

**Shutesbury Finance Committee**  
**Wednesday, September 22, 2021, Virtual (Zoom) Meeting**

Members Present: Jim Hemingway, Ajay Khashu, Jim Walton, Susie Mosher, Melody Chartier, George Arvanitis, Becky Torres (Town Administrator)

Members Absent: Bob Groves,

Town Administrator: Becky Torres

Non-Members present: None

Meeting called to order at 6:32

**1) Review Minutes from 9/8/2021**

- a) Corrections made to header and Attendance list.
- b) **Motion to approve 9/8/2021 minutes as amended passes unanimously 6-0.**

**2) Town Revenue/Expense: Forecast**

- a) BT walks committee through her forecast document.
- b) We have a lot of unused levy capacity.
- c) The forecast model assumes a 1% annual increases in TOTAL TOWN ASSESSED VALUE. This is a somewhat arbitrary assumption. We will need more guidance from Kevin Rudden on what additional assumptions should be made about changes in property values over time.
- d) In terms of expenses, the forecast assumes a 2.5% increase across budget categories. This leads to a problem where our projected revenues dip below our projected expenses in future years.
- e) GA suggests expanding the Miscellaneous line to breakout some of the larger expenses, such as our OPEB allocation.
- f) Historical context: We have experienced an average 1.74% annual increase in our budget over the period FY07 – FY22.
- g) SM suggests that Fin Com could appoint a subcommittee that takes on responsibility for continuous review of the forecast. For now, BT and GA will continue to refine the document.

**3) Expense Report Review**

- a) SM asks about Electrical Inspector line. The expense report indicates that this line is spent at 250%. BT explains this is a cash flow issue. This is a revolving fund and revenue deposits have not hit this line yet.
- b) BT has a new expense report that will be sent out to be discussed at our next meeting.

**4) Committee Updates**

- a) JH for MLP: There is some confusion about emergency calls. There is a difference in how 911 calls are handled by land line vs. wifi calls. Committee is working with Crocker to ensure that everyone with a Crocker connection has a street address tag.

- b) SM for School Committee: School is dealing with a lot due to the current COVID spike. The committee understands that a policy needs to be developed for the use of School Choice funds. Members emphasized that these funds are not to be used for recurring expenses. SM asked the committee to incorporate their school choice spending plans in their FY23 budget materials.

**5) Review Town Department's Budget Request Letter** (see attachment A)

- a) FY23 letter includes some language explaining that the town is planning for how to utilize American Rescue Plan funds.
- b) Plan is to finalize the letter at our next meeting and to develop a calendar for when Departments will be meeting with the Fin Com to discuss their proposed budgets.
- c) SM volunteers to draft the Department calendar.
- d) **AK makes a motion to submit the budget request letter/form as amended. SM seconds. Motion passes unanimously 6-0.**

**6) Future Meetings**

- a) October 6<sup>th</sup>
  - i) Capital stabilization and use of free cash

Meeting adjourned at 9:00 PM

**Attachment A: Draft Budget Request Letter**

**TOWN of SHUTESBURY  
BUDGET REQUEST FOR FY23**

To: Department Heads and Committee Chairpersons:

The Finance Committee is beginning the process of developing the budget for FY23. We commend departments again for minimizing expenses. The Finance Committee appreciates your efforts in this time of continued uncertainty. The impact of COVID continues to be far reaching.

American Rescue Plan funds are becoming available. How those funds will be utilized is still in question. If you have specific project ideas for which these funds may be eligible please indicate on the form.

We are asking you to present a level service budget for your department this year. Annual Town Meeting continues to support the services provided for in the budget with the caveat that there may be unanticipated changes as we move through the year. This is our starting point. Please think through potential cuts to your department in case the town's financial situation deteriorates.

Attached is the FY23 Budget Request form and schedule of meeting dates. This form requires last year budget numbers to be included as well as this year's proposed budget amounts. Please review the financial needs required for your department to maintain the current level of services you provide. Make note of changes that may cause a significant increase or decrease, from your FY22 budget. The Budget Request form has a section to note any capital requests. Your full application for capital items must go to the Capital Planning Committee.

If you are a small department that is not on the budget schedule, but have budgetary concerns or requests for changes to your budget, please contact the Finance Committee to schedule meeting with the committee.

Please email your Budget Request forms and confirm your availability on your designated date, to [townadmin@shutesbury.org](mailto:townadmin@shutesbury.org), by the end of October.

We look forward to meeting with you and working together to craft the FY23 Budget.

Thank you for your assistance.

Shutesbury Finance Committee:

Jim Walton  
Jim Hemingway

Bob Groves  
Ajay Khashu  
Susie Mosher  
George Arvanitis  
Melody Chartier