

**Montague Finance Committee  
Final Meeting Minutes  
Wednesday, November 10, 2021 at 6:00 p.m.**

**This meeting was held via Zoom and recorded: <https://vimeo.co/644632171>**

**PRESENT: Jen Audley, Chair; Greg Garrison, Vice-Chair; Fred Bowman John Hanold, Chris Menegoni and Jennifer Waryas, members**

**OTHERS PRESENT: Carolyn Olsen, Town Accountant; Steve Ellis, Town Administrator, Jeff Singleton and Ariel Elan, guests.**

**ABSENT: Francia Wisnewski**

- 1. The meeting was called to order at 6:00 p.m. by Chair, Jen Audley. The meeting is being recorded and aired on MCTV.**
- 2. Approval of Minutes from 10/27/2021 Finance Committee meeting:** The members received and reviewed the draft minutes of October 27, 2021. On a motion by JH and seconded by FB, the minutes were approved. There was no discussion. **FB, aye; JH, aye; GG, aye; CM, aye; JW, aye; JA, aye. Approved as written.**
- 3. Town Administrator and Town Accountant Updates – Topics anticipated include: Overview of Special Accounts Available for Town Use, Six Town Regionalization Planning Board stakeholder meetings, 5<sup>th</sup> Street Pedestrian Bridge contract.**

Steve Ellis spoke first stating he had a meeting with the Secretary of Housing and Economic Development regarding the pump station in the Industrial Park. The Town has been awarded a \$169,000 One-Stop grant for complementary upgrades to the control systems of the pump station. He also shared that the Town has received confirmation of their AA bond rating so that the Treasurer is now in the process of doing preparatory work for the bond to cover final borrowing for the DPW, asbestos abatement work and the airport purchases. The Town continues to be perceived as having a solid financial position. By receiving the AA bond rating, it shows continued progress and commitments to funding and community strength.

The 5<sup>th</sup> Street pedestrian bridge contract with Roach and Sons Construction has been committed. During the Mid-Winter Town Meeting, there may be additional funds needed. The first meeting with the construction firm and engineers is very preliminary. Submittals is the first part of the project.

Steve is very comfortable with the early indicators showing a level-services budget for FY2023. All department heads are to submit their level services budgets no later than December 13, 2021 and to communicate with him by November 19 if they are proposing significant changes. There are plans to add positions in the Selectboard's Office, and the Montague Police Department will propose adding a dispatcher, sergeant and a patrol person. There is also an adjustment in grade for the position of Airport Manager. Steve asks that the FinCom watch the Selectboard's meeting on Monday evening where he will present the proposal to expand staffing in the Selectboard office and the Chief will discuss the police departments budget changes and

requests. JA asks that all personnel requests be vetted through the Personnel Board and that the FinCom should only hear proposals after they have been considered by their governing boards or committees.

JA asked Steve Ellis how people who have ideas can participate in bringing their ideas forward? Steve wishes to think about the process but welcomes all citizens to engage and read the media and bring ideas directly to him. He also encourages people to be involved in town government as well as attend Selectboard meetings.

Ariel Elan shared information on the police force. Jeff Singleton agrees with Steve that it is important to encourage people to get involved in the budget process.

JA feels more anxious now about grants from the State given recent experience of monies received being insufficient and to be planful of what is in the queue and the resources the Town has now and to continue to apply for grants.

**Six-Town Regionalization Planning Board Stakeholder's Meeting** – Montague has requested an update on this process. The STR Planning Board is organizing a series of focus groups including an update and people are invited to attend and to give opinions. The date set for Gill-Montague School District to sponsor focus groups is November 22, 2021 in the high school auditorium. There is an expectation that they will hold 4 sessions (3 are for middle/high school/elementary and one for general public). Two possible dates are November 18 at 6:30 p.m. at the Town hall and November 22 at 5:15 p.m. in the high school auditorium. The FinCom were asked for participants. The Selectboard will discuss participation at Monday's meeting.

JA stated that the FinCom does not have enough information to show up as a body with opinions on the process in a unified way. The meeting on November 18, 2021 at 6:30 p.m. at the Town Hall will have a 15 minute update on the process and 45 minutes to gather information from the public. FB and possibly JH will be in attendance from the FinCom. The general public meeting will be held on November 22, 2021 at 5:15 pm. in the high school auditorium.

Carolyn Olsen as Town Accountant gave an update on setting the tax rate. It will be a bit later than usual, towards the end of November/beginning of December due to planned re-valuation of properties. On one of the policies that was adopted a few weeks ago by the Selectboard, the recommendation was for 2 hearings to set the tax rate. SE feels very confident that the 2-step process will be utilized to set the rate.

- 4. Report on Association of Town Finance Committee's Fall 2021 Webinar Series** – JA asked the committee if there was any information to report regarding the 2<sup>nd</sup> or 3<sup>rd</sup> webinar. JH attended the 3<sup>rd</sup> webinar and stated it was more organized due to more seasoned presenters and that it was worthwhile. The topic was the calendar for the FinCom budget cycle. JA can share slides with any member interested. Several people spoke about designating liaisons as advocates for Town Meetings. While it is a challenge, she is interested in revisiting that idea of dividing up the FinCom for a liaison for each town department. JH commented that the idea was tried in earlier years but was not successfully done, He hopes a revisiting will be more successful.

5. **Discussion of Updates to Financial Reserves Policy** – Steve put together an overview of a set of special purpose accounts and sources available to the Town of Montague for the FinCom to discuss. These funding sources are:

**ARPA Funding**

**Receipts Reserved for Appropriation: Sale of Real Property**

**Colle Building Special Reserve Fund**

**FirstLight Payment for Canal District Utility Replacement**

**CDBG Housing Rehab Repayment Funds**

The initial conversation of the Financial Reserves Policy includes a lot of information about reserves, i.e. Free Cash. JH has gone through and identified areas of discussion in A-5 Financial Reserves. Some of his corrections are just for simplification. Areas that are highlighted are for future discussions. JA asks to spend more time in discussing Free Cash and understanding it a bit better. She researched Free Cash and its historical trend and feels it is worth taking a look at this information and how it is generated and to continue in the future on how to use Free Cash.

Ariel asked what actually is Free Cash? FinCom members described it generally as a combination of:

- a) excess of approved appropriations over actual spending for the year, and
- b) excess of actual revenues over the approved plan. These revenues include the Net Tax Levy, State Aid, and Local Receipts (motor vehicle excise, meals tax, etc.), and
- c) any unappropriated Free Cash from the prior year-end amount. These are calculated and must be submitted to the State for certification before they can be appropriated by Town Meeting during the next fiscal year.

6. **Review schedule and topics for upcoming meetings** – JA informed the committee of the following meetings:

- Next Monday November 15– Selectboard meeting where the Personnel Committee will receive information from Steve on staffing changes within the Selectboard’s Office as well as information from the Police Department and Airport Manager for next year’s budget will be presented.
- Wednesday, November 17 – FinCom meeting where the Committee will check in with the Capital Improvement Committee and Greg Garrison will give a presentation.
- Thursday, November 18 – Focus group for the 6-Town Regionalization Board at 6:30 p.m.
- November 22, 2021 – 6-Town Regionalization Group at 5:15 pm. Turners Falls High School
- Selectboard will likely have a tax rate hearing towards the end of November/beginning of December which is necessary for calculating and issuing first-half tax bills at year-end.
- FinCom meeting December 8 and 15 where the information regarding budget process will be discussed and materials to review will include FY23 requests received from departments and committees.

**On a motion by FB and seconded by JH, the Committee voted to adjourn this meeting at 7:52 p.m. FB, aye; JW, aye; GG, aye; CM, aye; JH, aye; JA, aye;**

Respectfully submitted,  
BettyLou Mallet  
Scribe

Finance Committee Approved: 11/17/2021