

Shutesbury Finance Committee
Wednesday, April 27, 2022, Virtual (Zoom) Meeting

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

Members Absent: None

Non-members Present: Brad Foster, Timothy Logan, Mary Anne Antonellis, Gail Fleischaker, Penelope Kim, Leslie Luchonok, Jen Davies, Mike Vinskey, Amanda Alix, Paul Lyons, Janet MacFadyen, Jill Marland, Rita Farrell, Moly Moss, Jen Malcolm-Brown

Meeting called to order at 7:03 PM

1) Discussion regarding new library funding

- a) As many are aware, the initial MBLC estimate came in much higher than expected. The MBLC has given Shutesbury two different options for a proposed warrant article:
 - i) To appropriate “25% of actual eligible costs plus 100% of actual ineligible costs, currently estimated at \$2,444,953”, OR
 - ii) To appropriate “25% of actual eligible costs plus 100% of actual ineligible costs, not to exceed \$2,950,000”
- b) The library trustees have met and are proposing the following language for the warrant article:
 - i) To appropriate 25% of actual eligible costs plus 100% of actual ineligible costs, not to exceed \$2,950,000 and currently estimated at \$2,444,953.
- c) The following funding sources will be applied to the Shutesbury’s obligation:
 - i) Amount saved through the annual Town Meeting appropriations = \$252,700
 - ii) Privately raised funds = \$304,745
 - iii) Value of the land = \$57,528
 - iv) This results in a total local match of \$614,974.
- d) The trustees are in the process of getting a new assessment of the land value.
- e) AK asks if the library trustees can make an estimate of the additional amount of funds it expects to raise and if that can be applied to our local match. Mary Anne Antonellis responds the MBLC will only accept cash on hand and signed pledges. Hence, we can’t promise more than what we have in hand.
- f) Brad Foster: There are many ways that we are working to reduce the cost of the project to the town. This includes fundraising and ongoing evaluation of the estimate.
- g) Once local funding is approved, the MBLC will disburse \$300,000 to the town for planning and design fees. This will result in a more detailed and exact estimate of the project costs.
- h) Our current expectation is that the state’s grant award will total \$4,976,337.

- i) BG asks what do we do if the actual costs increase dramatically above what the MBLC is estimating. Mary Anne responds the not to exceed figure includes a \$500,000 contingency. The estimate assumes that construction begins in June 2023. If the design phase results in a significantly larger estimate, the town will have to have a conversation about whether we want to move forward.
- j) BT asks why our not to exceed number should be inflated by \$500,000 above the current MBLC estimate.
- k) AK asks if there is any data that can be shared about recent MBLC construction projects comparing final estimated costs and actual costs.
- l) GA states our job as a finance committee is to come up with the best funding plan assuming all of these capital expenses are approved at town meeting.
- m) After a lengthy discussion of proposed funding scenarios, the committee is tentatively proposing to recommend the following mix of funding sources:
 - i) Free cash = \$300,000
 - ii) Capital stabilization = \$250,000
 - iii) Stabilization = \$75,000
 - iv) Borrowing = \$1,410,026

2) Discussion and Vote on Annual Town Meeting Warrant Articles

- a) **SM makes a motion to recommend Article 2 as written. AK seconds. Motion passes 6-0.**
- b) **AK makes a motion to recommend approval of Article 3 as written. JW seconds. Motion passes 6-0.**
- c) **AK makes a motion to recommend approval of Article 4 as written. SM seconds. Motion passes 6-0.**
- d) Fin Com will join Select Board meeting on May 3 to vote on the Library Debt Exclusion article.
- e) **BG makes a motion to recommend approval of Article 6 as written. Motion passes 6-0.**
- f) Fin Com will vote on Article 7 on May 3.
- g) **AK makes a motion to recommend approval of Article 8 as written. BG seconds. Motion passes 6-0.**
- h) **BG makes a motion to recommend approval of Article 9 as written. JW seconds. Motion passes 6-0.**
- i) Fin Com will vote on Article 10 on May 3.
- j) **AK makes a motion to recommend approval of Article 11 as amended. SM seconds. Motion passes 6-0. [Draft warrant was amended to reflect a transfer from free cash.]**

- k) **AK makes a motion to recommend approval of Article 12 as amended. JW seconds. Motion passes 4-2 [BG and JH vote no].**
- l) **AK makes a motion to recommend approval of Article 13 as amended. JW seconds. Motion passes 4-2 [BG and JH vote no].**
- m) **SM makes a motion to recommend approval of Article 15 as amended. BG seconds. Motion passes 6-0.**
- n) **SM makes a motion to recommend approval of Article 16 as amended. AK seconds. Motion passes 6-0.**
- o) **SM makes a motion to recommend approval of Article 17 as amended. AK seconds. Motion passes 5-0 (BG recuses).**
- p) **SM makes a motion to recommend approval of Article 18 as amended. AK seconds. Motion passes 6-0.**
- q) **AK makes a motion to recommend approval of Article 19 as amended. AK seconds. Motion passes 6-0.**
- r) **AK makes a motion to recommend approval of Articles 23 through 26 as amended. AK seconds. Motion passes 6-0.**
- s) **AK makes a motion to recommend approval of Articles 27 as amended. JW seconds. Motion passes 6-0.**

3) Highway Dept Dump truck – updated quotes

- a) **BT: Tim Hunting went back to Peterbilt to verify the current \$225,000 is still valid. Their response was that costs have increased. Tim was able to find a replacement option at the same funding level.**

4) Fin Com Transfer

- a) **SM makes a motion to move \$1,500 to reimburse Melissa Makepeace-O’Neill to cover the cost of abutters appraisals. Motion passes 6-0.**

5) Upcoming Meetings

- a) **5/3**

Meeting adjourned at 9:47