

**Shutesbury Finance Committee
Tuesday, March 22, 2022, Virtual (Zoom) Meeting**

Members Present: George Arvanitis, Ajay Khashu, Susie Mosher, Melody Chartier, Jim Hemingway, Bob Groves, Jim Walton

Members Absent: Melody Chartier

Town Administrator: Becky Torres

Non-members Present: Elaine Puleo, Parker Elmore, Ryan Mailloux, Linaria Thompson, Mike Vinskey

Meeting called to order at 6:32 PM

1) OPEB study review with Parker Elmore

- a) Total OPEB Liability as of 6/30/22 = \$3,569,946; Net position = \$712,174; Net liability = 2,857,772
- b) Assumed discount rate declined from 4.5 to 4.25%.
- c) Shutesbury's OPEB liability is approximately 20% funded. 81% of municipalities are less than 20% funded.
- d) JH asks for more information about how Shutesbury's OPEB funds are invested. Parker responds that Shutesbury is invested in a portfolio that assumes an anticipated return rate of 5.65%. Ryan Mailloux adds that the funds are invested through Bartholomew Investments.
- e) There are limited options for how Shutesbury can control service costs.
- f) There are no legal requirements for Shutesbury to fully fund its OPEB liability, but it is financially prudent to do so.

2) Motion to approve 3/8 meeting minutes as amended passes unanimously 6-0.

3) FY23 budget review

- a) BT fields miscellaneous questions and requests for clarification.
- b) Right now we have a surplus of \$116k, but several items need to be updated including market alignment wage adjustments, new hauling and disposal budget, and the town's retirement liability.
- c) JW asks if we are anticipating an update to the Total Assessed Value figure. BT responds that we are expecting a significant increase and we will update the revenue budget when a new estimate is provided by Kevin Rudden.
- d) BG asks if we have an updated elementary school budget. BT will distribute the latest school budget to committee members.

4) Review Capital Plan Projects with Capital Plan members

| Department | Project | Anticipated Cost | CP Vote to Approve |
|-------------------|--------------------------|------------------------|--------------------|
| Police Department | 3 Electronic speedboards | \$3,888 x 3 = \$11,664 | 5-0 |

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|----------------------|--|-----------|-------|
| “ | Hybrid police cruiser (SUV) to replace Ford Taurus | \$53,277 | 4-1 |
| Fire Department | Ford Interceptor SUV to be used by incoming fire chief | \$36,688 | 4-1 |
| Highway Department | Peterbilt 10 wheel dump truck | \$225,000 | 3-1-1 |
| Accountant/Treasurer | VADAR software suite | \$19,690 | 5-0 |
| Elementary School | Engineering study for school roof replacement | \$60,000 | 5-0 |
| Library | Contribution to new library building fund | \$25,000 | 4-1 |
| Total | | \$431,319 | |

5) Annual Town Meeting Timeline

- a) April 5th – Budget review, recycling, and OPEB
- b) April 14th – Capital Plan and library project (assuming we win the grant)
- c) April 19th – Fincom approves town warrant
- d) May 3rd – Finalize annual Fincom report
- e) May 17th – Budget presentation
- f) May 21st – Annual Town Meeting

6) Committee Reports

- a) JW will share recommendations from the Fire Department

7) Future Meetings

- a) April 5: Budget review, recycling, and OPEB

Meeting adjourned at 8:44 PM