

Shutesbury Finance Committee Minutes
Tuesday, May 28, 2020, Zoom Meeting, 7pm

Members Present: Eric Stocker, Bob Groves, Jim Hemingway, Ajay Khashu, Rita Farrell and Weezie Houle, Jim Walton **Members Absent:** **Non-Members present:** Becky Torres, Select Board: Elaine Puleo, April Stein, Melissa Makepeace O'Neil **School Committee:** Steve Sullivan, Jen Malcolm-Brown, **Guests:** Jeff Lacy, Mike Vinskey, George Arvanitis, Susie Mosher, Linda Avis Scott, Dan Hayes, Melody Chartier, Samuel Tobin, Jackie Mendosa, Lauren Thomas-Paquin, Bruce Turner, Diane, Jen Culkeen, Lisa Sanders, Kathy Carey, Ethan Todras-Whitehill, Doug Slougher, Leslie Luchonok, Renee Richards, Jennifer Swender, Paul Lyons

- 1) Shutesbury Elementary School: What the Finance committee is looking for is updated info for current FY year and next FY.
 - a) Bruce Turner reports they are having a good year financially in spite of COVID 19.
 - b) They have had to pay the food services and after school staff. Estimates for other programs have come in where he expected. They have had savings from some items, but had to replace the water heater for \$15,000, which they were able to absorb.
 - c) They anticipate giving funds back to the town. They are not planning to use Rural Aid that they were awarded, which they will carry that forward.
 - d) They were able to front load next year's budget with the \$32,000 savings for next year. Jackie says the staff has been rocking it. They are planning and preparing for any eventuality for next year, curriculum, PPE, staffing and finances.
 - e) Quantity of masks and other PPE they need will be spent for staff and students.
 - f) The collaborative is looking to get PPEs.
 - g) Superintendents in Hampshire and Franklin are working with the Collaborative for PPEs.
 - h) Bob requests that the school cut its budget.
 - i) Jackie, Bruce and Jen have been planning for all eventualities. They are now being required to purchase lots of equipment.
 - j) All contract negotiations have been suspended due to Corona virus and going forward will be 1/12th contracts until negotiations can continue.
 - k) The Shutesbury Elementary Budget is nearly level funded from FY20 to FY21.
 - l) FY22 and FY23 budgets could be worse. The state is saying to prepare for a 1/12th budget. You use the prior year's budget month by month.
 - m) We are also going to transfer Fund 30 items that are no longer needed back into either free cash or stabilization funds.
- 2) Doug Slaughter, Amherst Finance Director
 - a) Current Year:
 - i) Transportation – they negotiated a reduction for Shutesbury is about \$5,000. The bus companies carry a lot of fixed costs, including fuel and labor.
 - ii) Most of savings around expenses and push them forward to the next FY. For example, they can prepay out of district placements, replace retiring staff with less expensive new staff. As much as possible they try to support pre-paying.
 - iii) They are applying for some CARES funding due to covid, but it won't arrive until into FY21.
 - b) Next Year:

- i) Savings from FY20, plus some revolving funds can be applied to FY21 to prepare.
- ii) The Regional budget was passed by the school committee. It included a reduction of about \$300,000 in state aid. They have gone back through and sliced out about 500K. The CARES Act is providing \$230,000.
- iii) They are expecting a reduction in state funding of about \$300K. They have cut out as much as they can.
- iv) The change in personnel is very slight. If the numbers come in much worse, they will have to look harder. Then it becomes likely that they have to change the number of personnel.
- v) There are so many unknowns. There will be additional costs to provide school.
- vi) Doug went through the document of the Budget Additions / Reductions to the Level Services Budget and the Regional Assessment.
- vii) Shutesbury's portion of the reduction the Region's budget is \$1,675,873, about 5% less than what was voted in February, or about \$43,424.
- viii) They are preparing and are planning to use a 1/12th budget due to the state not having its numbers in time.
- ix) Contract negotiations: Food services contract ends June 30, 2020. All the rest are in place through June 30, 2021.
- x) Doug and Jackie described an entirely new set of expenses that they will be required to purchase in this environment makes reducing the budget beyond what has already taken place, it would be a mistake to make further reductions when we don't know what the costs are going to be.
- xi) Doug thinks there will be a reevaluation of the budget mid-way into the year.
- xii) The Capital plan got a significant reduction. They are going to try to get funds from the Feds. They are going to use some funds around covid like handwashing stations. The debt payments need to stay the same as they were planned previously.

3) Minutes of May 12, 2020 approved as amended.

4) We are anticipating a 30% reduction in state aid.

5) Meeting adjourned at 9:17pm

6) Upcoming Meetings:

- a) June 2, 2020, Final ATM Warrant Vote
- b) June 9, 2020, TBD
- c) June 16, 2020, TBD
- d) June 27, 2020, 9am, Town Meeting