

## MONTAGUE FINANCE COMMITTEE AND SELECTBOARD

Wednesday, February 28, 2024 at 6:00 p.m.

This meeting was held via Zoom and recorded:

<https://vimeo.com/917738657>

Selectboard Chair called the meeting to order at 6:00 PM

**Selectboard Committee members present:** Rich Kuklewicz, Chris Boutwell, and Matt Lord (arrived 6:04 PM)

**Selectboard Committee members absent:** none

Finance Committee Chair Francia Wisnewski called the meeting to order at 6:01 PM.

**Finance Committee members present:** Chair Francia Wisnewski. Vice Chair Dorinda Bell-Upp, Clerk Fred Bowman and members Greg Garrison, John Hanold (arrived at 6:15 PM), Chris Menegoni, and Jennifer Waryas

**Finance Committee members absent:** none

**Others present:** Town Administrator Steve Ellis, Assistant Town Administrator Walter Ramsey, Town Accountant Carolyn Olsen, Franklin County Technical School (FCTS) Superintendent Rick Martin, FCTS Business Manager Russ Kaubris, and FCTS Accounts Payable Liz Bouchard

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

### **Meeting minutes:**

Ms. Bell-Upp moved to approve the minutes of February 21, 2024. Seconded by Mr. Bowman and approved.

Bell-Upp – Aye, Bowman- Aye, Garrison – Aye, Menegoni – Aye, Waryas – Aye, Wisnewski - Aye

### **FY25 FCTS Budget:**

Superintendent Martin and Business Manager Mr. Kaubris presented the FCTS budget.

- Over the last several years the school has averaged a 3% annual assessment increase to member towns.
- The FY25 Montague assessment is based on 74 students and total \$811K.
- Last year the assessment was based on 93 students. 22 of the current 74 will graduate this year and there are 43 applications for next year, which is likely to bring Montague's enrollment back up to 93.
- The annual capital assessment is allocated according to each town's equalized valuation and therefore fluctuates every two years.
- In spite of increasing enrollment by 11 students, the district was put into the hold harmless category, so the recent annual increases in Chapter 70 aid of about \$500K per year has dropped to just \$17K for FY25.
- The larger per pupil charges for out of district students are used to offset town assessments.

Mr. Hanold joined the meeting at 6:15 PM.

- FY25 instructional expenses are budgeted below FY24 levels, but the FY24 budget includes positions that have not yet been filled, so there are no people affected by the budget reduction.
- Transportation costs went out to bid for FY25, but there was only one bidder, and that cost has increased by over 10%. At the same time the state reimbursement has decreased.
- The new buildings for the Veterinary Technician and Aviation Mechanic Technician programs will both be online for FY25 which has increased the budget for Plant & Maintenance.
- The Rental/Lease program has ended, and that annual expense has been reallocated to Capital Stabilization.
- Expense detail for all grant programs, including ESSER grants, is included in the budget booklet. The booklet is available on the FCTS website.

Ms. Waryas asked if Montague's enrollment decrease is due to fewer applicants or fewer students being accepted. Mr. Martin said it was due to fewer applicants that year.

**Reconsider Funding Source for Wastewater Asset Vulnerability Inventory:**

Mr. Ellis reviewed the reasoning behind the request to reallocate the funding source for this project. Both the warrant article and the motion have been clarified by adding language that there will be grant reimbursement for 60% of the project and the Town is only expected to spend \$50,000 even though the grant agreement requires the Town to appropriate the full amount of the project. Funding the entire project from Clean Water Facility (CWF) reserves would not leave enough to fully fund the CWF special article on the Annual Town Meeting warrant. It makes more sense to fund the \$75,000 that will be reimbursed from the Town Capital Stabilization Fund. The Selectboard approved this approach and ask that the Finance Committee reconsider the funding for this article. CWF Superintendent Little is in favor of this change.

Ms. Waryas asked why the state is requiring that we appropriate the full amount. Mr. Ellis replied that he has not received a good explanation from the state.

Ms. Bell-Upp moved to revoke the previous recommendation of using \$125,000 from CWF Retained Earnings and recommend using \$50,000 from CWF Retained Earnings and \$75,000 from the Town Capital Stabilization fund for the Wastewater Asset Vulnerability Inventory. Seconded by Ms. Waryas and approved.

Bell-Upp – Aye, Bowman- Aye, Hanold – Aye, Garrison – Aye, Menegoni – Aye, Waryas – Aye, Wisnewski - Aye

**General FY25 Budget Discussion:**

Ms. Olsen pointed out that that past practice and internal policies set aside the difference between the expected FCTS assessment and the actual amount into the FCTS Stabilization Fund when there is a savings. This year's budget file does not include that for several reasons. Doing so would exceed the currently unallocated taxation and would require budget cuts. While policies are there for a reason, they are still a guideline and not a requirement. And finally, the FCTS Stabilization Fund already has a balance sufficient to cover 2 years of a shortfall equal to the FY25 surplus.

Mr. Lord left the meeting at 6:57 PM.

**Town Administrator Updates:**

FirstLight, which represents about 14-15% of the Town's total tax base, has a current Appellate Tax Board (ATB) case with the Town. FirstLight actively contests assessment values on a regular basis. Several years ago, several years' worth of court cases were settled and a Payment In Lieu of Taxes agreement was created which settled the assessment values through FY21. In FY22 the contested assessments started again, and our current legal case is expected to be heard in December of this year. It is important for the Town to decide whether to invest the significant amount necessary to provide for expert valuation testimony and legal expertise, as this cost will be substantial, and would require a special article appropriation at the Annual Town Meeting. Mr. Ellis asked if both boards would be available for approximately an hour after next week's joint meeting for an executive session to be briefed on the situation. They are, and the executive session will be posted.

Mr. Ramsey added that the informational forum for the Special Town Meeting articles regarding the airport is scheduled for Thursday, March 7<sup>th</sup> at 6 PM via Zoom. A flyer will be included in the packet mailed to all Town Meeting members.

**Topics not anticipated within 48 hours of posting:**

Ms. Olsen asked if it would be okay to include the \$10,000 request for the Conservation Trust to be included in the special article that appropriates taxation to other reserve accounts. The consensus was that this would be fine.

**Selectboard Adjournment**

Mr. Boutwell makes the motion to adjourn at 7:11 PM. Seconded by Mr. Kuklewicz and approved.  
Boutwell – Aye, Kuklewicz – Aye

**Finance Committee Adjournment**

Ms. Bell-Upp makes the motion to adjourn at 7:12 PM. Seconded by Mr. Bowman and approved.  
Bell-Upp – Aye, Bowman- Aye, Hanold – Aye, Garrison – Aye, Menegoni – Aye, Waryas – Aye,  
Wisnewski - Aye

Respectfully submitted,  
Carolyn Olsen

**Next Meeting** – March 6, 2024 – CIC Report, Funding Capital Articles, Recommendations for Capital Articles

**Documents and exhibits:**

Minutes of February 21, 2024  
FCTS FY25 Budget Request