

Shutesbury Finance Committee
Tuesday, March 31, 2026, Town Hall

Members Present: Ajay Khashu - chair, Susie Mosher, April Stein, Laura Soito, Molly Moss, Jim Walton and George Arvanitis; Absent: None; Non-Members Attending: Dave Grenier – Highway Chief

Meeting called to order at 5:28 p.m.

I. Highway Department FY27 Budget Request

- A. Request for an additional \$4,500 for road sweeping
- B. Historically budgeted in Highway Materials which is recommended to be increased in FY27 by \$12,500 due to inflation. Dave indicated this increase is not large enough to also cover sweeping
- C. Dave requested a new line for sweeping
- D. Discussed transferring some amounts from other lines
- E. The committee prefers to leave it in Materials for flexibility
- F. Agreed to not increase the Highway budgets and to monitor its budgets as FY27 progresses

II. Finalized the FY27 Budget and Warrant Articles

- A. Debt Service for Clean Water Trust has been paid from WPAT. No need to add a line to the budget
- B. Warrant article \$117,463 of the MLP retained earnings to the MLP FY27 Emergency Reserve fund - Finance Committee voted to recommend – unanimously
- C. New Warrant article to appropriate \$290,000 of the Broadband Stabilization fund to the MLP FY27 budget for network equipment upgrades for subscribers - Finance Committee voted to recommend – unanimously
- D. New warrant article to appropriate \$379,330 for the MLP Enterprise - Finance Committee voted to recommend – unanimously
- E. Discussed the impact of depreciating personal property has on the residential tax levy and the single family tax bills
- F. We do not have the Community Preservation Committee warrant articles to review and approve

III. Meeting with the Select Board to review the budget and warrant articles

- A. The average single family tax bill will increase by over \$500 in FY27. We will not present the increase as a single amount as it's too difficult predict. We will provide an increase range at town meeting
- B. The budget increase could have been worse, but the following kept the overall increase lower than expected:
 - i. Health insurance increase of 8.8% is lower than expected
 - ii. Increase to the Amherst Pelham Regional School Assessment was only \$13K (0.7%)
 - iii. The FY27 police chief salary is decreased from FY26
- C. The significant budget increases in FY27 are:

- i. The elementary school increase is \$164K. This is most for out of district placements (ODP). We will fund \$130K with cash reserves as we expect to receive this amount from the state circuit breaker reimbursement
 - ii. The Highway Department budget will increase by 10% and the Snow Removal budget will increase by 12%
 - iii. Debt Service increase of 91% due to new loans: Library and PFAS
 - iv. Added back OPEB funding of \$25k
 - v. Using \$200K of Free Cash to mitigate tax increase for temp costs and to ease in larger increase to smooth tax impact: \$130K for ODP, \$25K for Health Insurance, \$25k for OPEB, \$5k for new library costs and \$15K to offset increase in SES Transportation
 - vi. Listed the nine capital items to fund at annual town meeting. We recommend using Free Cash for all except the fire truck which we will borrow for. Cash reserves would be \$1.06M if all items are approved at the town meeting. Fire truck debt service will start in FY28
 - vii. Rita Farrell - Selectboard Member, requested more analysis of capital priorities and expressed concern about how capital projects are managed
- D. Discussed the need for more long range planning for capital items and the operating budget
 - E. FinCom endorsed all financial warrant articles
 - F. Town counsel indicated Capital Stabilization funds can be appropriated with a majority vote while the Stabilization fund appropriations require a 2/3's vote. Decided to change the funding of the emergency dam repairs to be from the Capital Stabilization fund

IV. Minutes of previous meetings

- A. Reviewed and approved the minutes of the 3/3/26 meeting as amended
- B. Reviewed and approved the minutes of the 3/14/26 meeting as amended
- C. Reviewed and approved the minutes of the 3/17/26 meeting as amended
- D. Reviewed and approved the minutes of the 3/24/26 meeting as amended

V. Planning for before ATM

- A. All members will review the budget and check for errors to assure the budgets accuracy
- B. The committee agreed the formatting should be the same as last year
- C. We will need to review the notes: determine which lines need notes and the proper explanations for each note
- D. Discussed communications for annual town meeting, and how to present the financial picture of the town and for other towns in our area
- E. Need to confirm the correct amount for the Police Holiday Pay line
- F. Fire Station Mitigation fee only incurs an annual fee with the state which is under \$1,000. Decreased this line from \$5,000 to \$1,000
- G. Need to revisit policy for growing the stabilization funds
- H. Discussed need for new growth and discussed establishing a committee to investigate revenue growth opportunities

Next meeting is Tuesday April 7 at 7:30 p.m. at town hall

Meeting adjourned at 7:32 p.m.

