

**Sudbury Finance Committee
Meeting Minutes
November 4, 2019**

ATTENDANCE

Finance Committee Members Present: Chairman, Jeff Atwater, Vice-Chairman, Eric Poch, Susan Berry, Ronald Brumback, Lisa Gutch, Jean Nam, Bryan Semple, Scott Smigler

ABSENT

Christopher Carmody

PRESENT

Dennis Keohane, Finance Director/Treasurer-Collector. Pat Brown, Sudbury Board of Selectmen, Andrew Payne, Chairperson, Lincoln Finance Committee, Jim Hutchinson, Vice-Chair, Lincoln Finance Committee, Bella Wong, Superintendent/Principal, Lincoln-Sudbury Regional High School (LSRHS), Peter Rowe, Interim Director of Finance, LSRHS.

CONVENE:

Chairman Jeff Atwater called the meeting to order at 7:06 p.m. The meeting convened at Flynn Building, in the Silva Meeting Room, 2nd Floor, 278 Old Sudbury Road, Sudbury, MA 01776.

ITEM 1: Public Comment

Chairman Jeff Atwater opened this portion of the meeting for Public Comment. There were no public comments.

ITEM 2: General Business

- **Approve Meeting Minutes**

Motion and Vote

Lisa Gutch moved, and Ronald Brumback seconded the motion to approve the minutes of September 16, 2019, meeting as amended.

The motion carried. The vote was unanimous.

- **Budget Transfers**

There were no Budget Transfers

- **Liaison Report**

Susan Berry reported on a budget timeline for SPS. Chairman Atwater will distribute this information to Finance Committee members.

Eric Poch reported that the CPC held a meeting on October 16th and preliminarily voted on six applications. Jean Nam shared information on research she had done regarding turf fields and CPC funding. She stated that although turf fields cannot be replaced or refurbished using CPC funding site prep work on fields can be done using CPC funding.

Scott Smigler gave an update on the Master Plan Steering Committee. He stated that five series of community conversations have wrapped up with two more milestones remaining. He added there will be fall/winter policy drafting and, the spring will involve adopting a new Master Plan. The next meeting is November 12th at 7:30 at Town Hall, Master Plan Steering Committee with Planning Board.

- **Review Calendar**

Chairman Atwater confirmed upcoming meeting dates. A general discussion followed. Chairman Atwater will post the dates in the shared drive.

ITEM 3: Lincoln-Sudbury Regional High School (LSRH) Allocation Estimate

Chairman Atwater opened this item for discussion. He stated that Lisa Gutch and Ronald Brumback have been talking with LS and members of the Lincoln Finance Committee, regarding the calculation of the allocation between Lincoln and Sudbury.

Peter Rowe provided handouts and began with a primer on where revenue comes from to support the schools. This includes Chapter 70 Funding, Regional Transportation Reimbursement, other revenue, which includes a mix of general small items, and the Access and Deficiency Account (E&D). Mr. Rowe stated that the lion's share of revenue comes from the Sudbury and Lincoln assessments, and stated that this is where the \$29M of the \$32M in revenue in the FY20 General Fund came from. Mr. Rowe summarized revenue from Circuit Breaker, and grant awards the school district receives, and revolving fund accounts. Mr. Rowe described how the Required Minimum Contribution (RMC) is estimated.

Jim Hutchinson, Vice-Chair, Lincoln Finance Committee began with a PowerPoint presentation titled, LSRHS Financial Essentials. He stated that the Required Minimum Contribution (RMC) is set by the state and anything above the RMC is assessed based on the regional agreement which uses a ratio of a rolling 3-year average enrollment. He noted that the percentage for the RMC is different from all the other categories of assessment. Mr. Hutchinson explained why there are swings of assessment between Lincoln and Sudbury. He described the timing of the budgeting process and pointed out that the RMC is not set by the

Department of Elementary and Secondary Education (DESE) until late January, which can change the assessment percentage for each town used in the initial budgeting process. He described an approach used by Pat Collins in the FY15-16 era, which uses the previous year's Foundation Budget, divided by the number of students in the previous year; multiplied by the current year October 1 enrollment numbers. He stated that this calculation will give an estimate of the current year Foundation Budget, which is all that is needed to estimate the assessment percentage for each town. Mr. Hutchinson described certain aspects of Chapter 70 funding contributions that don't apply to towns like Lincoln and Sudbury and stated that the October 1 estimate of enrollment will provide a reasonably accurate prediction. He stated that he would need the enrollment numbers from SPS, LS, Lincoln School and vocational. Mr. Hutchinson described Lincoln's budgeting process and next steps. After a lengthy discussion Chairman Atwater suggested that LS use this model to more accurately estimate the assessment costs. By consensus, the Finance Committee recommended that LS use the model as presented by the Lincoln Finance Committee to estimate its RMC. Susan Berry will coordinate with SPS on updated enrollment numbers.

ITEM 4: Discuss and Vote on Town Manager Search Representative

Chairman Atwater led the discussion on this item. He stated that the Town is looking for a Finance Committee member to serve as a Town Manager Search Representative. Chairman Atwater described logistics for this commitment. A general discussion followed.

Motion and Vote

Lisa Gutch moved, and Ronald Brumback seconded the motion that Susan Berry serves as the Finance Committee Town Manager Search Representative and Scott Smigler be the Finance Committee alternate Town Manager Search Representative.

The motion carried. The vote was unanimous.

ITEM 5: Review and Approve the Budget Guidance Letter

Chairman Atwater opened this item for discussion and referred to Susan Berry's edits. A general discussion followed on the process: Town Manager's guidance and Finance Committee's focus on what's driving changes. The conversation veered to a discussion on OPEB normal cost. Chairman Atwater explained the annual required contribution and how the annual costs are factored in the Cost Center's annual budget request. Jean Nam suggested that the Finance Committee continue to receive numbers from the Cost Centers on revolving fund balances, grant balances, preschool balances, etc. Susan Berry expressed concerns about the tentative budget hearing schedule. She stated that the budget hearings are scheduled to take place before the budget book is available. Dennis Keohane, Finance

Director/Treasurer-Collector confirmed that the budget book would be ready by the end of the January. The conversation continued with a general discussion on the Multiyear Data Comparison Spreadsheet. Susan Berry confirms that a template is available for the Cost Centers to input their data. Members asked that an accounting of mitigation funding, LS Academy, Sewataro be included in Exhibit 1. The discussion continued with a conversation on capital projects and the impact on the average tax bill. Scott Smigler made suggestions for the Cost Centers' capital projects to be included in Exhibit 1.

Motion and Vote

Bryan Semple moved, and Ronald Brumback seconded the motion to approve the Budget Guidance Letter.

The motion carried. The vote was unanimous.

ITEM 6: Review the use of FinCom Shared Drive

- **How to Organize**
- **Procedures for Sharing Documents Among the Committee and Cost Centers**

Chairman Atwater opened this item for discussion. He stated that this is something Susan Berry and Christopher Carmody have asked about and are working on. He added that they would like to see the shared drive operate more efficiently and more transparently. Chairman Atwater described the structure, how to organize files and document as well as procedures for sharing documents among the Finance Committee and Cost Centers. A general discussion followed.

ITEM 7: Public Comment

Chairman Atwater opened this portion of the meeting for public comment. Chairman Atwater recognized Pat Brown, Sudbury Board of Selectmen.

Pat Brown stated that the Sudbury Board of Selectmen and the Finance Committee will hold a joint meeting on Tuesday, December 3, 2019. Pat Brown also stated it is a full agenda that both Chairs will finalize.

ITEM 8: Possible Future Agenda Topics

- Frost Farm - Review and update
- Fairbank - Review and update
- Sewataro - Review and update

ITEM 9: Adjournment

Motion and Vote:

Bryan Semple moved, and Susan Berry seconded the motion that the November 4, 2019, Finance Committee meeting be adjourned at approximately 9:41 p.m.
The motion carried. The vote was unanimous.

The next scheduled meeting of the Finance Committee is Monday, December 9, 2019, at 7:00 p.m.

Respectfully Submitted: Cheryl Gosmon, Recording Secretary