

**Town of Sudbury ~ Finance Committee
Minutes of Meeting
Thursday, January 29, 2004
Lower Town Hall - 7:30pm**

Present: Co-Chairs Tracy Billig & Bob Jacobson, Michael Grosberg, Bill Kneeland, John Nikula, Larry Rowe, Shauna Simmonds, and Sheila Stewart. Also present: Kerry Speidel, Finance Director and Robin Porcella, Recording Secretary.

Opening remarks from Co-Chairs

The meeting was opened at 7:55pm.

Item 1: Approve Minutes

There were no minutes to be approved.

Item 2: PTERC liaison remarks

John Nikula is the PTERC liaison. He is also a member of the PTERC Committee. He informed the committee that PTERC is made up of a hard working group of people.

Item 3: Presentation by Board of Selectmen / PTERC

Selectmen Larry O'Brien made the presentation on behalf of the Board of Selectmen. He informed the committee that there were members of the PTERC Committee in the audience tonight, if any questions needed to be answered or clarified.

Larry O'Brien informed the committee that the Property Tax Relief Article will be presented by the Board of Selectmen. He said there might be some small changes to the article, but this is most likely what the article will be. He informed the committee that there are copies of the PTERC report available at the Selectmen's office, the library, and on the town's website.

He informed the FinCom that the PTERC Committee was made up members from various educational backgrounds, age, race, and income levels. This committee is very diverse, and represents the citizens of Sudbury very well.

The Purpose of the PTERC article is to see if the Town will vote to petition the General Court of the Commonwealth of Massachusetts to enact special legislation to provide that the Assessors of Sudbury shall use a property tax relief program in general according to the following provisions. He thanked the following people for the immense level of help offered with this Article: Finance Director Kerry Speidel, Town Manager Maureen Valente, Town Counsel Paul Kenny, and Town Assessor Maureen Hafner.

This article would call for a 2% surcharge on residential and commercial properties. This would add approximately \$600,000 to \$900,000 to the overlay account. After the second year, the Assessor will have the authority to lower the surcharge percentage depending on what amount of money is needed to cover the exemptions. The exemption would show on the 4th Quarter tax bills.

Larry Rowe asked why the interest in section 9 "Interest on the Fund" is put back into the fund, and not giving to the Town. Larry O'Brien stated that they are not expecting to make a lot of interest on this account. Town Manager Maureen Valente added that the interest earned could also be used to offset the administrative costs of this program.

Larry Rowe asked what would happen if the administrative costs of this program exceed the 5% allowance that the Assessor's office is allowed to use from this fund. Larry O'Brien stated that it is not expected that

the administrative cost would be over 5%. There are no excess funds in the budget to cover the cost, but unlike any other program that is approved a way would need to be found to cover the costs.

Larry Rowe asked why are we only considering citizens who are 65 years old or older. PTERC Co-Chair Tara Nolan indicated that PTERC is aware that there are many citizens who are under the age of 65 that are burden with taxes. The committee felt that the age of 65 was a good place to start, and in the future can expand to other age groups. The tax relief for seniors has been a topic of discussion for a few years now.

PTERC Committee member Ralph Tyler stated it is in the best interest of the Town to keep seniors in Sudbury. Sudbury is considered a good place to raise a family, but educating kids is very expensive.

John Nikula asked if this article was approved by the Town, does anyone believe the legislature would accept this. Larry O'Brien stated if he could predicted what the State Legislature would do, this process would be a lot easier. He believes that the State is & will be hearing a lot of requests similar to this article. The State could possibly use this idea as a base for another legislative proposal. If this article were approved by the legislature it would need to be put on the Town Ballot.

Michael Grosberg asked how the Board of Selectmen voted on this Article. Larry O'Brien stated that they approve the article.

Tracy Billig asked why we would wait 3 years to re-evaluate this program. Larry O'Brien stated that originally the PTERC wanted to make it 5 years, but consensus agreed with 3 years. We also need to remember in the second year, that the Assessor may reduce the surcharge percentage. Tara Nolan stated that this is a reasonable time frame to find out how and if the program is working.

Bob Jacobson reminded the committee that if citizens are expecting immediate tax relief from this program, than the citizens need to be reminded that this is work in progress and should not expected any immediate assistance from this article.

Ralph Tyler said the earliest this article could go into effect would be April 2006 (FY06).

Bob Jacobson asked if any consideration has been put in on how the re-evaluation will affect this. PTERC Co-Chair Dave Levington said the re-evaluation being done should not have any affect this. The only time there would be a problem, is if a house's valuation had a disapportionate change.

Kirsten Roopenian thanked the FinCom for all their questions. She thought they would very good, and would most likely be asked again at Town Meeting by some of the residents. Larry O'Brien reminded the committee that if they had any questions when they had more time to look over the handout, that they may contact any of the Selectmen, Town Manager, or PTERC Committee members.

Bob Jacobson thanked the PTERC Committee members for their time and effort for this article.

The committee took a two-minute break.

Item 4: CPA Liaison remarks

Sheila Stewart has served as the liaison for the CPA Committee. She introduced Mark Kablack, CPC Chair, who would make the presentation on behalf of the CPA.

Item 5: Presentation by CPC

CPC Chairman Mark Kablack introduced some of the CPC members in tonight's audience: Richard Bell, Paul Griffin, and Christopher Morley.

Mark Kablack informed the FinCom that the committee was formed over 1 1/2 years ago. The Community Preservation Act provides funding for: Open Space, Historic Preservation, Community housing, and Recreation. The Town has received a 100% match from the State last fall, and the same is expected in October 2004.

Administrative costs are roughly 5%. The costs are associated with clerical staffing, survey work, and making copies.

FinCom members were provided with copies of the five articles being presented by the CPC.

Article 23:

Mark Kablack informed the committee that Article 23 is basically a housekeeping article. It is looking for authorization to move the moneys from the local receipt accounts to the project accounts.

Article 24:

The projects listed were approved at the last Town Meeting, but now approval is needed to expend the money.

John Nikula asked what would happen if a project was bonded and then the CPA was eliminated at Town Meeting. Mark Kablack said that the Town is committed once they vote on a project at Town Meeting. Maureen Valente stated the Town would continue to levy the CPA surcharge to collect what was needed to pay off the CPA debt.

Article 25:

This article is looking to bond the Cutting Property for 20 years. The property will be used for a recreation field and open space, and is roughly made up of 54 acres of land. The playing field will be similar to one at Haskell Field. The article states 10 years for bonding, because the CPC had to get the article in at a certain time, but when it goes to Town meeting it will ask to be bonded for 20 years.

Article 27:

This article is asking to appropriate money to be used to restore the Town of Sudbury Revolutionary War Cemetery. This will be the first major work project on the property. The CPC has received support from the Bd of Selectmen and Historic Committee for this article.

Article 28:

This article is looking to pay for the cost of engineering, design, and construction of walkways. The Park and Recreation did not support this article, because they did not feel it was not actually related to Park & Recreation. The article does have the support of the Town Planning Board and the DPW Director.

Item 6: Other Business

On behalf of the FinCom and Town officials in the audience, Bob Jacobson thanked Rick Dorman for all his help and work on recording the meetings over the past few years. This was the last meeting that Rick will be recording for the Town of Sudbury.

There being no further business, the committee adjourned at 9:50pm.