

Town of Sudbury ~ Finance Committee
Minutes of Meeting
Thursday – February 3, 2011
7:30pm – Lower Town Hall

Present: Chuck Woodard (arrived @ 8:21pm), Tammie Dufault, Jamie Gossels, Bob Jacobson, Bill Kneeland, Marty Ragonas, Jim Rao, and Robert Stein

Absent: Joan Carlton

Opening Comments

The meeting was opened at 7:50pm.

Item 1: Joint meeting with the Lincoln FinCom

Lincoln Finance Committee **Present:** John Koenig, Karl Geiger, Laura Sander, and Ellen Meyer Shorb

Absent: Peter Braun, Eric Harris, and Sanj Kharbanda

Jim Rao informed the group that the Town of Sudbury has made changes to their budget process. The budget hearings are beginning in February and the Annual Town Meeting has been pushed back to May. The cost centers will be presenting their level-service budgets on Thursday. We are forecasting a 5% reduction in State Aid. At this point, it is unclear as to whether or not the Board of Selectmen will support an override.

John Koenig discussed how Lincoln did look into trying to coordinate their town meeting and elections with the Town of Sudbury's. After reviewing everything, they decided against changing their dates. Lincoln is assuming a 10% reduction in state aid for budgeting purposes. They will have some larger capital expenses this year. They are currently looking into creating a new stabilization fund. Trying to explain the budget for the high school is an issue they face. He asked that the Lincoln FinCom is kept informed as to what and when decisions are made in Sudbury regarding potential overrides.

Due to comments previously made by Peter Braun, Robert Stein questioned what type of alternatives the Town of Lincoln looking at besides staying in the regionalized system with Sudbury. John Koenig responded that after their last town meeting their selectmen met to create a formal process to examine the issues. There were three committees formed, although two of have never really gotten off of the ground. They realize this will be a long process, even though some are looking for immediate responses. This issue has been going on for a few years now, and some Lincoln residents believe they need to look into if there really are any other alternatives. They need to identify if there really are any issues and what the serious issue are. They need to look into what Lincoln really expects from a high school.

Laura Sanders responded that some believe the school is great and some believe the quality of the education is diminishing. It is their responsibility to look into this. Ellen Meyer Shorb stated that her concern is not only what is going to happen in the short-term but also the long-term.

Jim Rao stated that his main concern is the biggest part of the budget which is employee compensation. He stated that we all need to find a compromise. He realizes this will need to take time and evolve by working with the bargaining units. He stated that both sides need to work together. The community needs to decide what can be afforded. He stated that there are many who are willing to tackle this issue.

Karl Geiger questioned if Sudbury has different tax rates for their commercial and residential properties. Bob Jacobson responded that there are different tax rates.

Ralph Tyler, Sudbury resident, presented both Finance Committees with a hand-out titled "Impacts of Private & Public School Tuition Model for Funding the Lincoln Sudbury Regional High School". Ralph Tyler informed the committees that he is a former resident of Lincoln and a current resident of Sudbury. By using a Private School Module, each town would pay tuition based on the number of students who attend the school. He believes his analysis shows Sudbury bears more of the burden than Lincoln with the current model that is used.

Mark Collins, LSRHS School Committee, responded that although he appreciates Ralph's comments, there are factual errors. He urged everyone to continue to work together to maintain the good school system they have, and to work together to make any changes better for the school. He appreciates the efforts by everyone, and believes LS offers a top-notch, high standard education. He gave a general explanation as to how LS became a regionalized school system. He stated that the school's financial responsibility between the towns is similar to what is used by neighboring regional school systems.

Tammie Dufault stated that she is interested in what Ralph has presented, and that it could lead to a lot of good communication. She stated that this might be something that should be forwarded to the Board of Selectmen. She asked if Ralph has more data that he would be willing to share with the committee. Ralph Tyler stated that he did, and that he would send it to the Lincoln FinCom as well. Chuck Woodard noted that an allocation of the high school's fixed costs based upon the population of each town rather than a few years' student headcount, which would be more reflective of the long term investment each town must make in a school, would result in a \$1 million shift in the assessment from Sudbury to Lincoln.

Tammie Dufault questioned what the Town of Lincoln was doing to manage their health care costs. Laura Sanders responded that they have been taking steps to minimize the costs to the town. They have adopted Section 18, and joined a collaborative group. They are assuming a 10% increase for budgeting purposes. The committees discussed the percentages that their respective employees pay towards the premiums.

The committee adjourned the joint meeting with the Lincoln Finance Committee at 8:55pm.

The Sudbury Finance Committee reconvened at 9:08pm in order to continue with other business.

Item 1: Snow & Ice Deficit

The committee had previously received via email, a copy of the letter sent to the Town Manager from the DPW Director requesting permission to deficit spend the Snow & Ice Accounts.

Maureen Valente, Town Manager, explained to the committee that she and the FinCom must give their respective authorization in order for the DPW to deficit spend the Snow & Ice Accounts. This has been provided by the committee every year. The committee was informed that the salt is kept in a storage shed and that the DPW received a shipment today.

VOTED: Pursuant to M.G.L. Chapter 44 - Section 31D, motion is made to authorize the Department of Public Works to deficit spend the Snow & Ice accounts. Motion made by Bill Kneeland, and seconded by Bob Jacobson. On vote, motion carries 7 in support, 0 opposed, and 2 absent (Carlton, Woodard).

Item 2: Review budget calendar/process

The committee was reminded the budget hearings begin on Monday – February 7th. Jim Rao informed the committee that he would be emailing his opening remarks to the committee members for their review. If they have any comments or suggestions about the opening remarks, the members were asked to email their comments to Jim Rao only.

Jim Rao informed the committee that the FinCom will be holding the first budget working group on Wednesday-February 9th at 8am in the Grange Hall. A morning meeting was scheduled as there were not many free nights to choose from. The meeting will be televised and opened to the public.

Robert Stein stated that it was last year's budget group that decided if the override question would be put on the ballot. Chuck Woodard responded that the group never made the decision, as they did not have the authority to do so. Bob Jacobson stated that each person participating in the working group were suppose to go back to their respective committees and discuss what the working group had been working on.

Robert Stein asked how this group will be different than the one that met in the fall. Jim Rao stated that this group will be looking at the non-override budgets before the hearings actually begin. They will not know how the non-override budget will look and how the cost centers will present the affects of the non-override budgets. Robert Stein stated that the group also needs to look at possible solutions, and not just how to ask for an override. Tammie Dufault responded that we should be working on budget for 5-months and looking for possible solutions for 5-months.

Tammie Dufault suggested trying to have some of the working group meetings at night. Jim Rao agreed, but they were faced with a time constraint as there were not many free nights. His belief is that it is better to meet in the morning and continue the dialogue than to have no meeting at all.

Tammie Dufault requested that guidance be provided on how salary adjustments and Cost of Living Increases (COLAs) are calculated and communicated. The cost centers also need to do a better job of communicating how the budgets are affecting the head-count reductions. Jim Rao stated that it is the FinCom's responsibility to ask questions and not dictate how the cost centers present their information or how they make their public statements.

There being no further business, the committee adjourned at 10:05pm.

