

**MEETING OF MONTAGUE FINANCE COMMITTEE**

**Wednesday, February 11, 2026 at 6 PM**

**This meeting was held in person 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, Josh Bell, Leigh Rae, Chris Menegoni

**Finance Committee members absent:** Jennifer Waryas, Francia Wisnewski

**Others present:** Town Accountant Angelica Desroches, Town Administrator Walter Ramsey, Assistant Town Administrator Christopher Nolan-Zeller

The meeting was recorded by MCTV.

**Meeting minutes:**

- Mr. Menegoni moved to approve the minutes of January 28, 2026. Seconded by Mr. Bell and approved.
  - Bell-Upp – Aye, Bell – Aye, Rae—Aye, Menegoni – Aye

**FY27 Budget Discussion:**

- Ms. Bell-Upp questioned whether there have been changes to the Airport budget following the most recent meeting. Ms. Desroches reported not seeing any changes to that budget. Ms. Rae highlighted other departments that she thought would need changes.
- Ms. Rae inquired how the school is going to fill the shortfall in their budget. Ms. Bell-Upp discussed they are looking through the budget in the school committee meetings. Ms. Desroches stated they have asked if the school had any costs that would qualify for a special article this year.
- Mr. Menegoni asked if there are other resources that the Town has that are not a part of affordable assessment. Ms. Desroches explained that all revenues are included except half the Kearsarge revenue and the reimbursements for school resource officers. If free cash is voted into the operating budget, then it is also included in the assessment. The funding sources for capital articles like free cash and stabilization are not a part of the affordable assessment calculation. Ms. Bell-Upp inquired if the school has been asking for capital. Mr. Ramsey and Ms. Desroches reported that they have been basing their capital requests on acceptance into the Massachusetts School Building Authority.
- Ms. Rae wondered about what free cash would be left by the end of the fiscal year. Ms. Desroches reported that they are currently working on repurposing unused special articles to have approximately \$300,000 more in free cash to put into reserves by the end of the fiscal year.
- Ms. Bell-Upp mentioned that we have not been using capital stabilization in recent years due to having enough free cash to cover the capital requests. Mr. Menegoni stated that this year they started with over \$12 million in requests but now it is down to around \$1.8 million with half of that coming from the Clean Water Facility department.
- Ms. Rae inquired about possible cost savings for the future that were outlined in Mr. Ramsey's budget outline. Mr. Ramsey highlighted the consolidation of districts (fire and water districts)

and changing health insurance companies. Discussed the district consolidations being a cost neutral decision and is more about maintaining services.

- Ms. Rae requested more information about the 2% reduction. Discussed that it was level services minus 2% not level funded minus 2%. This means that all departments were told to maintain their level of services and make contractual increases. Mr. Bell wondered if departments were able to cut the 2%. Based on the narratives it appeared that most departments were able to absorb the 2% cuts without much issue.
- Ms. Bell-Upp was curious how the building costs are built into the budget. It appeared to be mixed into the budgets. And with the way the building costs are budgeted she was concerned if some buildings or departments might be missing in the process of keeping things up to date in repairs. Mr. Menegoni reported that there are members of the Capital Improvement Committee that have a skill set in evaluating building costs and that they are going to be taking the extra time to help the Town evaluate some of these needs.
- Ms. Rae observed that sometimes in the capital plan there are projects that don't have estimated costs in place and she was wondering if there is a way to have those projects be on the 5-year capital plan to still hold a bookmark for the future. Mr. Menegoni and Mr. Ramsey both discussed that the projects can still be on the capital plan without costs and that there are often estimates that need to be updated when the projects get closer.

#### **Future Financial Forecast and Large Capital Projects:**

- Ms. Bell-Upp inquired about how the quarterly taxes are paid for the budget. Ms. Desroches discussed that the first two quarters of the fiscal year are preliminary bills and the amount is based off the previous fiscal year's tax bills. Then the tax rate is set in December to determine the full year tax bill that a resident owes. The amount paid on the preliminary bills is deducted from the full year's amount to make the last two quarters' actual bills.
- Ms. Bell-Upp asked if there is \$2.5 million in capital stabilization, would it be beneficial to pay some of the cost of the library project to reduce borrowing. Mr. Ramsey stated that it ultimately would be a decision for the finance committee and recommended taking into consideration future capital projects and what the difference in debt cost would be.
- Ms. Rae began a general discussion on how the 5-year forecast can be used to educate the general population about making financial decisions about what we can afford and what services we are able to fund. Mr. Menegoni discussed that often when large projects come up the cost of the project is dictated by the designers and engineers instead of the Town stating this is how much money we have and then having the building designed and built within the budget cap set by the Town. Mr. Bell agreed with Mr. Menegoni and added that most engineers are just chasing fads and that it might not always be the best decision for the Town and its future. Mr. Ramsey added that the Franklin Tech School and the library are both being built under the supervision of state grant programs, which means the state dictates some of the design and construction of the project. Being part of that program means that the Town does lose some of the decision-making power.
- Ms. Rae inquired how Franklin Tech School would be passed. Discussed that it is a majority vote for the entire population of the district. With the two projects coming up Ms. Rae wanted to know whose responsibility it is to make sure the voters are informed about the impact of the Franklin Tech School and the library. Ms. Desroches stated that as employees who are paid by the taxpayers of the Town it is their responsibility as Town employees to make sure that the taxpayers are as informed about the financial impact of the projects as possible. Mr. Menegoni wanted to know if there was a way to present the library separately so that the Franklin Tech

School does not impact on the decision for the library. Mr. Ramsey reported that the library is being voted on in June and the Franklin Tech School is going to be voted on in October. Ms. Desroches discussed showing debt projections with just the library and showing one with the Franklin Tech School as well.

- Ms. Rae wondered if the debt projections of these projects are on the 5-year projection. Ms. Desroches stated that they are. She also discussed that one of the concerns of the 5-year projection is that it is doing a 3-year average which in the state of the economy the last 3 years have been some of the largest increases in costs. The average of these increases often meant costs would be an 8% increase which if projected for the next 5 years would push the town to the limits of affordability. Discussed using a different percentage increase instead of the 3-year averages for categories. Discussed using the total average increase of costs which is around 3.2%.
- Ms. Bell-Upp brought up the fact that to balance the FY27 budget it is recommended to not fund the stabilizations out of taxation. Mr. Ramsey reported that the Selectboard is going to recommend the budget without funding stabilizations out of taxation and then the Finance Committee will have time later in the discussion and voting cycle to vote their recommendations around that decision.

**Next Meeting dates/topics:**

- February 25 – Selectboard budget recommendations
- March 4 – Vote Schedule I and II and non-CIC articles
- March 11 – CIC/FC/SB Capital requests, CIC report, and votes
- March 18 – SB/FC reconciliation and vote remaining articles
- March 25 – FC final votes
- April 1 – Review backgrounds and begin FC report
- April 8 – FC report finalized
- April 29 – FC Annual Town Meeting prep
- May 2 – Annual Town Meeting

**Adjournment**

Ms. Rae makes the motion to adjourn at 7:35 PM. Seconded by Mr. Bell and approved.  
Bell-Upp – Aye, Bell – Aye, Rae—Aye, Menegoni – Aye

Respectfully submitted,  
Angelica Desroches

**Documents and exhibits:**