

**Town of Sudbury ~ Finance Committee
Minutes of Meeting
Thursday - January 12, 2006
Lower Town Hall - 7:30pm**

Present: Tracy Billig, Bob Jacobson, Bill Kneeland, Marty Ragonas, Sheila Stewart, Ralph Verni, Debbie Zurka. Also present: Suzanne Petersen, Finance Director, and Robin Porcella, Recording Secretary.

Item 1: Opening Remarks:

The meeting was opened at 7:40pm.

Item 2: Approve Minutes:

The committee was asked to approve the minutes of the December 12, 2005 meeting.

VOTED: On motion, to approve the minutes from the December 12, 2005 meeting. Motion made by Marty Ragonas, and seconded by Bill Kneeland. On motion, vote carries 5 in support (Jacobson, Kneeland, Ragonas, Verni, Zurka), 0 opposed, and 4 absent (Billig, Grosberg, Stewart, Rowe).

Item 3: Deficit Spending of Snow & Ice Accounts:

The committee was provided with a copy of the letter from the DPW Director to the Town Manager, requesting permission to deficit spend the Snow & Ice Accounts. The letter provided the current balances for each account.

VOTED: On motion, pursuant to M.G.L. Chapter 44 - Section 31D, to authorize the Department of Public Works to deficit spend the Snow & Ice Accounts. Motion made by Bill Kneeland, and seconded by Ralph Verni. On vote, motion carries, 5 in support (Jacobson, Kneeland, Ragonas, Verni, Zurka), 0 opposed, 4 absent (Billig, Grosberg, Stewart, Rowe).

Item 4: Sudbury Public Schools Budget Hearing:

Bob Jacobson welcomed everyone in the audience and watching on channel 8. He reminded everyone of the responsibility of the Finance Committee and how the budget process works.

Dr. John Brackett, SPS Superintendent, was introduced to the committee as the presenter of the SPS Budget. He informed everyone that the slide show being presented tonight is available on the school's website (www.Sudbury.K12.MA.US). The FinCom members were provided with copies of the slide show.

Dr. Brackett stated that due to the time frame, it is very difficult to submit a specific budget. They do not have all the revenue and expenditure figures. The school has put the best estimated budget together possible.

Many of the FY07 Budget Drivers are the same as in FY05 & FY06. Some of the budget drivers for the school system are:

- Enrollment Growth
- Class Size & Staffing Levels
- Utilities
- Negotiations (negotiations are ongoing for all of the bargaining units)
- Special Education (continues to be an issue)
- State & Municipal Funding
- Need for on-going Improvement (curriculum & instruction initiative are underway)
- Sensitivity to our community (realize difficulties citizens are facing due to the economic situation)
- Space (not a particular driver for FY07, but will need to be addressed in the near future)

The enrollment trends from FY97 to FY07 reflect a continual uphill trend, which is very rare for a lot of districts in Massachusetts. FY07 will see a projected increase of 2.6%. This is an increase of approximately 81 students.

As a percent of the total budget, the Utility Expense will take up 5.3% of the budget. This figure over the past few years has been 3.6 % to 4%. For FY07, the projected utility expense figure is \$1,318,926. Dr. Brackett reminded the committee that this dollar amount does not cover just the 8am to 3pm school hours. He stated that the school's facilities are used at night and on the weekends by the athletic and community groups within the Town. Debbie Zurka asked if there was a heating/lighting policy. For example, is there a certain time the lights are turned on/off? John Brackett stated he was glad this question was asked. The school department has formed a committee consisting of teachers & other staff members to look at ways to improve their policy to help reduce the electric and heating usage at the school department. Their committee has come up with some ideas, and recommended some programs involving students to help create an awareness regarding the benefits of saving electricity.

Ralph Verni pointed out that the utility Expense shows a 40% increase, and was wondering if the increase is due to the amount of usage or the rate. John Brackett stated that the increase will be due to the rate. Ralph Verni asked how this year's budget line looked. Mary Will stated that they are doing well, and are within budget. As of yet, the heating bills are behind 1 to 3 months so they do not know what November or December will look like. Dr. Brackett pointed out the fact that the thermostats are set at 68 degrees within the schools.

Dr. Brackett discussed the total per pupil expenditures. He stressed the important thing to realize here is that SPS is spending less than the state average. He stated that it costs more to be doing things today than in the past.

The Special Education Program consists of 20% of the budget. Dr. Brackett stated this might seem high, but this figure is comparable to other towns.

Dr. Brackett went over the expenditure allocation for FY05. He reminded everyone that the figures did not take benefits into consideration.

| <u>Percentage of Total Expenditures</u> | <u>Percentage of Total Salaries</u> |
|---|-------------------------------------|
| 4.0% Utilities | 4.2% Custodial & maintenance |
| 2.0% Maintenance | 6.0% Central Administration |
| 3.0% Transportation | 7.1% School Administration |
| 8.3% Spec.Ed. Expenses | 17.9% Special Ed. Instructions |
| 76.6% Salaries | 64.7% Reg. Ed. Instruction |

Marty Ragones pointed out the LSRHS got funds returned due to the FY05 Circuit Breaker, and was wondering if SPS did as well. Mary Will stated that they did not, and it is not the same situation. With the help of Sue Petersen the school department was able to pre-buy three months of CASE programs.

Dr. Brackett pointed out that the FY07 budget does not have provisions for any salary raises. The school committee's adopted budget would require a 6.53% budget increase. A 3.5% budget would have require cutting close to \$730,000 from the adopted budget. Some of the FY07 budget assumptions are:

- FY06 Enrollment Increases (1.3% Grades 1-8, 11.2% Kindergarten, 14% integrated preschool)
- Salary Step Adjustments (3.8% for step increases, not a raise, negotiations are ongoing)
- No Salary increases (each percent of salary increase will add \$191,274 to the budget)
- Utility Increase over FY06 Budget: 39.1%
- Home-School Transportation Increase: 3% (as stated in contract)
- Maintenance Expense increase: 24.5% (FY06 budget wasn't high enough to cover expenses)
- Special Education Expense Increase: 5.0% (approximately \$136,000)
- User fees for facilities & other services (not increasing fees, but are currently reviewing)

Marty Ragones asked what the approximate cost is to add a regular classroom teacher. John Brackett stated the starting salary would be \$40,600. They are hiring employees at the higher end of the grid. Mary Will pointed out that the Town pays for the benefits. Debbie Zurka asked when the salary increase would get added into the budget. Dr. Brackett stated that once the negotiations have been settled, he will adjust the budget accordingly. They have negotiation meetings set up from now through March.

Due to the time, Dr. Brackett skipped over the last of the slides. He wanted the committee to know that he feels very strong about the adopted budget. They want to maintain their staff, and want people to know that SPS still has visions of where they want to go in the future, and that there is still room for improvements. Needs still exist, even through they received \$1.1 million dollars from last year's override.

Bob Jacobson thanked Dr. Brackett and Mary Will for the presentation. He reminded everyone that the next schedule budget hearing is scheduled for January 19th, and the Town of Sudbury is scheduled.

There being no further business, the committee adjourned at 9:20pm.