

Shutesbury Finance Committee
Wednesday, September 14, 2022 Virtual (Zoom) Meeting

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

Meeting called to order at 6:34 pm.

1. Guardrail concept discussion

- a. Bob and George attended the regional school subcommittee. All four towns are clearly accepting of the 100% modified Statutory assessment formula.
- b. There was a four-town consensus that guardrails will not be needed to prevent assessments from rising or falling by more than 4%. The FY23 shift to the full statutory method caused an unusual uptick for Pelham and drop for Shutesbury which was balanced out. The five-year rolling average will moderate any assessment ups and downs going forward. Assessment changes due to a population bubble will be foreseeable and towns can make appropriate budget preparations.
- c. A motion was made stating that our finance committee does not support the 4% guardrail. Motion passes 6 yes, 0 no. Bob Groves leaves at 6:50

2. Review minutes from 8/9 Meeting

Approved as amended.

3. Finalize budget request letter. (Melody Chartier arrives @ 7 pm)

- a. The committee considered requesting level funded budget versus level services budgets from the departments. Level funding would mean service cuts for departments.
 - Is that what the town wants? How do we know what the town wants? What do the voters at ATM indicate? Education, a survey might tell us more than town meeting votes. A similar number of people attend town meeting as answered the recent police services survey.
 - The budget rose by 1% last year. 60%+ of the budget is in the schools; is level funding possible for them? Other increases come in non-department lines such as insurance, software, salary alignment, etc. How much could really be saved in department budgets?
 - The Finance Committee members represent the overall town, not just our own perspective. After a year of work, we propose a balance of taxes and services. We send out the budget to everyone. Some people may find information hard to understand. Some people trust the process and Finance Committee recommendations.
 - The Finance Committee could ask the departments to take a more critical look and submit level funded budgets. If the department says we can't do it, the Finance Committee can work with it.

Motion was made to ask for level funded budgets. Motion failed 4 – no, 2- yes

- b. A motion was made to approve the budget request letter as written. Motion passes 4 – Yes, 2 – no.
- c. The budget forms with FY23 amounts pre-populated and letter are now ready to send out.

4. Prepare Budget Calendar

- a. We plan to start the meetings with departments in November, two weeks earlier than last year. We also chose an earlier date to meet with Capital Planning. We will have to see if the information needed for capital items can be obtained in time for that meeting. We left the end of the budgeting process dates to be decided.

5. Update on ARHS track & field project

- a. Doug Slaughter, Regional School Finance Director, met with the Select Board/Town Council from each town in the regional school district. He offered funding suggestions built upon the \$1.5 million the regional school debt authorization from March 2022. This is a plan for Track option 3 - the reoriented, resized, synthetic turf track estimated to cost \$4.7 million. (See attached information sheet.)
- b. Doug wants feedback from the towns. Shutesbury has to discuss this option and make its own decisions about funding sources. Doug offered a spreadsheet showing a sharing of the costs for the four towns.
- c. In this plan, the total of \$1.2m in CPA funds would require towns to approve their use at their next town meeting. Amherst Town Council has committed \$958K in CPA. The Regional School Committee will file the CPA applications in Leverett, Pelham, and Shutesbury. Shutesbury does not have the \$84,840 in its Open Space and Recreation CPA category, but it could choose to use CPA funds from the "Undesignated Funds" category.
- d. The "Other Town Sources" (\$1 million) refers to grants, such as ARPA, or cash reserves. On the spreadsheet Shutesbury could allocate \$39,127 in Other Town Sources. The Excess and Deficiency fund audit will lower Shutesbury's already encumbered regional school assessment by \$38,898. This money will show up in Shutesbury's cash reserves and we have the option to apply that to the track project.
- e. The final funding stream will be \$1 million in donations. I mentioned that as a regional community effort, Shutesbury and the other hill towns should be included in fundraising projects.
- f. As far as timing, the regional school would like to get a sense of the communities' response to the project in January. Our finance committee would like to meet with CPA and Capital Planning and have some meeting time to discuss the impact and funding of the Track Project. This should be done after November and before March.

6. Budget Summary for Our Town newsletter

- a. Ajay drafted a newsletter article about the FY23 budget. The article could increase transparency and inform the public who may not have attended Annual Town Meeting, (ATM). The Finance Committee's FY23 annual report will not be published and distributed until the 2024 ATM. An article in the Our town will address the information time lag.
- b. The Fall newsletter may be delayed, so there is a possibility to get the drafted article included. If we wait until the winter edition, the information will be stale. Although the drafted article is long, it was decided to add a short concluding paragraph and submit the article to Janis Gray, the editor, to let her edit it as needed.
- c. We may consider joining other departments that regularly put information in the Our Town newsletter, published three times a year, as a way of educating the public of our budget process as it unfolds.

7. Committee Reports

- a. Personnel Board has worked on the Fire Chief job description. They are considering developing a managers' handbook of policies and procedures for each department. This would provide some guidance during transitions for new officials.

8. Other news

- a. School Roof: We may hear from MSBA in October, but unlikely to get a grant – not for a lack of trying. Engineering proposal for remaining roof is likely for the end of November. Special Town meeting be scheduled to follow.
- b. ARPA funds have been allocated for the School Roof, Lot O32 professional consultant work, and the tent rental for ATM. Other projects still being considered – further buildout of Broadband and the Energy & Climate Action Committee is researching costs and grants for some projects.
- c. Shutesbury is applying for a \$200K Green Communities Grant that could improve energy efficient lighting and the building envelope (weatherization) at the school.

9. Our next meeting is scheduled for Tuesday, October 4 at 6:30.

Meeting adjourned at 8:35 pm.