

SHUTESBURY FINANCE COMMITTEE
Minutes for May 25, 2004
Shutesbury Town Hall

Members present: Chairman Eric Stocker, Russ Wilson, Russ Greco, Patrick J. Callahan. Guests present were, David Ames, town administrator, Becky Torres and Ralph Armstrong, selectmen, and Leslie Bracebridge, town clerk.

The meeting convened at 7:10 p.m.

There was a discussion of the PILOT payments to the town from the Sirius Community and the Town of Amherst and how they are calculated. Sirius currently pays the town \$8,000 annually, although David Ames says they don't have to pay anything. The amount is set in an agreement they have with the town.

Eric says he wants to have a wider discussion of PILOTs and the amount charged to the town for police details in the future.

The minutes of the April 20 meeting were unanimously approved.

Eric suggested that Rita Farrell should resign from the Finance Committee, noting that there was barely a quorum. He says he will contact her. He also says there is a potential new member, Laurie Tuomenin.

There was a lengthy discussion with the two selectmen of where budget cuts should be made if the June 8 vote on the \$199,786 override fails. Two scenarios were worked out. If Pelham passed its override, Shutesbury would be required to fund the full regional school budget and all budget cuts would have to come from town departments and the elementary school. In that eventuality, Eric says the entire capital plan should be scrapped for a savings of \$49,500.

There was also discussion of how to cut town government, including the possible need to trim both police and fire budgets. The selectmen say they will have a broader discussion about staffing levels for police and fire, but agreed some cuts in those departments might be necessary. It was also brought up that some free cash could be used to offset the override amount if necessary. The group generally agreed that rescinding the capital plan served that purpose and that no other free cash should be used.

It was agreed to propose a package of cuts for the worse case scenario that includes \$60,000 from general government, including police and fire, \$90,000 from the elementary school, and the \$49,500 from the capital-spending plan. The selectmen agreed to put an article on the June 15 special Town Meeting warrant to repeal the capital plan approved at Annual Town Meeting. The Finance Committee voted unanimously to approve the budget cuts outlined in the case where Pelham approved the regional school budget.

A discussion followed on how to inform the town's people of the impact of a failed override and the implications of the Pelham vote. Patrick agreed to help draft a press release outlining the proposed cuts to be reviewed by Eric and the committee and David and the selectmen. The press release would go to the news media and didn't have to meet the strict standards set by state officials for communications about overrides.

The Finance Committee then unanimously approved a reserve transfer of \$4,520.28 to pay various bills that had come due and weren't in the budget.

The meeting adjourned at 9:20 p.m.

Submitted by Patrick J. Callahan.