

**SHUTESBURY FINANCE COMMITTEE**  
**Minutes for April 3, 2006**  
**Shutesbury Town Hall**

Members present: Eric Stocker, chairman, Al Beswick, Al Springer, Russ Wilson, Lori Tuominen and Patrick J. Callahan. Guests: David Dann, town administrator, Rebecca Torres and Debra Pichanick, selectmen.

The joint meeting of the Finance Committee and selectmen convened at 6:15 p.m.

Becky reported that the regional school committee had approved the 5.28 percent increase in the next year's budget, but was now struggling to find a way to make that affordable to the four member towns. Leverett has agreed to add \$100,000 to last year's assessment and Shutesbury has been asked to do the same. In both cases, this means that while the overall budget would go up 5.28 percent, the share for Leverett and Shutesbury would be higher than that. Specifically, it means Leverett is willing to pay \$58,608 more than the 5.28 percent increase, and Shutesbury would have to pay \$46,715 more than its 5.28 percent.

At its last meeting the Finance Committee voted to support the 5.28 percent increase, but didn't specifically authorize the increase of \$100,000 above last year's assessment. This has caused confusion, Becky says. She says the selectmen have voted to approve the \$100,000 increase for Shutesbury and now need the Finance Committee's opinion. "If you guys support this, I would really appreciate it," Becky says.

Eric noted that when the move to equal assessments for the towns based on the number of students was discussed, there was a suggestion that the new formula be phased in over two years. The idea of having Leverett and Shutesbury pay more for one year is similar, he says.

If the Finance Committee agrees to the higher number, the shortfall in the next year's budget would be \$152,000. At this point, the plan is to use free cash to make up the shortfall. David Dann says his latest estimate is that free cash will grow next year by \$124,000, added to the \$368,000 currently in that account. Together, that totals \$492,000, from which the \$152,000 could be taken. Once free cash to be used for capital spending was subtracted, the town would retain about \$300,000 in free cash, he says.

There was a lengthy discussion about delaying the financial articles at Annual Town Meeting to get better financial data from the state. No decision was reached on whether to do this.

David Dann suggested that the Finance Committee take two related votes. The first to support the new equal per pupil formula for the regional budget; the second to support the 5.28 percent increase and the means to get there, meaning the extra \$46,715.

The first was moved and approved unanimously.

The second motion was moved and approved on a 5-1 vote with Al Beswick voting no. The motion stipulated that the Finance Committee will support the budget of \$15,833,810 with Shutesbury's portion being \$1,504,439. This makes sure that the extra funding is a one-time agreement.

There was also a discussion about how to explain this to voters at Annual Town Meeting.

The meeting adjourned at 7:20 p.m.

The next meeting is scheduled for April 11 at 7 p.m.

Submitted by Patrick J. Callahan.