

**Sudbury Finance Committee
Meeting Minutes
January 23, 2017**

ATTENDENCE

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

Absent: Jeff Barker

Also Present: Dennis Keohane, Finance Director/Treasurer Collector, Susan Iuliano, Chairman, Sudbury of Board of Selectmen, Anne Wilson, Superintendent, Sudbury Public Schools (SPS), Susan Rothermich, Director of Finance, SPS Chuck Woodard, Board of Selectmen,

CONVENE:

Chairman Berry called the meeting to order at 7:32 p.m. The meeting convened in Lower Town Hall, 322 Concord Road, Sudbury, MA 01776. Chairman Berry noted that the meeting is being televised and recorded.

ITEM 1: Public Comment

There were no comments.

ITEM 2: General Business

- Approve Meeting Minutes
- Transfers and Other Business
- Other

ITEM 3: Budget Review with Sudbury Public Schools

Chairman Berry introduced this item. Chairman Berry provided a brief review of the direction the discussion would take. Chairman Berry summarized the budgeting process in response to several emails she had received. She stated that the Finance Committee is required to recommend a non-override budget to the Board of Selectmen and Town Meeting. The Cost Centers and or the Board of Selectmen can propose a non-override budget different from the Finance Committee's recommendation. The Cost Centers can present a budget request that requires an override. The Finance Committee would make a recommendation on any override budget or budgets that were submitted. The Board of Selectmen is responsible for deciding whether to place an override budget or budgets on the ballot. Town Meeting approval is necessary for a non-override budget. Town Meeting approval and approval of a ballot question is needed for an override budget.

Chairman Berry welcomed Anne Wilson, Superintendent of Sudbury Public Schools and Susan Rothermich, Director of Finance and invited them to present a review of the SPS budget requests.

Dr. Wilson referred to the Draft Budget Reconciliation Spreadsheet, which outlines the proposed FY18 SPS proposed budget, the Cost Centers 3.58 non-override budget, and the Finance Committee 2.25% non-override budget.

Dr. Wilson discussed salaries and benefit changes in the proposed FY18 SPS budget, which include an additional 13.3 FTEs that were hired in FY17 but were not included in the projection for the FY17 budget. A brief clarifying discussion followed on proposed increases to this line item, which is estimated to increase by 11%. Dr. Wilson's report continued with a summary of mandated new additions and critical needs. She explained that mandated new additions are positions that SPS are required to add or are added based on programmatic needs. Dr. Wilson defined proposed new positions relative to this line item. Dr. Wilson discussed FTE reductions based on enrollment. Dr. Wilson clarified changes to utilities, supplies and miscellaneous increases. She discussed maintenance cost and special education costs.

Dr. Wilson reviewed each line item in the Cost Centers 3.58% proposed non-override budget. She pointed out that most of the items are similar to the SPS Proposed Budget, there are no program changes mandated/critical needs are the same. Changes in this budget occur in FTE reduction. Changes in this budget in terms of benefits are related to unemployment. The conversation continued onto offsets, which include grants, and revolving funds that would be utilized within the operating budget. A lengthy discussion ensued on teacher to student ratio and the uptick in headcount.

Dr. Wilson reviewed each line item for the Finance Committee 2.25% proposed non-override budget. Items are similar to the proposed FY18 SPS budget. Dr. Wilson outlined retained and additional reductions. Dr. Wilson stated that this budget would also eliminate the 1:1 Technology program and decrease technology support and cost.

A lengthy discussion followed on programs that have been added and program cost. Chairman Berry pointed out that the areas of concern for future budgets are salaries and educational support as well as the ability to create a sustainable budget. The Finance Committee will look at the SPS budget in relationship to the Town and LS budgets and how they relate to each other.

Chairman Berry opened this portion of the meeting to public comment. Chairman Berry recognized Sudbury resident Joe Heinen, 6 Ruddock Road.

Mr. Heinen stated that he has two children at the Haynes School. Mr. Hinan referred to the SPS 2015 data per pupil expenditures and the percentage of enrollment students with disabilities. Mr. Heinen expressed that he is disturbed by what he sees as a trend in the uptick of the special education costs over elementary and middle school instructional costs. Mr. Heinen is interested in the Finance Committee's view on this trend and the model for a sustainable budget for SPS going forward.

Chairman Berry recognized Susan Iuliano, Chairman of the Sudbury of Board of Selectmen.

Ms. Iuliano shared historical information on the SPS headcount versus the LS headcount and how the information is recorded with the Department of Elementary and Secondary Education. She also shared insight into mandated requirements from the State that has led to the need to hire additional staff. Ms. Iuliano also spoke about challenges in the collective bargaining agreement for SPS. She encouraged the Finance Committee to consider a broader view and retention rate when looking at salaries and sustainability.

Chairman Berry recognized Sudbury resident Peiter du Plessis 173 Peakham Road.

Mr. du Plessis stated that he has a child at the Haynes School in the Partners Program and a kindergartener that will attend next year. Mr. du Plessis stated that as a parent of a child with special needs he would like to better understand the options for this cohort of students. Mr. du Plessis stated that he believes Dr. Wilson is establishing a capability that can be leveraged for the community going forward.

ITEM 4: Review and Vote on Finance Committee Submission to the 2016 Annual Town Report

Chairman Berry led the discussion on this item. She noted that this is a review of the Draft 2016 Annual Town Report. Chairman Berry referred to revision to draft and asked the Committee if there were any further changes and comments. A brief discussion followed.

Motion and Vote

Bryan Semple moved and Tammie Dufault seconded the motion to accept the 2016 Annual Town Report as amended.

The motion carried. The vote was unanimous.

ITEM 5: Budget Deliberations

Chairman Berry opened this item for discussion. She reminded members that the next Finance Committee meeting is January 30th and that there would be an additional budget hearing with the Cost Centers to discuss an override request for the Town, and more discussion on the Budget Reconciliation Spreadsheets. The Finance Committee then engaged in a lengthy discussion on the need to better understand the SPS override request. The conversation that followed included a comprehensive discussion on the jump in salaries for the teachers, headcount, and special education enrollment and services.

Chairman Berry stated that the budget pressures for SPS lie in increased staffing, teacher salaries and changes in programs. Chairman Berry added that all three Cost Centers look to enhance services for the population they are serving and part of the Finance Committee's job is to figure out how to balance this.

Chairman Berry invited SPS Committee Chair, Lucie St. George to offer clarifying information on some of the Finance Committee's concerns. Ms. St. George addressed complications with special education costs.

After a long discussion the Finance Committee agreed that the SPS needs budget is not sustainable. Chairman Berry stated that she would like SPS to be more specific about the programs that have been added. SPS needs to explain to the voters why the need for the large increase to sustain programs.

ITEM 6: Discussion of Finance Committee Guidance to Fairbank Task Force and Possible Vote

Chairman Berry opened this item for discussion. She distributed the motion as drafted by Jose Garcia-Meitin, and Bryan Semple regarding Finance Committee Guidance to the Fairbank Task Force. Mr. Garcia-Meitin and Mr. Semple read aloud the motion. Discussion followed.

ITEM 7: Public Comment

Chairman Berry recognized Sudbury resident Sivia Nerssessian, 555 Dutton Road. She asked about the sustainability of the budgets. Chairman Berry offered clarifying historical information on the budgets. Dennis Keohane, Finance Director/Treasurer Collector also add specific information on Town revenue.

Chairman Berry recognized Sudbury resident Ms. Proujansky-Bell 38 Lakewood Drive expressed concerns around the lack of strategic planning. She also expressed the need to develop a sustainable budget.

Item 8: Adjourn

Motion and Vote:

Tammie Dufault moved and Fred Floru seconded the motion that the January 23, 2017 Finance Committee meeting adjourns at 10:54 p.m.

The motion carried. The vote was unanimous.

Next scheduled meeting is Monday, January 30th at 7:30 p.m.,
Lower Town Hall

Respectfully Submitted: Cheryl Gosmon, Recording Secretary