

**Town of Sudbury ~ Budget Strategies Task Force**  
**Monday, November 20, 2017**  
**Flynn Building - Silva Room**

Members Present: Susan Berry, Melissa Murphy-Rodrigues, Pat Brown, Susan Iuliano, Bella Wong, Nancy Marshall, Christine Hogan.

Absent: Joan Carlton

Arriving later: Richard Tinsley (8:09), Radha Gargeya, (8:11), Anne Wilson (8:26)

Leaving earlier: Bella Wong (9:01)

Also present: Sherry Kersey (LS Director of Finance and Operations), Donald Sawyer (SPS Director of Business & Finance)

Chairwoman Susan Berry called the meeting to order at 8:05 am.

Pat Brown volunteered to take minutes for this meeting.

**Budget Hearing Schedule:** Chairwoman Susan Berry stated that the Finance Committee (FinCom) will deliver its Budget Guidance Letter to the cost centers (Town of Sudbury, Sudbury Public Schools, and Lincoln-Sudbury Regional High School) on November 21. FinCom requests that representatives from each of the three cost centers attend the FinCom meeting on December 11 to discuss any budget issues arising during the current (FY18) budget year, possible problems in the future, and budget pressures on the FY19 budget. By December 31, budgets are due to the Finance Director and budget reconciliation sheets and the FinCom Multiyear Data Comparison Sheets are due to the chair of the FinCom.

Liaisons should arrange time to go over the reconciliation sheets with the cost centers, but this will not gate the December 11 presentations.

The FinCom budget hearings with the cost centers will be:

Thursday, January 18 – Town of Sudbury  
Monday, January 22 – LS Regional High School  
Thursday, January 25 – Sudbury Public Schools

FinCom will vote on a budget on February 12, and (tentatively) hold a joint meeting with the Board of Selectmen to present their budget on Monday, February 26.

## **Budget Process:**

Ways to improve: Susan Iuliano noted that it would be useful for budget books to be available prior to the FinCom budget hearings, but that the Town Manager and Finance Director are not scheduled to have the preliminary budget book prepared until January 31. Town Manager Melissa Rodrigues said that they will have the budget book prepared in time for the January 18 presentation.

Two questions arose concerning the Budget Strategies Task Force (BSTF) schedule:

- 1) When should the BSTF report to FinCom?
- 2) When should BSTF meetings begin in the fall? (That is, what is the BSTF yearly schedule?)

Task Force members were requested to bring their thoughts to the next BSTF meeting.

Radha Gargeya observed that one purpose of the BSTF is to communicate among the cost centers, and to consider updates from the cost centers. It would be useful for the cost centers (BOS, SPS, and LS) to include a “placeholder” item on their agendas to allow timely discussion of information to or from the BSTF to decrease the turnaround time.

Assumptions: Town Manager Rodrigues said staffs from the three cost centers are working together to prepare a non-override budget. Since contracts have not yet been negotiated, the actual COLA, benefits, and other costs are not known; therefore, estimates are made using the existing obligations. The school cost centers, and not the town, estimate school specific expenses, such as school transportation costs. The Town of Sudbury and LS discuss health insurance costs; SPS is considered part of the town represented by the Town Manager for this purpose. The overall goal is to have a consistent set of assumptions while developing the budget.

The Task Force discussed transportation issues for SPS and LS. While the school systems are discussing adjusting school start times for better educational outcomes, the transportation challenge is that shifting bus route times may not have the desired outcome: starting the bus route ten minutes later may mean arriving at school twenty minutes later due to increased time delayed in traffic. As bus travel times increase, when do families drop out of the school bus program altogether, requiring routes to become yet longer? The consensus was that the school districts should consider delaying the decision on start times pending input from a traffic consultant to identify the traffic patterns and bus route times based on these patterns. This information will not be available in time to inform the FY2019 budget.

In preparing a non-override budget, the LS budget rather than the Sudbury assessment will be weighed in balancing the needs of the three cost centers. Sudbury’s assessment percentage for the LS budget, however, is expected to increase. An estimate of the “full blended rate” will become available following release of the Governor’s Budget the last Friday in January (January 26).

Circuit breaker reimbursement for Out Of District (OOD) tuition is not known. As a good practice, circuit breaker receipts should not be applied to the operating budget but any surplus placed into a contingency fund for future spikes in OOD tuition costs.

Inflation factor is an assumed increase in costs year-over-year. This is a factor in the three-year forecast rather than in the FY19 budget, since most cost increases for the next fiscal year are known. Contracted services, utilities, insurance, and salaries have known rates for FY19.

### **Budget Updates:**

FY18 pressures and Impact on FY19: SPS estimates that buses will cost approximately \$120,000 more than budgeted for FY18, but that these costs can be covered from within the existing SPS FY18 budget. Transportation costs for SPS run roughly \$1 million annually, but in FY18 approximately half that is paid through the school bus revolving account funded by bus fees (that is, the budgeted amount is \$450,000). SPS retained 25 buses for FY18, and has had to add two more this fall. It is not yet clear whether another bus will be required, increasing transportation costs further. SPS also mentioned some unexpected Special Education (SPED) costs.

LS is still awaiting transportation bills and had no updates on any increases to their transportation costs.

Movement from SPS (and from Lincoln Public Schools) to LS of students requiring OOD placement is an ongoing concern for LS, because, per current practice, the OOD tuition for a student 14 years or older is the responsibility of LS, regardless of the grade level of the student. For example, LS does not have the facilities to make an in-district accommodation for a 14 year old attending the sixth grade. There is no written record of this agreement, which predates the current committees, but SPS, LS, and reportedly Lincoln Public Schools agree to abide by it. However, it does require LS to provide OOD placements for such students.

For FY19 the Town is negotiating a contract for inspection services to enforce the ban on plastic bottles and bags approved at 2017 Annual Town Meeting. Currently, the Board of Health does not do inspections and is not equipped to take on this responsibility. The FY18 budget is pretty much on track. The Town has budgeted conservatively regarding vocational education expenses for FY18 and hopes to reduce this item by \$50,000 to \$100,000 next year.

### **Future Meetings:**

The LS budget rollout in Lincoln is scheduled for December 6, with liaison meetings on December 4.

The Task Force agreed to hold its next meeting on January 8 at 8:00 am to discuss a budget update and potential budget compromises among the cost centers.

• The meeting was adjourned at 9:09 am.