

**SELECT BOARD MEETING**  
Monday, February 8 – 6:30 p.m.  
Town Room, Town Hall

**MINUTES**

**Call to order:**

Meeting was called to order by Ms. O’Keeffe at 6:30 p.m.

**Attendance:**

Present: Stephanie O’Keeffe (Chair), Alisa Brewer, Aaron Hayden (Clerk pro-tem), Diana Stein, Gerry Weiss, Larry Shaffer (Town Manager), John Musante (Asst. Town Manager)

Others presenting: Vivienne Carey, Tina Swift, Flo Stern, Andy Steinberg, Clare Bertrand, Stanley Gawle, Yuri Friman, Rich Spurgin, Vincent O’Connor, Hwei-Ling Greeney, Pat Holland, Mack Bays, Connor White-Sullivan

**Public Comment:**

Vivienne Carey of the Thursday Club to present a framed photograph of the mural painted for the Amherst 250<sup>th</sup> celebration parade. She asked that the Select Board OK the original (very large) mural being hung in the Munson Library. Claudia O’Brian, Chair of the Munson Trustees was also present. The idea was approved without objection.

Tina Swift the President of the SEIU wanted to correct a potential misimpression of a newspaper report that most people received a 10% cola since 2007 and in fact they received a 1% COLA in 2008. She was concerned the SEIU would be perceived as being greedy even though the COLA was bargained in good faith.

Florence Stern from the Personal Board reported on the Board’s recommendation, with a “heavy heart”, for no COLA this year for non-union employees. She explained it was hard to ask for no COLA but wants to see the Town survive and hopes we can come up with things that people do want. Ms Jacelyn-Crook, Pat Brock and Tony Butterfield of the Personal Board were also present.

Larry Shaffer spoke of his appreciation for their consideration for all the services that are being slashed. He explained that traditionally the Select Board works on this issue in July but given that we will be asking for Town Meeting and voters to make hard decisions they voted on it now – this is a signal of Select Board’s intention.

After a brief discussion of the matter Stephanie O’Keeffe moved to accept the Personal Board’s recommendation of no COLA for the non-union employees this year. Aaron Hayden seconded and the motion was accepted unanimously.

### **Licenses:**

New Taxi Business License:

Diana Stein moved to approve a new Taxi Business License for Mohamed Keffas. Aaron Hayden seconded and the motion was accepted unanimously.

New Taxi License

Diana Stein moved to approve a new Taxi/Chauffer license for Mohamed Keffas, Aaron Hayden seconded and the motion was accepted unanimously.

Special Liquor License

Alisa Brewer moved to approve a Special Liquor License for the Hurricane Boosters Dian Stein seconded and the motion was accepted unanimously.

### **Approve minutes:**

Gerry Weiss moved to accept the minutes of January 26<sup>th</sup> as amended. Diana Stein seconded and the motion was accepted with 4 Ayes 1 Abstention.

Minutes for Feb 1<sup>st</sup> tabled until the next regular meeting.

### **Committee Appointments:**

Diana Stein moved to approve Catherine Vorwerk-Feldman's appointment to the Hampshire Regional Preparedness Emergency Committee. Gerry Weiss seconded and the motion was accepted unanimously.

### **Budget Coordinating Group presentation and discussion:**

Andy Steinberg (BCG chair) made a report which was followed by Public comment.

BCG was requested to look at the critical issues of override, amount and form and ballot language. The process still on-going has been a long time and has been collaborative involving the work of many people including representatives of the. Select Board, Town Manager, Assistant town Manager and Financial Director, Schools Superintendent, Amherst School Committee, Regional School Committee and Library Trustees.

The effort represents the best work for looking at critical needs of Amherst and the best way to support the town and the schools.

It is not a new process: it was recommended in 2008 by the FCCC that a committee should be formed to look at structural deficit even as the financial circumstances changed and we ended up facing an international recession that effect state revenues and state Aid.

Last year the Financial Committee and BCG made difficult decisions and identified the most essential services and how to provide those services more efficiently inside and outside of Town.

The FY 2011 budget had more than a \$4M short fall.

This worst case was a starting point and the BCG prioritized cuts based on most critical needs.

In the end they found it was impossible to serve the most critical needs without additional revenue and the BCG concluded an override of about \$1.9m was needed.

BCG considered different forms of override, menu, or pyramid, but decided – because was a collaborative process – the prevailing sentiment of committee was to have only one item on the override.

**Public comment:**

Clare Bertrand:

Commended the BCG for their work and process and noted that such an open collaboration was not part of the 2004 or 2007 budget process. She went to meetings and witnessed a focused and detailed look at a difficult situation. Even after serious cutbacks, pool, schools for examples, the gap remains.

She encouraged moving forward with BCG recommendation to keep budgets at a place that will sustain the community until economy comes back and the tax base grows again. Now we don't want to loose what is dear to us. Vote on what people want, keeping it as one motion keeps it from being (even more) divisive than it might be.

Thanks for collaborative process

Stanley Gawle:

Spokesman for the Amherst Taxpayers for Responsible Change (a group opposed to any increase in taxes) had several questions about unspent capital budget items that he gave the Select Board.

Yuri Friman (Town Meeting member representing Precinct 10)

Felt it was a complicated issue and should be on the ballot. It is important to property owners and non-property owners should make the effort to be educated on the issues and vote.

Rich Spurgin (Town Meeting member)

Recommend comprehensive override should be on the ballot. He also noted that we incur about \$3m each year for pensions liability and that now we have a \$100m unfunded liability. The idea we don't need the money is amusing to him – the Town desperately needs to fund the unfunded liabilities and should use left over money to pay them down - the sooner the better since the liabilities grow at a compounding rate. It is a serious long term crisis, buying a fire truck is fun, but the unfunded liability is a very big problem and needs to be addressed.

Mack Bays, 15 Smith Street

Urged to put the override on the ballot and offered the example of Argentina's dis-investing in public life and the results – a slide from a prosperous country not so long ago to third world status today. Their schools were on par with ours but today are decayed - we could be headed that way too.

The issue is complicated and simple – we need the revenue to maintain what we have and restore things we believe in. We need State and Federal tax reform and health care reform. The Select Board can't do those things but can do the work here. Property taxes are not popular though relatively progressive, more progressive than a sales tax. The main point is that we can't play calamity politics - we need to turn the corner on that strategy, we need to stop thinking about this teacher lost or that pool closed but rather what type of civilization do we want? The first step is to improve our Town.

Hwei-Ling Greeney (Town Meeting member representing Precinct 10)

She voted against overrides in the past. Today she is happy to see what town has done to improve the budgeting since last override: For example setting up LSSE as a self-sustained program. Also she is happy with efficiency measures; regionalizing the Call Center, increasing the tax base – she congratulated Mr. Shaffer on the Patterson deal. All these make her feel it is time to consider the quality of life we want and that we need to pay for it. Today in supporting the override she is sure it is part of a shared sacrifice meaning those on town payroll with step increase and COLAs. She was touched by the Police asking for no increase as their part of the shared sacrifice. Such sacrifices made before March 23<sup>rd</sup> showing good faith will get voters to be more willing to support. 10% of people are unemployed, 10% are underemployed and many have had no pay raise for many years. In September there will be a new round of contract negotiations – previous negotiations didn't pay attention to economic reality and gave 10% COLAs, this time try to, in good faith, observe financial reality in COLA negotiations

Vincent O'Connor (Town Meeting member representing Precinct 1 also a candidate for school committee) Noted a “lack of clarity” on one issue - whether the sum put on ballot should we need to use only 75% does the authorization go on to next year?

At the 4 Town Meeting on Saturday Senator Rosenberg spoke and gave assurance that on the regional school level the \$1.9m would stabilize the budget for 2 years. The Regional

School budget has greatest impact on Town since older students can't be saved from mandatory study halls. Mr. O'Connor supports a menu override since substance would get discussed not just the number. He also wondered how to get to funding without more "outrageous" cuts.

He feels the School is paying three times; losing their COLA, losing job stability, and citizens have to pay extra taxes. The use of reserves affects each budget differently. Schools are using their reserves. He noted that the Town puts "every cent" into reserves which he doesn't agree with.

Since elected officials are dealing with government daily it would be shocking if they didn't work together. It is not the process he finds people are familiar with, every voter has to be persuaded, would hate to see losing a vote here and there because they don't like a particular part of the Town. And new groups of voters can't be counted on to vote for tax. Need to involve more people by menu override.

Men and women would go beyond losing their particular menu item. Need some winners and with a lump sum there are no winners.

Pat Holland President of the Jones Library Trustees:

Wanted to tell us of the Trustees thoughts: The Library takes only 2.7% of town budget but even so it is important for their operations. The Library can't do it with gifts or endowment, the Town's support is required. The Trustees had different opinions on override, half support an override, the others thought individual citizens should decide so the Trustees took no position – which shouldn't be misunderstood as not supporting override.

Without the override the Library will reduce services:

Close Fri afternoons (chose that day of all others since it is lowest visitation)

Cut office asst and others which will cause longer lines at check out and while paying fines

Cut tech services, slowing re-shelving

Cut temp employees slowing shelving even more

An average of 1,000 people visit the Jones daily who in turn are an economic engine for town – and it draws people from other towns.

About the new gift from a Shutesbury resident (a second \$283k) - the decisions on spending is up to the Friends of the Library, to replenish the endowment or spend.

Connor Ward-Sullivan of Localocracy.org will take comments in partnership with ACTV to give platform citizens to explore issues.

Alisa Brewer noted that only registered voters who use their actual names will be on the Localocracy blog assuring a higher level of discourse.

Stephanie O’Keeffe noted the BCG recommended override will not exceed \$1.9m the current recommended amount from the committees. If funding improves the full tax will NOT be collected. If cost reductions or COLAs are better than expected we won’t ask to spend it from a successful override.

Alisa Brewer noted the Select Board will make a decision on Friday for the ballot on March 23rd and a month later TM meets to approve allocations. And the Select Board doesn’t set the tax rate until the fall. The first tax bill with the new rate won’t be seen until later in the winter.

Gerry Weiss noted that people get information differently and wants to offer another explanation from different angle: the Town started out with a \$4.3m deficient for providing level services – an amount too large for an override. When state cut was reduced from 10% to 5% that left a \$3.2m deficit for level services. Administrators came up with \$1.3m cuts and money savings which left a \$1.9 m gap. \$1.9m is an “up to” amount, if a week later we find a COLA just came back we would set taxes to raise less - IF TM agrees and doesn’t spend savings we will set tax rate lower.

Stephanie O’Keeffe re-asserted the \$1.9m is a Not To Exceed amount that adds \$298 a year for a property with the town average assessed value of \$334k.

Gerry Weiss wanted to repeat we will have cut and save \$7m in 3 yrs. We have worked hard to save and scrimp. For some the increase is a great deal of money to spend but we do get great services. The State and Federal tax systems don’t work – There is a \$1.78b deficit in the country – about the same as the bank bailout. We don’t take money frivolously.

Diana Stein wondered if, for example, the COLA was given back by the teachers that we wouldn’t restore anything – is the point to save positions?

John Musante noted that by reopening union contracts and the success with APD allowed us to preserve two positions for the Police. Same is true of non-union, saved 2 positions. And the School Committee is meeting nightly to consider doing the same.

Gerry Weiss in discussing the street lights noted that Mr. Mooring identified some 400 lights that could be turned off. All these lights are in areas that they may not be needed - we should have list Friday or soon after.

John Musante noted that with the override we would have a sustainable budget that would need to grow 3.5% - a lower number than expected because of real improvements in insurance. Also he is looking to change pension rules which will incur a serious cost in the near future. The projected rate of growth in payroll assumed at 1% wages from bargaining. We can come in with balanced budget, with level services, even if there is a 5% state aid cut. This is part of a three year fiscal plan.

Stephanie O’Keeffe said we can sustain the Town with or without the override – the override will set the level of services we will sustain, severely cut or nearly level.

John Musante explained the reduced rate of expenditure growth and improved long term tax base growth will reduce the “wedge” between expenses and costs.

Alisa Brewer wondered how to show people the two different budgets with and without override.

John Musante noted the FCCC recommended spending within our means – that we need to fund recurring cost with recurring revenue. To do otherwise not sustainable. The capital budget as a percent of levy has been reduced by 1% so we will end up paying more to fix things later.

**Discussion:** Menu override vs a lump sum override:

Gerry Weiss argued for menu override since he felt the debate would more likely deal with the issues.

Alisa Brewer noted that the lump sum override had specific allocations; \$452k for the Town operating budget, \$1,139k for the schools and \$88k for the Library.

Larry Shaffer noted the school committees were working hard to meet the budget deadline. Their budget has many moving parts with several schools and towns. They will strike a balance to be true to their process.

Gerry Weiss noted that the School Committee suggested postponing the override. He also noted that teachers already have their “pink slips” and the longer we wait the more teachers will be lost – which is the same problem for the Town side. On the plus side the School Committee could come with a better recommendation.

Stephanie O’Keeffe observed that the School Committees in Pelham, Leveret and Shutesbury need to know what our override is for their town meetings to make budget decisions.

Alisa Brewer wondered how a menu override would be broken up?

Gerry Weiss said the BCG was considering 3 or 4 separate sums, 1 for each operational area.

Diana Stein felt the Town rejected the last override because we hadn’t done our work. This override request is different since a lot of good and careful planning has gone into it and it considers the future. It would be difficult for the planning process if parts of the override failed.

**Straw Poll:** 3 in favor of a lump sum override and 2 in favor of a menu override.

**Street lights:**

Larry Shaffer to reconsider cutting the 400 lights from the budget. He received a list from Guilford and felt that pedestrian and bike safety would be reduced at a real cost .

Alisa Brewer allowed that some lights could still be turned off.

Diana Stein moved to restore \$48k for street lights to the budget. Aaron Hayden seconded and the motion passed unanimously.

**Next Meeting;** this Friday, February 12<sup>th</sup> , to consider the final form and size of the override question for the March 23<sup>rd</sup> ballot.

**Adjourned** at 9:53 without objection

Respectfully submitted;

*Aaron Hayden*