

Shutesbury Finance Committee
Tuesday, May 28, 2025 Virtual (Zoom) Meeting

Members Present: Ajay Khashu - chair, Bob Groves, Susie Mosher, Kathy Salvador, Jim Hemingway and George Arvanitis Absent: April Stein Non-Members Attending: Hayley Bolton – Town Administrator, Rita Farrell and Melissa Makepeace O’Neil – Selectboard members, Nettie Pangallo – Town Moderator, David Grenier, Penny Kim, Clif Read, Arleen Read, Jill Marland, Deborah O’Brien, Leslie Bracebridge, Gail Fleischaker, Amanda Alix, Johanna Hall, Joan Hanson, Gayle Huntress, Frank McGinn III, Tracy McNaughton, Matteo Pangallo, Tom Seifert, Les Luchonok, Miriam DeFant, Allen Hanson, Joan Hanson, Ted Keyes, Garrett Simonsen, Nate Longcope, Walter Tibbets, Rachel Schwab, Sam Spisiak, Elaine Puleo

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

- I. Finance Committee presentation of FY26 budget and annual report:
 - A. Revenues presented by George
 - B. Expenses presented by Susie
 - C. Capital budget and cash reserves presented by Ajay
 - D. A regional perspective based on the budget proposals from other towns in the region was provided by Ajay
- II. Question and answers to the Finance Committee (FinCom):
 - A. Why is Police Chief salary increase so high? Discussed the status of the chief’s contract and funding related to a potential large pay increase
 - B. Did the FinCom consider the lost federal funding during the budget process? The FinCom noted that they are aware of the issue but were not aware of any specific funds and has not made provisions for this. Jim Hemingway noted that the Municipal Light Plant has lost some federal funding
 - C. Question about the FinCom responsibility to taxpayers. Ajay explained the budget development process and the types of conversations the committee has with the department heads and committees.
 - D. Is PFAS mitigation increasing since last year’s budget? Susie explained the history of this issue in our town including the funding and home testing. She noted that additional homes have tested positive for PFAS since last year
 - E. Why isn’t the town recommending cuts across the board to all departments? The FinCom develops a budget that provides the same level of services as the prior fiscal year
 - F. What warrants pay increases for any employees? George responded that the town periodically performs salary analyses comparing wages to those in other towns. We also adjust salaries annually based on the consumer prices index
 - G. How does the regional school costs impact our budget? We discussed the assessment and noted that \$34k in reserves is being applied to help mitigate the impact of the large increase. Susie emphasized the need for rural aid and encouraged citizens to lobby legislators for this aid
 - H. What cuts are we proposing instead of cutting taxes? The regional school budget is \$812k below levels service budgets and will be eliminating positions

- I. Is the revenue spreadsheet posted on the website? Yes
- J. Will the Payment in Lieu of Taxes (PILOT) last forever? Yes. The state sources of the PILOT revenue were outlined
- K. It was noted as reference to the PILOT question above that base solar project agreement with the existing solar company in town ends in 2044. They will pay \$82,709 in FY25 and \$128,998 in 2044, which is a half year. The storage portion of their contract will pay taxes of \$10,748 in FY26 and \$17,182 in the last year
- L. If the state changes the local aid calculation, passes the Quabbin bill and/or passes the PILOT change, when would these funds become available to the town? Would it be FY27? We do not know if or when these changes will happen. We know they will not impact FY26
- M. Where are the Board of Health wages in the budget? Line 182
- N. Where are the Cemetery wages in the budget? Line 174
- O. What is the breakdown of police wages? The police wages line reflects the total wages of all officers. Details are available from the chief. The budget is for the same number of coverage hours as FY25 with a 10% increase under the current union contract
- P. What is County health district? It is a regional group to support required health district services, such as septic inspections
- Q. Are employees being asked to contribute more of their health insurance costs? No
- R. Question regarding the funding of the new library building. The first debt service payments will be in the FY27 budget
- S. A question regarding warrant article 44, a Citizen Petition regarding Town Policy to "preserve and protect a safe and welcoming community". The question was referred to the moderator for the Selectboard to respond to

The next Finance Committee meeting is the annual town meeting on May 31 at 9:00 a.m., at the Shutesbury Elementary School

Meeting adjourned at 8:14 p.m.