

**Town of Sudbury
Finance Committee
Minutes of Meeting
Monday, December 16, 2013
7:30 PM**

The Town of Sudbury's Finance Committee (FinCom) Meeting, held at the Goodnow Library, and was called to order at 7:35 PM by Chairman Doug Kohen. FinCom members present for this meeting were: Doug Kohen, Joan Carlton, Susan Berry, Robert Jacobson, William Kneeland, Robert Stein and Andrew Sullivan. Tammie Dufault and Mark Minassian were absent.

Item 1: General business

Members were asked to refer to the minutes of the meeting held on 11/18/13 that were previously circulated. After some discussion, Chairman Kohen asked to postpone accepting the minutes until the next meeting because there was not agreement about some of the record in the minutes. All agreed.

Mark Minassian will be stepping down from the Rt. 20 Sewer Citizens Advisory Committee. Andrew Sullivan stressed it is in the best interest of the project to have a FinCom representative to the Citizens Advisory Committee, and Bob Stein volunteered to represent the FinCom on this Committee.

Jim Kelly made a request for the ESCO project to be discussed. Since all meetings going forward are budget meetings, this meeting can possibly be scheduled at the end of a lighter budget meeting.

There were no transfer requests presented for review or approval by FinCom.

Item 2: Town Departments liaison report and discussion

Andrew Sullivan reviewed the highlights from the Town responses to the FY14 budget questions. He reported that the Municipal departments are holding steady under the FY14 budget but the continued strain in some offices from insufficient staff continues to affect the quality of services and the pressure on existing staff. Maureen Valente stressed that the town is very 'thin' and there is need for additional staffing for office support. Chairman Kohen states that Sudbury wants to do many projects, but we don't factor in the cost of additional administrative responsibilities.

Chairman Kohen asked about the Landham Rd project being paid for with Chapter 90 funds from this year and next year; do we expect any challenges with those funds being re-directed? Maureen Valente responded that this is a matter of choices. The Landham Rd project came to the top of the list because of a failure. There is enough money for the town center project. If there is another emergency project more funds may have to be requested at Town Meeting. Chapter 90 money for FY15 is expected to be \$700,000-\$800,000.

Item 3: SPS liaison report and discussion

Joan Carlton reviewed the highlights from the SPS responses to the FY14 budget questions. Joan began by pointing out that SPS's FY14 budget did not require an override mainly because of the saving achieved by the implementation of the GIC healthcare program and the creation of an in-district special education program for children who would otherwise require out of district placements.

Joan reviewed the FY14 new hires, explaining which were included in the FY14 budget and which were not. Those that were not in budget were hired either to meet classroom SPED needs or to staff the in-house special education program. The latter were funded by the saving achieved by not having to pay out of district costs for these children. An Early Childhood Instructional Specialist that was hired was funded by revenue from full day kindergarten. The Home economic courses at the Middle School were cut saving 1.7 positions.

Joan gave some examples of cuts that have not been restored. These include - Social Studies Curriculum Specialist, Grade 1 assistants, lunch assistants, middle school technology specialists and maintenance staff. Chairman Kohen asked if Sudbury still needs positions that were cut from the budget in 2003 and 2004. Dr. Wilson responded that some of those positions are more important now because of the new evaluation system and integration of new curriculum standards and collaboration time. For example, the school has been running at a deficit for 10 years in the technology department and now the needs are more important as technology increases in the school system.

Bob Stein asked if volunteers can be used for lunchroom monitors. Dr. Wilson replied that she would be willing to have a conversation with him about that. She pointed out that scheduling parent volunteers is not ideal.

Susan Barry reviewed SPS's grant revenue. She explained that federal grants are reduced due to budget cuts at the Federal level and that the Autism grant is a private donation mainly for programs outside of school. She also explained that the Pilot program for Chrome Books would move into 6 & 7th grade for FY15 and they are looking for outside funding to help fund this program.

Susan Berry reviewed revolving funds: she explained that the building use fund has gone up an additional \$30,000 due to the increase in fees and nonprofits are no longer exempt for building use rental.

Joan reported that although SPS enrollment is down year on year, the FY14 enrollment is 47 over the projection. Bob Stein asked about the net enrollment since there is a net decrease of 80 students.

Chairman Kohen asked Dr. Wilson what the best return on investment is for Sudbury for FY15. For FY15 Dr. Wilson said that they are looking to either create or expand programs to bring more out of district student back to programs run in Sudbury. Chairman Kohen asked what kind of coordination is there between the elementary school and the high school as to what

investments are being made to these programs that will benefit the school in the future. Dr. Wilson says there is very specific coordination for the best possible results.

A question was asked about \$6M Municipal and SPS Health Care trust fund. It is a \$5M trust fund now, they are in negotiations now and will leave the decision up to the Board of Selectmen.

Item 4: LSRHS liaison report and discussion

Bob Jacobson reported that there is no change in the FY14 budget. He reported that an interesting statistic is that 40% of teachers at Lincoln-Sudbury (LS) are part-time. They are either $\frac{1}{4}$ or $\frac{1}{2}$ time. This is due to licensing issues that do not allow a teacher to teach outside of their certification; each teacher must be certified within their own specialty. LS is working on getting teachers dual licenses in science and languages.

Grant expectations were fulfilled. Largest grant was METCO, this grant supports 91 METCO students across all grade levels.

Bob Stein asked the following questions that Bob Jacobson said that he would follow up on. What is the incentive amount for not taking the school health insurance? How much has been saved by this program? How is the incentive payment handled in the budget? What is the breakdown between Lincoln and Sudbury for 1640 students and 59 OOD students. Has anyone done an analysis to determine if taking Driver's Ed in-house can be a net benefit to LS?

Solar canopy is stalled and not taken into account in FY15.

Revenue enhancements include a potential cell tower on LS property. LS School Committee will leave it up to the Board of Selectmen to take the lead. LS's focus is on their technology issues but will help the Board of Selectmen if need be.

Enrollment is 1,640 students; 59 out of district students. This is 65 more than last year and 13 more than they budgeted for. Currently they have 54 staff that make more than \$100,000/year. The town and SPS combined have 34. Bob Stein reported LS has a very high cost structure and it will be 10+ years before they get a fall-off from this structure.

Lincoln-Sudbury has 3 main goals for this year:

1. Increase their E&D fund (free cash)
2. Increase the stabilization funds (used for technology capital)
3. Start making OPEB contributions.

Their big push is technology this year. A consultant has been hired. The Technology Project is moving ahead. LS may be interested in getting a line item specifically for operating capital for technology in their budget.

Chairman Kohen clarifies that FinCom objectives are to get an understanding of which salary increases come from COLA and what comes from steps and lanes and have an understanding what the flow is from year to year. There is teacher turn-over information, but no salary

information included. The committee thinks that this information would be helpful. Bob Stein asked if for the 54 positions over \$100,000 will FinCom be provided an explanation of each job. Doug Kohen replied that that information is in the warrant.

Bob Stein asked if requiring students to bring their own computers would alleviate the technology cost. Joan Carlton stated that the technology project is addressing the network in the building and expansion of Wi-Fi within the building.

Item 5: Capital Projects liaison report and discussion

Bob Stein talked about town center traffic improvements. \$1.8M was approved at Town Meeting, this February the project is going out to bid on design, construction would begin approximately on 4/1/14 with target of 11/1/14 completion. Some funding will come from Chapter 90 with balance from a voter override.

The police station is at 60% completed design phase, next it will go to an estimator to see if \$7.5M is a workable number. In 1-2 weeks they will hear back from estimator. If there is not enough funding, based on his recommendation they will change the materials to make it work for \$7.5M (for example: brick vs. wood facade). The goal is to have the warrant article for the construction of the police station ready for town meeting. Prior to that all permits will need to be ready: historic commission, storm water, historic district, BOH.

Fairbanks study: BH&A has been hired to do the feasibility study for the center for a cost of approximately \$75,000. This will be funded by the Sudbury Foundation and the balance from user groups. The report from the feasibility study is due back March 1st. That will drive the decision to either install a new roof or have a new building.

Town Hall: The feasibility study is complete. At Town Meeting 2015 they will ask for funding for the design. Mike Milnick's group has presented an estimate of \$10M to rehab vs. \$9.1M to tear down and rebuild. Sq footage would be an additional 20,660 sq ft. to rehab vs. 16,700 sq. ft. for a new building.

Nixon, Noyes and Natatorium: Nixon roof is done, Noyes roof, windows and boiler are complete.

Sewer and rail trail are completely unidentified in that report. These are big project with big costs.

Item 6: Route 20 Sewer Project Update

Andrew Sullivan reported that Sudbury is waiting for negotiations with Marlboro. They looked at 2 options in addition to the Sudbury option after the town did not vote funds for the design of the Sudbury option.

1. Hook into Framingham/MWRA's Deer island sewage. This is a complicated and costly way to sewer Rt 20. There were sharing costs of sewer lines that we could not estimate.

2. Marlboro alternative has made headway. Met with DPW and head of wastewater and sub-committee and Maureen Valente reached out to the Mayor to meet and they seemed to be open to have a discussion. There will be a Mass DEP meeting on 1/8/14 to work with the DEP to identify concerns and costs. We have initial costs to build pumping stations which would cost \$5-6M. This is a relatively firm number. Bob Stein asked if \$5M is laying pipes and connection costs. No, business would have to connect and they would bear those costs. Bob Stein asked if everyone is required to tap in? The answer is: Over a period of time, business would have to connect. The committee is thinking that there is a real opportunity to work with Marlboro unless there is a ridiculous initial cost to Sudbury. Bob Stein stated that his belief is that it is a tremendous betterment to the commercial residents but non-commercial residents shouldn't have to pay the sewer costs on Rt 20. Their commercial property value is going to go way up, but the residential homeowner's property value is not going to go up. Chairman Kohen asked what is the net positive cash flow to Sudbury. There will be a zoning report by planning board to see what the project is going to look like after completion. There will be better roads, retail, sidewalks, it will be a more attractive, livable Rt 20. The Steering committee is talking about what should you do at the same time that the road is torn up such as: ancillary items: utility burial, granite curbs, dropping utility lines, concrete sidewalks and turning lanes. Sudbury is trying to grow the commercial tax base and we have to protect it as well. The Rt 20 area is not attractive and not competitive, we don't want to lose our current tax base. Steering committee's time table is for 2015 is to find reasonable estimates.

Item 7: Report on FinCom website proposals

Andrew Sullivan spoke regarding the website. The general conclusion is there is a lot of information on the website. FinCom is in the constraints of the Town of Sudbury's website. Susan came up with 10 FAQ's for the website for review. Possible changes would be to add a finance glossary, the town's financial ratings and remove the passport tab. FinCom will work with Mark in IT. Upon reviewing other town's websites, Susan Berry commented that our is quite good; there is a tremendous amount of information on it. Sudbury is constantly trying to update and organize and point people to the right place. Susan will send Chairman Kohen the electronic version of the FAQ's.

Next meeting is the 2/3/13 joint meeting with Lincoln. (Lincoln Town offices, 16 Lincoln Road)

Item 7: Public Comments

Town Finance Manager Andrea Terkelson stated that tax bills for Q3 & Q4 have been mailed. People can use the internet to get reminders for when tax bills are due. Citizens are encouraged to do that.

Item 8: Adjourn

Bill Kneeland made a motion to adjourn, Chairman Kohen seconded. VOTE: 9-0. The meeting was adjourned at approximately 9:25 PM