

Shutesbury Finance Committee
Tuesday, May 14, 2024 Virtual (Zoom) Meeting

Members Present: Ajay Khashu - chair, George Arvanitis, Susie Mosher, Jim Hemingway, April Stein, Jim Walton, and Bob Groves

Attending: Town Administrator Becky Torres

Meeting called to order at 6:31 p.m.

I. Annual Town Meeting (ATM) debrief

A. Overall, ATM went smoothly with no hot button issues and citizens were positive about the budget, had few questions, and it passed with near unanimous support. The Moderator did a fine job managing the meeting

B. The Finance Committee's annual report, the finance committee's information session on the Wednesday before ATM, and the department's reports all help present information to our citizens. Public engagement is important.

C. Copies of the local school budget were available at ATM and the budget was posted on line. Next year we recommend the regional and local schools give a presentation during the town reports article so citizens can understand their budget needs and successes.

D. Capital items were presented clearly and were represented by departments as well.

!!. Observations/suggestions on overall FY 25 process

A. Next year we may divide up the Finance Committee report so everyone on the FinCom can present a part of it, sharing the role with the chair person, hearing from all our members, and preparing all of us to answer questions at ATM.

B. Liaisons with department may have smoothed the budgeting process. We would like to include hearing from the Select Board during the budget drafting process. The Town Administrator will share budget related items being discussed by the Select Board.

C. We should label the presented version of Fin Com report as "For Annual Town Meeting" because there may be changes as the budget season continues.

D. This year's town meetings in Shutesbury and Leverett were earlier than in our recent past and significantly earlier than Pelham and Amherst, our regional school partners. We want to make the timeline for budgeting process clear for the Four Town Meetings.

E. We want to re-assert the framework of the assessment method and work to get it back on track in next year's regional budget.

F. Sharing projected revenue figures with all departments during the budget meetings helps frame our discussions

III. Current state of Regional School budget and Assessment Agreement

A. Shutesbury, Leverett and Pelham have all passed their FY25 budgets with a 6% increase in spending for our regional school and have approved the Assessment agreement with a 6% increase limit for all four towns.

B. The budget requires approval of three towns, so the regional school budget is now passed. Amherst's FY25 town budget is still in process and they will have to figure out how to raise their February allocation in the regional school budget from a 4% to a 6% increase

C. The Regional School District Agreement needs all four towns to approve the assessment method. It is unclear how this piece will work out unless Amherst gets on board. Their town council will meet on June 21 to vote on their final budget and assessment agreement.

D. It looks like FY26 will also be a tough year for school budgets everywhere. Issues of declining state aid, education funding problems with charter and choice, pressure on local taxes, lower population statewide, rising special service needs, capital and maintenance needs will persist into FY26 and beyond.

IV. 4/24/24 Expense Report review

A. We will end the year with clear surpluses in budget lines for snow removal and health insurance

B. The following accounts will need a transfer before the end of FY24: office supplies, equipment maintenance, and fuel. Next meeting Becky will provide a list of budget shortfalls with specific amounts. We will decide whether these will be funded from the Finance Committee Reserve Fund transfers or line to line transfers.

V. Miscellaneous

A. Jim Walton will finish up his nine years of service on our committee; we appreciate his work for our town. We are looking for a volunteer to replace Jim. Paul Lyons is managing the process.

B. The local teacher contract is still in negotiations. The police union contract is almost completed. Selection of the elementary school principal is almost completed and a contract will be negotiated.

C. Bids for the new library will be closed on June 4. Eighteen companies have taken papers to make a bid. The bid will probably be awarded in mid-June and construction may begin in July, 2024

Our next meeting will be on Tuesday, May 28 at 6:30 pm. We adjourned at 8:02 pm