

**Budget Strategies Task Force
BSTF Minutes
October 21, 2016**

Present: Anne Wilson, Melissa Rodrigues, Pat Brown, Radha Gargeya, Susan Berry, Elena Kleifges, Richard Tinsley, Chuck Woodard

Absent: Lucie St. George, Bella Wong, Joan Carlton, Patricia Mostue

Also present: Dennis Keohane, Finance Director/Treasurer - Collector, Susan Rothermich (SPS Director of Business and Finance), Sherry Kersey (LS Director of Finance and Operations), Susan Iuliano

Susan Berry called meeting to order at 8:05am

Item 1: General Business

- Richard Tinsley selected as Clerk for meeting
- Motion to approve Sept 23 minutes Radha Gargeya, Pat Brown second (Unanimous approval)

Item 2: Cost Center Updates

SPS/LSRHS Bus Transportation Discussion

The question was raised about the potential to move Curtis extended day back one year because the busing contract is perceived as too expensive. Anne Wilson explained that there is no evidence that the extended day will cause any increase in bus transportation. Transportation costs may go up based on the new bus contract, but that is a result of poor competition in the busing business.

Item 3: Budget Guidance Letter Preview, Discussion, and Feedback

Revenue Discussion

Susan Berry handed out preliminary revenue estimates showing a revenue increase of \$2.5m or 2.75%. Susan Berry then explained the FinCom process of producing cost estimates. Preliminary numbers show high expense increases totaling \$5.2m or 5.3% (LSRHS \$1.345m \$754k Town \$3.062m SPS) As a result, the Fincom guidance is likely to request a budget from each cost center with no more than a 2.0% increase for a non-override budget. FinCom is also likely to accept an optional budget submission from the cost centers, if their needs cannot be met within the no-override budget. The Budget Strategies Task Force discussed whether the cost centers' budget limit for the no-override budget should be raised from 2.0% to 2.75%.

Richard Tinsley spoke about the revenue problem in the town. Chuck Woodard said that the post-contract should not be taken as the starting point. Pat Brown discussed what it takes to expand commercial revenue and the long term nature of those investments and if Sudbury has what commercial organizations want.

Timing of a potential override budget request

Susan Berry explained that an override Warrant article needs to be received by the Town Clerk's office by Feb 20th in order to get onto the March ballot (town elections). The question is whether any potential override should be on the ballot before or after Town Meeting. SPS needs to notify staff of changes by May 15th deadline, so a post-town meeting ballot is a challenge. If having an override

question on the Town Election ballot in March is the goal, the following timeline applies and additional committee meetings maybe required.

Budgets by Dec 30th

Budget book Jan 6th

Budget hearings early January (week of the 9th)

Joint Budget Strategies / FinCom meeting

Final Budget Info

Note: BOS needs to approve warrant prior to Feb 20th

Town Clerk – Town Warrant submission Feb 20th deadline

The BOS will ultimately decide when a potential override will be placed on the ballot. The last successful override budget request in Sudbury was approved in 2007.

Free Cash Use

Susan Berry discussed that Free Cash should be restricted for one time only expenses versus any operating expense. Chuck Woodard suggested that the remaining \$2.0 million in town Free Cash should be reserved for capital budget items to avoid the need for a Capital Override.

Item 4: Cost Sharing/Savings – Rolling Stock Review Update

No discussion

Item 5: Suggestions for Future Agenda Topics

- March vs May ballot for a potential override if necessary

Item 6: Public Comments

Susan Iuliano – when should the BOS consider the timing of the override ballot question?

Susan Rothermich (SPS finance) – when will the community start to hear about a “structural deficit”?

Item 7: Adjourn

Motion to adjourn at 9:40am Elena Kleifges, Pat Brown second. (Unanimous approval)