

**Sudbury Finance Committee
Meeting Minutes
FY18 BUDGET HEARING
January 12, 2017**

ATTENDENCE

Finance Committee Members Present: Susan Berry, Chair, Joan Carlton, Vice Chair, Jeff Barker, Adrian Davies, Tammie Dufault, Fred Floru, Jose Garcia-Meitin, Bryan Semple

Absent: Jeff Atwater

Also Present: Dennis Keohane, Finance Director/Treasurer Collector, Melissa Murphy-Rodrigues, Town Manager, Chuck Woodard, Board of Selectmen, Bella Wong, Superintendent-Principal, Lincoln-Sudbury Regional High School (LSRHS),

CONVENE:

Chairman Susan Berry at Lower Town Hall, 322 Concord Road, Sudbury, MA 01776, called the FY18 Budget Hearing to order at 7:05 p.m. The meeting was televised and broadcasted live.

ITEM 1: Public Comment

There were no comments

ITEM 2: Presentation of the Proposed FY18 Budget for Town Departments and Operating Capital Budget and Discussion

Chairman Berry introduced this item. Chairman Berry stated that the Town presentation would be approximately fifteen minutes. Chairman Berry described procedures for the Budget Hearing and subsequent discussion from Finance Committee. She noted that Public Comment would take place after Finance Committee deliberation. Chairman Berry welcomed Melissa Murphy-Rodrigues and Dennis Keohane and invited them to present the FY18 Operating Budget for Town Departments and Operating Capital.

Ms. Murphy-Rodrigues began her presentation with an outline of the proposed 2.25% Finance Committee Guidance Budget for town departments. Ms. Murphy-Rodrigues stated that the Town's FY17 Budget was \$22,774,195 the proposed FY18 2.25% budget would be \$23,285,423 or an increase of \$512,418. Ms. Murphy-Rodrigues pointed out that the FY18 fixed costs for town departments is \$763,667, which would leave a deficit of \$251,249 in the FY18 2.25% guidance budget.

Ms. Murphy-Rodrigues presented the proposed FY18 Balanced Budget. She stated that this budget is a level service budget and would increase by 3.58% from FY17. She added that this is a non-override budget equal to 100% of projected revenues. The total increase from FY2017 is \$839,151. Ms. Murphy-Rodrigues pointed out that there are no new initiatives in this balanced budget and one new employee. Ms. Murphy-Rodrigues stated that in the proposed balance budget there would be 167 employees and in the 2.25% proposed budget there would be 165 employees, which would be a reduction of 1 police officer and 1 DPW employee. Ms. Murphy-Rodrigues spoke about the importance of hiring a town engineer and what that would mean for the MS4 permit compliance requirements. Ms. Murphy-Rodrigues summarized reduction of services and termination of personnel totaling \$328,370 in the 2.25% budget. Ms. Murphy-Rodrigues stated that the proposed FY18 Balance Budget does contain cuts. She described what the cuts would entail. Ms. Murphy-Rodrigues also described increases in the proposed FY18 Balance Budget. Ms. Murphy-Rodrigues stated that she would be presenting an override request totaling \$494,833 for FY18. Ms. Murphy-Rodrigues pointed out that all of the town department heads are present for this meeting and would be happy to answer questions from the Finance Committee. A lengthy discussion followed.

Ms. Murphy-Rodrigues presented a summary of her FY18 Capital Operating Budget. Ms. Murphy-Rodrigues stated that the Cost Centers have worked collaboratively on the development of the Capital Budget. Ms. Murphy-Rodrigues added that this budget would increase by \$9,190 or 2.25%, and contains only items that are less than \$50,000 in one year or less than \$100,000 over multiple years. Ms. Murphy-Rodrigues presented a list of capital projects. The FY18 Capital Operating Budget request totals \$413,190. A lengthy discussion followed.

ITEM 3: Presentation of FY18 Budget for Vocational Education and Discussion

Ms. Murphy-Rodrigues presented the FY18 Budget for Vocational Education. Ms. Murphy-Rodrigues reminded the Committee and members of the community that Sudbury withdrew from the Minuteman School District as of July 1, 2017. She pointed out that students who are currently enrolled can continue through to graduation and the Town would be responsible for the transportation of these students. Ms. Murphy-Rodrigues outlined costs for Assabet Valley Regional Technical High School, which includes tuition of \$14,464 per student. Based on prior experience, five students are expected to attend Assabet Valley starting in September of 2017. Ms. Murphy-Rodrigues also outlined cost for Minuteman Career and Technical High School, which includes tuition of \$16,464 per student, \$4500 for

students on IEPs (12 students), and projected debt in the amount of \$39,972. The total for 17 students is \$339,860. Ms. Murphy-Rodrigues stated that transportation cost is estimated at \$180,890. Ms. Murphy-Rodrigues expressed concern that the number of students who choose vocational education might be higher than projected and asked that the Finance Committee support approval of a level vocational education budget for FY18. Discussion followed.

Public Comment

During this portion of the Public Hearing Chairman Berry took questions from members of the audience.

Chairman Berry recognized Sudbury resident and Selectman, Leonard Simon. Mr. Simon stated that he was the Chairman of the Vocational Education Guidance Committee and was involved in the decision to withdraw from the Minuteman School District. Mr. Simon spoke about the fiscal reasons for withdrawing from the Minuteman School District and shared information on cost saving for the Town as well as the cost of attending Assabet Valley versus Minuteman.

ITEM 4: General Business

- **Approve Meeting Minutes**

There were no Minutes to approve.

- **Transfers**

There were no Transfers to approve

- **Other Business**

Chairman Berry reminded the Committee of the list of follow-up questions captured from the Budget Hearings with SPS and LS. She stated that she has received two additional questions both for SPS. The first was what positions have been added since FY12, what was the cost and the need. The second - how does SPS plan to align the school budget with the proposition 2 ½ levy limit in the future.

ITEM 5: Review Updated Revenue Forecast and General Fund Budget

Dennis Keohane reviewed the updated revenue forecast and General fund budget which resulted in additional estimated revenue subsequent to preliminary estimate of 2.75%. Mr. Keohane stated that revenue has increased by 3.58%. Mr. Keohane described the breakdown of this percentage. Mr. Keohane noted that state aid numbers have not changed. The only change was to ambulance receipts. Mr. Keohane stated the new growth was originally estimated at \$600K and was certified at \$1.2M. Discussion followed.

Chairman Berry stated that this ties into the General Fund Budget, which is what the Finance Committee votes on.

ITEM 6: Discussion of Finance Committee Guidance to Fairbank Task Force and Possible Vote

Mr. Semple recapped the Finance Committee's previous conversation about guidance to the Fairbank Task Force in which the Committee in general agreed that they would like to have the operating cost of the Fairbank Community Center certified by Park and Rec and the Finance Director, that capital costs are clearly stated, and the Committee would like to understand the cost of minimum rebuild of the facility. Mr. Semple also stated that it was not clear from the Committee's prior discussion if the Finance Committee would support a proposal that included an increase in the operating deficit of the Fairbank Community Center. After some discussion, Mr. Semple stated that he would bring a more formalized motion to the next meeting.

ITEM 7: Public Comment

There were no comments

Item 8: Adjourn

Motion and Vote:

Tammie Dufault moved and Fred Floru seconded the motion that the January 12, 2017 Finance Committee meeting adjourns at 9:50 p.m.

The motion carried. The vote was unanimous.

Next scheduled meeting is Tuesday, January 17 at 7:30 p.m., at the Flynn Building

Respectfully Submitted: Cheryl Gosmon, Recording Secretary