

Shutesbury Finance Committee
Wednesday, November 1, 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 6:35 pm

Minutes from October 17, 2023 were approved as amended.

A. Chapter 70 research update – tabled

B. Review draft of document to support current assessment method for regional budget

1. This statement will be sent to the Select Board and the Shutesbury School Committee, but will not be raised unless disagreement arises at the region.
2. We discussed whether the statement should refer to the guardrails that were used in the last two years. We did not reach consensus on this and decided not to include guardrails in the statement

C. Alternative budget format follow-up discussion

1. The goals were to create a simple to read format at Annual Town Meeting (ATM) and to give departments flexibility to spend within the broader budget lines and reduce the need for line transfer approvals
2. The more consolidated form looks good but there is concern that two budget schedules (consolidated and current detailed) linked is an opportunity for errors
3. Becky said the consolidated salary lines for Select Board that includes the three members and the Administrative Secretary is an example of confusing information that may raise negative reactions at ATM. She said managing the two budget schedules will be more time consuming. She also said this request is not in line with what she hears from the department heads.
4. The finance committee could recommend departments consolidate some expenditures if needed, as the Fire Department suggested for their budget last year
5. A motion was made to rescind the vote of September 5 and instead, continue with the single, current detailed budget format. Motion passed 6 – 0, unanimous

D. Subcommittee for School Choice

1. A suggestion was made to form a subcommittee to research the elementary school budget revenue streams, policy, and use of school choice money
2. There was debate on whether developing a school choice policy is in the Finance Committee purview
3. The process for getting information about elementary school budget is evolving and improving. Last year we received the draft budget in November, discussed it in

December, wrote up a list of questions which were answered in January along with the supporting documents requested.

4. Some improvements for the FY25 process have already been made – a historical chart of previous years’ school choice and ESSE grant spending, and enrollment figures including school choice enrollment numbers. A thorough Finance Committee review of the budget with questions sent to the business office is our responsibility
5. Information on trends and where the state and local school funding situation is headed is a separate topic. No one volunteered for a school choice subcommittee. Bob will conduct research and report back later this year.

E. Project Updates

1. The Locks Pond culvert is on schedule and looks to finish around 11/17/23
2. The Personnel Board will need a finance committee representative for upcoming contract negotiations. April volunteered for the Town Administrator contract and Bob volunteered for Police contract.
3. The highway operator position and the Assistant Town Clerk positions have applicants.
4. Setting tax rate is almost complete. The Classification hearing is on November 8 at 5:45. Unanticipated revenue will lower the tax rate we projected at ATM.
5. There will be a Special Town Meeting (STM) in January to fund legal costs from the lawsuit. The finance committee may need to make a transfer from its reserve funds before the STM because other 78% of the FY 24 legal budget has already been spent. There will be a few other warrant articles such as the Conservation Commission’s bylaw.
6. Capital Planning will meet on November 13
7. From the School committee:
 - a) Erving has formed a committee to investigate the pros and cons of leaving U28. This complicates the U28 task to hire a replacement for the retiring superintendent, Jen Culkeen. The job description and representative membership on the hiring is being worked out.
 - b) The Collins Group presented their findings on Operational Efficiencies for U28. They suggested U28 consider regionalization.
 - c) Shutesbury’s lower population reduced our % of the U28 budget from 22.65 to 22.16%
 - d) Shutesbury received \$86K in rural aid, up over last year’s allocation of 40K and 26K more than projected. This money is not earmarked. Disappearance of ESSER funds and increased cost due to an out of district placement are possible areas to spend the increased rural aid.
 - e) The teacher contracts will be negotiated this year starting in November.
 - f) The Shutesbury School budget review with the Finance Committee will be held on Jan. 30. We will get the drafted budget in November, can send in our questions, and request further information as needed in December and finish up with the joint committee review at the end of January. It is not likely that teacher contract negotiations will be completed by then

g) Enrollment this year has dropped to 115 students. The housing market is expensive for young families to rent or move into Shutesbury. Lack of affordable housing is a statewide problem that the Governor has begun to address.

Our next meeting will be on November 14 at 6:30. We will review the Highway budget with Superintendent Steve Sullivan at 7 pm and the Police Budget with Chief Kristen Burgess at 7:45. Liaisons should alert their respective departments.

Meeting adjourned at 8:47 pm