

MONTAGUE FINANCE COMMITTEE

Wednesday, December 11, 2024 at 6:00 PM

This meeting will be held remotely.

Join Zoom Meeting <https://us02web.zoom.us/j/86523275284>

Meeting ID: 865 2327 5284

One tap mobile

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Meeting Being Recorded

Votes May Be Taken

Recordings are archived at <https://vimeo.com/mctvchannel17/videos>

1. 6:00 Call to order, including announcing that the meeting is being recorded, roll call, welcome to visitors, and guidelines for participation.
2. 6:01 Review of meeting minutes of November 6, 2024
3. 6:05 Reserve Fund Transfer Smith Vocational Transportation
4. 6:15 FY26 Budget Discussion
 - a. Personnel Changes
 - b. Review Narratives
 - c. FY26 Budget Projection
5. 6:45 Updates from Town Administrator
 - a. STM updates
6. 6:55 Topics not anticipated within 48 hours of posting
7. 7:00 Next meeting dates
8. 7:05 Adjourn

MONTAGUE FINANCE COMMITTEE
Wednesday, November 6, 2024 at 6:00 PM
This meeting was held via Zoom and recorded:
<https://vimeo.com/982262386>

Finance Committee Chair Dorinda Bell-Upp called the meeting to order at 6:00 PM.

Finance Committee members present: Chair Dorinda Bell-Upp, Vice Chair Fred Bowman, Clerk Chris Menegoni and member Franca Wisnewski

Finance Committee members absent: Jennifer Waryas, Kristin Bodin, John Hanold

Others present: Town Administrator Walter Ramsey and Town Accountant Angelica Desroches

The meeting was recorded by MCTV as well as by Angelica Desroches

Meeting minutes:

Mr. Bowman moved to approve the minutes of September 4, 2024. Seconded by Mr. Menegoni and approved.
Bell-Upp – Aye, Bowman – Aye, Menegoni – Aye, Wisnewski - Aye

FY26 Budget Schedule/Calendar

Mr. Ramsey discussed the current proposed budget schedule. Discussed that budget requests are due to Accounting by December 9th. He reported that there is a tax classification hearing tentatively scheduled for either November 25th or December 2nd. Discussed having a Finance Committee meeting on December 11th to begin reviewing the preliminary budget submissions. Informed the Finance Committee that the STM is being proposed for the last Wednesday of February at this time.

- Ms. Wisnewski discussed which of the tasks of the calendar belonged to the Finance Committee. Discussed that the layout shows that the Finance Committee meetings are on the right side of the calendar as has been presented in the past.

FY26 Budget Discussion

Mr. Ramsey presented the status on the FY26 budget. He presented preliminary revenue figures. Discussed the possibility of raising the new growth prediction from the historical 75,000 to a more reasonable estimate given the last 10 years averages. Mr. Ramsey reported that the Selectboard was in favor of increasing the estimate to a more historically accurate number. Discussed that state aid and local receipts were increased conservatively given historical actuals. Mr. Ramsey then presented the three scenarios for budgeting the excess capacity. Scenario one is to level fund the excess capacity, so it is the same as the previous years at 1,149,954. Scenario two is to increase the excess capacity by 75% of FY25's actual new growth numbers, so it would be 1,314,312. Scenario three would be to decrease the budgeted capacity to the point that the school Affordable Assessment reaches the 10-year average increase of 3.91%, so it would be 986,000.

- Ms. Bell-Upp reported that she had some confusion about understanding option 2. Ms. Desroches reported that the option was developed during a year in which Montague had a higher new growth year than expected so it appears to be developed to have increased excess capacity under that favorable new growth figure.
- Ms. Wisnewski questioned what was expected from the Finance Committee with the presentation. Mr. Ramsey reported that there are no votes expected. The presentation was aimed at getting more opinions on the scenarios and the status of the revenue predictions.

- Mr. Menegoni reported that the information is difficult to process without seeing spreadsheets and formulas. Mr. Ramsey discussed that he will be sending out the details to the Finance Committee following the meeting for them to review.
- Ms. Bell-Upp discussed being in favor of the raise to the new growth number. The higher new growth number would be more equitable to the school and would help bring down the free cash numbers that are not always shared equitably with the school.

New Financial Software Updates

Ms. Desroches reported to the Finance Committee that she is in the early stages of reviewing new financial software options for the Town of Montague. Discussed that the current software system is outdated and is no longer getting any updates to it. Discussed that we are reviewing different software options and getting price points and demos for what is available.

- Mr. Menegoni asked if any of the software systems being reviewed can be integrated with current systems. Ms. Desroches informed the Finance Committee that she has had discussions with the same software company as is in the Collectors office which would be fully integrated.
- Mr. Ramsey talked about wanting a software system that the department heads can also go in and review their budgets and the details of their accounts. He also discussed wanting a system that is fully integrated with permitting and other departmental functions. Discussed that the current permitting software is not meeting expectations so looking to improve that.

Updates from Town Administrator

Mr. Ramsey reported that the capital requests were due last week and that committees are beginning to review the requests. Mr. Ramsey updated the Finance Committee that the ARPA funds are down to 1,500 of unencumbered funds. He stated that the ARPA funds have been used for many important projects for the Town of Montague including most recently the 11th Street Bridge Project.

Mr. Ramsey stated that the idea of stipends for the School Committee members has begun to be discussed again. The details and mechanics of the stipends have not been completely figured out but that discussion with the school around this topic has begun.

- Ms. Wisnewski shared that she thought a stipend for those members would be a good thing and that she would be happy to support it.

Next Meetings

December 11th – to begin to review budgets and narratives.

Topics not anticipated within 48 hours of posting:

Adjournment

Mr. Bowman makes the motion to adjourn at 6:35 PM. Seconded by Mr. Menegoni and approved.

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

Respectfully submitted,
Angelica Desroches

Documents and exhibits:

Minutes of November 6, 2024

REQUEST FOR TRANSFER FROM THE RESERVE FUND

A request is hereby made for the following transfer from the Reserve Fund in accordance with Chapter 40, Section 6 of the Massachusetts General Laws.

- 1. Amount requested: \$ 12,500
- 2. To be transferred to account number 001-5-950-5300-035
Account Title #13 5/4/24 Smith VoTech FY25
- 3. Present balance in said line-item appropriation: \$4,651 _____

The amount requested will be used for (give specific purpose):

The transfer will be used to cover the transportation costs for the Smith Vocational student for the months of December, January, and February. It will also cover the second installment for tuition. This transfer will cover the budget line until the STM.

This expenditure is extraordinary and/or unforeseen for the following reasons:

The transportation rate was originally negotiated at \$400 a day for September/October/November. Once this rate was discovered by the Town the rate was renegotiated to \$200 a day for the remainder of the school year. These are both significantly higher than the historic \$100 a day that the line was budgeted for.

Officer/Department Head

Date: 12/4/24

ACTION OF OVERSIGHT BOARD

Date of Meeting: _____ Number present & voting: _____

Transfer recommended in the amount of \$ _____ Transfer disapproved: _____

Chairperson _____

ACTION OF FINANCE COMMITTEE

Date of Meeting: 12/11/2024 Number present & voting: _____

Transfer voted in the amount of \$ 12,500 _____ Transfer disapproved: _____

Chairperson, Finance Committee

	School Days	Rate	Total for Month	ATM Article 13	Tuition	Transportation	Balance
September	23	400	9,200				36,000
October	22	400	8,800	September			36,000
November	16	400	6,400	October	6,949		29,051
December	15	200	3,000	November			29,051
January	21	200	4,200	December		24,400	4,651
February	15	200	3,000	January		3,000	1,651
March	21	200	4,200	February	6,949	4,200	(9,498)
April	17	200	3,400	March		3,000	(12,498)
May	21	200	4,200	April		4,200	(16,698)
June	9	200	1,800	May	6,949	3,400	(27,047)
	180		48,200	June		6,000	(33,047)
					20,847	48,200	

Reserve Fund Transfer

Current Budget
 Smith Vocational 1st Tuition 36,000
 Current Remaining Balance 6,949
 Jan 2nd Tuition 29,051
 Mar 3rd Tuition 6,949
 Balance After Tuitions 15,153
 Required additional funding 33,047

(20,549) STM Vote for remainder