

MONTAGUE FINANCE COMMITTEE
Wednesday, July 26, 2023 at 6:00 p.m.
This meeting was held via Zoom and recorded:
<https://vimeo.com/848927747>

Finance Committee Chair Francia Wisnewski called the meeting to order at 6:00 PM.

Finance Committee members present: Chair Francia Wisnewski, Vice Chair Dorinda Bell-Upp, Clerk Fred Bowman, and members, John Hanold, and Jennifer Waryas (arrived 6:02)

Finance Committee members absent: Greg Garrison and Chris Menegoni

Others present: Town Administrator Steve Ellis and Town Accountant Carolyn Olsen

The meeting was recorded by MCTV as well as by Carolyn Olsen.

Meeting minutes:

Mr. Hanold moved to approve the minutes of July 12, 2023. Seconded by Ms. Bell-Upp and approved.
Bell-Upp – Aye, Bowman – Aye, Hanold – Aye, and Wisnewski – Aye

Stipend Review:

There was a quick overview of the last meeting confirming the following:

- Not seeking or using compensation rates in other towns to determine stipend amounts
- Not increasing stipends for positions created at the May Annual Town Meeting or for stipends increased at that meeting, but reviewing those for FY28. These include the Hearing Officer, Farmers Market Manager, Moderator, Board of Registrars, and Clerk to Board of Registrars
- Choosing an increase percentage to apply to the current stipends (or amount after separate reconsideration) to last until reviewed again for FY28
- The committee recommended stipends for all School Committee members, not just the chair
- Board stipends would be treated differently from stipends for more direct work that could reasonably be based on an hourly rate and expected total time spent
- There is no current process to determine a specific amount for board stipends or a definition of what a stipend should be based on

Mr. Hanold proposed delaying discussion of board stipends and focusing tonight's meeting on the Barn Inspector, Animal Inspector, Forest Warden, Tree Warden, Emergency Management Director, Town ID Coordinator and Police IT Administrator.

Mr. Hanold suggested consideration of adjusting amounts for selected positions prior to applying the percentage increase, potentially for the Forest Warden, Barn Inspector, and Animal Inspector. All positions would then be increased by the same percentage and remain that amount for 3 years.

Ms. Waryas questioned why an annual cola would only be applied every three years. Mr. Hanold's proposal is that, in essence, there would be a cumulative cost of living adjustment now and a reconsideration in three years.

Ms. Wisnewski asked about the Town's policies towards COLAs. Mr. Ellis noted that contracts also have step increases for most employees, so the COLA tends to be muted. Additionally, some unions occasionally request other benefits in place of a more significant COLA.

Mr. Hanold noted that stipends are not regular compensation and there's no obligation to tie these to any contracts or anything other than our own judgement. Stipends are intended to recognize responsibilities, but to pin it down to a specific scope of work. If the scope of work changes, that should be recognized separately. Mr. Hanold noted that in some cases the amount of time spent on the job is at the discretion of the individual, particularly with board positions.

Mr. Hanold is concerned about tying the increase to inflation as the stipends are generally for very part-time work and are not expected to be required to meet basic needs like increases in gas prices or housing. He would therefore suggest using less than the previously mentioned 17%.

Ms. Waryas:

- If this were looked at annually, how much additional administrative work would be required?
- If we had a system that could be used to determine the value of these positions, it would be very helpful
- Most of the people in these positions are not doing it for the money

Mr. Ellis noted that the Massachusetts Retirement System provides creditable service for retirement benefits to elected officials earning more than \$5,000 and this could impact future retirement costs.

Mr. Bowman stated that any stipend for specific tasks such as the barn inspector should be treated as wages. He doesn't consider board members to be employees in this sense. He also revisited the potential for a future increase in the minimum wage to \$20 per hour impacting all of the stipends.

Ms. Wisnewski was concerned that a 10% increase for the next three years is risky as the potential inflation for that period is not knowable.

Mr. Hanold expressed concern that the current stipends for the barn and animal inspectors are so different and suggested that the committee might want to consider an increase to the barn inspector stipend before adding a percentage increase.

Mr. Hanold also noted that the Forest Warden is currently paid more than other similar jobs and asked if it would make sense to adjust this by a lower increase.

Ms. Olsen reported that the request for additional information from the Barn Inspector and Animal Inspector has not yet been received, and it was decided to delay discussion of those stipends.

Mr. Ellis reported that the new employment contract with the Police Lieutenant, who also currently acts as the IT Administrator for the Police Department, includes language that the Selectboard would request and support an increase in that stipend from \$3,000 to \$6,000. This stipend is not included in his compensation as Lieutenant because the Lieutenant position was separately evaluated and placed on the town's wage scale without including IT Administration functions, as it is very unusual that a police Lieutenant would have those responsibilities. The committee requested information as to how the requested increase was determined and supported prior to discussing this stipend.

The question was raised whether the Police IT Administrator's stipend is a contractual issue. While mention of it is in the Lieutenant's employment contract, the IT Administrator stipend is set by Town Meeting. Mr. Hanold noted this is the first time he's heard of this significant increase request and suggested that action on this position also be deferred. The committee requested information as to how the requested increase was determined and supported prior to discussing this stipend.

In discussing the stipend for the Forest Warden, it was noted:

- In towns that have fire departments, the Fire Chief has this role
- The Forest Warden is responsible for responding to brush fires, which are also responded to by the fire departments.
- While some members wanted to know how much time was spent on this function, there is no way to reliably estimate the number of brush fires that would occur on an annual basis.
- Mr. Hanold felt that this particular stipend seems relatively high compared to others, and suggested first decreasing the annual amount and then adding the percentage increase as a way of slowly bringing it into line with others while still providing an overall increase so as not to punish the Forest Warden.

Mr. Hanold moved to decrease the current stipend for the Forest Warden to \$1,680, after which it will be increased by the same amount as provided for the other stipend increases. Seconded by Ms. Wisnewski and approved.

Bell-Upp – Aye, Bowman – No, Hanold – Aye, Waryas – Aye, and Wisnewski – No

Ms. Waryas moved to increase stipends for the Forest Warden, Tree Warden, Emergency Management Director, and Town IT Coordinator by 12%. Seconded by Mr. Bowman and approved.

Bell-Upp – Aye, Bowman – Aye, Hanold – Aye, and Wisnewski – Aye

Town Administrator Report

- The lease payments from the Kearsarge solar lease will be reduced over the next 5 years to reflect the town's obligations for repairs to the site. The reduction is estimated to be between \$13,000 and \$17,000 per year depending on the final costs.
- The Selectboard executed a trash and recycling pick-up contract with a new vendor effective July 30, 2024. The cost will increase and there is not a specific multiplier for subsequent years but the Selectboard hopes the new company will provide better service.
- As a result of the proliferation of new cannabis retail companies in the area, revenues from the Cannabis Excise Tax that currently fund the Town Capital Stabilization are down about 50% from the prior year.

Ms. Hanold moved to not change our current allocation of cannabis sales tax revenue. Seconded by Ms. Wisnewski and approved.

Bell-Upp – Aye, Bowman – Aye, Hanold – Aye, and Wisnewski – Aye

Future meetings –

August 9th, continue stipend review process with focus on the three elected boards

Topics not anticipated within 48 hours of posting –

Ms. Wisnewski noted that the state is holding hearings on bills the push keeping hybrid meetings.

Mr. Ellis added that there are several different and competing bills in the legislature. While there is value to hybrid meetings, some bills require all meetings to be hybrid with a quorum present in person and others disallow participation by phone or with blank screen. Mr. Ellis noted that care should be exercised in determining which bills to support.

Finance Committee Adjournment

Mr. Bowman makes the motion to adjourn at 7:37 PM. Seconded by Mr. Hanold and approved.

Bell-Upp – Aye, Bowman – Aye, Hanold – Aye, Wisnewski – Aye, and Waryas – Aye

Respectfully submitted,
Carolyn Olsen

Documents and exhibits:
Hanold Planning Document

26 JULY 2023 STIPEND PLANNING

J Hanold outline

SUMMARY OF 12 JULY DECISIONS

- * FinComm will review stipends after three years (for FY 28 use)
- * COLA approach chosen (no rate chosen); level for next 3 years
- * No new positions to be considered
- * No further solicitation of recipients' survey answers
- * \$45/inspection set for Building, Gas, Electrical and Plumbing inspections
- * No further consideration of other towns' practices

DECISIONS FOR 26 JULY

- * Affirm 12 July decision (above) re: other-town input and no further surveying
- * No action till next round for positions established or raised for FY24
- * Choose one-time COLA rate for three-year cycle
- * Consider adjusting rate in selected cases??

SET STIPENDS FOR SELECTED POSITIONS

- * Barn Inspector
- * Animal Inspector
- * Forest Warden
- * Tree Warden
- * Emerg. Mgt Director
- * IT Co-Ordinator (Town)
- * IT Administrator (Police)

JTH PROPOSAL FOR SELECTED POSITIONS

- *Consider raising Barn Inspector before applying Rate?*
- *Is there a reason to apply less than the full Rate to the Forest Warden?*

Barn Inspector: \$1050 x Rate, and rounded
Animal Inspector: \$1575 x Rate, and rounded
Forest Warden: \$1710 x Rate, and rounded?
Tree Warden: \$1575 x Rate, and rounded
Emerg. Mgt Director: \$5765 x Rate, and rounded
IT Co-Ordinator (Town): \$2100 x Rate, and rounded
IT Administrator (police): \$3000 x Rate, and rounded