

Nov 29 2021 10:58 am



**City of Fitchburg
Massachusetts 01420**

CITY COUNCIL

Councilors at Large

**Marcus L. DiNatale
Amy L. Green
Thomas C. Hughes
Samantha M. Squailia
Anthony M. Zarrella**

President

Anthony M. Zarrella

Vice President

Elizabeth R. Walsh

Ward Councilors

**Ward 1 – Bernard J. Schultz, III
Ward 2 – Paul R. Beauchemin
Ward 3 – Andrew J. Couture
Ward 4 – Andrew J. Van Hazinga
Ward 5 – Marisa R. Fleming
Ward 6 – Elizabeth R. Walsh**

Finance Committee

A meeting of the Finance Committee was called to order by Chairman DiNatale on Tuesday, November 23, 2021 at 6:02 PM in the Legislative Building, 700 Main Street, Fitchburg, MA.

Committee Members present: Councilors Paul Beauchemin, Marcus DiNatale, Elizabeth Walsh, and Anthony Zarrella. Councilor Thomas Hughes arrived late.

Committee Members absent: None.

The chairman read an announcement regarding the recording of public meetings, noting that FATV was recording and broadcasting the meeting. No other person stated that they were recording the meeting.

The chairman opened the meeting for public comment. No one spoke.

201-21 **ORDER:** that there be and hereby is appropriated the sum of THREE HUNDRED FIFTY THOUSAND AND 00/100 DOLLARS (\$350,000.00) same to be charged against AVAILABLE FUNDS and credited to STABILIZATION FUND.

Discussion: The chairman read a letter from Mayor Stephen DiNatale dated November 9, 2021. He stated that the 5% figure used in the letter was based on a recommendation from the Department of Revenue when they were assisting the city with its finances about fifteen years ago.

Councilors asked why the mayor is not asking for more to go into the Stabilization Fund, perhaps \$500,000. City Auditor Calvin Brooks explained that there are many demands on Available Funds and that the city has tried to maintain a certain level of contributions to the Stabilization Fund. Money in that fund should only be used for extraordinary or catastrophic situations. Councilors mentioned that the city has lost opportunities on land deals because it did not have readily available financial resources to complete the transaction.

Councilors noted that it was important to continue contributions to the Stabilization Fund because it is a necessity for financial strength and stability, which helps with the bond rating. It should be the first appropriation each year after Free Cash is certified.

Councilor Hughes joined the meeting.

Councilors pointed out that the city has received a lot of funds through ARPA, so why not add more to the Stabilization Fund. Councilors replied that it is hard to move money from a place with visible effect to a less visible place of fiscal responsibility. Perhaps money could be put aside for a particular purpose. Councilors noted that the city's financial position is much better than fifteen years ago when there was no money in the bank and the city was operating under severe fiscal constraints.

Action: Motion to approve made by Councilor Walsh and second by Councilor Zarrella.
Motion adopted. (5-0).

202-21 ORDER: that there be and hereby is appropriated the sum of FOUR HUNDRED FIFTY THOUSAND AND 00/100 DOLLARS (\$450,000.00) same to be charged against AVAILABLE FUNDS and credited to OTHER POST EMPLOYMENT BENEFITS (OPEB) TRUST FUND.

Discussion: The chairman read a letter from the mayor dated November 9, 2021.

Councilors noted that the trust fund was set up under a prior administration to assist with retiree health insurance payments, an unfunded liability. The amount in the trust fund is not much relative to the liability, but does show the city is making an effort.

Action: Motion to approve made by Councilor Zarrella and second by Councilor Walsh.
Motion adopted. (5-0).

203-21 ORDER: that there be and hereby is appropriated the sum of ONE HUNDRED TWENTY-FIVE THOUSAND AND 00/100 DOLLARS (\$125,000.00) same to be charged against AVAILABLE FUNDS and credited to RESERVE FOR OTHER MUNICIPAL PURPOSES, CAPITAL EXPENSES.

Discussion: The chairman read a letter from the mayor dated November 9, 2021.

Action: Motion to approve made by Councilor Hughes and second by Councilor Walsh.
Motion adopted. (5-0).

204-21 ORDER: that there be and hereby is appropriated the sum of SIX HUNDRED THOUSAND AND 00/100 DOLLARS (\$600,000.00) same to be charged against AVAILABLE FUNDS and credited to SCHOOL DEPARTMENT, SCHOOL EXPENSES.

Discussion: The chairman read a letter from the mayor dated November 9, 2021.

Councilors asked if the budget now meets net school spending requirements. They answered that this appropriation makes the School Department whole now that the transportation figure is set.

Action: Motion to approve made by Councilor Walsh and second by Councilor Zarrella.
Motion adopted. (5-0).

206-21 PETITION: that the Mayor be authorized to enter into and execute a PILOT Agreement with NORTH BRANCH ENERGY, LLC, regarding a Solar Project to be located at 0 Ashburnham Street, Assessors Map S7 Block 48 Lot 0.

Discussion: City Assessor Christopher Paquette, Thomas deNeufville of North Branch Energy, LLC, and Owen Grant of Duke Energy were present. The chairman noted that the PILOT agreement is for North Branch Energy, LLC to make payments to the city in lieu of property taxes for the next twenty years.

Mr. Paquette reported that this PILOT agreement has been in the works for a while. The calculation method is different from earlier agreements because the state has changed its guidelines. This agreement is beneficial to both the city and the developer.

Mr. Grant thanked the city for being easy to work with, and he is looking forward to concluding the agreement and getting going on construction.

Mr. deNeufville stated he is the son of the property owner and that they have been looking for a long-term use for the property.

Councilors asked if the neighboring properties would benefit from lower electric costs. Mr. Grant explained that Unitil will be taking the power, so there is no specific benefit to the neighbors.

Councilors asked if earlier PILOT agreements are affected by the change in state guidelines. Mr. Paquette said there would be no change, since all are signed, legally binding documents.

Action: Motion to approve made by Councilor Zarrella and second by Councilor Beauchemin. Motion adopted. (5-0).

Motion to adjourn made by Councilor Zarrella second by Councilor Walsh. Motion adopted. (5-0)

The meeting adjourned at 6:29 PM.

Respectfully submitted,



Calvin D. Brooks, Clerk

City of Fitchburg
Available Funds Summary
Fiscal Year 2022

Available Funds Certified as of July 1, 2021			8,682,198
Less Approved Appropriations:			
Subtotal - Approved Appropriations:			0
Balance Available			8,682,198
Less Proposed Appropriations:			
11/16/21	201-21	Stabilization Fund	-350,000
11/16/21	202-21	OPEB Trust Fund	-450,000
11/16/21	203-21	Reserve for Other Municipal Purposes, Capital Expenses	-125,000
11/16/21	204-21	School Expenses	-600,000
Subtotal - Proposed Appropriations			-1,525,000
Balance Available if Proposed Appropriations are Approved			7,157,198
Possible Appropriations:			
Snow & Ice			
Stabilization Fund 5% - \$6,974,000 7% - \$9,764,000 Current - \$7,517,897			
OPEB Fund Current - \$1,997,632			
Labor Contracts			
Veterans - Cash Benefits			
Community Development - Rail Trail			
Main Street Garage - Phase 1			
Salary Study			
Crocker Field			
DPW - Equipment List			
DPW - Paving			
Library Renovation			
Schools - Longsjo School - Window Replacement			
Police Station Renovation			
Senior Center Renovation			
Demolition			
Demolition - Laurel Street School			
Police - Vehicles			
Fire - Vehicles			
Marketing City			
Cemetery Software			
Cemetery - Vehicles			
Cemetery - Masoleum			
Cemetery - Engineering & Design for Expansion			
Cemetery - Construction for Expansion			
Parks - Downtown Summer Groundskeeper			
DPW - Oak Hill Road Bridge			
DPW - Street Paving			
Library - Repay loan from Wallace Fund			



The City of Fitchburg
Massachusetts
OFFICE OF THE MAYOR

STEPHEN L. DINATALE
MAYOR

718 MAIN STREET
FITCHBURG, MA 01420
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November 9, 2021

Calvin D. Brooks
City Auditor
718 Main Street
Fitchburg, MA 01420

Dear Mr. Brooks:

Kindly draw a council order for the City of Fitchburg to appropriate the sum of \$350,000.00 from Available Funds and credited to Stabilization Fund. This appropriation will increase the balance in the Stabilization Fund to just under \$7.9 million, which is slightly more than 5 % of the FY2022 General Fund budget.

Thank you.

Regards,

Stephen L. DiNatale, Mayor



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November 9, 2021

Calvin D. Brooks
City Auditor
718 Main Street
Fitchburg, MA 01420

Dear Mr. Brooks:

Kindly draw a council order for the City of Fitchburg to appropriate the sum of \$450,000.00 from Available Funds and credited to the Other Post Employment Benefits (OPEB) Trust Fund. Last year the city appropriated only \$50,000 to the OPEB Trust Fund. This year the amount represents the regular annual appropriation of \$250,000, plus an additional \$200,000 that was not appropriated last year. Along with previous appropriations, as well as accumulated interest, this appropriation will bring the balance in the OPEB Trust Fund to approximately \$2,488,000.

Thank you.

Regards,

Stephen L. DiNatale, Mayor



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November 9, 2021

Calvin D. Brooks
City Auditor
718 Main Street
Fitchburg, MA 01420

Dear Mr. Brooks:

Kindly draw a council order for the City of Fitchburg to appropriate from available funds the sum of \$125,000.00 and credited to Reserve for Other Municipal Purposes, Capital Expenses.

These funds will be used to replace Reserve funds transferred out earlier in the fiscal year for operating costs. At the time, Free Cash had not been certified.

Thank you.

Regards,

Stephen L. DiNatale, Mayor



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November 9, 2021

Calvin D. Brooks
City Auditor
718 Main Street
Fitchburg, MA 01420

Dear Mr. Brooks:

Kindly draw a council order for the City of Fitchburg to appropriate the sum of \$600,000.00 from Available Funds and credited to School Department, School Expenses.

At the close of FY2021, the School Department returned about \$1.9 million in unused transportation funds; the FY2022 School Budget was short in transportation funds awaiting a final determination of bus routes and new contracts. With this appropriation the city will meet its Net School Spending requirements.

Thank you.

Regards,

Stephen L. DiNatale, Mayor