

SHUTESBURY FINANCE COMMITTEE
Minutes for Jan. 29, 2008
Shutesbury Town Hall

Members present: Eric Stocker, chairman, Rus Wilson, Elaine Puleo, Al Springer, Lori Tuominen, Mark Pocsik and Patrick J. Callahan. Guests: David Dann, town administrator, Leslie Bracebridge, town clerk, Becky Torres, Ralph Armstrong and Debra Pichanick, selectmen, Daniel Hayes, Michael DeChiara, school committee, Joan Wickman, Union 28 superintendent, Charlie Paulin, Union 28, Marianne Jorgensen, regional school committee, Robert Mahler, elementary school principal, and Billy Wells, citizen.

The meeting convened at 7:06 p.m.

Meeting together the selectmen, Finance Committee and School Committee discussed the elementary and regional school budgets for the coming year. The Finance Committee had requested that the budget be held to a 3-percent increase this year, the same amount as last year.

Dan Hayes and Joan Wickman each described the budget drafting process. They say that a level service budget this year requires an increase of 4.28 percent. Dan says last year there was a teacher retirement saving some money, and the committee worked to find additional savings.

This year the school board has come up with a budget that increases by the 3 percent sought by the Finance Committee. In order to make that work, the town will have to absorb the expected \$12,000-\$16,000 in costs for busing pupils to the school. That cost comes from a new arrangement worked out with the regional schools based on a new formula required by the state. Dan says the instrumental music program is included in the current budget has increased its enrollment. Bob Mahler estimated one-third of pupils participate in the program.

Marianne says the regional school budget will increase by about 1 percent overall, and that translates into a 3-percent increase for Shutesbury. She says the financial problems in Amherst and Pelham are currently driving the budget for the region. Marianne says this year's spending plan will require \$300,000-\$400,000 in cuts, including some teachers.

There was a discussion of the elementary school reimbursement issue. While there is no new information about how the state will rule on the issue, Becky reported that any payments required from the town will be debt-excluded, and that will reduce the annual cost to the town.

There was also a discussion about which state budget estimates of Chap. 70 aid to use in constructing the town budget. Becky argued that figures in the governor's budget should be used because he has much more credibility than previous Republican governors.

Patrick, Ralph and David Dann counseled using the current year's figures to make sure we are basing projections on realistic and very conservative estimates.

The Finance Committee then did a line-by-line review of the current budget document. Questions were raised about the cost of snow removal this year, although David Dann suggested not increasing the current budget line to allow the town to get more state emergency funds if they become available. It was also noted that this is the only account that can be legally overspent.

Eric also talked with the group about the continued use of free cash to balance recent year's town budgets and how that habit is slowly but surely reducing the town reserves. There was a general agreement, however, that neither the Finance Committee nor selectmen are prepared to ask voters for an override this year. In the next few years that will probably become necessary, the group agreed.

The minutes of the Jan. 22, 2008 meeting were approved unanimously as amended.

The minutes of the Jan. 26 meeting done by Al Springer were also approved.

The next meeting was set for Feb. 12.

The meeting adjourned at 9:35 p.m.

Submitted by Patrick J. Callahan.