

Shutesbury Finance Committee

Tuesday, July 25, 2023 Virtual (Zoom) Meeting

Members Present: Ajay Khashu, Bob Groves, Jim Hemingway, Susie Mosher, George Arvanitis, April Stein, and ex-officio member, Town Administrator Becky Torres

Absent Member: Jim Walton

Finance Committee meeting called to order at 5:30 pm

Minutes from July 1, 2023 were approved as written.

1. Discussion: Lessons learned from FY23 reserve fund transfers

Transfers totaled \$78K. Some were operating expenses, some were capital expenses.

A. Operating

- a. Legal expenses were over \$27K this year; \$13K more than budgeted. FY 2019 was the last year with high legal costs due to a Title IX case.
- b. FY24 legal budget has been bumped up to \$40K which includes \$15K from free cash.
- c. FY23 heating and fuel costs were up. The FY24 lines have been increased by \$3,675 and \$5,869 respectively.
- d. \$1.8K for Zoom and other IT fees, now incorporated into FY24 budget

B. Capital Expenses were a mix of maintenance and new purchases

- a. The generator replacement at the Fire Station was \$19.7K
- b. Maintenance/repair expenses for the police cruiser, (\$8K) and the Highway department (\$10K) tractor.
- c. No pattern was identified for these expenses – they may be anomalies. For FY25, liaisons with departments can work with a list of questions to assist departments review and assess maintenance/repair future needs.

2. Follow Up discussion on alternative budget formats

- A. A discussion with Gail Weiss, Town Accountant, showed that a simpler town budget, presented with wages and operating expenses for each department can be brought to ATM. Simultaneously the current detailed format with separated expense lines can be requested for departments' proposed budget and followed throughout the fiscal year.
- B. George will help make a spreadsheet that keeps the two formats in synch with each other without duplicate efforts.
- C. Now that we know this is possible, we will debate the pros and cons of allowing more flexibility between budget lines at our next meeting.

3. PFAS loan and other spending
 - A. The loan application to the Massachusetts Clean Water Trust for \$150K is being submitted. This is a zero-interest loan, some portion of which will be forgiven. The \$136.9K free cash approved at January 2023 Special Town Meeting is almost all spent. The loan money will go for continued testing, analysis, and possible future filters, depending on if and how the PFAS travels. The 20-year loan should not cost more than about \$6K/year.
 - B. The school roof replacement and trim/gutter repair is underway. Despite all the bad weather in June and July work is expected to be finished by the start of school in August.

Our next meeting is August 22, 2023 at 6:30. Jim Walton will be asked to draft an article for the fall edition of Our Town, like last year's article, to inform the public of the FY 24 budget highlights.