



Finance Committee of the Town Council
September 1, 2020
2:30 pm
Virtual Meeting
Minutes

Members Participating Remotely: Pat De Angelis, Lynn Griesemer, Dorothy Pam, Vice Chair Cathy Schoen, Chair Andy Steinberg; Resident Members: Robert Hegner, Bernard Kubiak, and Sharon Povinelli

Members Absent: None

Others Participating Remotely: Finance Director Sean Mangano, Comptroller Sonia Aldrich, Superintendent of Public Works Guilford Mooring, Clerk of the Council Athena O’Keeffe

After confirming all participants could hear and be heard, Steinberg declared the presence of a quorum, called the meeting to order at 2:35 p.m. and announced audio and video recording.

Note: Pursuant to Governor Baker’s March 12, 2020 Order Suspending Certain Provisions of the Open Meeting Law, G.L. c. 30A, §18, this meeting was conducted via remote participation.

Steinberg welcomed new Finance Committee resident member Bernard Kubiak.

1. Preliminary reports on FY20 and FY21 budgets

Steinberg stated that the full quarterly report is expected soon and the committee will have a lengthier discussion when the report is ready. Comptroller Sonia Aldrich reported on the current financial status: deficit in the general fund and use of CARES Act funds, deficit in enterprise funds, and transportation funds; numbers are not final yet and may change slightly before the quarterly report is finalized.

Schoen spoke about adding to the capital reserve in the event the end of the year turns out more robust than expected.

Aldrich responded that the Capital Fund is available for FY21 and is separate from FY20, and explained that the fund would need to be exhausted before transfer from free cash or stabilization.

Resident Member Sharon Povinelli joined the meeting at 2:49 pm.

Kubiak asked if the DOR has to certify free cash. Aldrich responded yes, and that the DOR certification happens closer to the end of the year.

Members discussed transfers from free cash to other post-employment benefits (OPEB) and the stabilization fund.

Finance Director Sean Mangano spoke about state aid, use of CARES Act funds and deadline for CARES Act spending, pending federal legislation to address revenue losses, shifting available staff, and reduced water and sewer use.

Pam asked about election staff. Members discussed election staffing, supplies, and technology, and asked if CARES Act funds can be used for elections.

Mangano spoke about FEMA and CARES Act funds and deadlines.

Members asked about CARES Act spending. Mangano spoke about CARES Act spending, including PPE, cleaning supplies, modifications to buildings for social distancing, and rental assistance.

Schoen asked about use of CARES Act funds for Wi-Fi for seniors and affordable housing units, and suggested that this be a jumping off point for town-wide Wi-Fi access. Can Wi-Fi connections and technology for schools be used from CARES Act?

Schoen asked about funds for roads. Mangano responded that road funds are in line with what was budgeted.

Pam spoke about Wi-Fi for seniors. Steinberg noted the installation of the I-Net.

Councilor Darcy DuMont joined the meeting as a panelist at 3:12 pm.

2. Capital inventory criteria, initial discussion and process

Steinberg noted Sec. 5.7(a) of the Charter:

Capital Inventory: The Town Manager, in consultation with the Superintendent of schools and Library Director, shall establish and update at least annually an inventory of significant capital assets of The Town, including those assets under the jurisdiction of the School Committee and Library Trustees, such as buildings, Amherst Home Rule Charter Page 19 September 25, 2017 infrastructure (for water, sewer, storm water, as well as roads), vehicles, moveable equipment, and such other property as determined by the Town Council. The Town Council shall establish the requirements for the inventory, such as age, condition, maintenance and repair history, remaining useful life, and other features as the Town Council may deem appropriate.

Steinberg stated the inventory may not all be done at once, but the committee should think broadly about where we are going in the long run and be mindful about what staff is capable of providing to us.

Griesemer stated the inventory may be a multi-year process.

Steinberg spoke about initial discussion/steps.

Schoen stated the Joint Capital Planning Committee will meet next week and will discuss capital inventory, and spoke about including a dollar value for the inventory, mileage of Town vehicles, and options for future use of buildings not currently in use.

Griesemer spoke about working with the information the Town has and building from that rather than starting the inventory from scratch.

Pam spoke about useful information that could be included such as date of purchase, size of memory, horsepower, energy cost, and estimated time of replacement.

Councilor DuMont, speaking on behalf of Energy and Climate Action Committee, commented about the process of climate action planning and greenhouse gas inventory that occurs every two years, and that dovetails with the capital inventory.

Steinberg spoke about the capital inventory in terms of the Charter requirement, the JCPC process of capital planning, and how that ties into the ECAC's work to reduce the Town's carbon footprint.

Kubiak spoke about defining what is considered a significant capital asset, agreed that there is a way of completing the inventory from existing information or structure, that if too much is required in the inventory it will be discouraging, and spoke about information that may be available with the Town's insurance information.

Members spoke about beginning the process with current inventory, building and adding additional parameters from there. Mangano suggested December-January for work on the inventory so that work can begin on the capital improvement program.

Steinberg spoke about next steps.

3. Presentation by ECAC on its goals and plans

Councilor Darcy DuMont spoke about the creation of the Energy and Climate Action Committee (ECAC), and the climate goals adopted by the Council of a 25% emissions reduction by 2025. DuMont spoke about a timeline for development of the Climate Action and Resilience Plan and Municipal Vulnerability Preparedness Plan, and the current stage of outreach planning.

Members discussed timing of budget requests and the budget process, capital project and capital request timeline.

Schoen suggested collaborating with legislators to request sustainability be added as a Community Preservation Act (CPA) category.

Members discussed CPA limitations.

DuMont asked if unfunded capital requests are carried to the next year. Mangano responded that they could be.

DuMont asked about monetary gifts or fundraising for studies. Mangano responded that the Town does receive gifts and donations.

Agenda item 5. Water and sewer rates, potential options to assess, initial discussion

Steinberg spoke about a timeframe for considering changes to the rate structure.

Members discussed the table of options that was presented by Tata & Howard, combining different rate structures for different users, fixed rates, and larger users such as apartment complexes and higher education institutions.

DPW Superintendent Guilford Mooring disconnected and rejoined the meeting at 4:24 pm.

Mooring spoke about split tier rates used in Northampton, and the goal of changing the rate structure, such as conservation or rewarding or dis-incentivizing users.

Mangano spoke about how consumption drives revenue, the need to consider the impact to the enterprise fund, and the reduction in consumption at the colleges over the past 5-10 years.

Members discussed the goals of changing the rate structure, fixed costs, conservation, covering expenses, and balancing usage fees and costs.

Mooring spoke about the difficulty of permitting a water source once it is taken offline.

Schoen suggested formation of a subcommittee of the Finance Committee or Council to evaluate rates and to make a recommendation.

Members discussed leaving current rates for the coming year and evaluating rates for the following year.

4. **Review of FY21 budget process and preliminary discussion about FY22 budget process**
6. **Other Finance Committee goals**

Steinberg briefly spoke about the budget process and asked what other goals we have for the year that we would add to the timeline. Griesemer suggested adding capital projects.

Mangano spoke about updating the Town's financial policies. Schoen asked about parking rates.

7. **Meeting schedule**

Members discussed meeting times, and considered changing the practice of meeting Tuesdays after Council meetings.

8. **Public comment - None**
9. **Matters not anticipated 48 hours in advance of the meeting - None**

Steinberg declared the meeting adjourned at 5:03 pm.

Respectfully submitted,



Athena O'Keeffe

Clerk of the Council

Record of Agenda Packet Materials and Documents Presented

Capital Inventory Memo - 08-03-2020
ECAC CAARP timeline, updated 7_15_2020
ECAC Memo February 2020
Finance Committee agenda 9_1_2020
Fuel Efficient Vehicle Policy 2020 DRAFT
FY21 Budget Update Memo 8.3.20
Resident Capital Request - Solar Canopies (1)
Resident Capital Request - Solar Canopies (1)
State Aid Update
Vehicle Inventory wkbk 2019
Water Rates Presentation 5-1-2020