



Town of Sudbury

Finance Committee

Finance Committee
278 Old Sudbury Road
Sudbury, MA 01776

(978) 443-8891

September 26, 2005

Board of Selectmen, Town of Sudbury

Ms. Maureen Valente, Town Manager, Town of Sudbury

Ms. Jane S. Santinelli, Sudbury Public Schools Committee, Chairman

Dr. John R. Brackett, Sudbury Public Schools, Superintendent

Mr. John J. Ryan, Jr., Lincoln Sudbury Regional School District Committee, Chairman

Dr. John M. Ritchie, Lincoln-Sudbury Regional High School, Superintendent

Mr. Paul Lynch, Minuteman Regional High School Representative

Dear Town and School Leaders and Administrators:

The Finance Committee (the "Committee") looks forward to working with you on the FY07 budget. Municipal budgeting continues to be a challenging task in a difficult environment requiring resourcefulness, strategic thinking and choices. We congratulate the officials and representatives of the Town and its various committees for working together in the past in the best interests of the Town's residents and taxpayers. It is the Committee's desire to see this spirit of cooperation continue as we all work through the FY07 budget process.

While the budget process, definitions and formats previously established will continue (as consistency is an inherently necessary function in budgeting), the Committee realizes that the economic times, the Town population (both student and resident), and the utilization of Town and school provided services change. While the Committee is aware of these changes, it is also bound by its obligation to recommend a no override budget. In an effort to help achieve its obligations and to insure that the Committee is recommending a budget that meets the various levels of services it deems appropriate, we respectfully suggest the following milestones and guidelines:

- Milestone 1. By October 12th, the Committee requests each cost center provide a written FY05 Budget vs. Actual Expended cost analysis with commentary for material differences. This information should be sent to Sue Petersen, Finance Director, for inclusion in the Committee's October 17th meeting packet.
- Milestone 2. By December 16th, each cost center should submit a FY07 budget to Sue Petersen (preferably on 3-hole punched paper) based on the suggested following criteria:

- Budgeted expenses assuming both 1.5% and 3.5% increases over the FY06 budget in each respective cost center's budget (excluding pension and insurance line items to be reflected at projected cost). Please include details of the impacts at these levels as well as the additional services or programs from the 1.5% to the 3.5% budget.
- Any other budget a cost center wishes the Committee to consider.

Milestone 3. In January, the Committee will hold budget hearings to gain a greater understanding of each budget and its impact. This schedule will be made available by mid-November.

Milestone 4. By mid-February, the Committee intends to vote on the submitted budget under Proposition 2 ½ and any override budget, if deemed necessary.

Attached you will find schedules for FY07 revenue projections (current projections of the Town Manager and Finance Director) and budget forecasts with noted assumptions. These figures are *very preliminary* and will likely be revised, as we get further into the budgeting process. As additional information regarding state aid, pension and insurance costs, and other figures for which projections have been made become available, we will adjust accordingly.

Your cooperation is very much appreciated.

Members of the Finance Committee

Cc: Town Moderator (w/o encl.)
John Robinson, Town of Lincoln Finance Committee, Chairman (w/o encl.)

