**Selectboard Meeting Minutes March 28, 2024 Shelburne Fire Station 5:30 pm**

**Call to Order**: Todd Dubreuil called the Finance Committee meeting to order at 5:42 pm. Others present: Selectboard members Rick LaPierre, Andrew Baker, Town Administrator Terry Narkewicz, Finance Committee members Todd Dubreuil, Terri Mitchell, Jay Readinger, Jim Burnham, Matt Popoli, School Committee members Willow Cohen and Jason Cusimano.

**MTRSD Budget Presentation with School Committee** – The first topic was changes to the regional agreement regarding the way students are counted. This would allow the district to count the students the same way the state does. This had been brought to town meetings last year but was not approved by all member towns. The town of Heath will be most affected by the change and it seems that town will vote against it again. The school committee narrowly voted to bring the changes back to town meetings this year knowing there is a good chance it will again be defeated. Jay said that last year the school district had been asked to provide projections of what the changes might mean for Shelburne over the next five years and was told that information wasn’t available. Jay said that Ken Rocke, of Heath, had been able to come up with projections. Jason said the projections couldn’t be made accurately because no one know where the students might be in five years. He said Ken had to make some assumptions, but he couldn’t say those assumptions were wrong. Andrew said last year the school district was asked to produce information from the previous five years, which showed little change for Shelburne. He was pleased that actual numbers were used. Todd said the Finance Committee had not come to a consensus on whether or not to support the changes to the regional agreement. Andrew noted the proposed changes were modest compared with what might be proposed following the sustainability study.

Todd asked if there were any updates to the sustainability study. Willow said this was information gathering time. Community input is being sought. There will be meetings at each school. Past studies are being looked at. Willow said anyone who wanted to be involved in any way can go to the Berk12 website and get information. Jay was not pleased that the majority of the sustainability steering committee were members of the school community rather than the wider community.

Discussion turned to the FY’25 budget. Jay questioned why the school choice revolving fund was so large. Jason explained that it is used for emergencies, much like a town’s stabilization account, rather than having to go to town meetings. He said last year $1.5 million was used from that account. Jay asked why there were so many revolving accounts and felt they were not transparent as the public could not tell how much was being spent and for what. Willow said she heard the overall concern about the budget but wondered if there were any specific questions. Todd said there needed to be another meeting. Willow asked for the questions in advance so she could be prepared to answer. Matt mentioned that last year a long list of questions had been sent to the business manager, with no response.

**Request Fund Balances & Revenue and Expense Reports** – The Finance Committee would like these reports each month. The information comes from the accountant, but the committee wanted to make sure the Selectboard was aware of the request and approved of it. Jim said it would probably be a good idea for the Finance Committee to meet with the accountant at some point.

**Budgets and Capital Planning –** Jay wished that capital requests could be received separately from operating budgets and that a 10-year capital plan should be implemented. He also said that capital expenses should be assets, not maintenance items. It was realized that would mean higher operating budgets if large maintenance items were not considered capital expenses. The DLS had recommended that anything over $2,000 should be a capital expense. Jay thought $20,000 in 10 years was a better threshold. Andrew thought many capital decisions should be based on use. Jim thought the town should plan to commit a certain amount of money to capital expenses each year. Some years there would be money left over that could go into stabilization. Other times money would need to come out of stabilization. He said that would stabilize the tax rate. Terry said most of the town’s spending already comes from stabilization or specific stabilization accounts, not from taxation. Jim said each year some capital expenses have been planned but others come as a complete surprise. Andrew felt progress had been made in planning for major expenses such as the purchase of the police building and large pieces of highway equipment. The cost of those items was spread over several years. Terry said that putting more items into the operating budgets would lead to less transparency. A meeting to go over operating and capital budgets, line by line, was scheduled for April 4, at 4 pm, at the Shelburne Fire Station.

**Roles and Responsibilities of the Finance Committee** – The Finance Committee wondered how they fit into the budget process and why everyone presents budgets to the Selectboard. Terri said sometimes the Finance Committee is not in the loop. Rick said the Finance Committee and Selectboard both receive the same information. Jim said that Terry had information that the Finance Committee didn’t have. Terry responded by saying she had 34 years of institutional knowledge. Rick read from the Finance Committee Handbook which said the Selectboard Town Manager/Town Administrator/Executive Secretary are the ones to collect budget information and formulate a balanced budget. Once developed it is presented to the Finance Committee. Matt said as long as everyone is getting the same information it’s fair, he just wanted to be sure there was transparency in information. Jay said the 4 % salary increase was decided only by the Selectboard. It was agreed that the Finance Committee should have had input in that decision. Jay felt the presenters gave their presentations to the Selectboard and the Finance Committee was the audience. Rick said that was a perception he didn’t see and that with Zoom meetings everyone got the information at the same time. Andrew suggested that the Finance Committee each join Zoom meetings individually on their laptops which would give each person an equal Zoom tile instead of having five people on one tile. It was agreed that a few in-person meetings would be helpful. Terry suggested that after this budget season, there could be a meeting to decide how best to make changes for the future.

At 7:50 pm the meeting was adjourned.

Respectfully submitted,

Faye Whitney, Recording Secretary