

Shutesbury Finance Committee
Monday, September 14, 2026
Virtual Meeting

FinCom Members Present: Ajay Khashu - chair, George Arvanitis, Frank McGinn, Susie Mosher, Molly Moss, Meredith Pustell, and Laura Soito

Staff and Guests Attending: Hayley Bolton, Town Administrator

Ajay Khashu called the meeting to order at 6:30 p.m.

I. Review and approval of meeting minutes

- A. VOTE: Arvanitis motioned to approve the minutes from August 31st as amended. McGinn seconded. Arvanitis: aye, Khashu: aye, McGinn: aye, Mosher: aye, Moss: aye, Pustell: aye, Soito: aye; motion carried.

II. PFAS Update

- A. Bolton and Khashu reported on their meeting with Tighe & Bond.
- i. Received clarification that the quoted 6-month cost was significantly above 50% of 12-month agreement because it includes a Phase 2 comprehensive assessment which involves approximately \$27,000 worth of work in addition to the 6-month status reports.
 - ii. The primary objective for FinCom is to establish a reliable estimate for annual PFAS mitigation costs to build into the budget and long-range plan.
 - iii. Working with Tighe & Bond to develop reasonable cost assumptions for the next three years, including for both professional services and additional costs outside of the service contract. Will seek to confirm their numbers with payment data from the Town Accountant.
- B. Expect that at the next meeting we will be able to project three year costs and make decision about how we want to handle for FY27.

III. Special Town Meeting prep

- A. Bolton indicated that there were no updates on expected warrant articles for Special Town Meeting relevant to FinCom.
- i. Possible warrant articles include paying prior year bills, establishing special education stabilization fund, costs for septic design study for the old library building, and possibly PFAS.
 - ii. Not expecting that free cash will be certified in time for the special town meeting.

- B. The committee is planning to ensure that FinCom related warrant articles are completed at the next meeting so that they can be reviewed at the Selectboard meeting on the following night.

IV. Finalize FY28 budget letter

- A. The committee discussed the FY28 budget letter draft and made further edits to finalize. Soito to take an additional pass to tighten.
- B. Noted that a date for the Fiscal Summit still needs to be determined.

V. Long range plan work (w/ Ryan)

- A. The committee was expecting the Treasurer tonight to help with debt service components of the model, but he will be attending next meeting.
- B. The committee continued reviewing compiled questions from the prior meeting.
 - i. Mosher questioned the assumption that most general departmental expense lines should automatically increase 3% each year. Her view was that many supplies and discretionary items are not necessarily replaced annually, and level funding some lines may better reflect prudent budgeting.
 - 1. Arvanitis showed that in prior years spending increases have not been consistent.
 - 2. Discussed that many of these are low value and while values could be more precise it is less helpful for guiding the plan when considering the items as a group. In any given year some will increase by more than others and values in the forecast do not mean that we expect each line to increase by a predetermined amount.
 - 3. Arvanitis indicated that since FY20 the average increase was 5%. Based on this information the committee adopted this as the assumption for the group. It may be updated as we have additional data in future years. Noted that inflation is currently high and debated setting this number between 3-5% with the committee settling on a compromise of 4%.
 - 4. Reviewed whether there are particular “all others” (e.g. retirement, insurance, highway materials) that are driving larger increases and whether it might make sense to adjust just these and did not make any adjustments.
 - ii. The required Library appropriation increase was corrected to 2.5%.
 - iii. Debt service
 - a. Arvanitis noted that the PFAS loan has a variable interest, so we are unable to project this into the longer term.

- b. A review of debt services with the Treasurer is needed. It was proposed that a crude future capital debt services be included as an estimate, recognizing that excess amounts could be used for capital stabilization.
 - c. Mosher encouraged review of the Town's Municipal Finance Guidelines which indicate that the debt ratio [debt service/revenues] should be between 5-10%. She noted that we have avoided borrowing and are below this level.
 - d. Committee goal is to have forecast finished before the fiscal summit. Khashu has talked with the Regional School Committee about the possibility of going through a similar exercise.
- iv. Discussion was paused at Baseline Revenue Assumptions and will resume in a future meeting.

VI. Four Towns Meeting

- A. Khashu provided an update on the Regional School Committee.
 - i. There is a new chair - William Sherr.
 - ii. Four towns meeting will be on September 26th with agenda to be focused on the regional agreement.
 - iii. Khashu also noted that the Four Towns group is still meeting.
 - 1. The group is tentatively hosting a meeting on Oct 24th at Leverett Elementary School to get everyone working together on the budget. Additional information and background will be shared as available.
 - 2. The group has requested information from each town on growing service demands and capital/infrastructure needs. He will share their memo and a draft response. Committee members are encouraged to add to items already identified.

VII. Trash and Recycling RFP

- A. The committee reviewed a set of principles shared by the recycling committee intended to be used in the upcoming Request for Proposals. This will be discussed at tomorrow's Selectboard meeting. Received document from Recycling committee
 - i. Khashu noted that the first line reads like an assumption that we are going to continue town funded curbside pick-up – this is a best case scenario.
 - ii. Mosher identified override or use of excess levy capacity as potential options for financing this service.
 - iii. McGinn noted concern about beginning a contract based on record high fuel costs that may not continue.

1. Arvanitis noted that in addition to the new contract it is expected that we will move to toters and it will need to be determined whether the town or the residents cover these costs.
2. It was affirmed that the decision to continue town funded trash service lies with residents. The committee wants for people to be able to make informed decisions about the costs for trash services.

VIII. Select Board meeting tomorrow night

- A. Khashu is attending to check in on the budget process. The meeting will be hybrid and others are welcome to join.

Next meeting September 28th.

Meeting adjourned at 8:40pm.

VOTE: Khashu motioned to adjourn. Arvanitis seconded. Arvanitis: aye, Khashu: aye, McGinn: aye, Mosher: aye, Moss: aye, Pustell: aye, Soito: aye; motion carried.

Exhibit Summary

1. Meeting minutes for August 31, 2026
2. Free Cash Certification Free Cash Calculation – Fiscal Year 2026
3. FY28 FinCom budget request letter draft
4. Long Range Plan Comments/Questions
5. Long Range Fiscal Planning Tool
6. Stress on Local Finance memo from Four Towns Group
7. Draft Shutesbury Response to 4 Towns Memo
8. Recycling and Solid Waste RFP - Basic Assumptions with Rationale