

# TOWN OF MONTAGUE FY2024 ANNUAL BUDGET



FINANCE COMMITTEE REPORT TO  
TOWN MEETING  
MONTAGUE, MASSACHUSETTS

**May 6, 2023, 9:00 AM**

**TURNERS FALLS HIGH SCHOOL THEATER  
PRE-TOWN MEETING 8:00-8:45 CAFETERIA**





**TOWN OF MONTAGUE**  
*Finance Committee*  
One Avenue A  
Turners Falls, Massachusetts 01376  
413 863-3200 ext. 121

April 5, 2023

Dear Town Meeting Members:

One of the Finance Committee's responsibilities is to report to Town Meeting about the annual budget being proposed for the upcoming fiscal year. This booklet includes information and explanation of major elements of the proposed budget, as well as background on each of the motions you will be asked to vote on. If you would like more details, you can find materials related to this year's budget development process on the Town's website at [www.montague-ma.gov/p/374/Annual-Budget-Information](http://www.montague-ma.gov/p/374/Annual-Budget-Information), and of course if you have questions, any of us would be happy to speak with you.

The budget we are presenting to you is the result of a collaborative process that started in 2022, when departments and committees were asked to prepare requests for anticipated capital and operating needs in their areas for Fiscal Year 2024. The Capital Improvements Committee started reviewing capital requests for FY2024 in October, and department heads who were proposing significant staffing changes presented proposals to the Selectboard (acting as the Personnel Board) in December and January.

The Finance Committee and Selectboard had all of the initial operating budget and special article requests in hand by mid-December 2022, and preliminary revenue projections were in place in January 2023. We reviewed the requests, invited public input, gathered information through written correspondence, researched and asked questions, and discussed our concerns at public meetings in February and March.

The operating budget proposed for the Town was refined by this process, and our input also helped influence decisions about the special articles that would ultimately appear on the Annual Town Meeting Warrant. When we reconvened with the Selectboard in mid-March, we received the Capital Improvements Committee's report and recommendations and then worked together to settle on a final budget to propose to you. We look forward to hearing what you think of it in May!

Respectfully, Your Finance Committee:

Francia Wisnewski (Chair), Gregory Garrison (Vice Chair), Dorinda Bell-Upp (Clerk), Fred Bowman, John Hanold, Christopher Menegoni, and Jennifer Waryas

# FINANCE COMMITTEE REPORT TO TOWN MEETING

## Fiscal Year 2024

In accordance with the bylaws of the Town, the Montague Finance Committee has investigated the cost of maintenance and expenditures of the different departments of the Town and here recommend in detail the amounts to be appropriated for each department for the ensuing year. We have also considered articles in Town warrants requiring the appropriation of money. We propose a balanced budget of \$29,404,979 to provide municipal services during Fiscal Year 2024 (FY24) along with transferring \$2,250,000 from Overlay and Free Cash into reserves for total appropriations of \$31,654,979.

Further detail on the development of the FY24 budget is available on the Town's website at [www.montague-ma.gov/p/374/Annual-Budget-Information](http://www.montague-ma.gov/p/374/Annual-Budget-Information). The "Annual Budget Information" section includes a glossary of the terms that are bold-faced in this report, revenue estimates for FY24, Montague's Financial Management Policies, line-item budget requests for all town departments, budget narratives, our Capital Improvements Committee's annual report, and other resources.

### **INTRODUCTION**

This budget strives to provide effective municipal programs and services to Montague's residents, while assuring a financially sustainable future. Our **Revenue** estimates reflect our expectations for tax collections, local receipts, and state aid in various forms.

As has been the case in recent years, town departments were asked to submit "level services" budgets, and for the most part they succeeded in finding ways to do so while containing costs. The notable exceptions were requests for increased staffing in the Town Clerk and DPW Budgets, which are discussed later. Special Town Meeting in March also added the positions of Hearing Officer (funding within the Building Inspector Budget) and Farmers Market Manager (which has its own department.) Montague's financial situation has stabilized in recent years. This year we have supported proposals to improve the delivery of services and programs where possible, and we feel encouraged by efforts to engage in longer-term planning that will ultimately help us make more strategic financial decisions.

This willingness to devote energy to future-oriented planning is particularly laudable during a year that has placed extraordinary demands on the time, talents, and goodwill of town staff and civic leaders alike. We are grateful to everyone who has worked with us throughout this annual budget season.

### **FUNDING GOALS**

The Finance Committee pursued several goals while developing this budget:

1. To fund annual needs (both departmental operating budgets and recurring Special

Articles) from recurring non-Reserve sources, and to avoid using **Reserves** for nonrecurring projects estimated to cost less than \$25,000. We accomplished this goal again this year, using a combination of **Taxation** and **Free Cash**. Our continued ability to fund the Town's departmental operating budget and the GMRSD assessment using only taxation is a sign of our ongoing fiscal health.

2. To fund the assessment of the Gill-Montague Regional School District (GMRSD) according to the method described in the [Compact for Funding Education](#), which was ratified in 2009, reaffirmed in 2019, and reviewed in a meeting with the district's new superintendent at the beginning of the budget development process. The agreement was based on a model where Montague allocates 48.5% of defined revenues as the "Affordable Assessment," and that percentage has been used ever since. The district's FY24 request matches that figure, and we recommend funding it.
3. To follow the Town's Financial Management Policies, which provide guidelines for capital spending, debt financing, and appropriations to various stabilization accounts. Bond rating agencies encourage towns to establish and follow such guidelines, and the Town's commitment to doing so resulted in favorable interest rates on debt issued in FY2022.

This year we completed work on revising the Town's Financial Management Policies and a multi-year financial forecast. All of the eighteen new financial policies have now been approved by the Selectboard.

Some other notable accomplishments from this year:

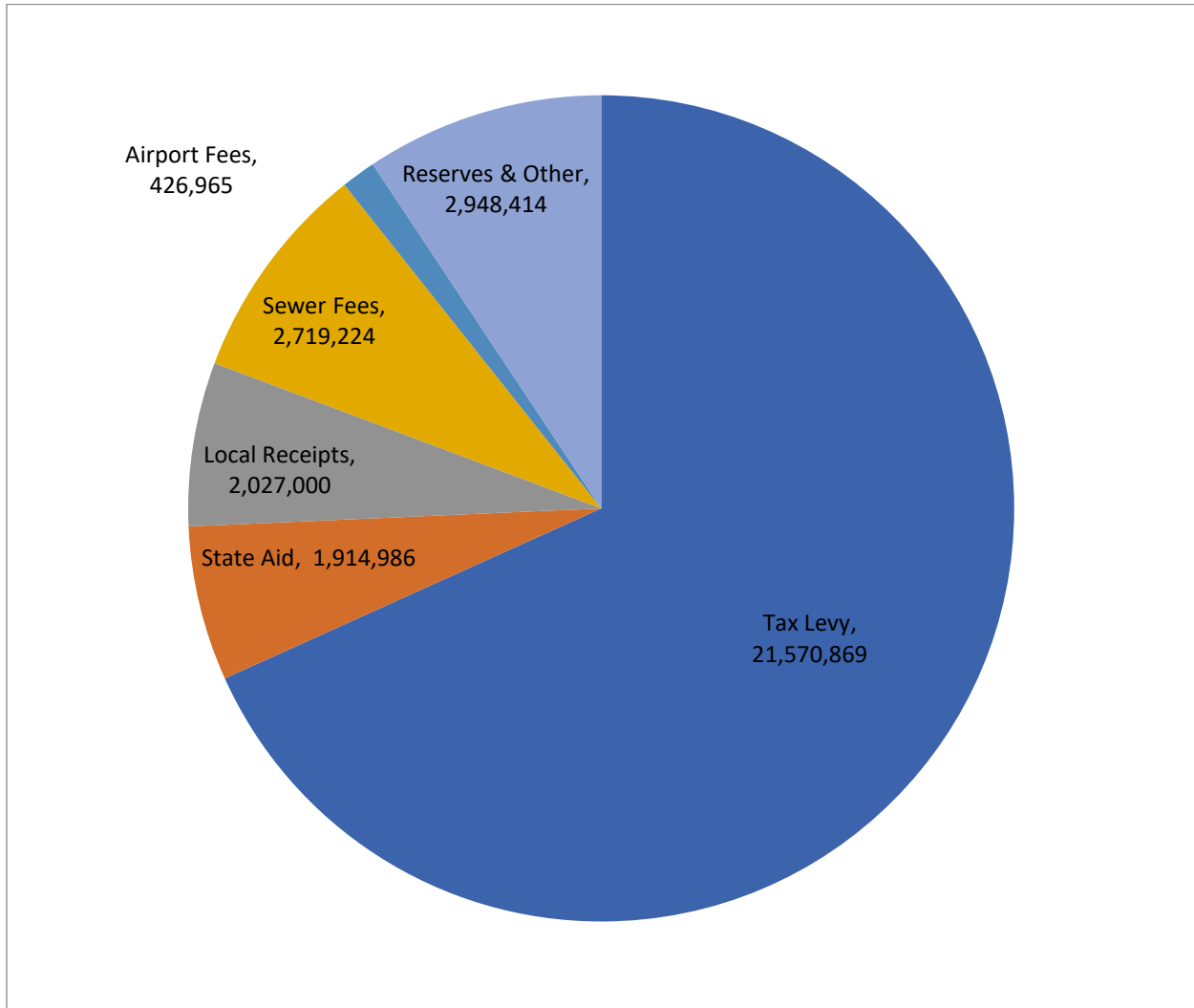
- Tangible progress has been made toward the goal of developing a comprehensive inventory of the Town's capital assets and their maintenance needs and a capital spending plan.
- The FY23 tax rate, set in December 2022, preserved \$1.6M in **Excess Capacity** for Montague, and the **Revenue** estimate for FY24 assumes Excess Capacity will be held at over \$1.1M. Montague's ability to raise revenue sufficient for its needs without taxing to the annual levy limit is an indicator of fiscal health and provides a reserve for possible future revenue reductions.

## Revenues

Massachusetts General Law requires municipalities to prepare an annual budget that balances revenues with expenditures. The revenue side of our budget is derived primarily from five sources: Property Taxes, State Aid, Local Receipts, Enterprise Fund (Clean Water Facility [CWF]

and Airport) revenues, and Reserves (principally Free Cash or Stabilization Funds). A summary table with revenue and expense comparisons to FY23 and FY24 is on page 8 of this report.

The following chart illustrates the proportion of revenues expected from each source. (Please note that later on, in the Motions, when “**Taxation**” is named as a funding source, **it includes the combination of property taxes, state aid, and local receipts.**)



**REVENUE HIGHLIGHTS**

This year we are using estimated revenues from the Revenue Forecasting model that was finalized last year. This model projects future revenues based on multiple year averages and trends, depending on the specific revenue.

**Property Taxes** Net levy revenue is estimated to be 5.46% higher than FY23. The proposed

budget assumes that property will be taxed to a level of \$1.1M below the **Levy Limit**. The Tax Levy includes revenue from local taxes on residential, commercial, industrial, and personal property.

The Tax Levy also includes **New Growth**, which is estimated at \$75,000. While in recent years Montague has benefitted several times from unanticipated New Growth, we have been advised to estimate only the more historically normal levels of residential growth, since personal property new growth is both volatile and unknown until the fall.

**State Aid** The new forecasting model incorporates prior year averages, which resulted in a 3.95% decrease in projected state aid.

State Aid comprises less than 8% of our planned revenue, so Montague should be able to adapt to any changes that occur.

**Local Receipts** The new forecasting model projected a 1.81% overall increase in local receipts. The categories of Local Receipts are shown below. (Please note that this category includes a mix of revenue types.)

	FY22 Estimated	FY23 Estimated	FY24 Estimated	% of Total
Local Receipts				
Excise/Meal Taxes	\$693,500	\$935,000	\$956,500	47.1%
Penalties & Fines	\$126,000	\$155,000	\$159,000	7.8%
Charges for Trash Disposal	\$238,000	\$283,000	\$283,000	14.0%
Rental - 50% Kearsarge	\$82,247	\$83,272	\$86,235	4.3%
SRO Reimbursements	\$127,415	\$142,000	\$127,500	6.3%
All Other	<u>\$347,675</u>	<u>\$392,728</u>	<u>\$414,765</u>	20.5%
	\$1,614,837	\$1,991,000	\$2,027,000	100.0%

**Reserves** include **Free Cash**, **Stabilization Funds**, and other miscellaneous funds. The proposed budget for FY24 uses \$179,501 of Free Cash for regular Special Articles, puts \$2M into reserves, and leaves a balance of \$1,200 to be carried over to next year.

We are recommending the use of \$150,136 from two Stabilization Funds for Special Articles this year. The background on the motions includes an explanation of the funding source recommendations for particular articles. The \$100,000 appropriation from the Town Capital Stabilization Fund is offset by allocations that will more than replenish it.

**Airport and Sewer Revenues** Unlike most Town services, the Airport and the Clean Water Facility are **Enterprise Funds**. These operations collect fees from those who use their services along with other revenues, and that income is dedicated to funding their operations.

This is the second year that the Airport has operated with its additional revenue producing properties. A grant will fund much of the debt service, and it is projected that there will be a slight surplus at the end of FY24.

At the CWF, sewer revenues include residential and industrial sewer bills and septage fees. The revenue proportion has moved toward residential users since the closure of the last paper mill in Montague. The Town also pays a user fee to the CWF to cover the cost of treating Inflow and Infiltration (I & I) in the system.

### **Education Revenue**

Although it does not directly affect the Town's budget, Chapter 70 and Chapter 71 State Aid to local school districts is an important element of their funding, distinct from the Town's assessment contributions. Increases in aid for school districts enabled them to meet most of their desired increased spending to alleviate the stresses of COVID. The Gill-Montague Regional School District (GMRSD) has met the Affordable Assessment target, and application of our policy to cushion the impact of enrollment changes at the Franklin County Technical School (FCTS) will prepare us for future changes.

### **American Rescue Plan Act (APRA)**

This act provides funding for town needs that do not appear in the budget. The provisions of this act (ARPA) provided supplemental funds in FY21 through FY23 totaling over \$2.4M. These funds must be allocated by December 31, 2024 and fully spent by December 31, 2025 and are being allocated to non-recurring expenditures within the scope of the Act. They are noted here because they have enabled over \$1,000,000 of critical investments in capital needs in the CWF and DPW, with over \$1,400,000 still to be allocated.

## **Expenditures**

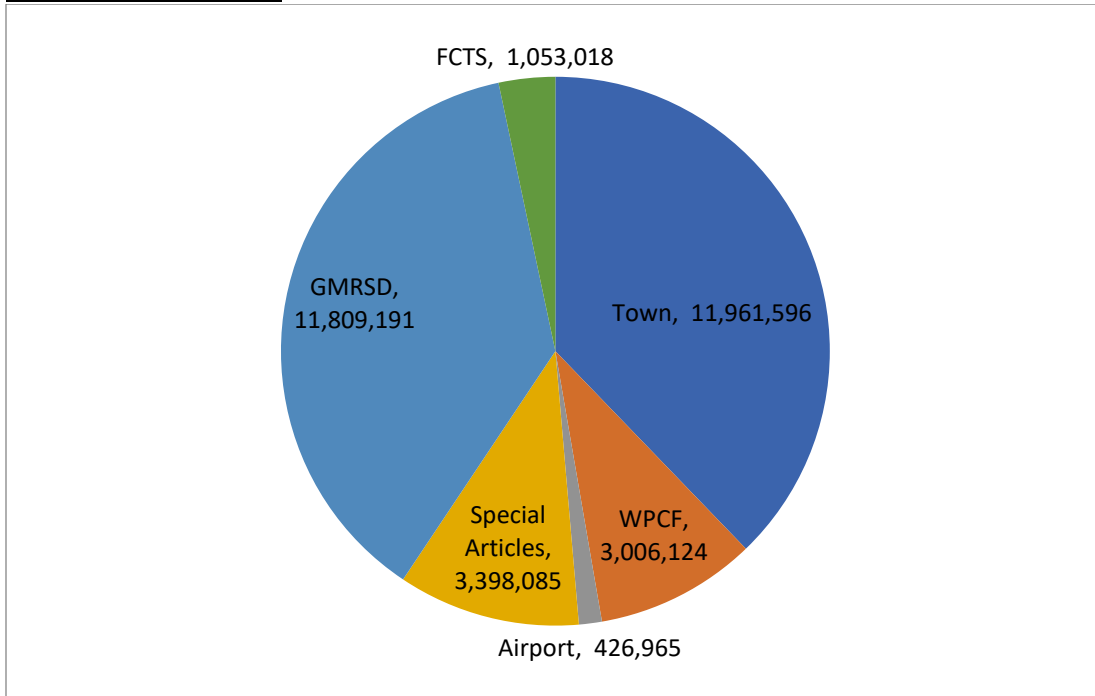
Expenditures are grouped into four basic categories: Town Operating, Education, Enterprise Funds, and Special Articles. Education (GMRSD + FCTS) takes the largest share, at 41%, followed by Town Operating at 38%, Enterprise Funds at 10%, and Special Articles at 11%. Please note that this is slightly skewed due to the \$2.25M in Overlay Surplus and Free Cash that is being appropriated into reserves. A summary table with revenue and expense comparisons to FY23 and FY24 is on page 8 of this report.

The charts on the next page show the allocations of the total appropriations being requested and the Town Operating budget.

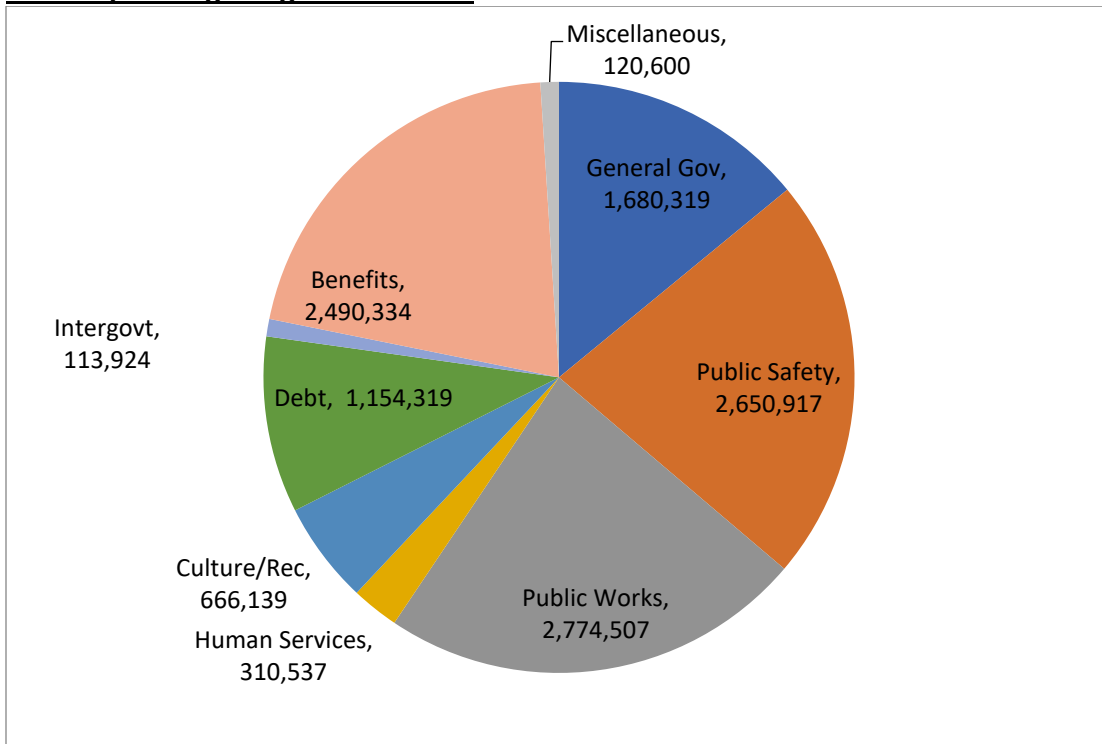
Changes and items of note for specific budgets are noted under the relevant article's (#7-#12) background information, shown starting on page 8 of the motions.



**Total Appropriations**



**Town Operating Budget Allocation:**



The categories on the pie chart shown above correspond to lines on Schedule III, which is addressed in Article 7.

## **CONCLUSION**

We continue to see uncertainty about the economic outlook for Massachusetts, the United States, and the world right now.

The age and condition of town-owned buildings and equipment continues to be a concern. While we have seen some expansion of revenue sources for the Town Capital Stabilization Fund, such as the Kearsarge property lease and retail cannabis sales tax, they do not come close to addressing the scope of our infrastructure needs.

At present the Town's fiscal condition is relatively healthy, and the Reserve funds we have funded diligently over the years are now a resource we can draw on. Commitment and resourcefulness of our Town employees also continues to be a source of strength, and we urge you to support their efforts to ensure that the Town's operations and programs will continue to meet our needs.

We will continue to work in collaboration with the Selectboard and Capital Improvements Committee to formulate and follow a clear plan to manage the Town's assets in a responsible manner. As always, we invite both general comments and specific questions from residents and Town Meeting members.

Respectfully submitted:

Francia Wisnewski (Chair), Gregory Garrison (Vice Chair), Dorinda Bell-Upp (Clerk), Fred Bowman, John Hanold, Christopher Menegoni, and Jennifer Waryas

<b>HISTORICAL ATM BUDGET SUMMARY</b>				<b>% Incr</b>
<b>REVENUES</b>	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>	
Net Tax Levy	20,170,659	20,877,816	21,570,869	3.3%
State Aid	1,795,344	1,879,826	1,914,986	1.9%
Local Receipts	1,614,837	1,809,276	2,027,000	12.0%
Other Available	633,883	593,813	764,599	
Reserved Receipts	78,950	49,950	53,250	6.6%
Free Cash	283,200	251,242	2,180,701	768.0%
Borrowing	0	0	0	
Airport Fees	206,164	316,015	426,965	35.1%
Sewer User Fees	2,335,743	2,605,938	2,719,224	4.4%
<b>Total Revenues</b>	<b>27,118,780</b>	<b>28,383,876</b>	<b>31,657,594</b>	<b>11.5%</b>
<b>EXPENSES</b>				
General Government	1,404,752	1,531,370	1,680,319	9.7%
Public Safety	2,330,853	2,459,815	2,650,917	7.8%
Public Works	2,466,531	2,501,850	2,774,507	10.9%
Human Services	294,828	295,827	310,537	5.0%
Culture & Recreation	587,488	604,366	666,139	10.2%
Debt Service	1,066,809	1,162,189	1,154,319	-0.7%
Intergovernmental	111,609	110,647	113,924	3.0%
Employee Benefits	2,397,861	2,391,280	2,490,334	4.1%
General Insurance	115,000	119,600	120,600	0.8%
WPCF	2,586,971	2,872,377	3,006,124	4.7%
AIRPORT	206,164	316,015	426,965	35.1%
FCTS Assessment	1,221,005	1,029,566	1,053,018	2.3%
GMRSD Assessment	10,950,854	11,341,466	11,809,191	4.1%
Special Articles	1,374,421	1,331,498	3,398,085	155.2%
<b>Total Expenses</b>	<b>27,115,146</b>	<b>28,067,866</b>	<b>31,654,979</b>	<b>12.8%</b>

## SUMMARY OF ARTICLES

#	TOPIC	AMOUNT <u>REQUESTED</u>	% OF <u>TOTAL</u>	<u>FUNDING SOURCE</u>
1.	Annual Reports			
2.	Accept Grants			
3.	Accept Collection System Lead Operator			
4.	Accept Town Clerk Administrative Assistant Position			
5.	Elected Wages			
6.	Appointed Wages			
7.	Town Operating Budget	11,961,596	37.78	Taxation
8.	CWF Operating Budget	3,006,124	9.50	Taxation/Sewer Revenue
9.	Airport Operating Budget	426,965	1.35	Airport Rev
10.	Colle Operating Budget	53,250	0.17	Colle
11.	FCTS Assessment	1,053,018	3.33	Taxation
12.	GMRSD Assessment	11,809,191	37.30	Taxation
13.	Sheffield Gym/Aud Roof	20,000	0.06	Free Cash
14.	Sheffield Security Door	20,000	0.06	Free Cash
15.	Smith Vocational	23,000	0.06	Taxation
16.	CWF Rough Terrain Vehicle	25,000	0.08	CWF Retained Earnings
17.	CWF Boiler	113,500	0.36	CWF RetEarn/CWF Stab
18.	CWF Septage St Upgrade	264,000	0.83	CWF Retained Earnings
19.	DPW Equipment	70,592	0.22	Taxation
20.	Fix 11 <sup>th</sup> St Bridge	100,000	0.32	Town Cap Stabilization
21.	Demolish 38 Ave A	50,000	0.16	#1 5/5/12, Free Cash
22.	MF Library Windows/Door	14,000	0.04	Free Cash
23.	Unity Garden Well/Pump	12,000	0.04	Free Cash
24.	Unity Parking Lot	12,500	0.04	Free Cash
25.	Town Clerk Cabinets	25,000	0.08	Free Cash
26.	Town Hall Flooring	25,000	0.08	Free Cash
27.	Incr. Unexpected Engineering	11,585	0.04	Taxation
28.	MVP Grant Match	13,100	0.04	Free Cash
29.	Incr. Conservation Trust	10,000	0.03	Taxation
30.	<u>Financial Policy Articles</u>			
	Town General Stabilization	37,388	0.12	Taxation
	Town Capital Stabilization Fund	134,891	0.43	Taxation
	OPEB Trust Fund	50,000	0.16	Taxation
	GMRSD Stabilization Fund	41,339	0.13	Taxation
	FCTS Stabilization Fund	21,940	0.07	Taxation
31.	Overlay Surplus to OPEB	250,000	0.80	Overlay Surplus
32.	Free Cash to Reserves	2,000,000	6.37	Free Cash
Total		31,654,979	100.00	

**ANNUAL TOWN MEETING  
TOWN OF MONTAGUE  
COMMONWEALTH OF MASSACHUSETTS  
MAY 6, 2023**

**MOTIONS**

**ARTICLE 1. Annual Reports** (Selectboard Request)

**MOVED:** That the Town vote to receive the reports of the Officers of the Town and any committees.

**Background:** This article appears regularly in the annual warrant and allows the receipt of reports.

**ARTICLE 2. Accept Grants** (Selectboard Request)

**MOVED:** That the Town vote to authorize the Selectboard, or other Town departments with the approval of the Selectboard, to apply for and accept grants from the Federal Government, Commonwealth of Massachusetts, or any other source, and to expend the same for purposes received without further appropriation.

**Background:** This article appears regularly in the annual warrant and allows the acceptance of grants.

**ARTICLE 3: Add Collection System Lead Operator Position** (DPW/CWF Request)

**MOVED:** That the Town vote to amend the Classification Plan to add the position of Collection System Lead Operator at Grade E within the UE union.

**Background:** This position is being established to improve compliance with the Town's National Pollution Discharge Elimination System (NPDES) permit for wastewater collection and treatment, which is issued and regulated by the EPA in collaboration with MassDEP. The holder of this position will focus on and lead ongoing maintenance activity related to the Town's sewer and stormwater collection systems, combined sewer regulators, catch basins, and related structures. This will support permit compliance and responsible operational practice. The position holder will serve as field lead when working with other staff on maintenance activities.

Splitting the cost between the Town and the Clean Water Facility (CWF) reasonably would require historical knowledge of how much time the employee would be expected to spend working in each area. Lacking these historical data, and because this employee would be deployed within the DPW when not working on the collection system, it is

recommended that the position be funded through the Town budget, with the ability to re-evaluate in future years.

Selectboard Recommends 3-0  
Finance Committee Recommends 5-0

**ARTICLE 4: Add Town Clerk Administrative Assistant Position (Town Clerk Request)**

**MOVED:** That the Town vote to amend the Classification Plan to add the position of Town Clerk Administrative Assistant at Grade B within the NAGE union.

**Background:** New state election requirements, including but not limited to early voting-by-mail and early in-person voting have substantially increased the workload of the Town Clerk's office. These new requirements have been widely discussed in the news media and have affected City and Town Clerks' office operations across the Commonwealth, with concerns regarding staff capacity and burnout commonplace. Montague's Town Clerk's office has performed very well but shows the strain of the extreme pressure that has become part of the election process. While the office has always worked with critical processes and time-sensitive deadlines, an increase in workload has eroded our ability to adequately plan and manage the work, to the point where staff are constantly playing catch-up and even losing ground as we try to execute what at one time were carefully scheduled daily, weekly, and monthly tasks. And it bears mentioning that while elections are a central responsibility of the office, they carry a much wider scope of responsibilities. To keep the message simple, the workflow has become overwhelming and there is no reason to expect this will change. We simply must add staff capacity, as the work has become more extensive, more closely scrutinized, and more important than ever before.

The Town Clerk has delayed requesting additional staff since the 2020 elections, hoping that the workflow would begin to normalize, but it is apparent that two people can no longer run the office as efficiently as before COVID. The time to add capacity is now, as we are poised to begin preparation for the 2024 election cycle, which for the Clerk's office begins in FY24. And while we begin those preparations, we do not have the luxury of putting our many other responsibilities on the back burner. Births, deaths and marriages happen regardless, DBA's need to be issued, the annual town census still needs to be done, dogs need to be registered, ZBA & Planning decisions need to be recorded, Town Meeting still happens with all the afterwork, bylaws need to be submitted to the AG, public records requests still need to be fulfilled; not to mention the substantial number of unplanned but important drop-in, phone, and on-line requests for service that need to be tended to.

The Town Clerk’s office looks forward to fulfilling the challenge of our responsibilities, which we can meet if we have a more appropriate level of staffing, as is requested through this article and our subsequent request for an increase in the Town Clerk budget.

Selectboard Recommends 3-0  
 Finance Committee Recommends 5-0

**ARTICLE 5. Wages for Elected Positions (Selectboard Request)**

**MOVED:** That the Town vote to fix the salaries of all elected officials as required by law for the fiscal year beginning July 1, 2023, as set forth in Schedule I, Elected Officials.

**SCHEDULE I  
 Elected Officials**

<u>TITLE</u>	<u>FY23 BUDGET</u>	<u>FY24 REQUEST</u>	<u>FY24 RECOMMEND</u>
<b>MODERATOR</b>	370	<b>500</b>	<b>500</b>
<b>SELECTBOARD</b>			
Chairman	2,355	2,355	2,355
Second/Third Members	2,140	2,140	2,140
<b>BOARD OF ASSESSOR</b>			
Chairman	1,765	1,765	1,765
Second/Third Members	1,605	1,605	1,605
<b>TREASURER/COLLECTOR</b>	75,009*	78,423**	78,423
*G-8			
**G-9			
<b>TOWN CLERK</b>	78,423***	72,450****	72,450
***G-10			
***G-5			
<b>BOARD OF REGISTRARS</b>			
Town Clerk	840	<b>900</b>	<b>900</b>
<b>TREE WARDEN</b>	1,575	1,575	1,575

**SCHEDULE I  
Elected Officials**

<u>TITLE</u>	<u>FY23 BUDGET</u>	<u>FY24 REQUEST</u>	<u>FY24 RECOMMEND</u>
<b>BOARD OF HEALTH</b>			
Chairman	1,765	1,765	1,765
Second/Third Members	1,605	1,605	1,605

**Background:** This article appears regularly in the annual warrant. While the Town Clerk and Treasurer/Collector are elected officials, their proposed salaries are aligned with the pay scales of full-time appointed officials. The reduction of the Town Clerk FY24 wage reflects the anticipated wage of the person appointed to fill the term of the retiring Town Clerk. As this position will at least temporarily be appointed, it is also shown in Schedule II. The Moderator and Town Clerk/Board of Registrars requested increases for FY24. The remaining stipends reflect FY20’s comprehensive review and are not expected to increase again until FY25.

**Comment:** The Finance Committee’s nay vote was based entirely on the issue of requests for increases being made in advance of the scheduled review.

Selectboard Recommends 3-0  
Finance Committee Recommends 4-1

**ARTICLE 6. Wages for Non-Union Appointed Positions (Selectboard Request)**

**MOVED:** That the Town vote to fix the salaries of all appointed officials as required by law for the fiscal year beginning July 1, 2023, as set forth in Schedule II, Appointed Officials.

**SCHEDULE II  
Appointed Officials**

<u>TITLE</u>	<u>FY23 BUDGET</u>	<u>FY24 REQUEST</u>	<u>FY24 RECOMMEND</u>
<b>ANNUAL STIPENDS</b>			
<b>BOARD OF REGISTRARS (3)</b>	525	<b>625</b>	<b>625</b>
<b>EMERGENCY MGMT DIRECTOR</b>	5,765	5,765	5,765
<b>ANIMAL INSPECTOR</b>	1,575	1,575	1,575
<b>BARN INSPECTOR</b>	1,050	1,050	1,050



**SCHEDULE II  
Appointed Officials**

<u>TITLE</u>	<u>FY23 BUDGET</u>	<u>FY24 REQUEST</u>	<u>FY24 RECOMMEND</u>
<b><u>ANNUAL STIPENDS</u></b>			
IT COORDINATOR	2,100	2,100	2,100
POLICE IT ADMINISTRATOR	3,000	3,000	3,000
FOREST WARDEN	1,710	1,710	1,710
HEARING OFFICER		2,500	2,500
FARMERS MARKET MANAGER		4,000	4,000
<b><u>RATES PER INSPECTION</u></b>			
ASST. BUILDING INSPECTOR	35.00	35.00	35.00
GAS INSPECTOR	35.00	35.00	35.00
PLUMBING INSPECTOR	35.00	35.00	35.00
ELECTRICAL INSPECTOR	35.00	35.00	35.00
<b><u>HOURLY RATES</u></b>			
EXTRA CLERICAL	<u>Ranges/hr.</u> 14.25-16.00	<u>Ranges/hr.</u> 15.00-16.75	<u>Ranges/hr.</u> 15.00-16.75
ELECTION WORKERS	14.25-17.00	15.00-17.75	15.00-17.75
SUMMER HIGHWAY	14.25-16.00	15.00-16.75	15.00-16.75
SNOW PLOW DRIVERS	15.00-25.00	15.00-25.00	15.00-25.00
PART TIME POLICE OFFICERS	25.00-28.00	25.00-28.00	25.00-28.00
PART TIME DISPATCHERS	22.00-25.00	22.00-25.00	22.00-25.00
PARKS & RECREATION	14.25-21.50	15.00-22.25	15.00-22.25
AIRPORT INTERN	14.25-16.00	15.00-16.75	15.00-16.75

**NON-UNION EMPLOYEES NOT SHOWN ABOVE**

	<u>Grade</u>	<u>Range FY2023</u>		<u>Range FY2024</u>	
		Start	End	Start	End
<u>SALARIED</u>					
TOWN ADMINISTRATOR	J	98,484	121,203	100,946	124,233
ASSISTANT TOWN ADMIN	I	89,532	110,185	91,770	112,940
TOWN ACCOUNTANT	G	64,035	78,423	65,636	80,384
TOWN CLERK	G	64,035	78,423	65,636	80,384

**NON-UNION EMPLOYEES NOT SHOWN ABOVE**

	<u>Grade</u>	<u>Range FY2023</u>		<u>Range FY2024</u>	
		Start	End	Start	End
<b><u>SALARIED</u></b>					
CHIEF OF POLICE	I	89,532	110,185	91,770	112,940
DPW SUPERINTENDENT	H	81,393	100,168	83,428	102,672
DIRECTOR OF HEALTH	G	64,035	78,423	65,636	80,384
LIBRARY DIRECTOR	G	64,035	78,423	65,636	80,384
CWF SUPERINTENDENT	H	81,393	100,168	83,428	102,672
<b><u>HOURLY</u></b>					
EXECUTIVE ASSISTANT	E	23.80	29.29	24.40	30.02
POLICE LIEUTENANT	G+8.5%	38.98	43.25	40.00	44.50
POLICE CUSTODIAN	A	15.95	19.63	16.35	20.12

**Informational Only: Fiscal Year 2024 budgeted wages –**

TOWN ADMINISTRATOR	124,233	DPW SUPERINTENDENT	102,672
ASSISTANT TOWN ADMIN	94,065	DIRECTOR OF HEALTH	76,884
TOWN ACCOUNTANT	80,384	LIBRARY DIRECTOR	80,384
TOWN CLERK*	72,450	CWF SUPERINTENDENT	96,280
CHIEF OF POLICE**	127,743	POLICE LIEUTENANT	44.50
POLICE CUSTODIAN	19.63	EXECUTIVE ASSISTANT	30.02

\*For the Town Clerk the grade and range shown will apply only if the position is converted to an appointed position at the Annual Town Election or is filled by a temporary appointment following the expected retirement of the current Elected Town Clerk.

\*\*includes additional 20% police educational incentive pay

**Background:** This article appears regularly in the annual warrant. Changes for FY24 are:

1. The addition of the Hearing Officer and Great Falls Farmers Market Manager as voted at the March 2, 2023 Special Town Meeting.
2. Planned increases in the state minimum wage.
3. Eligible step increases in addition to any cost-of-living increases included in the NAGE union contract for “Non-Union Employees Not Shown Above.”
4. The addition of the Town Clerk position in “Non-Union Employees Not Shown Above.” The current Town Clerk is retiring, and her replacement will be appointed for part or all of FY24, depending on the outcome of the May 16<sup>th</sup> election.
5. The Board of Registrars requested an increase due to their increased workload.

The remaining stipends reflect FY20’s comprehensive review and are not expected to increase until FY25.

**Comment:** The Finance Committee’s nay vote was based entirely on the issue of requests for increases being made in advance of the scheduled review.

Selectboard Recommends 3-0  
 Finance Committee Recommends 4-1

**ARTICLE 7. Town Operating Budget (Selectboard Request)**

**MOVED:** That the Town vote to appropriate the sum of \$11,961,596 for the maintenance of the several departments of the Town, said sum to be allocated in accordance with Schedule III, Budget, with \$6.80 to be raised from Transportation Infrastructure Fund Receipts Reserved for Appropriation and \$11,961,589.20 to be raised from Taxation.

Schedule III Town Operating Budget						
DEPT NO.	BUDGET FY23	REQUEST FY24	SELECTBOARD FIN COMM RECOMMEND FY24	\$ Increase	% Increase	
GENERAL GOVERNMENT						
113	TOWN MEETING	2,390	2,980	2,980	590	24.69%
122	SELECTBOARD	313,510	329,781	329,781	16,271	5.19%
131	FINANCE COMMITTEE	2,000	2,000	2,000	-	0.00%
132	RESERVE FUND	50,000	50,000	50,000	-	0.00%
135	TOWN ACCOUNTANT	90,884	89,500	89,500	(1,384)	-1.52%
141	ASSESSORS	190,623	189,801	189,801	(822)	-0.43%
145	TREASURER/COLLECTOR	220,713	230,748	230,748	10,035	4.55%
151	TOWN COUNSEL	75,000	80,000	80,000	5,000	6.67%
155	INFORMATION TECHNOLOGY	79,000	80,500	80,500	1,500	1.90%
159	SHARED COSTS	78,079	85,907	85,907	7,828	10.03%
161	TOWN CLERK	195,844	243,041	243,041	47,197	24.10%
175	PLANNING	129,007	134,429	134,429	5,422	4.20%
176	ZONING BOARD OF APPEALS	700	700	700	-	0.00%
190	PUBLIC BLDG UTILITIES	130,782	155,932	155,932	25,150	19.23%
197	FARMERS MARKET	-	5,000	5,000	5,000	
	<b>TOTAL GENERAL GOVT</b>	<b>1,558,532</b>	<b>1,680,319</b>	<b>1,680,319</b>	<b>121,787</b>	<b>7.81%</b>
PUBLIC SAFETY						
211	POLICE	1,878,434	1,970,054	1,970,054	91,620	4.88%
211	POLICE CRUISER	54,000	68,100	68,100	14,100	26.11%
212	DISPATCH	377,862	395,588	395,588	17,726	4.69%

Schedule III  
Town Operating Budget

DEPT NO.	BUDGET FY23	REQUEST FY24	SELECTBOARD	\$ Increase	% Increase	
			FIN COMM RECOMMEND FY24			
241	BUILDING INSPECTOR	140,666	148,621	148,621	7,955	5.66%
244	SEALER OF WEIGHTS	7,182	7,182	7,182	-	0.00%
291	EMERGENCY MANAGEMENT	6,265	6,265	6,265	-	0.00%
292	ANIMAL CONTROL	21,765	23,112	23,112	1,347	6.19%
294	FOREST WARDEN	1,710	1,710	1,710	-	0.00%
299	TREE WARDEN	30,285	30,285	30,285	-	0.00%
	<b>TOTAL PUBLIC SAFETY</b>	<b>2,518,169</b>	<b>2,650,917</b>	<b>2,650,917</b>	<b>132,748</b>	<b>5.27%</b>
PUBLIC WORKS						
420	DEPT OF PUBLIC WORKS	1,571,829	1,746,506	1,746,506	174,677	11.11%
423	SNOW & ICE	281,050	311,250	311,250	30,200	10.75%
433	SOLID WASTE	656,338	679,221	679,221	22,883	3.49%
480	CHARGING STATIONS	6,000	7,380	7,380	1,380	23.00%
491	CEMETERIES	13,440	30,150	30,150	16,710	124.33%
	<b>TOTAL PUBLIC WORKS</b>	<b>2,528,657</b>	<b>2,774,507</b>	<b>2,774,507</b>	<b>245,850</b>	<b>9.72%</b>
HUMAN SERVICES						
511	BOARD OF HEALTH	165,193	175,444	175,444	10,251	6.21%
541	COUNCIL ON AGING	56,594	58,593	58,593	1,999	3.53%
543	VETERANS' SERVICES	76,500	76,500	76,500	-	0.00%
	<b>TOTAL HUMAN SERVICES</b>	<b>298,287</b>	<b>310,537</b>	<b>310,537</b>	<b>12,250</b>	<b>4.11%</b>
CULTURE & RECREATION						
610	LIBRARIES	465,607	503,336	503,336	37,729	8.10%
630	PARKS & RECREATION	153,157	160,703	160,703	7,546	4.93%
691	HISTORICAL COMMISSION	500	500	500	-	0.00%
693	WAR MEMORIALS	1,400	1,600	1,600	200	14.29%
	<b>TOTAL CULTURE/RECREATION</b>	<b>620,664</b>	<b>666,139</b>	<b>666,139</b>	<b>45,475</b>	<b>7.33%</b>
DEBT SERVICE						
700	DEBT SERVICE	1,162,190	1,154,319	1,154,319	(7,871)	-0.68%
INTERGOVERNMENTAL						
840	INTERGOVERNMENTAL	110,647	113,924	113,924	3,277	2.96%

Schedule III  
Town Operating Budget

DEPT NO.	BUDGET FY23	REQUEST FY24	SELECTBOARD	\$ Increase	% Increase
			FIN COMM RECOMMEND FY24		
	MISCELLANEOUS				
910	2,391,280	2,490,334	2,490,334	99,054	4.14%
946	119,600	120,600	120,600	1,000	0.84%
	TOTAL MISCELLANEOUS	2,610,934	2,610,934	100,054	3.98%
	TOTAL TOWN BUDGET	11,308,026	11,961,596	653,570	5.78%

**Background:** Schedule III includes the FY24 requests from all non-enterprise Town departments. All requests have been recommended.

The Town Operating Budget request for FY24 is 5.78% higher than the previous year. Many of the increases are personnel related, including requests for additional staff, contractual wage increases, and the first health insurance increase in five years.

In the **General Government** category, the most notable changes are:

1. The Town Clerk’s request for an Administrative Assistant due to an overwhelming workload
2. The reallocation of the remaining MEDIC expense to the General Insurance budget and the elimination of that department
3. The creation of a Hearing Officer position at the March 2, 2023 Special Town Meeting, which is budgeted in the Building Inspector department
4. The creation of a Great Falls Farmers Market Manager position at the March 2, 2023 Special Town Meeting. This is its own department and includes both the \$4,000 annual stipend and \$1,000 for expenses.
5. FY24 also includes the first full year of last November’s electricity rate increase.

In the **Public Safety** category, the largest increase is the contractual wage increases for staff, followed by the increased cost to purchase a hybrid vehicle.

In **Public Works**, a new position of Collection System Lead Operator is requested to take on the numerous physical and reporting tasks required by the town’s collection system.

In **Culture and Recreation**, the Libraries will be adding some part time staff hours to increase and standardize the hours for the Carnegie Library.

**Wages & Benefits** – All union contracts include a 2.5% COLA for FY24. There is also a 6% increase in health insurance rates for FY24. This is the first rate increase since FY18.

**The budget increases that are greater than \$15,000 and 10%, and their causes are:**

1. The Town Clerk's increase of \$47,197 (24.01%) is due to the request for an additional full-time employee and the furniture and equipment for that employee. Some of those costs are offset by expected reductions in the wages for the new Town Clerk, who will likely be hired at a lower step.
2. The Public Utilities budget increased by \$25,150 (19.23%). This is the first full year of the new electric rates that became effective last November.
3. The DPW increase of \$174,677 (11.11%) reflects the addition of the new Collection System Lead Operator, part-time summer help for the Parks division, and increases in the cost of gas and diesel.
4. The Snow and Ice increase of \$30,200 (10.75%) reflects the increased cost of salt and sand.
5. The Cemeteries budget increased by \$16,710 (124.33%). The long-time groundskeeper who provided reduced rates is leaving, and estimated costs for those services going forward are much higher.

**Comment:** The Finance Committee's nay vote was based entirely on the issue of requests for stipend increases being made in advance of the scheduled review.

Selectboard Recommends 3-0  
Finance Committee Recommends 4-1

**ARTICLE 8. Clean Water Facility (CWF) Budget** (Selectboard Request)

**MOVED:** That the Town vote to appropriate the sum of \$3,006,124 for the purpose of operating the Clean Water Facility and associated pumping stations, said sum to be allocated in accordance with Schedule IV, Clean Water Facility Budget, with \$286,900 to be raised from Taxation and \$2,719,224 to be raised from Sewer Revenue.

Schedule IV  
Clean Water Facility Budget

DEPT NO.	BUDGET FY23	REQUEST FY24	SELECTBOARD	\$ Increase	% Incr	
			FIN COMM RECOMMEND FY24			
CLEAN WATER FACILITY						
440	Wages & Expenses	1,962,430	2,015,729	2,015,729	53,299	2.72%
440	Capital Outlay	58,500	58,500	58,500	-	
700	Debt Service	505,270	483,614	483,614	(21,656)	-4.29%
910	Employee Benefits	359,152	363,631	363,631	4,479	1.25%
SUBTOTAL CWF		2,885,352	2,921,474	2,921,474	36,122	1.25%
449	DPW SUBSIDIARY					
	Wages & Expenses	42,800	84,650	84,650	41,850	97.78%
	Capital Outlay	8,000	-	-	(8,000)	100.00%
SUBTOTAL DPW SUBSIDIARY		50,800	84,650	84,650	33,850	66.63%
TOTAL CWF		2,936,152	3,006,124	3,006,124	69,972	2.38%

**Background:** The FY24 CWF budget request is \$3,006,124, of which about 90.46% is funded by user fees (residential and industrial sewer bills and septage fees) and 9.54% from Taxation (which represents the approximate cost of treating inflow and infiltration [I & I] into the system from non-metered sources). The cost to taxpayers to treat I & I has been increasing in the last few years. The FY24 cost is \$289,600, up \$74,600 (35%) from the \$215,000 cost in FY20.

The total budget increase was \$69,927 (2.38%), which is about a quarter of last year's increase. The main increases were the addition of the \$55,000 for potential overages in the Millers Falls flow that is treated by Erving. Most other increases were offset by reductions in debt service and the elimination of Capital Outlay in the DPW Subsidiary budget. Another item to note is that \$25,000 for Combined Sewer Overflow (CSO) monitoring was moved from the main CWF budget to the DPW Subsidiary budget.

Selectboard Recommends 3-0

Finance Committee Recommends 5-0

**ARTICLE 9. Airport Budget** (Airport Commission Request)

**MOVED:** That the Town vote to appropriate the sum of \$426,965 for the purpose of operating the Turners Falls Airport, said sum to be allocated in accordance with Schedule V, Airport Budget, to be raised from Airport Revenue.

Schedule V  
Airport Budget

DEPT NO.	BUDGET FY23	REQUEST FY24	SELECTBOARD FIN COMM	\$ Increase	% Increase	
			RECOMMEND FY24			
AIRPORT						
482	Wages & Expenses	181,794	284,915	274,915	93,121	51.22%
482	Capital Outlay/Local Share			10,000	10,000	
700	Debt Service	101,120	101,535	101,535	415	0.41%
910	Employee Benefits	33,101	40,515	40,515	7,414	22.40%
TOTAL AIRPORT		316,015	426,965	426,965	110,950	35.11%

**Background:** Funded entirely by airport revenues, this budget pays for the operating costs of the Turners Falls Municipal Airport, which is overseen by the Airport Commission. The total budget is increasing by around \$110,950. There are several notable increases in our FY24 budget. The Airport Manager wages increased \$10,053, which brings this pay range closer to industry standard. The Airport Manager has gone without a substantial wage increase despite the increase in duties and growth of the Airport. The wages for the Operations Manager increased \$18,649, which reflects an increase from 30 hours to 40 hours a week as well as a new pay classification after gaining certifications and taking on additional duties. This increase reflects a pay range closer to a similar position in the industry. Increases of \$8,000 in utility costs reflect both rate increases, and a more accurate budget based on a full year of operation with the new properties. The capital outlay budget is expected to cover any local costs associated with grants and to cover costs of small internal capital projects, such as roof or pavement repairs. In Employee Benefits, the retirement cost increased due to the first year of assessment of both full-time positions, rather than in FY23 where only one position was included in the assessment.

Selectboard Recommends 3-0  
Finance Committee Recommends 5-0

**ARTICLE 10. Colle Budget (Selectboard Request)**



**MOVED:** That the Town vote to appropriate the sum of \$53,250 for the purpose of funding the operations and maintenance of the Colle Building, said sum to be raised from Colle Receipts Reserved for Appropriation.

**Background:** This budget is wholly funded by building lease fees, which are segregated to pay for all the normal building maintenance including some utilities and general repairs. The debt service from the renovation was paid off in FY23. Colle Receipts Reserved for Appropriations has a current balance of \$136,367.

Selectboard Recommends 3-0  
Finance Committee Recommends 6-0

**ARTICLE 11. FCTS Assessment (Franklin County Technical School Request)**

**MOVED:** That the Town vote to appropriate the sum of \$1,053,018 for the purpose of paying the Franklin County Technical School District for Montague’s share of the assessment for the yearly operation of the Franklin County Technical School, said sum to be raised from Taxation.

**Background:** Montague is one of 19 member towns in the Franklin County Technical School District, which operates a school in the Montague Industrial Park. The FY24 assessment increased \$23,452 (2.27%). Montague’s enrollment is the same as last year at 93 students. Enrollment is expected to drop for FY25 as fewer students from Montague have applied for admission.

**Comment:** The Finance Committee has an internal policy to cushion sharp changes to the assessment. It provides additions or reductions to the FCTS Stabilization Fund to stabilize the assessment’s impact on the budget. The Finance Committee recommends that \$21,940 be added to the FCTS Stabilization Fund (which has a current balance of \$267,765) to help smooth out future assessment increases. This is part of Article 30.

Selectboard Recommends 3-0  
Finance Committee Recommends 6-0

**ARTICLE 12. GMRSD Assessment (Gill-Montague Regional School District Request)**

**MOVED:** That the Town vote to appropriate the sum of \$11,809,191 for the purpose of paying the Gill-Montague Regional School District for Montague’s share of the assessment for the yearly operation of the Gill-Montague Regional Schools, said sum to be raised from Taxation.

**Background:** The GMRSD has provided additional information in a separate document in your packet. Montague’s assessment increased by \$467,725 or 4.12% and is the Affordable Assessment amount provided to them by Montague. The Affordable Assessment amount is based on an agreement (the “Compact for Funding Education”) to keep the local assessment “affordable,” which was forged between the district and its

two sending towns a decade ago. The Affordable Assessment is calculated as 48.5% of Montague's available operating revenues, plus excluded debt for GMRSD capital projects.

The local assessments comprise about 50% of the district's overall annual operating budget, which funds the operation of five schools serving students from pre-school to 12th grade, as well as tuition, special education services, and school choice payments for some of the Montague resident students who are not enrolled at GMRSD schools.

The total GMRSD budget for FY24 is \$27,589,059. The combined assessments from Montague and Gill comprise (\$13,531,537) 49.05% of the district's total operating revenue. The remainder comes from state aid and reimbursements, grants, school choice payments from sending districts, etc.

The GMRSD is requesting 2 small appropriations for roof repairs and a security door in Articles #13 and #14.

**Comment:** The GMRSD has again managed to build a budget around an "affordable" figure provided to them by Montague, in part due to the increased amount of available grants as well as the decrease in choice and charter expenses due to a decline in the number of students who chose to go to school elsewhere. By approving this request, Town Meeting upholds its commitment to offer the district a significant, predetermined portion of Town revenue, while reserving the rest for other uses.

Selectboard Recommends 3-0  
Finance Committee Recommends 6-0

**ARTICLE 13: Roof for Sheffield Gym/Auditorium (GMRSD Request)**

**MOVED:** That the Town vote to appropriate the sum of \$20,000 for the purpose of repairing the roof of the Sheffield gym/auditorium complex, including all incidental and related costs, said sum to be raised from Free Cash.

**Background:** This would repair the roof leaks where the water has damaged ceilings, floors, and wooden balconies in several areas of the gym complex. The roof of the gym and Sheffield Auditorium are currently failing in several locations. Although there are talks about a renovation for Sheffield in the next few years, we need to initiate a project to do short-term repairs to the roof so that the internal building infrastructure does not sustain further water damage. The roof drains in the building also need to be repaired as a part of this project, as this is the source of some of the leaks since the current pitch is not steep enough, and water pooling is causing the pipes to leak at the joints.

Selectboard Recommends 3-0  
Finance Committee Recommends 5-0-1  
Capital Improvements Committee Recommends 4-0

**ARTICLE 14: Sheffield Security Door** (GMRSD Request)

**MOVED:** That the Town vote to appropriate the sum of \$20,000 for the purpose of purchasing and installing a security door between the Sheffield Elementary School and the Administration Building, including all incidental and related costs, said sum to be raised from Free Cash.

**Background:** This project is intended to create a physical boundary between the two buildings to increase security for both the Sheffield Elementary School and the Administration Building. The security door would replace an existing doorway with a new secure door system that has card access from either side of the doorway. Staff would have to credential with their card access to get through the doorway into either building. The project will require the construction of the doorframe, fire alarm system tie-in, card access installation and door closing hardware. It is suspected to require asbestos project management and remediation as well.

Selectboard Recommends 3-0  
Finance Committee Recommends 5-0-1  
Capital Improvements Committee Recommends 4-0

**ARTICLE 15. Smith Vocational Tuition/Transportation** (Town Accountant Request)

**MOVED:** That the Town vote to appropriate the sum of \$23,000 for the purpose of providing tuition and transportation for a Montague resident attending Smith Vocational School, said sum to be raised from Taxation.

**Background:** A Montague resident was attending Smith Vocational prior to moving to Montague. Since the student's program is not offered at FCTS, the Town is obligated to pay the tuition and transportation costs to Smith Vocational. Current estimate of tuition for FY24 is \$23,000. This will cover the student's senior year.

Selectboard Recommends 3-0  
Finance Committee Recommends 6-0

**ARTICLES 16-18 – See separate handout for additional information**

**ARTICLE 16: CWF Rough Terrain Vehicle (CWF Request)**

**MOVED:** That the Town vote to appropriate the sum of \$25,000 for the purpose of purchasing and equipping a rough terrain vehicle with plow and sander for the Clean Water Facility, including all incidental and related costs, said sum to be raised from CWF Retained Earnings.

**Background:** The facility is split between two buildings, requiring the moving of parts/supplies/equipment etc. back and forth between the administration end and the operations end. (Approx 900+ft) A golf cart was used to help staff move these items but has since become inefficient and recently experienced an electrical fire in the components. A utility vehicle would provide greater storage and transport ability in order to facilitate the many projects and daily operations of the facility.

The plow and sander attachments would assist in plowing and maintaining the many feet of sidewalks, driveways, walkways, etc. that are at the facility.

Selectboard Recommends 3-0  
Finance Committee Recommends 5-0-1  
Capital Improvements Committee Recommends 4-0

**ARTICLE 17: CWF Boiler (CWF Request)**

**MOVED:** That the Town vote to appropriate the sum of \$113,500 for the purpose of purchasing and installing a new boiler at the Clean Water Facility's Operations Building, including the removal and disposal of the existing boiler and all incidental and related costs, with \$63,364 to be raised from CWF Retained Earnings and \$50,136 to be raised from the CWF Capital Stabilization Fund.

**Background:** The operation building's 1980 fuel oil boiler is in desperate need of replacement. During the recent severe cold temperatures experienced, the boiler struggled to work properly. The Turners Falls Fire Dept has been called to the facility several times due to black smoke. It continues to have issues beyond normal maintenance and repair, and it is recommended to be replaced before the next heating season. All of the pipes that feed into the facility come through the operations building and need to be temperature controlled, along with many pieces of delicate equipment, motor controls, etc.

The facility would like to replace the fuel oil burner with a renewable energy source, and thus chose to use wood pellet heat. Along with reducing the carbon footprint, it is expected to save the facility on the cost of oil, with an equivalent BTUs savings of approximately \$12,915 per year.

The wood pellet system will also allow for the future expansion of heat into a large section of the operations building that is currently heated by an electric heater. Although the electric heater has not been officially metered, it is estimated to use a significant amount of electricity to heat a large open space, often exposed to the outdoors. Tying into the wood pellet system will reduce the additional cost of electricity experienced in this room.

Selectboard Recommends 3-0  
Finance Committee Recommends 5-0-1  
Capital Improvements Committee Recommends 4-0

**ARTICLE 18: Septage Receiving Station Upgrades (CWF Request)**

**MOVED:** That the Town vote to appropriate the sum of \$264,000 for the purpose of upgrading the Clean Water Facility's Septage Receiving Station, including all incidental and related costs, said sum to be raised from CWF Retained Earnings.

**Background:**

The facility generates a large percentage of revenue from septage services and is past due for an upgrade. If the current system fails (which it did temporarily last year) there would be a significant loss in revenue, which would in turn increase sewer user rates. The current station is not set up to monitor pH as required per Massachusetts General Laws and does not have an automated system for accurately tracking and monitoring haulers and their discharges. With an Industrial Pretreatment program audited by the Environmental Protection Agency, and recent emerging concerns with chemicals such as per- and polyfluoroalkyl substances (PFAS), the ability to accurately monitor and sample/test haulers and their loads is important to protect the quality of sludge the facility produces.

Selectboard Recommends 3-0  
Finance Committee Recommends 5-0-1  
Capital Improvements Committee Recommends 4-0

**ARTICLE 19: DPW Equipment (Discretionary Fund) (DPW Request)**

**MOVED:** That the Town vote to appropriate the sum of \$70,592 for the purpose of purchasing, equipping, and making major repairs to DPW vehicles and equipment, including all incidental and related costs, said sum to be raised from Taxation.

**Background:** The purpose of the DPW Discretionary Fund is to provide immediately accessible funding for the DPW Superintendent to make purchases of and/or major repairs to DPW vehicles and equipment. Its strongest justification is that it addresses the practical need to address unforeseen expenditures where the timeline is of importance.

There is a new policy that the amount of this article, when added to the unencumbered balance as of March 1<sup>st</sup>, will equal \$100,000.

The DPW vehicle/equipment inventory is current and in good condition. The CIC does not anticipate large, unexpected expenses and believes \$70,592 to be an appropriate supplement to its existing balance. The CIC has adopted a policy that future requests for light pickup trucks be included in the normal capital improvements schedule instead of through the discretionary account. This is due to the cost of new light-duty trucks now approaching and even exceeding \$70,000.

Some of the purchases made with this year's funds were computers to scan the trucks for problems, a Zero turn lawn mower and an asphalt paver.

**Comment:** While the department originally requested \$100,000, the request was later revised to meet the new policy of the Capital Improvements Committee, Selectboard, and Finance Committee. Since this is a recurring article, funding from Taxation is recommended.

Selectboard Recommends 3-0  
Finance Committee Recommends 5-0-1  
Capital Improvements Committee Recommends 4-0

**ARTICLE 20: 11<sup>th</sup> St Bridge Repairs** (Selectboard Request)

**MOVED:** That the Town vote to appropriate the sum of \$100,000 for the purpose of repairing the 11<sup>th</sup> Street Bridge , including all incidental and related costs, said sum to be raised from the Town Capital Stabilization Fund.

**Background:** The 11th Street Bridge is a Town-owned bridge over the Turners Falls Power Canal that connects the Patch Neighborhood to Avenue A. In October of 2022, MassDOT, as part of their routine inspection cycle, identified a structural deficiency in the bridge relating to the bearings under the floor beams of the bridge. The report rates the finding as an 'as soon as possible' urgency. In response, the Town hired the engineering firm Weston and Sampson to evaluate the condition and identify a course of action for the Town. The engineer recommends a schedule of short-term repairs which include the following:

- replacing damaged bolts at the connection between the floor beam and stringer connection plate
- repairs to sheared anchor bolts at the West Pier's floor beam
- Concrete repair at bridge piers and sidewalk
- Welding repairs to handrail system
- Replace bolts at handrail land truss systems

The Special Article request will cover the cost of engineering the repairs and secure a qualified bridge construction firm to execute the short-term repairs identified in the Weston and Samson report dated February 24, 2023. The work will be fast tracked to be completed in the summer 2023 construction season.

Failure to act within the budget cycle risks the imposition of weight restrictions or closure of the bridge. Approval at Annual Town Meeting is timely because certain concrete repairs need to be accomplished during the annual canal drawdown in September. The work will have to be carefully timed with that annual window. Further, MassDOT has programmed \$60M to replace 3 nearby bridges in FY26 including a replacement of the 6th Street Bridge to the Patch neighborhood. Strategically, it is important to shore up the reliability of the 11<sup>th</sup> Street Bridge prior to the reconstruction of the 6th Street Bridge.

The Weston and Sampson bridge evaluation recommends some long-term repairs to be made to the bridge which are not being advanced under the current special article request. The Town anticipates engaging in conversations with MassDOT about having the state program funds to address those long-term repairs, of which the most significant need is to re-paint the bridge.

Selectboard Recommends 3-0

Finance Committee Recommends 5-0-1

Capital Improvements Committee Recommends 4-0

**ARTICLE 21: Demolish 38 Ave A** (Montague Economic Development & Industrial Corporation Request)

**MOVED:** That the Town vote to appropriate the sum of \$50,000 for the purpose of demolishing the 2,200 square foot cinder block building located at 38 Avenue A, Turners Falls, MA , including the removal of debris and all incidental and related costs with \$12,099 to be raised from the unexpended balance of Article 1 of the May 5, 2012 Special Town Meeting – which appropriated \$30,000 for the restoration of 38 Avenue A – and \$37,901 to be raised from Free Cash.

**Background:** This property has been owned by MEDIC since 1990. The building has been vacant since 2010 and condemned since 2013. The structure is a 2,200 square foot cinder block on slab building. MEDIC has tried fruitlessly over the last decade plus to redevelop the site in accordance with the purpose of the taking and in conformance with community development plans.

MEDIC has concluded that the market cannot currently support new construction and the building is approaching a tipping point of becoming a blight and a public safety hazard. The rubber membrane roof has failed, and the mansard roof is showing significant signs of failure. The building was gutted and abated of asbestos-containing

material in 2013 using a town meeting appropriation. MEDIC proposes that the balance of \$12,099 from #1 5/5/2012 (Rehab 38 Avenue A) be transferred to fund the project. The building is not historically significant and would not be subject to the demo delay bylaw.

The market for new construction is very poor and is projected to be that way for a few years. For the last 10 years MEDIC has marketed the building with the intention of passing the demolition costs on to a developer of the site. Since then, numerous development proposals have fallen through. The mansard structure is failing, and shingles are starting to fall off. The property is going to start to become a highly visible eyesore downtown.

Selectboard Recommends 3-0  
Finance Committee Recommends 5-0-1  
Capital Improvements Committee Recommends 4-0

**ARTICLE 22: Miller Falls Library Repairs** (Libraries Request)

**MOVED:** That the Town vote to appropriate the sum of \$14,000 for the purpose of replacing windows and the back door at the Millers Falls Branch Library including all incidental and related costs, said sum to be raised from Free Cash.

**Background:** The Millers Falls Branch Library had mini splits installed in November 2022. These units heat and cool more efficiently, conserving energy and saving on energy costs. Unfortunately, this building is served by both an inadequate wood door and plastic windows in the back portion of the building. By allowing cold air inside and warm air to escape during the winter, the door and windows counter and possibly eliminate the energy efficiency of the mini splits. As such, the Trustees of the Montague Public Libraries seek to replace the plexiglass and plastic film windows and the back door at the Millers Falls Branch.

Selectboard Recommends 3-0  
Finance Committee Recommends 5-0-1  
Capital Improvements Committee Recommends 4-0

**ARTICLE 23: Unity Park Garden Well/Pump** (Parks & Recreation Request)

**MOVED:** That the Town vote to appropriate the sum of \$12,000 for the purpose of purchasing and installing a well and water pump for the Unity Park Community Garden, including all incidental and related costs, said sum to be raised from Free Cash.

**Background:** When the Unity Park Community Garden was added to the plans of the Unity Park upgrade in 2012, funds were not available to include a crucial piece of infrastructure for a thriving garden: running water. The Unity Park Community Garden



has 32 raised beds and 6 standing beds, as well as a burgeoning edible hedge filled with fruit trees and bushes. For the past five seasons the garden has been run by the Great Falls Apple Corps (GFAC).

GFAC has set up a rain catchment system on the roof of the garden shed which has helped somewhat, but the main source of water continues to be the Unity Park Fieldhouse. The water to fill the tank is only accessible after running approximately 250 feet and three connected hoses across an active parking lot to reach the fieldhouse spigot, which requires a certain amount of physical effort. The tank can easily take an hour or more to fill. Especially during dry conditions like we experienced this past summer, this situation makes it very difficult to have enough water on hand to establish plants in the beds, and to keep them alive during the high summer season. For the garden to thrive, it needs its own consistent source of running water.

Parks & Recreation has obtained information related to installing an electrical well system, but this may not be feasible given that there is no electricity in the area of the Unity Community Garden. The request provided is for a solar powered option.

Selectboard Recommends 3-0

Finance Committee Recommends 5-0-1

Capital Improvements Committee Recommends 4-0

**ARTICLE 24: Unity Parking Lot Improvements (Parks & Recreation Request)**

**MOVED:** That the Town vote to appropriate the sum of \$12,500 for the purpose of crack sealing, line painting, and purchasing and installing concrete parking stops/blocks at the Unity Park Parking Lots, including all incidental and related costs, said sum to be raised from Free Cash.

**Background:** The parking lots were constructed back in 2012 as part of the park’s multi-phased improvement project. Parking lines have since faded considerably, and cracks have formed in the asphalt with grass growing out of a few. Preliminary estimates suggest approximately seven hundred and twenty (720) linear feet of cracks between the two parking lots.

We are also looking to purchase thirty-eight (38) concrete parking blocks that will be placed in the parking spots that border the tree belt located in the center of the main parking lot. The parking blocks are needed to prevent patrons from driving through the tree belt located in the middle of the main parking lot. Patrons have been driving through the tree belt for several years and ruts have developed in the turf. Continued “drive-throughs” may also endanger the life of the trees that are planted in the belt. We

are also hoping to plant native grasses or pollinator plants in the tree belt but cannot do so until stops are installed.

Selectboard Recommends 3-0  
Finance Committee Recommends 5-0-1  
Capital Improvements Committee Recommends 4-0

**ARTICLE 25: Town Clerk Cabinets** (Town Clerk Request)

**MOVED:** That the Town vote to appropriate the sum of \$25,000 for the purpose of purchasing and installing locking fireproof cabinets for the Town Clerk, including all incidental and related costs, said sum to be raised from Free Cash.

**Background:** It is mandated that all vital records and election materials are kept in a locked, fireproof space. The Town Clerk's office has zero space left for records, let alone required fireproof storage. These cabinets will allow the office to comply with all legal requirements for records storage. Please note that fireproof cabinets are different from and more expensive than fire resistant cabinets.

Selectboard Recommends 3-0  
Finance Committee Recommends 5-0-1  
Capital Improvements Committee Recommends 4-0

**ARTICLE 26: Town Hall Flooring** (Selectboard Request)

**MOVED:** That the Town vote to appropriate the sum of \$25,000 for the purpose of removing, replacing and/or repairing carpet and other flooring in Montague Town Hall, including all incidental and related costs, said sum to be raised from Free Cash.

**Background:** This article will fund replacement and repair of flooring in Montague Town Hall. The primary focus will be on replacement of the carpet throughout the first floor, which is worn and badly stained, despite many attempts to clean it. The cost presented in this article reflects a plan to continue to encapsulate the asbestos containing tiles that lie below the existing carpet and underlayment.

The carpeting primarily presents an aesthetic concern in the Town's administrative offices and does not reflect a professional environment for visitors or staff. In limited locations it may present a trip hazard, as may loose tiles in the third-floor stairwell and in other locations.

Any funds remaining after the carpet work is performed will be dedicated to replacement of previously abated tile floor areas in the first-floor basement and

stairwells, as well as treatment of any painted or unpainted concrete floor surfaces in the basement level building areas.

Selectboard Recommends 3-0  
Finance Committee Recommends 5-0-1  
Capital Improvements Committee Recommends 4-0

**ARTICLE 27: Replenish Unexpected Engineering** (Selectboard Request)

**MOVED:** That the Town vote to appropriate the sum of \$11,585 for the purpose of supplementing the amounts appropriated pursuant to Article #18B of the May 22, 2021, Annual Town Meeting, which funds Unexpected Engineering Expenses, said sum to be raised from Taxation.

**Background:** The original intention of Article #18B of the May 22, 2021, Annual Town Meeting, which funds Unexpected Engineering Expenses, was that it would be replenished as funds were used. At this point funds have been either spent or obligated, and it is time to top it off.

Selectboard Recommends 3-0  
Finance Committee Recommends 6-0

**ARTICLE 28: Grant Match** (Town Planner Request)

**MOVED:** That the Town vote to appropriate the sum of \$13,100 for the for the purpose of providing the town match for an \$80,000 Action Grant from the Municipal Vulnerability Preparedness program to be used to update the Town’s Comprehensive Plan, said sum to be raised from Free Cash.

**Background:** Montague is undergoing an update to its “5 Villages: 1 Future Comprehensive Plan”. Montague’s last Comprehensive Plan is from 1999 and these plans should be updated every 10 to 15 years. \$13,100 is required as a local cash match for a \$80,000 Action Grant from the Municipal Vulnerabilities Preparedness (MVP) program. A Comprehensive Plan is a strategic framework that identifies a community’s vision and goals and guides future physical and economic development. Specifically, the funds will be used to support robust community engagement to ensure balanced and equitable participation from Montague residents throughout the planning process. The work began in 2022 with a \$36,000 Community Planning grant for the “community visioning and goal setting” phase of the plan. The plan’s development phase, funded by the MVP grant, will extend through June 30, 2024. The plan development phase includes drafting chapters on housing, economic development, transportation, land use, and public facilities. The Franklin Regional Council of Governments is under contract to support the Planning

Department to develop the plan. Information about the plan can be found at [www.montagueplans.org](http://www.montagueplans.org).

Selectboard Recommends 3-0  
Finance Committee Recommends 6-0

**ARTICLE 29. Increase Conservation Trust Fund** (Conservation Commission Request)  
**MOVED:** That the Town vote to appropriate the sum of \$10,000 for the purpose of supplementing the Henry Waidlich Conservation Trust Fund, said sum to be raised from Taxation.

**Background:** The Conservation Commission is requesting to supplement the existing balance of \$23,047 in the Henry Waidlich Conservation Fund with an additional \$10,000. The fund is used to leverage the protection of priority farmland and other open space as identified in the current Open Space and Recreation Plan.

Town Meeting has supported the Henry Waidlich Conservation Trust Fund for over 40 years. The fund is dedicated to the purpose of protecting important land and resources in Montague. It is stewarded by the Conservation Commission. Expenditures from this fund have helped protect over 500 acres of the Town's most important agricultural properties from development since 1989. Since 2000, the town has leveraged \$16 of funding from outside sources for every dollar contributed by the Henry Waidlich Conservation Fund.

The fund was last used in 2020 to purchase an Agriculture Preservation Restriction on 36 acres of prime farmland off Old Greenfield Road. In that instance the fund's investment of \$32,500 leveraged \$392,500 from the Massachusetts Department of Agriculture and Franklin Land Trust to protect high priority farmland with an iconic tobacco barn.

The availability of these funds allows the Conservation Commission to be nimble and responsive to sometime rapidly moving real-estate opportunities. The fund accepts donations and bequests.

**Comment:** Since this is not for a capital expense and the amount is less than \$25,000, Taxation was chosen as the funding source.

Selectboard Recommends 3-0  
Finance Committee Recommends 6-0  
Capital Improvements Committee Recommends 4-0

**ARTICLE 30: Financial Policies transfers to Reserves (Finance Committee Request)**

**MOVED:** That the Town vote to appropriate the following sums for the purpose of increasing the special purpose funds set forth below, said sums to be raised from Taxation.

<b>Fund</b>	<b>Amount (\$)</b>
Town General Stabilization Fund	37,388
Town Capital Stabilization Fund	134,891
GMRSD Stabilization Fund	41,339
FCTS Stabilization Fund	21,940
OPEB Trust Fund	50,000
<b>Total:</b>	<b>285,558</b>

**Background:** These are annual transfers to reserves from taxation per our financial policies.

- The **Town General Stabilization Fund** is intended to be used only in times of drastic revenue shortfalls. The policy is to have an annual appropriation of 0.3% of the prior year’s general operating revenue (PYGOR), but also to keep a minimum balance of 5% of PYGOR. While .03% of PYGOR is \$70,469, only \$37,388 is needed to meet this the minimum, so that is all that is recommended.
- The **Town Capital Stabilization Fund**, while still funded from taxation, has a slightly more complicated calculation. We start with 0.2% of PYGOR (\$47,099) as the base amount. Then we add part of the Kearsarge lease payment. The total lease payment is first evenly split between capital and operating. The operating half is included in the available revenues for the Affordable Assessment, but the Town percentage of that (51.5% or \$43,896) is allocated to the Town Capital Stabilization Fund. The capital half is split by the same allocation, with 51.5% (\$43,896) going to the Town Capital Stabilization Fund and 48.5% (\$41,339) going to the GMRSD Stabilization Fund. The total appropriation to the Town Capital Stabilization Fund is therefore  $\$47,099 + \$43,896 + \$43,896 = \$134,891$ . This fund is used for capital projects. The balance as of March 3<sup>rd</sup> was \$1,468,948.
- The **GMRSD Stabilization Fund** is funded by a portion of the annual Kearsarge Lease payment as described above. This fund is used for capital items for the GMRSD, and the balance as of March 3<sup>rd</sup> was \$87,924.

- The **FCTS Stabilization Fund** is used to smooth out large fluctuations in the annual assessment due to large changes in enrollment. An expected assessment is calculated based on a three year (FY21-FY23) average student enrollment multiplied by the current year (FY23) per-pupil cost. If the actual assessment is larger than that by more than \$10,000, the difference is funded from this fund. If the actual assessment is lower than the estimated assessment by more than \$10,000, the “savings” is put here to fund future increases.
- The practice in recent years has been to add \$50,000 of taxation to the Other Post Employment Benefits (**OPEB**) **Trust Fund**. This fund was established to begin funding for the future health insurance cost of current employees after they retire. Funding this liability is not currently required, but it is the prudent thing to do. This appropriation of funds into the OPEB Trust is viewed both as mostly symbolic gesture showing that Montague recognizes its obligation (appreciated by bond rating agencies) and is beginning to address it, although the amount is well below what would be needed if we were actively funding the liability.

The Town’s long-term plan is to address the OPEB unfunded liability more aggressively after the Town’s unfunded pension liability has been “fully funded” (currently expected to occur in FY33). At that time the money currently appropriated to fund the unfunded pension liability will be available for use, on an annual basis, to more rigorously fund the unfunded OPEB liability, although there may not be a formal funding schedule in place. However, even that will probably not be enough to meet the annual OPEB funding needs.

The balance in this as of March 3<sup>rd</sup> was \$1,085,692. The current unfunded liability is \$10,944,731.

Selectboard Recommends 3-0  
Finance Committee Recommends 6-0

**ARTICLE 31: Transfer Overlay Surplus to OPEB Trust Fund** (Finance Committee Request)

**MOVED:** That the Town vote to appropriate the sum of \$250,000 for the purpose of supplementing the OPEB Trust Fund, said sum to be raised from Overlay Surplus.

**Background for Articles 31 -32:** Our financial policies (A-5 Reserves) suggest that amounts of Free Cash above a certain threshold and Overlay Surplus not needed for non-recurring or capital expenses be put into a town stabilization fund or the OPEB Trust Fund. This year is unusual in that we have both \$250,000 in Overlay Surplus and \$2M in available Free Cash. The Finance Committee had several discussions about the

best allocations of these funds, and the consensus was that while there was no perfect decision, it makes sense to take this opportunity to put a significant amount into OPEB while still putting the majority of the available funds into the Town Capital Stabilization Fund.

While additional funding to the OPEB Trust is considered to be financially prudent, and the unusually high amounts of Overlay Surplus and available Free Cash make it easier to add funds now, there was still concern about also funding the town's seemingly endless supply of capital needs. The committee also considered the issue that monies placed in the OPEB Trust Fund cannot be withdrawn for any other purpose, while a stabilization fund, regardless of its original intended purpose, can still be used for any lawful purpose. There was concern about putting too much into the OPEB Trust Fund and later needing it for capital needs. The end result was a compromise in terms of how much would go to each. It was decided to put all of the Overlay Surplus into the OPEB Trust Fund, and then split the Free Cash between the two, with 25% (\$500,000) going to OPEB and 75% (\$1,500,000) going to the Town Capital Stabilization Fund. The final result is \$750,000 of Overlay Surplus and Free Cash going to the OPEB Trust Fund (for a grand total of \$800,000 after counting the annual \$50,000 contribution) and \$1.5M (\$1,634,891 including the annual contribution) going into the Town Capital Stabilization Fund. The OPEB Trust Fund would increase 73.69% in total (going from \$1,085,692 to \$1,885,692) while the Town Capital Stabilization Fund would increase 100.40% (going from \$1,498,948 to \$3,003,839), even after using \$100,000.

The allocations are split into 2 articles because the first has a different funding source.

**Comment:** For comparison purposes, the average municipal bond rate from 2002-2021 was 3.6% while the Pension Reserves Investment Trust (where OPEB funds are invested) had a 8.6% return for the same time period.

Selectboard Recommends 3-0  
Finance Committee Recommends 6-0

**ARTICLE 32: Transfer Free Cash to OPEB Trust Fund (Finance Committee Request)**

**MOVED:** That the Town vote to appropriate the sum of \$500,000 for the purpose of supplementing the OPEB Trust Fund, and the sum of \$1,500,000 for the purpose of supplementing the Town Capital Stabilization Fund said sums to be raised from Free Cash.

Selectboard Recommends 3-0  
Finance Committee Recommends 6-0

## Notes and Questions