



Finance Committee and Town Council Meeting

May 3, 2022, 9:00 AM

Virtual Meeting

Minutes

Pursuant to Chapter 20 of the Acts of 2021, this meeting was conducted via remote means.

1. Call to order, Review Agenda

Members participating remotely: Steinberg; Griesemer; Schoen; Miller; Walker; non-voting members: Hegner; Holloway

Members absent: Non-voting member Kubiak

Others participating remotely: Town Manager Paul Bockelman; Town Councilor Ana Devlin Gauthier; Town Councilor Pam Rooney; Town Councilor Pat DeAngelis; Town Councilor Jennifer Taub; Finance Director Sean Mangano; Clerk of the Council Athena O'Keeffe; Minute Taker W. Kaizen

Steinberg declared the presence of a quorum, called the meeting to order at 9:00 am, confirmed all participants can hear and be heard, and announced audio and video recording

Griesemer declared the presence of a quorum of the Council, called the meeting to order and confirmed Councilors could hear and be heard.

2. FY23 Budget Review: overall budget review, questions, and discussion

Members discussed how the process for the budget review will work, particularly in regard to time management

Hegner conducted an overview of the budget; he said he supports the spending recommended in it on public safety; on sustainability, he said that we need to think about the sustainability of the town budget; on housing and homelessness, he said the town should look to promote home ownership; he asked for an update on the four major infrastructure projects; he supports strengthening the town's agreements with the university and colleges; Mangano responded that he thought Hegner's comments were good, and that updates on the four major projects is coming soon

Mangano said that the 5.1% increase in the town's operating budget is due to pandemic related funds (increased revenues and grants) vs. the 2.5% increase in expenses; he also said that reserves are set by each town and no amount is mandated by the state, and that these reserves are now being used to start covering the early costs of the four building projects

Schoen pointed out future challenges to the town budget—that the four building projects will be above previous estimates as well as ongoing need to cover the costs of the new CRESS department moving forward; she questioned if the town can afford the proposed youth center; she expressed concerns about paying for future operating budgets; Mangano agreed that the long view is challenging; Steinberg agreed that the town needs to think about operating costs that are associated with new building projects

Miller asked about potential economies of scale for big capital projects; Mangano responded that this could potentially work for the linked Fire Station/DPW building projects

3. FY23 Budget Review: Capital Improvement Program

Mangano reviewed the document in the packet on the Capital Improvement Program

Griesemer said that budget costs need to be maintained, even in out years, to support streets, sidewalks, vehicle replacement, etc.; Schoen said that once the debt for the capital projects hits, money for everything else drops precipitously

Schoen asked when the Jones debt will start to hit the budget; Mangano said that the town won't borrow for the project this summer and the town will reevaluate in the fall

Members discussed the new purchase of a ladder truck; Mangano said that the fire department made the case for the more expensive platform ladder truck

Rooney asked if there was a borrowing plan for the building projects and Mangano said that there was, and he and Steinberg described how this works

Members discussed a \$50K budget line for library shelving

Schoen described the positive changes to the budget document; she raised the issue of the town capital inventory and that it needs similar improvements

Griesemer said that, as part of the budget review process, the Finance Committee should help decide on the process for the discussions that will be scheduled on the new library project as well the school project, and how these projects will relate future budgets and the bigger fiscal picture; Steinberg agreed and mentioned the former Summit Academy building as another issue

Members and Mangano acknowledged that borrowing for capital projects in future years will be more than currently indicated in the budget; Mangano noted that, on the upside, there has been new building in town that will potentially reduce any increased tax burden per individual taxpayer

4. Optional Tax Exemption – Discussion and Recommendation

Mangano reviewed the memo on the Optional Tax Exemption in the packet

VOTE

MOTION: Schoen moved, and Miller seconded, to recommend to the Town Council that it adopt FY23-11, Acceptance of Optional Tax Exemption MEMO

DISCUSSION: none

VOTED: 4-0-0 with Griesemer absent; non-voting members: 4-0-0 with Kubiak absent

5. Review Water & Sewer Rates

Mangano reviewed the document in the packet on Water and Sewer Rates

Members, Mangano and Bockelman discussed the Centennial Water Plant project, how to keep costs for it on budget, and the possibility of a state grant to help pay for it

Members discussed with Mangano:

- grants for water/sewer
- the University and colleges' water use
- how and if town department's usage are included in the rates
- returned earnings and reserve levels
- utility costs and the possibility of using solar power at the plants
- the three sources of water in Amherst, including the reservoirs in Pelham, and that we needed to get Centennial running to use the ones in Pelham
- alternative rate structures

An aside took place with further discussion of the youth center where several members questioned whether the town needs to spend \$500K for a needs assessment when CSWG already determined that the town needs this center

6. Public Comment

Dee Shabazz, Amherst Resident spoke in support of the proposed youth empowerment center

7. Items not anticipated by the Chair 48 Hours in advance

None

8. Announcements and next agenda preview

Next meeting: 5/10/22

9. Adjourn

Steinberg declared the meeting adjourned at 11:01 am

Minutes prepared by W. Kaizen

Record of Agenda Packet Materials and Documents Presented:

05-03-2022 Town Council and Finance Committee Agenda

CO FY23 - 04 Full Operating Budget 2023

CO FY23 - 05A - Capital Improvement Program

CO FY23 - 06 - Capital Improvement Program - Borrowing Authorizations

CO FY23 - 10 Water and Sewer Rates

CO FY23 - 11 Acceptance of Optional Tax Exemption

CO FY23 - 11 Acceptance of Optional Tax Exemption MEMO

CO FY23 - 14B STABILIZATION TO BALANCE BUDGET

Finance Committee report 5.2.22

FY23 Water and Sewer Rates 4.25.22

Water and Sewer Rate Memo - FY23 - 04-19-2022