

Shutesbury Finance Committee
Tuesday, March 8, 2011, 7 p.m., Town Hall

Finance Committee Members Present: Patrick Callahan, Lori Tuominen, Weezie Houle, Rus Wilson, Gary Hirshfield
Finance Committee Members Absent: George Arvanitis
Visitors: Becky Torres, Cliff Read, Bob Mahler

1. Call to Order at 7:15pm
2. Minutes of February 15, 2011 approval postponed until we have Leslie's minutes.
3. 7:30pm, U28 School Committee:
 - a. **Discussed \$30,000 federal stimulus funds** in their budget. Discussed Joan's memo (see attached). Clarifications were made on the points:
 - i. Put the \$30,000 Jobs \$ toward staffing
 - ii. Keep 0% increase
 - iii. If the school hits a bump in unexpected expenses, they will come to the Finance Committee for help.
 - iv. Regardless of Chapter 70 \$ revenue, the town will keep its commitment to the figure budgeted.
 - v. There is a placeholder for teacher salary increases throughout the budget.
 - b. Bob is not sure how the rest of this year is going to pan out. They are overdrawn in HVAC maintenance and heating fuel oil.
 - c. **Fire Alarm Panel:** Inspected: back up panel is not working. Safety issue. \$3,840. Not only did we fail but the Building Inspector won't let us open next September until it is fixed. Motion made to transfer \$3,840 from Finance Committee Reserve to the School Fire Alarm line item (which will be created) contingent upon hearing from Walter Tibbetts that he is unable to get the parts that are needed to repair the old one.
 - d. **Dishwasher installation fee** of \$1,960 was paid in November.
4. Discuss retirement issue regarding Union 28.
 - a. Treasurer got a bill from U28 for an assessment Health Insurance benefits plus a new assessment for retirement @79% of a family premium payment spread throughout 4 towns. Becky asked Joan regarding the policy of retirement benefits. In early Jan. Becky got minutes of an Erving select board. Charlie had gone to them to get the benefit. He should have gone to all 4 authorities regarding it. They slid it under the door. Charlie retired and acted like it needed no explanation. Becky brought it to the Shutesbury Select Board. A meeting was scheduled of the Erving, Leverett and Shutesbury select board members and a member of the New Salem Finance Committee to discuss this. Currently, Swift River, Shutesbury, and Leverett pay 50% for a single premium. The main point is that it was inequitable for one sector to have one benefit and another sector to have a different benefit. The benefits follow the lead town's (Erving's), (administered through New Salem). The most equitable solution is for each town (Shutesbury, Leverett & Swift River would pay 50% of a single premium. Erving would pay 79% of a family premium and the balance would be paid by the retiree. A sub committee was formed to work out how to structure an agreement of this type. During the research process, Becky was informed that we cannot just pay 50% of a single. 32B – 9A was silent on the topic of dependents. However, the statute refers to several other statutes that require dependent coverage.
5. 2012 budget update: **Regarding Shutesbury Retiree premium payments:** The Select board has to vote to have the retirees' benefits cover their dependents. We have to offer it. We currently have 6 retirees on the insurance rolls. At the age of 65 they roll into a capped category which drops the cost. We are

waiting for a ruling from our town council. Hampshire County got a grant to offset 3% for two years of increases. Gabe then increased our budget for current retirees with dependents at 50%.

6. Update on fire station cleanup, review any necessary budget adjustments. None.
7. Reports of Committees.
 - a. CPA - none
 - b. Personnel - none
 - c. LFNAC – Had their last meeting last week. They had fulfilled their charge. They voted to highly recommend the architect and OPM to the building committee if/when we get the grant.
 - d. School Committee – discussed under # 3
 - e. Regional School update – Shutesbury will have a .4% drop in the regional assessment
 - f. Library Fundraising Committee – Sending out letters to key leaders in town tomorrow. They have a new chair. They have an opening for a community member.
8. Adjourned at 9:25pm
9. Next meeting March 22, 2011