worked on monitoring and encouraging the development of property tax relief efforts for Seniors
- Began developing out reach programs specifically designed to reach out to younger seniors

**PERFORMANCE/WORKLOAD INDICATORS**

Indicator	FY04	FY05
<b>Value of Volunteer Services</b>		
<b>Hours</b>		<b>7,600</b>
<b>Dollar equivalent (per EOE formula)</b>		<b>\$126,000</b>
<b>Program Attendance</b>	<b>1,941</b>	<b>14,880</b>

**BUDGET ISSUES**

The Town Manager's Recommended Budget request is slightly higher than the FY06 budget. Step increases and a 1.5% cost of living adjustment are included for employees. A new contracted taxi voucher service will be initiated with \$5,000 and will provide appropriate transportation for seniors and people with disabilities. This is a new service, but one that is on the strategic plan for the Council on Aging and long been needed to help those seniors and others who have transportation needs.

The COA will continue to have to be very frugal under this budget, but will be able to maintain appropriate service levels.

	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>COUNCIL ON AGING</b>						
Director	61,620	53,743	58,825	58,825	58,825	58,825
Van Driver	25,143	25,674	25,027	25,027	25,027	25,027
Clerical	31,924	32,837	33,330	33,330	33,330	33,330
Outreach Worker		18,134	19,816	19,816	19,816	19,816
<b>Sub Total: Personal Services</b>	<b>118,687</b>	<b>130,388</b>	<b>136,998</b>	<b>136,998</b>	<b>136,998</b>	<b>136,998</b>
General Expense	7,000	7,000	7,000	7,000	7,000	7,000
Operating Capital Expenses	0	0	0	0	0	0
Maintenance	0	0	0	0	0	0
Tax Work-Off Program	0	0	0	0	0	0
Contracted Services	9,900	0	0	5,000	5,000	5,000
<b>Sub Total: Expenses</b>	<b>16,900</b>	<b>7,000</b>	<b>7,000</b>	<b>12,000</b>	<b>12,000</b>	<b>12,000</b>
<b>Total: Council on Aging</b>	<b>135,587</b>	<b>137,388</b>	<b>143,998</b>	<b>148,998</b>	<b>148,998</b>	<b>148,998</b>

## **HUMAN SERVICES: Youth Commission**

### **MISSION OF THE OFFICE**

The mission of the Sudbury Youth Coordinator Department is to provide youth with activities that are appealing, safe, easily accessible and ultimately empowering. The goal is to also offer support and education to the parents of the community. Communication with students, parents, youth boards, and established groups is vital to providing these activities.

### **DESCRIPTION OF SERVICES**

The Youth Commission is responsible for addressing youth needs and concerns in the community. The population of the youth of Sudbury is growing. Now more than ever the community needs to provide for our youth. This division of the Town provides programs and activities that are safe as well as educational during the so-called non-learning hours.

Programs run by the Youth Coordinator include the Youth Action Committee, which works with the Youth Coordinator to run Coffee Houses at the LSRHS. These coffee houses are safe and positive events for older teens and the teens use the coffee houses to raise funds for Sudbury based charities. A middle school youth group has also been organized. Community service programming is a focus, and many of the services are focused on aiding the seniors of the town, such as through window washing, leaf raking and other property maintenance tasks.

### **STAFFING**

Staffing in this department consists of a full-time Youth Coordinator. She has no clerical assistance, and reports to the Park and Recreation Director.

### **FY07 GOALS AND INITIATIVES**

- Expand Summer Programs to offer full week activities and options for High School Students
- Create a program for 6<sup>th</sup> Grade parents that helps prepare them for the transition their children will experience from elementary school to middle school
- Offer more Community Service Activities
- Provide more after school programs for middle school students

### **FY05/FY06 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- - Established Decafe Coffee Houses (Acoustic Night) for High School
- - Started Intramural Basketball Program for High School
- - Offered Community Service Activities for High School and Middle School
- - Established Drop-In after school program for Middle School Students
- - Worked on transition from outgoing and incoming Teen Center Director

### **PERFORMANCE/WORKLOAD INDICATORS**

<b>Indicator</b>	<b>FY04*</b>	<b>FY05</b>
<b>6<sup>th</sup> Grade Pool Party</b>	<b>0</b>	<b>75 attended</b>

<b>Coffee Houses</b>	<b>0</b>	<b>200 on average</b>
<b>Get of The Bus Summer Program</b>	<b>0</b>	<b>5-15 per trip</b>
<b>Vacation Programs</b>	<b>0</b>	<b>8-25 per trip</b>

*NOTE: This position was not funded in FY04 due to budget cuts, so programming has just resumed in this department in FY05.*

**BUDGET ISSUES**

The Town Manager's Recommended Budget request provides sufficient funds for the Youth Coordinator to be a full-time position, and adds \$500 to support the activities and services provided by the Youth Coordinator.

	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>YOUTH COMMISSION</b>						
Youth Coordinator	33,176	33,923	34,999	34,999	34,999	34,999
<b>Sub Total: Personal Services</b>	<b>33,176</b>	<b>33,923</b>	<b>34,999</b>	<b>34,999</b>	<b>34,999</b>	<b>34,999</b>
General Expense	450	450	450	450	450	450
Youth Programs	2,000	2,000	2,000	2,000	2,000	2,000
Building Improvement	0	0	0	0	0	0
Professional Development	100	100	100	100	100	100
Travel	500	500	500	500	500	500
Transportation	1,000	1,000	1,000	1,500	1,000	1,500
<b>Sub Total: Expenses</b>	<b>4,050</b>	<b>4,050</b>	<b>4,050</b>	<b>4,550</b>	<b>4,050</b>	<b>4,550</b>
<b>Total: Youth Commission</b>	<b>37,226</b>	<b>37,973</b>	<b>39,049</b>	<b>39,549</b>	<b>39,049</b>	<b>39,549</b>

## HUMAN SERVICES: Family Services

**NOTE: See the Board of Health Budget. Beginning in FY07, funds for contracted case management for seniors has been moved to that budget.**

### MISSION OF THE OFFICE

This department is responsible for outreach to the seniors of Sudbury, but also assists the Town's Social Worker as needed

### STAFFING

Staffing in this department had consisted of a full-time Outreach Worker, but this position was cut in FY04 and is not yet recommended for restoration.

### BUDGET ISSUES

As in FY06, the Town Manager's Recommended Budget does not restore funding for this position. In its place limited funds are again budgeted to use contract services to meet case management needs of seniors in Sudbury. However, this year we have requested the funds be put into a new line item in the budget of the Board of Health, so that the Town's Social Workers can better coordinate services.

This continues a reduction in staffing and service provision ability that was first made in FY04. This is a significant loss in the Town's safety net for residents who need social services. The former Outreach Worker, who left the Town's employ in the summer of 2002, was effective in reaching out to the frailer and needier seniors in Sudbury, especially those of lower income who were homebound.

	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY06
<b>FAMILY SERVICES</b>						
Outreach Worker	0	0				
<b>Sub Total: Personal Services</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
General Expense	0	0	0	0	0	0
Contracted out case management	6,000	6,000	0	0	0	0
Travel	0	0			0	0
<b>Sub Total: Expenses</b>	<b>6,000</b>	<b>6,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total: Family Services</b>	<b>6,000</b>	<b>6,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**HUMAN SERVICES: Veterans' Affairs**

**MISSION OF THE OFFICE**

The Mission of the Veterans' Affairs office is to help address the needs of Town veterans, widows, and families of the armed services.

**DESCRIPTION OF SERVICES**

The Agent assists veterans in receiving State and Federal services as well as serves as the Veterans' Graves Agent.

**BUDGET ISSUES**

The Town Manager's Recommended Budget requests assistance funds for one resident who is currently receiving benefits. If more residents request or need assistance, transfers will be requested from the Reserve Fund.

The adequacy of this budget will depend on the needs of the veterans in the Town. As in past years, due to the unpredictability of this need, funds have been allocated into the Reserve Fund for any potential needs that arise.

	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>VETERANS AFFAIRS</b>						
Veterans Agent	10,600	10,472	10,629	10,629	10,629	10,629
<b>Sub Total: Personal Services</b>	<b>10,600</b>	<b>10,472</b>	<b>10,629</b>	<b>10,629</b>	<b>10,629</b>	<b>10,629</b>
General Expense	1,400	1,400	1,400	1,400	1,400	1,400
Veteran's Grave Markers	850	850	850	850	850	850
Veteran's Benefits	5,200	5,200	5,200	5,200	5,200	5,200
<b>Sub Total: Expenses</b>	<b>7,450</b>	<b>7,450</b>	<b>7,450</b>	<b>7,450</b>	<b>7,450</b>	<b>7,450</b>
<b>Total: Veterans Affairs</b>	<b>18,050</b>	<b>17,922</b>	<b>18,079</b>	<b>18,079</b>	<b>18,079</b>	<b>18,079</b>

# CULTURE & RECREATIONAL SERVICES



**Goodnow Library**



**Hosmer House**

CULTURE & RECREATION	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
Goodnow Library	813,230	868,222	888,408	888,408	888,408	893,408
Recreation	110,586	117,740	123,771	146,028	124,271	124,271
Historical Commission	5,950	5,950	5,950	5,950	5,950	5,950
Historic District Commission	1,550	2,330	3,018	4,043	4,043	4,043
<b>Total: Culture &amp; Recreation</b>	<b>931,316</b>	<b>994,242</b>	<b>1,021,147</b>	<b>1,044,429</b>	<b>1,022,672</b>	<b>1,027,672</b>

## CULTURE & RECREATION: Goodnow Library

### MISSION OF THE DEPARTMENT

The Goodnow Library serves as a lifelong recreational and learning/information center for the Sudbury community – residents, businesses and organizations. Its mission is to provide access to resources and services that meet the recreational, informational, educational, personal and cultural needs of its users and to serve as a community center. The Library emphasizes personal service and strives to carry out its mission in a cost effective manner.

### DESCRIPTION OF SERVICES

The Goodnow Library is an automated library, a member of the Minuteman Library Network. The Library's most prominent role is that of **Popular Materials Center**. Interest in recreational resources and activities are increasing for all ages. Acquiring sufficient print and non-print material to satisfy these interests is an on-going challenge.

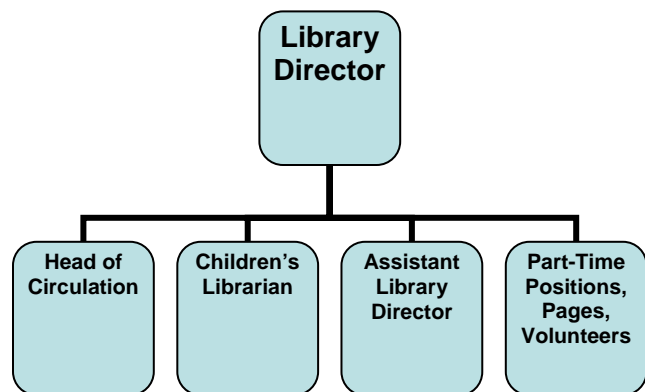
Supporting the independent learning and formal educational pursuits of residents are also significant roles for Goodnow. As a **Formal Education Center**, the Library serves all students. Meeting the needs of elementary and middle school students receives the greatest emphasis. Education and training are lifetime efforts, more so now than ever before. The need for information is increasing and becoming more sophisticated. The amount and variety of resources, services and space required to meet these demands satisfactorily are increasing too. Evaluating and integrating relevant emerging technologies into the Library's plan of service has become a major responsibility. The Library's commitment to being and **Independent Learning Center** is exemplified in its participation in the Minuteman Library Network and its emphasis on Reference and Reader Advisory services.

The significant growth in pre-school and early school age population in Sudbury impacts these roles. In recent years the Library has committed more resources towards being a **Pre-School Door to Learning** for younger children and a recreational reading center to middle school students.

Goodnow's fourth role is as a **Community Center**. Staff manages the facility's community resources – meeting rooms, audio-video system, exhibit and display areas, and supports the efforts of the Friends of the Goodnow Library. The Library acts as a clearinghouse for community information. The Friends sponsor and present a wide variety of adult programs to the community. The Children's Department offers many regularly scheduled reading, story telling and craft programs. Special children's programs are funded by the Friends.

### STAFFING

Staffing consists of 4 full-time positions (Director, Assistant Director, Head of Circulation, and Children's Librarian).



Additionally, there are 24 adult part-time positions, 5 high school page positions, and 22 volunteers. The Library is open Monday – Wednesday 9 am to 9 pm; Thursday – Saturday 9 am to 5 pm; Sunday 2 pm – 5 pm.

**PERFORMANCE/WORKLOAD INDICATORS**

- Circulation up 100% over 16 years; 8% last year to over 340,000 annually
- Reference services up 60% over 15 years
- Resource sharing up 400% over 5 years – 60,000 annually
- Increase in services (from 4 user/staff PCs to 41 in 7 years) and facilities (new building and meeting room) to manage

<b>Indicator</b>	<b>2004</b>	<b>2005</b>
<b>Circulation</b>	<b>304,629</b>	<b>340,585</b>
<b>Children’s Programs</b>	<b>268</b>	<b>266</b>
<b>Children’s Program Attendance</b>	<b>3,500</b>	<b>3,500</b>
<b>Meeting Rooms Use</b>		
<b>Meetings</b>	<b>233</b>	<b>245</b>
<b>Attendance</b>	<b>5,274</b>	<b>5,382</b>

**BUDGET ISSUES**

Town Manager’s Recommended Budget is \$25,186 higher than the FY06 budget. Personal Services is \$5,697 higher than in FY06 due to increases for steps, longevity and a 1.5% cost of living adjustment for the non-unionized employees. Building Maintenance and Contracted Services are \$10,329 higher due to increase costs for utilities, supplies, repairs and service contracts. (The Library is entering its 7th year of operations.) Automation costs increase by \$1,260 due to an increase in Minuteman Library Network membership fees. An increase (\$7,900) is allocated to Library Materials to reflect rising book prices. This increases Goodnow’s purchasing power for adult, young adult and children’s books. It enhances the Library’s ability to meet the community’s extraordinary demand for library materials.

Sudbury makes exceptional use of the Goodnow Library. The Library’s circulation figures are among the highest in the state. At best the Town Manager’s Recommended Budget maintains the status quo in library services. It only modestly addresses the need to provide more library materials – the strongest request from Library users. It does not expand access to the library, more evening and weekend hours, also in high demand by residents. Goodnow is below comparable libraries in both areas.



	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>GOODNOW LIBRARY</b>						
Director	76,390	79,378	81,164	81,164	81,164	81,164
Salaries	447,458	482,171	485,809	485,809	485,809	485,809
Overtime	13,485	14,388	14,620	14,620	14,620	14,620
Custodial	0	0	0	0	0	0
Sick Leave Buy Back	2,569	2,657	2,698	2,698	2,698	2,698
<b>Sub Total: Personal Services</b>	<b>539,902</b>	<b>578,594</b>	<b>584,291</b>	<b>584,291</b>	<b>584,291</b>	<b>584,291</b>
General Expense	10,287	10,487	10,337	10,337	10,337	10,337
Automation	35,500	37,600	38,860	38,860	38,860	38,860
Books and Materials	108,800	117,000	119,900	119,900	119,900	124,900
Maintenance	82,160	86,960	21,960	21,960	21,960	21,960
Utilities			71,600	71,600	71,600	71,600
Travel	250	250	400	400	400	400
Contracted Services	36,331	37,331	41,060	41,060	41,060	41,060
<b>Sub Total: Expenses</b>	<b>273,328</b>	<b>289,628</b>	<b>304,117</b>	<b>304,117</b>	<b>304,117</b>	<b>309,117</b>
Capital/Computer upgrade	0	0	0	0	0	0
<b>Sub Total: Capital</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total: Goodnow Library</b>	<b>813,230</b>	<b>868,222</b>	<b>888,408</b>	<b>888,408</b>	<b>888,408</b>	<b>893,408</b>

## CULTURE & RECREATION: Park & Recreation

### MISSION OF THE DEPARTMENT

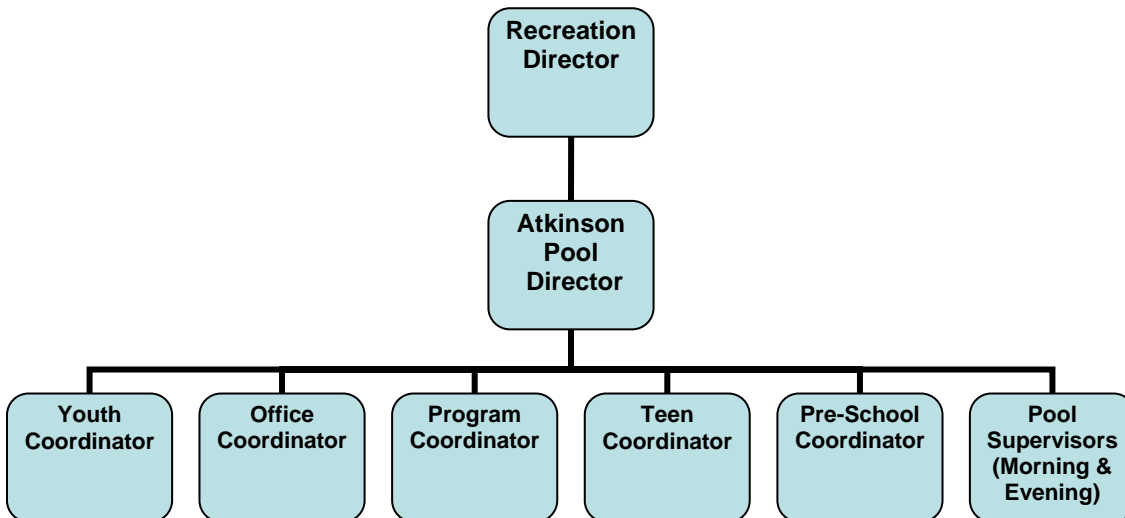
The mission of the Sudbury Park & Recreation Department is to provide recreation activities, leisure services, facilities and general amenities to the public. To enhance the quality of life for the Town of Sudbury residents by providing clean, safe and attractive parks and recreation facilities that promote a strong sense of community.

### DESCRIPTION OF SERVICES

A brochure is mailed to all residents four times a year with information on recreation, teen center, and Atkinson pool programs. Facilities include Atkinson Pool, Fairbank Community Center, Toddler playground, tennis courts, basketball courts, sand volleyball courts, outdoor skating area (weather permitting), and fields for baseball, field hockey, lacrosse, softball, and soccer. Major areas include Davis Field, Featherland Park, Frank G. Feeley Field, and the Haskell Recreation area.

### STAFFING

The department consists of a full-time Recreation Director, an office coordinator, a program coordinator, a pre-school coordinator and a part-time teen center coordinator, and many program staff, mostly part-time, who are paid out of revolving funds. Only part of the office coordinator and program coordinator's salary are paid out of the Town's budget, the rest are charged to the revolving funds.



### FY07 GOALS AND INITIATIVES

- Jointly working with the Conservation Commission, update the Town Open Space and Recreation Plan.
- Jointly working with Lincoln-Sudbury Regional High School, the Community Preservation Committee and the Town Manager's office, develop Memorandum of Understanding and Governance on shared use of all recreational/playing fields located at the High School and elsewhere in Sudbury.

- Jointly working with the Town Planner, participate in technical assessment of the Melone and Mahoney properties as to potential future uses of these properties.
- Work with the Town Manager to secure additional field funding and work on ways to better organize the three main departments to serve the community better. This may include privatizing some duties or reorganizing these departments' personnel and equipment.
- Develop a plan of action for additional space at the Fairbank Community building so that we may continue to develop and grow.
- Secure funding for field master plan from the CPC and Capital development user fees.
- Continue working on the Rail Trail development.

**FY06 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Brought improved financial predictability and stability to Recreational programming.
- Brought improved financial stability to the Atkinson Pool Enterprise Fund.
- Secured user fee based funding to complement Community Preservation Act funding for development of the Cutting Field Project.
- Finished the Cutting Field Project on time and within budget.
- Participated in planning for rail trail development in Sudbury.
- Produced a field master plan which addresses field maintenance, usage, and plans for filed growth and expansion.
- Worked with the Town Manager and Assistant Town Manager in revising job description and responsibilities of the Youth Coordinator position.
- Worked with the Friends of Sudbury Diving to secure funds and install a new automated scoreboard at the Atkinson Pool.
- Reviewed and made recommendations for the Skate Park future.
- Establishing an effective strategy for incorporating the new High School Fields and creating a new and more comprehensive fee structure for park and recreation programs and user fees so that we can effectively maintain the facilities that we have.

**PERFORMANCE/WORKLOAD INDICATORS**

<b>Indicator</b>	<b>FY04</b>	<b>FY05</b>
<b>Park &amp; Recreation Programs offered</b>	<b>601</b>	<b>694</b>
<b>Activity Participants</b>	<b>6,483</b>	<b>7,724</b>

**BUDGET ISSUES**

The Town Manager's Recommended Budget funds the same level of staffing as currently exists in the department, including increases for steps, longevity and the equivalent of a 1.5% cost of living adjustments for the employees of this office, nearly all of whom are not covered by a collective bargaining agreement.

The Town Manager's Recommended Budget maintains the Department's ability to provide the current level of services.

	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>RECREATION</b>						
Director	62,444	67,379	71,595	71,595	71,595	71,595
Salaries	15,200	15,200	15,100	15,100	15,100	15,100
Program Coordinator	18,960	20,149	21,246	21,246	21,246	21,246
Preschool Director	0	0	0	21,757	0	0
Clerical	13,982	15,012	15,830	15,830	15,830	15,830
<b>Sub Total: Personal Services</b>	<b>110,586</b>	<b>117,740</b>	<b>123,771</b>	<b>145,528</b>	<b>123,771</b>	<b>123,771</b>
Travel	0	0	0	250	250	250
Uniforms	0	0	0	250	250	250
<b>Sub Total: Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>500</b>	<b>500</b>	<b>500</b>
<b>Total: Recreation</b>	<b>110,586</b>	<b>117,740</b>	<b>123,771</b>	<b>146,028</b>	<b>124,271</b>	<b>124,271</b>

**CULTURE & RECREATION: Historical Commission**

**MISSION OF THE PROGRAM**

The Historical Commission is responsible for oversight of the following Town-owned historic properties: the Hosmer House, Loring Parsonage, Haynes-Garrison site, and the Soldier's Training Field and works with the Town Manager to plan and implement efforts to maintain and protect these properties. In addition, the Commission maintains records for the Massachusetts Historical Commission.

**DESCRIPTION OF SERVICES**

The Historical Commission plan and carry out a variety of activities to help the community of Sudbury enjoy the Hosmer House and other historic properties owned by the Town. In recent year, the Commission has been requesting funds from the Community Preservation Act to implement various projects affecting the historic properties of the town.

**STAFFING**

The Commission receives no staffing from the Town, and maintains the Hosmer House with volunteers.

**BUDGET ISSUES**

The Town Manager's Recommended Budget is exactly the same as FY06. Funds were approved through the Community Preservation Act (CPA) for a major restoration of the Hosmer House, so the Town Manager's Recommended Budget should be adequate for their other needs. No additional funds are requested for this department beyond the Town Manager's Recommended Budget amount.

	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>HISTORICAL COMMISSION</b>						
General Expenses	5,950	5,950	5,950	5,950	5,950	5,950
<b>Sub Total: Expenses</b>	<b>5,950</b>	<b>5,950</b>	<b>5,950</b>	<b>5,950</b>	<b>5,950</b>	<b>5,950</b>
<b>Total: Historical Commission</b>	<b>5,950</b>	<b>5,950</b>	<b>5,950</b>	<b>5,950</b>	<b>5,950</b>	<b>5,950</b>

**CULTURE & RECREATION: Historic Districts Commission**

**MISSION OF THE OFFICE**

The Historic Districts Commission is responsible for assuring the appropriateness of building improvement in the Town’s Historic Districts.

**DESCRIPTION OF SERVICES**

Upon request from homeowners in three historic districts, the Commission approves Certificates of Appropriateness for construction, paint colors, and demolition.

**STAFFING** Staffing is provided by a part-time clerical position.

**FY06 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Extended the King Philip Historic District to include the Post Road at Mill Village and Concord Road at Codjer Lane.
- Maps and guidelines were mailed to homeowners and businesses in the historic district and to all Sudbury realtors.

**PERFORMANCE/WORKLOAD INDICATORS**

Indicator	FY04	FY05
Certificates of Appropriateness Issued	16	25

**BUDGET ISSUES**

The Town Manager’s Recommended Budget is the same as FY06, except that additional funds for the equivalent of a 1.5% salary adjustment have been added and the Commission requested an additional \$1200 to obtain and install six new signs indicating the location of the enlarged historic districts, per the vote of Town Meeting in 2005. The Town Manager’s Recommended Budget maintains the Department’s ability to provide the current level of services, but does not address the increased hours for the part-time clerk that the Commission has been seeking in recent years.

	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>HISTORIC DISTRICTS COMMISSION</b>						
Clerical Staff	1,275	1,880	2,568	2,568	2,568	2,568
<b>Sub Total: Personal Services</b>	<b>1,275</b>	<b>1,880</b>	<b>2,568</b>	<b>2,568</b>	<b>2,568</b>	<b>2,568</b>
General Expenses	275	450	450	1,475	1,475	1,475
<b>Sub Total: Expenses</b>	<b>275</b>	<b>450</b>	<b>450</b>	<b>1,475</b>	<b>1,475</b>	<b>1,475</b>
<b>Total: Hist Dist Commission</b>	<b>1,550</b>	<b>2,330</b>	<b>3,018</b>	<b>4,043</b>	<b>4,043</b>	<b>4,043</b>

# UNCLASSIFIED AND TRANSFER EXPENSES



	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>UNCLASSIFIED/ TRANSFERS</b>						
Operating Expenses	101,545	113,345	103,545	103,545	103,545	103,545
Transfer Accounts	254,280	200,000	323,665	313,665	230,601	318,274
<b>Total: Unclassified/ Transfers</b>	<b>355,825</b>	<b>313,345</b>	<b>427,210</b>	<b>417,210</b>	<b>334,146</b>	<b>421,819</b>

**MISSION OF THE PROGRAM**

This budget provides a place to budget for those costs that do not fit precisely into other cost centers and are shared by many departments.

**DESCRIPTION OF SERVICES**

Expenses are included for copiers, postage, telephone, the Town Report, Town Meeting, and the July 4<sup>th</sup> parade. All spending from this budget requires the approval of the Town Manager.

**FY07 GOALS AND INITIATIVES**

- Continue efforts to implement electronic filing and records maintenance and reduce the number of photocopies that are made when sharing files and information
- Continue ongoing program of producing an all electronic file for printing the Town Report and the Annual Town Meeting Warrant
- Support work of the Technology Department in implementing new VOIP phone system in Town buildings
- Explore ways to produce paperless agenda packets for Selectmen's meetings

**FY06 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- Continued to keep postage budget level funded due to use of technology for delivery of information
- Town Report quality and content increased dramatically by use of color picture on cover and ability to better integrate graphics and text

**BUDGET ISSUES**

- Copiers: Same dollar amount as FY03, FY04, FY05 and FY06
- Postage: Same dollar amount as FY05 and FY06
- Telephone: Same dollar amount as FY06
- Print Town Report: \$9,500, same dollar amount as FY06
- Town Meetings and Elections: Same dollar amount as FY06.
- Memorial Day: Same amount as FY06
- July 4th Celebration: Level funded in accordance with the Chamber of Commerce request for continued support of the July 4th Parade. This event was formerly fully managed and paid for by the Town. The Chamber has taken over the work and much of the funding of this event.
- Equipment: No request for FY07

We hope that these amounts will be sufficient for copiers, postage, telephone and equipment. For Town Report, the Town Report Committee will have to make choices on assembling and printing the Report. Many factors affect cost – the length of the report, the quality of the stock, etc. The Committee will have to manage within their budgeted amounts. The costs of putting on Town Meetings are budgeted on the Town side of operations, yet we have little control over the number of meetings and their length.



	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>TOWN WIDE OPERATING EXPENSES</b>						
Copiers: Supplies & Service	8,000	8,000	8,000	8,000	8,000	8,000
Postage	42,000	42,000	42,000	42,000	42,000	42,000
Telephone	18,000	20,000	20,000	20,000	20,000	20,000
Print Town Report	9,500	9,500	9,500	9,500	9,500	9,500
Town Meetings and Elections	18,000	18,000	18,000	18,000	18,000	18,000
Memorial Day	2,045	2,045	2,045	2,045	2,045	2,045
July 4th Celebration	4,000	4,000	4,000	4,000	4,000	4,000
Equipment	0	9,800	0	0	0	0
<b>Total: Operating Expenses</b>	<b>101,545</b>	<b>113,345</b>	<b>103,545</b>	<b>103,545</b>	<b>103,545</b>	<b>103,545</b>

## **UNCLASSIFIED: Transfer Accounts**

### **MISSION OF THE PROGRAM**

Annual Town Meeting is the appropriating body for the Town budget, and yet unless a special need arises, it meets only in April of each year. The two transfer accounts provided for here provide the Town side of government with reserves to rely on should the need arise during the year.

### **DESCRIPTION OF SERVICES**

This budget has two components for unknown costs facing the Town Departments: the reserve fund and a salary contingency fund for any salary contingencies for negotiations that are in progress during the year, as well as for adjustments that may be needed during the year.

### **BUDGET ISSUES: Reserve Fund**

At \$145,000, this is \$10,000 more than was budgeted for FY06. As always, there are calculated risks the Town runs in making various budget decisions, and it is in this Reserve Fund we set aside funding to cover ourselves for all of those risks, such as:

1. **Legal expenses:** Funding for the law budget is set at a minimum level, but it is likely the Town will either be sued or will initiate legal proceedings to protect its rights and to defend the decisions of its Boards and Commissions.
2. **Equipment failure:** the Town relies on aging equipment. Items such as boilers in buildings, and some trucks and heavy equipment are currently beyond their useful life, but we have not been able to budget to replace them. If a failure occurs during the fiscal year we look to this fund for replacement.
3. **Snow and Ice Removal costs:** It is impossible to budget accurately for the costs of snow and ice removal. Per state law, we budget the minimum and if that amount is exceeded, we look to the reserve fund to cover any overages.
4. **Veterans' benefits:** The Town is required to pay for such benefits, but at budget preparation time we do not have any sense of how many veterans might need assistance. Thus, we keep funds against that possibility in the Reserve Fund.
5. **Fire and Police department staff injuries.** In these two critical departments, lengthy health related absences create the demand for shifts to be filled through overtime. We do not budget for this possibility in these departments, but instead assume that all employees will be healthy and able to work all scheduled shifts. But too often a long-term injury or illness does occur, and reserve fund transfers are needed to cover these overtime costs.
6. **The unexpected:** With every department's budget so tight, there is nowhere else to look for any unexpected costs that must be paid.

The reserve fund amount is slightly over 1% of the total Town budget; and that is about half what most towns of Sudbury's size keep in a Reserve Fund. As Finance Committee approval is needed to spend the money in this fund, Town Meeting can be sure this is a critical part of providing for the continued safe operation of Town departments.

### **BUDGET ISSUES: Salary Contingency Fund**

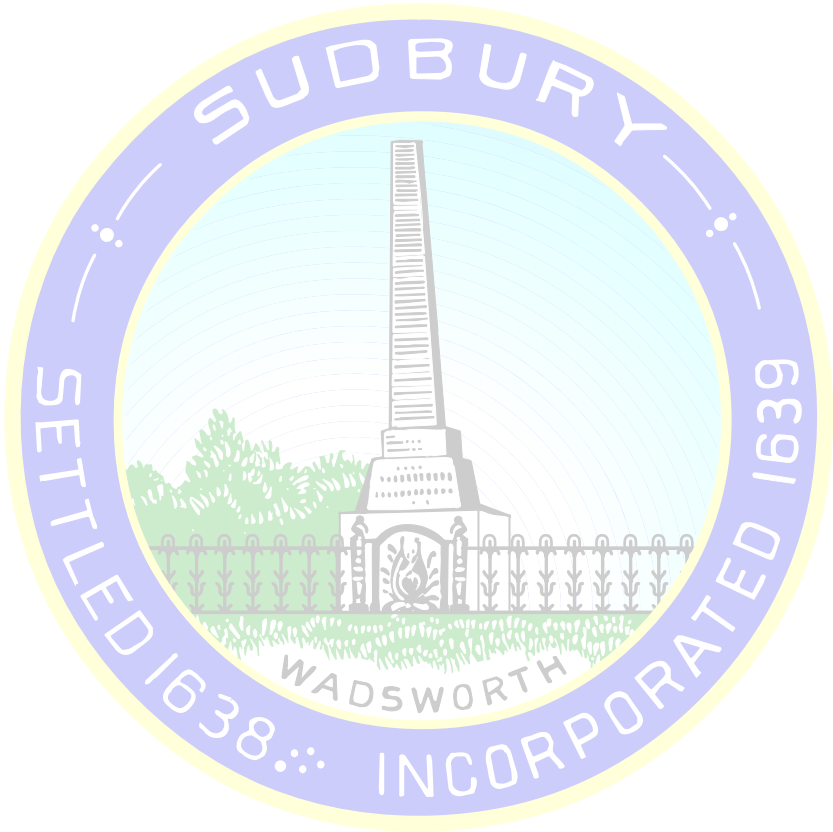
The salary contingency account has been increased by \$108,274 as three groups will have unsettled contracts for FY07: Police, Fire and the supervisory association. This account is also needed for unexpected personnel changes that can happen during the

fiscal year. Often a salary adjustment is needed if a job description changes and the reclassification puts the position at a higher pay grid, or an employee at a low step is replaced by one at a higher step. Finally, this account is used when a department has miscalculated the amounts due to an employee. While this doesn't happen often, there have been times a benefit was overlooked for an employee, such as a newly earned longevity payment or a sick leave buy back amount. This account allows for those small variations.

<b>TRANSFER ACCOUNTS</b>	<b>Appropriated FY05</b>	<b>Appropriated FY06</b>	<b>Level Staff FY07</b>	<b>Dept Request FY07</b>	<b>Town Mgr Guideline Budget FY07</b>	<b>Town Mgr Recommended FY07</b>
Reserve Fund	135,000	135,000	145,000	135,000	132,327	145,000
Town Salary Contingency	119,280	65,000	178,665	178,665	98,274	173,274
<b>Total: Transfer Accounts</b>	<b>254,280</b>	<b>200,000</b>	<b>323,665</b>	<b>313,665</b>	<b>230,601</b>	<b>318,274</b>

# Section Five

## SHARED PROGRAMS & COSTS



# SHARED PROGRAMS & COSTS



	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY06
<b>SHARED PROGRAMS &amp; COSTS</b>						
Benefits & Insurance	7,505,485	8,231,764	9,177,472	9,273,472	9,193,472	9,273,472
Stabilization Fund	0	0	0	0	0	0
Cherry Sheet Charges and Offsets	483,449	551,234	588,413	588,413	588,413	588,413
Snow/Ice Deficits	100,000	100,000	100,000	100,000	100,000	100,000
Abatements/Exemptions	350,000	350,000	450,000	450,000	450,000	450,000
<b>Total: Shared programs and co:</b>	<b>8,438,934</b>	<b>9,232,998</b>	<b>10,315,885</b>	<b>10,411,885</b>	<b>10,331,885</b>	<b>10,411,885</b>

## **BENEFITS AND INSURANCE**

### **MISSION OF THE PROGRAM**

To provide to the employees of the Town of Sudbury (including those who work for the Sudbury Public Schools) both the required and contractually agreed upon benefits to protect their health, provide for their income security if they are injured on the job, and provide for their eventual separation from the Town, either through retirement or leaving before a retirement is reached.

### **DESCRIPTION OF SERVICES**

Employee benefits represents the cost of providing health and life insurance for Town and Sudbury Public School employees as well as for Worker's Compensation, unemployment, Medicare Tax, and the Town's assessment from the Middlesex County Retirement Board.

### **BUDGET ISSUES**

The Town Manager's Recommended Budget represents an estimate for benefits costs for the three town positions and one school position over the prior year approved FTE levels.

Small increases have been projected in the costs of Worker's Compensation and Medicare Tax accounts while Unemployment Compensation and Life Insurance have been level funded. Medicare Tax is mandated by the federal government. Previous increases in this tax liability were reflective of a rise in total Town payroll subject to the tax as more senior employees whose wages were not subject to the tax were replaced by newly hired employees whose wages were subject to this tax liability.

Medical Claims/Insurance has been increased overall 12%, per Finance Committee requests. Although the health insurance market remains volatile, enrollments are projected to remain stable and our claims experience since last year has reflected a slightly lower trend overall. These factors are the primary determinants of the rates for our modified self-funded health insurance programs.

Retirement Program is projected to increase by 14.5% over FY06. This increase is attributable to the following factors - An increase in our assessment from the Middlesex County Retirement System calculated by their actuarial consultant to cover pension costs for all Town retirees, and inclusion in this line of the sick leave buyback allowance which is paid to Town employees upon their retirement from Town service.

	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	FinCom Guideline FY07	SPS/Twn Mgr Recommended FY07
<b>BENEFITS &amp; INSURANCE</b>						
Worker's Compensation	<b>22,100</b>	<b>22,100</b>	<b>24,310</b>	<b>24,310</b>	<b>24,310</b>	<b>24,310</b>
Town:	11,050	11,050	12,155	12,155	12,155	12,155
School:	11,050	11,050	12,155	12,155	12,155	12,155
Unemploy. Compensation	<b>39,000</b>	<b>39,000</b>	<b>39,000</b>	<b>39,000</b>	<b>39,000</b>	<b>39,000</b>
Town:	7,800	7,800	7,800	7,800	7,800	7,800
School:	31,200	31,200	31,200	31,200	31,200	31,200
Medicare Tax	<b>310,650</b>	<b>318,450</b>	<b>325,500</b>	<b>325,500</b>	<b>325,500</b>	<b>325,500</b>
Town:	80,769	82,797	84,630	84,630	84,630	84,630
School:	229,881	235,653	240,870	240,870	240,870	240,870
Life Insurance	<b>5,600</b>	<b>5,600</b>	<b>5,600</b>	<b>5,600</b>	<b>5,600</b>	<b>5,600</b>
Town:	1,848	1,848	1,848	1,848	1,848	1,848
School:	3,752	3,752	3,752	3,752	3,752	3,752
Group Health Insurance	<b>5,165,189</b>	<b>5,785,000</b>	<b>6,479,200</b>	<b>6,479,200</b>	<b>6,479,200</b>	<b>6,479,200</b>
Town:	1,601,209	1,793,350	2,008,552	2,008,552	2,008,552	2,008,552
School:	3,563,980	3,991,650	4,470,648	4,470,648	4,470,648	4,470,648
Retirement Program	<b>1,780,186</b>	<b>1,858,021</b>	<b>2,120,937</b>	<b>2,120,937</b>	<b>2,120,937</b>	<b>2,120,937</b>
Town:	1,103,241	1,151,911	1,345,545	1,345,545	1,345,545	1,345,545
School:	676,945	706,110	775,392	775,392	775,392	775,392
Property/Liab. Insurance	<b>149,760</b>	<b>164,736</b>	<b>182,925</b>	<b>182,925</b>	<b>182,925</b>	<b>182,925</b>
Town:	59,904	65,894	73,170	73,170	73,170	73,170
School:	89,856	98,842	109,755	109,755	109,755	109,755
New Hires Proposed	<b>33,000</b>	<b>38,857</b>	<b>0</b>	<b>96,000</b>	<b>16,000</b>	<b>96,000</b>
Town:	13,200	9,657		24,000	8,000	24,000
School:	19,800	29,200	0	72,000	8,000	72,000
<b>Total: Benefits &amp; Insurance</b>	<b>7,505,485</b>	<b>8,231,764</b>	<b>9,177,472</b>	<b>9,273,472</b>	<b>9,193,472</b>	<b>9,273,472</b>
Town:	2,879,021	3,124,307	3,533,700	3,557,700	3,541,700	3,557,700
School:	4,626,464	5,107,457	5,643,772	5,715,772	5,651,772	5,715,772

<b>STABILIZATION FUND</b>
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**DESCRIPTION OF SERVICES**

This is a fund maintained by the Town for several purposes. First, it is the Town's primary reserves for emergencies that occur after the years annual budget has been approved by Town Meeting. There are really only two state approved mechanisms for building reserves for a source of funds if some large disaster hit the Town. One is free cash, and the other is the stabilization fund. Since Sudbury tends to use nearly all its free cash each year, this is the fund relied on by the Town for one-time, unexpected occurrences that need immediate financial resources.

The following is the balance in the account at the end of the most recent fiscal years:

<u>Fiscal Year</u>	<u>Amount</u>
2006	1,555,197
2005	1,555,861
2004	1,515,169
2003	1,499,886
2002	1,503,883
2001	1,201,279
2000	897,346

**BUDGET ISSUES**

No funds are requested to be added to or used from the Stabilization Fund for FY07.

<b>STABILIZATION FUND</b>	<b>Appropriated FY05</b>	<b>Appropriated FY06</b>	<b>Level Staff FY07</b>	<b>Dept Request FY07</b>	<b>Town Mgr Guideline Budget FY07</b>	<b>Town Mgr Recommended FY07</b>
Additions to Fund	0	0	0	0	0	0
<b>Total Stabilization Fund</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



**CHERRY SHEET: Charges & Underestimates and Offsets**

**DESCRIPTION OF SERVICES**

**Cherry Sheet Charges & Underestimates** - Certain charges are levied on the Town by state law and are not subject to Town Meeting appropriation. The principal item is the MBTA assessment (Ch. 161A). Other charges are for the Air Pollution District (Ch. 111), the Metropolitan Area Planning Council (Ch. 40B), RMV Non-Renewal Surcharge (Ch. 90; Ch. 60A), Special Education (Ch. 71B), and School Choice Sending Tuition (Ch. 76).

**Cherry Sheet Offsets** - These are amounts that are included on the budget summary to reflect three state revenue programs that are to be spent without being part of the appropriated budget. The largest of these is the METCO grant program and the two smaller of these grant programs are for public libraries and school lunches. We show these as "offsets" in this unappropriated category because the revenue for them is included in the total cherry sheet revenues, and must be used for direct expenditures to support the grant program.

**BUDGET ISSUES**

**Cherry Sheet Charges & Underestimates** - Cherry Sheet charges have been decreasing over the past four years, due to a change in the calculation of the MBTA assessment. Since Sudbury does not receive any direct benefit from the T, such as having a train station or bus service in Sudbury, our charges have reduced while the assessment for Towns and Cities which do receive services has increased. For FY07, the budget assumption is that charges will be \$232,756.

**Cherry Sheet Offsets** - The amount shown is not subject to Town Meeting appropriation or ratification. It is, however, a part of the Town's overall budget plan. For FY06, the total amount of Offsets is estimated to be \$355,657.

	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Guideline Budget Recommended FY07	Town Mgr Recommended FY07
<b>CHERRY SHEET CHARGES</b>					
Cherry Sheet Chgs & Underest	178,449	207,718	232,756	232,756	232,756
Cherry Sheet Offsets	305,000	343,516	355,657	355,657	355,657
<b>Total: Cherry Sheet Charges</b>	<b>483,449</b>	<b>551,234</b>	<b>588,413</b>	<b>588,413</b>	<b>588,413</b>

<b>SNOW AND ICE DEFICITS/OTHER DEFICITS TO BE RAISED</b>
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**DESCRIPTION OF SERVICES**

Snow removal expense is unpredictable from year to year, and subject to wide variations. The budget strategy is to recognize long-term trends without assuming a "worst-case" situation. As long as the amount appropriated is at least equal to the prior year's appropriation, the state law permits deficit spending for this purpose. The amount of any deficit is then added to the following year's levy before any new appropriations can be voted.

**BUDGET ISSUES**

The Town needs to be careful in estimating this amount, because of the levy limit restriction. By state law, if the deficit for FY06 snow and ice is larger than the amount estimated for FY07, either other budget lines must be cut to pay for the deficit, or the Town must realize enough other non-tax revenues during the year to cover any shortfall. On the other hand, if too much is estimated in this area and not needed for snow & ice, then the Town has unnecessarily tied up funds which could have been used to support other areas of the budget. \$100,000 is being recommended as a reasonable amount for planning purposes for FY07.

No other deficits are being projected and therefore, no other amount is being recommended to be set aside.

	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Town Mgr Recommended FY07	Town Mgr Recommended FY07
<b>DEFICITS</b>					
Recap, Snow & Ice & Deficits	100,000	100,000	100,000	100,000	100,000
<b>Total: Deficits</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>	<b>100,000</b>

## ABATEMENTS AND EXEMPTIONS

### DESCRIPTION OF PROGRAM

This is an amount, also known as "overlay", that is added to the property tax levy in excess of the sum required to meet appropriations, state assessments and deficits. It cannot exceed 5% of the levy and is used to cover abatements and exemptions granted by the Board of Assessors or as a result of appeals to the State Appellate Tax Board or to the courts. This budget item is counted in the total tax levy subject to the limitations of "Proposition 2 ½".

After all abatements and exemptions have been settled for a given year, any surplus remaining in that year's overlay account is first applied to any deficit balances from other years. Funds remaining after such transfer become part of the Town's fund balance available for appropriation by Town Meeting. This is called Abatement Surplus.

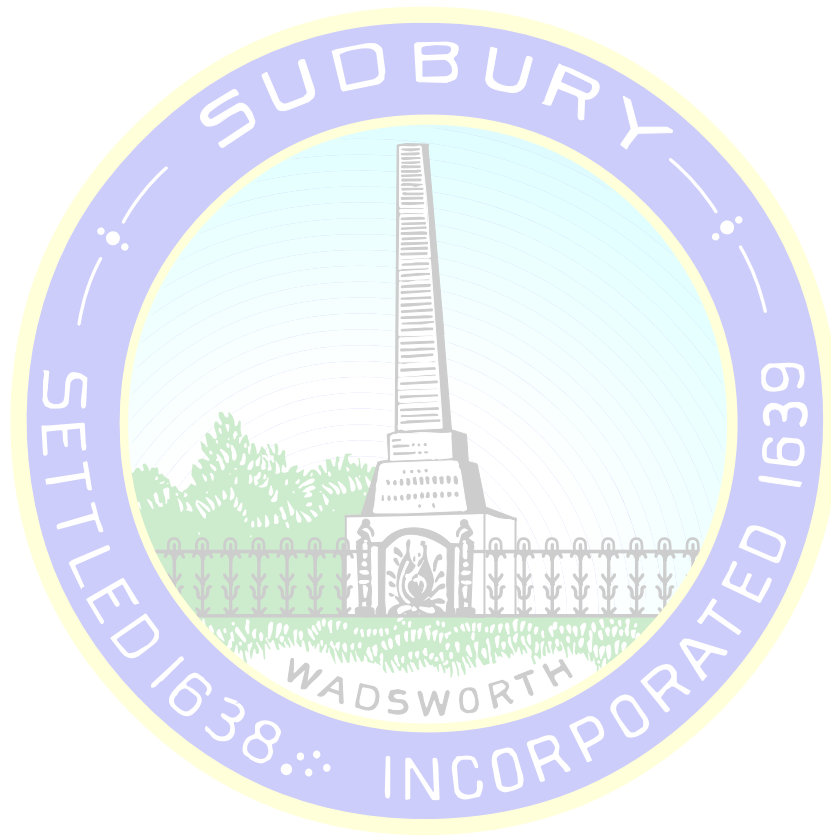
### BUDGET ISSUES

The amount in this account is not subject to Town Meeting appropriation or ratification. It is, however, a part of the Town's budget plan. For FY07, the Board of Assessors has set the amount for this account at \$450,000. This amount is typical in a non-revaluation year.

	Appropriated FY05	Appropriated FY06	Dept Request FY07	Town Mgr Recommended FY07	Town Mgr Recommended FY07
ABATEMENTS & EXEMPTIONS					
Abatements & Exemptions	350,000	350,000	450,000	450,000	450,000
<b>Total</b>	<b>350,000</b>	<b>350,000</b>	<b>450,000</b>	<b>450,000</b>	<b>450,000</b>

# Section Six

## ENTERPRISE FUNDS



# ENTERPRISE FUNDS



	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended Budget FY07
<b>ENTERPRISE FUNDS</b>					
Solid Waste/Transfer Station	399,843	267,803	267,803	267,803	267,803
Atkinson Pool	426,212	436,713	436,713	436,713	436,713
<b>Total: Enterprise Funds</b>	826,055	704,516	704,516	704,516	704,516

## ENTERPRISE FUNDS: Solid Waste/Transfer Station

### DESCRIPTION OF SERVICES

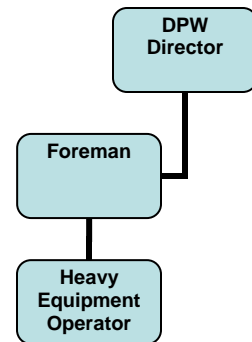
The Town of Sudbury does not offer curbside solid waste pickup, but rather operates a Transfer Station/Recycling Center at the site of the former Landfill. The Transfer Station is the receiving point for approximately one fourth of the town's residential waste, which is then hauled by the Town to a transfer station in Hudson. Private contractors hired by residents pick up and haul the remaining residential waste. The Transfer Station also operates an extensive recycling center for glass, plastic paper, tires and oil. To cover the costs of operations, residents who wish to use the Transfer Station are charged an annual fee for a sticker, plus through a "pay as you throw" system residents pay for each bag of waste they bring to the facility. The bags are purchased at a number of retail locations in Sudbury. This "pay as you throw" encourages recycling and allocates the true cost of waste handling to the users with the greater volume of waste produced.

### STAFFING

There are two employees regularly assigned to the Transfer Station operations.

### BUDGET ISSUES

The solid waste disposal enterprise fund pays all its direct and indirect costs, and is not subsidized by the tax levy. There was an unusual large expense in FY06, as a new capital item, a roll-off truck, was purchased at an estimated cost of \$140,000 and retained earnings from the enterprise fund were used for this purchase. Expenses are back to just operating costs for FY07. This enterprise fund remains self-supporting.



	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>SOLID WASTE DISPOSAL ENTERPRISE FUND</b>						
Salaries	78,858	83,979	88,217	88,217	88,217	88,217
Overtime	7,000	7,000	7,000	7,000	7,000	7,000
Clerical	6,695	7,342	7,629	7,629	7,629	7,629
Sick Buyback	0					
<b>Sub Total: Personal Services</b>	<b>92,553</b>	<b>98,321</b>	<b>102,846</b>	<b>102,846</b>	<b>102,846</b>	<b>102,846</b>
General Expense	17,100	23,095	23,095	23,095	23,095	23,095
Maintenance	20,300	32,862	32,862	32,862	32,862	32,862
Hauling & Disposal	78,000	87,000	89,000	89,000	89,000	89,000
Resource Recovery	12,500	18,565	20,000	20,000	20,000	20,000
<b>Sub Total: Expenses</b>	<b>127,900</b>	<b>161,522</b>	<b>164,957</b>	<b>164,957</b>	<b>164,957</b>	<b>164,957</b>
Capital Expense	0	140,000	0	0	0	0
<b>Sub Total: Capital Expenses</b>	<b>0</b>	<b>140,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Sub Total: Direct Costs (Appropriated)</b>	<b>220,453</b>	<b>399,843</b>	<b>267,803</b>	<b>267,803</b>	<b>267,803</b>	<b>267,803</b>
INDIRECT COSTS: (Not Appropriated)						
Benefits/Insurance	18,793	18,793	24,000	24,000	24,000	24,000
<b>Sub Total: Indirect Costs</b>	<b>18,793</b>	<b>18,793</b>	<b>24,000</b>	<b>24,000</b>	<b>24,000</b>	<b>24,000</b>
<b>Total: Solid Waste</b>	<b>239,246</b>	<b>418,636</b>	<b>291,803</b>	<b>291,803</b>	<b>291,803</b>	<b>291,803</b>
Actual expenditures						
SOLID WASTE RECEIPTS	229,602	278,636	291,803	291,803	291,803	291,803
RETAIN. EARNINGS USED	9,644	140,000				
Total Revenue	239,246	418,636	291,803	291,803	291,803	291,803
Surplus/Deficit	0	0	0	0	0	0

## **ENTERPRISE FUNDS: Atkinson Pool**

### **DESCRIPTION OF SERVICES**

The Atkinson Pool is a town owned year round indoor aquatic facility that opened in January 1988. There is a 25 yard eight lane pool and a separate dive well with two one-meter boards. The pool offers a variety of aquatic programs and events throughout the year. Programs include swim lessons (ages 3 through adult), parent and tot classes, spring board diving lessons, aquatic exercise, deep water workout, master swim, competitive stroke clinic, scuba lessons, family fun nights, classes in lifeguard training, water safety instruction, first aid and CPR, family swim, lap swim and a number of swim teams including Sudbury Youth Swim Team, the Lincoln Sudbury Regional High Swim Team and several area high school diving teams.

### **STAFFING**

The Pool is staffed by a full-time aquatics director and two aquatics supervisors with a head lifeguard who works under the direction of the Recreation Director, plus a number of part-time employees.

### **BUDGET ISSUES**

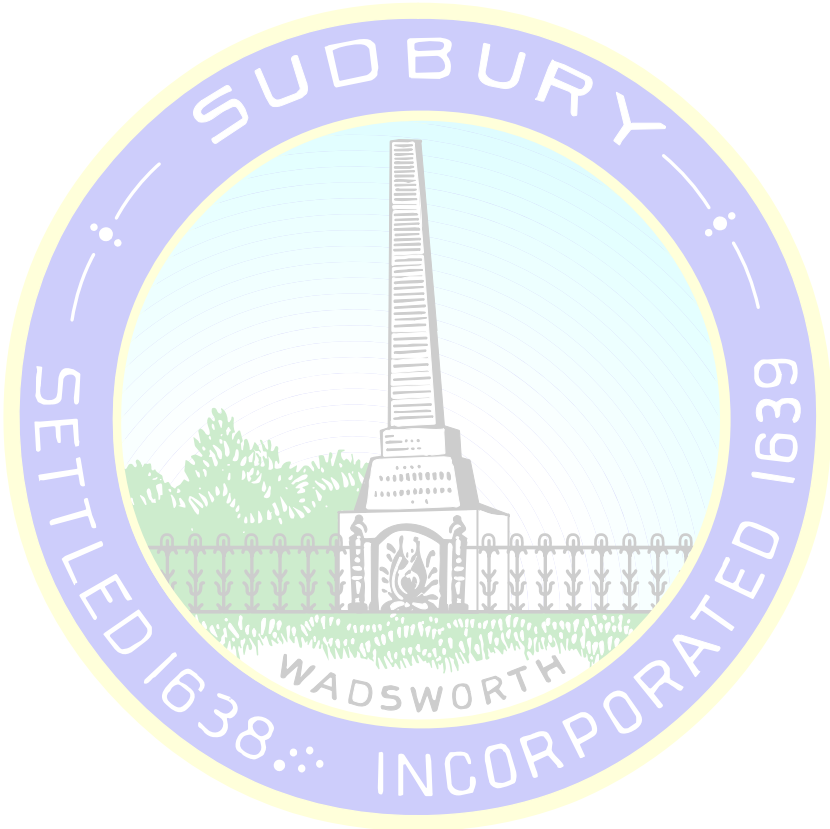
The Atkinson Pool operates as an Enterprise Fund under Massachusetts General Law Chapter 44 Section 53F ½. The good news is that the Atkinson Pool has started to turn the corner this past year financially. The proposed FY07 budget addresses the need to adequately staff and to provide a safe and enjoyable experience for the increase in the number of facility users. Initiatives undertaken in the past year to keep the pool on a break-even basis, including increasing membership fees, increasing rental fees, and reviewing various contracted services, has been successful and thus this budget does NOT call for any subsidy from the Tax Levy to support the direct costs of the Atkinson pool, but does continue the practice of charging the indirect (benefit-related costs for employees) costs to the General Fund.



	Appropriated FY05	Appropriated FY06	Level Staff Request FY07	Dept Request FY07	Town Mgr Guideline Budget FY07	Town Mgr Recommended FY07
<b>POOL ENTERPRISE FUND</b>						
Department Head Salary	0	0	0	0	0	0
Professional Salaries	115,205	124,150	126,979	126,979	126,979	126,979
Head Lifeguards		32,057	32,338	32,338	32,338	32,338
Overtime	1,023	1,100	1,100	1,100	1,100	1,100
Clerical	18,427	15,012	15,822	15,822	15,822	15,822
Part Time Supervisors	7,806	7,856	7,856	7,856	7,856	7,856
Receptionists	17,822	17,430	23,636	23,636	23,636	23,636
WSI Lifeguards		68,732	63,732	63,732	63,732	63,732
Instructors	98,795	11,875	12,250	12,250	12,250	12,250
<b>Sub Total: Personal Services</b>	<b>259,078</b>	<b>278,212</b>	<b>283,713</b>	<b>283,713</b>	<b>283,713</b>	<b>283,713</b>
General Expense	20,000	10,000	10,000	10,000	10,000	10,000
Utilities	65,000	84,000	89,000	89,000	89,000	89,000
Maintenance	43,000	45,000	45,000	45,000	45,000	45,000
Travel	0	0	0	0	0	0
Programs	12,000	3,000	3,000	3,000	3,000	3,000
Equipment	6,000	6,000	6,000	6,000	6,000	6,000
<b>Sub Total: Expenses</b>	<b>146,000</b>	<b>148,000</b>	<b>153,000</b>	<b>153,000</b>	<b>153,000</b>	<b>153,000</b>
Building improvements	0	0	0	0	0	0
<b>Sub Total: Capital Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total: Pool Enterprise Direct Costs (Appropriated)</b>	<b>405,078</b>	<b>426,212</b>	<b>436,713</b>	<b>436,713</b>	<b>436,713</b>	<b>436,713</b>
INDIRECT COSTS: (Not Appropriated)						
Insurance & Benefits	47,186	58,434	48,615	48,615	48,615	48,615
<b>Sub Total: Indirect Costs</b>	<b>47,186</b>	<b>58,434</b>	<b>48,615</b>	<b>48,615</b>	<b>48,615</b>	<b>48,615</b>
<b>Total: Pool Enterprise</b>	<b>452,264</b>	<b>484,646</b>	<b>485,328</b>	<b>485,328</b>	<b>485,328</b>	<b>485,328</b>
POOL ENTER. RECEIPTS	400,000	426,212	430,000	430,000	430,000	430,000
Tax Levy	47,186	58,434				
RETAIN. EARNINGS USED	5,078		6,713	6,713	6,713	6,713
Surplus (Deficit)	0	0	-48,615	-48,615	-48,615	-48,615

# Section Seven

# EDUCATIONAL BUDGETS

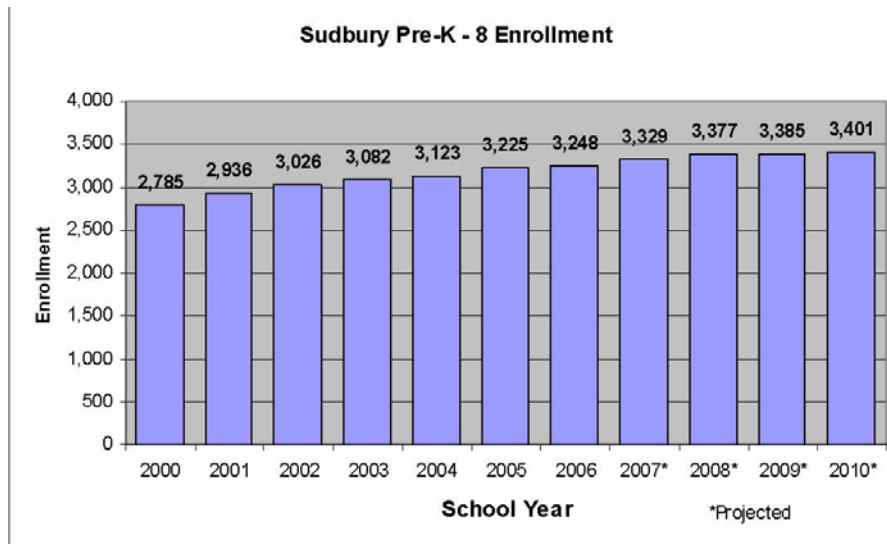


## Sudbury Public Schools

### MISSION OF THE SUDBURY PUBLIC SCHOOLS

The Sudbury Public Schools strive to enable all students to reach their intellectual and personal potential. The school system, in partnership with families and the community, will work with integrity and respect to realize the shared vision of enabling students to become life-long learners and effective contributors to society.

As part of the balanced budget for FY07, the Sudbury Public Schools budget for FY07 is \$31,044,506, representing an increase of \$1,334,303 or 5.5% over the FY06 budget, exclusive of pension and insurance costs. Pension and insurance costs increased by \$544,315 to \$5,651,772 in FY07, a 10.7% increase. With pension and insurance costs, the total budget represents an increase of \$1,878,618 or 6.4% over the FY06 appropriation. Though operating costs continue to climb due to increases in utilities, transportation and special education costs, this budget will keep class sizes at the same levels as FY06 and will allow the Sudbury Public Schools to provide the same level of overall service as in FY06, even as enrollment continues to grow.



	Appropriated FY05	Appropriated FY06	School Committee Voted FY07	FinCom Recommended FY07
<b>SUDBURY PUBLIC SCHOOLS</b>				
<b>Sudbury Public Schools</b>	22,683,653	25,809,552	27,422,424	27,184,888
Less: Offsets (inc. METCO)		-1,751,121	-1,792,154	-1,792,154
<b>Net: Sudbury Public Schools</b>	22,683,653	24,058,431	25,630,270	25,392,734
Add: Benefits Costs	4,626,464	5,107,457	5,715,722	5,651,772
<b>Total: Cost S.P.S.(Gross)</b>	27,310,117	29,165,888	31,345,992	31,044,506

**SUDBURY PUBLIC SCHOOLS**

	Actual FY05	Appropriated FY06	School Comm Adopted FY 07	FinCom Recommendec FY 07	Staff - FTE FY 06	(Voted) Staff - FTE FY07
<b>Summary - Salaries</b>						
System Administration	645,948	784,969	776,471	776,471	10.41	10.41
Elementary Instruction	7,501,445	8,116,104	8,836,849	8,576,449	163.88	163.88
Middle School Instruction	3,877,192	4,264,018	4,486,397	4,554,261	78.18	79.18
Cur., Instruction, Technology	559,968	635,395	613,132	568,132	8.90	8.90
SpEd Instruction	3,157,977	3,837,106	4,044,392	4,044,392	109.74	109.74
Health/Transportation	511,160	704,585	648,396	648,396	25.82	25.82
Plant Maintenance	735,363	785,184	790,940	790,940	17.00	17.00
Other	394,886	536,910	536,910	536,910		
<b>Total Salaries</b>	<b>17,383,939</b>	<b>19,664,271</b>	<b>20,733,487</b>	<b>20,495,951</b>	<b>413.93</b>	<b>414.93</b>
Salary Offsets		(731,121)	(822,154)	(822,154)		
Net Salaries	17,383,939	18,933,149	19,911,332	19,673,796		
Percent Increase		8.91%	5.17%	3.91%		
<b>Summary - Expenses</b>						
System Administration	338,112	230,800	230,800	230,800		
Equipment	29,650	86,746	61,746	61,746		
Elementary Instruction	341,168	345,298	312,644	312,644		
Middle School Instruction	206,668	159,388	159,388	159,388		
Cur., Instruction, Technology	264,687	277,196	277,196	277,196		
SpEd Instruction	1,889,009	2,727,216	2,863,577	2,863,577		
Health/Transportation	670,916	1,030,850	1,038,410	1,038,410		
Utilities	896,789	945,538	1,318,926	1,318,926		
Plant Maintenance	661,219	342,250	426,250	426,250		
<b>Total Expenses</b>	<b>5,298,218</b>	<b>6,145,282</b>	<b>6,688,937</b>	<b>6,688,937</b>		
Expense Offsets:						
Grants		(420,000)	(420,000)	(420,000)		
Circuit Breaker		(600,000)	(550,000)	(550,000)		
Net Expenses	5,298,218	5,125,282	5,718,937	5,718,937		
Percent Increase		-3.26%	11.58%	11.58%		
<b>Grand Total: Expense + Salary</b>	<b>22,682,157</b>	<b>25,809,553</b>	<b>27,422,424</b>	<b>27,184,888</b>		
Less: Total Offsets	0	(1,751,121)	(1,792,154)	(1,792,154)		
Net Budget Total	22,682,157	24,058,431	25,630,269	25,392,733		
Percent Increase		6.07%	6.53%	5.55%		

# Lincoln-Sudbury Regional High School

**VALUES OF THE LINCOLN-SUDBURY REGIONAL HIGH SCHOOL**

The Lincoln-Sudbury Regional High School Core Values are as follows: (1) Promotion of cooperative and caring relationships between adults and students; (2) Respect for human differences; and (3) Satisfaction with excellence only, particularly in academics.

In addition, the following budgetary guidelines are distributed and adhered to:

- Make classroom teaching and learning our first priority
- Try to maintain reasonable class size in core academic areas
- Distinguish between what is essential to learn by completion of high school and what is desirable to experience.
- Maintain mainstreaming opportunities for students with special needs.
- Continue to develop initiatives that will provide optimal educational experiences for our most reluctant learners, and support efforts to assess student performance, and make educationally sound decisions based on these assessments.
- Maintain athletic and extra-curricular activities.

Lincoln-Sudbury Regional High School (LSRHS) is a grade 9-12 regional school district established pursuant to Chapter 71 of Massachusetts General Laws and operates in accordance with the Lincoln-Sudbury Regional Agreement. Chapter 70 State Aid and Regional Transportation Aid are used to reduce the total budget. The amount remaining after deducting receipts and other credits is then apportioned to Lincoln and Sudbury by a ratio based upon the enrollment of students from each town. The FY07 budget ratio for Sudbury is 85.81% (up from 85.67% in FY06) and for Lincoln is 14.19%. This 0.14% increase in ratio for the Sudbury FY07 assessment amounts to approximately \$31,000. Under the proposed budget, state aid for Chapter 70 and regional transportation costs are projected to have increased funding from FY06. The budget also reflects a projected increase in state aid for the support of special education from FY06.

This budget would provide an additional \$1,504,518 (\$1,291,027 Sudbury's share) in operating revenue from FY06 levels to the district and allow for an additional 3.5 FTE's. At this funding level, the school district is projected to have necessary funds to maintain services, programs and class sizes at approximately FY06 levels. The enrollment at LSRHS has increased 77% from FY95 (887 students) to FY06 (1,573 students) and 10.5% (149 students) from FY04 to FY06. Projections indicate continued growth at 4-6% annually (a 2.7% increase of 42 students is projected for FY07) reaching a projected enrollment of 1,850 in FY09.

	Appropriated FY05	Appropriated FY06	School Committee Voted FY07	FinCom Recommended FY07
<b>LINCOLN-SUDBURY REGIONAL HS</b>				
Operating Budget Assessment	12,804,319	14,592,013	15,378,160	15,101,093
Debt Assessment	1,597,371	2,461,086	2,935,689	2,935,689
<b>Total: LSRHS Assessment</b>	<b>14,401,690</b>	<b>17,053,099</b>	<b>18,313,849</b>	<b>18,036,782</b>

**LINCOLN-SUDBURY REGIONAL SCHOOL DISTRICT  
FY 2007 Budget**

**As voted by the Lincoln-Sudbury Regional School Committee  
February 7, 2006**

	FY04 Expenditure	FY05 Budget	FY05 Expenditure	FY06 Budget	FY07 Budget
<b>OPERATING BUDGET</b>					
School Committee	207,374	90,000	99,270	90,000	90,000
Administration	42,371	45,000	49,900	53,200	55,200
Business Office	13,844	19,000	49,561	17,950	24,200
Central Office	16,000	16,500	17,260	16,500	16,750
<b>Administration Total</b>	<b>279,589</b>	<b>170,500</b>	<b>215,991</b>	<b>177,650</b>	<b>186,150</b>
Art	43,146	36,533	42,043	48,849	55,275
Computer	95,386	136,100	135,246	132,600	139,600
Drama	6,591	5,151	6,208	5,368	4,615
English	28,118	34,955	22,912	36,250	6,200
Language	29,038	20,642	18,835	20,360	8,945
History	24,542	25,757	29,904	26,300	6,800
Journalism	4,699	2,762	1,781	2,762	2,303
Mathematics	35,285	26,088	26,056	31,800	10,250
Music	19,098	20,222	20,697	21,000	23,075
Wellness	36,567	23,641	21,424	39,600	44,490
Science	36,775	35,829	36,073	38,250	18,825
Technology	16,835	18,766	18,832	23,000	23,345
Career Center	2,597	4,783	1,395	3,646	250
General Supplies	209,982	129,963	150,510	140,000	139,088
<b>Instruction Total</b>	<b>588,659</b>	<b>521,192</b>	<b>531,915</b>	<b>569,785</b>	<b>483,061</b>
House Services	33,183	44,800	52,459	47,150	55,450
Student Services	50,921	35,477	27,074	34,100	35,790
Audio-Visual	45,958	23,457	29,633	38,450	40,860
Library	24,872	22,264	21,929	28,459	28,659
Student Activities	13,971	15,650	17,279	15,650	18,650
Athletics	202,290	190,265	205,518	218,680	225,665
Transportation	280,809	322,105	289,303	359,821	401,399
Development	21,666	16,500	6,630	16,500	16,500
<b>Ed Support Total</b>	<b>673,670</b>	<b>670,518</b>	<b>649,825</b>	<b>758,810</b>	<b>822,973</b>

	<b>FY04</b>	<b>FY05</b>	<b>FY05</b>	<b>FY06</b>	<b>FY07</b>
	<b>Expenditure</b>	<b>Budget</b>	<b>Expenditure</b>	<b>Budget</b>	<b>Budget</b>
<b>OPERATING BUDGET (Continued)</b>					
Custodial	163,643	206,000	218,282	211,000	215,560
Grounds	20,175	21,000	21,985	21,000	23,500
Maintenance	96,992	157,400	135,178	156,000	166,500
Utilities	404,110	652,700	555,104	837,200	923,625
<b>Operations Total</b>	<b>684,921</b>	<b>1,037,100</b>	<b>930,549</b>	<b>1,225,200</b>	<b>1,329,185</b>
Local Services	48,240	61,066	60,794	69,500	75,400
Transportation	177,897	184,800	205,142	228,315	311,535
Out-of-District	1,199,864	1,460,304	1,401,304	1,045,473	2,167,797
Less Circuit Breaker Offset	0	0	0	0	-850,000
<b>Special Ed Total</b>	<b>1,426,000</b>	<b>1,706,170</b>	<b>1,667,241</b>	<b>1,343,288</b>	<b>1,704,732</b>
Contingency	0	50,000	0	75,000	75,000
<b>Contingency Total</b>	<b>0</b>	<b>50,000</b>	<b>0</b>	<b>75,000</b>	<b>75,000</b>
Administration	811,826	852,547	852,548	1,036,645	1,036,645
Administrative Support	174,174	173,286	173,060	90,153	90,153
Professional Staff	8,283,270	8,587,322	8,458,722	9,710,789	9,710,789
Course Reimbursement	21,000	21,000	21,000	21,000	21,000
Curriculum Development	11,584	26,000	29,194	36,000	36,000
Extra Services	77,573	82,408	78,790	85,292	85,292
Educational Support	572,740	622,994	616,850	656,696	656,696
Substitutes	89,880	63,400	111,259	75,000	80,000
Clerical	637,935	609,607	583,687	657,975	657,975
Blg./Grds/Maint.	449,541	471,407	478,911	521,479	521,479
Coaches/Trainer	333,298	339,805	337,215	351,698	351,698
Staffing/Salary Increases	0	0	0	0	942,268
<b>Salaries Total</b>	<b>11,462,820</b>	<b>11,849,776</b>	<b>11,741,237</b>	<b>13,242,727</b>	<b>14,189,995</b>
<b>TOTAL OPERATING BUDGET</b>	<b>15,115,659</b>	<b>16,005,256</b>	<b>15,736,757</b>	<b>17,392,460</b>	<b>18,791,096</b>

	FY04 Expenditure	FY05 Budget	FY05 Expenditure	FY06 Budget	FY07 Budget
<b>PENSIONS &amp; INSURANCE BUDGET</b>					
Insurance	1,667,793	2,043,908	1,663,030	2,267,545	2,609,402
Pensions	345,817	367,299	365,427	393,274	447,450
<b>TOTAL PENSIONS &amp; INSURANCE</b>	<b>2,013,610</b>	<b>2,411,207</b>	<b>2,028,456</b>	<b>2,660,819</b>	<b>3,056,852</b>

	FY04 Expenditure	FY05 Budget	FY05 Expenditure	FY06 Budget	FY07 Budget
<b>DEBT SERVICE/STABILIZATION BUDGET</b>					
Capital Project Bond Principal	0	1,400,000	1,400,000	1,400,000	1,950,000
Capital Project Bond Interest	0	760,760	760,760	522,900	1,084,163
Boiler Principal & Interest	153,075	0	0	0	0
Renovation Short Term Int	1,246,575	1,077,041	1,077,041	1,721,626	592,967
Stabilization Funding	63,268	0	0	0	0
<b>Total Debt/Stabilization</b>	<b>1,462,918</b>	<b>3,237,801</b>	<b>3,237,801</b>	<b>3,644,526</b>	<b>3,627,130</b>

	FY04 Expenditure	FY05 Budget	FY05 Expenditure	FY06 Budget	FY07 Budget
<b>SCHOOL CHOICE BUDGET</b>					
Tuition Assessment	9,856	10,000	4,727	10,000	10,000
<b>Total School Choice</b>	<b>9,856</b>	<b>10,000</b>	<b>4,727</b>	<b>10,000</b>	<b>10,000</b>
<b>TOTAL OTHER COSTS</b>	<b>3,486,384</b>	<b>5,659,008</b>	<b>5,270,985</b>	<b>6,315,345</b>	<b>6,693,982</b>
<b>TOTAL BUDGET</b>	<b>18,602,043</b>	<b>21,664,264</b>	<b>21,007,742</b>	<b>23,707,805</b>	<b>25,485,078</b>

ESTIMATED RECEIPTS	0.00	-473,256	0	-473,256	-484,500
STATE AID	0.00	-1,895,507	0	-1,895,507	-2,263,671
STABILIZATION OFFSET	0.00	0	0	0	-271,684
PREMIUMS	0.00	-1,150,540	0	-775,395	-205,980
CAPITAL INTEREST INCOME	0.00	-401,559	0	-290,214	-112,344
REAPPORTIONMENT	0.00	-869,166	0	-377,409	-810,381

<b>ASSESSMENT</b>		<b>16,874,235</b>		<b>19,896,024</b>	<b>21,336,518</b>
<b>LINCOLN ASSESSMENT</b>	<b>0.00</b>	<b>2,472,546</b>	<b>0.00</b>	<b>2,842,925</b>	<b>3,022,669</b>
<b>SUDBURY ASSESSMENT</b>	<b>0.00</b>	<b>14,401,690</b>	<b>0.00</b>	<b>17,053,098</b>	<b>18,313,849</b>
<b>TOTAL ASSESSMENT</b>		<b>16,874,235</b>		<b>19,896,023</b>	<b>21,336,518</b>



## LINCOLN-SADBURY REGIONAL SCHOOL DISTRICT

### FY07 Debt Service

Lincoln-Sudbury Regional School District was authorized by the Towns of Sudbury and Lincoln to borrow \$73,900,000 to build the new Lincoln-Sudbury Regional High School. To date, the School District has issued \$25,000,000 in Bonds and \$13,769,315 in Bond Anticipation Notes to finance that project. The Commonwealth of Massachusetts paid for 75% of their share of the project (\$35,130,685) in October of 2005 and we anticipate receiving the balance of the state's share of approximately \$11,000,000 in October of 2006. With the change in how the state now reimburses school building projects, we have estimated that the Towns of Sudbury and Lincoln have saved approximately \$10,000,000 in interest costs that would have otherwise been spent using the state's old method of reimbursing for such projects.

Included in the FY07 Budget are principal and interest as follows:

**\$14,000,000 Bond (Year 3 of 10 Years)**

Principal \$1,400,000  
Interest 452,900  
Premium Offset -88,517  
Total **\$1,764,383**

**\$11,000,000 Bond (Year 1 of 20 Years)**

Principal \$ 550,000  
Interest 631,263  
Total **\$1,181,263**

**\$13,769,315 Bond Anticipation Note (Due October 2006)**

Interest \$592,967  
Premium Offset -117,463  
Total **\$475,504**

## Minuteman Regional Vocational Technical School District

The proposed FY07 Budget for Minuteman Regional Vocational Technical School provides an increase in the assessment to Sudbury of 1.6% due to increased enrollment and an increase in Minuteman's overall budget of 2.8%. The FY07 overall budget is \$440,343 higher than FY06. The FY07 assessment for Sudbury is higher than last year's assessment by \$4,950.

	Appropriated FY05	Appropriated FY06	School Committee Vote FY07	FinCom Recommended FY07
<b>MINUTEMAN VOCATIONAL</b>				
Operating Budget Assessment	293,321	304,640	309,590	309,590
<b>Total: Minuteman Assessment</b>	<b>293,321</b>	<b>304,640</b>	<b>309,590</b>	<b>309,590</b>

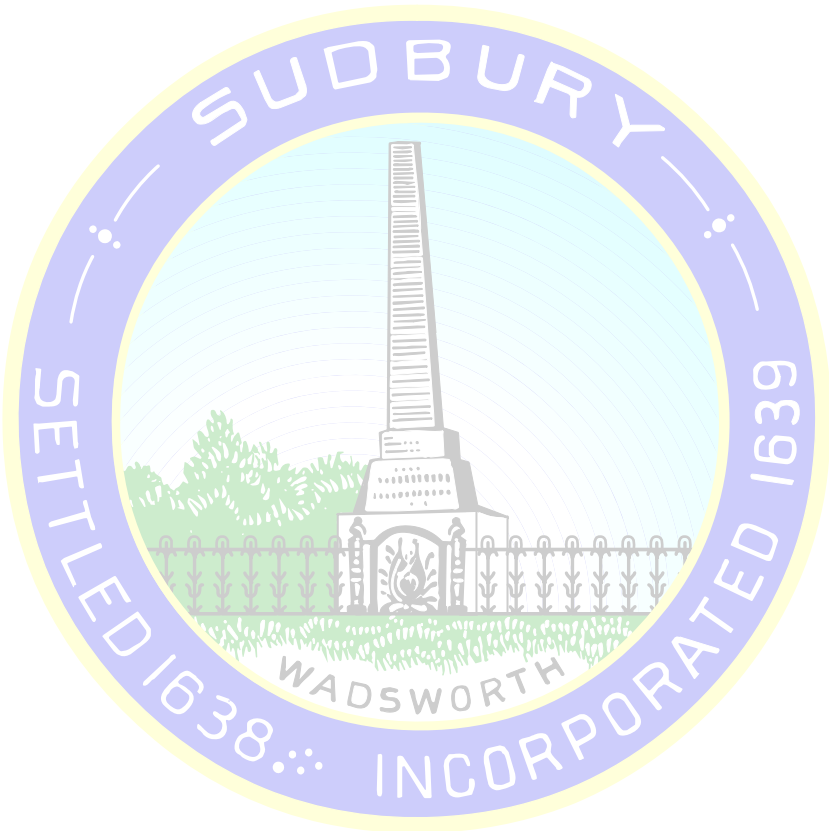
**Non-Residential Vocational Tuition and Transportation Costs for  
Sudbury Student Attending  
Out of District Vocational High School**

This budget is for one Sudbury student who has elected to attend a vocation high school other than Minuteman, and by state law, Chapter 74 section 7, 7c and 8a, the municipality where the student resides is required to pay the non-residential tuition and transportation costs. The projected cost for tuition is unknown at this time, but is projected at \$16,860 and transportation at \$28,640.

	Appropriated FY05	Appropriated FY06	Dept Request FY07	Town Mgr Rec. FY07
<b>Other Educational Assessments</b>				
Operating Budget Assessment	0	0	45,500	45,500
<b>Total Other</b>	<b>0</b>	<b>0</b>	<b>45,500</b>	<b>45,500</b>

# Section Eight

# CAPITAL INVESTMENT BUDGET



## CAPITAL INVESTMENT: DEBT SERVICE

### MISSION OF THE PROGRAM

Debt financing is the primary means of financing large capital projects in Sudbury. The use of debt allows the Town to afford the construction of large scale capital assets in a systematic and planned manner.

The mission of the Town as regards to debt management has five components:

1. To achieve the best possible true interest cost associated with the debt.
2. To maintain an amount of debt to be issued and retired each year that results in the impact on the tax rate that is fairly consistent year to year.
3. To maintain the AAA credit rating that was first issued to the Town in 2000 by Standard & Poor's of New York.
4. To keep the average weighted maturities of outstanding debt as low as possible, so as to hold down the amount of debt service that is allocated to interest costs, and to allow for the issuance of new debt as newly recognized capital needs emerge.
5. To integrate any borrowing authorized under the Community Preservation Act into the overall debt financing plans of the Town.

Please see the Board of Selectmen's Debt Policy and Capital Budgeting and Planning Policy beginning on page 11 of this document.

### DESCRIPTION OF SERVICES

This budget provides for the repayment of principal and interest on the Town's long-term general fund debt. (Debt service funded through the Community Preservation Act (CPA) is not considered part of the Town's annual budget, but is shown within the Community Preservation Committee submitted articles at Town Meeting). The Town does not issue any enterprise debt. All of Sudbury's non-CPA debt is exempt from the limits of Proposition 2 ½.

The Town issues debt pursuant to votes of Town Meeting to provide funding for major projects, in accordance with Massachusetts General Laws, Chapter 44, section 7 and 8. The maximum amount of debt for each project is authorized by Town Meeting, and then the Town Treasurer issues the bond after working with the Town Manager and the Town's Financial Advisor to design and structure the bond, and with the approval of the Board of Selectmen.

The General Debt Limit of a city or town consists of a Normal Debt Limit and a Double Debt Limit. The Normal Debt Limit is 5 percent of the valuation of taxable property as last equalized by the State Department of Revenue. The Town of Sudbury's EQV for 2005 was \$3,753,910,600. The normal debt limit (of 5% EQV) is therefore, \$187,695,530. As of June 30, 2005 the Town's permanent debt outstanding was \$50,700,000 or only 27% of the allowable normal debt limit.

A city or town can authorize debt up to this amount without State approval. It can authorize debt up to twice this amount (the Double Debt Limit) with the approval of the state Municipal Finance Oversight Board composed of the State Treasurer, the State Auditor, the Attorney General and the Director of Accounts.

There are many categories of general obligation debt which are exempt from and do not count against the General Debt Limit. Among others, these exempt categories include revenue anticipation notes and grant anticipation notes, emergency loans, loans exempted by special laws, certain school bonds, sewer bonds, and solid waste disposal facility bonds and economic development bonds supported by tax increment financing. As of June 30, 2005 the Town had \$31,140,900 in long-term debt outside the debt limit; all of which pertains to various school building projects for K-8.

The Town Treasurer has spent a great deal of time in debt issuance and management over the past six years, as the Town has approved a number of bond authorizations for school construction, land acquisition, and various other projects. Additionally, the Treasurer's Office has taken advantage of lower interest rates to refinance outstanding bonds at lower interest costs.

The Town also pays a prorated share of the debt service for bonds issued in connection with the Lincoln-Sudbury Regional School High School. The Regional School District issues and manages its own debt. Sudbury taxpayers will be expected to pay approximately 85% of that new debt, after grant reimbursements.

	Appropriated FY05	Appropriated FY06	Level Services Request FY07	Dept Request FY07	Town Mgr Recommended FY07
<b>DEBT SERVICE</b>					
Temp. Loan Int.	0	0	0	0	0
Long Term Bond Int.	2,024,574	2,009,344	1,752,208	1,752,208	1,752,208
Long Term Bond Principal	3,990,000	3,730,000	3,750,000	3,750,000	3,750,000
Interest Refund	0	0	0	0	0
Bond & Note Expense	0	0	0	0	0
<b>Total: Debt Service</b>	<b>6,014,574</b>	<b>5,739,344</b>	<b>5,502,208</b>	<b>5,502,208</b>	<b>5,502,208</b>
<b>NON-EXEMPT DEBT SERVICE</b>					
Premium on Bonds	0	0	10,743	10,743	10,743
Interest Refund (Abatements)	0	0	0	0	0
Note Expense	0	0	0	0	0
<b>Sub-Total: Non-Exempt Debt</b>	<b>0</b>	<b>0</b>	<b>10,743</b>	<b>10,743</b>	<b>10,743</b>
<b>EXEMPT DEBT SERVICE</b>					
Temp. Loan Int.	0	0	0	0	0
Long Term Bond Int.	2,024,574	1,859,344	1,741,465	1,741,465	1,741,465
Long Term Bond Principal	3,990,000	3,730,000	3,750,000	3,750,000	3,750,000
Bond & Note Expense	0	0	0	0	0
<b>Sub-Total: Exempt Debt</b>	<b>6,014,574</b>	<b>5,589,344</b>	<b>5,491,465</b>	<b>5,491,465</b>	<b>5,491,465</b>

<b>Issuance Date</b>	<b>Project</b>	<b>Expended FY04</b>	<b>Expended FY05</b>	<b>Scheduled FY06</b>	<b>Scheduled FY07</b>
2/15/1995	Nixon Addition	360,355	242,535	-	-
2/15/1995	Curtis School Roof	22,170	21,090	-	-
7/15/1997	Drainage	-	-	-	-
7/15/1997	Meachen Land, revoted	54,517	52,442	49,993	47,535
7/15/1997	Library	287,452	276,508	263,600	250,655
7/15/1997	Nixon Addition	198,862	191,298	183,649	175,917
7/15/1997	K-8 Renovations	238,858	229,757	217,749	205,773
7/15/1997	School Tennis Courts	396	381	364	345
6/1/1999	Weisblatt Land	303,813	296,048	288,282	280,517
6/1/1999	Meachen Land	434,672	423,187	411,703	400,218
12/1/2000	Curtis Middle School	2,622,130	1,615,251	1,224,879	1,179,535
12/1/2000	Haynes Elementary	932,264	571,504	434,346	418,415
10/1/2001	Loring Elementary	946,118	935,755	915,018	881,280
10/1/2001	Haskell Field	32,013	31,075	30,138	29,200
10/1/2001	Traffic Signal (Rt. 117)	19,568	19,005	18,443	17,880
10/1/2001	Walkways	88,625	80,625	77,813	-
10/1/2001	Featherland	31,437	25,500	24,750	24,000
10/1/2001	Feeley Field Restrooms	13,350	12,900	12,450	-
10/1/2001	Refunding 1992 Issue Unisys/Melone	152,238	148,038	143,838	134,725
4/1/2003	DPW	1,167,890	557,636	544,688	535,427
4/1/2003	K-8 Schools Remainder	-	114,215	111,563	110,323
2/15/2005	Curtis Refunding 2000 Issue	-	125,672	377,016	377,016
2/15/2005	Hayne Refunding 2000 Issue	-	44,155	132,465	132,465
6/15/2005	Weisblatt Land Refunding 1999 Issue	-	-	66,473	88,631
6/15/2005	Meachen Land Refunding 1999 Issue	-	-	48,136	64,181
6/15/2005	Capital Equipment/Renov.	-	-	156,244	148,169
<b>Total, Long-Term Debt (gross)</b>		<b>7,906,728</b>	<b>6,014,574</b>	<b>5,733,597</b>	<b>5,502,208</b>
Offsets: School Building Assistance		(3,127,433)	(2,816,206)	(2,816,206)	(2,816,206)
Offsets: Net premiums received on Debt		-	(12,621)	(11,678)	(10,743)
Add: Interest on Short-Term Borrowing		10,000	-	-	-
Add: L-S Exempt debt, Sudbury share		1,089,609	1,597,382	2,461,086	2,935,689
<b>Total: Exempt Debt to be Raised</b>		<b>5,878,904</b>	<b>4,783,129</b>	<b>5,366,798</b>	<b>5,610,947</b>
Total: School Debt		5,321,153	4,091,611	3,597,048	3,481,070
Total: Town Debt		1,640,335	1,003,248	1,128,124	1,005,330
Total: Non- School Land Acquisition		945,240	919,714	1,008,425	1,015,808
<b>Total: Long-Term Debt</b>		<b>7,906,728</b>	<b>6,014,574</b>	<b>5,733,597</b>	<b>5,502,208</b>

## CAPITAL INVESTMENT: ANNUAL CAPITAL BUDGET AND FIVE YEAR PLAN

### MISSION OF THE PROGRAM

For the Town of Sudbury to accomplish its mission of **Protecting Public Safety, Public Assets and a Special Quality of Life**, the Town and School departments need to have funds for acquiring, maintaining and replacing large items such as infrastructure, buildings, equipment and technology. The Annual Capital Budget is designed to be sure there is an orderly process for evaluating the Town's assets and their expected useful lives, projecting replacement costs, and assigning priorities among such projects when resources cannot fund all requested projects. Further, the Five Year Capital Plan is designed to insure that the Town develops annual operating and capital plans in awareness of and the long range needs and plans of the Town.

### DESCRIPTION OF SERVICES

The Annual Capital Budget and the Five Year Capital Plan are developed by the Town's Capital Improvement Planning Committee. A capital bylaw was adopted in 1998, created the seven member capital improvement planning committee, defined what items are to be considered capital, and set forth the capital improvement planning process.

Additionally in 2005, the Board of Selectmen approved a capital budgeting and planning policy that is meant to complement the capital bylaw and put it into a comprehensive policy framework. The Selectmen's entire budgeting and financial management policy statement is found in Section One of this budget document. The capital budgeting section is repeated below.

#### ***Capital Budgeting and Planning Policy***

*Capital assets include land, improvements to land, buildings, building improvements, vehicles, machinery, equipment, works of art and historical treasures, infrastructure, construction in progress and all other tangible and intangible assets that are used in operations and have initial useful lives extending beyond a single reporting period. Infrastructure assets are long-lived capital assets that normally are stationary in nature and can be preserved for a significantly greater number of years than most capital assets. Examples of infrastructure assets owned by the Town of Sudbury include roads, bridges, tunnels, dams and drainage systems. The Town of Sudbury has a capital planning and budget bylaw and process that require the following:*

- On or before November 15 of each year, the Town Manager will submit a capital program to the Capital Improvement Planning Committee. The proposed program will detail each capital project, the estimated cost, description and funding source.*
- The Town will update and readopt annually a five-year capital improvement plan ("CIP"), including the upcoming annual capital improvement budget ("CIB") and a four year projection of capital needs and expenditures which details the estimated cost, description and anticipated funding sources for capital projects.*
- The first year of the five year CIP will be the basis of formal fiscal year appropriation request during the annual budget process.*
- Per the Town's capital bylaw, the Capital Improvement Budget and Plan will generally address those capital purchases/projects/improvement with a value of more than \$10,000 and a useful life of over five (5) years.*
- The Town will emphasize preventive maintenance as a cost-effective approach to infrastructure maintenance. Exhausted capital goods will be replaced as necessary.*



- *The capital improvements plan should be tied to the Town's master facilities study to ensure that the capital items requested meet the future growth needs for the Town.*

## **STAFFING**

The Town's Finance Director is an ex-officio member of the Capital Improvement Planning Committee and provides technical advice and support to the committee.

## **FY07 GOALS AND INITIATIVES**

- Evaluate all operating capital requests and prioritize them to remain within the current funds available for FY07, estimated at \$285,000
- Determine if any capital requests have an alternative revenue source besides the operating budget
- Develop an overall FY07 Capital Plan showing all projects with associated funding sources identified
- Develop an appropriation article for presentation to the FY07 Annual Town Meeting

## **FY05/FY06 MAJOR INITIATIVES AND ACCOMPLISHMENTS**

- The operating capital budget for FY06 for \$273,000 was adopted by Town Meeting
- The debt exclusion capital budget article for FY06 for \$650,000 was adopted by Town Meeting and approved by voters at the Annual Town Election, allowing debt to be issued to support four major projects
- Adopted Budget and Financial Management Policies for the Town

## **BUDGET ISSUES**

All projects recommended for funding for FY07 fall into the category of **Operating Capital** and are recommended to be funded through the portion of the Operating Budget that is set aside for such projects. These funds requested, \$285,095 equal approximately 2.5% of the operating budget for the Town Departments. The CIPC had originally voted to submit projects totaling \$332,585, but the Finance Committee voted to recommend the lower amount of \$285,095.

The Capital Improvement Planning Committee was concerned about requesting funds for projects that would need the approval of voters to override Proposition 2 ½, whether for a debt exclusion, a capital exclusion or an operating override. Given the number of such projects approved by voters in the past few years for capital projects (see Appendix II for a history of such approvals), the CIPC were mindful that the Board of Selectmen and the Finance Committee had expressed the hope that all budgets would be able to be supported within the allowed revenues. Thus, for FY07, only projects that were reasonable to be included within the operating budget OR had their own source of financing (such as projects requesting funding through the Community Preservation Act surcharge) are included in this Capital Budget.

The CIPC approved projects are described below.

<b>FY07 CAPITAL BUDGET</b>	<b>CIPC Requested</b>	<b>Finance Committee Recommended</b>
1. Building Inspector – Various Town Building Improvements	\$71,895	\$71,895
2. Department of Public Works – Fleet Replacement Schedule	\$104,200	\$104,200
3. Recreation – Atkinson Pool Gutter and Safety measures	\$30,000	\$30,000
4. Information Systems-Permitting Software	\$40,000	\$40,000
5. SPS/Town Accountant-Human Resources/Payroll Software	\$9,000	\$9,000
6. Selectmen-New Postage Meter	\$15,000	\$15,000
7. Tax Collector-Tax Collection Software Purchase	\$62,490	\$15,000
<b>TOTAL</b>	<b>\$332,585</b>	<b>\$285,095</b>

1. Town Building Improvements. Most of the buildings that house our town offices, such as the Flynn Building, the Town Hall and the Loring Parsonage are historic buildings ranging in age from many decades to centuries old. They are in constant need of renovations and improvements in order to halt further deterioration and to provide safe and adequate space in which taxpayers can conduct business and in which town employees work. Some of the projects for which the Building Inspector has requested funds through this capital article include but are not limited to roofing, siding, structural repairs window replacement and HVAC upgrades. Additional funding may also be needed to supplement funds raised by last year's Town Meeting to replace the Fairbank Boiler. The CIPC has determined that attention to these aging buildings should be considered the highest priority in order to protect the town's assets with an eye to safety and efficiency. The Committee feels it is important to make an ongoing annual commitment to completing these long-delayed projects. This article only partially funds a long list of projects that have been delayed over the years, however, it does allow the Building Inspector to complete those he and the Town Manager have determined to be of the highest priority.
2. Fleet Replacement. The Department of Public Works has to replace vehicles on a schedule that maximizes the useful life of all of its fleet. Every time there is a delay in replacing aging rolling stock, there is a domino affect that can be costlier in the long run. The automobiles and small pickup trucks are often recycled to other departments in need of vehicles to conduct their business such as the building department or recreation. In the past several years the Town has been forced to acquire vehicles through lease purchases, which cost the town interest. This year, the DPW request includes only 1 vehicle to be funded through a lease purchase. This is a first step to eliminating this expense. The CIPC recommends funding in the amount of \$104,200 for four vehicles that top the DPW Director's

many needs. These include but are not limited to a pickup truck for Highway, a pickup truck and a trailer for Parks and Grounds and the first year on a Lease Purchase of a dump truck also for the Highway Department. Although these vehicles are specified here, CIPC believes the Director of the DPW and the Town Manager are in the best position to prioritize and determine throughout the year which vehicles on the very long list of older vehicles need replacement.

3. Pool Safety Improvements. The Director of Recreation has advised the CIPC that there is a safety issue at the Atkinson Pool that requires the replacement of the concrete and tile gutter surrounding the pool. This gutter system has been repaired in numerous areas, using shims and spacers and various temporary fixes in an attempt to replace lifting and broken tiles. Replacement of the gutter system will maintain this valuable asset and eliminate the risk of injury to pool patrons and employees.
4. Shared Permitting Software. Permitting software can provide almost every town department with a level of issuing, processing and tracking that is essential with the increasing activity in all permitting departments. The Technology Director and other department heads have been working together to determine the need of the Town offices and the applicants. Once installed, some of the features that the Town can look forward to are: automating the site plan and subdivision process, sharing permitting information between various town departments in real time, automated inspection scheduling and data entry in the field and automatic notification of status via e-mail. All of these features will expedite the process for the homeowner. There will also be expansion capability to add an on-line component that will allow the homeowner to apply and pay for simple permits via the Internet.
5. Human Resources Software. The Sudbury Public Schools and the Town Accountant's office have jointly requested funding to upgrade the Town's current financial software to include more functionality for time and attendance for school employees and personnel and human resources components for both town and school. Currently a separate system is used by the school department to track attendance data for their employees. This system is obsolete and unsupported. The town's current financial software with which the Accounting Office currently processes payroll for town and school employees can provide this function. Rather than purchasing a new and separate system, the schools can work with the payroll database which will be expanded to include HR and Personnel data not currently tracked. This will give both the town and the schools the reporting capability required by various federal and state agencies and will allow the calculation of accrued compensated absences as required by the auditors. Much of this information is in various databases in several offices throughout the town and school department. This enhancement will eliminate duplication of data entry and provide a powerful reporting tool for both the town and SPS. Automated calculation of salary changes tied to grids and job codes will eliminate time consuming manual calculations, allow decentralized payroll entry and provide a budgeting tool that will be useful to all departments and both cost centers.
6. Mandated Postage Meter. The purchase of a new Postage Meter is required in order to comply with a mandate by the USPS for digital inkjet metering by December 31, 2006.

7. Tax Collection Software. The Tax Collector has requested funds to purchase new tax collections software. Currently the 15 year old system that the Collector uses is a DOS based system for which there is limited documentation and is supported by one individual on the West Coast presenting a real risk in the event of a disaster. Only a handful of towns use this vendor for their tax collection needs. The program was purchased in the early 90s and offers very little in terms of reporting. It is not integrated with the general ledger which results in many hours of data entry that would be automated with an integrated system. The proposed collections package is provided by our current financial software vendor and will run on that system. It is widely used throughout the Commonwealth and in many other states. This software will allow the Collector and her staff to operate more efficiently and will provide better reporting of the data for the staff and to the taxpayer. There is potential expansion with this system that will provide Internet access to the Taxpayer for billing information and payment options.

The CIPC recommendation included the outright purchase of the tax collection software in FY07 for a cost of \$62,490 with an alternative plan for purchasing it through a Lease Purchase over a period of 5 years. The first payment of a Lease Purchase will be \$15,000. If purchased in this manner, there will be a commitment for annual lease payments that will be appropriated in subsequent capital budget articles rather than through the collector's operating budget.

## **FIVE YEAR CAPITAL PROGRAM**

The chart on the next page shows all capital projects identified by municipal departments over the next five years.

**Capital Requests Summary- FY2007-2011**

Dept											
ID No.	Department	Description	R/ NR	Priority	Priority	Total Proj.	FY2007	FY2008	FY2009	FY2010	FY2011
07-10	Accounting/School	Job Pay/HR/Personnel Conversion	NR	1	C	18,000	18,000				
03-21	Building	Police Station Roof	NR		B	18,000		18,000			
03-18	Building	Town Hall Bathrooms	NR		B	30,000			30,000		
03-24	Building	Senior Center Roof/Skylights	NR		B	40,000			40,000		
03-25	Building	Town Hall Boiler Replacement	NR		B	25,000					25,000
04-10	Building	Flynn Boiler Replacement	NR		B	23,000				23,000	
05-14	Building	Town Hall Roof (Clerk's Office)	NR		B	15,000		15,000			
05-15	Building	Atkinson Pool Roof & Gutters	NR		B	40,000				40,000	
05-16	Building	Town Hall Roof Repairs	NR		B	30,000				30,000	
05-17	Building	Flynn Painting	O		B	28,000		28,000			
06-19	Building	Fairbank Window Replacement	NR		B	30,000			30,000		
06-21	Building	Flynn Bldg Alarm Upgrade	NR		B	22,000		22,000			
07-11	Building	Various Bldg Improvements	R		B	165,000	30,000	30,000	35,000	35,000	35,000
07-12	Building	Flynn Basement Windows	NR		B	18,000	18,000				
07-13	Building	Town Hall Garage Doors	NR		B	15,000	15,000				
07-14	Building	Fairbank Boiler Replacement	NR		B	18,000	18,000				
07-15	Building	Loring Parsonage Restoration	NR		B	50,000	50,000				
07-31	Building	Flynn Building Roof Replacement	NR		B	29,000			29,000		
07-32	Building	Permit Software-Building Dept.	NR		C	10,000			10,000		
07-33	Building	Town Hall Painting	O		B	24,000		24,000			
07-34	Building	Flynn Architectural Proposals	NR		B	150,000					150,000
07-35	Building	Town Hall Windows 2nd Floor	NR		B	16,000					16,000
07-36	Building	Town Hall Fire Alarm Upgrade	NR		B	25,000					25,000
07-01	DPW	Unit 2 - 1998 GMC 3/4 Ton	R	1	B	30,000	30,000				
07-02	DPW	Unit 14- 1999 Chevy 1 Ton Platform I	R	7	B	46,000	46,000				
07-03	DPW	Unit 26 - 1997 Bobcat	R	8	B	40,000	40,000				
07-04	DPW	Unit PR-2 - 1998 Chevy 1 Ton Pickup	R	2	B	45,000	45,000				
07-05	DPW	Unit PR-5 - 1974 Fayette Trailer	R	4	B	6,000	6,000				
07-06	DPW	Unit 10 (LP)1985 Mack 10 Wheel	R	5	B	130,000	26,000	26,000	26,000	26,000	26,000
07-07	DPW	Unit 27-(LP) 1989 Mack Dump/Sande	R	9	B	116,000	23,200	23,200	23,200	23,200	23,200
07-08	DPW	Unit 3- (LP) 1987 Mack 6 Wheel	R	3	B	116,000	23,200	23,200	23,200	23,200	23,200
07-09	DPW	Unit 4- (LP) 1988 Mack 6 Wheel	R	6	B	116,000	23,200	23,200	23,200	23,200	23,200
07-37	DPW	Unit PR-4 - 2002 Chevy 3/4 Ton Pick-up	R		B	40,000					40,000
07-38	DPW	Unit 40 - 2002 Chevy 1 Ton Pickup	R		B	46,000					46,000
07-39	DPW	Unit 38 - 2002 Chevy 1 Ton Pickup	R		B	46,000				46,000	
07-40	DPW	Unit 37- 2001 Chevy 1 Ton Pickup	R		B	46,000				46,000	
07-41	DPW	Unit 23-1997 1 Ton Pick up	R		B	46,000		46,000			
07-42	DPW	Unit 28- 2001 Chevy 1 Ton Pickup	R		B	46,000			46,000		

**Capital Requests Summary- FY2007-2011**

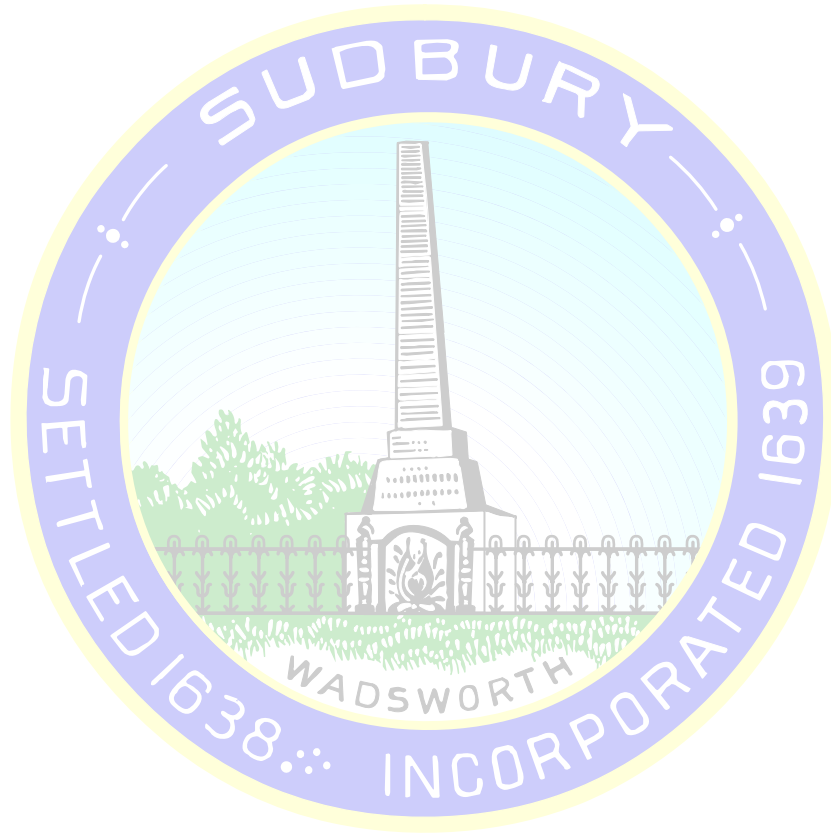
Dept											
ID No.	Department	Description	R/ NR	Priority	Priority	Total Proj.	FY2007	FY2008	FY2009	FY2010	FY2011
07-43	DPW	Unit PR-1 - 2001 Chevy 1 Ton Dump Truc	R		B	45,000		45,000			
07-44	DPW	PR-14 - 1974 Ford B1123C Tractor	R		B				45,000		
07-45	DPW	Unit 11 (LP) 1991 Mack Dump 6-Whl	R		B	116,000		23,200	23,200	23,200	46,400
07-46	DPW	Unit 19 (LP) 1991 GMC Top Kick	R		B	100,000		20,000	20,000	20,000	40,000
07-47	DPW	Unit 20 (LP) 1992 Mack Sander	R		B	116,000		23,200	23,200	23,200	46,400
07-48	DPW	Unit 24 (LP) 1989 Mack 4 WD	R		B	130,000		26,000	26,000	26,000	52,000
07-49	DPW	Unit 33 - 1988 Bombardier	R		B	115,000	0		23,000	23,000	69,000
06-005	Fire	Fire Engine 1 replacement	NR		A	375,000	375,000				
03-015	Fire	Station 3 Roof	NR		B	80,000	80,000				
03-011	Fire	Fire Captain's Car	NR		A	45,000	45,000				
06-007	Fire	HQ Bathroom Floor	NR		B	10,000	10,000				
06-008	Fire	Station 2 bathroom replacement	NR		B	20,000	20,000				
06-009	Fire	Station 3 bathroom replacement	NR		B	20,000	20,000				
06-010	Fire	Station 2 bedroom alteration	NR		B	50,000	50,000				
06-011	Fire	Station 3 bedroom alteration	NR		B	50,000	50,000				
06-012	Fire	Fire Engine 7 replacement	NR		A	45,000	45,000				
07-50	Fire	Fire Chief's Car (Assistant)	NR		A	48,000	48,000				
06-013	Fire	Fire Engine 3 replacement	NR		A	400,000		400,000			
06-014	Fire	Station 2 window replacement	NR		B	50,000		50,000			
06-015	Fire	Station 3 window replacement	NR		B	50,000		50,000			
05-013	Fire	Ambulance	NR		A	175,000		175,000			
06-016	Fire	Phone System	NR		B	50,000			50,000		
06-017	Fire	Drill Yard/Pump Pit/Storage/Museum	NR		B	150,000			150,000		
07-51	Fire	Fire Engine 2 replacement				420,000				420,000	
07-52	Fire	Headquarters Roof				60,000				60,000	
07-53	Fire	Fire Chief's Car				52,000				52,000	
07-16	Historical Comm.	Metal Cemetery Fencing	NR		B	150,000	150,000				
07-17	Historical Comm.	Hearse House Renovation	NR		B	20,000	20,000				
07-54	Historical Comm.	Loring Parsonage	NR		B	100,000		100,000			
05-08	Library	Self-Checkout& Security	NR			75,000		35,000	40,000		
04-11	Library	Replacing Carpet		B		82,000			82,000		
04-12	Library	Paint Library Interior		B		28,000			28,000		
07-18	MIS	GIS Data Development / Consulting	NR		A	226,000	66,000	125,000	18,000	10,000	7,000
07-19	MIS	GIS Application Development	NR		A	123,000	15,000	65,000	43,000		
07-20	MIS	GIS Hardware	NR		A	54,500	24,500	18,000	12,000		
07-21	MIS	GIS Software / Training	NR/R		A	65,000	24,000	10,000	10,000	10,500	10,500
07-22	MIS	Permitting Software	NR		C	40,000	40,000				
07-23	Park & Recreation	Replace Starting Platforms	NR		A	13,500	13,500				
07-24	Park & Recreation	Replace Gutter System	NR		A	0					

Capital Requests Summary- FY2007-2011

Dept											
ID No.	Department	Description	R/ NR	Priority	Priority	Total Proj.	FY2007	FY2008	FY2009	FY2010	FY2011
07-25	Planning	Walkways	NR		A	500,000	100,000	100,000	100,000	100,000	100,000
07-26	Selectman/Town Mgr.	Postage Meter	NR	1	A	15,000	15,000				
07-27	Selectman/Town Mgr.	Town Centre Plan	NR	2	A	50,000	50,000				
07-28	Selectman/Town Mgr.	Police Station	NR	3	D	3,175,000	3,175,000				
07-55	Selectman/Town Mgr.	Town Hall Offices	NR	4	D	6,280,000			6280000		
07-29	Treasurer/Collector	Munis Tax Applications Module	NR		C/D	62,490	62,490				
07-30	School	Requisitions Module	NR		C	14,560		14,560			
						15,281,050	4,892,090	1,475,560	7,189,000	990,500	778,900

# Section Nine

## APPENDICES





## APPENDIX ONE: BUDGET TERMS AND DEFINITIONS

**Abatements and Exemptions (previously called Overlay):** An amount set by the Assessors to create a fund to cover abatements of (and exemptions from) real and personal tax assessments for the current year, and raised on the tax levy. An Abatement is a reduction provided by the Assessors in the assessed tax because of bonafide specific conditions or situations not considered when the tax was levied. An exemption is provided for a variety of purposes, which include, but are not limited to: buildings/property used for religious, government, charity, or pollution control. In addition, exemptions may also be provided to the elderly, handicapped, and veterans under certain conditions.

**Abatement Surplus:** Accumulation of the surplus amounts of Abatements and Exemptions set aside by the Assessors each year to cover abatements of (and exemptions from) real estate and personal property tax assessments. The accumulated amount for previous years no longer committed for abatements may be used by vote of the Town Meeting.

**Cherry Sheet:** An annual statement received from the Department of Revenue detailing estimated receipts for the next fiscal year from the various state aid accounts as well as estimated state and county government charges payable to the state. The name "Cherry Sheet" derives from the color of the paper used.

**Cost Center:** The three major governmental entities funded by the operating budget – the Town of Sudbury Operating Departments, the Sudbury Public Schools, and the Lincoln-Sudbury Regional High School – which together account for \_\_\_ % of the annual operating budget.

**Debt Exemption:** An override to Proposition 2 ½ for the purpose of raising funds for debt service costs.

**Enterprise Fund:** A separate fund, set up to provide a specific Town service, whereby all direct and indirect/overhead costs of providing the service are funded in total from

user charges. An appropriation for an enterprise fund is funded in total from enterprise fund revenue unless otherwise noted. Enterprise fund revenue used to fund services provided by other Town departments will be shown in the warrant after the appropriation total for the department. An enterprise fund is required to fully disclose all costs and all revenue sources needed to provide a service.

**Free Cash:** Free cash is the available, undesignated fund balance of the general fund and is generated when actual revenue collections are in excess of estimates, when expenditures are less than appropriated, or both. A free cash balance is certified as of July 1 each year by the Department of Revenue and once certified, any or all of the certified amount may be used to defray Town expenses by a vote of the Town Meeting.

**Funding Sources for Expenditures:** Authorizations for the Town to expend monies are made in the form of a motion at Town Meeting. The wording of the motions will specify the funding source; that is, the place from where money is going to come or will be raised. When a motion reads, "to appropriate a sum of money" without a source being identified, that amount will be included in the tax calculation, whereby the total of all sums to be appropriated will be reduced by an estimate of local and state revenue. The balance needed will be provided by property taxes. When items in the warrant are offset or raised from available funds, those items will also appear as offsets in the determination of the tax rate.

**Levy Limit:** The maximum amount a community can levy in any given year.

**Local Receipts:** This is the third largest source of revenue for the Town after property taxes and Cherry Sheet receipts. While it is comprised of a number of different items, the largest source is the auto excise tax.

**New Growth:** Proposition 2 ½ allows a community to increase its levy limit annually by an amount based upon the valuation of certain new construction and other growth in the tax base that is not the result of property revaluation. New growth becomes part of the levy limit and thus increases at the rate of 2.5% each year as the levy limit increases.

**Override:** An override is passed by a majority vote at Town Meeting and at the ballot. There are three types of overrides: An Operating Override, which permanently increases the levy limit; a Debt Exclusion, which increases the levy limit only for the life of the debt; and a Capital Project Override, which increases the levy only for the year in which the project is undertaken.

**Proposition 2 ½:** A Massachusetts General Law enacted in 1980 to limit property taxes.

**Revolving Fund:** Funds that may be used without appropriation and that are established for special uses. Recreation fees, for example, may be paid into a revolving fund. Revolving funds are established by state law or Town bylaw.

**Reserve Fund:** An amount appropriated by the Annual Town Meeting for emergency or unforeseen purposes. The Finance Committee, by state law, is the sole custodian of the Reserve Fund and approves transfers from the Fund into the operating budgets throughout the year if: (1) the need for funds is of an emergency and/or unforeseen nature, and (2) if, in the judgment of the Finance Committee, the

Town Meeting would approve such an expenditure if such a meeting was held. The Reserve Fund is, therefore, a mechanism for avoiding the necessity of frequent Special Town Meetings.

**Stabilization Fund:** Similar to a "savings account", this account has been used to fund large capital projects such as fire trucks and school roofs. A recent amendment to state law allows the Stabilization Fund to be used for the operating budget, as well as capital purchases; however, the Finance Committee would generally be reluctant to recommend doing so. Placing money into this fund requires a majority vote of Town Meeting while withdrawing from the Stabilization Fund requires a 2/3 vote of Town Meeting.

**Tax Levy:** The property tax levy is the revenue a community can raise through real and personal property taxes. In Massachusetts, municipal revenues to support local spending for schools, public safety, general government and other public services are raised through the property tax levy, state aid, local receipts and other sources. The property tax levy is the largest source of revenue for most cities and towns.

**Unclassified Operating Expenses:** This account in the general government section of the budget is comprised primarily of operating expenses such as postage, telephone and property liability insurance, that support townwide operations and are not assigned to any one department or cost center.

## APPENDIX TWO: HISTORY OF PROPOSITION 2 ½ OVERRIDES

HISTORY OF APPROVED OPERATING OVERRIDES FY1991 - FY2006							
Date of Ballot	Year Funded	SPS	LS	Stabilization	Town	Capital	TOTAL
May-90	FY 91	\$250,000	\$135,000	\$0	\$175,000	\$0	\$560,000
		44.64%	24.11%		31.25%		100.00%
May-91	FY 92	\$150,000	\$100,000	\$0	\$65,000	\$0	\$315,000
		47.62%	31.75%		20.63%		100.00%
May-98	FY 99	\$592,250		\$0		\$0	\$592,250
		100.00%					100.00%
Mar-00	FY 01	\$1,034,659	\$333,139	\$200,000	\$173,148	\$0	\$1,740,946
		59.43%	19.14%	11.49%	9.95%		100.00%
May-01	FY02	\$337,712	\$371,972	\$0	\$309,136	\$0	\$1,018,820
		33.15%	36.51%		30.34%		100.00%
Mar-02	FY 03	\$1,599,687	\$575,100	\$0	\$757,208	\$68,000	\$2,999,995
		53.32%	19.17%		25.24%	2.27%	100.00%
Mar-05	FY06	\$1,147,940	\$1,122,950	\$0	\$699,800	\$79,310	\$3,050,000
		37.64%	36.82%		22.94%	2.60%	100.00%
	<b>Total</b>	<b>\$5,112,248</b>	<b>\$2,638,161</b>	<b>\$200,000</b>	<b>\$2,179,292</b>	<b>\$147,310</b>	<b>\$10,277,011</b>
		49.74%	25.67%	1.95%	21.21%	1.43%	100.00%
HISTORY OF APPROVED DEBT and CAPITAL EXCLUSIONS FY1991 - FY2006							
Yr of Ballot	SPS Debt	LS Debt	Land Acquisition Debt	Town Debt	Capital Exclusions	TOTAL	
FY 91		\$0	\$1,000,000	\$0	\$0	\$1,000,000	
			100.00%			100.00%	
FY 92	\$0		\$1,000,000	\$0	\$0	\$1,000,000	
			100.00%			100.00%	
FY 93	\$0	\$2,134,424	\$0	\$0	\$0	\$2,134,424	
		100.00%				100.00%	
FY 94	\$5,451,000	\$0	\$0	\$399,000	\$0	\$5,850,000	
	93.18%			6.82%		100.00%	
FY 95	\$0	\$0	\$0	\$2,900,000	\$0	\$2,900,000	
				100.00%		100.00%	
FY 96	\$2,650,000	\$0	\$0	\$0	\$0	\$2,650,000	
	100.00%					100.00%	
FY 97	\$43,604,000	\$0	\$0	\$168,500	\$0	\$43,772,500	
	99.62%			0.38%		100.00%	
FY 98	\$0	\$0	\$8,690,000	\$0	\$0	\$8,690,000	
						0.00%	
FY 99	\$0	\$1,500,000	\$315,000	\$0	\$782,500	\$2,597,500	
						0.00%	
FY 00	\$0	\$0	\$2,550,000	\$345,000	\$0	\$2,895,000	
						0.00%	
FY 01	\$0	\$68,500,000	\$0	\$5,273,800	\$0	\$73,773,800	
		92.85%		7.15%		100.00%	
FY02	\$0	\$3,900,000	\$0	\$0	\$0	\$3,900,000	
		100.00%				100.00%	
FY 05	\$0	\$0	\$0	\$650,000	\$0	\$650,000	
	0.00%	0.00%		100.00%		100.00%	
FY 06	\$0	\$0	\$0	\$0	\$0	\$0	
						0.00%	
	<b>Total</b>	<b>\$51,705,000</b>	<b>\$73,900,000</b>	<b>\$13,555,000</b>	<b>\$9,736,300</b>	<b>\$782,500</b>	<b>\$149,678,800</b>
		34.54%	49.37%	9.06%	6.50%	0.52%	100.00%

**APPENDIX THREE: RESIDENTIAL TAX RATE HISTORY**

Residential Tax History Fiscal Year 1990 to 2005							
Fiscal Year	Residential Single Family Total Assessments	Number of Parcels	Average Single Family Value	RES Tax Rate	AVG RES Tax Bill	% CHG	Dollar CHG
1990	1,302,628,200	4,520	288,192	10.89	3,138		
1991	1,323,230,000	4,566	289,801	11.63	3,370	7.4%	\$232
1992	1,241,700,300	4,566	271,945	13.72	3,731	10.7%	\$361
1993	1,190,625,300	4,649	256,104	15.51	3,972	6.5%	\$241
1994	1,233,137,800	4,747	259,772	16.15	4,195	5.6%	\$223
1995	1,361,909,400	4,796	283,968	15.68	4,453	6.1%	\$257
1996	1,487,096,700	4,888	304,234	15.46	4,703	5.6%	\$251
1997	1,517,457,600	4,947	306,743	16.04	4,920	4.6%	\$217
1998	1,659,200,000	5,019	330,584	15.97	5,279	7.3%	\$359
1999	1,708,552,900	5,102	334,879	16.30	5,459	3.4%	\$179
2000	1,847,614,400	5,141	359,388	16.66	5,987	9.7%	\$528
2001	2,214,314,100	5,192	426,486	15.56	6,636	10.8%	\$649
2002	2,266,552,600	5,235	432,961	17.09	7,399	11.5%	\$763
2003	2,519,772,500	5,251	479,865	16.78	8,052	8.8%	\$653
2004	3,155,094,700	5,292	596,200	13.46	8,025	-0.3%	(\$27)
2005	3,194,012,600	5,307	601,849	13.46	8,101	0.9%	\$76
2006	3,734,317,130	5,332	661,000	13.55	8,897	10.9%	\$872

## APPENDIX FOUR: POPULATION HISTORY

TOWN OF SUDBURY POPULATION 1790 TO 2005			
YEAR	POP	YEAR	POP
1790	1,290	1970	13,350
1800	1,303	1971	13,882
1810	1,287	1972	14,460
1820	1,417	1973	14,872
1830	1,423	1974	15,047
1840	1,422	1975	15,092
1850	1,578	1976	14,923
1855	1,673	1977	15,047
1860	1,691	1978	14,930
1875	1,177	1979	15,023
1880	1,178	1980	14,972
1885	1,165	1981	14,726
1890	1,197	1982	14,599
1895	1,141	1983	14,548
1900	1,150	1984	14,444
1910	1,120	1985	14,242
1915	1,206	1986	14,395
1920	1,121	1987	14,561
1925	1,394	1988	15,390
1930	1,182	1989	15,662
1935	1,638	1990	15,800
1940	1,754	1991	14,891
1945	2,051	1992	14,543
1948	2,241	1993	15,325
1949	2,431	1994	15,713
1950	2,597	1995	15,510
1951	2,733	1996	16,079
1952	2,898	1997	16,542
1953	2,946	1998	16,923
1954	3,415	1999	16,532
1955	3,646	2000	16,929
1956	4,251	2001	17,245
1957	5,204	2002	17,423
1958	5,793	2003	17,678
1959	6,592	2004	17,925
1960	7,450	2005	<b>18,107</b>
1964	10,492	2006	
1965	10,894	2007	
1966	11,275	2008	
1967	11,869	2009	
1968	12,200	2010	
1969	12,823	2011	

## **APPENDIX FIVE: TOWN ENERGY MANAGEMENT PROGRAM (draft)**

**Selectmen's Goal: Examine ways for the Town to be more fuel and energy efficient.**

Reasons to be more energy efficient:

1. prevents waste
2. cost of utilities is climbing and consuming more of our limited budgets
3. helps the environment when we use less fossil fuel

Well before Hurricane Katrina hit, or gasoline prices rose this summer, the Board of Selectmen asked the Town Manager and Town department heads to look into what could be done to reduce energy costs, or at least try to minimize how much more of the Town's budget will be spent on energy costs in the future. I have been working with department heads to evaluate what we are already doing, what more can be done, and what areas hold the most promise.

First, in background, we believe the Town of Sudbury spent about \$1.2 million on energy related costs in FY05, with the Town offices accounting for about \$335,000 of this (approximately 27%), Sudbury Public Schools accounting for the rest. This is down from \$351,000 slightly for town buildings in FY04. These are just approximate numbers – we pay many different vendors and had not previously coded these costs to roll up to a total. We will use a new coding system to help us track better for the future.

The first thing I found when looking at this issue is how much Town staff has already done and continues to work on to analyze and reduce energy costs in Town buildings over the past few years. Jim Kelly and Art Richard have systematically looked at all the ways that the Town buildings could be improved for energy use reduction, and put in place those improvements they could do within the limited maintenance budget we allocate for that use.

The Town's Energy Management Program reflects what we have been doing and will be continuing to do as what more we believe we can be doing in the Future. This Energy Management Program is draft at this time, but this is the framework we will be working within as we continue on this goal.

## **Town of Sudbury Energy Management Program**

There are three primary components of our Energy Management Program. Each is described below.

### **I. Consumption Management**

- a. We will use operations and maintenance best practices
- b. We will continue to do bill analysis and look for savings opportunities
- c. We will continue to use programmable thermostats and control the settings
- d. Where it makes sense for safety and energy management reasons, lights will be put on motion activators and timers
- e. We will continue and enhance the training and guidelines given to staff on best uses and choices. For example:
  - i. Turning off lights and equipment when not using
  - ii. Not pushing up the heat for one person
  - iii. Restricting the use of one person heaters
- f. We will continue developing ideas for dealing with the buildings we have. Factors that make it very challenging to conserve energy:
  - i. Old drafty buildings – not built with conservation in mind
  - ii. Old heating systems – Flynn, Police Station, Fairbank
  - iii. Old windows – Flynn Building, Fairbank
  - iv. Some buildings are used 24/7, do not have an “unused” time in day
    1. Fire, Police
  - v. Some buildings are used long hours of the day
    1. Library, Pool
  - vi. Some buildings are used by the public for meetings
    1. Town Hall, Fairbank Center, Flynn Building, Library

### **II. Facility Assessment and Improvements**

- a. Already done:
  - i. Purchased street lights – estimate savings at least \$20K in FY06, could be more
  - ii. We have retrofitted older buildings with insulation
  - iii. We have replaced windows in Town Hall and most of Flynn Building, Atkinson Pool
  - iv. We have done energy audits in some buildings and made recommended improvements (Fire Station)
  - v. We have put in all new energy efficient light bulbs in the Park and Recreation and Atkinson Pool areas
  - vi. We have put in LED in our traffic signals which use less energy
  - vii. We have some new construction – Library and DPW building – which are designed more efficiently
- b. Improvements in progress
  - i. We have asked Keyspan to conduct energy audits on buildings
  - ii. We have asked for money to replace the boilers in Fairbank building – could recoup our expenses through our savings very quickly on this project
  - iii. We continue to examine lighting in buildings for savings possibilities
- c. Improvements we plan to make
  - i. Build a new Police Station – construct new with conservation in mind. This is one of the worst buildings for energy loss
  - ii. Replace the rest of the windows in Flynn Building
  - iii. Replace windows in Fairbank

### **III. Procurement of energy supply**

- a. Electricity
  - i. We began bidding for electric supply with other towns several years ago – Jan, Jim Kelly and Maureen participate in this, along with SPS Business Manager Mary Will
  - ii. Currently we are paying 5.55 cents per therm. At the time we locked that rate in three years ago, that was market rate, so no real savings in the first year. But today, for the November – January period, NSTAR is charging customers of our size 9.6 cents. Jan estimates that for this calendar year, we are probably saving \$125,000 because we bid and locked in this rate two years ago. Next year we stand to save roughly \$225,000 if prices stay high, as our 5.55 cent rate continues through calendar 2006. (Because we bid for SPS too, they get 75% of the savings, but the taxpayers get it all).
  - iii. We have recently locked in a price that will go into effect at the end of 2006. We went out to bid 5 times over the last 5 months, carefully watched the trends, and finally decided to lock in at a rate that is comparable to October market rate for NSTAR default customers. But our best expectations is that energy costs will continue to climb and two years from now we will be happy that we secured a constant supply at a set rate.
  - iv. We did adopt the green certificate. Small percent higher to use more environmentally safer energy supply
- b. Natural Gas.
  - v. Now looking at our natural gas contract. Current contract lapses in August of FY06.



## APPENDIX SIX: THE C.A.R.E PROGRAM

**To:** Board of Selectmen  
Finance Committee

**From:** Maureen G. Valente, Town Manager  
Senior Management Team – Police Chief Fadgen, Fire Chief MacLean, DPW  
Director Place, Planning Director Kablack, Finance Director Petersen,  
Assistant Town Manager/Personnel Director Walker

**Subject:** The C.A.R.E. Program: Cost Avoidance and Revenue Enhancement Efforts  
by the Town Government

Attached is a report that the Senior Management Team and I have developed to inform the Board of Selectmen, the Finance Committee, and the community at large about the many steps Town staff have taken to enhance revenues, and to avoid costs that otherwise divert resources away from core services. When you add up these efforts, they result in significant dollar savings. Section One looks at Cost Avoidance and Reduction efforts. Section Two addresses Revenue Enhancement efforts.

The last section of the report contains ideas that have not been studied by staff as yet, but we believe hold promise for becoming part of our C.A.R.E. program. We are including them so that the Board of Selectmen and Finance Committee can begin thinking about them philosophically, before staff puts in time and effort toward exploring these ideas further. We welcome suggestions from Selectmen, Finance Committee members, Town staff and residents of Sudbury community on other ideas for cost avoidance and revenue enhancement you may have that we can add to this list. <sup>1</sup>

Please note that I have not listed the number one way we have worked to reduce costs, and that is by maintaining our AAA credit rating.

### Principles of the C.A.R.E. Program

1. There are no “sacred cows”. Town staff will consider all alternatives to current business practices if they seem likely to reduce costs, or enhance revenues, without sacrificing any of the values articulated by the Board of Selectmen.
2. Town staff is viewed as key tools needed for the achievement of quality, revenue enhancement and cost containment efforts.
3. Town staff will rely on proven “best practices” for management operations and decisions. We are committed to continuously striving to improve the quality and efficiency of municipal services.
4. A return on investment mentality will be used in our decision making. We will examine both the short and long term costs and implications of implementing any changes.
5. The job of C.A.R.E. is never done. All programs and decisions will be re-visited periodically to look for opportunities.
6. Tools such as benchmarking and performance measurement will be used to assist in assessing effectiveness and efficiency.

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<sup>1</sup> Note the items in the C.A.R.E. program relate to efforts that are primarily management in nature, and are NOT items that are more properly within the realm of policy decision-making of the Board of Selectmen.

## **The Sudbury C.A.R.E. PROGRAM: Cost Avoidance and Revenue Enhancement**

### I. Cost Avoidance Efforts

#### Effort #1: Debt Refinancing

The Town has refinanced outstanding debt twice in the past 24 months to take advantage of lower interest rates. We conducted an advance refunding of \$4,350,000 in June 2005 and an advance refunding of \$13,400,000 in January 2005 to take advantage of lower interest rates.

- a. Estimated savings over the life of these bonds: \$787,000

#### Effort #2: Purchase of Street Lights

The Town purchased street lights from NSTAR and bid out their maintenance. We achieved cost reductions by ending maintenance payments to NSTAR and instead competitively contracting out the maintenance. An additional advantage of this effort is better maintenance and repair of street lights than NSTAR had provided

- a. Estimated annual savings: \$29,000
- b. Estimated savings over five years: \$145,000.

#### Effort # 3: Streamlined Tax Payment Processing

After the Town reduced the staffing in the Tax Collectors' office by ½ positions, we put in place or enhanced our use of technology or other approaches to enable us to continue processing payments without increased delays. We have added an on-line payment option, enhanced the use of a lockbox outsourcing service and we provide automated files to mortgage services so they can post payments to our system. We have also added a tax drop box outside the building and begun a listserve option so that taxpayers can sign up to know when bills are mailed and due. All this makes it possible to provide the same high level of service even with a staff reduction.

- a. Estimated annual savings from reducing by ½ position: \$14,000
- b. Estimated savings over five years: \$70,000

#### Effort # 4: Energy Management Program

Per the direction of the Board of Selectmen, Town staff has spent considerable time investigating and implementing various energy management steps. A description of these efforts is found in Appendix 4 of the FY07 Town of Sudbury Annual Budget and Financing Plan, entitled **Energy Management Program**.

- a. Estimated annual savings from purchasing of energy supplies: \$125,000 for calendar 2005, \$225,000 for calendar 2006
- b. Estimated savings over five years: Uncertain, depends on future energy costs

#### Effort # 5: Vehicle/Fleet Management Program

The Town has not purchased any new automobiles except for police and fire departments, in several years. Instead, we began a program of retaining and "passing down" detective cars and fire command SUVs to other departments after 4 – 5 years use. Departments which are assigned one of these used vehicles include: Engineering (2 vehicles), Building Inspector (2 vehicles), Assessors Office (1 vehicle), Technology Administrator (1 vehicle), Building Maintenance (2 Vehicles), and Dog Officer (1 vehicle).

- a. Annual cost to the Town for one of these vehicles is estimated at \$2,080: \$500 for insurance + \$1080 for gasoline+ 500 for parts/repair.
- b. Annual cost for reimbursing employee for using personally owned vehicle could exceed \$3,200 per employee (Assume use 240 days/year, 30 miles per day, mileage reimbursement rate of \$.445 per mile)
- c. Estimated annual savings for retaining and using 9 vehicles rather than reimbursing for personal vehicles: \$10,000

- d. Estimated savings over five years: \$50,000

#### Effort # 6: Regional Purchasing Programs

The Town has entered into three different regional purchasing efforts in the past two years. Regional approaches to bidding and purchasing has many advantages. It reduces administrative costs because only one bid is developed and overseen. Preparing bid specifications, advertising, answering questions of potential bidders, etc. is very time consuming. The savings quoted below do not include those staff costs which are avoided, only the direct costs, but the time savings are important to consider as well. Also, bidders are often more aggressive in reducing their proposed price in the hopes of landing larger book of business.

- a. Ambulance Billing – Fire Chiefs in the area worked together to develop an overall bid for billing for ambulance services. The rate for ambulance billing went from 6.5% to 4%, saving about \$7,500 annually, or \$37,500 over five years.
- b. Office Supplies – The Town Managers in this area group bid office supplies and received a discount over catalog price of 80%.
- c. Police vehicles – Police Chiefs in this area worked together to develop overall bids for police vehicles. Average price per vehicle went from \$24,000 to \$22,478, a savings of \$1,588 per vehicle or \$7,710 annually. Five year savings estimate: \$38,050.

#### Effort # 7: Self insuring for unemployment compensation

The Town annually re-evaluates the savings possible from self insuring for unemployment compensation.

- a. Current amount Town budgets is \$39,000
- b. Alternative is to pay annual premium of 1% of annual payroll, which for calendar year 2005, gross payroll total for SPS plus Town was \$28,575,304 so 1% is approximately \$285,753.
- c. Estimated annual savings: \$285,753
- d. Estimated savings over 5 years: \$1,428,000

#### Effort # 8: Contracting out cleaning services

- a. Town has contracted out cleaning services for town buildings
- b. Estimated annual savings: \$14,000
- c. Estimated savings over 5 years: \$70,000

#### Effort # 9: Switching to bi-weekly payroll for all employees

- a. State law does not allow any less frequent payment, such as monthly
- b. Reduces administrative and banking costs for not running weekly payrolls
- c. Estimated annual savings: \$15,000
- d. Estimated savings over 5 years: \$75,000

#### Effort # 10: Join the MIIA Rewards Program for Worker's Compensation, Property and Liability Insurance

The Town belongs to a collaborative formed by the Massachusetts Municipal Association, known as the Massachusetts Interlocal Insurance Association. We achieve better coverage at a lower price through participation in MIIA, and we receive financial rewards for taking actions that result in lower claims.

- a. Estimated annual savings: approximately \$8,800 in credits
- b. Estimated savings over 5 years: \$44,000

#### Effort # 11: Leasing Town owned office building

The Town owns the Loring Parsonage, which is no longer needed as a Town office building. The Town has leased this building to the Sudbury Foundation on a short term basis, and under the lease the Foundation pays all the utilities. The Selectmen and Town Manager will be working with others to determine the long term uses for the Parsonage, with a goal to have its annual operating costs NOT be carried on the tax levy unless it is being used for a town office building again.

- a. Estimated annual savings: \$18,162
- b. Estimated savings over 5 years: unknown as current lease arrangement is only for two years.

Effort # 12: DPW Reorganization

The Town has reorganized and streamlined DPW operations and personnel, pursuant to the Town Manager Act. This reorganization allows the Town to have two fewer high level supervisory positions, and we have instead added two equipment operators. These positions would have needed to be added to cope with the growing work load. This has also contributed to higher productivity in the face in growing demands for services from residents. Quantifiable savings are as follows:

- a. Estimated annual savings of funding two equipment operators out of eliminated supervisory positions: \$40,000 (difference between supervisory salary and equipment operator salary)

## II. Revenue Enhancement Efforts

### Effort # 1: Annually evaluate fees charged by Town of Sudbury

Town staff annually evaluates the amount and nature of the fees that are charged for services that directly benefit individual users rather than the public at large. Where the intent of the fee is to cover 100% of the cost of the service, it is necessary to make periodic adjustments in the amount of the fee as Town costs rise. The Town has increased several fees, including fees in the Town Clerk's office, ambulance transport fees and advance life support reimbursement fees, among others.

For FY06, the Selectmen voted to establish a new burning permit fee. For this new fee alone:

- a. Estimated annual revenue generated: \$10,000
- b. Estimated revenue over 5 year period: \$50,000
- c. Fee will be set up as revolving fund to cover costs of building an on-line system for obtaining the burning permit, and communicating with permit holders on safe use of the permit (e.g. daily conditions).

### Effort # 2: Use Town owned assets to generate income

There are two major efforts here: leases from cell towers and selling of gravel from the Town's gravel pit.

- a. Cell tower leases:
  - a. Town leases town owned land for cell towers.
  - b. Estimated annual revenue generated: \$120,000
  - c. Estimated revenue over 5 year period: \$600,000
- b. Gravel sales.
  - a. Town works with buyers of gravel (borrow) to supply as needed
  - b. Revenue generated to General Fund annually: \$100,000
  - c. Revenue generated to General Fund over 5 year period: \$500,000

### Effort # 3: Town is looking to sell non-developable land to interested parties

There are a number of small parcels of land in Town which are too wet or nonconforming to be developed and owners have stopped paying taxes on. The Town can take these parcels for nonpayment of taxes, and then sell them to interested parties. Negotiations are in progress with Federal government, with abutters and any others who might be interested in purchasing these from the Town if we do the work to take title to them. The process is cumbersome, time consuming and expensive to foreclose or do a land of low value taking but if we know of a buyer, it can be worthwhile.

- a. Potential revenue: unknown at this point, but could be \$50,000 to \$100,000 in one time revenue from sales

### Effort # 4: Accelerating collection of Tax Title cases

The Tax Collector's office has been giving concentrated efforts into resolving older tax delinquencies by finding missing owners, using a Town bylaw which denies permits to tax scofflaws, putting mortgage companies on notice, and other staff intensive efforts. These are the more "stubborn" cases such as where there are heirs to property to be tracked down, a developer who is not paying on multiple properties, or other circumstances that require extraordinary staff time to resolve. For comparison purposes, in FY04 \$120,000 in tax title was collected.

- a. Estimated revenue: Collected \$395,000 tax title in FY05, and \$415,000 thus far in FY06.
- b. Estimated revenue over 5 years: unknown at this point once backlog is cleared up
- c. NOTE: Extra revenue gets generated in this process because there are penalties and interest charged on the tax title accounts, and these collected dollars become investable balances, leading to increased investment income as well.

### Effort # 5: Cash Management and Investment Income

The Treasurer is working on reducing the cost of banking services and enhancing the investment return earned by investing town funds. Actions she has taken thus far:

- a. Reduced number of banks the Town is using, by 5.
- b. Also significantly reduced number of bank accounts by removing duplicate/inactive accounts.
- c. Reduced number of investment firms by 2.
- d. Estimated annual increase in revenue due to these efforts is difficult to quantify because market conditions also affect investment earnings. However, investment income in FY05 was up from FY04 by more than \$100,000.

Effort # 6: Grants and Gifts.

Town staff develops and submits grant applications to numerous entities for support of Town priorities. Often our efforts are rejected because Sudbury appears to be too wealthy to meet granting agencies criteria. Nevertheless, we continue to put in the staff time to develop those we believe might consider our request. Here is a summary of recent grants awarded to Town Departments.

- a. Total Fire Department grants awarded in FY05 and FY06 to date:\$86,904
- b. Total Police Department grants awarded in FY05 and FY06 to date: \$35,296
- c. Total Council on Aging grants awarded in FY05 and FY06 to date: \$54,191
- d. Total to other Town departments in FY05 and FY06 to date: \$171,000

## C.A.R.E. IDEAS FOR FUTURE CONSIDERATION

### Proposed Effort # 1: Examine Payment in Lieu of Taxes to Town.

- a. Town currently receives PILOT payments from the Federal government, state government and one non-profit in Sudbury.
- b. Staff will work to see if other non-profits in Sudbury could be encouraged to make a public safety PILOT payment to the Town in recognition of the public safety services received but not paid for by the non-profit entity.
- c. Estimated revenue possible: unknown at this time

### Proposed Effort # 2: Begin an Emergency Response Cost Recovery Program

- a. Town public safety departments respond to a number of vehicle accidents annually
- b. Staff is examining if any of the costs expended for these efforts can be recovered from the insurance companies of the owner's of the vehicles
- c. Selectmen will examine if this is an approach they believe is in the Town's best interest
- d. Estimated revenue possible: unknown at this time

### Proposed Effort # 3: Examine potential collaboration with Sudbury Public Schools for shared facilities maintenance.

### Proposed Effort # 4: Examine potential benefits of building and maintaining a multipurpose municipal wireless broadband network that would provide coverage for the entire community.

### Proposed Effort # 5: Examine potential benefits of building and maintaining a Town of Sudbury municipal light plant.

### Proposed Effort # 6: Examine possibility for converting more Town services to "e-services", and automating as many routine and repetitive procedures as possible.

### Proposed Effort # 7: Develop a list of laws that cost the Town additional funds but offer no value added for our citizens, and ask State legislators to change the laws

### Proposed Effort # 8: Examine options for regionalization or collaboration in new areas

### Proposed Effort # 9: Examining feasibility of paying Town and School employees a cash incentive NOT to take Town health insurance if they have such insurance available elsewhere

### Proposed Effort # 10: Have Town staff open a passport office and take in revenue for processing passports

### Proposed Effort # 11: Examine capability for and advantages of running two ambulances instead of one.

**C.A.R.E. ESTIMATES SUMMARY**

**I. Cost Avoidance Estimates**

Debt Refinancing	\$ 787,000.00	life of bond estimate
Street Light Purchase	\$ 145,000.00	5 year estimate
Streamlined tax processing	\$ 70,000.00	5 year estimate
Energy Management	\$ 350,000.00	FY05 and FY06 estimate
Fleet Management	\$ 34,380.00	5 year estimate
Regional Purchasing	\$ 75,550.00	5 year estimate
Self insurance for unemployment	\$ 1,428,000.00	5 year estimate
Contracting out cleaning services	\$ 70,000.00	5 year estimate
Bi-weekly payroll	\$ 75,000.00	5 year estimate
MIIA Rewards program	\$ 44,000.00	5 year estimate
Leasing town building	\$ 18,162.00	2006 savings
DPW Reorganization	\$ 40,000.00	5 year savings
Total	\$ 3,137,092.00	

**II. Revenue Enhancements**

New Burning Fee	\$ 50,000.00	5 year estimate
Cell tower leases	\$ 600,000.00	5 year estimate
Gravel sales	\$ 500,000.00	5 year estimates
Land sales	\$ 50,000.00	One time revenue
Grants and Gifts	\$ 347,391.00	FY05 and FY06
Total	\$ 1,547,391.00	



**TOWN OF SUDBURY, MASSACHUSETTS**

**INDEPENDENT AUDITORS' REPORT ON  
BASIC FINANCIAL STATEMENTS AND  
REQUIRED SUPPLEMENTARY INFORMATION**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2005**



**TOWN OF SUDBURY, MASSACHUSETTS**  
**INDEPENDENT AUDITORS' REPORT ON**  
**BASIC FINANCIAL STATEMENTS AND**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

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# *Independent Auditors' Report*



Certified Public Accountants

SULLIVAN, ROGERS & COMPANY, LLC

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## Independent Auditors' Report

To the Honorable Board of Selectmen  
Town of Sudbury, Massachusetts

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Sudbury, Massachusetts, as of and for the fiscal year ended June 30, 2005, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town of Sudbury, Massachusetts' management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Sudbury, Massachusetts, as of June 30, 2005, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison statement for the general fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As more fully described in Note 14, the Town has restated the beginning net assets of its governmental activities.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2005, on our consideration of the Town of Sudbury, Massachusetts' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis (located on pages 4 through 13), is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

*Sullivan, Ry & Co., LLC*

November 18, 2005

## *Management's Discussion and Analysis*



As management of the Town of Sudbury, Massachusetts (Town), we offer readers of these financial statements this narrative overview and analysis of the Town's financial activities for the fiscal year ended June 30, 2005.

### *Financial Highlights*

- The assets of the Town exceeded its liabilities at the close of the most recent fiscal year by \$81,699,081 (net assets). Of this amount, \$15,698,085 (unrestricted net assets) may be used to meet the government's ongoing obligations to citizens and creditors.
- The Town's total net assets increased by \$2,534,835.
- As of the close of the fiscal year, the Town's governmental funds reported combined ending fund balances totaling \$23,951,605, an increase of \$5,280,634 in comparison with the prior year. Approximately \$18,248,555 represents unreserved fund balance.
- At the end of the fiscal year, undesignated fund balance for the general fund totaled \$2,115,604 or 3.2 percent of total general fund expenditures.
- The Town's total bonded debt (gross) increased by \$170,000 during the fiscal year; \$3,315,000 of new debt was issued, along with \$17,750,000 of refunding bonds.

### *Overview of the Basic Financial Statements*

This discussion and analysis is intended to serve as an introduction to the *basic financial statements*, which consists of the following three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the basic financial statements.

### Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The **statement of net assets** presents information on all of the Town's non-fiduciary assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The **statement of activities** presents information showing how the government's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, earned but unused vacation leave, etc.).

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). Governmental activities include general government, public safety, education, public works, health and human services, culture and recreation and debt service (interest). Business-type activities include the Town's swimming pool and landfill operations.

The government-wide financial statements can be found on pages 15-17 of this report.

### Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds can be divided into the following categories and are described below:

1. Governmental funds
2. Proprietary funds
3. Fiduciary funds

#### **Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of expendable resources, as well as on balances of expendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term effect of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains 282 individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the general, stabilization and community preservation (special revenue), and school construction and public works facilities (capital projects) funds, each of which are considered to be major funds. Data from the other 277 governmental funds are combined into a single, aggregated presentation titled *nonmajor governmental funds*.

The Town adopts an annual appropriated budget for the general fund. A budgetary comparison statement has been provided to demonstrate compliance with the fiscal year 2005 budget.

The basic governmental funds financial statements and budgetary comparison statement can be found on pages 18-24 of this report.

#### **Proprietary funds**

The Town maintains one type of proprietary fund.

*Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its swimming pool and landfill activities, each of which are considered to be major funds.

The basic proprietary fund financial statements can be found on pages 25-27 of this report.

**Fiduciary funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's programs. The accounting used for fiduciary funds is similar to that used for proprietary funds.

Private-purpose trust funds and agency funds are reported and combined into a single, aggregate presentation in the fiduciary fund financial statements under the captions "private purpose trust funds" and "agency funds", respectively.

The basic fiduciary fund financial statements can be found on pages 28-29 of this report.

**Notes to the basic financial statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 30-53 of this report.

***Government-Wide Financial Analysis***

The following tables present current and prior year data on the government-wide financial statements.

**Net Assets**

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. The Town's assets exceeded liabilities by \$81,699,081 at the close of the fiscal year and are summarized as follows:

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total</i>	
	2005	2004 *	2005	2004	2005	2004 *
<b>Assets</b>						
Current assets.....	\$ 30,507,958	\$ 30,527,881	\$ 293,083	\$ 219,345	\$ 30,801,041	\$ 30,747,226
Noncurrent assets (excluding capital assets).....	26,123,167	27,093,910	-	-	26,123,167	27,093,910
Capital assets (net).....	78,833,365	80,596,172	825,000	862,425	79,658,365	81,458,597
<b>Total assets.....</b>	<b>135,464,490</b>	<b>138,217,963</b>	<b>1,118,083</b>	<b>1,081,770</b>	<b>136,582,573</b>	<b>139,299,733</b>
<b>Liabilities</b>						
Current liabilities (excluding debt).....	4,580,653	8,622,484	27,817	24,568	4,608,470	8,647,052
Noncurrent liabilities (excluding debt).....	778,470	618,435	-	-	778,470	618,435
Current debt.....	4,155,673	4,710,000	-	-	4,155,673	4,710,000
Noncurrent debt.....	45,340,879	46,160,000	-	-	45,340,879	46,160,000
<b>Total liabilities.....</b>	<b>54,855,675</b>	<b>60,110,919</b>	<b>27,817</b>	<b>24,568</b>	<b>54,883,492</b>	<b>60,135,487</b>
<b>Net Assets</b>						
Invested in capital assets (net of related debt).....	55,026,501	57,435,322	825,000	862,425	55,851,501	58,297,747
Restricted.....	10,149,495	5,998,360	-	-	10,149,495	5,998,360
Unrestricted.....	15,432,819	14,673,362	265,266	194,777	15,698,085	14,868,139
<b>Total net assets.....</b>	<b>\$ 80,608,815</b>	<b>\$ 78,107,044</b>	<b>\$ 1,090,266</b>	<b>\$ 1,057,202</b>	<b>\$ 81,699,081</b>	<b>\$ 79,164,246</b>

\* As restated and described in Note 14 (page 53).

A significant portion of the Town's net assets (68.4%) reflects its investment in capital assets (e.g., land, construction in progress, land improvements, buildings and improvements, machinery and equipment, vehicles and infrastructure), less any related outstanding debt used to acquire those assets. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the Town's net assets (12.4%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets (19.2% or \$15,698,085) may be used to meet the Town's ongoing obligations to citizens and creditors. Of this amount, \$15,432,819 may be used to support governmental activities and \$265,266 may be used to support business-type activities.

Changes in Net Assets

The Town's total net assets increased by \$2,534,835 during the current fiscal year and are summarized as follows:

	Governmental Activities		Business-Type Activities		Total	
	2005	2004 *	2005	2004 *	2005	2004 *
<b>Revenues</b>						
<i>Program Revenues:</i>						
Charges for services.....	\$ 3,692,198	\$ 3,142,267	\$ 685,646	\$ 652,698	\$ 4,377,844	\$ 3,794,965
Operating grants and contributions.....	10,402,448	9,738,357	-	-	10,402,448	9,738,357
Capital grants and contributions.....	1,178,729	1,030,840	-	-	1,178,729	1,030,840
<i>General Revenues:</i>						
Real estate and personal property taxes.....	49,428,298	48,507,675	-	-	49,428,298	48,507,675
Motor vehicle and other excise taxes.....	2,854,988	2,606,528	-	-	2,854,988	2,606,528
Tax liens.....	278,570	229,113	-	-	278,570	229,113
Penalties and interest on taxes.....	253,752	183,035	-	-	253,752	183,035
Payments in lieu of taxes.....	70,688	94,772	-	-	70,688	94,772
Community preservation surcharges.....	1,099,476	1,099,776	-	-	1,099,476	1,099,776
Grants and contributions not restricted to specific programs.....	1,618,594	1,551,826	-	-	1,618,594	1,551,826
Unrestricted investment income.....	376,609	171,136	-	-	376,609	171,136
Loss on disposal of capital assets.....	(48,606)	(74,529)	-	-	(48,606)	(74,529)
Other.....	101,783	-	-	-	101,783	-
<b>Total revenues.....</b>	<b>71,307,527</b>	<b>68,280,796</b>	<b>685,646</b>	<b>652,698</b>	<b>71,993,173</b>	<b>68,933,494</b>
<b>Expenses</b>						
General government.....	3,072,582	2,475,079	-	-	3,072,582	2,475,079
Public safety.....	7,443,552	6,661,738	-	-	7,443,552	6,661,738
Education.....	49,159,945	45,885,256	-	-	49,159,945	45,885,256
Public works.....	4,070,244	3,123,901	-	-	4,070,244	3,123,901
Health and human services.....	755,562	780,176	-	-	755,562	780,176
Culture and recreation.....	2,330,661	1,914,782	-	-	2,330,661	1,914,782
Debt service - interest.....	1,979,109	2,263,971	-	-	1,979,109	2,263,971
Swimming pool.....	-	-	404,333	397,976	404,333	397,976
Landfill.....	-	-	242,350	205,861	242,350	205,861
<b>Total expenses.....</b>	<b>68,811,655</b>	<b>63,104,903</b>	<b>646,683</b>	<b>603,837</b>	<b>69,458,338</b>	<b>63,708,740</b>
Change in net assets before transfers.....	2,495,872	5,175,893	38,963	48,861	2,534,835	5,224,754
Transfers, net.....	5,899	67,772	(5,899)	(67,772)	-	-
Change in net assets.....	2,501,771	5,243,665	33,064	(18,911)	2,534,835	5,224,754
Net assets - beginning of year (as restated).....	78,107,044	72,863,379	1,057,202	1,076,113	79,164,246	73,939,492
Net assets - end of year.....	\$ 80,608,815	\$ 78,107,044	\$ 1,090,266	\$ 1,057,202	\$ 81,699,081	\$ 79,164,246

\* As restated and described in Note 14 (page 53).

Governmental activities increased the Town's net assets by \$2,501,771. In the prior year, governmental activities increased the Town's net assets by \$5,243,665. The key element of this change is the Town's utilization of approximately \$3,600,000 of general fund reserves for spending in fiscal year 2005.

Business-type activities increased the Town's net assets by \$33,064. In the prior year, business-type activities decreased the Town's net assets by \$18,911. The key element of this change relates to the general fund subsidizing the health insurance costs (approximately \$47,000) of the swimming pool enterprise fund during fiscal year 2005.

### *Fund Financial Statement Analysis*

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### Governmental funds

The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of the current fiscal year, the governmental funds reported combined ending fund balances totaling \$23,951,605, an increase of \$5,280,634 in comparison with the prior year. Approximately 70.6% of this total amount, or \$16,905,105, represents undesignated fund balance. The remainder of fund balance is reserved or designated to indicate that it is not available for new spending because it has already been committed to:

- Liquidate contracts and purchase orders of the prior period (\$1,492,127)
- Employee benefits (\$2,914,850)
- Perpetual permanent funds (\$912,730)
- Other specific purposes (\$383,343)
- Fund a portion of the fiscal year 2006 budget (\$1,343,450)

The general fund is the chief operating fund of the Town. At the end of the current fiscal year, undesignated fund balance of the general fund totaled \$2,115,604, while total fund balance was \$7,866,031. As a measure of the general fund's liquidity, it may be useful to compare both undesignated fund balance and total fund balance to total general fund expenditures. Undesignated fund balance represents 3.2% of total general fund expenditures, while total fund balance represents 11.9% of that same amount.

The fund balance of the Town's general fund increased by \$165,824 during the current fiscal year. This is primarily attributable to the following:

- Unbudgeted collections of outstanding tax liens (\$395,000)
- Unbudgeted collections of real estate and personal property taxes (\$347,000)
- Net increase of self-insurance activities reported in the general fund for GAAP (\$282,000)
- Conservative spending against budgeted appropriations (positive variance of approximately \$1,876,000)
- Use of unreserved fund balance (\$3,617,000)

Financial highlights of the Town's other major governmental funds are as follows:

The fund balance of the stabilization fund (special revenue) increased by \$40,693 during the current fiscal year. This is attributable to investment income earned by the fund.

The fund balance of the community preservation fund (special revenue) increased by \$4,155,328 during the current fiscal year. This is primarily attributable to the proceeds of bonds and notes, surcharges and intergovernmental revenues.

The fund balance of the school construction fund (capital project) decreased by \$224,548 during the current fiscal year. This is attributable to expenditures on school construction projects.

The fund balance of the public works facilities fund (capital project) decreased by \$72,648 during the current fiscal year. This is attributable to expenditures on the public works facilities.

Proprietary funds

The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net assets of the swimming pool and landfill enterprise funds at the end of the year amounted to \$66,642 and \$198,624, respectively. The swimming pool and landfill enterprise funds had increases in net assets for the year of \$8,308 and \$24,756, respectively. Other factors concerning the finances of these two funds have already been addressed in the discussion of the Town's business-type activities.

General Fund Budgetary Highlights

The original general fund budget of \$64,596,186 was increased by \$110,000 (0.2%) during the fiscal year. The following table summarizes the increase.

<u>Purpose of Increase</u>	<u>Amount</u>	<u>Funding Source</u>
Department of Public Works operating budget....	\$ 55,000	Undesignated fund balance
Various capital improvements.....	30,000	Encumbrance reversion
Various capital improvements.....	<u>25,000</u>	Transfer from nonmajor governmental funds
Total increase.....	<u>\$ 110,000</u>	

During the year, general fund revenues and other financing sources exceeded budgetary estimates and expenditures were less, resulting in an actual increase in fund balance that exceeded the final amended budget amount by approximately \$3,477,000.

*Capital Asset and Debt Administration*

Capital assets

The Town's investment in capital assets for its governmental and business type activities at the end of the fiscal year totaled \$79,658,365 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, machinery and equipment, vehicles, and infrastructure. The total decrease in the investment in capital assets for the current fiscal year totaled \$1,800,232, or 2.21% (a 2.16% decrease for governmental activities and a 0.05% decrease for business-type activities).

Major capital asset events that occurred during the current fiscal year include the following:

- School construction in progress (\$256,000)
- Purchase of backhoes/loaders (\$206,000)
- Purchase of public safety and public works vehicles (\$146,000)

The following table summarizes the Town's capital assets (net of accumulated depreciation):

	<i>Governmental Activities</i>		<i>Business-Type Activities</i>		<i>Total</i>	
	2005	2004	2005	2004	2005	2004
Land.....	\$ 22,689,708	\$ 22,689,708	\$ 192,500	\$ 192,500	\$ 22,882,208	\$ 22,882,208
Construction in progress.....	793,270	515,478	-	-	793,270	515,478
Land improvements.....	25,808	-	-	-	25,808	-
Buildings and improvements.....	52,328,061	54,062,936	632,500	661,250	52,960,561	54,724,186
Machinery and equipment.....	803,182	999,019	-	8,675	803,182	1,007,694
Vehicles.....	1,114,610	1,253,841	-	-	1,114,610	1,253,841
Infrastructure.....	1,078,726	1,075,190	-	-	1,078,726	1,075,190
Total capital assets.....	<u>\$ 78,833,365</u>	<u>\$ 80,596,172</u>	<u>\$ 825,000</u>	<u>\$ 862,425</u>	<u>\$ 79,658,365</u>	<u>\$ 81,458,597</u>

Additional information on the Town's capital assets can be found in Note 5 on pages 44-45 of this report.

**Long-Term Debt**

At the end of the current fiscal year, the total gross bonded debt outstanding of \$50,700,000, which is backed by the full faith and credit of the Town, consists entirely of general obligation bonds.

The Town's total gross bonded debt increased by \$170,000 (0.3%) during the current fiscal year, with new debt issuances (for the purpose of land acquisition and departmental equipment) totaling \$3,315,000. The Town also issued \$17,750,000 of refunding bonds.

The Town has a AAA bond rating from Standard & Poor's.

State statutes limit the amount of general obligation debt the Town may issue to 5% of its total assessed valuation. The current debt limit is \$187,695,530, which is significantly in excess of the Town's outstanding debt.

Additional information on the Town's long-term debt can be found in Note 9 on pages 47-51 of this report.

**Economic Factors and Next Year's Budgets and Rates**

The development of the FY2006 general fund operating budget continued to be influenced by the lengthy economic slowdown experienced in Massachusetts, as two of the three major own sources revenues for the Town, local receipts and free cash, were projected to be lower in FY2006 than FY2005, leaving the property tax as the only own-source revenue predicted to grow over the prior year. State aid, our only other significant revenue source, was projected to stay at FY2005 levels. Since we had used prior year receipts, one time revenues and significant reductions in spending to balance an FY2005 general fund budget that increased only 1.4% over FY2004, we knew we could not use that approach again without serious reductions in Town and School services.

Property taxes in Massachusetts municipalities are limited to a levy growth of 2 ½% plus a factor for new construction, unless the voters at an election approve an increase for operating expenses or debt service for a specific project. The Board of Selectmen (Board) voted to place a Proposition 2 ½ override question on the Town election ballot, asking voters to raise the property tax levy limit by \$3,050,000. This amount would allow the Town to preserve the current level of services, replace and repair equipment and facilities most in need of upgrades, and keep class sizes at reasonable levels in the schools. This request was approved by the voters by a slim margin, 1744 in favor, 1649 opposed.



With this approval, the FY2006 projections for general fund revenues increased by \$4.8 million, as follow:

- Property taxes, up 10.4% including new growth;
- State aid and local receipts, down 1%;
- One-time revenues and receipts from prior years, down 27%.

Capital needs had been postponed to FY2006, so these items were addressed in the spending plan for FY2006 in a two part strategy. First, as part of the operating budget, funds were requested and approved to repair, improve or upgrade various Town buildings and systems, as well as replace several aged DPW vehicles. Second, we asked voters to approve a bonding authorization for \$650,000. Out of this amount, the Town planned to acquire a new fire engine, a new bucket truck, replace the boilers at our community center and replace the concrete floor at one satellite fire station. Voters approved raising the levy limit to accommodate the debt service for these items by a margin of 2253/1120. Taken together, over \$1 million in capital spending was approved as part of the FY2006 budget process. And, even with this new debt authorization, annual debt service for Town of Sudbury debt continues to decline as we pay off the bonds issued for expansion of the Sudbury Public Schools.

These actions have left the Town in a much better position to face the future. The permanent increases to the levy limit allow more flexibility as the Town begins work on the FY2007 budget. The capital spending allowed the Town to reduce the backlog of postponed projects and increase the base allotted for capital projects for the future.

Management undertook several proactive steps to protect the Town's financial health in FY2006. The Board adopted comprehensive financial and budget policies to guide our future decision making. The financial policies require us to avoid making short-term decisions that solve the problems only for today but jeopardize the future. Such actions that have been avoided include using our Stabilization Fund, designated for Emergency Reserves, to cover operating costs, further postponing funds for capital and building maintenance, or "raiding" trust fund balances. These types of actions could be tremendously harmful to the Town over the long-run.

The Board continues working on strategies to increase our tax base by working on alternatives to provide wastewater treatment in the downtown area. This has been identified as the major inhibitor for any growth of our commercial sector.

Finally, elected and appointed officials remain committed to using a forecasting model we developed to project long-range costs as well as adhering to long-term financial principles for decision-making. We believe this approach will serve the Town well in managing our way out of the current financial difficulties and any future ones. The model allows us to focus not just on the balance between revenues and expenditures in the current year but also on those of future years because it isolates the primary drivers of future costs.

The key to maintaining our excellent financial condition and retaining our hard won AAA credit rating from Standard & Poor's is to continue to make decisions with multi-year sustainability in mind, and to respect the voters of the Town as to the service levels and property tax overrides they approve.

### *Requests for Information*

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in its finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Finance Director, Town Hall, 288 Old Sudbury Road, Sudbury, Massachusetts 01776.