

## TOWN OF NEW SALEM

**BOARD OR COMMITTEE:** Finance Committee

**DATE:** Friday February 23, 2024 **TIME:** 9:00 am

**LOCATION:** Zoom Meeting

Call to Order at 9:00 am

Attending for the Committee – Gabe Voelker, Dara Laplante, Claire McGinnis and Sue Cloutier for Select Board

Guests – Rick Martin and Russ Kubrick of FCTS, Kathy Soule-Regine Town Collector, Mary Ellen Kennedy MLP Rep, Tracie Shea Library Director, and Judy Northrop-Bennet, Trustee of the Library.

### Discussion

1. Franklin County Tech School is in a month long review of the draft budget, but New Salem's numbers won't change. School is in early steps of MA School Building Authority construction investigation, investing in Capital Stabilization to build it up for \$1.5 M feasibility study expense. New Salem student enrollment is up by 3 students, which is a 32% increase and will result in similar bump in assessment. General increases in expenses across the board from inflation, etc. They got a Chapter 70 shock of no increase even with number of students went up. Acknowledge they build in capacity for instructional services that they don't know yet until they convene in the summer and evaluate all students enrolled. Building an aviation hangar with grant funds, but operating costs in budget (heat, staff, etc). Emphasize that per pupil expense is lower than Mahar. Every Student Succeeds Act (ESSA) expires and FY25 will be a recovery year.
2. Update from Accounting Software project – Zobrio three year total when annualized is \$15,733 and includes cash management module. Related, do we hire the staff directly? Gabe talking to Bob Dean. \$6,675 onetime in year one is incremental for Cash Management implementation. Erin Degnan Accountant wants two licenses so both can use concurrently. Claire will send Gabe their current wage rates, Erin and Emily the Accounting Clerk also currently working in town through FRCOG.
3. MLP update – they request updates to both elected board members and staff to create parity with other elected positions and a survey of other MLP managers. Discussed reimbursements to Town from MLP and expect to increase above FY24 level of \$85,000. \$100,000? Working on new grant sources with Whip City Fiber. Some operating learning going on as MLP funds and Town funds go in both directions. Report on their finances? Wired West does money management, billing, payments, subscriber fees, which they can provide. Want a meeting with the details? Kathy S-R agreed to send the Wired West audit reports.
4. Collector's budget – adjustment to operating needed resulting from the software purchase last year.
5. Library – HVAC need operating for maintenance, which made sense to put in Building Maintenance line. Need a capital plan, but they have a recent study of the building and resulting report. Working with Bill Lafley and Pioneer Valley Environmental (PVE) quotes. Fin Comm suggested they pursue quotes for heat pump and HVAC rapidly enough to get into the FY25 budget and the rest of the recommended improvement that are in the Engineering Study into the FY26 budget.
6. Electricity Accounts – combine all expenses in the Select/TC account so it can be managed with the solar credits. No issues with this concept but need to locate them. Claire will try to remember to ask each department. Library utilities does not have any electricity.
7. Topics not anticipated 48 hours prior to meeting –

- a. **motion to approve minutes of 12/27/23 and 1/26/24, Claire moved, Dara second, voted unanimously Gabe yes, Claire yes, Dara yes.**
  - b. Highway department is in transition and there are some significant problems with unpaid bills of various ages. Already over expended in maintenance, and trucks are in rough shape. Back-hoe repair needed, plumber needed, doors on garage not working, and more in long list of operating problems. Gabe working with interim-super Tim Hunting and asks for and understanding by Fin Comm that current year will over expend and we will cover it with line-to-line transfers at year end. Will get an article for a new truck. Hopes to catch up to Chapter 90. **Claire makes motion to agree with concept of the over-expending in current year to catch up to HWY bills and urgent needs, 2<sup>nd</sup> by Gabe, Gabe yes, Claire yes, Dara yes.**
  - c. Discussion of how to reconvene and resurrect capital planning. Likely that this year will be equipment as needed and the buildings next.
8. Next meeting is March 5<sup>th</sup>, an evening meeting at 6:30 pm. As another meeting is needed, members agree to Friday am on the 15<sup>th</sup> at 8:30.
  9. Adjourn to adjourn at 11:12 am, Gabe yes, Claire yes, Dara yes

**Documents used:**

FY25 starting budget sheets

Library FY25 Budget and Capital Requests

FY25 MLP Budget Hearing with FinComm