

**Shutesbury Finance Committee**  
**Tuesday, May 17, 2021, Virtual (Zoom) Meeting**

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

FinCom Members Absent: None

Non-Members present: Becky Torres, Mike Vinskey, Jeff Lacy, Penelope Kim, Kevin Rudden (Assessor)

6:01 PM Finance Committee Call to Order

1) Review Warrant Articles (see attachment)

- **SM makes a motion to add “Finance Committee Recommends” to the Article 2 Warrant. AK seconds. Motion passes by unanimous vote (7-0).**
- **BG makes a motion to add “Finance Committee Recommends” to the Article 3 Warrant. SM seconds. Motion passes by unanimous vote (7-0).**
- **AK makes a motion to add “Finance Committee Recommends” to the Article 4 Warrant. BG seconds. Motion passes by unanimous vote (7-0).**
- **SM makes a motion to add “Finance Committee Recommends” to the Article 5 Warrant. GA seconds. Motion passes by a vote of 4-3 (MC, BG, and JH vote no).**
  - i) BG suggests that we modify the language to read “Up to \$500,000”
- **GA makes a motion to add “Finance Committee Recommends” to the Article 6 Warrant. BG seconds. Motion passes by unanimous vote (7-0).**
- **ARTICLE 7: SM makes a motion that we use \$17,000 of stabilization funds for the design and engineering of an upgrade to the Shutesbury Elementary School HVAC Control System. AK seconds. Motion passes by a vote of 5-2 (MC and JH vote no).**
  - i) GA asks if this expense is potentially covered by American Rescue Plan funds.
  - ii) BT and BG confirm that our expectation is that this will be an allowable ARP expense.
- **SM makes a motion to add “Finance Committee Recommends” to the Article 8 warrant as amended. JH seconds. Motion passes by a vote of 6-1 (GA votes no).**
  - i) Draft warrant language was modified to refer to “stabilization funds” rather than “capital stabilization funds.”
- **AK makes a motion to add “Finance Committee Recommends” to the Article 9 warrant. SM seconds. Motion passes by a vote of 6-0 (BG abstains).**
  - i) SM points out that this is similar to a warrant that is always voted on at ATM giving the Select Board permission to apply for funds.
- **SM makes a motion to add “Finance Committee Recommends” to Articles 10 through 13. BG seconds.**

- i) **BG amends to motion to include only articles 10-12 in vote. Amendment passes unanimously.**
- ii) **Motion as amended passes by a unanimous vote 7-0.**
- **SM makes a motion to add “Finance Committee Recommends” to Article 13. GA seconds. Motion passes by a vote of 5-0 (MC and BG abstain).**

[BG leaves meeting due to prior commitment.]

- **SM makes a motion to add “Finance Committee Recommends” to Article 16. GA seconds. Motion passes by unanimous vote 6-0.**
- **GA makes a motion to add “Finance Committee Recommends” to Article 17. SM seconds. Motion passes by a unanimous vote 6-0.**
- **AK makes a motion to add “Finance Committee Recommends” to Article 18. GA seconds. Motion passes by a vote of 6-0.**
- **GA makes a motion to add “Finance Committee Recommends” to Article 19. JW seconds. Motion passes by a vote of 6-0.**
- **SM makes a motion to add “Finance Committee Recommends” to Article 20. GA seconds. Motion passes by a vote of 6-0.**
- **GA makes a motion to add “Finance Committee Recommends” to Article 21. JW seconds. Motion passes by a vote of 6-0.**
- **GA makes a motion to add “Finance Committee Recommends” to Article 22. SM seconds. Motion passes by a vote of 6-0.**
- **SM makes a motion to add “Finance Committee Recommends” to Article 23. GA seconds. Motion passes by a vote of 6-0.**
- **AK makes a motion to add “Finance Committee Recommends” to Article 24 as amended. GA seconded. Motion passes by a vote of 6-0.**

i) Warrant language needs to be amended to “Requires 9/10s vote.”

ii) Warrant language needs to be amended to “from free cash.”

- **AK makes a motion to add “Finance Committee Recommends” to Article 25 as amended. Motion seconded by JW. Motion passes unanimously by a vote of 6-0.**
- **SM makes a motion to add “Finance Committee Recommends” to Article 26. Motion seconded by GA. Motion passes unanimously by a vote of 6-0.**

## 2) Review Fincom Annual Report

- Various minor suggestions made for format and content. SM records these changes and will share a revised report.
- **GA makes a motion that Finance Committee accept the annual report as amended and including adjustments. SM seconds. Motion passes unanimously 5-0.**

## 3) Upcoming Meetings

- 5/18 – Joint meetings w/ Capital Planning and Personnel Boards

Meeting adjourned at 8:17

**2021 Annual Town Meeting Warrant  
Town of Shutesbury  
Commonwealth of Massachusetts  
June 12, 2021**

To one of the Constables of the Town of Shutesbury in the County of Franklin,  
Greetings:

In the name of the Commonwealth of Massachusetts, you are hereby directed to notify and warn the inhabitants of said town, qualified to vote in elections and town affairs, to meet at **9:00** a.m. on Saturday the **twelfth** day of June, at the Shutesbury Elementary School at 23 West Pelham Road in said Shutesbury, in the year Two Thousand and Twenty, then and there to act on the following articles:

**Article 1.** To hear, and receive reports of town officers, committees, and boards.  
**(Sponsor: Select Board)**  
**Requires majority vote**

**Article 2.** To see if the Town will vote to amend Section VI of the Amherst Pelham Regional School District Agreement by adding subsection j) as follows:  
“To see if the Town will vote to amend Section VI of the Amherst Pelham Regional School District Agreement by adding subsection (j) as follows: For Fiscal Year 2021 only, the alternative operating budget assessment shall be calculated as 65% of a five-year average of minimum contributions with the remainder of the assessment allocated to the member towns in accordance with the per-pupil method found in Section VI (e) of the Amherst Pelham Regional School District Agreement. The five-year average of minimum contributions will include the five most recent years, or take any other action relative thereto.  
**(Sponsor: Selectboard)**  
**Requires majority vote**

**Article 3.** To see if the Town will vote to set the salary compensation for all elected officials of the town (Select Board, Town Clerk, Moderator and Constable) as provided by MGL Chapter 41, Section 108, to be made effective from July 1, 2021, as contained in the budget, or take any other action relative thereto.  
**(Sponsor: Personnel Board and Select Board) Finance Committee Recommends**  
**Requires majority vote**

**Annual Budget Article**

**Article 4.** To see if the Town will vote to raise and appropriate, transfer from available funds, borrow, or otherwise provide a sum of money to meet town expenses

including operations, capital, salaries and school expenses of **\$6,624,324** by raising the sum of **\$6,603,899** and transferring \$20,425 from the Septic Betterment Fund, for the fiscal year beginning July 1, 2021, or take any other action relative thereto.

**(Sponsor: Selectboard) Finance Committee Recommends**

**Requires majority vote**

#### **Capital Item**

**Article 5.** To see if the Town will vote to fund the construction of a replacement culvert at Locks Pond Rd and Lake Dr, near the dam by borrowing \$500,000, transferring \$250,000 from capital stabilization and using the remaining funds of the Municipal Small Bridge grant for a total of up to \$1,100,000 or take any other action relative thereto.

**(Sponsor: Selectboard)**

**Requires 2/3 majority vote**

#### **Capital Item**

**Article 6.** To see if the Town will vote to transfer up to \$300,000 from Free Cash for the Shutesbury Elementary School Gym Roof Replacement, or take any other action relative thereto.

**(Sponsor: Selectboard)**

**Requires majority vote**

#### **Capital Item**

**Article 7.** To see if the Town will vote to transfer up to \$17,000, for design and engineering of an upgrade to the Shutesbury Elementary School HVAC Control System or take any other action relative thereto.

**Article 8.** To see if the Town will vote to approve a transfer from **Free Cash** to **Capital Stabilization** in the amount of \$350,000.00 or take any other action relative thereto.

**(Sponsor: Selectboard)**

**Requires majority vote**

**Article 9.** To see if the Town of Shutesbury will vote to authorize the Selectboard and/or the Library Trustees to apply for state funds through the Massachusetts Pubic Library Construction Program (MPLCP) Small Library Pilot, which might be available to defray all or part of the cost of the design, construction and equipping of a new library project and to authorize the Library Building Committee and/or Selectboard and/or Library Trustees to accept and expend the MPLCP funds when received without further appropriation, or take any other action relative thereto.

**(Sponsor: Selectboard)**

**Requires majority vote**

#### **Community Preservation Act**

**Article 10.** To see if the Town of Shutesbury will vote to act on the recommendation of the Community Preservation Committee on the fiscal year 2022 budget to transfer the following sums of money from the Community Preservation Fund estimated annual revenues: \$5,100 to Open Space (excluding recreational purposes); \$5,100 to Historic Resources; \$5,100 to Community Housing; and \$32,000 to the FY21 Community Preservation Fund budgeted reserve, or take any action relative thereto.

**(Sponsor: Community Preservation Committee)**

**Requires majority vote**

### **Community Preservation Act**

**Article 11.** To see if the Town will vote to appropriate \$2,500 from fiscal year 2021 Community Preservation Fund estimated annual revenues for necessary and proper administrative and operation expenses of the Shutesbury Community Preservation Committee, or take any action relative thereto.

**(Sponsor: Community Preservation Committee)**

**Requires majority vote**

### **Community Preservation Act**

#### **Article 12. CPC Request: Shutesbury Conservation Committee**

To see if the Town will vote to appropriate \$2,500 from the Open Space/Recreation Fund balance to hire an experienced trail consultant to conduct an ecological evaluation of current trails in the Southbrook Conservation area/Town Beach conservation area and provide re-routing suggestions and plans for new trails to expand and interconnect the trail system, or take any action relative thereto.

**(Sponsor: Community Preservation Committee)**

**Requires majority vote**

### **Community Preservation Act**

#### **Article 13. Shutesbury Recreation Committee**

To see if the Town will vote to appropriate \$20,000 from the Open Space/Recreation Fund balance to construct a fenced-in Community Garden in Shutesbury on unused land behind the Town Hall. The garden will originally support 8 plots of garden space for town residents and is potentially expandable to 20 plots, or take any action relative thereto..

**(Sponsor: Community Preservation Committee)**

**Requires majority vote**

### **Planning Board Zoning Article**

**Article 14.** To see if the Town will vote to amend the Town of Shutesbury Zoning Bylaw by deleting Section 9.3B and by inserting the following new section after the existing section 10.3 at the end of ARTICLE X - ADMINISTRATION AND ENFORCEMENT, or take any action thereto.

### **SECTION 10.4 Planning Board**

#### **10.4 A. Associate Members**

There shall be two associate members of the Planning Board as provided for under MGL c 40A, Section 9.

Appointments may occur at any time. The Planning Board shall notify the Select Board in writing of its intention to begin a process for associate member appointment.

The Planning Board will establish the process for soliciting and receiving the names of interested individuals; notice of the opportunity should be made broadly to the residents of Shutesbury. Given that the Planning Board is an elected body, individuals eligible to serve as associate members shall be registered voters in the Town of Shutesbury.

The Planning Board shall recommend individuals to be considered for appointment. Associate members will be appointed by a majority of the members of the Planning Board and the Select Board who are in attendance at a joint meeting for this purpose.

The term of an associate member shall be one year; mid-year appointments shall run through June 30. Associate members may have their term renewed by a majority of the members of the Planning Board and the Select Board who are in attendance at a joint meeting for this purpose. There shall be no limit to the number of renewals for an associate member.

The Planning Board chairperson may designate one or two associate members to participate as an acting member of the Planning Board at any time in the case of absence, inability to act, or conflict of interest, on the part of any Planning Board member; or in the event of a vacancy on the board. Participation by an associate member shall be time or purpose limited. Designation by the chairperson shall include a statement indicating the time period for participation or the purpose for participation. An associate member's participation shall end upon the completion of the stated purpose or time period, unless extended by the chairperson.

When designated, an associate member may participate fully in procedures for a special permit, site plan review, or any other application before the Planning Board; as well as other procedural matters designated by the chairperson, including but not limited to conducting hearings of the Planning Board.

Associate members are expected to regularly attend Planning Board meetings. When not acting as full members, associate members may be seated with the Planning Board and receive communications in order to follow Planning Board business. Associate members, when not acting as full members, may participate in deliberation at the discretion of the chairperson. When not acting

as a full member of the Board, associate members may not vote nor participate in executive session.

Vacancies for unexpired terms of an associate member shall be filled in the same manner as for original appointments.

An associate member may be considered for a vacancy on the Planning Board in accordance with the normal process for filling a vacant position.

**(Sponsor: Selectboard)**

**Requires 2/3 majority vote**

### **Planning Board Zoning Article**

**Article 15.** To see if the Town will vote to amend the Town of Shutesbury Zoning Bylaw by inserting the following new section after the existing section 3.5 at the end of ARTICLE III, ZONING DISTRICTS: USE REGULATIONS:

#### **“Section 3.6 Access to Use**

Access, including for appurtenant drainage facilities and utilities, from public ways across other districts to the FC District for an allowable use in the FC District shall be permitted under the same terms as the use and as a single unified permit application."

Or take any action thereto.

**(Sponsor: Selectboard)**

**Requires 2/3 majority vote**

### **MLP Enterprise Fund**

**Article 16.** To see if the Town will vote to appropriate the sum of **\$473,400.00** for the MLP Enterprise Fund beginning July 1, 2021 in accordance with the provisions of M.G.L. c.44, sec 53 F ½, amount to be funded from the following sources; or take any action relative thereto.

### **Total Revenues**

#### User Fees (Subscriptions)

Estimate in year one is 75% of 850 potential subscribers, 638 subscribers, split 50/50 between Internet only at \$52.05 and internet & phone at \$53.10 per month

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Total Revenues	<b>\$473,400.00</b>
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To be expended as follows:

#### **Direct Costs** Expenses

Routine Maintenance	\$ 60,000.00
Truck Retainer Fee	\$ 12,000.00
Insurance	\$ 10,000.00
Backhaul	\$ 30,840.00
MLP Manager Stipend	\$ 12,600.00
Employment Overhead	\$ 310.00
Lifeline CAFII Administration	\$ 7,000.00



Bond Fee for Poles.	\$ 6,750.00
Pole Rental	\$ 20,670.00
Calix Essentials Support	\$. 7,595.00
Supplies	\$ 500.00
Legal	\$ 1,000.00
Electronic Hut Operations	\$ 1,300.00
Electronic Depreciation	\$ 37,895.00
(See Art. 8, Broadband Capital Stabilization)	
Debt & Interest	\$235,055.00
Electronics Hut Utilities	\$ 5,200.00
Accounting	\$ 1,200.00
Treasurer	\$ 1,800.00
Auditor	\$ 850.00
OPERATIONS SUBTOTAL	\$452,565.00
Emergency Reserve Fund	\$ 20,835.00
<b>Subtotal</b>	<b>\$473,400.00</b>
<b>Indirect Costs</b>	<b>0</b>
<b>Total Expenses</b>	<b>\$473,400.00</b>
<b>(Sponsor: Selectboard)</b>	
<b>Requires majority vote</b>	

#### **MLP Enterprise Fund**

**Article 17.** To see if the Town will vote to appropriate the FY 2020 MLP certified retained earnings of 123,544.00 to pay down the principal of the Bond Anticipation Note (BAN) due on 8/20/2021, or take any action thereto.

**(Sponsor: Selectboard)**  
**Requires majority vote**

**Article 18.** To see if the Town will vote to authorize the Select Board to petition the General Court for passage of a special law to provide for a Means-Tested Senior Citizen Property Tax Exemption, which legislation reads as follows below, or take any other action in relation thereto.

#### **AN ACT AUTHORIZING THE TOWN OF SHUTESBURY TO ESTABLISH A MEANS-TESTED SENIOR CITIZEN PROPERTY TAX EXEMPTION.**

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same as follows:*

SECTION 1. With respect to each qualifying parcel of real property classified as class one, residential in the Town of Shutesbury, there shall be an exemption from the property tax in an amount to be set annually by the Select Board as provided in Section 3. The exemption shall be applied to the domicile of the taxpayer only. For the purposes of this act, "parcel" shall mean a unit of real property as defined by the Board of Assessors under the deed for the property

and shall include a condominium unit. The exemption provided for in this section shall be in addition to any other exemptions allowed pursuant to the General Laws.

SECTION 2. The Board of Assessors of the Town of Shutesbury may deny an application for exemption if the board finds that the applicant has excessive assets that place the applicant outside of the intended recipients of the senior exemption established pursuant to this act. Real property shall qualify for the exemption pursuant to Section 1 if the following criteria are met:

- (i) the qualifying real property is owned and occupied by a person whose prior year's income would make the person eligible for the circuit breaker income tax credit pursuant to subsection (k) of Section 6 of Chapter 62 of the General Laws;
- (ii) the qualifying real property is owned by a single applicant who was age 65 or older at the close of the previous year or jointly by persons who are 60 years of age or older, provided that not less than 1 joint owner was age 65 or older at the close of the previous year;
- (iii) the qualifying real property is owned and occupied by the applicant or joint applicants as their domicile;
- (iv) the applicant, or at least 1 of the joint applicants, has been domiciled and owned a home in the Town of Shutesbury for not less than 10 consecutive years before filing an application for the exemption;
- (v) the maximum assessed value of the domicile is not greater than the prior year's maximum assessed value for qualification for the circuit breaker income tax credit pursuant to subsection (k) of Section 6 of Chapter 62 of the General Laws, as adjusted annually by the Department of Revenue; and
- (vi) the Board of Assessors has approved the application for the exemption.

SECTION 3. The Select Board of the Town of Shutesbury shall annually set the exemption amount provided for in Section 1; provided, however, that the amount of the exemption shall be not less than 50 per cent and not more than 200 per cent of the amount of the circuit breaker income tax credit pursuant to subsection (k) of Section 6 of Chapter 62 of the General Laws for which the applicant qualified in the previous year. The total amount exempted by this act shall be allocated proportionally within the tax levy on all residential taxpayers.

SECTION 4. A person who seeks to qualify for the exemption pursuant to Section 1 shall, before the deadline established by the Board of Assessors of the town of Shutesbury, file an application, on a form adopted by the Board of Assessors, with the supporting documentation of the applicant's income and assets as described in the application. The application shall be filed each year for which the applicant seeks the exemption.

SECTION 5. No exemption shall be granted pursuant to this act until the Department of Revenue certifies a residential tax rate for the applicable tax year where the total exemption amount is raised by a burden shift within the residential tax levy.

SECTION 6. The exemption provided in this act shall expire 3 years after the effective date of this act; provided, however, that the Town of Shutesbury may reauthorize the exemption for additional 3-year intervals by a vote of the legislative body of the town.

SECTION 7. This act shall take effect upon its passage.

**(Sponsor: Selectboard)**

**Requires majority vote**

**Article 19.** To see if the Town will vote to accept and expend funds available from the State for Highway reimbursement programs, such as the Chapter 90 program, without further appropriation, or take any other action thereto.

**(Sponsors: Selectboard)**

**Requires majority vote**

**Article 20.** To see if the Town will vote to authorize the Treasurer to enter into compensating balance agreements during Fiscal 2021 as permitted by M.G.L. c. 44, section 53F, or take any other action relative thereto.

**(Sponsors: Selectboard)**

**Requires majority vote**

**Article 21.** To see if the Town will vote to allow the Select Board to apply for, accept and expend state, federal and other grants, which do not require a town appropriation, or take any other action relative thereto.

**(Sponsors: Selectboard)**

**Requires majority vote**

**Article 22.** To see if the Town will approve the appointment pursuant to MGL Chapter 268A, Section 21A of Catherine Hilton as a Board of Health Administrative Consultant while also serving as an elected official on the Board of Health, or take any other action relative thereto. **(Sponsor: Personnel Board)**

**Requires majority vote**

**Article 23.** To see if the Town will transfer \$30,000 from the Assessors' Overlay Surplus account to the Assessors' Revaluation account, or take any other action in relation thereto.

Purpose: The Assessors' Office is getting ready for its five-year recertification by the MA Department of Revenue in Fiscal Year 2023. By transferring \$30,000 from the Assessors' Overlay Surplus account, the

revaluation account can be funded without the need to raise and appropriate funds within the Fiscal Year 2022 operating budget.

**(Sponsor: Selectboard)**

**Requires majority vote**

**Article 24.** To see if the Town will pay salaries from a prior fiscal year, or take any other action in relation thereto.

Purpose: During the onset of the COVID-19 pandemic, the two new members on the Board of Assessors inadvertently were not paid half of their fiscal year 2020 salaries. The sum is \$2,060. This article will allocate funds to pay them retroactively.

**(Sponsor: Selectboard)**

**Requires majority vote**

### **Bill of Prior Year**

**Article 25.** To see if the Town will vote to approve the payment of \$1713.00 to Mirabito Energy Products.

**(Sponsor: Selectboard)**

**Requires 9/10s vote**

**Article 26.** To See if the Town will vote to approve annual spending limits for FY2022 for revolving funds established in the Town Bylaws, pursuant to MGL c. 44, sec. 53E1/2, as most recently amended, to (1) authorize revolving funds for certain Town Departments for: **(Sponsors: Selectboard)**

**Requires majority vote**

Revolving fund	FY2022 spending limit
Dog license and control	\$1,000
Recycling	\$25,000
Fire Inspections	\$3,000
Electrical Inspections	\$4,000
Plumbing Inspection	\$5,000
Swimming Exercise	\$3,000
Library	\$10,000

Conservation	\$3,000
SRECS Solar Renewable Energy Certificates	\$30,000
COA Seniors	\$ 5,000

Hereof fail not, and make due return of this warrant, with your doings thereon, at the time and place of the meeting. Given under our hands this 16th day of April two thousand and Nineteen.

### **Shutesbury Selectboard**

\_\_\_\_\_  
Melissa Makepeace-O'Neil, Chair

\_\_\_\_\_  
April Stein, Vice Chair

\_\_\_\_\_  
Rita Farrell

I, the undersigned Constable for the Town of Shutesbury, certify that I posted attested copies of the Warrant for the above mentioned meeting at the Locks Pond Bulletin Board, the Shutesbury Post Office, and the Town Hall in said town seven (7) days at least before the time of holding said meeting.

(TOWN SEAL) Constable \_\_\_\_\_

Date \_\_\_\_\_

## Attachment B: Draft Finance Committee Report

### Shutesbury Finance Committee Fiscal Year 22 Budget Report

#### Shutesbury FY 22 Estimated Budget Expenses and Revenue Sources (\$ in thousands)

##### Expenses

Total budget expenses: \$6,599 K  
Increase over FY21 -0.02%

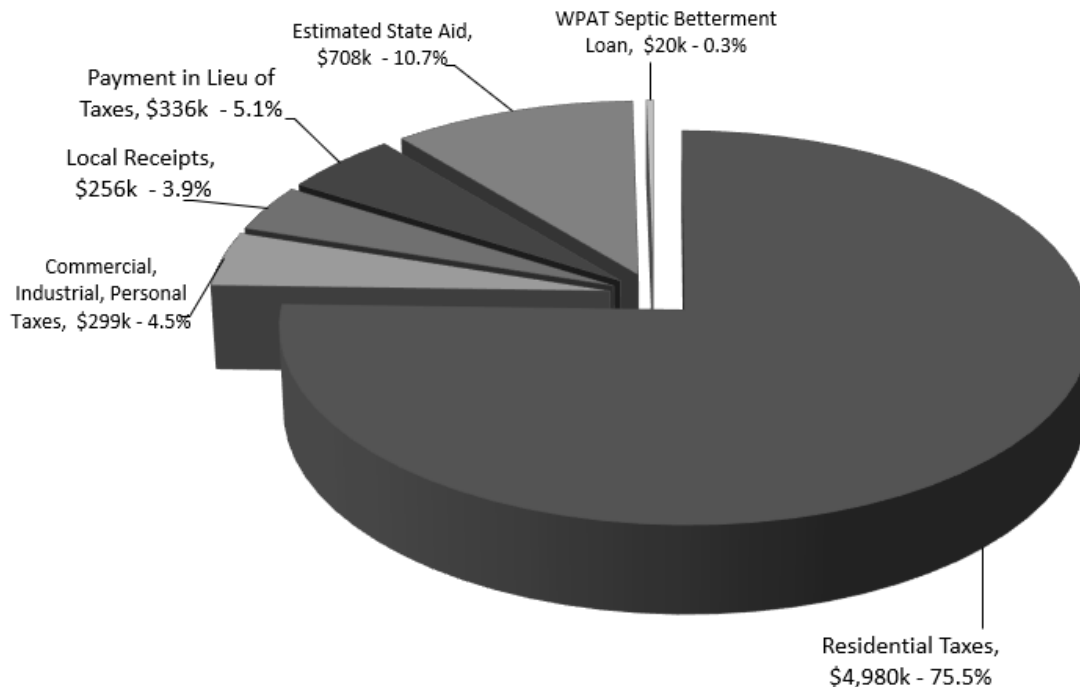
##### Revenue Sources

Residential taxes *	\$4,980K
Commercial, Industrial and Personal Property taxes	\$299K
Local Receipts (Excise tax, court fees, etc.)	\$256K
PILOT (Payment In Lieu of Taxes DCR, etc)	\$336K
Estimated State aid **	\$708K
WPAT Septic Betterment Loan	\$20K
<b>Total Revenues</b>	<b>\$6,599K</b>

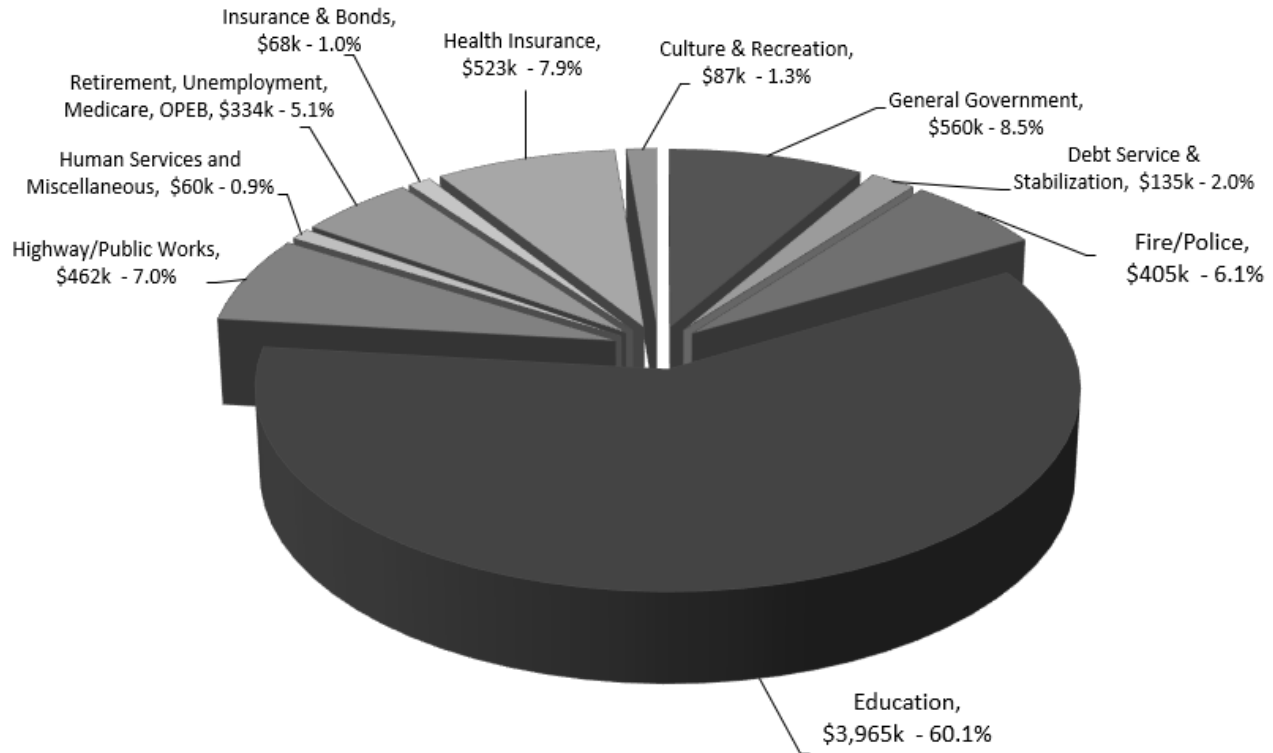
\* Estimated Tax rate:  
Total levy / assessed valuation \*  
1000  
 $\$5,320K / \$227,578K = \$23.37$   
(current rate \$22.61) increase 3%

\*\* State aid: Estimated reduction 2.27%

#### FY22 Revenue By Category Total is \$6,599,225



## FY22 Budget By Category Total is \$6,599,225



### We have prepared a balanced budget for FY22

#### 1. Significant Operating Increases and Decreases Compared to the FY21 Budget:

- A. Total Budget Decrease 1K (-0.02%)
- B. Elementary School: \$44K budget Increase (2.0%)
- C. Health Insurance: \$15K budget Increase (3.0%)
- D. Town Employees Salary (excluding schools): \$16K Increase (3.2%)
- E. Retirement County: \$12K increase (5.3%)
- F. Regional School: decreased regional budget from FY21, with continued change in assessment method toward Statutory at 65%; a \$65K decrease for Shutesbury (-3.9%)
- G. Police wages decreased by \$7K (-3.3%)
- H. Planning Board legal notices, etc increased by \$7K

#### 2. Larger Projected Revenue Increases/Decreases:

- A. Net Tax Levy Used in FY22 Budget:
  - 1) Tax Levy 2.5% increase: \$141K

- 2) Change to Excess Levy Capacity from FY21: decrease \$19K (-3.6%)
- B. New Growth: \$10K

**3. Cash Reserves Summary, beginning balances**

A. Free Cash (as of 7/1/2020)	\$1,379K
B. Capital Stabilization:	\$508K
C. <u>Stabilization:</u>	<u>\$319K</u>
Total Cash Reserves:	\$2,206K

**4. Finance Committee FY22 warrant article capital expenses recommended:**

A. Elementary School Roof, Part I	\$300K from Free Cash Reserves
B. Locks Pond Rd. Culvert	\$250K from Capital Stabilization \$350K state grant \$500K borrow at est. rate of 2.75%

**5. Free Cash to be used in Operating budget (non-recurring items) 28K**

**6. Cash Reserves if all warrant articles pass (Section 4 and 5 above), plus warrant article to transfer \$350K from Free Cash to Stabilization::**

A. Free Cash	\$700K
B. Capital Stabilization:	\$258K
C. <u>Stabilization:</u>	<u>\$782K</u>
Total cash reserves:	\$1,740K (-21%)

**7. Upcoming Capital Projects – FY 23**

- A. Elementary School Roof Part II (grant funding?) \$600K
- B. New Library Building \$650K - \$800K
- C. Police Cruiser replacement \$50K
- Capital Plan Upcoming Needs: dump truck, backhoe, and refurbish fire vehicle

**8. OPEB (Other Post Employment Benefits) Trust Fund**

- A. Actuarial liability: \$2,489K as of 6/30/19 (need to confirm/update)
- B. Saved so far: \$679K before FY22 funding
- C. Annual funding from operating budget: \$50K
- D. State gives towns 30 years to fund their liability, starting in 2010

**9. Thoughts on the future**

- A. Continued maintenance to 40+ year old school building
- B. Storage of Public Records/Need for Additional Space
- C. Future Library Building
- D. Invest in projects that reduce operating costs (i.e. municipal solar photovoltaic systems)
- E. School costs:
  - 1) Ongoing loss of grant funds for early childhood education.



- 2) Towns in region unable to agree on a long-term school budget assessment allocation method
- 3) The Regional School Employee Health Insurance costs.
- F. Health Insurance Costs for Elementary School and Town Employees
- G. Unpaved roads/ infrastructure (dirt roads, culverts, bridges, etc.)
- H. Explore new revenue sources – Residential taxes account for 94% of Shutesbury's tax revenues. The average town relies on 82% residential taxes in our state. We have a very narrow tax base.