**Report of the Shelburne Finance Committee**

 **FY 24 Budget (for Fiscal Year beginning July 1, 2023)**

**Overview:**

The overall financial health of the Town of Shelburne is very good. A town’s financial health is measured by looking at several factors:

* The town continues to maintain its tax levy at approximately $300,000 - $500,000 below the maximum allowable levy limit as directed by Proposition 2-1/2. In addition, the town’s tax levy is approximately $3,500,000 below the maximum levy allowed by Proposition 2-1/2 (the maximum levy is 2.5% of the assessed value of the town or a tax rate of $25 per $1000).
* The town consistently maintains a balance of approximately $400,000 - $450,000 in stabilization funds to help stabilize the tax rate while at the same time being able to fund necessary capital items.
* The town’s tax rate of $13.65 in FY 23 favorably compares with similar communities in our area.

The FY24 budget proposed by the Selectboard at this year’s annual town meeting represents an approximate increase of $410,000 in taxation over the FY23 budget. This will be reflected as an increase to the tax rate.

**Town Meeting Articles:**

The Finance Committee has spent the past several months reviewing the following Articles on the Warrant for potential financial impact to the town, today and in the future. The Finance Committee is recommending a “NO” vote on the following articles:

**Article 7 (Omnibus Budget) Line Item # 310 5400 - Mohawk Trail Regional School District - $2,732,313:**

The Finance Committee recommends a NO vote on Article 7 for the following reasons:

* MTRSD has not contained overall costs that have now reached $25.2 million.
* MTRSD student teacher ratio is ~ 6.5:1.
* MTR enrollment over 5 years has declined by 30%. (Grades 7-12)
* MTR expenses over 5 years have increased by 28%. (Grades 7-12)
* MTR average per pupil expenditure is ~ $42,500. (Grades 7-12)

This is unsustainable. Additionally, 2 pages of questions submitted to the MTRSD have received no response. We find this unacceptable.

**Article 18 - Purchase and installation of a 27.6kWdc roof mounted Solar Array - $111,000:**

The Finance Committee recommends a NO vote on Article 18 for the following reasons:

* The use of Stabilization Funds for the proposed roof top solar array is not critical to the Town’s operations and comes at a time when we are facing increases in other budget areas.
* The pole barn to house the solar array has yet to be built. Keep Taxpayers money in their pockets until we are ready to utilize those funds.
* The Finance Committee hasn’t been provided with sufficient information regarding savings to justify the expenditure.
* If approved by Taxpayers, the Energy Committee recommends putting into the RFP for solar installation a request for advice from the Bidders on how to later connect the ground mount project to the pole barn solar project, allowing the Town to expand its solar projects onto the 7 acres of Town owned farm land adjacent to the pole barn. The property is currently leased to the Hager Family.

**Article 28 - Bylaw changes regarding Affordable Housing:**

The Finance Committee recommends a No vote on Article 28 for the following reason:

* The Finance Committee has not received any information about how this By-Law change could potentially impact Town finances.

**Article 30 - Amend the Mohawk Trail Regional School District Regional District Agreement:**

**Article 31 - Amend the Mohawk Trail Regional School District Regional District Agreement:**

**Article 32 - Amend the Mohawk Trail Regional School District Regional District Agreement:**

The Finance Committee recommends a NO vote on of Articles # 30-32 for the following reasons:

* Changes to 100+ paragraphs were brought to the Selectboard, Finance Committee, and the Taxpayers at the last minute by the Superintendent and the School Committee.
* The Selectboard, Finance Committee, and Community Members have not had appropriate time to review the impact on the Town and Taxpayers.

Shelburne Finance Committee:

Todd Dubreuil, Acting Chair,

Deborah Andrew

Terri Mitchelll

Matt Popoli

Jay Readinger