

Shutesbury Finance Committee  
Four Town Meeting  
Saturday, November 8, 2025; Amherst Regional Middle School Library

Members Present: Ajay Khashu chair, April Stein, Susie Mosher, Laura Soito and George Arvanitis; Absent: Molly Moss and Jim Walton; Shutesbury representatives attending: Selectboard members: Melissa Makepeace-O'Neil and Rita Farrell and School Committee member: Anna Heard (regional rep.); Others in attendance: Representatives from Amherst, Leverett and Pelham

Meeting called to order at 9:40 a.m.

I. Announcements

- A. Amherst town manager announced a large fire was burning in town. The fire displaced 230 people but thankfully there were no injuries. He thanked the surrounding communities for sending fire trucks to support Amherst. He also pointed out that the loss of the two buildings will result in the loss of tax revenues
- B. Andy Steinberg will no longer be serving the Amherst town council, and this is the last four town meeting he will attend. He thanked the community for working together through many challenges over the years, to support the school district
- C. The Amherst Pelham Regional School Superintendent thanked everyone for approving the replacement of the middle school roof

II. Fiscal Sustainability Subcommittee Presentation

- A. They explained their purpose and actions they plan to take to meet their goals
- B. Reviewed the mandated costs that drive education costs higher
- C. Showed that enrollments decreased substantial over the past ten years. Explained how declining student enrollment at the school has impacted class sizes
- D. Described the impact of inflation on school operating costs and on all towns' budgets
- E. Discussed the trend of students moving to charter schools and the impact this is having on our towns. It was noted that high needs students tend not to go to charter schools. It was further noted that charter schools keep their state funds for the full year, for students who move back to public school after October 1
- F. Showed how the cost pressures have caused a general decrease in the amount that the four towns spend on school budgets relative to the total budgets
- G. Noted that eliminating programs due to cost pressures has contributed to more students going to charter schools
- H. Discussed the continued decrease in state funding over the past 25 years and noted the decreasing share of state funding relative to the total school budget, over that time
- I. Highlighted state decisions affecting revenue:
  - i. Chapter 70 Hold Harmless provision
  - ii. Charter school tuition
  - iii. 2019 Student Opportunity Act
  - iv. New Fair Share Income tax revenue not distributed to public schools
- J. Showed how the district has been responding to the loss of revenue since 2011

- K. Described the need to advocate for specific state actions to support public schools and the lack of representation of western Massachusetts at the state level
- L. Noted education funding areas the state needs to review along with the Chapter 70 formula: Transportation, Rural Aid, Special Education and the Circuit Breaker formula
- M. Noted the importance of collaboration among the towns and the principals the subcommittee will follow during its process

III. The Four Town Working Group Presentation

- A. Reviewed fundamental changes affecting district financing over the last 25 years
- B. Highlighted the common issues impacting all our towns' finances
- C. Discussed limitations in of funding schools due to Proposition 2 ½
- D. Showed a graph of property tax increases versus state aid increases over the last 25 years. State aid was close to flat while property tax increases were steep. The towns have increasingly relied on more property taxes to fund budgets
- E. Noted that the state of Massachusetts's aid to public schools ranks in the bottom third of all states
- F. Showed a graph of the level of funding from local taxes as a percentage of total budgets over the last 25 years, for each town
- G. Noted that Amherst taxes at the property tax levy limit and that the other three towns have excess levy capacity
- H. Showed graphs demonstrating that property tax bills have been rising higher than the rate of inflation over the past 25 years
- I. Stressed the importance of collaboration among the four towns to develop strategies for funding education

IV. Discussion of next steps

- A. A financial and statistical report will be developed to help understand the financial picture of the towns and the region - created from the MARS database
- B. Discussed options for the makeup of the group that will continue this ongoing project. Amherst has concerns regarding the makeup of their representatives
- C. Noted that funding education with cash reserves is unsustainable
- D. Discussed how taxing capacity works under Proposition 2 ½
- E. It was noted that it would be helpful to see each town's assessment share for FY27
- F. The regional agreement will need to be updated as it's currently not in compliance with state regulations and is outdated in other areas
- G. Noted that DESE will not approve one-time changes to the districts assessment formula
- H. A recommendation was made to revisit the possibility of regionalizing all four towns from PreK to grade 12
- I. The district school superintendent expressed appreciation for the care that the community has shown towards the students

V. The Fiscal Sustainability and Four Town Working Groups will convene to develop the next steps

The next Four Town Meeting has not been scheduled

Meeting adjourned at 11:48 a.m.