

Shutesbury Finance Committee
Tuesday, May 20, 2025 Virtual (Zoom) Meeting

Members Present: Ajay Khashu - chair, April Stein, Bob Groves, Susie Mosher, Kathy Salvador, Jim Hemingway and George Arvanitis Absent: None Non-Members Attending: Gail Weiss – Town Accountant, Diane

Meeting called to order at 6:30 p.m.

I. PFAS Mitigation Fund

- A. Gail noted that \$136k was appropriated from cash reserves at a Special Town Meeting on January 19, 2023, to establish the fund
- B. An additional \$150k from a loan was approved at the June 2023 Annual Town Meeting . This loan is expected to be drawn in FY25
- C. Another \$150k from a loan was approved at the Annual Town Meeting in April 24. There is debate about whether this loan is needed at this time
- D. \$137K from free cash was used in lieu of a \$150k borrowing that was not secured at the end of FY24. We are not required to replace this in Free cash
- E. The loan approved in June 2023 will cover expenses made this year
- F. At present there is only \$400 of funds available, but there are \$10-12k of bills (for testing) and a contract for \$98K with Tighe and Bond, the licensed site professionals. We are paying that off as the invoices come in
- G. As part of their contract, the Tighe and Bond will look for grants that fund a non-municipal water supply
- H. If the town approves an article to transfer \$150k from reserves, after paying the bills due we expect to have around \$140k available for FY26
- I. Gail estimated that it costs about \$30K for each quarterly testing plus the cost of an occasional filter system installation
- J. Our state representative is investigating the regulation regarding testing to decrease it to a once-a-year requirement
- K. We will withdraw the article to rescind the second \$150k loan
- L. Gail will let the Treasurer know that we will not rescind the borrowing and ask that we not borrow the second \$150k until we gather more information about the fund and hear the results of our legislators' efforts
- M. The state recently ruled that any PFAS payments made to a town can be deposited directly into the PFAS Mitigation fund
- N. The town may need to consider a stabilization fund for the ongoing costs of PFAS mitigation
- O. Gail will provide a summary of transactions in the PFAS Mitigation fund from its inception
- P. A motion was made to withdraw the warrant article to rescind the second \$150k loan. The committee approved this withdrawal, unanimously

II. Reviewed and approved the minutes of the 4/29/25 meeting, as amended

III. Reviewed and approved the minutes of the 5/6/25 meeting, as amended

- IV. Reviewed and approved the minutes of the 5/13/25 meeting, as amended
- V. Four Town Fiscal Stability Planning Group
 - A. Ajay had sent to the committee, the regional school superintendent's message to detailing the newly established group
 - B. They plan to draft a list of questions regarding the budget
 - C. Ajay will provide the draft questions to this committee for feedback – examples:
 - i. How does Amherst expenses compare to other similar towns?
 - ii. What are the FTE counts over the years?
 - iii. What are the main drivers affecting the annual budget increases?
 - D. The Superintendent is contacting the Massachusetts Association of Regional Schools (M.A.R.S.) to see if they can facilitate the analysis
 - E. The group needs to clarify the time for their next meeting, June 17 or 18. Susie and Ajay will attend
- VI. Ajay met with a selectboard member and town counsel regarding the Solar Bylaw Litigation annual town meeting warrant article 17:
 - i. Ajay, Rita, Michael DeChiara and town counsel attended
 - ii. Counsel advised that details of the litigation cannot be disclosed
 - iii. We can estimate the financial implications of this litigation and if the costs will continue
 - iv. We can describe the litigation and the potential outcomes and their implications
 - v. The Finance Committee has not deliberated about the article and did not make a recommendation regarding this article
 - vi. This article may not provide sufficient funds to complete the litigation
- VII. Budget Presentation in Advance of Annual Town Meeting
 - A. We need to contact the moderator to request that they moderate this meeting. We don't know if the previous or current town moderator will moderate
 - B. Ajay will issue a town announcement to advertise this meeting and mention that those interested in joining the Finance Committee may benefit from attending. The announcement will note that ATM documents are available online with a link to them
 - C. Discussed presentation options and who will present various parts of the revenues, budget and cash reserves
 - D. Discussed the need to provide the perspective of budgets of other towns in our region
 - E. The following members will present parts of the budget:
 - i. George will review revenues and revenue increases
 - ii. Susie will summarize the projected expenses and expense increases
 - iii. Ajay will also summarize capital expenses
 - iv. Ajay will discuss the FY26 budgets for other towns in the region
 - v. All members will respond to questions from the public
 - F. The preferred meeting platform is virtual, which is easier for reviewing the ATM documents than in person at the town hall meeting room
 - G. It is important to keep the time spent on each section presented to roughly three minutes

VIII. Annual Town Meeting Preparation

- A. Discussed presentation options and who will present various parts of the revenues, operating budget, capital budget and cash reserves
- B. Direct the voters to sections 3, 4 & 5 before we vote on the cash reserve articles
- C. The following members will present parts of the budget:
 - i. Susie will review revenues and revenue increases
 - ii. Bob will summarize the projected expenses and expense increases
 - iii. George will summarize capital expenses
 - iv. Ajay will discuss the FY26 budgets for other towns in the region
 - v. All members will respond to questions from the public
- D. Susie is creating posters to hang at town meeting to show the following:
 - i. The town's revenues sources and pie chart of the sources
 - ii. The town's expenses and pie chart of the expenses
 - iii. The staffing levels involved in operating our town government, including the number of volunteers
 - iv. A semantic field of words that highlights the key aspects of maintaining our community
 - v. The committee supports this and appreciates the effort

Next meetings are May 28 (budget presentation) at 6:30 p.m. and May 31 (ATM) at 9:00 a.m.

Meeting adjourned at 8:39 p.m.