

Shutesbury Finance Committee
Thursday, September 25, 2025 Virtual (Zoom) Meeting

Members Present: Ajay Khashu - chair, Susie Mosher, Laura Soito, Molly Moss, Jim Walton and George Arvanitis Absent: April Stein Non-Members Attending: Hayley Bolton – Town Administrator

Meeting called to order at 6:32 p.m.

I. Review of Special Town Meeting Annual Report

- A. Reviewed all changes from the annual report presented at Annual Town Meeting
- B. Changes since the ATM report are in highlighted in red
- C. Noted STM impact on revenues, budget and impacted budget items
- D. We will not be required to cover \$1,611.46 for Elementary Transportation costs according to the Amherst Regional Finance Director. We will pass over the warrant article (#7) for this at the STM
- E. Approved the report as amended for the STM
- F. The report will be posted on the Shutesbury website and distributed at the STM

II. Reviewed the Updated Budget based on the proposed warrant articles

- A. The budget amounts that have changed since the Annual Town Meeting and the corresponding notes will be highlighted in yellow
- B. Approved the budget as amended for the STM
- C. The updated budget will be posted on the Shutesbury website and distributed at the STM

III. Reviewed the warrant article descriptions produced by Hayley

- A. This hand out provides a description of each article and their impact on town's finances B. It also provides definitions of terms used in the articles such as "Raise and Appropriate" for articles 1-4.
- C. Modified the language describing Other Post Employment Benefits (OPEB)
- D. Approved the hand out as amended for the STM
- E. It will be posted on the Shutesbury website and distributed at the STM

IV. Reviewed a new budget summary report

- A. A high level summary of the budget approved at ATM and the updated budget that will be presented STM along with the changes from each was presented to the committee B. This was the first time the committee saw this report and would not have time to fully review and edit it, or consider if the format was helpful because much of this info is also reported on other documents that will be handed out at the STM
- C. The committee decided not to distribute this report at the STM
- D. This report format will be considered for future town meetings

V. Discussion regarding Article 8 will be modified to increase the borrowing authorization

- A. A motion will be needed to amend this article to increase the article amount of \$9,834,341 to the latest cost estimate of \$10,024,016 to comply with the MSBA requirement to make the roof solar ready.
- B. Concern was raised that we may not be legally allowed to increase the article on town floor
- C. The town's legal counsel will be consulted regarding amending this article's to increase its amount
- D. There was a prior authorization in 2019 to borrow \$3M for the roof, of which \$255k has been borrowed. This will only be rescinded if all towns approve the new roof repair project
- E. The state requires that the building be used for 20 years after the roof is repaired
- F. The Amherst Pelham Regional School Committee approved supporting the project for \$10M

VI. Other STM preparation

- A. Discussed the need to explain why these articles are recommended
- B. The committee agreed that the long-term financial impact of these articles needs to be addressed at the STM

VII. Discussion: Budget Guidance for FY27

- A. Most budget items in the FY26 budget that were funded by cash reserves will be ongoing budget items
- B. Additional debt service for the library building will be approx. \$117k
- C. The annual \$50k OPEB funding is expected to be restored
- D. The potential increase in the FY27 tax levy for these items (A, B & C) is over \$300K (4% of FY26 budget).
- E. Additional increases are anticipated in FY27 for PFAS, health Insurance and payroll. The need for deferred building maintenance was also mentioned as pressure on the budgets
- F. Options for addressing this burden is:
 - i. Level fund non-labor items
 - ii. Freeze cost of living adjustments for FY27
 - iii. Work collaboratively with department heads to find cost savings – next department head meeting will be Nov. 6
 - iv. Different approaches may be needed for the schools
- G. Hayley will send options for a daytime meeting with department heads and managers. This should include representatives from the elementary school and the regional school. The goal is to meet during the third week of October
- H. Concern was raised that we should not continue using cash reserves to balance the budget
- I. The budget request schedules have been drafted by Susie

Other Business

- J. There is a \$5k mosquito control bill due from FY25. More information is needed to determine how we will pay for it
- K. The amount of Rural Aid for FY26 is not yet available

L. The IT inventory is complete. Details and the financial impact will be presented at future meetings

Next meeting is at the Special Town Meeting at 6:30 p.m. on September 30 and on October 7 at 6:30

Meeting adjourned at 8:30 p.m.