

**Sudbury Finance Committee  
Meeting Minutes  
January 30, 2017**

**ATTENDENCE**

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

**Absent:** Fred Floru

**Also Present:** Dennis Keohane, Finance Director/Treasurer Collector, Susan Iuliano, Chairman, Sudbury of Board of Selectmen, Anne Wilson, Superintendent, Sudbury Public School (SPS), Susan Rothermich, Director of Finance, SPS, Bella Wong, Superintendent-Principal, Lincoln-Sudbury Regional High School (LSRHS), William Miles, Chief of the Sudbury Fire Department

**CONVENE:**

Chairman Berry called the meeting to order at 7:34 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**

Chairman Berry recognized Sudbury resident Jeff Pazak, 6 Fox Hill Drive.

Mr. Pazakk stated that he has been a Sudbury resident for ten years. He stated that the last time he looked at the school budget was eight years ago, and that back then the budget was \$35M and the FTE count was approximately 390. He noted that next year the budget looks like it will be approximately \$45M with FTE count of 430. He asked what percentage of the budget goes to the classroom teachers and curriculum development, and what percentage of the budget goes to roles that are not directly impacting teaching and learning. He also asked that the Finance Committee and SPS consider how resources could better improve teacher ratios and curriculum development.

Chairman Berry recognized Sudbury resident, Kay Bell, 348 Old Lancaster Road.

Ms. Bell stated that she has been a Sudbury resident for over two years, and that she is concerned with the budget crisis for SPS. She stated that when she learned that SPS maintenance and Circuit Breaker funding was moved around to cover other

educational expenses in the school budget it seemed to her that this is why SPS is in a budget crisis. She added that apparently maintenance hasn't been attended to as it should have been and there is a need now to ask for so much more money. She also stated that moving money from one expense line to another and not attending to maintenance is not a good practice. She suggested a modest override with a commitment to action to remedy the situation in the future might help.

Chairman Berry recognized Sudbury resident Joe Heinen, 6 Ruddock Road.

Mr. Heinen expressed concerns that the SPS proposed needs budget, a 9% increase over FY17, requiring an override vote, is extreme. He stated that in an environment of declining enrollment, and declining enrollment projected to continue in the foreseeable future as well as flat enrollment for special education, the needs base budget is extreme. Mr. Heinan stated that he would challenge the superintendent to scrub the budget and find areas for better costs efficiencies and a better return on the investment the town is being asked to make.

**ITEM 2: General Business**

- **Approve Meeting Minutes**

**Motion and Vote**

Joan Carlton moved and Jeff Atwater seconded the motion to approve the minutes of the November 17, 2016, meeting as submitted.

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

- **Transfers**

There were no transfers.

- **Other Business**

**ITEM 3: Vote to Authorize Dennis Keohane to Submit Articles on Finance Committee's Behalf**

Chairman Berry introduced this item, and stated that Articles for inclusion in the Annual Town Meeting Warrant are due Tuesday, January 31<sup>st</sup>. The Finance Committee has four articles: FY18 Budget, FY18 Transfer Station Enterprise Fund Budget, FY18 Pool Enterprise Fund Budget, and FY18 Recreation Field Maintenance Enterprise Fund Budget. A brief discussion followed.

**Motion and Vote**

Tammie Dufault moved and Joan Carlton seconded the motion to authorize Dennis Keohane, Finance Director/Treasurer Collector to submit the Finance Committee Warrant Articles.

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

**ITEM 4: Continuation of Budget Hearings with Town,  
Lincoln-Sudbury Regional High School and Sudbury  
Public Schools**

Chairman Berry opened this item for discussion and invited Anne Wilson, Superintendent, SPS, and Susan Rothermich, Director of Finance, SPS to present additional information on the FY18 SPS budget request.

The discussion began with questions on the SPS Program and Staffing Additions between FY12 and FY17 Report. Dr. Wilson shared historical information on the SPS Committee's goal to align teacher salaries to teacher salaries in comparable school districts. In answer to questions about FY19, Dr. Wilson described staffing increases to FY19 based on level staffing and steps/lanes. This increase would be \$985,000 not including a COLA. Dr. Wilson also described additional budget assumptions that would impact FY19.

The discussion also included a conversation on using Free Cash for unemployment and if so how many FTEs could be restored, and what the unemployment liability would be. Dr. Wilson stated that working from the Cost Centers budget, unemployment was \$740K, 12.37 professional FTE would be added back in cuts would be reduced to 37.07 FTE; unemployment liability would be reduced to \$374,770.

Susan Iuliano, Chairman of the Sudbury of Board of Selectmen commented on the Board of Selectmen's role in determining an override amount for Town Meeting and the Ballot.

Chairman Berry invited Bella Wong, Superintendent-Principal, LSRHS and Sherry Kersey, Finance Director, LSRHS to present additional information on the Budget Reconciliation Spreadsheet.

Ms. Wong's presentation included an update on adjustments for newly projected Minimum Contribution Rates. The presentation also incorporates the new regional transportation reimbursement rates and an update on reduction of transportation increase. In addition, Ms. Wong presented an update on reduction of aggregate health insurance increase and reduction in pension assessment increase. Ms. Wong stated that the adjustments satisfies the Lincoln guidance, and exceeds the Sudbury guidance of 2.25%.

Ms. Wong outlined budget adjustments and reductions for the 2.25% Finance Committee Guidance non-override budget. She explained that a budget expense adjustment (health insurance, pension, transportation) has no impact on the program. A budget expense reduction is reduced from the instructional capital. The expense adjustments total \$110,590. The expense reductions

total \$100,000 impacting the program, as well as \$477,201 for 7.8 professional and non-professional personnel.

Ms. Wong outlined budget adjustments and reductions for the budget proposal using the full non-override capacity. Budget expense adjustments total \$110,590. Budget expense reductions total \$100,000 and \$154,539 for personnel reductions (2.3 FTE). Ms. Wong stated that Lincoln-Sudbury would not be requesting an override to cover the \$154,539 but instead will ask the LSRHS Committee to vote to approve an increase in the circuit breaker adjustment to cover this cost.

Ms. Wong reviewed budget program assumptions and presented a summary on the financial assumptions. Ms. Wong stated that the assessment is preliminary based on the release of the Governor's budget. A discussion followed on changes to the budget reconciliation spreadsheet. Ms. Wong stated that she is projecting between \$500K and \$700K in Circuit Breaker reserve, carrying over into FY19 for unexpected expenses.

Chairman Berry invited Melissa Rodrigues, Town Manager and Dennis Keohane, Finance Director/Treasurer Collector to present updated information on the Budget Reconciliation Spreadsheet as well as follow-up information on the request for an override.

A general discussion ensued on the request for an override and additional personnel. Fire Chief Miles answered Committee Members question on the running a second ambulance. He also spoke about the training period for new firefighters. Chief Miles spoke about the increased development that has taken place throughout the town and the need for additional personnel. Ms. Rodrigues described the need for implementing additional personnel today. A brief discussion followed on clarification of salaries.

**ITEM 5: Budget Deliberations and Possible Vote**

Chairman Berry opened this item for discussion. A brief discussion ensued on the Finance Committee 2.25% guidance for a non-override budget. After a lengthy discussion, it was the consensus of the Committee to remove the 2.25% guidance from consideration.

The discussion then continued to a conversation on using Free Cash to fund SPS unemployment benefits and develop a method of tracking expenditures. Mr. Keohane explained how this item is recorded. He noted that access to the Reserve Fund requires Finance Committee approval. A discussion followed on the impact to the SPS budget, using Free Cash to fund unemployment and leaving the delta within the SPS budget to reallocate it to keep positions. Discussion followed on a determination of a non-

override amount. Mr. Garcia-Meitin stated that the override request is a \$2M increase which is not sustainable. SPS has stated that the increase correlates to the services the FTEs provide. He would like to explore this more. Mr. Garcia-Meitin added that Dr. Wilson would need to explain what the services are. A discussion followed on the increase in tax amount per household. After a lengthy deliberation it was determined that SPS provide the Finance Committee with two alternative scenarios describing what services are at risk.

**ITEM 6: Report on Board of Selectmen Discussion of Potential Override and Possible Vote on Offering Finance Committee Opinion**

Chairman Berry opened this item for discussion. Chairman Berry stated that it seem the committee would like to consider presenting a recommendation to the Board of Selectmen that the BoS approve a menu override on the ballot. A brief discussion followed.

**Motion and Vote:**

Bryan Semple moved and Tammie Dufault seconded that the Finance Committee recommend to the Sudbury Board of Selectmen a Menu Override.

**The motion carried. The vote was 5 yes 3 no.**

**ITEM 7: Discussion of Finance Committee Guidance to Fairbank Task Force and Possible Vote**

Chairman Berry opened this item for discussion. She stated that members have received information on this matter under a separate cover and that she had several questions. Chairman Berry stated that she would like clarification on what is meant by "certified" and that she did not agree with the last paragraph. The term certified would be changed to validate. A brief discussion followed.

**Motion and Vote:**

Bryan Semple moved and Tammie Dufault seconded to approve recommendations as amended.

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

**ITEM 8: Prep for Joint Meeting with Lincoln Finance Committee**

Chairman Berry led the discussion on this item. She presented a proposed Agenda for this meeting: LS Budget, Intermediate Term Priorities, and OPEB planning. There were no additional items added.

**ITEM 9: Public Comment**

Chairman Berry recognized Susan Iuliano, Chairman, Sudbury Board of Selectmen. Ms. Iuliano offered clarifying information on the SPS and LS budget as well as the override ballot question.

Chairman Berry recognized Sudbury resident Ms. Maia Proujansky-Bell, 38 Lakewood Drive. She offered suggestion on clarity of the budget process. Ms. Proujansky-Bell will send the Finance Committee this information for their consideration. She noted that there was a fantastic presentation at the School Committee meeting on student services and that the School Committee may want to hear from the director on that presentation.

**Item 10: Adjourn**

**Motion and Vote:**

Tammie Dufault moved and Jose Garcia-Meitin seconded the motion that the January 30, 2017 Finance Committee meeting adjourns at 11:17 p.m.

The motion carried. The vote was unanimous.

Next scheduled meeting is Monday, February 6<sup>th</sup> at 7:30 p.m., Conference Room B, Lincoln-Sudbury Regional High School; the first half hour will be a joint meeting with the Lincoln Finance Committee.

*Respectfully Submitted: Cheryl Gosmon, Recording Secretary*