

MONTAGUE FINANCE COMMITTEE
Wednesday, August 6, 2025 at 6 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 6:01 PM.

Finance Committee members present: Chair Dorinda Bell-Upp, Vice Chair Fred Bowman, Leigh Rae, Chris Menegoni, Jennifer Waryas

Finance Committee members absent: Francia Wisnewski, Josh Bell

Others present: Town Accountant Angelica Desroches, Chief Assessor Adam Tocci, Town Administrator Walter Ramsey

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

Meeting minutes:

Mr. Bowman moved to approve the minutes of July 9, 2025. Seconded by Mr. Menegoni and approved.

Bell-Upp – Aye, Bowman – Aye, Rae – Aye, Menegoni – Aye, Waryas—Aye

Introduction to Chief Assessor:

- HERO Act – Mr. Tocci gave an overview of the new clauses I and J. Clause I gives a cost-of-living adjustment based on DOR percentage. Clause J allows you to increase the veteran exemption based on a specific exemption determined by the Town. A town can adopt both clauses. Mr. Tocci reviewed what the impact would have on the current 72 veterans that have exemptions based on different scenarios of Clause I and Clause J. Ms. Rae questioned what the different categories were. Mr. Tocci reported that 22a, 22c, and 22e are related to the percentage of disability based on the Veteran's Office declaration. And 22d is a full exemption based on a service-related death. Ms. Bell-Upp inquired about whether there are projections on how many veterans there will be and if this number will increase. Mr. Tocci answered that he did not think the number of exemptions would increase. Mr. Ramsey stated that the Veteran's district did advise increasing the Veteran's Benefit line item so it is possible there may be some changes, but they might not be drastic. Ms. Waryas asked Mr. Tocci to discuss the overlay in more detail and how that impacts the budget. Mr. Tocci reported that overlay is the amount of money that the Town is not expecting to collect after the tax bills are sent out based on exemptions and abatements. Mr. Menegoni wondered if there was enough in overlay to go to free cash. Ms. Desroches reported that after the PILOT agreement the current balance in overlay is probably not high enough for the assessors to deem it overlay surplus, so it would not be returning to free cash. Ms. Bell-Upp questioned if Clause J would be a one time change and Clause I would be a yearly adjustment. Mr. Tocci confirmed this. Mr. Ramsey reported that both the districts would also have to adopt the Clauses. He also stated that this may be addressed at the fall or annual town meetings.

- FirstLight PILOT – Mr. Tocci shared the schedule of the payments FirstLight will be paying over the next 10 years. FirstLight was also paid out \$1 million as part of the settlement. Ms. Bell-Upp inquired whether there was the possibility of increased values to make up for the difference to which Mr. Tocci answered that this may not be known until December. Ms. Rae asked Mr. Tocci what the net of the impact on the Town would be. Mr. Tocci stated while yes, they would be taking less money into the Town and would also be saving on legal costs and a decreased overlay. Ms. Waryas wanted to know specifically what the PILOT payments are and why the district is part of the PILOT. Mr. Tocci stated that the property is in the district, so they are subject to district tax. Ms. Bell-Upp stated that the schedule is payments that FirstLight is paying over the next 10 years not what we are paying them over the next 10 years. Mr. Menegoni wanted to know what years of dispute the PILOT agreement settled. Mr. Tocci stated it was for years 2022 to 2025.

Updates from Town Administrator:

- FRCOG Hotel Tax – Mr. Ramsey reviewed when the Town added meals tax and that it has generated an average of \$71,000 per year. At this time the Town did not vote in the room tax. Recently the FRCOG did an analysis of the room tax in the area, and the finding was that the Town of Montague is missing an opportunity to collect some money on room tax. Mr. Menegoni questioned what percentage of tax most of the other town's charge. Mr. Ramsey stated all Towns but one charge 6%. Ms. Waryas questioned why the Town should get this tax and thinks it hurts the businesses. Ms. Rae stated that she thinks this will help regulate the number of short-term rentals in the area. Mr. Menegoni added that as a restaurant owner he was in support of the meals tax, his business does not pay the 7% the customer does. He feels this helps support the Town and the businesses support this because they want to see the Town be successful.
- Health Insurance Increase – Mr. Ramsey reviewed that the Town employee health insurance through the Hampshire Group County Insurance Trust is proposing a 20% rate increase effective October 1. He stated this was needed to make sure the Trust remained intact. If they did not make this change then the Trust would dissolve, and the Town would have been liable for unpaid claims. He stated there are 70 other members who are all looking to see if they are going to stay in with trust and they have until next spring to decide. The FRCOG is helping the Towns investigate other options. The financial impact of this is around \$318,000 for the Town and \$37,000 for the Sewer fund. For the General fund it is recommended to raise this out of taxation because the excess capacity is there, and for the sewer fund the current rate structure can absorb this cost. Mr. Menegoni wondered if the number is going to go down in future years with the work for the FRCOG. Mr. Ramsey stated the goal of the transition would be to decrease the cost of insurance to the Town, but that for this year they are locked into the Hampshire Trust. Mr. Bowman wanted to ensure that the level of care remained the same, to which Mr. Ramsey stated that the only change was to the coverage of GLP1s. Ms. Waryas inquired whether there have been projections for the cost of retiree insurances. Ms. Desroches stated that the Town has an annual valuation done by an actuarial.
- Mr. Ramsey also reported that he is reviewing the transfer station fees with an outside consulting agency to make sure they are accurate to what is needed.

Next Meeting dates/topics:

- Ms. Bell-Upp inquired about what their next meeting would be. Ms. Desroches stated that one month from now is September 10th. Asked to have members send agenda ideas.

Adjournment

Mr. Bowman makes the motion to adjourn at 7:15 PM. Seconded by Ms. Waryas and approved.

Bell-Upp – Aye, Bowman – Aye, Rae – Aye, Menegoni – Aye, Waryas—Aye

Respectfully submitted,
Angelica Desroches

Documents and exhibits: