



**Town Council Finance Committee
June 2, 2021**

Charter Section 5.5(a) requires that, “The Finance Committee will thoroughly review the budget and make a presentation and recommendation to the full Town Council within 30 days of referral.” The FY22 budget was referred to the committee on May 3. This report is the budget presentation and recommendation required by the Charter. On May 17, the Council passed the following motion, “VOTED to refer the draft African Heritage Reparation Coalition (AHRC) charge to the Finance Committee for recommendation to the Town Council on a possible revenue stream for a reparations fund in the FY22 budget.” A preliminary report on a possible funding stream for reparations is also included at the end of the report.

Presentation and Recommendation on FY22 Budget

The Finance Committee met on June 1 with all members present. The Committee recommends four motions for Council consideration and action. Two related to the Capital Budget and two related to the operating budget. The report below provides the discussion that preceded these motions, votes on the motions, and the rationale for the negative votes.

Cash Capital

APPROPRIATION and TRANSFER ORDER - FY22 – 05A

An Order Appropriating Funds for a Portion of the Town of Amherst Capital Program – Equipment, Buildings and Facilities

The committee voted to recommend on a vote of 5-0 with 3 resident members of the committee indicating their support or the motion.

Borrowing for Capital Projects

APPROPRIATION AND BORROWING AUTHORIZATION ORDER FY22-06

An Order Approving and Authorizing Borrowing to Fund Capital Projects – Bond Authorizations

The committee voted to recommend on a vote of 3-1 with 1 abstention and 3 resident members of the committee indicating their support or the motion.

Operating Budget

APPROPRIATION and TRANSFER ORDER FY22-04

An Order Appropriating the Town of Amherst FY22 Operating Budget for Fiscal Year 2022

On both motions the committee voted 3-1 with 1 abstention and 3 resident members of the committee indicating their support for:

MOTION: To recommend to the Town Council that they approve the FY2022 Operating budget.

MOTION: To recommend to the Town Council that they direct the Town Manager to seek funds to fill eight community responder positions and the other elements of the program as proposed on May 27, 2021 and report back to the Town Council, and Residents of Amherst, how he plans to accomplish this no later than January 31, 2022.

Department Presentations and Committee Budget Discussions

Community Services: Social Services

Pages 186-189 of the proposed budget allocates \$130,000 “To provide a Community Responder pilot program that utilizes mental health professionals to address Town wide issues that do not require a police officer.” On May 24, the Community Safety Working Group (CSWG) presented its report to the Council in which it recommended the creation of “Community Responders for Equity, Safety, and Service” (CRESS) program.

At a joint meeting of the Finance Committee, Council, and CSWG on May 27, the Town Manager presented a more detailed report about how he would establish a pilot CRESS program with funds in the budget he presented to the Council on May 3 and from grants that are not part of the budget. That would include a full-time Director for 7 months, 4 full-time Responders for 5 months, and a full-time administrative assistant for 7 months. The total first year cost for the pilot program was proposed to be \$475,000 including benefits and purchase of vehicles. The CSWG presented a budget that would establish a full program immediately with a full-time CRESS Director, 3 full-time shift Responder Supervisors, 12 full-time Responders, 1 full-time Administrative Assistant, 3 full time Shift Dispatcher Supervisors, and 6 full-time Dispatchers. The estimated annual budget, including funds for the purchase of two vehicles, health benefits and pensions was \$2,824,300.

During its June 1 discussion, the Finance Committee considered these points:

1. The Town Manager envisions a planning and pilot program to be implemented in FY22. That would provide an opportunity assess which services could be shifted to the new workforce and what times of day and days of the week are likely to be the highest demands. It would also provide time to set up a training program, prepare job descriptions and establish metrics, measure community satisfaction and effectiveness, and recalibrate the program based on feedback before establishing a full program. The CSWG believes that it has fully studied all options for a successful Community Responder Program, assessed community satisfaction with current community response provided by the Police Department, and has proposed a program that can and should be fully established immediately.
2. It will take time to recruit, hire, train staff, and equip a new department.
3. The CSWG proposes to decrease the size of the Police Department because its role will be reduced when a portion of the response is shifted to the new department and to provide funding for it. There has been no determination yet of the size needed for the Police Department after CRESS is established.
4. The Charter and Massachusetts General Laws provide that “in amending the budget, the Town Council may delete or decrease any programs or amounts except expenditures required by law.” It cannot add funds. In FY21, the Council, after a recommendation from the Finance Committee, did not reduce the budget but recommended that the Town Manager not immediately fill two vacancies in the Police Department. The Council cannot add funds to the CRESS program in the FY 22 budget.

Except for funding of CRESS, the committee reviewed all other sections of the budget and recommends it to the Council. The discussion focused on the fact that Four Responder positions will be insufficient for a pilot effort and to assess the value of a community responder program. There may be additional funds from the State, an estimated \$90,000, that could fund additional people part year. Eight responders will allow CRESS to have two Responders working 24 hours per day, 7 days per week. Four Responder positions are insufficient for a pilot effort and to assess the value of a community responder program. Eight responders will allow CRESS to have two Responders working 24 hours per day, 7 days per week. Pat De Angelis voted against both motions regarding the operating budget order because she did not believe that the funding plan incorporated in the motions provides sufficient support for the Community Responder Program. Cathy Schoen abstained because she agreed with Pat about insufficient fund and this will be especially true in FY23 when all will be employed for 12 months. There was discussion about whether to recommend that the Town Manager hold vacancies in the Police Department to allow

flexibility. The majority of the committee agreed that we should leave this decision to the Town Manager's discretion.

POLICE

On May 13, the Finance Committee discussed the proposed Police Budget, including the core department, communication center (dispatchers), and the police facility. Chief Livingston along with Ronald Young, Gabriel Ting, and Michael Curtin met with the Committee to provide a brief overview and respond to questions.

The presentation focused on accomplishments, challenges and goals for the coming year, with most summarized in the Budget Book: Facility p.107, Police p. 111, Communication p.119. The committee submitted questions in advance. The questions and answers provided to the committee can be found at [Police-and-Fire-Budget-QandA-51421 \(amherstma.gov\)](#)

Please note that budgets do NOT include the department costs of health insurance or pensions. In the budget book presentation, benefits appear in the General government budget and are not allocated by department

Police Force: Proposed FY22 Budget \$4,857,819. A key staffing challenge includes difficulty in recruiting new officers. There is with evidence of declining interest in "policing" with far fewer people showing up at job fairs. Current police staffing includes an in-house domestic violence staff person and expanded focus on community policing to address neighborhood quality of life concerns. Community policing includes an initiative known as Community Policing Through Environmental Design (CPTED). The goal of CPTED is problem-solving focus that seeks preventive measures. An example is improved lighting and work with landlords on Hobart Lane to plant natural borders of bushes/shrubs to limit areas for major gatherings of parties in this neighborhood. An officer involved in community policing works out of a normal uniform and seeks to build relationships with individuals. The Department had planned to expand from one to two positions but put expansion on hold pending staffing and budget decisions

In the past year working on COVID, including implementing the Ambassador program, consumed a substantial amount of staff time. The Department did follow-ups for residence requests and complaints to ensure concerns were being addressed and assisted at vaccines sites at both the high school and Bangs Community Center. A rough estimate is that this consumed 20-30 hours a week.

Department staff training in the past year included implicit bias training that benefited from work with Amherst College using non-police trainers. Other training includes restorative justice.

Proposed FY22 Staffing: The proposed FY22 police budget includes 48 positions including 3 Patrol Lieutenants, 6 Patrol Sergeants, and 26 Patrol Officers. In responses to questions sent in advance, the Police Chief noted they currently have five police officer vacancies – 2 of these positions were frozen pending decisions about a possible alternative program. There will likely be are three (3) police vacancies beginning for FY22.

Costs: The per person budgeted costs projected for FY22 in the budget book increased by 4.8%. Finance staff noted that there was an error in this calculation for educational incentives that will reduce the budget \$40,000. The increases per person were mainly longevity and contractual amounts. Overtime has remained steady at around 8% which include training and court time.

Most of the questions from the Committee focused on level of services and calls. One question was how many calls require two officers, the response was about one-third. Asked about the share of the current volume that could be handled by non-police alternatives, the written response was that "The discussion about what types of calls may be able to be directed to the CRESS team is one we are working on. Medical mental calls are at the forefront of these discussions but there may be others." (See Q AND A)

Communication Center: Proposed FY22 \$740,670 (Budget Book pp. 119-121). The Center is currently staffed by 11 FTE. Due to high stress of working as dispatchers, there is frequent turnover. This has resulted in relatively low total cost increases year to year. The Center handles calls for Fire/EMS as well

as police and animal welfare. During COVID there was a reduction in call volume as a result of early dismissal of students.

There has been substantial work done on ensuring that the Town has a back-up center in the event of power-failure or other emergencies. This will be located at the North Fire Station. It is almost fully operational with tests indicating it can be up and running quickly (10 minutes). There are back-up generators at this location and connections to other Amherst systems.

Committee members asked whether the current dispatcher workforce could handle a greater volume. A Committee member remarked that there could be an increase in volume if a new community safety workforce were available. We also asked the extent to which they would require new training if there were an alternative community safety workforce

The response on staffing needs was it that it would be difficult to assess initially. To some extent, dispatchers now handle calls where the person mainly needs to talk with someone – often with extensive time on the phone. If they could refer some of these calls, it could potentially yield time to handle a higher volume. Dispatchers currently work with manuals with training to use flow charts step by step to determine where to route the calls. This could be augmented and expanded if there were to be a new pathway such as the CRESS program.

The discussion about Dispatcher and Police staffing as Amherst proceeds to establish a CRESS program will continue as the CRESS program is implemented.

Police Facility: FY22 Budget \$207,332. Budget Book p. 107-109. The Facility is staffed by 1 FTE for maintenance. Most of the budget is for operating expenses. As discussed in the capital improvement plan, in FY22 the building is scheduled for a new Chiller, improvements in office furnishing, and energy savings initiatives. Future plans include a roof replacement with solar panels.

Animal Welfare: (p. 123-125). This service is provided by one long-time staff person. She provides a range of services include sheltering and working with the Dog Park Task Force. The Police Chief commended her dedication and tireless contribution to the Town and animal welfare.

FIRE/EMS

The challenges facing the Fire Department continue to be staffing, the ongoing maintenance of equipment, an aging vehicle fleet, which includes a 32-year old ladder truck that needs constant tending and maintaining the 92-year old Central station and the 45-year old North station. In the past year, supported by CARES, four additional full-time fire fighters were added to support the increase of calls due to COVID-19. While overall EMS responses decreased by 15%, which reflects the impact of COVID-19, it is clear that a full return of University students to the campus this fall will impact the number of Emergency calls and responses.

LIBRARY

The total budget for the Jones Library for FY 22 is \$2,722,673, of which \$2,086,211 is to come from a municipal appropriation. This is 2.1% more than last year, the amount provided by the Finance Committee guidelines. The budget assumes that the number of staff members will go down by one and that one employee will be converted from part time to full time.

There are some other revenue changes from FY 21. State aid is expected to remain unchanged. Fundraising by the Friends of the Jones Library, however, is projected to be much higher than the amount shown in this year's budget, but only modestly higher than receipts to date. The draw next year from the endowment is planned at 4%, which is less than this year's 4.5%. The endowment itself, as of March 31, 2021 was \$9,246,356. In March 2020 the stock market had fallen, lowering the endowment to \$7.2 million, but in the months before that the endowment had been in the range of \$8-8.3 million.

SCHOOLS-ELEMENTARY

This budget presentation was included in the May 17, 2021 Finance Committee Report.

PUBLIC WORKS

This budget begins on page 127 of the Town Manager's proposed budget. Much of the work planned for FY22 is a continuation of ongoing maintenance and management activities. Answers to questions submitted in advance are posted in: [DPW-and-Enterprise-Funds-Budget-Questions-51721 \(amherstma.gov\)](https://www.amherstma.gov/DPW-and-Enterprise-Funds-Budget-Questions-51721)

Superintendent Mooring noted a number of regulatory actions that could have a significant financial impact to the Town. The largest unknown is what will be required for the Town to implement EPA's Phase II Storm Water program. Over the next 2-3 years, the Department will collect data and determine the areas that need attention in Amherst. Costs of compliance are unknown at present but could be in the millions of dollars, and an additional funding source may be required. Issuance of the next Water Management Act permit is expected to include more stringent water use and conservation methods – in particular finding ways to use non-potable water to replace potable water. The Waste Water Treatment Plant's Reuse system will provide non-potable water that could be used for activities such as street sweeping, sewer and storm drain flushing, and possibly spot irrigation.

The Department faces a continuing problem of attracting and retaining staff. This problem has been exacerbated by economic changes as we recover from COVID-19. The Department hires and trains staff only to see them move on to other jobs that pay more and/or provide more regular hours. The new regulations noted above are likely to result in a need to expand the Department's staff, data collection, and monitoring activities.

Equipment used for the Public Works infrastructure is becoming more electronic each year. Some newer equipment has a 1–2-year life span, and spare parts are not made beyond this time. It is becoming necessary to replace an entire piece of equipment when only a spare part is needed. The impact of this change should be tracked and reported to the Finance Committee. There also is a need for a new automation programmer to program and maintain the Department's growing inventory of electronic equipment. This would be a new position.

The Department, working with the Finance Director and his staff, developed an electronic inventory of vehicles to assist in planning for maintenance and replacement. The Department also plans to digitize vehicle maintenance schedules. The digital inventory and maintenance schedule will improve the ability of the Department to keep equipment operational and anticipate when replacements are needed. The Finance Committee suggested that, over time, critical infrastructure (e.g., water lines, sewer lines, roads) be added to the electronic inventory. Superintendent Mooring noted that there is a significant backlog of critical infrastructure needing repair/replacement and the life span of much infrastructure is highly variable.

ENTERPRISE FUNDS

This budget begins on page 199 of the Town Manager's proposed budget. FY21 revenues for the Enterprise Funds were significantly impacted by COVID-19. Closure of the colleges and UMass resulted in much lower consumption of water and sewer services. Restrictions on dining and other businesses led to a sharp decline in parking revenues. Estimates of FY22 revenues are uncertain and will depend on how quickly water, sewer, and parking revenues return to pre-COVID-19 levels. Note also that new construction at UMass is becoming more water efficient, which may result in a slower recovery of demand for water/sewer services. The next Water Management Act permit also may have an impact on water and sewer revenues. Two members of the Finance Committee are working with the Department of Public Works to explore alternative strategies for setting water rates.

Water. This budget begins on page 202 of the Town Manager’s proposed budget. The new water billing rate is projected to increase water revenue by \$412,497 (9.9%) in FY22. Additional rate increases are expected in the coming years to pay for the reconstruction of the Centennial Water Treatment plant. When Centennial is back online, the Town will have a water supply that will be secure for many years and able to support continued development. The investment in Centennial should remain a high priority for the Town.

Superintendent Mooring noted that some staff at the MA Department of Environmental Protection (DEP) are concerned about the use of potable water for household irrigation. In the coming years, DEP may require separate meters for household use vs. irrigation. DEP also may decide to control irrigation meters, shutting them off centrally during drought conditions. Separate meters may also be considered by the Finance Committee as part of any proposed change in strategies for setting water rates.

Sewer. This budget begins on page 210 of the Town Manager’s proposed budget. The new sewer billing rate is projected to increase sewer revenue by \$255,000 (6.5%) in FY22. Additional rate increases are expected in the coming years to pay for infrastructure projects. Major new projects are installation of the Gravity Belt Thickener and Water Reuse Systems at the Waste Water Treatment Plant.

Solid Waste. This budget begins on page 218 of the Town Manager’s proposed budget. The Solid Waste Fund operated in the black in FY20 in spite of a reduced number of stickers sold due to COVID-19 and fewer college and UMass students in Town. The Transfer Station remained open throughout the pandemic with only minor service reductions. Staff re-configured the recycling area to allow for safe recycling of paper and containers.

To date, the Transfer Station has not re-opened the “Take it or Leave it” service for residents with Transfer Station permits. This service allows residents to “leave” unwanted items in good working condition and “take” items they may find useful. It is an efficient way to recycle items that otherwise might wind up in the waste stream. The Department of Public Works is looking at the economics of this service and may or may not re-open it.

Transportation. This budget begins on page 227 of the Town Manager’s proposed budget. The pandemic led to widespread loss of parking revenue in FY21. Estimated revenues are 17% lower than the FY21 budget due to the continuing pace of recovery. During the pandemic, staff were re-assigned to assist with meal deliveries to seniors and monitoring use at Puffer’s Pond. The salaries were reassigned to CARES or FEMA funding.

The Budget document (page 229) notes that parking annual revenues per parking meter in FY20 ranged from \$197 (lower Boltwood Garage) to \$1,686 (Main St. lot) and \$1,692 (Amity St. lot). The low revenue from the lower Boltwood Garage may be due to a number of factors, including a lower rate (50 cents/hour vs. \$1/hour), shorter hours (ends at 6pm instead of 8pm), inadequate signage, and/or the presence of homeless individuals during very cold winter nights). The Finance Director and Town Collector are working to implement some of the key recommendations from the recent Downtown Parking report.

Permits issued for downtown parking increased from 759 in FY16 to 983 in FY19 (a 30% increase), although they fell to 829 in FY20 and 405 so far in FY21). The Town Collector confirmed that the increase from FY16 to FY19 was due to downtown development, and the decline in FY20 to FY21 was due to COVID-19. Whether the number of permits issued will bounce back and how long this will take is unknown at this time. However, further development downtown, and any reduction in existing parking spaces, may lead to parking needs that exceed available spaces. The Department of Public Works is working to identify streets where additional parking spaces can be safely installed, and the Finance Director and Town Collector are working to implement some of the strategies to increase available parking nights and weekends identified in the Downtown Parking report. If development continues and other strategies are not sufficient, eventually the Town may need a new parking garage.

CONSERVATION AND DEVELOPMENT

The departments categorized as Conservation and Development endeavor to support the town managers in meeting the goals as set by the town council. This includes zoning reform through the planning board, increasing the stock of affordable housing, improving the climate for small business, assisting with a wide range of community projects, sustainability/resilience and pursuing grant opportunities to assist new initiatives town wide. These departments are led by the Assistant Town Manager/Director of Conservation and Development.

Conservation. The Conservation budget and detail is on pages 150 to 153 of the Town Manager's budget. The budget is level funded for staffing, with increased costs due to steps and COLA. Department staffing includes the Sustainability Coordinator, two land management staff and a wetlands administrator. The pandemic saw an increase in the land and trails managed by the department, both from town residents and others. Increased use and climate change, particularly severe storms, increased the need for trail maintenance, particularly with downed trees obstructing the trails. Increased property improvements made during Covid has resulted in an increase in notices of intent and enforcement orders regarding wetlands. Overall, the department is placing greater emphasis on management rather than acquisitions. Better access is a goal for the upcoming year, with ADA trails, better signage, improved trail mapping, as well as better parking and bicycle storage at trailheads. The department is working with the Kestrel Trust on signage and developing a "brand" for our conservation areas, help people understand the rules around land use, and explore the possibilities of historic or nature tours with both Kestrel and Hitchcock.

The Town is aware of approximately 400 acres of unprotected farmland. The goal is to look for limited development and to work with the housing trust to both conserve land and create some affordable housing opportunities.

The Hickory Ridge purchase sole constraint at this point being the state's approval of the solar developments proposed by the current owners. Once purchase is completed, a substantial planning process will be developed for the use of property – taking an estimated 8 to 9 months.

A solar project is under development for the north landfill property. Final preparation work is being completed, and a conservation restriction placed on the south landfill. Construction of the solar project is expected to begin in late summer/early fall.

Planning. The Planning budget and detail appears on pages 154 to 157 of the Town Manager's budget. The department is essentially level funded, increasing by just over 1% due to steps and COLA. Department staffing consists of the Planning Director, three planners, and a permit administrator shared with the inspections department. Work on zoning amendments, with the Planning Board and CRC for submission to the Council are a priority. The ADA transition plan is completed, and the department is now looking at buildings and facilities to work on implementation. Work with the Business Improvement District on downtown Amherst is ongoing, looking to improve wayfinding, completion of Kendrick Park and other improvements. Completion of the dog park is another goal.

The department was successful in obtaining grants to support dining downtown as a response to the pandemic, install a ramp at the Bangs Center, and the Pomeroy Lane intersection reconstruction. There will be continuing efforts to provide grant funding for North Amherst, including the Route 63, Sunderland Road intersection.

Flood plain mapping is nearing completion, with just one quadrant requiring some additional work. Mapping will include 500-year floodplains, which may be more vulnerable to recent hurricanes which were largely rainfall and not wind events.

In terms of affordable housing, the department is always looking for property, with no opportunities at present. The new inclusionary housing bylaw is being put in final form. Once enacted, projects with 10 or more units will have affordability requirements.

Inspection Services. The Inspection Services budget and detail is on pages 158 to 161 of the Town Manager's budget. The department is managed by the Building Commissioner/Assistant Director of

Conservation and Development with 9 full time and 2 part time staff. Its budget is essentially level services funded. There is a Licensing Coordinator in place to assist the License Commission, assist with their operation, regulations and policies. A new permitting software is in use with extended capabilities for residential rental permits and health licensing. Building, electrical, and plumbing permits will be added in the near future. This will enable online applications, access to permits, and status updates.

The department was able to expedite permitting throughout the pandemic and is again seeing consistent numbers for permit applications, so it appears that activity is back. The Governor's order responding the pandemic extended the life of many permits, not situations where work is abandoned or not completed. The Licensing Commissioners worked on permitting outdoor dining and liquor service and that effort may continue.

Under consideration is an amendment to the rental property regulations as to when a property may be designated as requiring additional oversight. At present properties presenting problems will be scheduled for inspections depending on which section of the code applies. Overall, the department works with holders of all types of permits with an emphasis on achieving or maintaining compliance.

COMMUNITY SERVICES

The Community Services various functions are found on pages 162-189 of the Town Manager's proposed budget. The Finance Committee reported on the Senior Center and Veterans Services in its May 17 report. Social Services was reported in the general recommendations section of this report. The remaining sections are Recreation and Public Health.

Recreation. The Amherst Recreation section of the budget begins on page 174 of the Town Manager's proposed budget. It is presented in three parts: the general recreation budget, Municipal Pools, and Golf Course. These budgets include the funds that are appropriated. Amherst Recreation is also supported by fees from program participants. These are shown in Revolving Funds beginning on page 240 of the budget. Program subsidies for assistance to low-income families is included in the appropriated funds operating expenses.

Barbara Bilz made most of the presentation. She had just retired as Recreation Director after a long and successful career working for the Town. Two of the greatest challenges of her last year were the Covid crisis and the restructuring that implemented the Department's Strategic Plan.

Most of the discussion was about Covid and its effect on program revenues and services. CARES Act funding was used for the unexpected expenses that resulted. There were challenges to hiring temporary staff to maintain programs. Parking Officers were reassigned to some of these functions and their salaries paid from the CARES Act. Outdoor activities were particularly important to the community during this period. The swimming pools modified and extended services and days of operation. The Golf Course had one of its best years since that is an activity that is particularly appropriate and safe.

The Finance Committee task is to review the budget for FY22. Therefore, we were concerned about registrations for future programs and plans for the budget in the year ahead. The registrations have been proceeding and response has been good. The temporary staffing that was eliminated in the past year will be funded in the next year. Changes were required to the method for recruiting and hiring for these positions because many of these employees are traditionally students, college or high school. The recruitment process is proceeding with apparent success.

Public Health. The Public Health section of the budget begins on page 162. FY21 was a challenge because of Covid-19 and the departure retirement of long-time director Julie Federman.

The committee met with the new director, Emma Dragon. The proposed staff for FY22 includes the Health Director and an 80% Public Health Nurse. Personal costs comprise 96% of the budget, the remainder provides health supplies and programs. During the Covid crisis, Grant funds for necessary to provide the public health service that this community required. The Department is concerned that staffing

is inadequate in times with no crisis and it is uncertain how it can serve the community during the next one.

CAPITAL

The Capital Improvement Program was submitted to the Council as a separate document on May 3 but is a part of the budget that will require Council approval. The committee initially reviewed it briefly on May 4. The capital investments to be funded from the amount allocated by the Council Guidelines for FY22, cash capital, were recommended by the Joint Capital Planning Committee. They are included in the plan as proposed by the Town Manager and in APPROPRIATION and TRANSFER ORDER - FY22 – 05A.

The June 1 committee discussion was about the proposed borrowing to fund capital projects and set forth in APPROPRIATION AND BORROWING AUTHORIZATION ORDER FY22-06. The discussion was about the inclusion of \$3,412,500 for Fire Station Facility and Public Works Facility Design and Engineering. The borrowing for the design/planning for a Fire Station and DPW were not discussed by the JCPC because these are elements of the major building capital plans.

The Town Manager and Finance Director explained that the Council supports these projects and that design and engineering work should begin as soon as a new location for the Public Works Facility is identified. There is an advertised process underway to acquire appropriate property and it will hopefully be concluded during FY22. This is borrowing authorization. No funds will be borrowed until property is acquired and payment is due for design and engineering work. The borrowing will initially be Bond Anticipation Notes and they will be rolled into long-term bonds when major work is underway. The committee agreed with the proposal with Cathy Schoen voting against the motion recommending approval of the Order. She would be more comfortable delaying the authorization until we are more certain of revenues needed to repay the debt and the impact on operating budgets of trying to move forward on DPW and Fire Station along with the library. This concern focused on the FY23 budget and future years. She noted the substantial increase in debt service that is forecast limits estimated allocations for operating budgets. Dorothy Pam abstained.

POSSIBLE REVENUE STREAM FOR A REPARATIONS FUND

The Committee met with Michele Miller, Matthew Andrew and Irv Rhodes on May 27 regarding a possible funding stream for a reparations fund. The possible plan that was discussed would be to create a Reparations Stabilization Fund in June 2021. Council approval would be required. In the late fall of 2021, after the Department of Revenue certifies the amount of Free Cash, we would transfer free cash over 5% of General Fund operating revenues to the Reparations Stabilization Fund. Standard practice has been to make such a transfer to the regular stabilization fund. Based on previous experience, the amount would approximately be \$206,000. The Town Manager would need to initiate the request for such a transfer and Council approval would be required. No funds would be expended until the Town receives legal guidance on allowable uses and without a two-thirds vote of the Council.

The Finance Committee has not taken a position to support this plan but will discuss that at its next meeting, on June 10.

Respectfully submitted,

Andrew Steinberg, Chair
Cathy Schoen, Vice-Chair
Pat De Angelis
Lynn Griesemer
Dorothy Pam
Robert Hegner, Resident Member

Bernie Kubiak, Resident Member
Jane Sheffler, Resident Member