

Shutesbury Finance Committee
Tuesday, February 6, 2024 Virtual (Zoom) Meeting

Members Present: Ajay Khashu- chair, George Arvanitis, Bob Groves, Susie Mosher, Jim Hemingway, April Stein, Jim Walton and ex-officio member- Town Administrator Becky Torres
Shutesbury School Committee: Bethany Rose- Chair, Jeremy Mailloux, Julie Martel, Jen Taylor,
Director of Finance and Operations- Caitlin Sheridan, Shutesbury Elementary Principal- Jackie Mendonsa, Union 28 Superintendent- Jen Culkeen
Members of the Public: Maria Kopicki

Finance Committee meeting called to order at 6:35
Minutes of 1.9.24 approved as written.

A. Elementary School FY 25 proposed budget review

1. The school proposed a level services budget with a 6.5% net increase, attributable to three main elements:

- a. Due to the end of ESSER funds there is a \$40K increase for .5 Adjustment counselor position absorbed into the operating budget
- b. state mandated costs of \$90K
- c. the teacher salaries currently under negotiations will be an increase of at least \$26K.

2. \$161K is proposed to come from school choice funds for five part or full-time positions. This is slightly more than the revenue projected for FY25, necessitating drawing funds from the school's current choice account. Incorporating costs of reoccurring staff positions into the operating budget and applying school choice funds when needed for special placements was discussed.

3. Current school choice enrollment, (19) is down slightly from last year. This enrollment has varied from 12 to 26 students over the years.

4. Although the total school population is nine students lower this year, the incoming population of 2 and 3 year-old age groups will be larger

5. The very successful educational approach at Shutesbury is multi-pronged. An essential component is the staffing that meets the social emotional needs of all students, with further support for about 50% of the population, especially following learning losses and stress due to COVID. As a result of this pro-active program, along with solid curriculum and a very positive school culture, compared to the other U28 schools, Shutesbury has shown more than double the academic performance, on a budget that is second lowest in U28

6. The anticipated FY25 2.5% tax levy increase is \$155K. The 6.5% increase in the elementary is projected to be \$152K. We know there will be some new growth revenue and possibly some more local receipts in our revenue picture. The state aid projected on the preliminary cherry sheets shows only a net gain of about \$8K. We also know that

there are cost increases projected in the regional school budget and some other town departments. The Finance Committee will work with all departments to pull together financial resources to maintain level services and meet the needs of our town as best as possible.

B. Accountant FY25 budget review

1. Only a \$50. increase in office supplies for printer ink in this level service budget.
2. Gail is very satisfied with the VADAR system with its cloud security and access. In year three of a five-year agreement, the company has kept the fees the same.

C. Fin Com transfer request: Road Markings

1. Steve Sullivan requested the balance due on the invoice for road marking in FY24, \$905.22. A motion was made and seconded to transfer this amount from the Finance Committee Reserve Funds to the Highway Road Marking budget. The motion passed unanimously, 7 - 0

D. February 17, 2024 Four Town Meeting Prep

1. The initial level services budget from the regional school shows an \$2,838K increase, due mostly to the salaries negotiated last year. The preliminary cherry sheet numbers from the Governor show about an \$8K increase in Chapter 70 for Shutesbury.
2. Using the statutory, 5-year rolling average calculation with the 4% guardrails, Pelham and Leverett face a 4% increase, Amherst a 3% increase and Shutesbury a 1.37% increase and that still leaves a budget deficit of 1,900K.
3. Among the members towns, there has been discussion about the rationale that Amherst should face a 4% increase as the other towns do. If Amherst agrees to a 4% increase, Shutesbury's contribution will increase from \$21K to \$39K. That seemed feasible to our committee.
4. The projected budget cuts are very deep. We will see what proposals arise at our next 4-Town meeting on 2/17/24

E. Expense Report Review through Feb. 10, 2024

1. The Legal line has expensed \$61K, has \$44K left which includes the Special Town Meeting transfer (1/16/24) of \$50K from free cash
2. We clarified the Water Quality line and state assessment charges
3. The Health Insurance line for FY 24 may have a savings of \$37K and will likely face a rate increase of 8 -9% for FY25
4. 76% of the Vehicle Fuel line is already spent. We will likely have to transfer money to that line before the end of FY24
5. The Dam Consultant line will include the cost of two reports so it will likely be short by about \$2K.

6. Equipment maintenance costs include the elevator inspections and repair, along with the cost of the alarm company's work. This line should be \$15K in FY 25 and may need a transfer before the end of FY24.

7. The Veteran's Program assessment was slightly higher than budgeted.

F. Other committee reports

1. Capital Planning will meet on 2/7/24. They have been rescheduled to meet with the Finance Committee on Wednesday, March 6, avoiding the Tuesday March 5 election

2. The Personnel Board will establish the COLA once the inflation rate is published. They have a request to increase the cemetery groundskeeper hourly rate. The Per Bd is also working on the handbook, steps and salary reviews.

G. Potential Schedule/Agendas of remaining Fin Com meetings

Tuesday, Feb. 20 - 6:30 Collector, 7:15 Highway new draft, Review first complete draft of FY25 budget

Wednesday, March 6 - Broadband, Capital Planning

Tuesday, March 19 - Discussion of various funding possibilities from Free Cash, Capital Stabilization, Stabilization and levy

Tuesday, April 2 - Final Budget review and vote; start Annual Fin Com Report

Tuesday, April 9 - Meet with Select Board to vote on warrant articles. Approve Fin Com report

Wednesday, April 24 - FY 25 Budget Public Information Session with Moderator

Saturday, April 27 - Annual Town Meeting

Meeting ended at 8:29 pm