

CITY OF GARDNER, MASSACHUSETTS  
CITY COUNCIL FINANCE COMMITTEE  
MINUTES OF MEETING OF JANUARY 14, 2026

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The Finance Committee meeting was called to order by Councillor Aleksander Dernalowicz at 4:00 PM in the City Council Chamber, Room 219, City Hall.

Finance Committee Member, Councillor Brad Heglin was present, Committee Member, Councillor Judy Mack, was absent.

Also participating, City Council President George Tyros, acting as Ex-Officio, Mayor Michael Nicholson, and Assistant City Clerk Jayen Kumar.

**Review and Approval of Meeting Minute(s)**

On a motion made by Councillor Brad Heglin and seconded by Councillor Aleksander Dernalowicz, it was voted to waive the reading and accept the Finance Committee Meeting Minutes of August 27, October 1, November 25, and December 10, 2025, as presented.

2 yeas, motion passes.

**#11752 - Study and Report on the Salt Shed Repayment Issue**

Mayor Nicholson provided updated documentation showing revised calculations related to the repayment of funds withdrawn from the Stabilization Account for the salt shed project. Using historical interest rates, he outlined the estimated interest lost and explained that the City remains approximately \$155,000 short of full reimbursement when accounting for principal and interest, noting that this figure will fluctuate as interest continues to accrue monthly. He also explained that final close-out figures are still pending and that free cash transfers shown for FY2024, FY2025, and FY2026 to date are consistent with the City's fiscal policies. Mayor Nicholson emphasized that additional interest potential may continue to affect the final figure until full reimbursement is completed.

Councillor Dernalowicz requests more time and that this item remains on the Finance Committee agenda until additional information has been received,

There were no objections, more time was granted.

<b>Fiscal</b>	<b>2024</b>	<b>2025</b>	<b>2026 (YTD)</b>
Principal	\$ 2,972,902.89	\$ 3,405,984.49	\$ 3,446,990.43
Transfers	\$ 128,978.00	\$ 261,809.00	\$ 100,975.00
Interest	\$ 92,392.00	\$ 171,272.00	\$ 55,929.83
% of Interest	2.98%	4.67%	1.62%
Interest without Salt Shed*	\$ 111,008.12	\$ 172,141.30	\$ 58,489.83
Difference Salt Shed v without	\$ 18,616.12	\$ 869.30	\$ 2,560.00
		<b>Total Lost Interest</b>	<b>\$ 22,045.42</b>

Total Deposit Appropriations	\$ 491,762.00
Salt Shed Appropriation	\$ (625,000.00)
Total Interest without SS	\$ (22,045.42)
<b>Left to bring back whole</b>	<b>\$ (155,283.42)</b>

\* Interest without Salt Shed Formula:

2024 (Principal + Transfers + 625,000)\*%of Interest Line

2025 (Principal+2024 Difference Salt Shed v Without + Transfers)\* % of Interest

2026 (Principal+2025 Difference Salt Shed v Without + Transfers)\* % of Interest

Note: December 2025 Interest \$2,187.99

**STABILIZATION TRUST ACCOUNT HISTORY AS OF 10/31/25**

Description	2026 Actual	2025 Actual	2024 Actual	2023 Actual	2022 Actual	2021 Actual	2020 Actual	2019 Actual
F/B STABILIZATION TRUST BALANCE	\$ 3,446,990.43	\$ 3,405,984.49	\$ 2,972,902.89	\$ 3,376,531.97	\$ 3,188,962.31	\$ 2,938,257.22	\$ 2,651,095.74	\$ 2,284,737.78
FC TRANSFERS	\$ -	\$ 261,809.00	\$ 128,978.00	\$ 130,819.00	\$ 180,582.00	\$ 220,913.06	\$ 309,484.00	\$ 223,429.00
INTEREST	\$ 41,005.94	\$ 171,272.60	\$ 92,392.92	\$ 56,750.66	\$ 70,123.09	\$ 66,248.42	\$ 56,509.96	\$ 41,425.35
OTHER TRANSFERS	\$ -	\$ -	\$ (625,000.00)					\$ (601,947.00)

Appropriations Since Salt Shed	
FY2024	\$ 128,978.00
FY2025	\$ 261,809.00
FY2026	\$ 100,975.00
<b>Total</b>	<b>\$ 491,762.00</b>
<b>Difference from Salt Shed Appropriation</b>	<b>\$ 133,238.00</b>
<b>Interest Since Salt Shed</b>	
FY2024	\$ 92,392.92
FY2025	\$ 171,272.60
FY2026 (YTD)	\$ 41,005.94
<b>Total</b>	<b>\$ 304,671.46</b>

**#11763 - Discussion of the Recurring Internet Outages at City Hall and other City Departments**

Mayor Nicholson addressed recurring internet outages, explaining the billing processes, staffing changes within the Human Resources Department, and how billing responsibilities have shifted among departments. He detailed recent Comcast billing issues, including a payment made to the incorrect service that resulted in a temporary outage, as well as a prior outage caused by a regional Comcast service failure.

He noted that corrective measures are being implemented, including clearer billing distinctions, improved tracking through MUNIS, and exploration of another service as a backup to mitigate future outages.

The Committee expressed concern regarding outages caused by non-payment and emphasized the importance of transparency when departmental responsibilities are reassigned. Mayor Nicholson acknowledged these concerns and stated that the administration is reviewing internal processes to prevent future issues.

Councillor Heglin noted that Councillor Judy Mack, who is absent, had requested this item, and it may be good to have her present to speak if necessary.

Councillor Dernalowicz requests more time and that this item remains on the Finance Committee agenda.

There were no objections, more time was granted.

**#11764 - Discussion on City Council Rules**

City Council President George Tyros presented proposed updates to the City Council Rules, including adjustments to committee jurisdiction, specifically expanding the scope of the Economic and Community Development Committee, and amendments to Rule 14, establishing an earlier deadline for standing committee submissions prior to Council meetings.

President Tyros explained that the intent of the changes is to promote better planning, reduce last-minute agenda additions, and provide adequate review time for Councilors and staff. The Committee expressed support for the administrative changes and the proposed deadline adjustment.

On a motion made by Councillor Heglin and seconded by Councillor Dernalowicz, it was voted to recommend to the full Council that the proposed rules revisions be adopted.

2 yeas, motion passes.

**#11482 - Discussions regarding the City's Health Insurance Payments and Trust Fund**

Mayor Nicholson reported that, working with the Assistant Auditor and the temporary auditor, the Health Insurance Trust Fund balance as of the end of December was \$1,472,268.89, compared to \$1,392,261.71 reported at the end of November.

Councillor Dernalowicz noted that updates are typically provided at the end of each month.

Councillor Dernalowicz requests more time and that this item remains on the Finance Committee agenda.

There were no objections, more time was granted.

**#11685 - A Measure Declaring the Land located at 13-17 West Lynde Street, as Defined in the Attached Approval Not Required (ANR) Plan, as Surplus for the Purpose of Disposition**

Mayor Nicholson stated that the administration remains in favor of declaring the property surplus and proceeding with an RFP process, noting that the legal opinion from the Law Department had been provided at the previous meeting.

Councillor Heglin discussed concerns regarding the permanent loss of municipal parking spaces and long-term control of downtown property.

Councillor Dernalowicz agreed, and expressed hesitation about an complete sale and interest in exploring alternative options.

On a motion made by Councillor Heglin and seconded by Councillor Dernalowicz, it was voted to report to the full Council that no action be taken,

2 yeas, motion passes.

**#11728 - A Discussion on the Current State of Facilities Management for all Municipal Buildings**

Councillor Dernalowicz reintroduced the item, noting the complexity of current facilities management across multiple departments, unions, and funding structures, and the anticipated addition of the Waterford Community Center. He stated that discussions are underway, including a scheduled meeting with the Mayor, Council President, and Human Resources to begin evaluating potential reorganization.

Council President Tyros emphasized that proactive planning could help avoid higher long-term costs associated with deferred maintenance and emergency repairs.

The Committee agreed to continue monitoring the issue and receive updates as discussions progress.

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Councillor Dernalowicz requests more time and that this item remains on the Finance Committee agenda.

There were no objections, more time was granted.

**#11744 - A Measure Confirming the Gift of \$10,643.67 from the Department of Public Works to the Gardner Community Action Committee**

Councillor Dernalowicz noted that the Committee had asked for more time to review the information with this item.

Councillor Heglin asked Mayor Nicholson when and how he became aware of the amount of this donation, as it was historically high.

Mayor Nicholson responded noting that he was not aware of the amount until it was ready to be given. He added that, "they do a few hundred bucks here and there." He was not expecting it to be this much, but is glad it helped out the CAC as much as it did.

Councillor Dernalowicz added that it was Councillor Mack who had this put on the agenda, and as she is not present, he would like to keep it on the agenda.

Councillor Dernalowicz requests more time and that this item remains on the Finance Committee agenda.

There were no objections, more time was granted.

**ADJOURNMENT**

On a motion by Councillor Heglin and seconded by Councillor Dernalowicz, it was voted to adjourn at 4:38 p.m.