

Shutesbury Finance Committee
Fiscal Summit
Monday, February 23, 2026 Virtual (Zoom) Meeting

Members Present: Ajay Khashu - chair, Susie Mosher, April Stein, Laura Soito, Molly Moss and George Arvanitis; Absent: Jim Walton; Non-Members Attending: Hayley Bolton – Town Administrator, various department heads, managers, boards, committees and residents

Meeting called to order at 3:03 p.m.

- I. Fiscal Summit Draft FY27 Operating Budget presented
 - A. A few boards and committees called to order
 - B. The FinCom presented the draft budget at this point in the process
 - C. We've met with all departments, and all budgets they provided are reflected in the current draft budget. This is a 9.1% increase from FY26
 - D. The preliminary (base line) total budget is \$8,465k. This represents the budgets required to maintain the current level of services
 - E. Summarized the largest budget line increases from FY26
 - F. This impact in the average single family tax increase would be \$851 higher than FY26
 - G. The FinCom is working to decrease this tax impact
 - H. Options are to apply cash reserves to fund items in the budget and to cut budget lines.
 - I. Our use of cash policy fund only costs that are not permanent or for large increases to help spread the impact of large increases on taxes over a number of years
 - J. The actions the FinCom has considered up to now have lowered the tax increase for the average single family home to \$543 while maintaining the core services needed to sustain town operations
 - K. The FinCom considers the tax impact a revenue problem, dependence on residential taxes and low growth are not adequate to cover cost increases
 - L. Reviewed the budget changes from FY26 to FY27 and the details of applying cash to lower the tax levy

- II. Current Advocacy for state help
 - A. The state is not backfilling lost federal funds
 - B. Organized actions in the state for rural school aid to raise this aid to \$60M to address inequities of current education funding
 - C. All areas of our budget are affected by lack of rural aid
 - D. Anna Heard is also involved in this advocacy and reiterated the need for residents to contact legislators and the governor's office about the importance of this aid to our community

- III. Comments Questions
 - A. Discussed the inequities of the current state PILOT funding and the recent Selectboard letter to the state about the PILOT program for the Quabbin lands

- B. Provided an overview of the cash reserves, current balance and balance changes based on the budget mitigation we're considering
- C. The Treasurer noted that health insurance companies are losing money due to many factors and he expects the large increases in health insurance to continue in the following years. This impacts employees as well as property taxes

IV. Closing Thoughts

- A. Noted the trend of using the excess levy capacity we've built up over many years to balance the budget
- B. Mentioned the concern of the lack of commercial growth on funding the budget. Also noted that lost prospects for new growth have contributed to the need to raise residential property taxes
- C. The FinCom will continue the budget process and will work to lower the tax rate impact

Meeting adjourned at 4:16 p.m.