

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

Members Present: - Ajay Khashu chair, April Stein, Bob Groves, Susie Mosher, Jim Hemingway, Kathy Salvador and George Arvanitis Absent: none Attending: Selectboard members: Melissa Makepeace-O'Neil and Eric Stocker and School Committee members: Anna Heard (regional rep.) and Jeremy Mailloux

Meeting called to order at 9:06 a.m.

- I. Amherst Pelham Regional School Finance Director budget updates
 - A. Transportation will go up 10% and contract negotiated will have further increases in the future. This was a compromise to keep the FY26 increase reasonable
 - B. New information caused the estimate for health insurance to increase by 16%, up from 13%
 - C. Charter 70 revenue estimate was raised to \$75 per student, up from \$30
 - D. \$200k from the Special Education Stabilization fund will be applied for an outplacement
 - E. Interest revenue was increased to \$100k, up from \$32k
 - F. Some positions are still in contract negotiations
 - G. \$850k school choice funds will be applied to the budget
 - H. Increased OPEB spend to \$144k to align with approved spending schedule
 - I. New level service budget is \$37,761,228
 - J. No changes to the funding of capital projects

- II. A new option for assessments was presented for FY26
 - A. This uses the Modified Statutory assessment method, caps Amherst's increase at 3.5% and applies a 6.5% guardrail.
 - B. The result is a \$1.264m deficit from level service spending
 - C. Total budget increase is 4% from FY25
 - D. Increases for each town would be:
 - i. Amherst 3.5%
 - ii. Pelham 6.5%
 - iii. Leverett 6.5%
 - iv. Shutesbury 5.6%
 - E. To cover the deficit:
 - i. 17.36 positions will be eliminated - \$804k
 - ii. Non-personnel cost reductions would be \$259k
 - iii. Rural School Aid would be applied to the budget - \$200k

- III. The Amherst Pelham Regional School Superintendent asked the towns to caucus and then provide budget guidance
 - A. General comments before the breakout session from the towns
 - i. Leverett had approved a 6% increase to the assessment, but were open to a larger increase if others did the same

- ii. The town is eligible for a state grant for the middle school roof, but concern about losing it if we consolidate 6-12 in the high school
 - iii. Confusion was expressed over the terminology used to describe the assessment methods
- IV. There was a breakout session where each town discussed among themselves what had been presented and prepared their responses to the budget and the funding of it
- V. Towns' Follow-up Comments and Questions
- A. Shutesbury:
 - a. Supports the latest option and the 5.61% increase for the town
 - b. Shutesbury would not support a deficit greater than \$1.264m
 - c. Expressed concern about moving away from the Modified Statutory method
 - B. Leverett:
 - a. Leverett Finance Committee and Selectboard had approved a 6% increase, but will accept a higher increase
 - b. Asked about a plan for consolidating grades 6-12 in the high school building
 - c. Asked for the assessment calculations for each option that was presented today and last week
 - d. Agreed that the Modified Statutory method should be applied for the assessments
 - e. Concerned about using the guardrails. It creates confusion and moves us from the preferred Modified Statutory method
 - C. Pelham:
 - a. Concerned about using a state grant for the middle school roof if we plan to move all middle school students out of the building. Suggested we finance ourselves
 - b. Accepts the 6.5% increase and would be willing to add more funds to get back to using the Modified Statutory method
 - D. Amherst:
 - a. Expressed some confusion about the assessment methods and noted that their increase would be 2.3% using the statutory method
 - b. They will accept the FY25 budget as the basis for determining increases in FY26
 - c. Expressed concern that Pelham and Leverett are not paying their fair share because of the use of guardrails on the assessment method
 - d. They are open to a 3.5% increase
 - e. They will be applying other revenue sources besides the tax levy to their assessment
 - f. Expressed concern about using assessment methods that result in Amherst subsidizing other towns. Concern for the impact on Amherst taxpayers
 - g. Concerned that consolidating grades 6-12 into one building will take too long
 - h. Also concerned about the academic impact of consolidating grades 6-12
 - i. Note the difficulties of funding the budget when there is a 2.5% increase limit on the annual tax levy
 - j. Very concerned about the projected future costs of the capital projects
- VI. Superintendent Response
- A. Committed to establishing a committee to plan for the consolidation of grades 6-12
 - B. Expressed appreciation for the feedback provided

There are no plans for another Four Town Meeting to discuss the FY26 budget

Meeting adjourned at 10:39 a.m.