

**Sudbury Finance Committee
Meeting Minutes
September 26, 2016**

ATTENDENCE

Finance Committee Members Present: Susan Berry, Chair, Joan Carlton, Vice Chair, Jeff Atwater, Tammie Dufault, Jose Garcia-Meitin, Bryan Semple

Also Present: Dennis Keohane, Finance Director/Treasurer Collector, Bella Wong, Superintendent/Principal, Lincoln Sudbury Regional High School (LSRHS), Scott Nix, Chief of Police, Jim Kelly, Combined Facilities Director, Chuck Woodard, Board of Selectmen

Absent: Jeff Barker, Adrian Davies, Fred Floru

CONVENE:

The meeting was called to order at 7:36 p.m., by Chairman Susan Berry in the Flynn Building, 278 Old Sudbury Road, Sudbury, MA 01776

ITEM 1: General Business

- **Approve Meeting Minutes**

Motion and Vote

Bryan Semple moved and Jeff Atwater seconded the motion to approve the minutes of the February 22, 2016 meeting as amended.

The motion carried. The vote was 5 yes, 1 abstention.

Motion and Vote

Bryan Semple moved and Jeff Atwater seconded the motion to approve the minutes of the July 11, 2016 meeting as amended.

The motion carried. The vote was 4 yes, 2 abstentions.

- **Transfers**

There were no transfers to approve.

- **Other Business**

Chairman Berry noted a typo on the agenda of the next Finance Committee meeting. As corrected, the next Finance Committee meeting is scheduled for Thursday, October 13, 2016.

ITEM 2: Public Comment

There were no comments.

ITEM 3: Special Town Meeting Warrant Articles Review

Chairman Berry introduced this item. She pointed out that the articles for review are capital items. She asked the Committee to pose specific questions relative to the projects.

- **Artificial Turf Field Replacement (LSRHS)**

Ms. Wong presented a PowerPoint presentation on the Artificial Turf Field Replacement request. A description on the history of the field, data on user groups, fees and current state of the field was presented. Ms. Wong pointed out that the field is in its 12th year with deterioration occurring in the high use areas. Ms. Wong described methods to spot repair, and noted it has resulted in uneven areas. Ms. Wong stated that the estimated cost to replace the artificial turf field is \$875,000. Ms. Wong outlined funding options.

Discussion that followed included a conversation on presenting this request to the Capital Improvement Advisory Committee (CIAC) on October 5th. The Committee also discussed funding through the E&D, which could involve a vote from Town Meeting on the appropriation of funds through E&D funding. Ms. Wong also replied to questions on how the revolving account balance is allocated. Ms. Wong stated that she would prepare a pro/con analyses on turf field versus grass field.

- **Security System Upgrade**

Ms. Wong continued with a PowerPoint presentation on a LS Security Camera Replacement and Upgrade request. Ms. Wong stated that this is a request from last year. The request includes replacing 26 cameras and adding an additional 20 to cover the exterior doors, which would present a 360-degree view of the school to improve safety of students and staff. Ms. Wong stated that estimated cost of this replacement is \$150,000. Ms. Wong outlined funding sources.

- **Town and School Security and Access Control**

Chief Nix and Jim Kelly presented information on this article. Chief Nix spoke about the importance of harnessing technology to provide a benefit to the town and the schools that keeps students, staff and residents safe. Chief Nix stated that it is extremely important to move forward with the installation of school security and access control systems. He spoke about the company they would like to use

that would provide continuity throughout the district. Chief Nix stated that the estimated cost for this request is \$95,000. Chief Nix provided detail information on how the equipment will be used, how this proposal differs from the last proposal and how the need will be prioritized. A brief discussion followed.

- **Rolling Stock Replacement**

Chief Nix and Jim Kelly presented information on this article. Chief Nix stated that it is important to have reliable and efficient equipment to clear the roads. Chief Nix stated the sanding operations are deficient. Chief Nix stated that this request has been reduced from last May from three trucks to a single truck, the Loader, which is critical. Chief Nix stated that the estimated cost for this request is \$210,000. A brief discussion followed.

ITEM 4: Continued Discussion of Modifications to Budget Guidance Letter

- **Updates from Liaison meetings on the Preliminary Budget Reconciliations Spreadsheets**

Mr. Atwater had not had an opportunity to speak with representatives from the Town on the preliminary budget reconciliation spreadsheet.

Ms. Dufault spoke about her meeting with representatives from Sudbury Public Schools (SPS). Ms. Dufault shared the details on the conversation about the longer school day. She stated that SPS has made a decision to modify the middle school day to align with the middle school model. Ms. Dufault stated that she has requested information on the percentage of the total cost of the COLA versus steps and lanes for this year and for the three-year period of the new contract as well as for the year period of the existing contract. A general discussion ensued on the effects of COLAs and steps/lanes on the operating budget. Ms. Dufault spoke about out-of-district cost and circuit breaker funding. A lengthy discussion ensued on funding the SPS circuit breaker line item. Ms. Dufault stated that she also spoke with SPS on transportation. She stated that SPS is hopeful that they can maintain their tiered system with minimal impact to the budget. Ms. Dufault stated that she also had a conversation with SPS on an override or non-override scenario and what adjustments could be made to the SPS budget.

Chairman Berry reported on the meeting with representatives from LS. Chairman Berry shared comments received on the

steps/lanes and COLAs from the contractual and non-contractual. She stated \$592,187.00 of the increase of both COLAs and steps/lanes is for teachers, \$144,445.00 is for other staff. Chairman Berry stated that she would receive an update on OPEB Normal Cost. She added that LS does not have a number yet for benefits. Chairman Berry stated that LS has had a slight increase for out-of-district placements for FY17 and expect their numbers to remain flat for FY18. Chairman Berry stated that the \$350,000 for transportation is based on a bid in FY16.

- **Revenue Sources**

Mr. Keohane presented estimated revenues for FY18 is \$93.8M, which translates to a 2.75% net increase to the operating budget or in real dollars an increase of \$2,445,000. Mr. Keohane noted that the FY17 new growth has not been certified yet. There is no Free Cash reflected in this increase. Ms. Dufault asked what the projection is in terms of the Raytheon project. Mr. Keohane responded that there will be lost value for the Raytheon project but that it will be offset by other new growth.

Mr. Keohane stated that Free Cash was certified last week. The General Fund Certified Free Cash is \$3,074,985; the Pool Enterprise Fund is \$93,317, the Transfer Station Enterprise Fund, \$170,654 and the Field Maintenance Enterprise Fund is \$34,475. Mr. Keohane stated that the Free Cash totals are within the Department of Revenue guidelines of 3 to 5%. A general discussion followed.

Proposals - Guidance Letter

Mr. Semple presented a proposal for Finance Committee consideration. Mr. Semple stated that he proposes that the Finance Committee create a level-spending budget to look at what is required from a level-spending standpoint to get from FY17 to FY18. Mr. Semple outlined the spending drivers for level spending. Mr. Semple also outlined spending driver for negotiated cost. Mr. Semple spoke about changes associated with COLAs and steps/lanes. Mr. Semple outlined controlled cost. Mr. Semple stated that the goal would be to create spending package with three categories: level spending, negotiated cost, and controlled cost. He stated that the Finance Committee should be very transparent on what is required for level spending, negotiated cost and controlled cost. A lengthy discussion followed.

ITEM 5: Liaison Reports

Ms. Carlton reported that she attended first meeting of the Strategic Financial Committee for Capital Funding. Ms. Carlton stated that this committee generates, evaluates and reports on

strategies and options, both short and long term, for ensuring adequate funding for the capital needs of the Town, the Sudbury Public Schools and Lincoln-Sudbury Regional High School so as to protect the Town's investment in its capital assets. Ms. Carlton recapped a few of the discussion points from this meeting. Ms. Carlton stated that Mark Howrey distributed a handout on preliminary estimates of the capital projects to come before the town in the next fifteen years. She suggested Mr. Lowrey attend a future Finance Committee meeting to present this information.

Ms. Carlton reported on the Budget Strategies Task Force Meeting. She recapped a few discussion points. Ms. Carlton stated that a new Department of Public Works Director has been hired. His name is Dan Nason. Ms. Carlton distributed a handout on the override process and recapped the discussion from the Task Force of their thoughts on a March Ballot should an override be needed as opposed to bringing it before the voters in June.

ITEM 6: Suggested Future Agenda Items

- **Report from Sudbury Housing Trust on Maynard Road Development**
- **Development Agreement Mitigation Payments**
- **Chapter 70 Funding**

ITEM 7: Public Comments

There were no comments.

Item 12: Adjourn

Motion and Vote:

Joan Carlton moved and Jeff Atwater seconded the motion that the September 26, 2016 Finance Committee meeting adjourn at 10:50 p.m.

The motion carried. The vote was unanimous.

Next scheduled meeting is Thursday, October 13 at 7:30 pm, Flynn Building

Respectfully Submitted: Cheryl Gosmon, Recording Secretary