

**Sudbury Finance Committee  
Meeting Minutes  
October 11, 2018**

**ATTENDANCE**

Finance Committee Members Present: Chairman, Bryan Semple, Vice Chairman, Jeff Barker, Susan Berry, Adrian Davies (arrived at 7:05 pm), Lisa Gutch, Jean Nam, Glenn Migliozi, Eric Poch (arrived at 7:05 pm)

**Absent:** Jeff Atwater

**Also Present:** Dennis Keohane, Finance Director/Treasurer Collector, Melissa Murphy-Rodrigues, Town Manager

**CONVENE:**

Chairman Bryan Semple called the meeting to order at 7:00 p.m. The meeting convened in the Police Station Conference Room, 75 Hudson Road, Sudbury, MA 01776

**ITEM 1: Public Comment**

Chairman Semple opened this portion of the meeting for Public Comment.

There were no public comments.

**ITEM 2: General Business**

- **Approve Meeting Minutes**  
Meeting Minutes will be reviewed at the next meeting.
  
- **Transfers**  
There were no Budget Transfers to approve.
  
- **Liaison Report**  
As a member of the Strategic Financial Planning for Capital Funding Committee, Susan Berry reported on their meeting of September 25. She stated that the Capital Funding Committee is working on recommendations on how to fund the 2.5% of the total budget for capital maintenance and improvements. She outlined the possibilities being considered. This included the possibility of one-time override, funding with new growth and gained efficiencies, a combination of Free Cash allocation, small override, reduction of CPC 3% and reallocate to a capital bucket and quantify efficiency gains from Town/SPS/LS cost centers and sweep into the capital bucket.

Chairman Semple suggested adding an agenda item to an upcoming meeting to discuss the Capital Funding Committee's plans on funding capital products.

As Chairman of the Budget Strategies Task Force (BSTF), Susan Berry provided an update on the BSTF meeting of Thursday, September 13, 2018. Ms. Berry stated that the BSTF met initially to get organized. They have planned upcoming meetings for December and January and will meet as needed to get budget updates on the budgeting process. Ms. Berry stated that the BSTF have found that there were no issues currently with the FY19 budgets. She added that the Board of Selectmen will get three-year budget projections from the Town Manager in late October.

Ms. Berry stated that Sudbury Public Schools will begin their budget process on October 29<sup>th</sup>. The conversation veered to a discussion on Meadow Walk. Melissa Murphy-Rodrigues, Town Manager shared an update on the number of families with school-age children.

As Liaison to Sudbury Public Schools (SPS), Jean Nam provided a brief review of SPS union contracts that have been settled to date. Ms. Nam suggested, as a future agenda item that the SPS Administration attend a FinCom meeting to report on a potential alternative to the reconciliation sheet that Jean is working on with SPS.

As Liaison to the Capital Improvement Advisory Committee (CIAC), Lisa Gutch reported on the CIAC meeting of September 26<sup>th</sup>. She stated that at this meeting there were two votes taken on the Town Meeting Warrant Articles: they voted no on Article 3 - Fairbank Community Center Design Funding and yes on Article 7 - Bruce Freeman Rail Trail. Ms. Gutch explained why the CIAC voted no on Article 3 as well as why the CIAC voted yes on Article 7.

Chairman Semple provided a brief update on the recent Board of Selectmen meeting.

- **Review Calendar**

A review of the calendar included a brief discussion on the following meeting dates: Monday, October 15<sup>th</sup>, and October 22<sup>th</sup>, as well as Monday, November 5<sup>th</sup> and November 19<sup>th</sup>.

**ITEM 3: Quick review of the code of conduct and FINCOM operating procedures - social media commenting**

Chairman Semple led the discussion on this item. He referred to the Finance Committee Code of Conduct, which is located on the shared drive under Finance Committee Rules and Operating Procedures. Chairman Semple stated that the Code of Conduct document contains

language that requires the Finance Committee to avoid commenting through social media and other areas on an issue until after the Committee has had an opportunity to hear the pros and cons of the issue during a public meeting of the Committee. After a brief discussion, a suggestion was made to have Town Counsel review and provide direction on what is or is not appropriate in discussing certain issues outside of a Finance Committee meeting. Chairman Semple stated that he would include this item as a Future Agenda item.

**ITEM 4: Discussion and Vote - Town Meeting Articles**

• **Article 1 - Melone Property Disposition**

Chairman Semple opened this item for discussion. He stated that this article will be Indefinitely Postponed. After a brief discussion, the Finance Committee decided not to take a position on this article.

**Motion and Vote**

Lisa Gutch moved, and Eric Poch seconded the motion that the Finance Committee supports the Indefinite Postponement of Article 1 - Melone Property Disposition.

**The motion carried. The vote was unanimous.**

• **Article 2 - Acquisition of Broad Acre Farm**

Chairman Semple opened this item for this discussion and welcomed Melissa Murphy-Rodrigues, Town Manager.

Ms. Murphy-Rodrigues presented a PowerPoint presentation on the Acquisition of Broad Acre Farm. The presentation included a summary of all aspects of this active horse farm that is enrolled in Chapter 61A. Ms. Murphy-Rodrigues outlined the properties that abut Broad Acre Farm. Ms. Murphy-Rodrigues stated that Broad Acre Farm is a priority parcel identified in the 2009-2015 Open Space and Recreational Plan. It contains vernal pools, wetlands, and floodplain. It is listed as a critical concern in the Heritage Landscape Inventory. Ms. Murphy-Rodrigues stated that Chapter 61A applies to a property that is being used by the landowner for an agricultural or horticultural use. She stated that Chapter 61A properties are approved by the State and granted to a Town the right of first refusal when the owner converts the land to a non-chapter use while enrolled in the program. Ms. Murphy-Rodrigues stated that the owner of this property does not have a purchaser, but made it known to the Board of Selectmen that they are interested in selling. Ms. Murphy-Rodrigues described current taxes. She presented a schematic view on Parcel 1, 2 and 3. She stated that the total purchase price is \$5.5 million and \$40K in acquisition cost through a phased process. Ms. Murphy-Rodrigues described the purchase of

three parcels over a three-phased process. Ms. Murphy-Rodrigues stated that Parcel 1 is \$1,850,000, with \$20,000 in closing cost. She added that this parcel would be funded with Community Preservation Act funds. It will be restricted for open space and recreational purposes. Ms. Murphy-Rodrigues stated that Parcel 2 is \$1,001,000, with \$10,000 in closing cost. This parcel is to be funded with debt and is less restrictive in use. Ms. Murphy-Rodrigues added that Parcel 3 is \$2,639,000, with \$10,000 in closing cost. This parcel is to be funded by debt with open space and passive recreation purposes and or conservation purposes. A discussion followed on the purchase price versus the cost in services if the parcel is developed.

Ms. Murphy-Rodrigues stated that an appraisal was requested which determined a value for the property of \$5,000,000.

Ms. Murphy-Rodrigues responded to the Finance Committee's questions and concerns. After a lengthy discussion and deliberation Chairman Semple noted that there is a risk in this transaction in terms of the interest rate and property valuation over the next ten years.

#### **Motion and Vote**

Eric Poch moved, and Jeff Barker seconded the motion that the Finance Committee supports the Acquisition of Broad Acre Farm.

**The motion carried. The vote was 7 in favor, 1 opposed.**

- **Article 3 - Fairbank Center Design Funds - \$1.9M**  
Chairman Semple opened this item for discussion. He proposed that the Finance Committee consider and either agree with the financial analysis as presented by the Town or if there is no agreement to outline what information the Committee would like to see added.

The Finance Committee discussed the financial aspects of the \$30 million capital project. Ms. Murphy-Rodrigues joined the discussion and reviewed areas of costs that are subject to a change from original estimates. Discussion continued with estimates on costs to the average taxpayer as well as operating costs. Chairman Semple pointed out that there would be a \$150,000 incremental budget impact that would grow by 3% annually. Ms. Murphy-Rodrigues explained that certain things would not grow 3% annually as a burden on the tax levy. Ms. Murphy-Rodrigues reviewed with the Finance Committee enhanced services and construction costs. Ms. Murphy-Rodrigues stated that revenue estimates are projected conservatively. Ms. Murphy-Rodrigues responded to Susan Berry's question on cost

estimates for renovation. Ms. Murphy-Rodrigues stated the costs estimates were approximately \$12 million.

**Motion and Vote**

Lisa Gutch moved, and Jean Nam seconded the motion that the Finance Committee recommends approval of Article 3 - Fairbank Center Design Funds - \$1.9M.

**The motion failed. The vote was 1 in favor, 7 opposed.**

• **Article 5 - 420 Lincoln Road Funding - \$350K - Vote**

Chairman Semple opened this item for discussion. He stated that the Board of Selectmen have voted to Indefinitely Postponed this article. A brief discussion followed.

**Motion and Vote**

Jeff Barker moved, and Lisa Gutch seconded the motion that the Finance Committee supports the Indefinite Postponement of Article 5 - 420 Lincoln Road Funding - \$350K - Vote.

**The motion carried. The vote was 6 approved, 2 abstentions.**

• **Article 7 - Petition - BFRT Design Funding - \$650K - Selectman Simon Presentation**

Chairman Semple led the discussion on this item. He described funding sources for this article. Ms. Murphy-Rodrigues joined the discussion. She stated that the Town is comfortable with the \$650K estimate.

**Motion and Vote**

Jeff Barker moved, and Eric Poch seconded the motion to approve Article 7 - Petition - BFRT Design Funding - \$650K.

**The motion failed. The vote was 1 in favor, 5 opposed and 2 abstentions.**

**Motion and Vote**

Jeff Barker moved, and Eric Poch seconded the motion to consider Article 7 - Petition - BFRT Design Funding would if amended to \$150K.

**The motion carried. The vote was 5 in favor, 2 opposed and 1 abstention.**

• **Article 8 - Above ground electrical wires**

Chairman Semple opened this item for discussion. He stated that the Board of Selectmen took no position on this article. Chairman Semple stated that this article would set up a differential tax rate for utilities that are set up with above ground poles versus below ground set up. A brief discussion followed.

**Motion and Vote**

Jeff Barker moved, and Susan Berry seconded the motion that the Finance Committee takes no position on Article 8 - Above ground electrical wires.

**The motion carried. The Vote was 7 in favor, 1 opposed**

**ITEM 5: Time permitting agenda items** - Time would not allow for discussion on the following bulleted items.

- Understanding Circuit Breaker Accounts, Stabilization Funds etc. - Dennis. This item was deferred.
- Review free cash guidelines specific to the .5% reserve. This item was deferred.
- Budget guidance letter discussion - do we give guidance. This item was deferred.
- Updates on settled contracts
  - i. Further discussion of new details of LS contract
  - ii. Additional settled contracts

**ITEM 6: Public Comment**

There were no public comments.

**ITEM 7: Possible Future Agenda Topics**

Ideas for Capital Funding  
SEA and SPA Union Contracts  
Operating Procedures  
LS E&D procedures

**ITEM 8: Adjournment**

**Motion and Vote:**

Jeff Barker moved, and Eric Poch seconded the motion that the October 11, 2018, Finance Committee meeting adjourns at approximately 9:45 p.m.

The motion carried. The vote was unanimous.

.

*Next scheduled meeting of the Finance Committee is Monday, November 5, 2018, at 7:00 p.m.*

*Respectfully Submitted: Cheryl Gosmon, Recording Secretary*