

**Town of Sudbury ~ Finance Committee
Minutes of Meeting
Monday- May 18, 2009
7:30pm – Flynn Building (Silva Room)**

Present: Chairman Chuck Woodard, Jamie Gossels, Todj Gozdeck, Bill Kneeland, Marty Ragonas, and Sheila Stewart

Absent: Bob Jacobson, Debbie Zurka, and Jim Rao

Opening Comments:

The meeting was opened at 7:30pm. The committee discussed the date of their July meeting. It was agreed that they would hold their meeting on July 13th, in case any last minute transfers needed to be voted on to cover FY09 expenses.

Approval of Minutes:

The committee was asked to approve the minutes of the April 6th meeting. Chuck Woodard noted that the date listed at the top read April 2, as opposed to April 6.

Voted: To approve the minutes of the April 6, 2009 meeting, with the understanding the suggested corrections will be made. Motion made by Bill Kneeland, and second by Todj Gozdeck. On vote, motion carries 6 in support, 0 opposed, and 3 absent.

Healthcare Reserve Fund:

Chuck Woodard gave the committee an overview of why and how the concept of the Healthcare Reserve Fund arose. The town is trying to change the cost structure on the health care package offered to the employees. The expectation is that any savings can be used to retain and/or hire laid off employees. It was explained that the way the budget is currently prepared a special town meeting would need to be held in order to transfer any healthcare savings to other uses. Within a 60 to 90 day limit, all negotiated contracts must be funded. The proposal is still within the override budget.

Susan Iuliano (SPS School Committee) stated that it is also a goal of the school to change the health packages that are being offered to the employees.

Chuck Woodard stated that he would email his Town Meeting presentation to everyone before town meeting, so that all parties will have an opportunity to make sure they agree with his wording.

Selectmen Larry O'Brien explained how the motion would read at town meeting. They are anticipating savings, resulting from changes to the health plans & percentage split of the premiums.

Marty Ragonas asked about contracts for next year and the about step increases being granted. Susan Iuliano stated that there are no settled contracts for FY10, and they have not taken a position as to whether or not to support step increases in the absence of a new contract. Larry O'Brien stated that the Town has been advised not to stop the step increases, but that the COLA would be 0%.

Sheila Stewart asked why she should consider approving this fund at the June 15th Town Meeting. Larry O'Brien stated that it establishes a mechanism for potential changes to the insurance program. It allows

for the funds to be released quickly with the Town Manager's and FinCom approval. It will not require for a Special Town Meeting to be held. Larry O'Brien reiterated that they are not trying to avoid answering to town meeting. The problem is the cost of holding a special meeting and the potential difficulty in getting a quorum present. Chuck Woodard noted that Town and School officials negotiating the contracts need to be able to assure the union negotiators that any agreed healthcare savings will be used as promised in the negotiations. The need to go to a Special Town Meeting could undercut the negotiating authority of those Town and School officials.

Sheila Stewart stated that a better hand-out needs to be provided at town meeting. Larry O'Brien stated that they had short notice to prepare the hand-out for the May 11th meeting. They also need to be careful, because the law does not allow materials to be given out at town meetings that could persuade voters to vote a certain way. He stated the hand-outs at the May 11th meeting were not supposed to go out unless the budget was going to be voted on that night.

Marty Ragonas and Chuck Woodard both proposed that the public be given a chance to make comments on the contract settlements. Larry O'Brien stated that a public meeting can only take place on signed contracts already in place. Public discussions cannot take place in regards to ongoing negotiations.

Voted: To endorse the creation of Line Item 1000 to use as a mechanism for negotiations, and further that the FinCom agrees to transfer the funds to SPS or the Town as requested and/or return the funds to the health line as requested by the Finance Director. Motion made by Jamie Gossels, and seconded by Todj Gozdeck. On vote, motion carries 6 in support, 0 opposed, and 3 absent.

Discussion on Budget Working Group:

Chuck Woodard stated that the Budget Working Group will be meeting again. He stated that he will send an email to the FinCom members afterward. He stated that if they have any questions/concerns that they could reply back to him.

Selectmen Larry O'Brien reminded the committee members that they need to be careful not to break the Open Meeting Laws when replying by email. He suggested that they replied individually and not to the entire committee.

Sheila Stewart stated she agreed with the concept of the working group. She believes it has formed a better cooperation between the cost centers. She just wanted to remind everyone that the information from the working group needs to reach the rest of the FinCom.

The committee discussed their opinion as to whether or not they agreed if the working group meetings should be opened to the public. Chuck Woodard believed people were more willing to throw more ideas onto the table since it is a closed meeting. Todj Gozdeck stated he supported the idea of the Budget Working Group being held as an open meeting to the public. Marty Ragonas stated she sees the pros of both sides, but considering how well the group is working now she would recommend to continue as is. Larry O'Brien reminded everyone that the purpose of the group is not to squelch the information. He would have no issue with the meetings being open to the public, but believes some participants would. He believes some comments have only been made for the fact that the meetings were not open to the public.

There being no further business, the committee adjourned at 9:22pm.