

**Finance Committee ~ Minutes of Meeting
Thursday, January 9, 2003
Town Hall - 7:30pm**

Present: Co-Chairs Michael Grosberg & Tracy Billig, Bob Jacobson, Don Hutchinson, John Nikula, Sheila Stewart, Larry Rowe, Marty Ragonas. Also present: Kerry Speidel, Finance Director, Larry O'Brien, Selectmen, Robin Porcella, Recording Secretary, William Hurley, Superintendent, Paul Funk, Director of Finance, School Committee Members: Richard Robison (Chairperson), Karen Krone, (Vice-Chairperson), William Braun, Kathleen Precourt, and Jane Santinelli

Opening Remarks from Co-Chairs

Co-Chair Michael Grosberg opened the meeting at 7:50pm. He thanked William Hurley, Paul Funk, and all school committee members for attending the meeting.

Item 1: Approve Minutes from December 17, 2002 Meeting

Co-Chair Michael Grosberg asked all committee members to review the December 17, 2002 minutes and to state any concerns or questions they might have.

Marty Ragonas requested that the 2nd sentence on page3 under her name to be eliminated.

VOTED: Move to approve the minutes from the December 17, 2002 meeting. Motion made by Marty Ragonas and seconded by Larry Rowe. On vote, motion carries 8 in favor and 0 opposed.

Item 2: Reserve Fund Transfer Request for \$20,000 for Legal Services and Reserve Fund Earmark Request for \$10,000 for Legal Services

Selectmen Larry O'Brien presented this item to the Finance Committee. This request is to cover the cost of current legal cases. Selectmen O'Brien stated that one such case is the Mahony Case. This involves the property located just off of Nobscot Road, and is going to set standards for future land transfers. He said that case is being closely watched through out the Commonwealth.

VOTED: Move to approve the Reserve Fund Transfer Request for \$20,000 and a Reserve Fund Earmark Request for \$10,000 for Legal Services. Motion made by Larry Rowe, and seconded by Don Hutchinson. On vote, motion carries 8 in favor and 0 opposed.

Item 3: Request to Deficit Spend in Snow and Ice Budget for FY 2003

Finance Director, Kerry Speidel, presented this item to the Finance Committee. The committee was informed that in order to deficit spend the Snow and Ice Budget, approval from the Board of Selectmen and the Finance Committee must be received.

According to the Director of Public Works, the balance of the current budget will cover one large storm or two smaller ones.

Bob Jacobson asked if it is possible to do a reserve fund transfer instead. Kerry Speidel informed him that it is, and that this happened last year with the pool.

VOTED: Move to approve the request to Deficit Spend in Snow and Ice Budget for FY2003. Motion made by John Nikula and seconded by Larry Rowe. On vote, motion carries 8 in favor and 0 opposed.

Item 4: Presentation of Sudbury Public Schools FY 2004 Budget Request.

Liaisons to the K-8 School Systems, Marty Ragonas and Larry Rowe, thanked William Hurley and all the members of the School Committee for their help and support over the last few months.

Superintendent William Hurley thanked the Finance Committee and the liaisons for all their work. He also thanked Paul Funk, Director of Finance, for his help and informed the committee that Mr. Funk would be retiring in June.

Mr. Hurley stated that the School Committee reviewed the different Scenarios between a zero, three and five percent budget increase as the Finance Committee asked. They did not prepare a 5% scenario, stating it would be unrealistic and unfair to the citizens of Sudbury during the current fiscal crisis.

Superintendent Hurley informed the committee of the projected Kindergarten enrollments:

Year = 2000 - 295 students
 2001 - 294
 2002 - 290
 2003 - 339 *
 2004 - 342 *
 2005 - 304 * *=-projected #s

Superintendent Hurley then compared the October 1 enrollment figures for the past 8 years:

Calendar Year	Enrollments
October - 1995	2,308
1996	2,486
1997	2,551
1998	2,666
1999	2,739
2000	2,875
2001	2,954
2002	3,003
2003	3,073 (projected)

For Fiscal Year 2004, Superintendent Hurley stated that the School Committee voted to recommend a 3.0% budget increase. The budget amount equals \$22,866,668 for an increase of \$663,551 over Fiscal Year 2003.

Superintendent Hurley stated the following items are the components for the Fiscal year 2004 Budget.

Component	Percentage
Salaries Comp.	77%
Special Education	10%
Plant Maint. / Utilities	5%
Transportation	4%
C/I/T	1%
Middle School Instruction	1%
Elementary Instruction	1%
System Administration	1%

Superintendent Hurley stated that most school system try to stay in the 80 to 85% range of the total budget for salaries. The salary amounts are estimated since contract negotiations are currently in process.

Superintendent Hurley discussed the different scenario for each percentage budget.

- 0% Budget Impact** = will meet all contractual obligations
 - will meet all salary contract obligations
 - will be no money for base salary increases
 - will need to make staff reductions (3.90 staff reduction)
 - will reduce the expense budget for school cost centers
- 3% Budget Impact** = This percentage is what the School Committee has approved.
 - add 2 staff positions to the Sped program (1.60 & .40 FTE positions)
 - increase expenses for each school

Larry Rowe asked why there was such a difference in the expense reductions per school , ranging from \$7,000 to \$23,000. Mr. Hurley stated that the percent reduction is based on the number of students in each school and that each school will have its expenses reduced by 10%. Thus, the amounts are distributed based on the school's population.

School Committee Chairman Rich Robison stated the Superintendent Hurley did a good of presenting and discussing the budget this evening. He stated if the budget was based on a "as need basis" the minimum that the School Committee would request would be a 5% increase. Currently, the School Committee would like to offer level staffing and salary increases.

Superintendent Hurley reminded the committee that layoffs would not only effect the teachers. There is the possibility that custodians, secretaries, and support staff personnel would be affected.

Michael Grosberg asked why the benefit line for the Sudbury School System is so much larger than Lincoln Sudbury Regional High School. Kerry Speidel informed him that a major component of this line is the Middlesex Retirement Assessment. Due to the large increase in the Retirement Assessment, Sudbury Public Schools' benefits have increased at a higher percentage than the rest of the Town. SPS has been under assessed for retirees in the past years. This assessment is based on the number of retirees and the number of active employees.

There being no further business, the meeting adjourned at 9:00pm.