

**Shutesbury Finance Committee**  
**Tuesday, January 26<sup>th</sup>, 2021, Virtual (Zoom) Meeting**

Members Present: Jim Hemingway, Ajay Khashu, Jim Walton, Susie Mosher, Bob Groves, Melody Chartier, George Arvanitis

Members Absent: None

Non-Members present: Becky Torres, Leslie Luchonok, Mike Vinskey, Ryan Mailoux, Kevin Rudden, Diane, gjdevito@gmail.com

7:00 PM Finance Committee Call to Order

**1) Motion to approve 1/12/21 meeting minutes as amended passes unanimously.**

2) Expense Report Review

- 015192.210 Buildings/Electricity line is already spent at 71%. This is due to mini-split cooling.
- 015192.211 Buildings/Heating is only spent at 18%.
- Becky is considering a recommendation to move funds between these two lines to balance them out.

3) FY22 Budget Review – Treasurer

- Treasurer Budget
  - i) FY21 budget amount was \$10,650. Due to a clerical error, recent budget documents recorded the FY21 budget amount at \$9K.
  - ii) Office supplies line includes stamps, envelopes. Budget includes a \$300 increase.
  - iii) Payroll expenses have increased by \$500.
- Veterans Benefits
  - i) In the event that we have a veteran move to the town, we are obligated to provide this benefit.
  - ii) 75% of funds expended are reimbursed by the state.
  - iii) Ryan recommends that we fund this line at \$15K to protect the town if 2 or more veterans move to Shutesbury.
  - iv) We did not have anyone last year who qualified for this benefit.
- Unemployment
  - i) Ryan is recommending the town fund this line at \$10,000 unless we anticipate significant layoffs of town employees.
  - ii) Current balance in the unemployment fund is \$19K.
  - iii) Shutesbury is self-funding this liability. Some municipalities have unemployment insurance. Ryan indicated he will do an analysis to determine which option will be most beneficial.

- iv) In the past 2 years there have been approximately 3-4 employees drawing unemployment.
  - Short-term Borrowing Budget
    - i) Costs associated with doing short-term borrowing.
    - ii) We currently have 2 notes.
    - iii) Shutesbury does not have a cash flow issue. Some municipalities rely on short-term funding to support town operations.
  - OPEB Trust Budget
    - i) Ryan is recommending \$50K which has been the funding level for the past several years.
  - OPEB Actuarial Budget
    - i) Line is currently funded at \$4,200. Ryan is recommending that we allocate \$2,000 in the FY22 budget. This will cover the expense for an actuarial study in a year. We are required to do a study every three years.
  - Medicare Tax Budget
    - i) Ryan has included a 3% increase in his proposed budget. This assumes there will be a 3% increase in the town payroll.
  - Health Insurance Budget
    - i) Requested \$530,000. This line assumes we add one additional family and one additional individual in the coming year.
    - ii) Ryan anticipates that this line will be overspent this year by as much as \$20K. In FY20 we overspent this line by \$10,000.
    - iii) We have gone approximately 6 years without an increase in premium costs.
- 4) FY22 Budget Review – Assessor
- Only two lines are increasing and they are both due to vendor cost increases.
    - i) GIS Web Hosting
    - ii) Computer Maintenance: \$800 for a new GIS module. This will increase our ability to generate maps for various purposes.
    - iii) Our reevaluation is planned for 2023.
    - iv) The proposed cell tower project has to close by January 31, 2021. If and when the tower is built, we will need to assess the value of the cost of the equipment installed on that tower. The town would need to hire an outside consultant with specific experience relevant to assessing cell tower technology. We want to get the correct value for that equipment.
  - Not as much new growth this year as there was last year. Of the permits that have been taken out since July, only 1 project has been completed.

- JH asks how likely is it that the new cell tower is going to get built and/or that carriers will rent space on that tower.
- JH asks how much money do Verizon and National Grid pay the town for property taxes on pole infrastructure. Kevin Rudden responds that new filings are due in March and he will get back to the committee with that information.

#### 5) Consider Reserve Fund Transfer

- Penny Jacques is representing the Open Space committee.
- The committee is requesting \$2,000 to continue work on developing our Open Space plan. This is required by the State.
- We have been working w/ the Franklin Regional Council of Governments (FRCOG) since September on this project. FRCOG directed \$6,000 of grant funds to support this work. Those funds have now run out. There is a possibility that additional grant funds will be available to pay for future work on the open space plan.
- The next step in the process is to conduct a town survey. This information would be used to develop the next phase of the plan. FRCOG gave us a price of \$2,500 to conduct an online survey and tabulate the results. Committee volunteers have offered to contribute \$
- **Motion to transfer \$2,000 to the Open Space Committee to pay the cost of conducting an online survey of town residents passes unanimously (6-0, BG abstains).**

#### 6) Planning for the next 4 Town Meeting

- FinCom will join the Select Board and School Committee on either 2/2 or 2/4 to prepare for the upcoming 4 Towns Meeting.
- SM states that there is no question that the Finance Committee remains committed to advocating for the 100% of the Statutory method (with 5-year rolling average).
- BG states that the proportional increase for Amherst to move from 45% to 65% to 75% is not significant as a share of their total budget. For Shutesbury, on the other hand, the savings are considerable as we move from one step to the next.
- AK states that we should keep in mind that the budget models presented by the Finance Director at the last 4 towns meeting assumed either a \$1M or \$1.4M cut in services.
- SM suggests that we ask for 55% statutory and we support the budget that has a \$1M budget cut.
- SM says it is appropriate for Shutesbury to advocate for a regional school budget that best meets the needs of our students.
- Leslie Luchonok states that it is very important for the town to specify a specific target year for us to be at 100% statutory.
- General agreement that town will advocate for a significant step toward 100% statutory (5 yr rolling average) in FY22.

7) Future meetings: 2/2 (w/ Select Board to discuss prep for 4 Towns meeting), 2/6 (4 Towns Meeting), 2/9 (Collector/Accountant)

Meeting adjourned at 9:50 PM