

Shutesbury Finance Committee  
Wednesday, April 12, 2023 Virtual (Zoom) Meeting

Members Present: Ajay Khashu, Bob Groves, Jim Hemingway, Susie Mosher, George Arvanitis, and ex-officio member, Town Administrator Becky Torres

Members absent: Melody Chartier, Jim Walton

Catherine Hilton, Board of Health

Members of the Public: Leslie Luchonok, Mike Vinskey

Meeting called to order at 6:36 pm

1. Minutes of 3.21.23 approved as amended. Minutes of 3.28.23 approved as written.
2. Leslie Luchonok was upset that tonight's meeting is being held on the same night as the Public Involvement Plan (PIP). We will not be covering the beginning review of the FY24 draft until our Town Administrator joins us at the conclusion of the PIP meeting. This is a very busy time of year and meeting schedules may conflict with each other.
3. Capital Planning FY24 budget review
  - A. The Elementary School submitted two flooring projects -The library carpeting and tile flooring in the kitchen. The work in the kitchen will entail moving the kitchen equipment. The bid is not closed so the Capital Planning Committee approved a "not to exceed amount of \$31K" for both jobs. This will finish the project of replacing all the floors at the school.
  - B. The Highway department submitted a proposal to replace the 2008 Caterpillar backhoe. This is on the Capital Plan schedule for 2028 but the machine has 7,000 hours, is used almost every day, and has been having mechanical problems. Of the three bids, The Highway Department can get a \$35K trade-in deal at the CAT dealer, bringing the price down to \$120K. The Capital Planning Committee voted 3 to 1 with one abstention, (Steve Sullivan, Highway Dept. employee) to recommend this purchase.
  - C. The new Building Committee, formed in the fall of 2022 has developed an approved format for their inventory reports. They have plenty of projects under consideration. Capital Planning unanimously approved \$20K for FY24 projects. Rather than a blanket approval for projects without details, there was some discussion about the inventory process now in use. In the future, the Building Committee will be able list project details.
  - D. When Becky joined our meeting, she provided some details on projects the Building Committee will begin. Two windows in town hall, the auxiliary highway shed that has leaking Plexiglas roof windows, and a paint job for that shed after the roof repair. There are about \$30K worth of repairs on the short list. We discussed including \$20K from reserves for FY24 as well as an operating budget line for \$20K. The closer on the Community Lounge door has been repaired so the door will not bang close anymore.
  - E. A couple of points were raised about the Capital Planning process. It was recommended that the Capital Planning committee review and reconsider the placement of items on the 5-

year and long-range plans, get a more complete survey/inventory of the vehicles and machines the town owns in order to make more effective evaluations and projections.

- F. Consideration of the timing and prioritization of expenditures to balance the capital budget is an important Fin Com planning tool.
  - G. George shared the Capital Expense Funding Analysis spreadsheet tool used last year. This enables the committee to consider different funding sources for proposed items and show what the impact will be on reserve balances. We can look at borrowing scenarios, including when the borrowing will impact the tax rate and debt service. No final decisions have been made at this time.
4. Board of Health transfer request
- A. At our last meeting we learned that the \$5K Mosquito Control District membership payment had been paid from a free cash allocation voted by ATM in 2020, but a new budget line was not created. Subsequently FY22 and FY23 fees were not been paid.
  - B. Catherine Hilton researched the situation and found that the regional office has been in chaos; the person in charge had not sent reports or keeping track of invoices. There is a new person in charge. Since we did not receive the testing reports as promised, the Board of Health will contest the FY 22 and FY23 fees.
  - C. The trapping, testing, and reporting of mosquitos can keep Shutesbury informed about deadly virus outbreaks. Trapping is done on public land such as at the Fisk Brook culvert at Lake Wyola. Having this information may deter the State from spraying in our area if there is no evidence of a local outbreak. This information is more comprehensive if the expected 20 towns in the region are enrolled. Cat will check on which towns are currently enrolled.
  - D. There is no testing for types of tick diseases in the area. The tick population is high. The Board of Health makes town announcements about tick concerns frequently.
5. Fuel Cost transfer request
- A. The vehicle fuel line has been depleted and has \$4,600 in unpaid invoices. To get the town through FY23, a motion was made and seconded to transfer \$10K from the Fin Com reserves to the Vehicle Fuel line. Unanimously passed.
  - B. This leaves \$3,191 in the Fin Com Reserve Fund.
  - C. From May 1 – July 15 the Select Board and Finance Committee can vote together to transfer unspent items in the current year budget to fund other lines as an emergency measure. The health insurance line is likely to be underspent, and if agreed, money can be transferred to the Fin Com Reserve if needed. Many costs are still rising due to inflation. Paper rose from \$30 to \$82/box. This has been a paper intensive year.
6. Review Preliminary FY24 budget - Expenses
- A. The 3% COLA has been incorporated in to this draft.
  - B. There is the increase for the independent audit.
  - C. Legal fees have been very high this year and not likely to get lower in FY24. Contract negotiations, bylaw and permitting consultations are anticipated. This operating line has a proposed \$10K increase. The costs for the case in Land Court may be \$30 – \$35K. There may be an additional need for \$25K from free cash for these costs.

- D. The idea of a specific legal budget for the Conservation Commission was floated. Legal costs are closely monitored by the town since the services are expensive and can rise rapidly. For now, all departments must discuss legal costs from the same limited budget. The Finance Committee reserve has been used to supplement legal costs at times.
  - E. The Dam work and Lake Wyola draw-down may end up costing \$30K for two years to pay for licensed site professionals to conduct permitting, required reporting, etc. In the past town officials and volunteers were able to complete these tasks. Professionalizing the work, including the Dam Keeper position may bring significant cost increases in the future. It may be prudent to have a \$5K operating line item that rolls over to meet the required filing for every 5 years. The Dam management consultant line proposes a \$1,500 increase.
  - F. The Planning Board expense line was dropped by \$6.5K because the expenses have been under \$1K since FY2020.
  - G. Heating costs have a \$3,675 increase due to rising prices. The MVP project may fund solar panels for the new library project, reducing the town's electricity costs in the future.
  - H. The building repair line is increased to \$10K. This is used for emergency repairs in town buildings.
7. Schedule next Finance Committee meetings
- A. Spring is a busy season for our volunteer members. We drafted a tentative schedule for the rest of our tasks.
    - April 18 -resume draft budget discussion, May 2 -finalize budget,
    - May 9 -warrant articles approved, finalize budget report,
    - Thursday, May 23 -FY Budget information session,
    - Saturday, June 3 -ATM

Meeting adjourned at 9:17 pm