

SHUTESBURY FINANCE COMMITTEE
Minutes for Dec. 4, 2007
Shutesbury Town Hall

Members present: Eric Stocker, chairman, Rus Wilson, Elaine Puleo, Al Springer, Lori Tuominen and Patrick J. Callahan. Guests: David Dann, town administrator, Walter Tibbetts, fire chief.

The meeting convened at 7:09 p.m.

Walter Tibbetts told the committee that last year his budget ran short. He says the department is growing and costs are increasing and that holding his budget to a 3 percent increase likely won't keep up with expenses. For example, he says he had to replace all four tires on the rescue truck and might have to buy new tires for Engine 1, and that could cost up to \$2,700. Walter says it may require boosting the accounts for operating expenses and maintenance for the next budget cycle.

Walter also told the committee that the non-salary portion of his budget is .32 percent of the total town budget.

Walter suggested that the maintenance budget should increase by \$2,000 in addition the 3 percent he presented. He also suggested boosting the operating budget by \$1,500 above the 3 percent reflected in his budget plan. It was agreed to change the operating budget from \$4,429 to \$5,800 and to increase the maintenance line from \$6,180 to \$8,000 to reflect the higher costs.

Eric told Walter these increases may not survive the final budget process. Eric says the town needs to decide what level of service it is willing to fund and that the fire department has become more professional in recent years and that is reflected in rising costs. The committee unanimously voted to accept the new budget figures.

Walter and the committee then had a discussion of the proposed new ambulance fee formula presented by Larry Shaffer, the Amherst town manager. Walter says he is happy with the service provided by Amherst, but doesn't like the new formula because it includes costs not directly connected to ambulance services.

In fiscal 2007, Shutesbury was charged \$20,962 for ambulance services for 55 calls, and under the new formula, the cost would have been \$26,365. Included in the base formula is the total expenses for the Amherst fire and EMS service, something the committee and Walter believe is inappropriate because it reflects capital costs and other non-ambulance costs. Walter suggests a better formula would be to take the \$20,962 and add 3 percent a year to reflect rising costs.

Elaine says the number presented by Larry Shaffer don't make sense and suggested a meeting with the Amherst Finance Committee to come up with a better, fairer formula.

David Dann says all of the town affected by the proposed changes should meet to agree on a new formula. Becky Torres will be asked to help organize meeting of the officials from Shutesbury, Leverett, Pelham, Amherst and Hadley to discuss the issues.

The committee then unanimously approved the minutes of the Oct. 23 meeting with a change to the spelling to Walter Tibbetts' last name.

Elaine reported on the recent meeting of the Shutesbury School Committee and items that will be sought in the capital budget, including \$1,961 for a sensor in the heating system and \$7,531 for a key-less entry system for the building. David Dann says those items will be reviewed by the Capital Planning Committee.

Elaine also reported that Joan Wickman, superintendent of Union 28, says she has been told the town is only going to receive reimbursement for about one-third of the up to \$500,000 in reimbursements questioned in a state audit of the elementary school construction project from 1994. If that is true, the town will be responsible for paying \$350,000, a sum that will be withheld from cherry sheet payments over 10 years. Elaine says the reason for the confusion about the costs is that the town never got an official bottom-line agreement on costs of the project.

David Dann says he will contact David Kielson, who has worked with other towns with similar issues, to discuss how Shutesbury should respond. Eric says we should immediately contact our state legislators, Rep. Steve Kulik and Sen. Stan Rosenberg about this matter.

Elaine also reported that the Union 28 budget is proposed to increase by 3 percent, with Shutesbury's share dropping. The elementary school budget so far is up about 5.28 percent in large part due to increasing SPED costs. She also says there are now 24 pupils in the fourth grade and that may require hiring another teacher next year, further boosting the budget.

Eric says discussions on transportation costs for the regional and elementary school budgets remain unresolved, but the state is unlikely to pay the full cost. It's also likely that some transportation costs paid now by the regional budget may be shifted to the local elementary schools.

David Dann reported that the Lake Wyola dam project is on schedule for bids to be sought in the spring.

He also says this year's tax rate has been set at \$15.90 per \$1,000 valuation.

The committee reviewed the expense report.

The next meeting is set for Dec. 18. The meeting adjourned at 9:40 p.m.

Submitted by Patrick J. Callahan.