



Office of the Selectboard

Town of Montague

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Seth Rutherford
253 Organic, LLC
253 Millers Falls Rd.
Turners Falls MA 01376

August 9, 2022

Dear Mr. Rutherford,

Please accept this letter as the Town of Montague's response to your request for an account of Town cannabis impact fee-supported appropriations and expenditures to-date. These expenditures reflect the Town's continuing commitment to using impact fees defined in our Host Community Agreement in a manner consistent with the intent of the law and spirit of that agreement.

Each year, the Town is careful to segment impact fees from general revenue, directing them into a dedicated Cannabis Impact Fee Stabilization Account. We strive to align any expenditures against the account with the reasonable and justifiable purposes of the impact fees. We have taken a cautious approach to spending, allowing time for impacts and the expected level of resources to become apparent. In this way the Town can better prioritize and scale its response to issues and lend some degree of sustainability to any continuing expense.

The Town began to allocate funds in FY21, making its first expenditures against those appropriations in FY22. Total appropriations made in FY21 were \$120,050 with FY22 expenses of \$96,405.43.

Those appropriations and expenditures include:

- \$14,012 for costs incurred by Town Departments in connection with the establishment and operation of 253 Farmacy. Expended in full during FY21.
- \$5,538 for costs incurred by the Turners Falls Fire District in connection with the establishment and operation of 253 Farmacy. This was expended in full during FY21.
- \$7,000 for police training relative to identification of cannabis intoxication. This has not yet been expended due to limited training time being available for officer participation.
- \$85,000 for school-based substance abuse counseling services shared by the Gill-Montague Regional School District and Franklin County Technical School. \$72,576 was billed in FY21. Services remain ongoing.
- \$8,500 for prevention program development and monitoring by the Communities that Care Coalition. \$4,279.43 was billed in FY21, services remain ongoing.

The Town allocated additional funds in FY22, with some for initiatives that would begin in FY22 and others to begin in FY23. The total appropriations made in FY22 were \$288,800 with expenses relative to these appropriations to date of \$25,606.50.

Those appropriations and expenditures include:

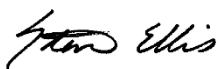
- \$50,000 for evidence-based substance abuse prevention programming with a focus on serving families and children. \$11,119.50 was billed in FY21 with an FY22 invoice of \$14,487 pending.
- \$86,900 for school-based substance abuse counseling services for the Gill-Montague Regional School District. Services to be implemented in Fall 2022.
- \$86,900 for school-based substance abuse counseling services for the Franklin County Technical School. Services to be implemented in Fall 2022.
- \$40,000 for the purpose of funding community-based Science, Technology, Engineering, and Math afterschool enrichment programs. Services to be implemented in Fall/Winter 2022.
- \$25,000 for the purpose of developing a Feasibility Assessment and Preliminary Design for roadway safety improvements to the intersection of Millers Falls Road and Industrial Boulevard. Project not yet initiated.

For summary purposes, an account of receipts, interest, and appropriations from the Cannabis Impact Stabilization Account appears below. Note that expenses against appropriations totaled \$107,524.93 as of the close of FY22, with invoices received for an additional \$14,487 in FY23.

Fiscal Year	Source	Value
FY20	Receipts	35,791.00
FY21	Receipts	198,883.83
FY21	Interest	723.94
FY22	Receipts	390,842.79
FY22	Interest	4,859.10
Total		631,100.66
<i>Appropriated</i>		<i>(408,850)</i>
Balance		222,250.66

I would be happy to meet to review any aspect of this report at your convenience. We appreciate 253 Farmacy's ongoing compliance with the terms of its Host Community Agreement, as well as your sincere interest in contributing to our shared community.

Respectfully,



Steven Ellis
Montague Town Administrator