



**Finance Committee of the Town Council**

**December 8, 2020 2:00 pm**

**Virtual Meeting**

**Minutes**

Committee Members participating remotely: Chair Andrew Steinberg, Vice Chair Cathy Schoen, Pat De Angelis, Lynn Griesemer, Dorothy Pam. Non Voting Members: Robert Hegner, Bernard Kubiak

Committee Members absent: None

Others participating remotely: Finance Director Sean Mangano, Minute Taker Lindsey McConnell

*Pursuant to Governor Baker's March 12, 2020 Order Suspending Certain Provisions of the Open Meeting Law, G.L. c. 30A, §18, this meeting of the Finance Committee of the Town Council was conducted via remote participation*

Chair Steinberg called the meeting to order at 2:01pm, confirmed all committee members can hear and be heard, and announced audio and video recording. Steinberg reviewed the agenda, stated the committee may want to discuss Item 3 with Item 1 and explained Item 4 can be stricken from the agenda because a referral was not received.

Steinberg stated the committee was also sent a copy of the criteria the Governance, Organization and Legislation committee (GOL) is planning to use in their selection to replace non-voting member Sharon Povinelli.

**Agenda Item 1 Draft Council Budget Guidelines**

Steinberg requested general comments on packet item FY22 Guidelines Draft 3, which was shared on the screen.

Pam raised a question about the possibility of one or two debt exclusion overrides included on page 3. The committee discussed past conversation about overrides, who makes decisions regarding overrides, timing of possible upcoming override requests, and the pros and cons of listing more than one possible override. Steinberg stated enough consensus was reached to change the wording to "a" debt exclusion override.

The committee spoke in praise of the overall philosophy of the Guidelines and specifically the clarity on the use of reserve funds, emphasis on the uncertainty regarding long-term effects of COVID 19, and the inclusion of statements about the four major capital improvement projects. The committee discussed edits and improved wording on aspects of the draft Guidelines including:

- Adding the Financial Indicators table as an appendix.
- Clarifying statements about collaborations with institutions of higher education, especially around the creation of housing, retail, restaurants and other commerce that is mutually beneficial and creates an even playing field for all businesses
- Adding to the explanation for how an overall revenue increase of 3.2% over FY21 was calculated

Steinberg directed the committee's focus to Agenda Item 3 and stated they would then return to Item 1.

### **Agenda Item 3 Regional School budget and assessment method, follow-up to Four Towns Meeting**

Steinberg summarized relevant points from the December 5, 2020 Four Towns Meeting including: two budget versions were presented and neither were a level funding scenario, the town of Shutesbury continued to press for an increase to Amherst's share and a decrease theirs, and one member of Amherst School Committee expressed unhappiness about level of funding.

The committee discussed:

- Union contracts that are open for renegotiation
- Status of school enrollments and consequences for funding
- Chapter 70 funding will remain stable if enrollment decreases
- National trends in public school enrollment
- Racial and economic equity issues related to private school trends

The committee agreed to resume this conversation after a more complete schools budget presentation is given in January.

### **Agenda Item 1- Draft Council Budget Guidelines**

Steinberg asked the committee for comments on the regional school discussion in the draft Guidelines.

The committee agreed if the assessment method for Amherst increases, a delicate and difficult conversation would need to be had about the impacts. The committee also agreed some recognition of Four Town Meeting should be added to the draft Guidelines.

### **Agenda Item 6 Public Comment**

Zoe Crabtree of District 5 stated the intention to push the committee on a line in the second to last paragraph in Operating Expense section of the draft Guidelines noting new initiatives means there will have to be reductions in other items of the budget. Crabtree stated the committee's job is to provide guidance on how money should be spent and should not be spent. Crabtree stated there should be a line about defunding the police and a strong case has been made for this. Crabtree stated the committee has said they've heard the case but there is evidence it has not been heard. Crabtree stated their group has paid attention and participated in the process and stated it would be nice to see that reflected in the committee's work going forward.

Allegra Clark of District 2 stated they are also working with the group who hopes to defund the police and move money from the police into other areas of the budget that will elevate the needs of the Black, Indigenous and other people of color in our community. Clark acknowledged the committee has

included the Community Safety Working Group, and stated the hope some of the Group's recommendations will include ways to keep the community safe that do not involve police and will come with funding. Clark echoed Crabtree's statements and stated hope new initiatives in climate action racial justice will lead to a reduction in other areas of the budget and stated the hope that area of the budget will be the police department.

Lydia Irons of Jeffrey Lane in Amherst stated they joined the meeting late because they were helping their child with virtual school. Irons questioned if they heard member Hegner mention not being aware of where the budget could be cut and perhaps could be from the schools. Irons stated they are looking over at a basket of their child's supplies that was lovingly put together and purchased by her teacher's own money. Irons stated it would be disservice to the children in the community to cut money from the school when their police budget is very large and inflated. Irons stated their husband is para-professional at the high school and spoke to the stress teachers are going under regarding negotiations and opening or not opening. Irons stated thinking about going into next cycle with a cut to school funding just seems inhumane and would be very taxing for people who are already working so hard to bring the best that they can. Irons spoke of the group they represent and asked the committee to please consider defunding the Amherst Police Department because they have more money than they need to do a job that they don't do particularly well. Irons asked the committee to remember there are more than just three people who could join the call today and they have been canvassing around Amherst and getting a lot of support from people. Irons stated they would really appreciate if it if the committee could name defunding the police as a priority moving forward.

#### **Agenda Item 1- Draft Council Budget Guidelines**

The committee resumed discussion of the draft Guidelines.

Steinberg stated there is a sentence in the paragraph the public comments referred to that recognizes the Council has been hearing public comment with recommendations on these issues. Steinberg spoke to the Council's role, as outlined in state law and the Town Charter, at this point in the process is to ask the Town Manager to consider something. Steinberg stated the Town Manager will provide a budget recommendation by May 1 and the Council can then accept or reduce any amount from the recommended budget.

Schoen referred to the Council's conversation in June regarding freezing two vacancies within the Police Department's budget with the hope the money for those positions can be shifted rather than lost. Schoen requested the committee consider including a sentence that references this conversation and indicates the Police Department's budget is a possible place to look for additional funding.

De Angelis spoke to the desire the position freeze is continued and of the importance of mentioning the Community Safety Working Group's (CSWG) work as the body that is investigating the practices of the Police Department and how safety services are delivered.

Griesemer stated the Council had a very serious discussion that led to the CSWG who is meeting weekly and plans to have a report to Town Manger by January 15. Griesemer added the Council can come back to Guidelines if needed and stated she does not feel this document should tie the CSWG's hands.

Schoen suggested moving references to the Climate Action to a new paragraph and adding a sentence saying one possible source of funding is the Police Department. Schoen stated the desire to not be silent on past actions and to include mention of the frozen positions.

Pam seconded Schoen's suggestion and spoke to need to reference past reports and decisions as significant facts so they don't get lost.

The committee worked to draft a sentence to add to the Guidelines. The committee discussed the timing of the CSWG's work, if adding a recommendation is beyond the Council's role, the symbolic nature of adding a statement, the complexity of the situation and the concern a statement could limit future actions to the value of the two frozen positions.

De Angelis stated after further consideration the statement is symbolic nature, is a cop out and should be removed.

Griesemer spoke to different ideas about how to get funding for additional services and about what is needed in Amherst. Griesemer stated the CSWG's role is to give these recommendations to the Town Manger to figure out how to fund. Griesemer stated the thinking this single solution is going to achieve equity is naive and this is this is only a small piece of the issue.

Kubiak agreed the CSWG is going to craft a solution, the Town Manger figures out how to fund it and the Council provides guidance

Schoen acknowledged being outvoted and stated it is a shame to not cross reference Council action. Schoen spoke to the amount of police in Amherst and lack of training. Schoen stated the intention was not to say two frozen positions would solve the problem and spoke to the need to look at other towns that don't just use the police.

Pam stated not including the action that was taken and voted on by the Council makes the document incomplete.

De Angelis stated the Council has taken many actions around the budget this year and if this one will be referenced the others should be too.

Steinberg stated he would work on emphasizing the CSWG's recommendations should be considered flexibility should be retained in the budget development process to allow their work for the next draft of the Guidelines.

The committee and Finance Director Sean Mangano discussed if the inventory should be mentioned in the Guidelines and the language regarding the goal of increasing the percentage of the levy dedicated to capital.

Steinberg stated he will work to add something about the importance of getting the allocation back up to 10%, recognizing there are social justice needs and that the Council does not want to see school's cut. Steinberg stated the intention to send Draft 4 to the committee and they can reply individually with comments.

MOTION: Griesemer moved, De Angelis seconded, that after the review of the next round of the drafts the committee agrees to forward the Budget Guidelines to the Council and recommend their approval.

VOTE: 5 to 0 by roll call, unanimously that after the review of the next round of the drafts the committee agrees to forward the Budget Guidelines to the Council and recommend their approval.

Non-voting members Hegner and Kubiak also supported the motion. Hegner requested the next draft have tracked changes

### **Agenda Item 2 Capital Inventory**

Packet item Draft Inventory memo 11.17.20 was shared on screen

The committee discussed the history of the memo and when it will fit on the Council's schedule.

The committee and Mangano spoke about:

- When a draft can be brought to JCPC
- The inclusion of buildings, their occupancy status and lot size
- Cross referencing building information with property assessor records for insurance purposes
- Getting car mileage info on the same date annually so frequency of use can be inferred

MOTION: Griesemer moved, Pam seconded, to recommend Draft Inventory memo 11.17.20 to the Town Council

VOTE: 5 to 0, unanimously to recommend Draft Inventory memo 11.17.20 to the Town Council

Non-voting members Hegner and Kubiak also supported the motion

### **Agenda Item 7 Topics not anticipated by the Chair 48 hours before the meeting**

Steinberg stated there was a request at the Council meeting that the committee consider the revenue that is coming in from marijuana dispensaries including what is anticipated, budgeted and the uses anticipated. Steinberg stated it is not an immediate issue and questions have been posed to the Town Manger and Finance Director for their input.

Schoen requested this item be on the agenda for the next meeting and requested a short memo about the amount of revenue, how much is impact versus other, and what restrictions are associated with the monies.

Steinberg stated the amounts were reported in the year-end report for last fiscal year, some of the information about what can be anticipated going forward is unknown. Steinberg stated he sent an email to Town staff asking about guidance or recommendations from the Department of Revenue, the Division of Local Services, the Town's auditor, the Massachusetts Municipal Association or from other communities.

### **Agenda Item 4 Community Preservation Act proposal, if referred to the committee**

Steinberg stated the item is stricken from the agenda because no recommendations have been made to the committee.

### **Agenda Item 5 Meeting schedule**

The committee agreed to skip a meeting on the 15<sup>th</sup> and tentatively have a meeting on the 22<sup>nd</sup> in case the Council refers the budget Guidelines back to the committee or any other business needs to get done before the first Council meeting in January. The committee discussed meeting January 5<sup>th</sup>, possible future business and the frequency of future meetings.

Griesemer stated GOL is interviewing for the additional candidate for the Finance Committee at 10:30 am on 16<sup>th</sup>

Steinberg adjourned the meeting at 4:46 pm.

Respectfully submitted,

Lindsey McConnell

### **Record of Agenda Packet Materials and Documents Presented**

Draft Inventory memo 11.17.20

Finance Committee Agenda 12-08-2020

Finance Selection Guidance

FY22 Guidelines Draft3