

**Minutes of the Budget Strategies Task Force  
Wednesday, January 31, 2018  
Silva Meeting Room, Flynn Building, Sudbury, MA**

Susan Berry, Chair, called the meeting to order at 8.01am. In attendance were Susan Berry, Chair, Nancy Marshall, Radha Gargeya, Sherry Kersey, Bella Wong, Maryanne Bilodeau, Melissa Murphy-Rodrigues, Susan Iuliano, Anne Wilson, Don Sawyer, Christine Hogan, Joan Carlton, Pat Brown.

Susan Berry called the meeting to order and requested a volunteer to act as clerk. Nancy Marshall volunteered.

The January 8 BSTF meeting minutes were reviewed and edited.

Susan Berry asked for a motion for approval, Radha Gargeya moved, Melissa Murphy-Rodrigues seconded, the minutes were approved.

1. Budget Hearing Follow-up

Susan reviewed that there were no override requests, and that the cost centers have agreed on their apportionment requests. She asked for updates from the cost centers.

Susan Iuliano asked about Circuit Breaker as to whether the reimbursement percentage was aligned between SPS and LSRHS. LS budgets a reimbursement projection of 62-65%. Don Sawyer said that SPS was aligned with LS's projection. SPS is working to move their operating budget projections not to include the Special Education Circuit Breaker offset as a revenue line item. They are continuing to forecast the revenue, but will try to use the Circuit Breaker (CB) strictly as an offset for unexpected Special Education expense in a given year, and also as a resource for tuition prepayment to offset for the ensuing fiscal year should funds be available. SPS expects \$800-850k for FY19. Susan further asked about practices of using the offset for budget planning.

LS budgeted \$1.654M for FY18 and received \$1.3M. It was anticipated that 1.654 was a high estimate and that the difference between budgeted and actual would be covered by available CB reserve. Nobody actually knows what the CB offset will be until the fall when the State receives claims from each District. LS expects \$450k to carry over to FY19, with a desirable target of \$500-\$750 to hold for contingency. Don Sawyer commented that SPS budgeted \$1M of CB use, but received \$860k at a 75% reimbursement rate for FY18.

An increase to SPS's general operating budget of \$500,000 is requested to facilitate a recommended change in practice over a five year period to shift off Circuit Breaker dependency for operating and work in accordance with the State guidelines to utilize Circuit Breaker as a reserve fund.

It is expected that no "carry over" in CB will be budgeted in the next few years, but it is hoped that reserves will begin to build and some can be used for prepayment of tuitions in FY21 or FY22.

Any pre-payment of tuitions needs to be reflected as a portion of the full anticipated OOD tuition, once the reserves are built up.

2) Susan Berry presented a list from the FinCom for discussion:

- Concern surrounding using \$250k from E&D for LS to close its budget gap, as it “seems hopeful at best” that it will not leave LSRHS in a bind for FY20.
- ILAP day change and who bears the cost is of concern. FinCom has stated its recommendations and position.
- Contracts for the next three years that forecast that an override could be required or alternatively a reduction in services.
- An update on FinCom multi-year data spreadsheets. The spreadsheets have been updated with actuals for FY17 and appropriated for FY18 and now need updating with projected for FY19.
- Breakouts of the Other category into smaller pieces onto the reconciliation spreadsheet are still being sought.
- The LS “other employment” line needed some clarification.
- Prior five-year % for Special Education, inclusive of OOD and in-house expenses for LS is also still outstanding.

Melissa Murphy-Rodrigues updated the BSTF about the GIC’s desire to revisit their carriers, possibly adjust rates and a possible negative fiscal impact on the Town and SPS. A 5% average increase across SPS/Town is anticipated but it could be more based upon the decision at the GIC. LSRHS is anticipating a 10% increase.

The FinCom will report recommendations to the BOS on 2/27. A vote on the budget by Sudbury FinCom could be as early as 2/5 or at the latest 2/12. If the FinCom recommends a number that differs from the Town Manager’s, there will need to be further discussion. The vote will be whether to support the budget as presented and call out areas of concern, or to offer an alternative.

Bella commented on the use of E&D and the responses of both towns. Assuming LSRHS votes 2/13 on use of E&D, notice will be sent to both BOS’s about this, but given the warrant article deadlines have passed, the information was provided in advance. Sudbury voted 4-1 to take no action. Lincoln supported the request “with reservations” about the funding gap and with concern about use of E&D as a practice for operating. Lincoln FinCom will likely vote to defer the warrant on 2/5. Susan Berry asked that Bella inform Bryan Semple and the Towns’ FinCom Liaisons of the final decision of the Lincoln Board of Selectmen on whether to take no action on the use of E&D and pull the Warrant article.

Lincoln Town Meeting is March 24. Susan Iuliano clarified that the discussion with Sudbury BOS concluded with a **consensus** vote taken about any further action, not a formal vote, but with the understanding that the outcome would be to take no action. The Sudbury BOS consensus supported no further action being taken.

Radha Gargeya spoke to LSRHS’s development of a policy about use of E&D and that its preparation is well underway and that some formal presentation to both towns’ Finance Committees would be in the next two months.

Pat Brown asked for an accounting of field use fee collections from LS insofar as planning for fees to be set aside in reserves toward future reinvestment. Bella responded that the LS Athletic Department, Mike Ensley, Bob Haarde, Melissa Murphy-Rodrigues and Sudbury Park and Rec personnel have been meeting and that development of a policy going forward is underway.

Susan Berry asked whether a future meeting was necessary. It was agreed that should the FinCom vote an alternative financial recommendation (instead of voting to support budgets as proposed but expressing any areas of concern) that another meeting would be good. Thursday, February 15 at 8am was scheduled, and Susan will confirm the Flynn Building and whether the meeting will be necessary pending the FinCom's vote.

Melissa clarified that the proposed vote will be the sole budget unless the FinCom chooses an alternative path and proposes a second recommended budget. The FinCom's alternative proposal will need to be voted on by the BOS, alongside the recommended budget of the cost centers, should that arise, and both proposals would then go to town meeting for presentation and vote.

Bella also conferred with Melissa and adjusted the LS OPEB line in accordance with aligning with the funding proposal put forward by the Town.

Susan Berry asked for further business and hearing none requested a motion to adjourn. A motion was offered by Christine Hogan, seconded by Radha Gargeya. The meeting was adjourned at 8.49.

Respectfully submitted,

Nancy Marshall