

Shutesbury Finance Committee
Tuesday, December 10, 2024 Virtual (Zoom) Meeting

Members Present: Ajay Khashu - chair, Bob Groves, April Stein, Susie Mosher, Jim Hemingway, and George Arvanitis Absent: Kathy Salvador Attending: None

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

- I. Preliminary Shutesbury Elementary School budget review
 - A. Union 28 Finance Director believes that grants and aid should not be subtracted from the total budget that they prepare, but rather from specific expense lines. Almost all of these revenues have specific uses and the director feels they should be applied to their appropriate expense line. The budget being prepared will show the expense lines after these expected revenues, in the budget request details section
 - B. The School is shifting away from funding the operating budget with School Choice which is being absorbed by a school counselors and the Nature's Classroom program
 - C. Bob noted that the Pelham elementary school budget includes all costs including those funded from school choice. He would prefer we use this same format, including the revenue breakdown that supports the elementary school
 - D. The committee found the latest budget format submitted to be confusing
 - E. Susie will ask the Finance Director if she can present the budget in the format used in previous years
 - F. The Fin Director uses this format because it was how she was trained

- II. Questions for Jo Comerford who will be attending the December 17 Selectboard meeting
 - A. Our issues with Chapter 70 and Charter School funding
 - B. What is the status of the Quabbin Bill
 - C. What is the status of the Payment in Lieu of Taxes
 - D. We should acknowledge the benefit of rural aid
 - E. Need to point out the need for state funding of Special Education
 - F. Covid's impact on Special Education costs that are now reoccurring are not being adequately addressed in state funding

- III. Amherst Regional Public Schools Finance Director – Ajay spoke with Shannon Bernacchia:
 - A. The region has new outdoor track funding from the region's towns' Community Preservation Act funds
 - B. The Amherst Planning Board and Conservation Commission have recommended that an additional \$800,000 of funding come from their town's CPA for the track
 - C. Amherst Finance Committee met to discuss their guidance and stated that they are open to including the onetime \$355k used in the FY25 budget amount in the base amount for FY26
 - D. The deficit forecasts presented at the first four town meeting are trending lower from a \$2.2M deficit down to a \$1.26M deficit
 - E. At the next four town meeting, four scenarios will be presented. These scenarios will be based on a \$1.26M deficit:

- i. 6% base and 4% increase would increase Amherst by 7.7%, Shutesbury 11.2%, Leverett 17.1% and Pelham 26.2%
 - ii. 6% base and 3% increase
 - iii. 4% base and 4% increase
 - iv. 4% base and 3% increase
 - F. The region will produce for each of the four scenarios above the assessments using the Modified Statutory method without guardrails and show deficits with 3% and 4% guardrails
 - G. Achieve consensus for guidance about the assessment method to apply for FY26
 - H. Discuss the guardrail portion of the assessments and need to determine how to move gradually towards the modified statutory method
 - I. We would like to know how the deficit will impact the school, for example: programs affected, staffing...
 - J. Need another method (a variable guardrail) for temporary funding that will move us towards the modified statutory method. Possibly meeting with other towns to discuss
- IV. Library funding discussions:
 - A. Discussed the schedule of Library budget increases prepared by Bob
 - B. The annual comparative amounts shown were not from consistent sources
 - C. Bob will review and update the schedule
- V. Committee Reports
 - A. Capital planning
 - i. Requests have been sent to all departments
 - ii. The CP will be meeting soon
 - iii. The Chair of the CP has asked for the schedules maintained by the Capital Planning, from the Interim Town Administrator. Ajay and Bob will send the files they have
 - B. Personnel Board
 - i. Submitted their recommended updates to the Town Administrator job description
 - ii. Determined that the Town Administrator is a complex job
 - iii. The Administrative Secretary resigned
 - iv. The efficacy of our annual Cost-of-Living Adjustment method will be reviewed in January
 - v. The Finance Committee noted its need to notify the Town Administrator hiring committee of the committee's expectations for a new Town Administrator
 - vi. The Town Administrator hiring committee has not been formed yet. It's expected that a Finance Committee member will be on the hiring committee
- VI. Reviewed and approved the minutes of the 11/12/24 meeting, as amended
- VII. Reviewed and approved the minutes of the 11/26/24 meeting
- VIII. Other Items
 - A. The police budget presented during our last meeting didn't tie out to the officers' salary budget line. The Chief had adjusted the FY25 amounts for the new contract
 - B. We expect that Town Administrator will attend our meetings as we develop the FY26 budget

C. George will develop a list of budget items that the Town Administrator historically obtained

Our next meetings are the Four Towns Meeting Saturday, December 14 at 9:00 a.m. in the Middle School library, December 17 at the Selectboard meeting and January 7, 2025 at 6:30 p.m.

Meeting adjourned at 8:31 p.m.