

Shutesbury Finance Committee
Tuesday, April 1, 2025 Virtual (Zoom) Meeting

Members Present: Ajay Khashu - chair, April Stein, Bob Groves, Susie Mosher, Jim Hemingway and George Arvanitis Absent: Kathy Salvador Attending: None

Meeting called to order at 6:31 p.m.

- I. Reviewed and approved the minutes of the 3/26/25 meeting, as amended
- II. Reviewed the previously approved minutes of the 3/18/25 meeting, made one change and approved as amended
- III. Finance Committee Reserve Transfer request: Legal
 - A. Overspending due to lawsuits has used up the current year's budget
 - B. Request for a \$10,000 transfer to fund the remainder of the year
 - C. The Finance Committee reserve fund balance is currently \$45,819, before this transfer
 - D. Transfer approved - unanimously
- IV. Annual report for FY25
 - A. April will submit the Finance Committee report presented at the April 2025 Annual Town Meeting, to the town for the Shutesbury annual report
- V. Capital Planning Update
 - i. The Highway Department requested a zero-turn lawnmower
 - ii. Estimated cost will be just under \$11,400
 - iii. The committee will recommend funding with cash reserves – likely free cash
 - iv. No new information is available for the Grader. The Capital Planning committee will be meeting on Thursday, April 3 to learn more
- VI. Amherst Public Regional Schools FY26 Budget Update
 - A. The Regional School Committee met Monday, March 31
 - B. They discussed the budget process and methods that would be acceptable to the State Department of Elementary and Secondary Education
 - C. For the past seven years the region has had one-year amendments to the regional agreement. DESE stated that the method employed should be approved by December 31. This was not the case this year
 - D. The budget can then be determined after December 31
 - E. DESE indicated we only have the options to use the modified statutory method agreed to by the towns or the Statutory method
 - F. The Regional School Committee voted to use the modified statutory method in regional agreement for the assessment
 - G. If in the future the region were to approve an alternative method, other than the methods noted above, then it will need the approval of all four towns, otherwise the Statutory method will be used

- H. The final decision regarding which method to use for the assessments is by Regional School Committee
- I. The school committee also approved a \$37,077,171 budget. This is \$812,126 below the amount needed to maintain level services resulting in staffing cuts
- J. The assessment approved by the region results in a \$1,780,721 assessment to Shutesbury. This is a 7.65% increase from FY25
- K. Concern was raised that the assessment method used for this assessment might not be applied correctly. We will this research further
- L. Concern was expressed regarding the sustainability of the increases over recent years
- M. The committee approved this assessment – unanimously

VII. FY26 budget

- A. Ajay displayed the current draft budget
- B. Continued review of the draft budget
- C. Independent audit line will be increased by \$1,000 and we will need to have audits in each of the next few years. The Municipal Light Department may need to be audited annually at \$3k per year. Once the library bonding is complete, we may be able to go back to audits on our normal basis
- D. Bob will meet with the Highway Superintendent regarding the Tree Warden line
- E. Bob will ask the Police Chief to meet with the Finance Committee to discuss the department's budget request
- F. The Town Administrator contacted the school to determine the Elementary School Transportation cost
- G. \$5,220 (5 hours per week) was added to Custodial Wages for the new Library building
 - i. Discussed the option of budgeting this in the library budget
 - ii. It was agreed to remove this from the Custodial Wages in the General Government section and add it to a new Custodial Wages line in the library section
- H. Will keep the PFAS line with a zero budget - it may be needed in the future. Funds will be transfer from cash reserves in FY26 to PFAS mitigation fund
- I. Decided to fund 75% of the Veteran's Benefits budget from cash reserves. This \$8,250 will be reimbursed by the state in future years
- J. Susie will confirm the Retirement County line with the Franklin Regional Retirement Board
- K. Health Insurance – discussed causes for the increase and options for funding this line
- L. Decreased the building repair line 219 to zero. Funds are available in the Repairs line 85 under the Building expenses in the General Government section. An analysis of the building's maintenance and repairs needs is in progress
- M. The town is in the process of searching for a replacement for the Administrative Assessor who has submitted his resignation. The Admin Assessor line was increased to \$35,000
- N. A proposal was made to fund \$50K from cash reserves for the budget. This was not done, but we will consider doing so
- O. The total budget is currently \$7,809,780
- P. The deficit, unfunded portion of the operating budget, is currently \$254,889

VIII. Other Committee Updates:

- A. Committee vacancies
 - i. Kathy Salvador will be stepping down

- ii. Bob and Jim's terms end this year
 - iii. Suggested that we host an information session for potential members
- B. The Annual Town Meeting has been scheduled for May 31

Our next meeting is April 8, 2025 at 6:30 p.m.

Meeting adjourned at 8:56 p.m.