

MONTAGUE FINANCE COMMITTEE AND SELECTBOARD

Wednesday, March 20, 2024 at 6:00 p.m.

This meeting was held via Zoom and recorded:

<https://vimeo.com/925664033>

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

Finance Committee members present: Chair Francia Wisnewski. Vice Chair Dorinda Bell-Upp, Clerk Fred Bowman and members Greg Garrison, and John Hanold (arrived at 6:05)

Finance Committee members absent: Chris Menegoni, and Jennifer Waryas

Selectboard members present: Chris Boutwell, Richard Kuklewicz (arrived at 6:20), and Matt Lord (arrived at 6:04)

Selectboard members absent: none

Others present: Town Administrator Steve Ellis, Assistant Town Administrator Walter Ramsey, Director of Assessing Karen Tonelli, DPW Superintendent Tom Bergeron, and Town Accountant Carolyn Olsen

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

Meeting minutes:

Ms. Bell-Upp moved to approve the minutes of March 6, 2024. Seconded by Mr. Bowman and approved.

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

Mr. Lord arrived at 6:04 and Mr. Hanold arrived at 6:05

Selectboard meeting was called to order at 6:07

Reserve Fund Transfer:

The electricity costs for the electric vehicle charging stations have increased beyond expectations, and there will be a shortfall of about \$2,500 by the end of the fiscal year. This was approved by the Selectboard on March 18, 2024.

Mr. Garrison moved to approve a reserve fund transfer of \$2,500 to account number 001-5-480-5211. Seconded by Mr. Bowman and approved.

Bell-Upp – Aye, Bowman- Aye, Hanold – Abstain, Garrison – Aye, Wisnewski - Aye

Assessors Appellate Tax Board (ATB) Case

Mr. Ellis noted that while much of the discussion in the Executive Session is confidential, we can explain that there is a significant difference in the known values of FirstLight according to our assessors and what we understand FirstLight is presenting. We are expecting three years of challenges to our values by FirstLight at the Appellate Tax Board (ATB). The Town cannot reasonably agree to what we understand to be the representation in terms of value presented by FirstLight to the extent

that they have been presented. This is a very high stakes matter for the Town. We are in the right relative to our appraisal and have an expert appraiser who has assisted us with this. But it is going to cost a lot to present our case at the ATB. This effort is in support of a case tentatively scheduled for December 2024.

Mr. Garrison moved to recommend appropriating \$260,000 for legal fees and expert testimony at the ATB, to be raised from Free Cash. Seconded by Mr. Bowman and approved.

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

Quarterly Tax Bills:

Mr. Ellis offered a review of the article and Mr. Hanold asked for a short list of pros and cons.

- Montague is one of only 66 communities of the 351 municipalities in the state that don't have quarterly tax billing.
- The main goal is to improve ongoing cash flow and avoid short-term borrowing. Since we have large expenses at the beginning of each fiscal year and tax bills don't go out for almost six months, we almost always have to issue short term borrowing. This year the cost for that was \$23,000.

Mr. Kuklewicz joined the meeting at 6:20.

- This would modernize us and bring us into general alignment with other communities.
- People would still be billed twice, each time receiving two bills, so they still have the option of making only two payments.
- Ms. Tonelli added that quarterly billing reduces the time people have to pay their bills or request an abatement from 90 days to 30 days, and she and Ms. Seymour plan to have a great deal of outreach to educate people on the new timelines.

Mr. Garrison moved to recommend going to quarterly tax bills for FY26. Seconded by Mr. Hanold and approved.

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

Mr. Boutwell moved to recommend going to quarterly tax bills for FY26. Seconded by Mr. Lord and approved.

Boutwell – Aye, Kuklewicz – Aye, and Lord - Aye

Use of Town Capital Stabilization or Long-Term Debt for Larger Capital Articles:

- Mr. Ellis's recollection of the last discussion was that there was a desire for more information on the impact of using debt service and a comprehensive financial plan before committing to using long-term debt for any capital items. Mr. Ellis wants to be respectful of that conclusion but also allow the choice.
- Mr. Garrison thinks that if it's a viable option to bundle the larger articles currently funded from Capital Stabilization, we should look at borrowing for them as otherwise we're spending almost 50% of our reserves this year.
- Mr. Hanold is persuaded that it makes sense to start borrowing with non-excluded debt and suggests that we direct the Treasurer to take the shortest terms available for each project.

- Mr. Lord is willing to consider using debt but prefers an in-depth plan and criteria for what is funded from borrowing.
- Mr. Kuklewicz brought up the option of leasing the 10-wheel dump truck.
- Mr. Lord is concerned that using long-term debt means that all the interest we pay leaves the community and he wants to keep as much money as possible in Montague.
- Ms. Wisnewski asked for a show of hands of those who preferred borrowing, and the Finance Committee unanimously preferred borrowing.

Town Operating Budget Request of \$12,409,728

There is \$487.42 in Fund Balance Reserved for Excluded Debt from the premium on the Strathmore Abatement loan, which needs to be used to fund that debt service.

Mr. Garrison moved to recommend a Town operating budget of \$12,409,728, with \$487.42 to be raised from Fund Balance Reserved for Excluded Debt and \$12,409,240.58 to be raised from Taxation. Seconded by Ms. Bell-Upp and approved.

Bell-Upp – Aye, Bowman- Aye, Hanold – Abstain, Garrison – Aye, Wisnewski - Aye

Mr. Boutwell moved to recommend a Town operating budget of \$12,409,728, with \$487.42 to be raised from Fund Balance Reserved for Excluded Debt and \$12,409,240.58 to be raised from Taxation. Seconded by Mr. Lord and approved.

Boutwell – Aye, Kuklewicz – Aye, and Lord - Aye

Clean Water Facility Operating Budget Request of \$3,119,324

The Taxation share of the FY25 CWF budget is \$359,499.

Mr. Garrison moved to recommend a CWF operating budget of \$3,119,324, with \$359,499 to be raised from Taxation and \$2,759,825 to be raised from Sewer Revenues. Seconded by Ms. Bell-Upp and approved.

Bell-Upp – Aye, Bowman- Aye, Hanold – Abstain, Garrison – Aye, Wisnewski - Aye

Mr. Boutwell moved to recommend a CWF operating budget of \$3,119,324, with \$359,499 to be raised from Taxation and \$2,759,825 to be raised from Sewer Revenues. Seconded by Mr. Lord and approved.

Boutwell – Aye, Kuklewicz – Aye, and Lord - Aye

Airport Operating Budget Request of \$419,677

Due to the delay in implementation of the solar lease project, the revenue shortfall from that project will be made up through funding from Town Sale of Real Estate and Taxation.

Mr. Garrison moved to recommend an Airport operating budget of \$419,677, with \$26,041 to be raised from Town Sale of Real Estate, \$107,593 to be raised from Taxation, and \$286,043 to be raised from Airport Revenues. Seconded by Ms. Bell-Upp and approved.

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

Mr. Boutwell moved to recommend an Airport operating budget of \$419,677, with \$26,041 to be raised from Town Sale of Real Estate, \$107,593 to be raised from Taxation, and \$286,043 to be raised from Airport Revenues. Seconded by Mr. Lord and approved.

Boutwell – Aye, Kuklewicz – Aye, and Lord - Aye

Colle Operating Budget Request of \$52,250

This budget is funded from prior year surpluses.

Mr. Garrison moved to recommend a Colle operating budget of \$52,250, said sum to be raised from Colle Receipts Reserved for Appropriation. Seconded by Mr. Bowman and approved.

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

Mr. Boutwell moved to recommend a Colle operating budget of \$52,250, said sum to be raised from Colle Receipts Reserved for Appropriation. Seconded by Mr. Lord and approved.

Boutwell – Aye, Kuklewicz – Aye, and Lord - Aye

GMRSD Assessment of \$12,143,442

This amount meets the Affordable Assessment.

Ms. Bell-Upp feels the Affordable Assessment does not allow discussion for how sufficient to support the school in a difficult year.

Mr. Garrison moved to recommend a GMRSD assessment of \$12,143,442, said sum to be raised from Taxation. Seconded by Mr. Bowman and approved.

Bell-Upp – Nay, Bowman- Aye, Hanold – Aye, Garrison – Aye, Wisnewski - Aye

Mr. Boutwell moved to recommend a GMRSD assessment of \$12,143,442, said sum to be raised from Taxation. Seconded by Mr. Lord and approved.

Boutwell – Aye, Kuklewicz – Aye, and Lord - Aye

FCTS Assessment of \$837,356

This amount is a significant reduction from the current year and is the result of a sharp decrease in students from Montague.

Mr. Garrison moved to recommend a FCTS assessment of \$837,356, said sum to be raised from Taxation. Seconded by Mr. Bowman and approved.

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

Mr. Boutwell moved to recommend a FCTS assessment of \$837,356, said sum to be raised from Taxation. Seconded by Mr. Lord and approved.

Boutwell – Aye, Kuklewicz – Aye, and Lord - Aye

DPW Discretionary Account for \$64,218

Mr. Garrison moved to recommend \$64,218 for the DPW Discretionary Account to be raised from Taxation. Seconded by Ms. Bell-Upp and approved.

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

Mr. Boutwell moved to recommend \$64,218 for the DPW Discretionary Account to be raised from Taxation. Seconded by Mr. Lord and approved.

Boutwell – Aye, Kuklewicz – Aye, Lord - Aye

DPW 20-Ton Trailer for \$40,402

Mr. Bergeron clarified that this was for a 20-ton trailer rather than a 10-ton trailer as previously referenced.

Mr. Garrison moved to recommend \$40,402 for the DPW 20-Ton Trailer, to be raised from Taxation. Seconded by Ms. Bell-Upp and approved.

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

Mr. Boutwell moved to recommend \$40,402 for the DPW 20-Ton Trailer, to be raised from Taxation. Seconded by Mr. Lord and approved.

Boutwell – Aye, Kuklewicz – Aye, Lord - Aye

Pave 1st Street Alley for \$30,000

Ms. Garrison moved to recommend \$30,000 to repave the 1st Street alley, to be raised from Free Cash. Seconded by Mr. Bowman and approved.

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

Mr. Boutwell moved to recommend \$30,000 to repave the 1st Street alley, to be raised from Free Cash. Seconded by Mr. Lord and approved.

Boutwell – Aye, Kuklewicz – Aye, Lord - Aye

Re-line Manholes and Sewer Pipes for \$78,500

Mr. Garrison moved to recommend \$78,500 to reline manholes and sewer pipes, to be raised from Town Capital Stabilization. Seconded by Ms. Bell-Upp and approved.

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

Mr. Boutwell moved to recommend \$78,500 to reline manholes and sewer pipes, to be raised from Town Capital Stabilization. Seconded by Mr. Lord and approved.

Boutwell – Aye, Kuklewicz – Aye, Lord - Aye

Library Main Branch Feasibility Study for \$150,000

Mr. Garrison moved to recommend \$150,000 for a main library branch feasibility study, to be raised from Town Capital Stabilization Fund. Seconded by Ms. Bell-Upp and approved.

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

Mr. Boutwell moved to recommend \$150,000 for a main library branch feasibility study, to be raised from Town Capital Stabilization Fund. Seconded by Mr. Lord and approved.

Boutwell – Aye, Kuklewicz – Aye, Lord - Aye

Sheffield Main Office Reconfiguration for \$24,000

Mr. Garrison moved to recommend \$24,000 to reconfigure the main office at the Sheffield School, to be raised from Free Cash. Seconded by Ms. Bell-Upp and approved.

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

Mr. Boutwell moved to recommend \$24,000 to reconfigure the main office at the Sheffield School, to be raised from Free Cash. Seconded by Mr. Lord and approved.

Boutwell – Aye, Kuklewicz – Aye, Lord - Aye

Smith Vocational - \$36,000

Mr. Garrison moved to recommend appropriating \$36,000 for tuition and transportation for a Montague resident attending the Smith Vocational Technical High School, to be raised from Taxation. Seconded by Mr. Bowman and approved.

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

Mr. Boutwell moved to recommend appropriating \$36,000 for tuition and transportation for a Montague resident attending the Smith Vocational Technical High School, to be raised from Taxation. Seconded by Mr. Lord and approved.

Boutwell – Aye, Kuklewicz – Aye, and Lord - Aye

Transfers to Reserves - \$213,976

Ms. Bell-Upp feels that this is a really hard time for the GMRSD and is concerned that there is no opportunity for flexibility allowing the Town to provide additional funding.

Mr. Garrison moved to recommend appropriating \$50,000 to the OPEB Trust Fund, \$34,323 to the GMRSD Stabilization Fund, \$119,653 to the Town Capital Stabilization Fund, and \$10,000 to the Henry Waidlich Conservation Trust Fund said sum to be raised from Taxation. Seconded by Ms. Bell-Upp and approved.

Bell-Upp – Nay, Bowman- Aye, Hanold – Aye, Garrison – Aye, Wisnewski - Aye

Mr. Boutwell moved to recommend appropriating \$50,000 to the OPEB Trust Fund, \$34,323 to the GMRSD Stabilization Fund, \$119,653 to the Town Capital Stabilization Fund, and \$10,000 to the Henry Waidlich Conservation Trust Fund said sum to be raised from Taxation. Seconded by Mr. Lord and approved.

Boutwell – Aye, Kuklewicz – Aye, Lord - Aye

Montague Center Pump Station Rehabilitation for \$283,800

Since the earlier option of funding included the balances of two existing CWF special articles, \$90,000 from CWF Retained Earnings, and \$110,700 from the Town Capital Stabilization Fund, Ms. Olsen asked if the debt service should be paid by the Town, the CWF, or a combination.

- Mr. Ellis said that while past projects with an impact on inflow and infiltration or maintenance of the collection system had been partially allocated to the Town, there was no history of using Town debt for a project that was fully the responsibility of the CWF.
- Mr. Ramsey confirmed that this project was completely related to the operation of the CWF.

- Mr. Lord noted that the sewer regulations are silent on the funding of capital items and that raises the question of whether the Town should be paying for part of these, and if so, how much. This is one of the reasons he's opposed to financing it, because these are big questions that should be answered before we go to financing.
- Mr. Kuklewicz suggested a split of 60% to CWF debt and 40% to Town debt as that was roughly the allocation of the previous sources.

Montague Center Pump Station Rehabilitation for \$283,800

Mr. Garrison moved to recommend \$283,800 for the Montague Center Pump Station Rehabilitation, to be funded from sewer long-term debt. Seconded by Ms. Bell-Upp and approved.

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

Mr. Boutwell moved to recommend \$283,800 for the Montague Center Pump Station Rehabilitation, to be funded from sewer long-term debt. Seconded by Mr. Lord and approved.

Boutwell – Aye, Kuklewicz – Aye, Lord - Nay

Town Hall Parking Lot for \$296,000

Mr. Garrison moved to recommend \$296,000 to rehabilitate the Town Hall parking lot, to be raised from Town long-term debt. Seconded by Mr. Bowman and approved.

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

Mr. Boutwell moved to recommend \$296,000 to rehabilitate the Town Hall parking lot, to be raised from Town long-term debt. Seconded by Mr. Lord and approved.

Boutwell – Aye, Kuklewicz – Aye, Lord - Nay

10-Wheel Dump Truck for \$365,000

Mr. Garrison moved to recommend \$365,000 to purchase and equip a 10-wheel dump truck, to be raised from Town long-term debt. Seconded by Mr. Bowman and approved.

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

Mr. Boutwell moved to recommend \$365,000 to purchase and equip a 10-wheel dump truck, to be raised from Town long-term debt. Seconded by Mr. Lord and approved.

Boutwell – Aye, Kuklewicz – Aye, Lord - Nay

Hillcrest Paving and Sidewalks for \$175,500

Mr. Garrison moved to recommend \$175,500 to repair and update paving and sidewalks at the Hillcrest School, to be raised from Town long-term debt. Seconded by Ms. Bell-Upp and approved.

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

Mr. Boutwell moved to recommend \$175,500 to repair and update paving and sidewalks at the Hillcrest School, to be raised from Town long-term debt. Seconded by Mr. Lord and approved.

Boutwell – Aye, Kuklewicz – Aye, Lord - Nay

Assessors Appellate Tax Board (ATB) Case

Mr. Lord moved to recommend appropriating \$260,000 for legal fees and expert testimony at the ATB, to be raised from Free Cash. Seconded by Mr. Boutwell and approved.

Boutwell – Aye, Kuklewicz – Aye, and Lord - Aye

Meeting minutes:

Mr. Boutwell moved to approve the minutes of March 6, 2024. Seconded by Mr. Lord and approved.

Boutwell – Aye, Kuklewicz – Aye, Lord - Aye

Ms. Wisnewski and Mr. Bergeron left the meeting at 7:25.

Town Administrator Updates:

Mr. Ellis confirmed that the Board of Health is comfortable bringing forward requests for projects funded by opioid settlement funds to the Selectboard for approval. Several towns are currently looking at pooling funds and having a regional program that may be a more effective use of funds.

Mr. Ramsey reported that the Stratmore mill has been identified as an environmental risk. The EPA Emergency Response Program will be assessing the site and proposing cleanup activities. Any work would be done by the EPA under their management and would be at no cost to the Town.

Mr. Ellis expects Representative Natalie Blais to attend an upcoming Selectboard meeting in April and will be an opportunity to share their priorities.

Topics not anticipated within 48 hours of posting: none

Selectboard Adjournment

Mr. Boutwell makes the motion to adjourn at 7:35 PM. Seconded by Mr. Lord and approved.

Boutwell – Aye, Kuklewicz – Aye, Lord - Aye

Finance Committee Adjournment

Mr. Garrison makes the motion to adjourn at 7:36 PM. Seconded by Mr. Hanold and approved.

Bell-Upp – Aye, Bowman- Aye, Hanold – Aye, Garrison – Aye

Respectfully submitted,
Carolyn Olsen

Next Meeting – March 27, 2024 – Finance Committee Report to Town Meeting

Documents and exhibits:

Minutes of March 6, 2024