

SELECTBOARD, FINANCE COMMITTEE, AND CAPITAL IMPROVEMENTS COMMITTEE
MEETING MINUTES
UPSTAIRS MEETING ROOM, 1 AVENUE A, TURNERS FALLS, MA
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The Chair opened the meeting

#1 Meeting was opened at 6:03 PM in the in Upstairs Meeting Room

Roll-Call

- **Finance Committee members participating remotely:** Jen Audley, Fred Bowman, Greg Garrison, John Hanold, Chris Menegoni, and Francia Wisnewski.
- **Finance Committee members absent:** none
- **Selectboard members participating remotely:** Chris Boutwell, Rich Kuklewicz and Michael Nelson
- **Selectboard members absent:** none
- **Capital Improvement Committee members participating remotely:** Steve Ellis, Greg Garrison, and Fred Bowman
- **Capital Improvement Committee members absent:** Bob Obear and Joshua Lively
- **Others participating remotely:** Town Administrator Steve Ellis, Executive Assistant Wendy Bogusz, Town Accountant Carolyn Olsen, Director of Parks and Recreation Jon Dobosz, Inspector of Buildings Christopher Rice, WPCF Superintendent Chelsey Little, GMRSD Director of Business Joanne Blier, Ariel Elan, and Max Marcus of the Greenfield Recorder
- The Chair announced that the meeting is being recorded by the Town of Montague via Zoom and asked if anyone else was recording the meeting. No one else was recording the meeting. Remote participation for both members and the public was provided by Zoom. The link to the Zoom recording is <https://vimeo.com/415924825>.

#2 Minutes

Finance Committee Moved:

To approve the minutes of March 25, 2020.

Vote: Audley –Aye, Bowman –Aye, Garrison –Aye, Hanold –Aye, Menegoni -Aye
Wisnewski- Aye

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#3 Reserve Fund Transfers

The actual assessment for the Upper Pioneer Valley Veteran's District was \$93.69 greater than the amount budget. This transfer would eliminate that deficit. The Selectboard voted to recommend this at their meeting on May 4, 2020.

Finance Committee Moved:

To transfer \$94 from the Reserve Fund to Veteran's District Assessment, 001-5-840-5670.

Vote: Audley –Aye, Bowman –Aye, Garrison –Aye, Hanold –Aye, Menegoni -Aye
Wisnewski- Aye

The Selectboard voted to hold the Annual Town Meeting at the TFHS Gymnasium. There is a reserve fund transfer request for \$4,000 in anticipation of renting a tent and chairs. It was suggested that the reserve fund transfer amount could be used to offset other costs that may be incurred for town meeting, specifically a temperature monitoring system, possibly police officers, water, etc. The Selectboard recommended a reserve fund transfer of \$4,000 to the Town Meeting Budget.

John Hanold suggested that a tent would be a better option. Francia Wisnewski would like more information on the various options.

Steve Ellis said that the Selectboard voted decisively to hold the meeting at the TFHS Gym, and voted to purchase a temperature monitoring system. Unless the board reconsiders, the decision on location has been made and disseminated to appropriate parties.

Chris Menegoni asked if there was already a machine available for our use. There is not.

Jen Audley decided to postpone this vote to the end of the meeting.

#4 Financial Status Update

Steve Ellis started with the state level. While the state is experiencing dramatic losses of revenue, there is no indication that there will be any reductions in the remaining state aid due in May and June. In terms of our own revenues, the Treasurer/Collector prepared a report which indicates that current revenue collections are on track.

Steve Ellis reminded taxpayers that, while fees and interest was waived, that's only true if payment is received by June 29th. Payment after that will incur full interest.

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Steve Ellis reminded everyone that we have significant balances in our various stabilization accounts and a healthy Free Cash balance going into the ATM.

Steve Ellis noted that there is more uncertainty on the School District side relative to potential cuts in Chapter 70 aid, and asked that the FY21 Affordable Assessment not be reduced.

Francia Wisnewski wanted to talk about the impact on local businesses and asked what could be done to help them. Steve Ellis said that the town is making \$60K in existing block grant money available to local business via a third party. In terms of the overall tax rate, last year we took the step of taxing \$300,000 below the levy limit, known as holding excess capacity. As we get closer to the fall we can look at whether we can increase that excess capacity for FY21. Montague's split tax rate between residential and commercial properties can also be tweaked.

#5 Annual Town Meeting Update

The latest survey results (with 57 respondents) are still fairly equally split among the options of holding it inside at the TFHS Auditorium, having it under a tent at Unity Park, and using a video conferencing service like Zoom, with a slightly lower preference for the gym, and a slightly higher preference for video-conferencing. Noting the uncertainty of the weather and concerns about using Zoom or another video conferencing service, the Selectboard voted to hold the Annual Town Meeting in the TFHS Gymnasium.

Steve Ellis noted that they are trying to have a thoughtful process to allow the largest number of people to feel safe. We will be following the most conservative guidelines for indoor meetings and social distancing. We feel the meeting should be abbreviated by not considering all articles, because even though we have to fund everything eventually, we're trying to preserve flexibility in case we need to make mid-year changes. We also want the meeting to be as brief as possible for safety reasons, and to reduce stress. Some communities are focusing only on general operating budgets. We have articles with grant money at stake allowing future cost savings, which we need to invest in. Some articles we should vote on for continuity of operations. On Monday the Selectboard will decide what will and will not be on the annual town meeting warrant.

#6 FY21 Budget

This discussion is to determine if the committees are still satisfied with the budget approved on March 25th, whether to support limiting the scope of the warrant, and if so, which articles are imperative to have on the warrant.

Are the committees are still satisfied with the budget approved on March 25th? John Hanold thinks the budget we prepared is a good one. There is some risk in revenue estimates, but we don't

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need to make any changes yet. Rich Kuklewicz said the Selectboard hasn't really discussed changing the budget, but has asked Steve Ellis for a prioritized list of warrant articles.

Do the committees support limiting the scope of the warrant? Fred Bowman wants to limit the warrant articles to only those that are absolutely necessary. Rich Kuklewicz would like to see the town meeting limited to 4 or 5 hours. Michael Nelson said we've made incredible progress in the last few years catching up on needed projects, and hopes we'll soon be able to continue that progress. Chris Boutwell wants to just take care of the basics so we can limit the length of time for the meeting. Ariel Shira wants to encourage people not come from a place of having high anxiety from having a meeting, and thinks people will not be interested in prolonging the meeting by having lengthy discussions.

Greg Garrison spoke to the process the Capital Improvements Committee (CIC) used in determining which projects have the highest priority. The COA roof itself is not yet leaking, but the chimney looks likely to collapse at any time. The Hillcrest roof also has an active leak, the canopy is in similar shape, the walkway is a safety issue, and the WPCF projects are critical for many reasons. The building assessments are also really important, and the DPW Discretionary Account is necessary to keep things going forward.

The (CIC) met and consider the following to have the highest priority for immediate funding:

1. \$37,260 for walking path repairs
2. \$51,000 for WPCF oil tank and vault removal
3. \$100,000 for WPCF fine bubble diffusers
4. \$40,000 for WPCF primary sludge pump #2
5. \$10,000 of the \$50,000 COA roof repair article, which would allow for chimney repairs
6. \$10,000 of the \$60,000 for the Hillcrest façade and roof repairs, which would allow for the roof repairs.
7. \$10,000 for the GMRSD administration building entrance canopy.

The CIC suggested that the following projects could most reasonably be delayed:

1. \$40,000 for the COA roof repair
2. \$50,000 for repairs to the Hillcrest façade
3. \$50,000 for the GMRSD administration building masonry wrap (already withheld from original ATM warrant)
4. \$20,000 for the dividing wall in the Sheffield Library
5. \$55,620 for resurfacing the TFHS tennis courts.

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The CIC further had consensus that the DPW Discretionary Account and the GMRSD Building Assessment Study articles should be funded now.

Jen Audley asked about the logistics of splitting some of the projects and whether they need to be re-voted. Carolyn Olsen feels that approval of the whole projects equals approval of the projects separated into smaller pies. Jen Audley asked Joanne Blier about the possible changes. Joanne Blier is concerned that, because the tennis courts need to be done in the summer, postponing that could be a problem. The Sheffield dividing wall could be even more important in the fall if social distancing is required. The district is looking into a removable wall with a door that would be much less expensive. Steve Ellis noted that projects with higher priorities are safety issues or which failure to fund could become more expensive. Steve Ellis further feels that failure to fix the tennis courts is unlikely to result in not being able to host matches in the current situation.

Discussion of articles to be reduced or delayed until the fall:

Rich Kuklewicz suggested that including the CIC's "must do", plus the DPW Discretionary and buildings assessment, and operating expense would still leave about 19 articles. Wonders if it would make sense to just have one article for the school requests.

John Hanold remembers too much grouping of unrelated projects has been problematic in the past. Carolyn Olsen noted that some towns just have a separate capital budget article, listing all items and amounts. Jen Audley thinks this approach works best if there's a capital plan, in terms of town meeting members understanding and supporting this type of article. Rich Kuklewicz suggested grouping all school, all WPCF, and all other town articles into 3 articles.

Looking through the list of warrant articles, #1-11 definitely need to be on the warrant. Of the school district's special articles, we can recommend only, consolidate some or all, or include all. John Hanold supports grouping the ones we support, but prefers to delay the library wall and tennis courts.

Finance Committee Moved:

To recommend that Articles #13, #14A (Hillcrest Roof) and #16 be grouped and that #12, #14B (Hillcrest Façade) and #15 be postponed to a later meeting.

Vote: Audley –Aye, Bowman –Aye, Garrison –Aye, Hanold –Aye, Menegoni -Aye
Wisnewski- Aye

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Selectboard Moved:

To group Articles #13, #14A (Hillcrest Roof) and #16 and place them on the warrant, and postpone #12, #14B (Hillcrest Façade) and #15 to a later meeting.

Vote: Boutwell – Aye, Kuklewicz – Aye, Nelson Aye

Finance Committee Moved:

To recommend that Articles #18, #19 and #20 be grouped and included on the warrant.

Vote: Audley –Aye, Bowman –Aye, Garrison –Aye, Hanold –Aye, Menegoni -Aye
Wisnewski- Aye

Selectboard Moved:

To group Articles #18, #19 and #20, and include them on the warrant.

Vote: Boutwell – Aye, Kuklewicz – Aye, Nelson Aye

Finance Committee Moved:

To recommend that Articles #17 be on the annual warrant.

Vote: Audley –Aye, Bowman –Aye, Garrison –Aye, Hanold –Aye, Menegoni -Aye
Wisnewski- Aye

Selectboard Moved:

To include Articles #17 on the annual warrant.

Vote: Boutwell – Aye, Kuklewicz – Aye, Nelson Aye

Finance Committee Moved:

To recommend that Articles #21 (DPW Discretionary), #22A (Senior Center Chimney), and #24 (Walking Paths) be on the annual warrant.

Vote: Audley –Aye, Bowman –Aye, Garrison –Aye, Hanold –Aye, Menegoni -Aye
Wisnewski- Aye

Selectboard Moved:

To include Articles #21 (DPW Discretionary), #22A (Senior Center Chimney), and #24 (Walking Paths) on the annual warrant.

Vote: Boutwell – Aye, Kuklewicz – Aye, Nelson Aye

Jon Dobosz is okay if the Montague Center Park survey is postponed as he still hasn't received any quotes.

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Finance Committee Moved:

To recommend that Articles #25 (MC Park Survey) be postponed.

Vote: Audley –Aye, Bowman –Aye, Garrison –Aye, Hanold –Aye, Menegoni -Aye
Wisnewski- Aye

Selectboard Moved:

To recommend that Articles #25 (MC Park Survey) be postponed.

Vote: Boutwell – Aye, Kuklewicz – Aye, Nelson Aye

Finance Committee Moved:

To recommend that all remaining money articles (DPW Bonds Premium, GMRSD Stabilization Fund, Town General Stabilization, Town Capital Stabilization, OPEB Trust Fund, and FCTS Stabilization Fund), be postponed.

Vote: Audley –Aye, Bowman –Aye, Garrison –Aye, Hanold –Aye, Menegoni -Aye
Wisnewski- Aye

Selectboard Moved:

To recommend that all remaining money articles (DPW Bonds Premium, GMRSD Stabilization Fund, Town General Stabilization, Town Capital Stabilization, OPEB Trust Fund, and FCTS Stabilization Fund), be postponed.

Vote: Boutwell – Aye, Kuklewicz – Aye, Nelson Aye

Steve Ellis would like one of the liquor licenses to be on the warrant as it could impact their business, but thinks it is realistic to wait until the fall.

Selectboard Moved:

To recommend that the two liquor license articles be postponed.

Vote: Boutwell – Aye, Kuklewicz – Aye, Nelson Aye

John Hanold would like the transfer of the DPW Building to be on the warrant.

Finance Committee Moved:

To include the property transfer articles on the warrant.

Vote: Audley –Aye, Bowman –Aye, Garrison –Aye, Hanold –Aye, Menegoni -Aye
Wisnewski- Aye

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Selectboard Moved:

To include the property transfer articles on the warrant.

Vote: Boutwell – Aye, Kuklewicz – Aye, Nelson Aye

Selectboard Moved:

To include the petitioned article on the warrant.

Vote: Boutwell – Aye, Kuklewicz – Aye, Nelson Aye

Reserve Fund Transfer

Francia Wisnewski has concerns about both the venue, the potential screening process, and that the survey had more people wanting a remote meeting.

Finance Committee Moved:

To transfer \$4,000 from the Reserve Fund to Town Meeting Other Professional and Technical, 001-5-113-5315.

Vote: Audley –Aye, Bowman –Aye, Garrison –Aye, Hanold –Aye, Menegoni -Aye
Wisnewski- Abstained

Selectboard meeting adjourned at 8:25 PM

Selectboard Moved:

To adjourn at 8:25 PM.

Vote: Boutwell – Aye, Kuklewicz – Aye, Nelson Aye

#7 Finance Committee Report to Town Meeting

Greg Garrison – It's fine structurally, but perhaps expand the paragraph about COVID-19 and provide some of the considerations that may need to be made in the future.

John Hanold – Will send Jen Audley some editorial suggestions. There will have to be changes to address the grouped articles, which will primarily be merging what is already there.

Jen Audley – We'll do a report of the full budget, with a breakdown between what will be on the annual warrant and what will be postponed until the fall.

Chris Menegoni – Feels that everything is good, knows that revenue adjustments may be needed.

Francia Wisnewski – Wants to emphasize that the departments have been working to keep the budget under control. Great job overall.

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Steve Ellis – Suggests adding cover memo that this is what we plan to realize completely, need strong message that this reflects conservatism in budget report, while maintaining services maintaining excess capacity and reserves. Compare original proposal to what will actually be presented in June. Address the question of why we aren't cutting and slashing. We're maintaining capacity, etc.

Steps and timeline to completion:

1. Jen Audley will make the changes noted tonight, and send a revision for review prior to the next meeting on May 20th.
2. When Carolyn Olsen returns from vacation, she will assist with formatting edits, confirm motion language, and verify all numbers for a final time.
3. The Finance Committee will have a final version for review on May 20th. Any final changes will be made on the 21st and Carolyn Olsen will print the reports.
4. The packet of information for Town Meeting members should be mailed on May 26th or May 27th, which should give everyone a full two weeks to review.

#8 Topics not anticipated within the 48 hour posting requirements

#10 Motion to Adjourn

Finance Committee Moved:

To adjourn at 8:40 PM.

Vote: Audley –Aye, Bowman –Aye, Garrison –Aye, Hanold –Aye, Menegoni -Aye
Wisnewski- Aye

Upcoming Finance Committee Meeting Dates May 20th to approve the final report.

Respectfully submitted by Carolyn Olsen

List of Documents and Exhibits:

- Minutes of March 25, 2020
- Draft of FY21 Report to Town Meeting (includes warrant articles, background, and recommendations)

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Memo from Jen Audley to the Finance Committee and Selectboard May 3, 2020

Coronavirus Planning Response: Implications for the FY21 Budget for Montague

There is tremendous uncertainty about the economic outlook for Massachusetts, the United States, and the world right now. We are clearly heading into difficult times for many people, businesses, schools, and communities, and the Town of Montague will be affected. It is prudent for us to prepare by gathering information and considering a variety of scenarios, but premature to significantly alter our course at this time. While there are many unknowns, some things we do know are:

The global pandemic is far from over, and how it plays out will matter. If efforts to keep the infection rate low are successful, recovering from this spring's "pause" and restarting the economy will take months or years. If our efforts to contain the virus are not successful, the economic impacts will be different and worse. **We may not know until the fall.** (Here is an [article that shows several scenarios](#) .)

Here in Massachusetts, we know that **the COVID-19 pandemic has derailed the state budget development process for FY21.** As a result of the pandemic, the state is now anticipating a revenue shortfall for FY20 and projecting that FY21 revenue will be billions of dollars below FY20. (For example, the MA Taxpayers' Association has been running projections for FY21 based on a 14% decrease in tax collections, which they say "is not the worst case scenario.") There will obviously be changes on the expenditure side of the equation as well. Fortunately, Massachusetts has accumulated 3.5 billion dollars in its stabilization ("rainy day") fund, which puts our state in a better position than many U.S. states.

Here in the Town of Montague, we know that:

FY20 revenue and expenses seem to be more or less on track.

Tax collections are by far the largest source of funds the town relies on for revenue, and as we head into the final two months of FY20, [the Treasurer/Tax Collector reports that "we are in a decent position"](#) .

The [April 30 budget summary](#) indicates that General Fund, Airport, and WPCF spending is on target, as well.

We can move forward using our FY21 revenue projections based on preliminary analysis by our Town Accountant (attached and available for download at <https://www.montague-ma.gov/?p=p.374>). While State Aid may be reduced next year, it's ultimately a fairly small portion of the budget. It's also helpful that we had already estimated local receipts conservatively and that we are not dependent on revenue from sources that have already been heavily impacted by the coronavirus pandemic (eg retail cannabis excise tax, lodging, meals tax, gambling)

The budget proposal we've developed for FY21 is still solid. We built it using information about what the Town needs to deliver "level services" in FY21, and operationally, that is still the plan for now. If there is a need to expand services or make budget cuts in the future, we should do so based on information and demonstrated need, not speculation.

We have a standing agreement to dedicate a set portion of our annual estimated revenue to the Gill-Montague Regional School District . This allows us to move forward with approving our FY21 operating budget even if they need to re-work theirs, and it gives them a number they can rely on for the Montague assessment, which is a large portion of their operating budget.

We have Reserves to tap if necessary. Here is the [April 30 report on Special Revenue and](#)

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[Trust Funds](#) . (Note that the \$800,000 allocated from Overlay Reserve to Town Capital Stabilization by Town Meeting on March 5, 2020 has not transferred yet; the balance of Town Capital Stabilization exceeds \$1 million now.)

We have Free Cash that we could choose to carry over into FY21 and allocate at a Special Town Meeting. The budget we have proposed directs over \$500,000 toward projects that would maintain Town buildings and infrastructure, as well as contributions to Reserves.

The Capital Improvements Committee has reaffirmed its support for all of the projects recommended on March 18, but on April 29 [they identified some that could reasonably be delayed](#) . Holding some of the capital special articles for future consideration would reduce the scope of [the draft warrant for Annual Town Meeting](#) on June 13th, but would also prevent forward motion on projects that have all been identified as “must dos” by the CIC.

Similarly, the Finance Committee might decide to support a proposal to defer action on the special articles related to financial policies.