

Shutesbury Finance Committee
Tuesday, April 22, 2025 Virtual (Zoom) Meeting

Members Present: Ajay Khashu - chair, April Stein, Bob Groves, Susie Mosher, Kathy Salvador, Jim Hemingway and George Arvanitis Absent: None Attending: Ryan Mailloux – Treasurer, Hayley Bolton – Town Administrator, Rita Farrell - Select Board member, Frank McGinn

Meeting called to order at 6:29 p.m.

- I. Reviewed and approved the minutes of the 4/8/25 meeting, as amended
- II. Police Department
 - A. Ajay discussed the police budget with the Police Chief
 - B. The chief offered to suspend the restructuring to a full time department
 - C. She plans to review operations and revisit her staffing proposal for the FY27 budget
 - D. The police salaries line was reduced to a 10% increase from FY25 based on the officers' union contract
 - E. The chief's contract is still in negotiation
- III. Meeting with Treasurer to discuss PFAS borrowing
 - A. A \$150k loan was taken and then returned in FY24 causing the use of Free Cash
 - B. A town meeting voted on April 27, 2024 requires the Treasurer to borrow \$150k. This short term note will be paid when the final loan is received from the Clean Water Trust. The CWT loan will be interest free
 - C. If we don't draw an additional \$150k loan, it will cause a decrease in Free cash
 - D. Hayley is trying to locate information to confirm the CWT will lend the town \$150k. This is needed for the temporary borrowing
 - E. We have until August to draw the loan
 - F. It's uncertain if the trust has committed to lend Shutesbury a second \$150k
 - G. Susie met with Hayley and they could not locate documents confirming the loan expected from the Clean Water Trust – the entity that will provide an interest free loan
 - H. Rita indicated the loans are reimbursable and we need to provide invoices.
 - I. The first \$150k of invoices were sent to CWT – Hayley will follow up with them to see when we may receive the first \$150k loan
 - J. The town will contact CWT to confirm that the second loan is approved and to determine the steps to receive this loan
 - K. It was noted that there is a warrant article to transfer \$50k from reserves to the PFAS Contamination fund. This amount is the projected need for one year
 - L. Shutesbury has incurred \$210k of expenses since this issue arose
 - M. The FY26 interest cost will be \$7,330. This will be added to the operating budget
 - N. Concern was raised that the CWT may be supported by the Federal Government who is cutting funding of many programs
- IV. FY26 budget
 - A. The current dog officer who is also the Inspector of Animals has resigned:

- i. The Franklin County Sheriff's office will provide these services
 - ii. The estimated FY26 cost is \$5,818 and will be budgeted in the Inspector of Animals line
 - iii. They will start this year and will charge \$1,300 to year end. There are sufficient FY25 funds to cover this
- B. There's a request to increase the Legal line which is currently budgeted at \$40k by an additional \$10k:
 - i. This is needed for legal costs due to the ongoing litigation for the solar bylaw. This is in addition to the \$20K added to legal for FY26 for this litigation
 - ii. We're expecting around \$20k in bills for the Solar Bylaw litigation through FY25
 - iii. There is a possibility of a trial which will require an additional \$10k for preparations
 - iv. Holding a special town meeting to vote on whether to fund this additional amount was suggested. A town meeting article would provide an opportunity for the town to hear about the case
 - v. This is to defend the bylaw. If we don't defend this case, the 2020 Shutesbury Solar Bylaw will likely be voided
 - vi. Our legal costs without this lawsuit has traditionally been \$20k
 - vii. Discussed funding \$30k of legal with reserves enabling the town to have the conversation about this lawsuit
 - viii. It was noted that the solar regulations are changing rapidly, but won't take effect before the potential trial and this can't be delayed
 - ix. The committee decided to budget the legal line for \$20k and to have a warrant article at the annual town meeting for the \$30k need for this lawsuit. The article will specify that this will be funded by cash reserves
 - x. The planning Board should sponsor this article
- C. The Town Clerk has been certified, and the town is required to fund the \$1,000 annual fee
- D. The WPAT Septic Repair expense and revenue lines were lowered to \$10,000 as recommended by the town accountant
- E. The total budget is now \$7,735,118
- F. The new deficit is \$117,587
- G. The committee discussed the likely need to use Excess Levy Capacity to balance the budget
- H. The estimate of the increased average single family tax bill in FY26 is approximately \$367, \$63 of which is attributed to the new Library loan
- I. The consensus was to show five years on the budget schedule

V. Regional School

- A. A task force to review the regional school budget has been formed
- B. They will gather information about school spending to develop a sustainable fiscal strategy
- C. The representatives for each town will be a Town Administrator or Town Manager, one Selectboard member, one Finance Committee member, one School Committee member and the Amherst Finance director. The Regional School Superintendent and Finance Director will also participate
- D. Ajay will be the Shutesbury Finance Committee representative

Our next meeting is April 29, 2025 at 6:30 p.m.

Meeting adjourned at 8:38 p.m.