



Minutes

City

CITY OF EASTHAMPTON **OFFICE OF THE CITY COUNCIL**

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*Council
Finance
Committee
Meeting,*

3/9/2022

Attendees:

Finance Committee Members:

Councilor Dan Rist, Chair
Councilor Tom Peake, Clerk
Councilor Koni Denham

Other Attendees:

City Council President Homar Gomez
Mayor Nicole LaChapelle
City Treasurer Jennifer Gallant
Easthampton Retirement Board Director Kymme Wood
Easthampton Retirement Board Chair Don Emerson
Kira Henninger (community member)
Carolyn Cushing (community member)

Meeting was called to order at 5:00 PM. The meeting was held remotely due to the COVID-19 pandemic and was videotaped

1. Approval of Minutes: 2/23/22. **Motion made by Councilor Denham and seconded by Councilor Peake. Motion passed 3-0.**
2. Mayor's Communication: None.
3. Public Speak:
 - Carolyn Cushing spoke requesting data on the ARPA spending.
 - Kira Henninger expressed support for more funding for the school budget.
4. New Business
 - a) **Request from Retirement Board. to increase the COLA base by \$2,000 to \$16,000.00:**
Kymme Wood explained that the retirement board is in the process of accepting MGL that would increase the base from \$14k to \$16k. The COLA base is the amount of pension income which a retiree receives a cost of living adjustment on. She expressed concern in how inflation would impact retirees. The COLA is always three percent. She stated that the board had undergone an actuarial assessment. Their funded ratio is 74.9 percent, which is better

than most communities. They have decreased their term from 2032 to 2027. Due to their financial successes, they believe that the board can raise the COLA base without overly impacting the appropriation from the City. She estimates that the appropriation would increase by one percent next year. Chair Don Emerson stated that there had been windfall gains that should be shared with retirees who have been affected by seniors. He also argued that the investments are very diverse. Jenn Gallant noted that \$14k was a very low number. Mayor LaChapelle expressed support for the proposal.

Motion made by Councilor Peake and seconded by Councilor Denham. Motion passed 3-0.

Interdepartmental Transfer:

\$53,117.85 to the PEG Access Receipts Reserved Account: this is a quarterly appropriation to Easthampton Media. Until two years ago, this was simply a pass-through account. Now, in order to send this money to Easthampton Media, there has to be a Council vote. **Motion made by Councilor Peake and seconded by Councilor Denham. Motion passed 3-0.**

b) Supplemental Appropriations:

- **6,900.00 for FY '22 unanticipated expenses: valuation of city OPEB benefits:** OPEB stands for other post-employment benefits (health insurance, dental, life insurance, anything that the City provides for retirees beyond the pension). Odyssey is the firm that provides the valuation. This is just catching up to a budget shortfall. **Motion made by Councilor Denham and seconded by Councilor Peake. Motion passed 3-0.**
- **\$20,464.00 for FY '22 unanticipated expenses: property liability:** The City estimated what the premium payments for this account would be at the time of the budget, and it ran over. This should cover the City for the remainder of the fiscal year. **Motion made by Councilor Peake and seconded by Councilor Denham. Motion passed 3-0.**

5. Continuing Business

- **Quarterly fiscal reports from the City Auditor:** This was not discussed tonight.
- **Quarterly Report on Covid-19 grant funding and Spending:** Councilor Rist asked the mayor when the Council could expect a report on this. Mayor LaChapelle stated that the City would post these materials on April 1st.
- **Charter required review of elected officials/board & committee stipends.** Councilor Gomez stated that some Councilors have stated that the Council stipends were too low, and that it made running for office harder for certain populations such as parents with young children or people of color. Mayor LaChapelle stated that she had asked the City Solicitor to review the process whereby the Council sets salaries and stipends without appropriation powers. Councilor Peake welcomed that conversation and hoped that it would clear up some ambiguity. Councilor Denham stated she shared equity concerns. Councilor Gomez reiterated that these salary increases, if passed, would only apply for the next term, so nobody would necessarily be giving themselves a raise. They would have to be re-elected. Councilor Rist stated that he did not serve for the money, but at every city council has different responsibilities. Mayor LaChapelle noted that the School Committee actually manages 2/3 of the municipal budget. Councilor Peake stated that he believed we should move towards equity between the Council and School Committee.

By motion made by Councilor Peake and seconded by Councilor Denham, the meeting was adjourned at 5:56 PM

Next meeting: 3/23/22

