

# FINANCE COMMITTEE REPORT FOR THE 2024 ATM WARRANT

The Pelham Finance Committee finds that the Town remains in a good financial position. Now that the inflationary pressures have subsided in the budget requests, we can absorb some of the expenses into the operating budget (Article 3) that were funded through Free Cash last year. These expenses are considered long term and should now be part of the operating budget. The full cost of heating and cooling the Community Center is absorbed in this year's budget while additional work is done to increase the efficiency and lower the expense.

The Regional School Committee made a surprise change to their budget that has caught all four towns in the region off guard. Representatives of the Select Boards, Finance Committees and School Boards, met with the Staff and Regional School Committee members in December and again in February to provide financial guidance and listen to concerns. The consensus agreement of a 4% increase over the previous year's budget was reached. In mid March, the Regional School Committee voted to increase the budget by an additional 4.2% (a total of 8.2% increase) to avoid any educator positions being reduced. The Regional Schools are in this position in part because for the current and past few years the Regional Schools have been using Federal COVID money to support their budgets. The current year has about one million dollars of that money in it. The proposed 2025 budget has the remaining Federal allotment of one half million dollars in it. This money was intended to cover the effects of COVID and was never intended to be an ongoing revenue stream. As funding disappears, other sources of revenue will be needed to maintain level funding or reductions to the operating budget will be necessary.

By not voting for the Regional Budget (this is the recommendation of the Finance Committee) and turning down the Regional Assessment method Article, it will be necessary for the Regional School Committee to take another look at the numbers and provide an opportunity for further discussion. The Pelham Finance Committee has recommended that they assemble a 3 year financial plan taking into account the loss of the Federal money, the current reality that the State is only providing a current estimate of about \$36,000 in the 2025 budget, decreasing student enrollment, and limited Town resources. With that plan the representatives of all four towns can meet with the Regional School Committee and hopefully settle on a budget that works in the best interest of all. There would be another Town meeting likely in June for Pelham voters to vote on any new plan. We have done this a number of times in the past.

As this report is being prepared to be added to the Town Warrant printing and mailing, the Regional School Committee and Administration have requested a four Towns meeting on April 20, 2024. At this meeting they expect to present a three year budget proposal for consideration. If an agreement is reached that is acceptable to all four Towns, The Finance Committee likely will be recommending new Regional budget numbers and Regional Agreement language at our Town meeting.

A big challenge for the Finance Committee and the Town is how to cover the future Capital needs of the Regional School. The original High School was built in the 50s with additions and modification in the 60s and 90s. The Middle School was built in the 60s. Most buildings are constructed with a life expectancy of about 50 years. Though these structures have been well maintained, their design and utilities are far from the current energy efficiency standards. The High School does not have central air conditioning and the Middle School roof needs to be replaced. These two buildings were designed for about 2500 students but the current enrollment is about 1,250.

Over the next nine years the Regional Capital plan forecasts spending \$14,663,928. Pelham's portion of those costs is expected to be \$824,066. These costs are for future maintenance of the existing structures, but this summer a group will begin evaluating whether it might be more cost effective to replace one or both building with one or two new structures that would match the current lower enrollment and new energy needs. Regardless of which route is selected, Pelham needs to develop a financial plan to pay its share. If keeping the current campus is selected, those maintenance costs will continue well beyond the nine years and will increase as other projects are identified. If a new campus plan is chosen, then Pelham needs to be in a position to pay its share with as little sudden impact to the tax payer as possible.

The Finance Committee is weighing a plan that involves establishing a Regional Capital Stabilization account much like what we have for the Town's capital requirements. Looking out in the future we see that the last payment of the Pelham Elementary School renovation from back in early 2000s will be paid in 2026. If the Town agrees, that \$60,000 annual payment could be continued but put into the Regional Capital Account. Currently the Hampshire County Retirement fund is on schedule to be fully funded in 2032, which will lower Pelham's required annual contribution. That reduction could also be redirected to the Capital account. Our OPEB trust fund could be fully funded by 2034 or 2035, with that future expense possibly allocated to the Capital account. These are some of the future opportunities on the horizon, but more discussion and thought is needed.

Our Finance Committee members continue to pursue creative solutions to meet the needs of the Town. We are committed to ensuring fair taxes for all property owners while funding a sustainable town.

Respectfully submitted by the Pelham Finance Committee



**WARRANT ARTICLES  
ANNUAL TOWN MEETING  
May 11, 2024**

Hampshire, ss.

To one of the Constables of the Town of Pelham, in said County.

*Greetings:*

In the name of the Commonwealth of Massachusetts you are hereby directed to notify and warn the inhabitants of the Town of Pelham, Massachusetts, qualified to vote in the Town affairs to meet in the Pelham Elementary School, at 45 Amherst Road, in said Pelham on Saturday the eleventh day of May, in the year A.D. 2024 at 9:00 a.m. for the reading of the Town Warrant and to proceed with the meeting.

Local elections will be held May 14, 2024 at the Ramsdell Room at the Library, 2 South Valley Road. Polls will open at 11:00 a.m. and close at 7:00 p.m.

**Article 1.**

To see if the Town will vote to accept the reports of the Town Officers and Committees, or take any other action relative thereto.

**Article 2.**

To see if the Town will vote to authorize the Town Treasurer, with the approval of the Select Board, to borrow money from time to time in anticipation of the revenue of the FY2025 beginning July 1, 2024, in accordance with the provisions of Massachusetts General Laws, Chapter 44, Section 4, and to issue a note or notes as may be given for a period of less than one year in accordance with Massachusetts General Laws, Chapter 44, Section 17, or take any other action relative thereto.

**Article 3.**

To see if the Town will vote to raise and appropriate, and/or transfer from available funds a sum of money necessary to defray the expenses of the Town for the ensuing fiscal year, or take any other action relative thereto.

		FY 2023	FY 2024	FY 2025	FY 2025
	<b>Article 3</b>	<b>Appropriated</b>	<b>Appropriated</b>	<b>Requested</b>	<b>Recommended</b>
	<b>GENERAL GOVERNMENT</b>				
2	Selectperson Salary	\$3,600	\$3,600	\$3,600	\$3,600
	Expenses				
3	Town Clerk Salary	\$20,071	\$30,913	\$32,490	\$32,490
	Records/Information Clerk	\$13,442	\$0		
	Expenses				
4	Finance Committee	\$8,000	\$8,000	\$8,000	\$8,000
	Assessor's Salary	\$990	\$990	\$990	\$990
5	Assistant Assessors Salary	\$2,000	\$2,000	\$2,000	\$2,000
	Clerical/Consulting	\$12,300	\$12,300	\$12,300	\$12,300
	Contract Service	\$2000	\$500	\$1,000	\$1,000
	Expenses	\$8,900	\$11,400	\$13,900	\$13,900
6	Collector Salary	\$3,850	\$2,850	\$2,850	\$2,850
	Expenses	\$18,816	\$19,081	\$20,768	\$20,768
	Treasurer Salary	\$10,521	\$10,785	\$11,000	\$11,000
	Expenses	\$30,271	\$31,028	\$32,145	\$32,145
7	Clerical/Consulting	\$9,332	\$9,565	\$9,756	\$9,756
	Legal Services	\$6,512	\$6,775	\$7,019	\$7,019
8	Town Meetings, Elections etc.	\$15,000	\$15,000	\$15,000	\$15,000
9	Town Reports	\$13,000	\$13,000	\$15,000	\$15,000
10	Town Office Wages	\$875	\$875	\$875	\$875
11	Select Board/Town Office Expenses	\$29,394	\$30,129	\$31,214	\$31,214
12	Buildings and Grounds	\$21,500	\$21,500	\$21,500	\$21,500

	Salaries	\$17,543	\$17,982	\$18,630	\$18,630
	Expenses	\$65,720	\$65,720	\$65,720	\$65,720
	Maintenance	\$22,000	\$42,000	\$52,000	\$52,000
13	Blanket Insurance	\$45,000	\$48,000	\$48,000	\$48,000
14	Town Accountant	\$10,000	\$10,000	\$10,500	\$10,500
	Town Accountant Expense	\$200	\$200	\$250	\$250
15	Reserve Fund	\$87,000	\$102,000	\$102,000	\$102,000
16	Surety Bonds	\$1,000	\$1,000	\$1,000	\$1,000
	Group Buying with FRCOG			\$3,250	\$3,250
17	Emergency Management	\$7,000	\$7,000	\$7,000	\$7,000
18	Archivist	\$0	\$0	\$0	\$0
	<b>TOTAL GENERAL GOVERNMENT</b>	<b>\$485,637</b>	<b>\$524,193</b>	<b>\$549,757</b>	<b>\$549,757</b>
	<b>BOARDS AND COMMISSIONS</b>				
20	Board of Appeals	\$200	\$200	\$200	\$200
21	Conservation Commission	\$850	\$850	\$850	\$850
	Part Time Conservation Agent		\$0	\$12,500	\$12,500
22	Council on Aging	\$5,000	\$5,000	\$5,000	\$5,000
23	Historical Commission	\$200	\$200	\$200	\$200
24	Library Trustees				
	Director Salary	\$30,945	\$31,719	\$41,236	\$41,236
	Staff Salaries	\$17,723	\$18,175	\$20,239	\$20,239
	Expenses	\$8,800	\$9,020	\$5,000	\$5,000
25	Planning Board	\$1,500	\$1,500	\$1,500	\$1,500
	Clerical/consulting		\$0	\$10,000	\$10,000
26	Recreation Commission	\$0	\$0	\$0	\$0
28	Cemetery Commission	\$7,000	\$8,000	\$8,000	\$8,000
	Energy Committee	\$500	\$500	\$500	\$500
	<b>TOTAL BOARDS AND COMMISSIONS</b>	<b>\$72,718</b>	<b>\$75,164</b>	<b>\$105,225</b>	<b>\$105,225</b>
	<b>SCHOOLS</b>				
30	Pelham Elementary	\$1,915,850	\$1,961,482	\$2,010,231	\$2,010,231
	<b>TOTAL SCHOOLS</b>	<b>\$1,915,850</b>	<b>\$1,961,482</b>	<b>\$2,010,231</b>	<b>\$2,010,231</b>
	<b>PUBLIC WORKS</b>				
40	Highway Fund				
	Superintendent Salary	\$73,650	\$80,075	\$82,958	\$82,958
	Staff Salaries	\$158,656	\$171,850	\$179,140	\$179,140
	Expenses	\$106,362	\$111,362	\$111,362	\$111,362
41	School Signal Lights	\$900	\$1,100	\$1,100	\$1,100
42	Snow Removal				
	Salaries	\$15,171	\$17,171	\$17,790	\$17,790
	Materials	\$68,432	\$74,432	\$81,875	\$81,875
	<b>TOTAL PUBLIC WORKS</b>	<b>\$423,171</b>	<b>\$455,990</b>	<b>\$474,225</b>	<b>\$474,225</b>
	<b>PROTECTION OF PERSONS AND PROPERTY</b>				
50	Police Department				
	Chief Salary	\$73,623	\$31,623	\$32,752	\$32,752
	Full Time Officer Salary	\$45,015	\$132,240	\$143,603	\$143,603
	Part Time Officer's Salaries	\$45,445	\$18,445	\$21,000	\$21,000
	Training and Education	\$11,255	\$11,255	\$11,255	\$11,255
	Expenses	\$25,701	\$25,701	\$25,701	\$25,701
	Expenses Fuel	\$10,475	\$10,475	\$10,475	\$10,475
	Reserve Officers	\$0	\$0	\$0	\$0

	Regional Lockup	\$0	\$0	\$0	\$0
50A	Town Road Detail	\$3,729	\$3,729	\$3,729	\$3,729
50C	Constable: Elections	\$2,275	\$2,275	\$2,275	\$2,275
51	Fire Department				
	Chief Salary	\$29,000	\$32,780	\$33,960	\$33,960
	Firefighter's Salaries	\$48,125	\$45,548	\$43,358	\$43,358
	Administration Assistant			\$6,500	\$6,500
	Expenses	\$23,980	\$26,378	\$26,378	\$26,378
53	Fire Hydrants	\$280	\$280	\$280	\$280
	Fire Equipment Testing		\$0	\$5,000	\$5,000
54	Tree Warden Salary	\$1,500	\$1,500	\$5,000	\$5,000
	Expenses	\$11,500	\$11,500	\$11,500	\$11,500
57	Ambulance	\$34,133	\$34,986	\$35,861	\$35,861
58	Animal Control	\$3,000	\$3,000	\$3,000	\$3,000
	<b>TOTAL PUBLIC SAFETY</b>	<b>\$369,036</b>	<b>\$391,715</b>	<b>\$418,127</b>	<b>\$418,127</b>
	<b>HEALTH AND SANITATION</b>				
60	Board of Health Salaries	\$500	\$0	\$0	\$0
	Expenses	\$400	\$400	\$400	\$400
	Pioneer Valley Mosquito Control		\$0	\$0	\$0
61	Solid Waste				
	Hazardous Household Waste	\$1,400	\$1,600	\$2,000	\$2,000
	Recycling	\$0	\$0	\$0	\$0
63	Inspector of Animals	\$75	\$75	\$75	\$75
65	Quabbin Health District	\$19,361	\$19,861	\$20,361	\$20,361
	<b>TOTAL HEALTH AND SANITATION</b>	<b>\$21,736</b>	<b>\$21,936</b>	<b>\$22,836</b>	<b>\$22,836</b>
	<b>BENEFITS AND INSURANCE</b>				
70	County Retirement	\$295,519	\$314,277	\$336,102	\$336,102
71	Veteran's Agent Salary	\$6,339	\$6,219	\$6,494	\$6,494
	Expenses				
	Benefits	\$49,248	\$49,248	\$49,248	\$49,248
72	Workers' Compensation	\$26,800	\$30,000	\$30,000	\$30,000
73	Unemployment Insurance	\$6,000	\$6,000	\$6,000	\$6,000
74	Group Health /Medicare	\$185,500	\$200,000	\$224,000	\$224,000
	Health Insurance Opt Out	\$9,000	\$9,000	\$9,000	\$9,000
75	OPEB Deposit	\$180,000	\$200,000	\$220,000	\$220,000
	<b>TOTAL BENEFITS AND INSURANCE</b>	<b>\$758,406</b>	<b>\$814,744</b>	<b>\$880,844</b>	<b>\$880,844</b>
	<b>GRAND TOTAL</b>	<b>\$5,013,260</b>	<b>\$5,250,598</b>	<b>\$5,506,834</b>	<b>\$5,506,834</b>

*Recommended by the Finance Committee and Select Board.*

**Article 3A.**

To see if the Town will vote to raise and appropriate the sum of \$1,087,815 to pay for the Town of Pelham’s share of the Fiscal Year 2025 Amherst-Pelham Regional School District budget, or take any other action relative thereto.

**Article 4.**

To see if the Town will name the salaries and wages for all elected officers for the ensuing year, which payments shall not be made in advance of performance, and to determine when and how they shall be paid, or take any other action relative thereto.

	FY2023 Appropriated	FY2024 Appropriated	FY2025 Recommended
Assessors (Chair)	\$1,000	\$1,000	\$1,000
Assessors (others)	\$500	\$500	\$500
Auditor	\$0	\$0	\$0
Board of Health (Chair)	\$200	\$0	\$0
Board of Health (others)	\$150	\$0	\$0
Cemetery Commissioner (each 3) \$9.00/hr	\$0	\$0	\$0
Library Trustees	\$0	\$0	\$0
Moderator	\$0	\$0	\$0
Planning Board	\$0	\$0	\$0
School Committee	\$0	\$0	\$0
Select Board (each 3)	\$1,200	\$1,200	\$1,200
Tree Warden	\$1,500	\$1,500	\$1,500

*Recommended by the Select Board.*

**Article 5.**

To see if the Town will vote to appropriate from Free Cash the sum of \$213,066 for expenditures, to be disbursed as follows:

- 1. Regular Stabilization Account \$20,000
- 2. Tree removal – Tree Warden \$3,500
- 3. Elementary School Special Ed reserve \$25,000
- 4. Elementary School Medicaid reimbursement \$4,771
- 5. Sustainability Committee \$500
- 6. Housing Committee \$4,000
- 7. Historical Complex \$1,000
- 8. Zoning Board of Appeals \$500
- 9. Record Preservation \$500
- 10. Health Insurance DPW \$10,000
- 11. Regional Capital Reserve \$21,000
- 12. Regional Capital assessment 2025 \$29,311
- 13. Wage adjustment for Librarian 2024 \$8,084
- 14. Cemetery Commission \$1,000
- 15. Elementary School Doors Security upgrades \$7,500
- 16. Elementary School Interior renovations \$5,000
- 17. Elementary School separation valves for glycol system \$6,500
- 18. Boiler maintenance/replace in Community Center \$10,000
- 19. Sprinkler system maintenance in Community Center \$7,500
- 20. New posting board for the Rhodes Building \$500
- 21. Update the Code of Pelham \$5,000
- 22. Fire Grant reimbursement and Electric car fire equipment \$14,000
- 23. Finance Committee member to attend MMA Annual Meeting \$1,100
- 24. OPEB review and assessment \$1,500
- 25. Repair the base of the museum steeple \$3,800
- 26. Highway road work \$10,000
- 27. Financial audit \$8,000
- 28. DEI Training \$3,500

or take any other action relative thereto.

*Recommended by the Finance Committee and the Select Board.*

**Article 6.**

To see if the Town will vote to appropriate from the Capital Equipment Stabilization Fund the sum of \$40,000 to purchase and equip a new medical response vehicle to replace the Fire Department’s current medical response vehicle, or take any other action relative thereto.

*Recommended by the Finance Committee and the Select Board.*

**Article 7.**

To see if the Town will vote to appropriate from Free Cash the sum of \$6,850 to purchase and install two solar-powered speed limit signs, including all incidental costs, or take any other action relative thereto.  
*Recommended by the Select Board.*

**Article 8.**

To see if the Town will vote to approve annual spending limits for FY2025 for revolving funds established in the Town Bylaws, in accordance with G.L c.44, Section 53E1/2, with such expenditure limits to be applicable for each fiscal year until such time as Town Meeting votes, prior to July 1 in any year, to increase the same for the ensuing fiscal year; provided, however, that at the request of the entity authorized to expend such funds, the Select Board, with the approval of the Finance Committee, may increase such limit, for that fiscal year only, all as set forth below, or take any other action relative thereto:

Revolving fund	FY spending limit
Archivist	\$2,500
Building Inspector	\$30,000
Community Garden Committee	\$5,000
Community Hall	\$7,000
Fire Department	\$7,500
Gas Inspector	\$1,500
Department of Public Works	\$7,500
Planning Board	\$15,000
Plumbing Inspector	\$1,500
Police Department	\$7,500
Wiring Inspector	\$3,000
Zoning Board of Appeals	\$1,000

*Recommended by the Select Board.*

**Article 9.**

To see if the Town will vote to adopt the recommendation of the Community Preservation Committee to appropriate and transfer the following sum of money from the Community Preservation Fund estimated annual revenues for Community Preservation Committee administrative expenses in FY2025 in the amount of \$8,400, or take any other action relative thereto.

*Recommended by the Select Board.*

**Article 10.**

To see if the Town will vote to adopt the recommendation of the Community Preservation Committee to appropriate and transfer the following sums of money from the Community Preservation Fund estimated annual revenues, and to reserve for later appropriation: \$17,000.00 for Open Space, \$17,000.00 for Community Housing, and \$17,000.00 for Historic Resources; and to reserve from the estimated annual revenues for later appropriation \$108,600.00 to the annual FY2025 Community Preservation Fund Budgeted Reserve, or take any other action relative thereto.

*Recommended by the Select Board.*

**Article 11.**

To see if the Town will vote to amend Section VI of the Amherst Pelham Regional School District Agreement by replacing subsection j) as follows: "For Fiscal Year 2025 only, the alternative operating budget assessment shall be calculated as a five-year average of minimum contributions with the remainder of the assessment allocated to the member towns in accordance with the per-pupil method found in Section VI (e) of the Amherst Pelham Regional School District Agreement. Additionally, if any member town's assessment based on this method increases or decreases more than 8.2% from their Fiscal Year 2024 assessment, the Fiscal Year 2025 assessment shall be limited to a 8.2% change provided that the requirements of Minimum Local Contribution are still met. The five-year average of minimum contributions will include the five most recent years.", or take any other action relative thereto.

**Article 12.**

To see if the Town will vote to raise and appropriate the sum of \$51,467.28 and transfer and appropriate the sum of \$12,657.72 from Massachusetts School Building Authority (MSBA) Funds for the payment of the Town's (General Fund) indebtedness, or take any other action relative thereto.

*Recommended by the Select Board.*

**Article 13.**

To see if the Town will vote to appropriate the sum of \$10,774 from the PEG Access and Cable Related Fund (established by vote of the Fall 2015 Town Meeting) to be used by the Select Board for the purpose of Technology services and purchases for the Town, or take any other action relative thereto.

*Recommended by the Select Board.*

**Article 14.**

To see if the Town will vote to rescind the vote taken under Article 17 of the May 13, 2023 Annual Town Meeting establishing an Opioid Settlement Stabilization Fund in accordance with G.L. c. 40, Section 5B, and to transfer the current balance of said Opioid Settlement Stabilization Fund in the amount of \$12,219.58, and direct any further opioid settlement funds received in the future, into the Opioid Settlement Special Revenue Fund, or take any other action relative thereto.  
*Recommended by the Select Board.*

**Article 15.**

To see if the Town will vote to transfer the sum of \$8,278.74 from Free Cash to the MVP State Grant balance, or take any other action relative thereto.  
*Recommended by the Finance Committee and the Select Board.*

**Article 16.**

To see if the Town will vote to approve the plan, developed by the Town of Pelham Select Board in partnership with the Town of Amherst and City of Northampton, for an inter-municipal Community Choice Energy organization, pursuant to General Laws Chapter 164, Section 134, and the vote taken under Article 46 of the May 12, 2018 Annual Town Meeting, or take any other action relative thereto.  
*Recommended by the Select Board.*

**Article 17.**

To see if the Town will vote to authorize the Library Trustees to expend such monies as they may receive from the sale of discarded books, gifts, and bequests, and from the State and Federal Governments, or take any other action relative thereto.  
*Recommended by the Select Board.*

**Article 18.**

To see if the Town will vote to authorize the Pelham Cultural Council to expend such monies as it may receive from the State and Federal Governments, and from gifts and bequests, or take any other action relative thereto.  
*Recommended by the Select Board.*

**Article 19.**

To see if the Town will vote to authorize the Select Board to enter into contracts with the Massachusetts Highway Department for construction and/or maintenance of public highways for Fiscal Year 2025, and further to authorize the Select Board on behalf of the Town to accept and expend any money from the Commonwealth of Massachusetts for highway construction and/or maintenance, provided that no funds shall be expended to widen, or enter into a contract to widen, any Town road unless the Select Board has held a public hearing advertised at least fourteen (14) days in advance, with any proposed contract and/or plans for such road improvements being posted for public viewing prior to the public hearing, and further provided that such policy is consistent with State requirements, or take any other action relative thereto.  
*Recommended by the Select Board.*

**Article 20.**

To see if the Town will vote to authorize the Select Board to accept and/or apply for any State or Federal funds or grants that may become available during Fiscal Year 2025 and to expend such funds in accordance with the terms and conditions thereof, provided that no funds shall be expended to widen, or to enter into a contract to widen, any Town road unless the Select Board has held a public hearing advertised at least fourteen (14) days in advance, with any proposed contract and/or plans for such road improvements being posted for public viewing prior to the public hearing, and further provided that such policy is consistent with State requirements, or take any other action relative thereto.  
*Recommended by the Select Board.*

Robert Agoglia, Chair \_\_\_\_\_

Tara Loomis, Vice-Chair *Tara Loomis*

David Shanabrook, Clerk *David Shanabrook*

Date Signed by the Select Board: 4/16/2024

Constable *Steven C. Hyman*

Date Posted: 04/16/2024 @ Police/Fire Station & Rhodes Building