



**Town of Amherst
Special Town Council Meeting
Tuesday, May 28, 2019 1:30 p.m.
Town Room, Town Hall
4 Boltwood Avenue**

Minutes

Complete video is available online: <https://amherstmedia.org/content/amherst-finance-committee-52819>

1. Call to order and declaration of a quorum

Councilor Steinberg declared the presence of a quorum and called the Finance Committee meeting to order at 1:23 p.m.

President Griesemer declared the presence of a quorum and called the Special Council meeting to order at 1:24 p.m.

Councilors present: Councilors De Angelis, Griesemer, Pam, Ross, Ryan, Schoen, and Steinberg.

Councilors absent: Councilors Bahl-Milne, Brewer, DuMont, Hanneke, Schreiber, and Swartz

Councilors participating remotely: None

Others present: Clerk of the Council Margaret Z. Nartowicz, Interim Finance Director Sonia Aldrich, and Procurement Officer Anthony Delaney

President Griesemer announced audio and video recording by Amherst Media.

**2. Presentations and Discussion – Finance Committee vote on FY20 Budget
Recommendation to Town Council**

Councilor Steinberg – principally two items on the agenda. Will discuss and vote on required submission to Council on FY20 budget, as required by the Charter. Finance Committee has worked on attaining a thorough understanding of the budget. Will also discuss CPAC proposals, specifically, Valley CDC proposals. Finance Committee needs to discuss content of report to be provided to Council.

Ms. Aldrich described the requirements for Orders under the Charter. Worked with Ms. Nartowicz to put Orders together. Discussion regarding Orders that now take place of prior town meeting appropriation votes. One Order for operating budget, one for cash capital, one for cash CPAC, and separate Orders for

borrowing authorizations. Discussion regarding separate bond authorizations. Ms. Aldrich - Borrowing authorizations are not expected to be voted today, as numbers are not solid numbers. Discussion and comments regarding the various appropriation Orders. Councilor Schoen – Allocating 9.5% of tax revenue to capital. Ms. Aldrich explained how number for outright funding (not borrowing) is derived. Discussion regarding debt service as part of general fund budget.

Community Preservation Act – Ms. Aldrich described separate votes. First is cash payments to capital, then land acquisitions – Szala, Keet Haskins. Councilor Steinberg – question on Valley CDC borrowing authorization vote for Valley CDC project. Land acquisitions and borrowing require 2/3 vote.

Discussion regarding timing of vote on that order. President Griesemer – community conversation with facilitator will occur on June 18 to allow all interested parties to discuss proposal. Recommend that Council not take action until after that time. Date has been negotiated with Valley CDC. Discussion regarding funding for Keet Haskins, including borrowing authorization, LAND grant, and CPA funding. Ms. Aldrich clarified that borrowing authorizations may occur when the projects are ready for funding.

The Finance Committee moved to delay any action regarding Valley CDC proposal until after community forum has occurred.

Councilor Ross – GOL has been having an ongoing discussion about working within scope. Hope has been that Finance Committee limit discussion to financial implications. Understanding of June 18 meeting is that it is focused on broader issues. Not sure the purpose other than to delay for delay sake. Most conversation has not been regarding financing; more on public safety and other concerns. Agrees that Council should delay its vote, but not clear on why Finance Committee would delay.

Councilor Schoen – additional finance questions regarding cost to town and recurring costs. Is cost envisioned enough to address building maintenance. Councilor Ross – motion was made to delay until after community meeting. Rationale of tying Finance Committee vote to community meeting. Concerned with perception that it could blur Finance Committee's role. President Griesemer – not intention, but shares some concerns that Councilor Schoen voiced. Might ask Valley CDC to come forward to address additional financial questions. Councilor De Angelis – Valley CDC would be responsible for building maintenance. Feels that concerns are misplaced. Trusts Valley CDC and care of its buildings. Councilor Steinberg – making long-term commitment of funds through CPA that will affect future CPA projects due to borrowing.

Discussion regarding merits of Valley CDC proposal and Finance Committee jurisdiction.

President Griesemer – concerned with debt limit; wants to take it all in consideration.

Councilor De Angelis – feels that then should not do anything about the Keet Haskins or other projects; Valley CDC project is being singled out. Concerned that this is playing with finances and people's lives. Councilor Pam – wants clarification on Keet Haskins funding; she understood no risk. Ms. Aldrich – clarified that the borrowing would be a grant anticipation note. Szala property purchase is with estimated FY20 CPA revenues. Councilor Steinberg – a number of factors when considering debt capacity, including 5% cap of EQV. Also have to consider town's ability to repay debt service. Councilor Ryan – hearing that Finance Committee has concerns regarding financial aspects of the project, and will bring back recommendation to Council at a later date on financial implications. Just heard from CPAC a few weeks ago. Need those questions answered. Councilor Pam – commented on portion of Finance Committee report that references ability to fund budget through new growth, etc. Councilor Steinberg – clarification on CPA as distinct funding source.

Finance Committee voted to delay recommendation on Valley CDC proposal.

General public comment:

Councilor De Angelis – feels comments should be limited to financial issues only. Councilor Steinberg – has been cautious of this in order to not limit comments.

A long time town resident of Northampton Road spoke against borrowing for Valley CDC project. President Griesemer – clarification of purpose of Council’s community meeting on June 18. Councilor Steinberg – would anticipate Finance Committee vote on recommendation later in June.

Katharine Sims of 77 Dana Street thanked the Council for moving forward with a facilitated public conversation. Concerned with cost effectiveness of project. Construction costs are high compared with other construction in Amherst. Council should look at comparable new construction costs. More people could be assisted if project costs were lower.

Johanna Neuman of 130 Stanley Street commented that a number of committees have reviewed this project and more will continue to review it. Contradicts this community’s values.

Hallie Hughes of 30 Orchard Street reminds the entire Council that the project was not introduced to community until April 24th. Could Council ask Valley CDC how change in income level of residents would affect operating costs.

Amanda Robertson of 39 Northampton Road would like study related to increased police response to the project; specifically, the projected cost to the town. Understands Valley CDC builds the properties, but someone else manages them. If Valley CDC were to go under, would they cut services provided to SRO.

A resident of Dana Street commented that they are looking forward to the community meeting, and that a letter distributed to Council was signed by 56 neighbors.

Councilor Steinberg clarified the purposes of CPA funding and the separation from budget approval under the Charter.

Councilor Pam – question regarding general budget. How safe and sustainable is the budget if it is contingent on new construction. Councilor Steinberg – FY20 is solid. Seems that should be able to maintain services stasis without having to grow. Feeling unsettled about new capital initiatives combined with ability to sustain services. Discussion regarding sustaining services and new growth. Councilor Pam – concerned with not enough order right now. Discussion regarding sustainability, long-term planning.

The Finance Committee moved to recommend to the Council that it approve the Town Manager’s operating budget as recommended.

Councilor Pam – budget contains contingencies; therefore, supports budget recommendation.

Finance Committee voted to recommend the Council approve the Town Manager’s operating budget.

Finance Committee moved and voted to recommend Order Part B for the operating budget.

Finance Committee moved and voted to recommend that the Council approve the Town Manager’s recommendation on capital expenditures for equipment, buildings and facilities as recommended by JCPC.

The Finance Committee moved and voted to recommend Council Order on Capital appropriations.

The Finance Committee moved and voted to recommend to the council the Rescission of Bond Authorization.

Actual budget needs to note that regional school appropriations have already been voted. Councilor Steinberg – will include explanation in Finance Committee report.

CPA Appropriations – Councilor Pam recommend trying to move forward with CPAC proposals other than the item specifically delayed. Councilor Ross – Keet Haskins and Szala properties are ready. Hickory Ridge. Ms. Aldrich – that project does not have final numbers. Does not anticipate that Town will have to borrow for Hickory Ridge.

The Finance Committee moved and voted to approve all CPA recommendations other than Valley CDC then will ask about recommendations on projects contained in order other than Valley CDC. Discussion on Hickory Ridge funding.

Finance Committee moved and voted to recommend the orders under CPA appropriations.

The Finance Committee moved and voted to recommend two orders (land acquisition) that will require 2/3 votes of the Council

President Griesemer – personally has questions on Szala property for financial reasons. Discussion regarding cost, purpose of property purchase.

Acceptance of Optional Tax Exemptions – Ms. Aldrich explained exemption of up to 100 percent for qualified taxpayers. Provide amount paid out in prior year, amount reimbursed by the state, and amount paid by the town. Money comes from overlay allowance.

Councilor Steinberg – next fiscal year process. Finance Committee will come together in future meeting to discuss planning and finance process for the next fiscal year. Finance Committee will have to make recommendation that if we go forward with Participatory Budgeting process, will have to consider amount of money available for that process. Money wouldn't be until FY21.

Review of Finance Committee meeting dates moving forward. June 4 Finance Committee meeting FY19 budget amendments. Discussion regarding potential meeting dates and agenda topics. Councilor Steinberg – everything needs to be in a consolidated budget process calendar. Discussion regarding waiting until July to discuss Participatory Budgeting. Finance Committee will meet on CPA June 25 at 9:30 am. July 23, 2 p.m. for meeting on next year's finance process.

Proposed order on acceptance of optional tax exemptions – David Burgess explained the purpose of the exemption – must be voted every year. Amherst in 1994 voted to increase exemption. State reimburses a portion. Town's costs come from overlay account.

The Finance Committee moved and voted to recommend the order on acceptance of optional tax exemptions.

3. Topics Not Reasonably Anticipated by the President 48 Hours in Advance of the Meeting – None

4. Adjourn

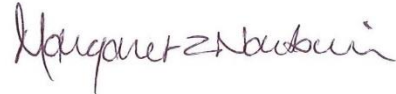
The Finance Committee moved and voted to adjourn.

MOTION: Councilor Ryan moved, second by Councilor Ross, to adjourn the May 28, 2019 Special Council meeting.

VOTED 7-0 (Councilors Bahl-Milne, Brewer, DuMont, Hanneke, Schreiber, and Swartz were absent) to adjourn the May 28, 2019 Special Council meeting.

The Special Council meeting and the Finance Committee meeting adjourned at 3:35 p.m.

Respectfully submitted,



Margaret Z. Nartowicz
Town Clerk & Clerk to the Council

Record of Agenda Packet Materials and Documents Presented