

CITY COUNCIL MEETING – JUNE 15, 2022
Meeting held in-person at 50 Payson Avenue and remotely by Google Meet
6:00 p.m.

Members Present: President Homar Gomez, Vice-President Salem Derby, Daniel Rist, Owen Zaret, Thomas Peake, Lindsey Rothschild, Brad Riley and Koni Denham. James Kwiecinski was in attendance remotely.

Pledge of Allegiance.

City Council President and Vice-President Communications: President Gomez announced an agreement had been met with the School Committee and Mayor in regards to funding of the school budget for FY '23. It has been signed by all parties (Mayor LaChapelle, School Committee Chair Cynthia Kwiecinski and Council President Gomez). Councilor Derby read the agreement, as follows:

“In order to ensure that the educators and support staff of Easthampton are supported in their mission to provide a supportive and enriching learning environment for the city of Easthampton, and in order to further understanding, communication, and collaboration between the City of Easthampton and its schools, the undersigned hereby state their intention to undergo the following course of action.

1. Provided that the Mayor's Fiscal Year 2023 budget is passed, with or without amendments, within Fiscal Year 2022, the Mayor agrees to allow any appropriation request from the Education Department to move to the City Council.
2. The City Council will work with the Education Department to appropriate the funds necessary to maintain a level service budget, and will not consider the presence of reserves to be a disqualifying factor when discussing appropriation requests.
3. The School Committee and City Council will form a joint committee of their respective finance committees, which will meet quarterly with the goal of furthering understanding and communication between the two bodies.
4. The City will issue an RFP for an external auditor to perform an independent review of Easthampton Public School District, with the goal of better understanding the fiscal health of the city, the resources available to the Education Department, and alignment with best practices. This will include a review of the school chart of accounts, an alignment of school and city accounting procedures, and all school funds outside of the operating budget (including circuit breaker and school choice revolving funds) to governing regulations and best practices. A committee will be formed to draft the RFP and make a selection from the responses, with the Mayor, Superintendent, and City Council President each making an appointment to the committee. The findings of the review will be reported to the joint finance committee, and the City Council and School Committee will act in good faith to ensure that recommendations are acted upon in a timely manner.
5. The School Committee will instruct the School Business Manager to support the aforementioned joint committee to construct a three, five, and ten-year financial forecast for the district, to help inform the future budget process. The ten-year financial forecast will also serve as a capital plan for the Education Department.
6. The Education Department will pay to operate the district with level services.

The undersigned parties also acknowledge that members of the City Council and School Committee will introduce resolutions ahead of the passage of the FY '23 budget stating those respective bodies' intent to act in good faith to uphold and guarantee this agreement through the powers available to them. In the case of the City Council, this resolution will state the Council's willingness to withhold appropriations toward other sources if the tenets of this agreement are not honored."

Councilor Gomez thanked all who had worked to negotiate this agreement; they had worked "hard and long and in good faith", he said. Other councilors also voiced their thanks.

As a part of the agreement, Councilor Peake read the following resolution:

**"City of Easthampton, Massachusetts
A RESOLUTION**

**In support of an agreement between the Easthampton City Council, School Committee, and Mayor's Office
regarding the Fiscal Year 2023 Budget**

WHEREAS, Mayor Nicole LaChapelle, City Council President Homar Gomez, and School Committee Chair Cynthia Kwiecinski have signed an agreement regarding school funding in the upcoming fiscal year; and

WHEREAS, this agreement was signed to address concerns about school funding in Fiscal Year 2023; and

WHEREAS, this agreement gives the Education Department the financial flexibility to come to the Council to address their ongoing financial needs; and

WHEREAS, this agreement also lays out a process with which City of Easthampton and Education Department leadership, along with members of the City Council and School Committee, can further understanding when it comes to the finances of our schools;

NOW THEREFORE BE IT RESOLVED that the Easthampton City Council supports this agreement and commits itself in good faith to the action steps outlined therein.

BE IT FURTHER RESOLVED that the Easthampton City Council will use all tools available to it to guarantee that all parties involved in this agreement also hold up their sides of the deal."

On motion made by Councilor Peake and seconded by Councilor Derby it was **UNANIMOUSLY VOTED** (by roll call) to approve the resolution as read.

School Stabilization Fund: President Gomez asked if there was any objection to voting on a request from the Mayor to establish a School Stabilization Fund at this meeting. No objections were voiced.

On motion made by Councilor Rist and seconded by Councilor Kwiecinski it was **UNANIMOUSLY VOTED** (by roll call) that pursuant to MGL Chapter 40, Section 5B, the City of Easthampton establishes a "School Stabilization Fund" for the purpose of addressing "level service" gaps in a current fiscal year Easthampton Public Schools budget as approved by the City Council.

Revolving Fund Cap for FY 2023: President Gomez asked if there was any objection to voting on the revolving fund cap request at this meeting. No objections were voiced.

Councilor Rist said this cap has to be each year. City Auditor Hetal Patel said the cap sets the limit on how much can be spent from the fund; this action is required by state law for revolving accounts.

On motion made by Councilor Rist and seconded by Councilor Derby it was **UNANIMOUSLY VOTED** (by roll call) that the City Council cap the DPW Revolving Fund spending for Electric Vehicle charging stations and bike share programs at \$20,000.00 for Fiscal Year 2023 as per MGL c. 44, Sec 53E 1/2.”

PUBLIC HEARINGS – SCHEDULED STARTING TIME - 6:00 P.M.

1. **FY 2023 Municipal Budget:** Councilor Rist explained the various sources of revenue used in the budgeting process. He also noted that at the time of the Finance Meetings, two of the committee members had abstained from voting due to the school budget uncertainty. Therefore there are no Finance Committee recommendations on most of the budget sections. Councilor Peake, one of the two members who abstained, said he is now fine with moving forward with the votes.

SECTION ONE – GENERAL GOVERNMENT

Councilor Rist said the biggest increase in the General Government section was for the I.T. budget and for pay plan employees COLA and step increases.

Public Speak during this section (but not necessarily in regards to General Government) were:

- **Margaret Best, a K-5 math coach at Maple School:** She said she was grateful people were able to “share their values” and “be heard”.
- **Shelby Lee:** She spoke about how the city can underfund many “aspects” of the budget, but increase the Police Dept. budget. She spoke about the library being underfunded.
- **Donovan Lee:** He said the school budget agreement wasn’t a “win” for the schools. He also questioned if the open meeting law had been violated during the agreement negotiations.

On motion made by Councilor [redacted] and seconded by Councilor Zaret it was **UNANIMOUSLY VOTED** (by roll call) to raise and appropriate the sum of \$2,334,946.59 for the various departments listed under **SECTION ONE – GENERAL GOVERNMENT** and that the amounts listed in the Mayor’s printed report, as amended, be considered specific appropriations, with the following amounts to be transferred, as recommended by the Mayor:

Water/Sewer Enterprise:	\$212,677.47
Parking Fund:	\$ 2,500.00
Cannabis Stabilization:	\$ 23,316.00

SECTION TWO – PUBLIC SAFETY

Councilor Rist said last year's public safety budget had been conservative due to revenue uncertainty and so supplemental appropriations were necessary to fulfill union agreements, etc. later in the year. So, in actuality, he said this year's budget is only about 3% over last year's budget, when the supplemental appropriations are included.

Public Speak:

"Julie" spoke in support of the police department funding

Shelby Lee said the police budget is actually up between 12-17%

Councilor Zaret asked if incentive payments were included in the budget. Councilor Rist said they were.

On motion made by Councilor [redacted] and seconded by Councilor Riley it was **UNANIMOUSLY VOTED** (by roll call) to raise and appropriate the sum of \$6,761,666.49 for the various departments listed under **SECTION TWO – PUBLIC SAFETY** and that the amounts listed in the Mayor's printed report, unless amended, be considered specific appropriations, as recommended by the Mayor.

SECTION THREE – SCHOOLS

Councilor Peake spoke on the Schools section as Councilor Rist wasn't able to attend the Finance Committee review. He said the school department will be coming to the council for further appropriations due to fiscal challenges.

President Gomez said he had reached out to the Ethics Commission about a potential conflict of interest in this section. After explaining his situation, the ethics commission said he is able to vote.

Councilor Rothschild thanked all who worked on the agreement – she said they all shared a vision.

Councilor Zaret said he believes the agreement offers a path forward to level services.

On motion made by Councilor Peake and seconded by Councilor Derby it was **UNANIMOUSLY VOTED** (by roll call) to raise and appropriate the sum of \$17,889,577.60 for the various departments listed under **SECTION THREE – SCHOOLS** and that the amounts listed in the Mayor's printed report, unless amended, be considered specific appropriations, as recommended by the Mayor.

SECTION FOUR – PUBLIC WORKS

Councilor Rist said the Public Works section is a level services budget, with increases only due to pay and step increases.

On motion made by Councilor Rist and seconded by Councilor Peake it was **UNANIMOUSLY VOTED** (by roll call) to raise and appropriate the sum of \$1,915,538.97 for the various departments listed under **SECTION FOUR – PUBLIC WORKS** and that the amounts listed in the Mayor’s printed report, as amended, be considered specific appropriations, with the following amounts to be transferred, as recommended by the Mayor:

Water/Sewer Enterprise:	\$ 458,813.39
Sale of Lots:	\$ 2,500.00

SECTION FIVE – HUMAN SERVICES

Councilor Rist said the biggest increase in Human Services was due to staff increases in the Board of Health. He acknowledged that his daughter is a member of the Board of Health.

On motion made by Councilor Rist and seconded by Councilor Derby it was **UNANIMOUSLY VOTED** (by roll call) to raise and appropriate the sum of \$746,706.35 for the various departments listed under **SECTION FIVE – HUMAN SERVICES** and that the amounts listed in the Mayor’s printed report, unless amended, be considered specific appropriations, as recommended by the Mayor.

SECTION SIX – CULTURAL AND RECREATION

Councilor Rist said the library was being funded higher than is required by law. He said the Parks & Recreation budget has increased since the parks are again open and temporary workers are back.

Councilor Zaret said he believes the library does need financial help.

On motion made by Councilor Rist and seconded by Councilor Denham it was **UNANIMOUSLY VOTED** (by roll call) to raise and appropriate the sum of \$642,197.00 for the various departments listed under **SECTION SIX – CULTURAL AND RECREATION** and that the amounts listed in the Mayor’s printed report, as amended, be considered specific appropriations as recommended by the Mayor.

SECTION SEVEN – DEBT & INTEREST

Councilor Rist said this section is down from the current year. The city’s excellent bond rating is helping and funding from the tax rate stabilization fund is being applied towards the debt exclusion payments.

On motion made by Councilor Rist and seconded by Councilor Zaret it was **UNANIMOUSLY VOTED** (by roll call) to raise and appropriate the sum of \$4,734,555.01 for the various departments listed under **SECTION SEVEN – DEBT & INTEREST** and that the amounts listed in the Mayor’s printed report, as amended, be considered specific appropriations, with the following amounts to be transferred or raised, as recommended by the Mayor:

Water/Sewer Enterprise:	\$394,405.01
Debt Exclusion Taxation to be reduced by reserves for amortization:	\$ 3,310.00
Tax Rate Stabilization:	\$150,000.00

SECTION EIGHT – UNCLASSIFIED (Employee Benefits)

Councilor Rist said the Chapter 32B budget is only up a small amount.

On motion made by Councilor Peake and seconded by Councilor Riley it was **UNANIMOUSLY VOTED** (by roll call) to raise and appropriate the sum of \$9,934,943.00 for the various departments listed under **SECTION EIGHT – EMPLOYEE BENEFITS** and that the amounts listed in the Mayor’s printed report, as amended, be considered specific appropriations, with the following amounts to be transferred as recommended by the Mayor:

Water/Sewer Enterprise:	\$ 660,777.16
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SECTION NINE – COMMUNITY PRESERVATION

Councilor Rist said Section Nine was approved 3 to 0 by the Finance Committee. He said there had been a big increase in revenue coming into the CPA Fund. The budget covers administration plus funding into the three CPA categories (Affordable Housing, Historic Preservation and Open Space/Recreation). The CPA budget is different than other budgets, he said, because it only funds projects.

On motion made by Councilor Rist and seconded by Councilor Peake it was **UNANIMOUSLY VOTED** (by roll call) to raise and appropriate the sum of \$785,000.00 for the various departments listed under **SECTION NINE – COMMUNITY PRESERVATION** and that the amounts listed in the Mayor’s printed report, unless amended, be considered specific appropriations, with the total amount to be raised and appropriated from the Community Preservation Fund, as recommended by the Mayor and City Council Finance Committee.

SECTION TEN – ENTERPRISE

Councilor Rist said Section Ten was also approved 3 to 0 by the Finance Committee. This budget is funded by water and sewer fees and pays for enterprise related expenses and projects.

On motion made by Councilor Rist and seconded by Councilor Riley it was **UNANIMOUSLY VOTED** (by roll call) to raise and appropriate the sum of \$2,796,752.63 for the various departments listed under **SECTION TEN – ENTERPRISE** and that the amounts listed in the

Mayor's printed report, unless amended, be considered specific appropriations, with the following amounts to be transferred as recommended by the Mayor and City Council Finance Committee:

Water/Sewer Enterprise: \$2,796,752.63

FY 2023 BUDGET TOTAL.....\$48,541,883.64

Supplemental Appropriation – Free Cash to Stabilization Funds: Second reading by Councilor Rist on the request to appropriate \$650,000.00 from Free Cash to General and Capital Stabilization Funds. Recommended 3 to 0 by the Finance Committee.

On motion made by Councilor Rist and seconded by Councilor Denham it was **UNANIMOUSLY VOTED** to appropriate \$650,000.00 from Free Cash to the following:

- Fund #084 General Stabilization - \$260,000.00
- Fund #085 Capital Stabilization - \$390,000.00

to fund General Stabilization to provide stability in the current environment and to fund Capital Stabilization to meet capital needs.

Interdepartmental Transfer – PEG Access Account: Second reading by Councilor Rist on the request to appropriate \$51,828.48 to the PEG Access Account.

On motion made by Councilor Rist and seconded by Councilor Peake it was **UNANIMOUSLY VOTED** to transfer \$51,828.48 from PEG Access Account (#027.1210.4399.2833) to PEG Access Account (#027.1210.5400.2833) to give approval to spend from the PEG Access Receipts Reserved Account for cable related purposes consistent with the franchise agreement.

Supplemental Appropriation – Cherry Street MVP & CDBG Grant Match: Second reading by Councilor Rist on the request to appropriate \$287,769.80 to match grant funding for the Cherry Street reconstruction project.

On motion made by Councilor Rist and seconded by Councilor Peake it was **UNANIMOUSLY VOTED** to appropriate \$287,769.80 from Enterprise Retained Earnings to Cherry Street #056.0056.4975. The Department of Public Works has worked closely with the Planning Department to secure grant funding from the MA Municipal Vulnerability Preparedness (MVP) and Community Development Block Grant (CDBG) programs. Through this effort, we have been awarded \$3,797,551.00 to reconstruct Cherry Street. Match funding in the amount of \$287,769.80 is necessary for construction to begin.

Supplemental Appropriation – Injured on Duty “Old Bills”: Second reading by Councilor Rist on the request to appropriate \$10,873.19 for injured on duty claims from prior fiscal years (“old bills”).

On motion made by Councilor Rist and seconded by Councilor Peake it was **UNANIMOUSLY VOTED** to appropriate \$10,873.19 from Free Cash to Injured on Duty – Prior FY bills (#001.9120.5841.2019) to cover unexpected remaining medical expenses for Injured on Duty claims from prior fiscal years (Cabot Risk Insurance audit found deductibles that were outstanding).

Supplemental Appropriation – Medicare Tax: Second reading by Councilor Rist on the request to appropriate \$17,000.00 to cover Medicare tax for the rest of fiscal year 2022.

On motion made by Councilor Rist and seconded by Councilor Riley it was **UNANIMOUSLY VOTED** to appropriate \$17,000.00 from Free Cash to the following:

School Medicare (#001.9121.5601):	\$ 5,000.00
Medicare Tax (#001.90121.5744):	\$12,000.00

to cover the remaining fiscal year required Medicare tax.

On motion made by Councilor Zaret and seconded by Councilor Peake it was unanimously voted (by roll call) to close the public hearings.

On motion made by Councilor Derby and seconded by Councilor Peake it was unanimously voted (by roll call) that this meeting **ADJOURN**.

TIME: 7:30 p.m.

Respectfully Submitted,



Barbara L. LaBombard, Clerk to the City Council