

Shutesbury Finance Committee  
Tuesday, March 26, 2025 Virtual (Zoom) Meeting

Members Present: Ajay Khashu - chair, Bob Groves, Susie Mosher, Jim Hemingway and George Arvanitis Absent: Kathy Salvador and April Stein Attending: Amanda Alix and Diane

Meeting called to order at 6:33 p.m.

- I. Reviewed and approved the minutes of the 3/18/25 meeting, as amended
  
- II. Capital Planning - Reviewed requests
  - A. School parking lot will not proceed in FY26. There is \$2,438 in School Design & Engineer Asphalt fund available for the school parking lot permitting and design. This project will require changes to the lot's layout for the buses and possible future underground water tank
  - B. The Highway Department requested:
    - i. A zero turn lawn mower – \$11,400
    - ii. A tractor, but it was determined the existing tractor can be repaired
    - iii. Grader – will cost up to \$400k. There are no used graders available
    - iv. Funding options available:
      1. Reject request to purchase a new one
      2. Funding with debt and\or cash reserves
      3. We have the option of leasing the grader utilizing Chapter 90 funds available to Shutesbury. This includes the option to own it at the end of the lease for a payment of \$1.00
      4. Repair the existing grader – estimated to cost \$16.5K
  - C. The Dam project
    - i. \$55k for design, permitting and the construction plan is covered in FY26 - funded by the Community Preservation funds and a state grant
    - ii. \$150k for repairs and improvements in FY27, funding has not been determined
  - D. Open Checkbook
    - i. Not moving forward for FY26
    - ii. The town accountant offered a reporting option that would provide the same detail at no cost. The report format is busy, but the audience is small and most people who will use it will be able to understand it
    - iii. Neither Open Checkbook or the town accounting report option will allow access to the school expenses, which is over 60% of the town's operating budget
    - iv. The committee believes this reporting would be beneficial to the town
    - v. We will ask Gail to implement the regular publishing of the reporting option she offered
  
  - E. Other Items that may be Funded with Cash Reserves
    - i. Establishing a PFAS mitigation fund - \$50k
    - ii. Establishing a fund for out of district special education costs. We also may be able to maintain with school choice funds

iii. Fund \$34k for out of district Special Education costs for FY26

III. FY26 budget

- A. Ajay displayed the current draft budget
- B. Need to decide how to approach the deficit
  - i. Raise revenue
  - ii. Cut budget requests
  - iii. Use reserves to fund a portion of the budget
- C. Susie will follow up on the Independent audit line. We may be having a three consecutive year audit due to the library loan
- D. Assessor's Department office is being evaluated given the Administrative Assessor's resignation
- E. Discussed policy of paying the annual certifications for employees
- F. Legal \$20k increase may not be needed in the future. Decided to fund the increase with reserves
- G. We will keep the building repairs line 82 at \$10k. Further funding in line 216 not needed for FY26
- H. The new Town Administrator will need to assess the computer needs in light of Windows 10 going away. Susie will see if there is an inventory of computers needed
- I. Police Department budget:
  - i. Part time workers are difficult to locate. This will be a challenge for providing the current level of coverage
  - ii. The Chief showed that a new configuration with full time officers would be less expensive than the current structure. The 27% increase requested would be 32% under current department structure. Covering holidays and sick time would be higher for part timer officers, but would not be an issue with full time employees. The new contracts are also driving the increases
  - iii. Bob will contact the Police Chief and ask her for more details and to present them to the Finance Committee
  - iv. The Tree Warden budget looks too high. The full FY25 costs aren't expected to be recurring. Bob will follow up with the Highway Superintendent
- J. Regional School
  - i. Latest school committee proposal of 6.5% increase for all towns was rejected by the Amherst Town Council
  - ii. No new budget was proposed at the latest meeting
  - iii. Contact with the Department of Elementary and Secondary Education indicated that they won't approve the methods recently discussed by the region and expect us to use our regional agreement method or move to the Statutory method
  - iv. The current proposal under discussion is a \$37,077,171 budget - 5.13% increase from FY25. The total assessment would be \$24,699,035 – 6.50% increase:
    - 1. Amherst's increase would be 4.81%
    - 2. Pelham's increase would be 22.97%
    - 3. Leverett's increase would be 14.1%
    - 4. Shutesbury's assessment increase would be 7.65% to \$1,780,721
  - v. The committee decided to use reserves to fund the difference between the 5.61% increase agreed on at the Four Town meeting, and the new increase - \$33,825

- vi. The benefit of the latest proposal is that it uses the regional agreement method
- K. The projected deficit after adjusting for the above is \$268K
- L. We will resume this discussion at our next meeting

IV. Other Committee Updates:

- A. The Elementary School is projecting a \$12k deficit in the current year

Our next meetings are April 1 and 8, 2025 at 6:30 p.m.

Meeting adjourned at 8:47 p.m.