



TOWN OF AMHERST, MASSACHUSETTS  
**FINANCE COMMITTEE REPORT**

and

**RECOMMENDATIONS TO THE  
257th ANNUAL TOWN MEETING**

April 27, 2015  
7:00 O'clock p.m.  
Amherst Regional Middle School Auditorium

# **2014 TOWN MEETING SCHEDULE**

## **Town Meeting Begins:**

MONDAY, APRIL 27, 2015

**The following dates are tentative. Town Meeting will decide each night when the next session will be.**

WEDNESDAY, APRIL 29, 2015

MONDAY, MAY 4, 2015

WEDNESDAY, MAY 6, 2015

MONDAY, MAY 11, 2015

WEDNESDAY, MAY 13, 2015

MONDAY, MAY 18, 2015

WEDNESDAY, MAY 20, 2015

WEDNESDAY, MAY 27, 2015

MONDAY, JUNE 1, 2015

MONDAY, JUNE 8, 2015

WEDNESDAY, JUNE 10, 2015

**All meetings begin at 7:00 p.m.**

**Meetings will be held at:**

**Amherst Regional Middle School Auditorium**

**THERE ARE ONLY A LIMITED NUMBER  
OF REPORTS AVAILABLE.  
PLEASE BRING THIS REPORT WITH YOU.**

## TABLE OF CONTENTS

---

TABLE OF CONTENTS	1
AMHERST TOWN BYLAWS - ARTICLE 1	3
FINANCE COMMITTEE REPORT TO AMHERST CITIZENS	4
CONSOLIDATED RESOURCES/EXPENDITURE SUMMARY FY16	14
ANNUAL TOWN MEETING WARRANT ARTICLES	
ARTICLE 1    Reports of Boards and Committees	16
ARTICLE 2    Transfer of Funds – Unpaid Bills	16
ARTICLE 3    Acceptance of Optional Tax Exemptions	16
ARTICLE 4    Authorization for Compensating Balances	16
ARTICLE 5    FY 2015 Budget Amendments	17
ARTICLE 6    Retirement Assessment	17
ARTICLE 7    Regional Lockup Assessment	17
ARTICLE 8    Other Post-Employment Benefits (OPEB) Trust Fund	18
ARTICLE 9    Revolving Fund Reauthorization	18
ARTICLE 10   Amherst-Pelham Regional School District Assessment Method	18
ARTICLE 11   FY 2016 Operating Budget	19
LIBRARY SERVICES	20
GENERAL FUND MUNICIPAL SUMMARY	22
COMMUNITY SERVICES	23
CONSERVATION AND DEVELOPMENT	25
GENERAL GOVERNMENT	26
GENERAL FUND INDEBTEDNESS	28
PUBLIC WORKS	29
WATER FUND	31
SEWER FUND	32
SOLID WASTE FUND	33
TRANSPORTATION FUND	34
PUBLIC SAFETY	35
AMHERST ELEMENTARY SCHOOLS	37
AMHERST-PELHAM REGIONAL SCHOOLS	45
ARTICLE 12   Reserve Fund	53
ARTICLE 13   Capital Program – Equipment	53
ARTICLE 14   Capital Program – Buildings and Facilities	54
ARTICLE 15   Capital Program – Bond Authorizations	55

---

**TABLE OF CONTENTS**


---

<b>ARTICLE 16</b>	<b>Capital Program – Debt Repurpose</b>	<b>55</b>
<b>ARTICLE 17</b>	<b>Community Preservation Act</b>	<b>55</b>
<b>ARTICLE 18</b>	<b>Free Cash</b>	<b>57</b>
<b>ARTICLE 19</b>	<b>Stabilization Fund</b>	<b>57</b>
<b>ARTICLE 20</b>	<b>Amendments to Charge, Composition and Name of Public Transportation and Bicycle Committee</b>	<b>57</b>
<b>ARTICLE 21</b>	<b>Affordable Housing Property Tax Incentives</b>	<b>57</b>
<b>ARTICLE 22</b>	<b>Zoning – Inclusionary Zoning</b>	<b>58</b>
<b>ARTICLE 23</b>	<b>Zoning Petition – Butterfield Terrace Rezoning</b>	<b>62</b>
<b>ARTICLE 24</b>	<b>Zoning Petition – Municipal Parking Districts Amended</b>	<b>63</b>
<b>ARTICLE 25</b>	<b>Zoning Petition – Mixed Use Building Amendments</b>	<b>63</b>
<b>ARTICLE 26</b>	<b>Petition – Earned Sick Leave</b>	<b>64</b>
<b>ARTICLE 27</b>	<b>Petition – Mill Street Bridge</b>	<b>64</b>
<b>ARTICLE 28</b>	<b>Petition – Resolution Towards a Human Rights Culture</b>	<b>65</b>
<b>ARTICLE 29</b>	<b>Petition – Race Amity Day Proclamation</b>	<b>65</b>
<b>ARTICLE 30</b>	<b>Petition – Resolution in Opposition to Construction of Proposed TGP Pipeline</b>	<b>65</b>
<b>APPENDIX:</b>		
	<b>LONG - TERM DEBT SCHEDULE</b>	<b>68</b>
	<b>FY15 MUNICIPAL SERVICES BUDGET WITH HEALTH INSURANCE COSTS ALLOCATED TO DEPARTMENTS</b>	<b>69</b>
	<b>GLOSSARY</b>	<b>71</b>

This report does not include recommendations on several articles that you will consider after the budget. The Finance Committee deferred action on them because at the time of publication of this report the articles' proponents had not presented final versions of the articles to the committee. The committee will issue a second report that will be available at a Town Meeting session and on the Town's web site.

## AMHERST TOWN BYLAWS - ARTICLE 1

---

### RULES OF ORDER FOR TOWN MEETING

1. **CONSENT CALENDAR.** At least five business days prior to the opening of the first session of the Annual Town Meeting or any Special Town Meeting, the moderator shall propose to all members a "Consent Calendar" listing all articles and budget areas which, based on the records of recent town meetings, the moderator deems to be non-controversial. At the first session of the meeting, at the request of any five members present, any article or budget area shall be removed from the Consent Calendar so that it can be debated and voted upon in accordance with the provisions of these Rules of Order. All items remaining in the Consent Calendar shall then be voted upon by a single vote without debate.
2. Any motions shall be in writing if requested by the moderator.
3. Any question may be divided on call of a member when the sense will admit of such division.
4. **GREEN AND RED CARDS DURING DEBATE.** To assist the moderator in shaping an orderly and equitable debate, green and red cards shall be used by members to indicate a desire to speak for or against the current motion on the floor. A desire to speak without advocacy or to ask a question shall be indicated by a raising a hand without a green or red card.
5. When a question is under debate, the moderator shall receive no motion but to adjourn, to dismiss, for the previous question, to postpone for a day certain, to commit, or to amend, which several motions shall have precedence in the order herein mentioned. The meeting shall not vote to dismiss an article without having heard a voter speak in its favor, unless no one seeks to do so.
6. Following a motion under any article, the Moderator shall first recognize the proponent thereof to speak for up to five (5) minutes in favor of the motion, or with leave of Town Meeting, for additional time. Thereafter, and in the absence of leave of Town Meeting granting additional time, each subsequent speaker shall be limited to three (3) minutes. No person shall speak more than twice on the same subject, without leave of the meeting, except to raise a point of order or to answer a question.
7. When two or more motions are made with regard to the same subject relating to sums of money, numbers or times, the question shall first be put upon the largest sum or number, and the longest time.
8. **VOICE VOTES, TALLIED VOTES, AND STANDING VOTES.** All votes unless otherwise provided for by law shall in the first instance be taken by 'ayes' and 'noes' voice vote.

If any member questions the voice vote, or if a four-fifths or nine-tenths vote is required by statute and the vote is not unanimous, the vote shall be taken by counted standing vote. When a two-thirds vote is required by statute, a counted standing vote shall not be taken unless the voice vote is doubted by the moderator or questioned by a member.

If, within a short but reasonable period of time following the voice vote, which period of time shall be fixed by the moderator, any member requests a tally vote and if 14 members manifest their concurrence with that member, the vote of each member shall be tallied by the use of a color-coded (green for aye, red for no) cards. Each such card shall bear the member's name and indicate his/her vote. Each member shall cast his/her own vote only. Such cards shall be collected and counted by the tellers, which count shall be determinative of the question.

9. A vote may be reconsidered only on motion of a member who did not vote with the minority. When a motion for reconsideration is decided that decision shall not be reconsidered, and no question shall be twice reconsidered.
10. A motion to dissolve shall be debatable, but a motion to adjourn to a day certain shall not be debatable.
11. No motion to dissolve a town meeting shall be in order until every article in the warrant therefor has been acted upon.
12. A registered voter of the town who ceased to be an elected town meeting member upon election as chair of the finance committee and who subsequently ceases to be a town meeting member at large upon ceasing to be chair of the finance committee shall be a town meeting member at large for a period ending on the date of the next annual town election.
13. After 10:00 PM, and in the absence of a majority vote of Town Meeting so permitting, no motion under any article other than the article then under debate may be made.

## FINANCE COMMITTEE REPORT TO AMHERST CITIZENS

---

### Executive Summary

Amherst is in good financial condition, thanks to careful planning and sound management, but faces major challenges in the years ahead. In recent years, the Town adopted budgets supported by revenues, rebuilt its reserves, and borrowed responsibly to support critical capital needs to maintain its infrastructure. This has enabled the Town to provide the schools, libraries, and municipal services that residents value. Again this year, Amherst has earned Standard & Poor's second-highest long-term rating of AA+, which allows the borrowing of needed funds at very low interest.

However, the Town also faces some significant challenges:

- Revenues will rise in the future at an estimated rate of less than 3% annually. With costs likely to increase at a greater rate, it will be difficult to maintain current services.
- Our largest expense is our schools, which face declining enrollments and an increasing student population of children with disabilities, from low-income families, and from families where English is not the first language.
- We have significant capital needs, including replacement of the 85-year-old Central Fire Station, major renovation of or replacement for a 41-year-old elementary school, major renovation and/or additions to the Jones Library, replacement of the antique, woefully inadequate Department of Public Works' headquarters, and a multi-million-dollar backlog of road repairs.
- We have a huge obligation to pay future health costs of Town, School, and Library retirees and have put very little aside to meet that obligation.

Adopting a budget is one of Town Meeting's most important responsibilities. That happens with approval of budget articles proposed by the Finance Committee, capital articles presented by the Joint Capital Planning Committee, and any petition articles requesting use of Town funds. In its deliberations, Town Meeting should consider the needs of residents for essential services from our schools, library, and municipal government, as well as the Town's long-term financial stability, so that these services remain available to our community in future years. This report provides the Finance Committee's recommendations regarding the budget and the other articles to be considered during the Annual Town Meeting.

The Fiscal Year 2016 budget is proposed in Articles 6-9, 11-16, and 18-19. The amount from taxation, local aid, and other sources supporting the General Fund budget total is \$72,062,149, a 2.8% increase from the present year. The amount from the four enterprise funds is \$9,847,605.

This is essentially a "level services" budget. It will continue existing school, municipal, and library services with minor modifications that are in the normal course of administering these programs. The largest expense is to employ the talented and dedicated people who teach our children, protect our health and safety, maintain our roads and parks, provide a first class library, and do all of the other work that makes our community work. Increasing costs of health care for employees and their families is a budget challenge for many employers. With the cooperation of our employees, the Town administers a self-insured medical plan that is extraordinarily well managed, provides quality coverage, and has enabled the Town to keep premiums the same for four years. Once again, no budget increase is needed for FY16, but we expect premium increases in future years.

Our largest revenue source is local property taxation. There will be a 3.7% increase resulting from the allowable Proposition 2 1/2 increase in taxation and "new growth," which is new construction and addition of taxable personal property.

The second largest revenue source is local aid from the Commonwealth. We present a budget that projects modest increases for our largest categories of state aid, Chapter 70 (education) and Unrestricted General Government Aid. We expect state aid in FY16 totaling \$14,740,212 a 3% increase from the current year.

The budget does not include money received as grants and spent according to the grant requirements. The Town seeks grants to support priorities and extend the scope of what it can do on our behalf. For instance, Amherst has once again qualified as a mini-entitlement community and, for the federal fiscal year beginning Oct. 1, 2015, will receive \$825,000 in Community Development Block Grant money. Of that, \$165,000 – the maximum allowed under the law – will be used for social services, plus \$20,000 in Town funds, for a total of \$185,000. (See Community Development Block Grant section below.) In FY15, a total of \$125,000 was spent from the General Fund for contracted services from social service agencies and for the Town's own Emergency Funds Program.

Because cuts at the federal level affect the state, there will be ongoing limitations on the state's capacity to assist the Town. We cannot project significant growth in state aid in FY17 and FY18. The structural deficit resulting from costs increasing at a rate greater than revenues will likely stress our ability to support current programs in the future. The underfunded health care obligation to our current and future retirees adds to this concern. We need to remain vigilant about controlling costs and continue to make difficult choices about what services are most essential, and we must pursue all reasonable opportunities to generate new revenue. Amherst is fortunate to have boards, committees, and staff who work together and develop policies and priorities for operating and capital budgets through the Budget Coordinating Group and the Joint Capital Planning Committee.

# FINANCE COMMITTEE REPORT TO AMHERST CITIZENS

## Duties of the Finance Committee

The bylaws of the Town of Amherst require the Finance Committee “to investigate all proposals in the articles of the warrant for any town meeting that shall in any way affect the finances of the town and to recommend to the town at the time of said meeting a course of action thereon, and in general to make recommendations to the town in regard to any financial business of the town.” This report, including any supplement to be distributed after Town Meeting convenes, is in partial fulfillment of our responsibility to the 257th Annual Town Meeting.

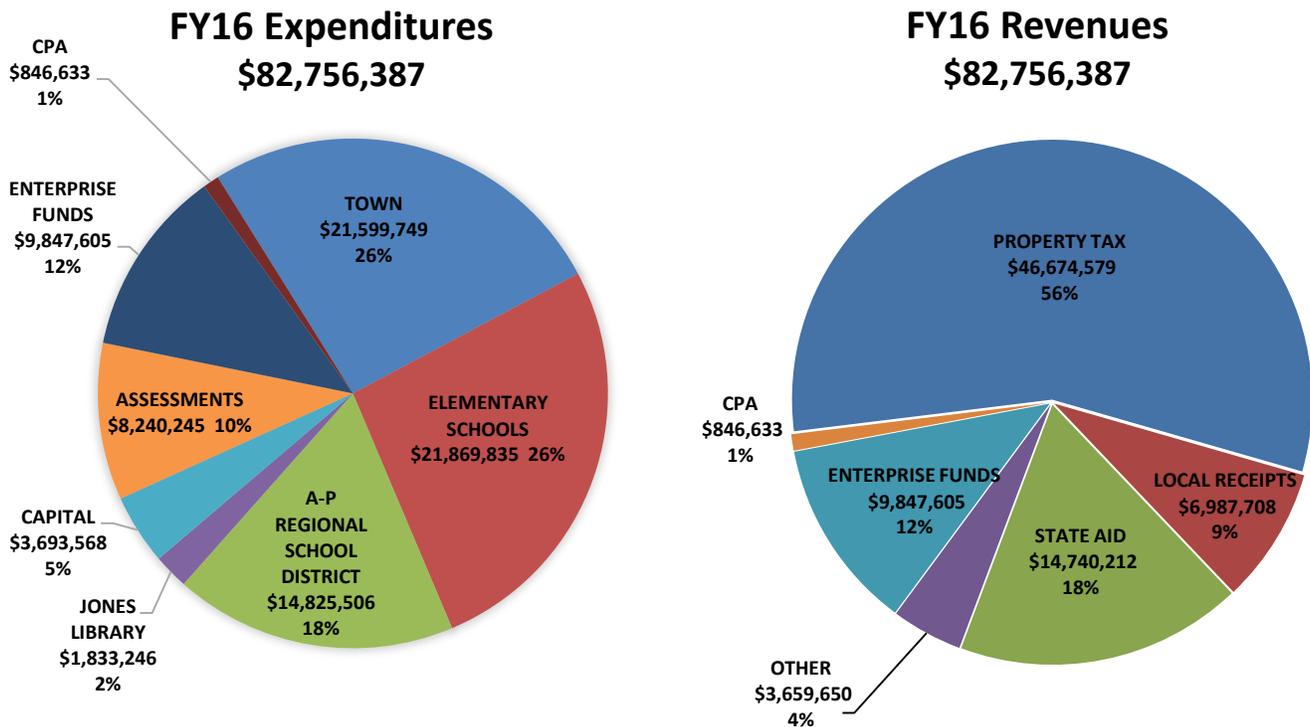
## Budget Presentation

### Resources

Money for the Town to pay for its schools, libraries, and municipal services comes primarily from local revenues. The next largest source of money is state aid. A much smaller amount comes from the federal government and other miscellaneous sources.

**Local taxes and fees** are stable and predictable. The largest source is the property tax. A 1980 state law passed by voter initiative, commonly known as Proposition 2½, limits its growth. Without an override of that law, the amount the Town can levy each year is limited to 2.5 percent over the previous year’s levy limit, plus the amount that reflects new growth in the tax base. The amount of revenue from new growth varies, depending upon the economy and the amount of new residential and commercial construction. From 2000 through 2008 the average annual taxation from new growth was \$627,319. That dropped to \$367,924 in FY11, rebounded to \$473,730 in FY12 and \$504,145 in FY13, decreased in FY14 to \$455,075, and grew considerably to \$707,541 in FY15. The Assessor advises us to expect \$600,000 in additional tax revenue from new growth in FY16. The Community Choices Facilitation Committee Report from 2009 concluded that new development was part of an essential strategy for long-term financial stability for the Town. For that reason, the Finance Committee considers responsible growth as part of fiscal policy when it decides whether to support Articles about development and zoning.

Figure 1

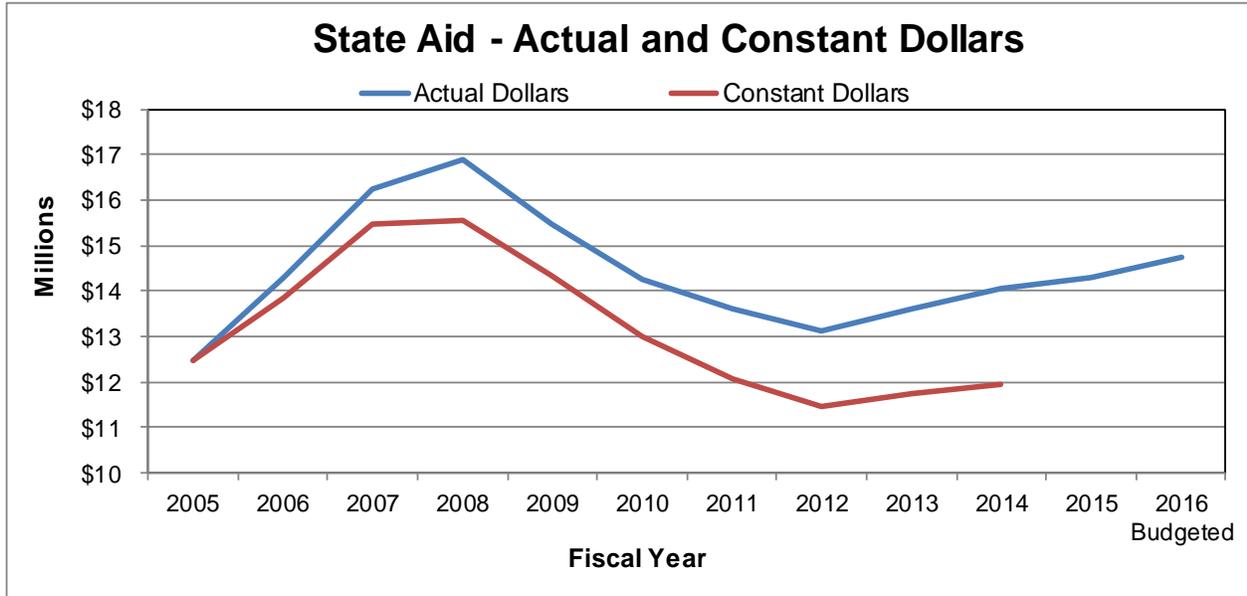


## FINANCE COMMITTEE REPORT TO AMHERST CITIZENS

**State aid**, in contrast to local taxes and fees, can be quite volatile from year to year. Figure 2 shows this volatility and Figure 3 depicts how the sharp decline of state aid in different years has resulted in a corresponding increase in the property tax burden to support Town services. In the current year, FY15, state aid is \$14,308,850, an increase of just 0.74% from \$14,204,022 in FY14. As recently as 2008, state aid was \$16,913,170. The decrease in aid from 2008 is greater when inflation is considered.

For FY16 we are expecting total state aid of \$14,740,212, an increase of \$431,362, or 3%, above FY15 aid. Typically, the state House and Senate do not approve their versions of the state budget until May, or a final version until late June.

Figure 2



Reliance on state aid for funding has both an upside and a downside. While increases in state aid may permit additional services, increased state aid as a percentage of operating revenue may be difficult to manage when there is a reduction in this funding.

State Aid to the Town is lower in FY16 than in FY08 in both actual and inflation adjusted dollars.

**Local receipts and other funding** resources comprise a number of separate fees, taxes, and grants. The amount reported on the Consolidated Resources/Expenditures Summary on pages 14 and 15 includes amounts from the three largest categories: Ambulance Fund receipts, Motor Vehicle Excise Taxes, and Enterprise Fund reimbursements for management and administrative expenses.

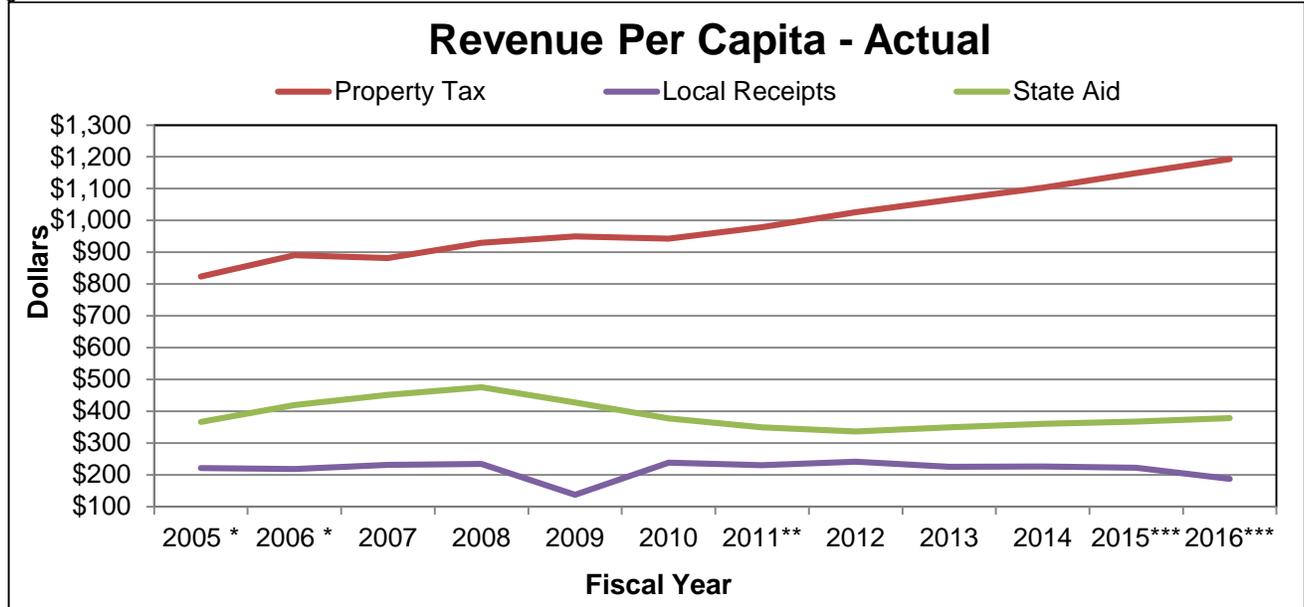
	FY15	FY16	Net change	% change
Ambulance Fund	\$2,839,433	\$2,592,292	-\$247,141	-8.7%
Motor Vehicle Excise	\$1,494,225	\$1,531,581	\$37,356	2.5%
Enterprise Fund Reimbursements	\$1,050,777	\$1,067,358	\$16,581	1.6%

### Recent year trends

When the recent recession began in 2007, state aid was reduced and the Town had to make difficult budget decisions. The reduction in state aid also increased our reliance on property taxes and fees to support essential services. We redefined what we considered to be the essential services that must be provided and sought ways to be more efficient in our programs and services. The number of Town employees was reduced. Voters passed an override in 2010, recognizing that only they could assure the continuation of core services. Four times as much was saved by eliminating programs and services and adopting more efficient ways to provide service than the additional revenue produced by the override. The combined strategy enabled us to continue to provide quality, essential services. We were also able to continue some staff, programs, and services with grant funds.

**FINANCE COMMITTEE REPORT TO AMHERST CITIZENS**

Figure 3



\* A \$2,000,000 override was approved by voters in March 2004 that was added to the tax levy over a 2-year period in FY05 and FY06.

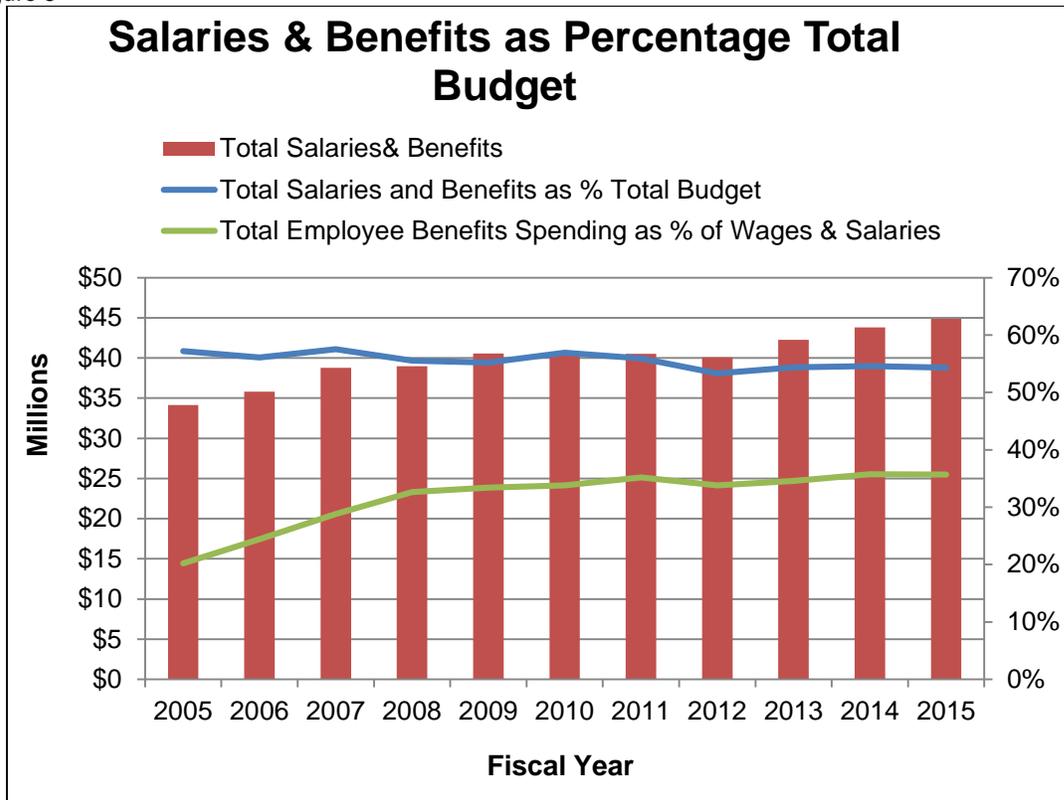
\*\*The \$1,680,000 override approved in March 2010 increased property tax bills beginning in FY11 (July 2010 - June 2011).

\*\*\* Estimates

Revenues from the property tax have increased by the allowable limits of Proposition 2 1/2 and were further increased in 2005 and 2010 via a voter-approved referendum. Local receipts have remained relatively unchanged despite increased reliance on user fees to fund certain Town services such as LSSE. State aid has fluctuated and now is below FY08 levels even before adjusting for inflation.

## FINANCE COMMITTEE REPORT TO AMHERST CITIZENS

Figure 5



Total benefit costs as a percentage of wages and salaries has increased from 20.2% to 35.7% of wages and salaries over the past ten years. The rapid increase is primarily the result of increased costs of providing health benefits to municipal employees. Fortunately in the past six years, benefit costs have stabilized. The long term trend is uncertain, despite some success in controlling the rate of increase of health insurance costs.

### Community Development Block Grant (CDBG)

A Community Development Block Grant (CDBG) will be an important source of funding for certain Town projects and services in the coming year. Neither Town Meeting nor the Finance Committee has any role in determining how those funds are spent, but we want to briefly explain the process and the spending plan.

Due to the Amherst community's "high statistical indication of need, poverty rate, and size," for four years Amherst qualified as one of ten Massachusetts mini-entitlement communities receiving CDBG funding through the U.S. Department of Housing and Urban Development (HUD). That status was lost for the federal fiscal year that began in October 2013. Now the Town has once again qualified and will receive \$825,000 in CDBG money beginning in October 2015. These funds are for projects, programs, and services that improve the lives of Amherst's low- and moderate-income residents (defined as individuals or families whose annual income does not exceed 80% of the Area Median Income as determined by HUD).

In December 2014, the CDBG Advisory Committee held a public hearing to receive comments on strategy, priorities for funding, and target areas for projects. In January, the Committee received proposals, prioritized them, and held another public hearing. The Committee's recommendations were sent to the Town Manager, who submitted the final proposals. Projects totaling \$540,135 will include renovations to the Bangs Community Center restrooms, renovations to the Jean Elder House, safety lighting and drainage improvements at the Amherst Community Childcare Center, improvements to Shumway Street, and updating the Town's Americans with Disability Act transition plan. Social Service agencies that will receive a total of \$165,000, the maximum allowed by law, are the Amherst Survival Center, Family Outreach, Big Brothers Big Sisters, the Center for New Americans, and LSSE for after school tuition assistance. Social Services will receive \$40,000 more in CDBG funding than they did from the General Fund in the current year. (In addition, \$20,000 is in the Town budget for the Town's emergency funds program.) The remainder of the grant will be spent to administer it.

## FINANCE COMMITTEE REPORT TO AMHERST CITIZENS

---

### Spending

The recommended expenditures from the General and Enterprise Funds for FY16 are presented in the discussions of Articles 6-9, 11-16, and 18-19 and explained elsewhere in this report. These recommendations adopt budgets presented by the Town Manager, the Superintendent of Schools, and the Library Director and reviewed by the Finance Committee. The School Committees and Library Trustees have approved the School and Library budgets. The priorities reflect the input from the Budget Coordinating Group and the determination of capital expenditure priorities of the Joint Capital Planning Committee. The amounts and the specific expenditures are reasonable, necessary, and responsible.

This budget is essentially a "level services" budget. It will continue school, municipal, and library services presently offered with minor modifications that are in the normal course of administering these programs. Establishing new priorities for tax-supported programs is difficult in light of the structural deficit in the projections for the years ahead. The Police and Fire Departments are minimally staffed to address our needs. The Department of Public Works is struggling to meet our needs for adequate roads. The Senior Center is insufficiently staffed to truly address the needs of a growing elderly population within the Town. The schools have cut programs, asked families to pay fees, and encouraged students to raise funds for after school programs. The libraries have cut back on temporary fill-in staff, continued to limit hours, and maintain a material acquisition budget that does not truly meet our needs.

The Town Manager and Select Board, Superintendent and School Committees, and the Library Director and Trustees used their expertise to make painful decisions about what to include in these spending plans and what to omit from them. The Finance Committee reviewed these proposed budgets and found them to be thoughtful, reasonable, and responsible. Any additional program or capital initiative will be supportable only at the expense of current programs.

Health insurance is another major employee cost. The recent experience of our self-insurance Health Claims Trust Fund that provides employee health care for Amherst (including the Elementary Schools), the Regional Schools, and the Town of Pelham enabled us to again project no budget increase for FY16. This is a result of adjustments made to the plan in cooperation with the employees and sound management.

### Projections for FY16 and beyond

Revenue from property taxes is reasonably predictable, but revenue from state aid can be and has been volatile. The Governor and Legislature understand the importance of aid to cities and towns but are constrained by state revenues and expenses they cannot control. Faced with a state revenue shortfall in the current fiscal year, both the outgoing and new Governors reduced certain allocations in the state budget. As a result, Amherst saw some reductions in library aid, special education money, and Regional School transportation funding. The State relies on federal funds to support a variety of programs. If federal funding is cut for any of these programs, the Legislature and Governor will need to consider those needs along with the needs of cities, towns, and schools. We hope that the Legislature will prioritize functions provided by local communities. We project state aid for FY16 to increase by 3% from FY15. We can project only a very small increase in state aid for FY17 and FY18, no more than 1.3%. Local tax growth is limited to 2.5% plus new growth, which is restricted by the exhaustion of areas available for new development and our concerns about conservation and allowing only development consistent with community values. Revenue from all sources is estimated to rise by no more than 2.8% in FY16, and by slightly less in FY17 and FY18,

Costs to maintain programs will increase. It is highly unlikely that we will have a sixth successive year of no increase in employee health premiums. We have benefited from very low inflation in recent years, but that may not continue. For example, consider energy costs. The Town has been able to reduce these expenses in recent years with an assertive program in our buildings to reduce usage with better insulation and conversion of some buildings from oil to gas. However, this expense is likely to increase.

A pattern of increases in cost that is greater than the increases in revenue constitutes a structural deficit. That remains a concern. In addition, we have an obligation to pay for the health care costs of our present and future retirees. In Article 8 we recommend appropriating \$200,000 to the Other Post-Employment Benefits Trust Fund, the second of what should be annual contributions towards paying down this large and growing future liability. See discussion of Other Post-Employment Benefits (OPEB) below.

### The Capital Budget

The Town's Financial Policy specifies that the annual budget should include a Capital Program that includes debt service obligations and cash-funded capital projects funded from current revenues in an amount equal to at least 10% of the estimated property tax levy. This policy recognizes that it is essential to maintain and improve our infrastructure, including our school,

## FINANCE COMMITTEE REPORT TO AMHERST CITIZENS

town, and library buildings and the equipment required to provide services, as well as to invest in recreation fields and facilities, open space, and other Town priorities. When the policy was adopted in 2008, only 7.2% of the tax levy was allocated for that purpose. The allocation decreased to as low as 5.64% in FY11. In FY15 we used 7.5% of tax levy for capital projects recommended by the Joint Capital Planning Committee (JCPC), and the same percentage of the levy is used in JCPC's recommendations for the FY16 Capital Program in Articles 13-16. The Finance Committee agrees that this is the appropriate recommendation.

### Reserves

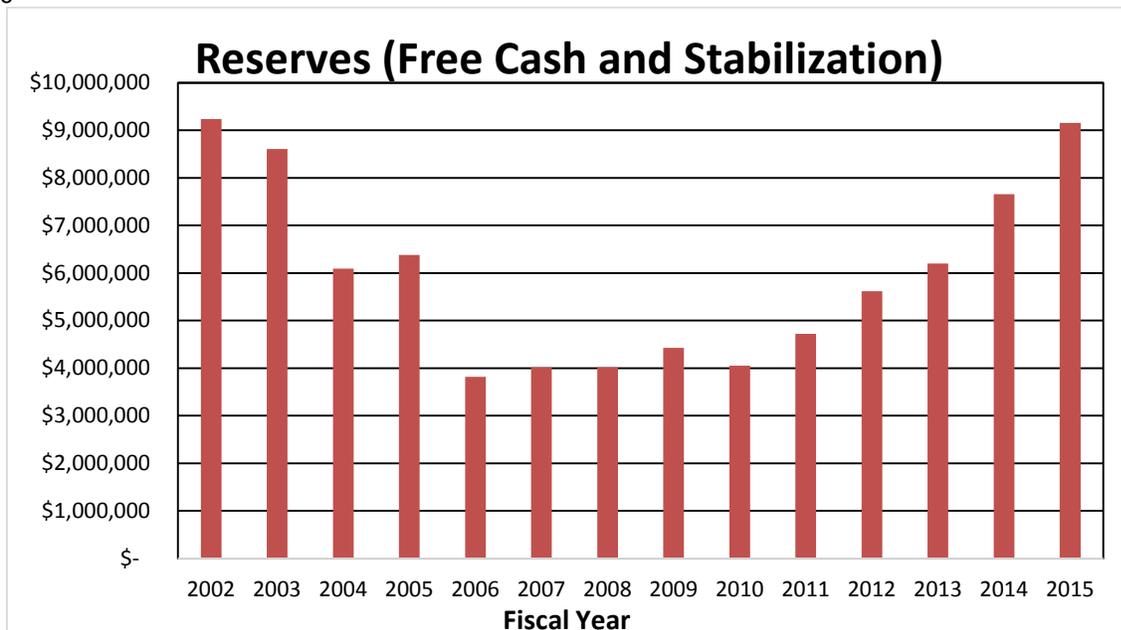
Town financial policies adopted in January 2008 state that "reserves, including the combined balance of Free Cash and Stabilization Fund, should be maintained at 5 - 15% of general fund operating revenues. The primary objective of the Town's reserve policy is to provide the Town the flexibility to sustain service levels despite the adverse financial impacts of economic downturns and unforeseen and extraordinary expenses." This goal is a widely accepted measure of good financial standing and a key factor in Amherst's bond rating. As of July 1, 2014, the beginning of the current fiscal year, Amherst's certified Free Cash was \$4,860,062 and the Stabilization Fund was \$4,292,283, for total reserves of \$9,152,345, 13.1% of General Fund operating revenues.

In January, Standard & Poor's (S & P) reviewed Amherst's bond rating and reaffirmed it at AA+ with a Stable outlook, based on the Town's strong budgetary performance, very strong management conditions, and strong budgetary flexibility, with reserves well over 10% of general fund operating revenues. S & P also noted favorably that the Town has begun to fund its OPEB liability. As a result of the AA+ rating, the Town saves on interest expenses for bonds when it needs to finance projects. For example, in February 2015, the Town sold \$1.95 million in long-term bonds at an interest rate of 1.43%. The bond rating reports recognize Amherst's good financial management and reserve levels.

Because of the uncertainty about state aid and the cyclical nature of our economy, we need to consider carefully how we maintain our reserves. They are still not at the 2002 level of \$9.2 million. Reserves were at the lowest point, \$3.8 million, in 2006. Our policy about reserves had been to build the balance in the recovery period and the "up cycle" of economic swings and to spend the reserves in the next "down cycle." In 2009, the Finance Committee recognized that reserves cannot support ongoing services but identified two circumstances that would justify the Town doing so: (1) to implement bona fide plans to move toward models of service provision that would provide net savings to the Town in the future while providing acceptable levels of service, and (2) to leverage outside revenue in order to maintain existing core services.

Given the revenue projections for the next several years, our desire to achieve stability in Town, School, and Library programs, our need to assure sustainability without asking voters to consider another override, and the benefit of maintaining our sound financial standing, it would be inappropriate to use any reserves in FY16.

Figure 6



## FINANCE COMMITTEE REPORT TO AMHERST CITIZENS

---

### Other Post-Employment Benefits (OPEB)

Amherst and other governmental units, municipal and state, have promised to pay for the healthcare costs of employees and their dependents after they retire. That promise is considered as an "Other Post-Employment Benefit" by the body that sets the rules for audits of governments, the Government Accountability Standards Board (GASB). While governments are not required to fund this obligation, they are required to report it in the annual financial statements. The most important amount to monitor is the unfunded accrued actuarial liability. We are required to have an independent actuary value that liability biennially. The most recent reports were for June 30, 2014, and June 30, 2012. Between those two years, the amount increased from \$93.7 million to \$94.1 million.

At the Fall 2010 Special Town Meeting, we established an OPEB Trust as an essential part of our long-term strategy for meeting this obligation. In Fall 2012, and Spring 2013, Town Meeting appropriated a total of \$1,015,562 in one-time payments for the OPEB Trust Fund. Last year, Annual Town Meeting, appropriated \$100,000 as the first of regular annual appropriations to the OPEB Trust Fund. We recommend an OPEB appropriation this year of \$200,000 (Article 8). The Water and Sewer Enterprise Funds include OPEB payments toward their obligation, as they did in the FY14 and FY15 budgets, and an OPEB contribution is included in the FY16 Transportation Enterprise Fund budget. It is significant that we have started to fund the trust, but we have a long way to go. We need to do so without interfering with essential programs and services the Town needs to provide. We have to continue to make these transfers to the OPEB trust to meet this long-term obligation. If we do not develop a policy to do so, our credit rating and cost to borrow funds will be affected.

The Amherst-Pelham Regional School District has its own OPEB obligation but is still developing a plan for beginning to fund it. Once that happens, we must be prepared to pay our share in addition to contributions to the Town's OPEB Trust Fund. The OPEB obligation is another reason why we must carefully plan the budget and evaluate the Town's highest priorities.

### Budget Process

The development of budgets takes place throughout the year. The Select Board establishes policy guidelines and priorities to assist the Town Manager as he develops the budget for the Town's municipal functions. The Amherst School Committee and the Library Trustees provide similar guidance for the Superintendent of Schools and the Library Director. The various administrators confer with department heads, boards, and committees to develop specific budget proposals they feel will best meet the needs of the Town, Schools, and Libraries for the next fiscal year consistent with the resources available. The Amherst-Pelham Regional Schools use the same procedure.

In October, the Finance Director presented financial projections to the elected boards and committees and the Finance Committee. This provided guidance about the level of resources that would be available for the coming year. The Finance Committee used the information to develop preliminary budget guidelines for spending. In October, the Finance Director projected that the budget for FY16 would be balanced if state aid increased by 2.1% and Town support for operating budgets increased by 2.5%.

In November, the Finance Committee issued preliminary budget guidelines asking the Town Manager, Superintendent, and Library Director to develop budgets with increases of 2.5% in Town support and asked the Joint Capital Planning Committee to propose capital expenditures totaling 7.5% of the property tax levy. The committee must always make an assumption about state aid when it issues the budget guidelines.

The Town Manager presented a proposed municipal budget to the Finance Committee and Select Board in January. The committee received budgets for regional and elementary schools and for the libraries. The Finance Committee spent the next months reviewing the budgets, asking questions, and hearing comments. The Budget Coordinating Group (two members each from the Select Board, School Committee, Library Trustees and Finance Committee, the Town Manager, Superintendent of Schools, Library Director, Finance Director, and the Director of Finance and Operations for the Schools) reviewed the budgets and offered valuable input to the committee. The Finance Committee met with the Superintendent twice, and one of its members attended all budget meetings of the School Committee and its Budget Subcommittee. Other members were liaisons to the Select Board and Library Trustees. The Library Director, Town Manager, and the directors of town departments met with the committee to present their budgets and answer questions.

Because of the formula in the Regional School District agreement for assessments to the four towns in the region, which uses a five-year rolling average of student enrollment, there will be a 2.5% increase for Amherst's assessment, a 3.75% decrease for Pelham, a 1.74% increase for Leverett, and a 5.52% increase for Shutesbury. Total assessments increase by 2.27%.

The Joint Capital Planning Committee (JCPC) examined requests for capital spending in the coming year within the context of a five-year capital spending plan. Assuming use of 7.5% of the tax levy, it then made recommendations to the Finance Committee, the Select Board, the School Committee, and the Library Trustees, all of whom are represented on the JCPC. The Finance Committee reviewed the JCPC recommendations, which are presented in Articles 13-16.

## FINANCE COMMITTEE REPORT TO AMHERST CITIZENS

---

The Town Meeting will consider these recommendations at the Annual Town Meeting. The budget voted by Town Meeting will become the plan of action for the following fiscal year (July 1, 2015, through June 30, 2016). The budget will be monitored and evaluated so that experience with it can guide future budget decisions.

### Spending articles

The operating budget for the Town as a whole makes up Article 11 of the warrant for this Annual Town Meeting. The budget is divided into sections covering five separate municipal functional areas, the elementary schools, the Regional School assessment, library services, each of four enterprise funds, and debt service. For each functional area, a motion will be made proposing the total amount to be spent. In all cases, Town Meeting will be able to discuss individual budget lines within the functions.

Most capital spending appears in separate articles, as does funding for Community Preservation Act projects. Capital spending of the enterprise funds appears in their operating budgets. The same is true of the Regional Schools.

### Town Meeting Procedures

Any member of Town Meeting who wishes to propose an amendment to an operating budget motion may do so by moving to increase or reduce the amount of an appropriation that has been moved. Anyone proposing to amend the operating budget should tell the Meeting what the amendment is intended to accomplish. However, the subject of these articles is the appropriation of money, not the day-to-day administration of the Town. Responsibility for running the affairs of the Town rests with the Select Board, School Committee, Library Trustees, and appointed officials. Town Meeting members are asked to provide four written copies of motions to amend budgets and give one copy each to the Moderator, the Clerk, the chair of the Select Board, and the chair of the Finance Committee.

The issues covered under each motion may be complex, especially in sections of the budget that are supported by a variety of revenue sources. Town Meeting members who want to make an alternate motion or amendment are encouraged to seek assistance from the Moderator, a member of the Finance Committee or the Select Board, or an appropriate staff person prior to introducing the amendment.

If a Town Meeting member wishes to propose an increase in the operating budget, he or she should be aware that a source of funding would have to be found to cover the increase. This could be a reduction made elsewhere in the budget or the use of reserves. In general, the amounts of money stated in the separate spending articles cannot be increased significantly on the floor of Town Meeting. If you have questions about this, please consult with the Moderator.

### Non-budget Articles

The Finance Committee meets with staff or petitioners to hear a presentation on the purpose of non-budget Articles and investigates financial costs, benefits, and implications. If an Article has no apparent financial implications for the Town, the committee takes no position. If it identifies a financial implication, the committee decides whether to support the Article and provides its reasons within this report.

### Appreciation

The process of creating a spending plan within the limitation of available funds is always a challenge. It is never easy to create a budget that enables our schools, town, and library to provide excellent services within the confines of available resources. A great many officials, both appointed and elected, have worked to develop this budget. The Finance Committee respects the efforts of all of the people responsible for creating budgets. Their jobs were difficult. We want to especially recognize Finance Director Sanford Pooler. He attends all Finance Committee meetings, provides support to the committee, and gives us expert advice and a wealth of timely and useful information throughout the process. His knowledge and skills are invaluable to the committee and the Town. Town Manager John Musante develops and proposes a budget for the municipal departments, provides information about town finances and policy considerations, and is a great resource for information and analysis. Amherst is fortunate to have a talented and dedicated Town Manager who has the knowledge and experience from his previous work as our Finance Director. Library Director Sharon Shary and School Superintendent Maria Geryk provided budgets and supporting information, and they met with us to provide explanations and answer questions at key points during the process. Sean Mangano, Director of Finance and Operations for the schools, provided essential information. The Select Board, Regional and Amherst School Committees, and the Jones Library Trustees reviewed and approved budgets as required by their own procedures and the laws and regulations that affect their areas of responsibility. They did so cooperatively with us so that we could present a comprehensive budget. We also thank those who served on the Joint Capital Planning Committee and the Budget Coordinating Group. Many staff members representing all parts of Town government

## FINANCE COMMITTEE REPORT TO AMHERST CITIZENS

---

have given us their time and expertise. We thank them all. Maria Racca has talents for data analysis and report publication that are indispensable to the Committee. Comptroller Sonia Aldrich provides reports about town expenses and income and other analyses throughout the year. Staff of the Town Manager's office provide support and keep us organized and up to date, as new Town Meeting information becomes available.

Douglas Slaughter served on the Finance Committee from 2006 until he was elected to the Select Board in March. We thank him for his many contributions over the years and look forward to working with him in his new role.

If you have questions as you prepare for the April 27 Annual Town Meeting, we invite you to submit them in advance of the meeting to [fincom@amherstma.gov](mailto:fincom@amherstma.gov). If possible, we will respond before or during the session.

Finance Committee Members:

Stephen Braun 549-4579  
Bernard Kubiak 259-1285  
Kay Moran, Chair 549-5767  
Janice Ratner 253-7214  
Anurag Sharma 549-1542  
Marylou Theilman, Vice Chair 253-7980

## CONSOLIDATED RESOURCES/EXPENDITURES SUMMARY

	FY 16 General Fund	FY 16 Community Preserv. Act	FY 16 Water Fund	FY 16 Sewer Fund
<b>REVENUES</b>				
Property Tax	46,674,579	607,433	0	0
Local Receipts	6,987,708	0	4,195,007	4,211,650
State Aid	14,740,212	239,200	0	0
Other Financing Sources	3,659,650	-	0	0
<b>TOTAL REVENUES</b>	<b>72,062,149</b>	<b>846,633</b>	<b>4,195,007</b>	<b>4,211,650</b>
<b>EXPENDITURES</b>				
<b><u>OPERATING BUDGET</u></b>				
Town	21,599,749	0	2,926,733	2,851,774
Elementary Schools	21,869,835	0	0	0
A-P Regional School District (Assessment)	14,825,506	0	0	0
Jones Library (Tax Support)	1,833,246	0	0	0
<b>Subtotal OPERATING BUDGET</b>	<b>60,128,336</b>	<b>0</b>	<b>2,926,733</b>	<b>2,851,774</b>
<b><u>CAPITAL BUDGET</u></b>				
Debt Service - Debt Exclusion	125,378	0	0	0
Debt Service - Current	1,807,892	321,537	362,100	386,158
Debt Service - Projected	10,000	0	0	0
Cash Capital (Tax Support)	1,673,298	0	0	0
<b>Subtotal Tax Funded Capital</b>	<b>3,616,568</b>	<b>321,537</b>	<b>362,100</b>	<b>386,158</b>
Community Preservation Act	0	525,096	0	0
Cash Capital (Non-Tax Support)	77,000	0	145,000	250,000
<b>Subtotal CAPITAL</b>	<b>3,693,568</b>	<b>846,633</b>	<b>507,100</b>	<b>636,158</b>
<b><u>MISCELLANEOUS</u></b>				
Assessment - Retirement System	4,528,702	0	218,855	219,578
Assessment - Regional Lockup Facility	35,928	0	0	0
Other	0	0	0	0
OPEB	200,000	0	79,000	150,000
Reserve Fund	100,000	0	0	0
<b>Subtotal MISCELLANEOUS</b>	<b>4,864,630</b>	<b>0</b>	<b>297,855</b>	<b>369,578</b>
<b>Total APPROPRIATIONS</b>	<b>68,686,534</b>	<b>846,633</b>	<b>3,731,688</b>	<b>3,857,510</b>
<b><u>UNAPPROPRIATED USES</u></b>				
Reserve for Abatements & Exemptions	465,492	0	0	0
State Assessments (Cherry Sheet)	2,486,556	0	0	0
Cherry Sheet Offsets	407,894	0	0	0
Other Amounts to be Raised	15,673	0	463,319	354,140
<b>Subtotal UNAPPROPRIATED USES</b>	<b>3,375,615</b>	<b>0</b>	<b>463,319</b>	<b>354,140</b>
<b>TOTAL BUDGET PLAN</b>	<b>72,062,149</b>	<b>846,633</b>	<b>4,195,007</b>	<b>4,211,650</b>
<b>\$ Change from Prior year</b>	<b>1,940,463</b>	<b>243,375</b>	<b>(61,060)</b>	<b>59,161</b>
<b>% Change from Prior Year</b>	<b>2.8%</b>	<b>40.3%</b>	<b>-1.4%</b>	<b>1.4%</b>

## CONSOLIDATED RESOURCES/EXPENDITURES SUMMARY

FY 16 Solid Waste Fund	FY 16 Transportation Fund	FY 16 COMBINED FUNDS (memo only)	FY 15 COMBINED FUNDS (memo only)	Change FY 16 - 14	Percent Change
0	0	47,282,012	45,393,435	1,888,577	4.2%
474,298	966,650	16,835,313	16,653,072	182,241	1.1%
0	0	14,979,412	14,428,850	550,562	3.8%
0	0	3,659,650	4,113,071	(453,421)	-11.0%
<b>474,298</b>	<b>966,650</b>	<b>82,756,387</b>	<b>80,588,428</b>	<b>2,167,959</b>	<b>2.7%</b>
432,117	532,767	28,343,140	27,785,641	557,499	2.0%
0	0	21,869,835	21,490,563	379,272	1.8%
0	0	14,825,506	14,463,908	361,598	2.5%
0	0	1,833,246.0	1,788,533	44,713	2.5%
<b>432,117</b>	<b>532,767</b>	<b>66,871,727</b>	<b>65,528,645</b>	<b>1,343,082</b>	<b>2.0%</b>
0	0	125,378	171,480	(46,102)	-26.9%
0	56,313	2,934,000	2,674,470	259,530	9.7%
0	0	10,000	20,000	(10,000)	-50.0%
0	0	1,673,298	1,663,200	10,098	0.6%
<b>0</b>	<b>56,313</b>	<b>4,742,676</b>	<b>4,529,150</b>	<b>213,526</b>	<b>4.7%</b>
0	0	525,096	421,985	103,111	24.4%
0	55,000	527,000	826,600	(299,600)	-36.2%
<b>0</b>	<b>111,313</b>	<b>5,794,772</b>	<b>5,777,735</b>	<b>17,037</b>	<b>0.3%</b>
42,181	45,751	5,055,067	4,696,196	358,871	7.6%
0	0	35,928	35,928	0	0.0%
0	0	0	0	0	0.0%
0	26,920	455,920	400,000	55,920	100.0%
0	0	100,000	100,000	0	0.0%
<b>42,181</b>	<b>72,671</b>	<b>5,646,915</b>	<b>5,232,124</b>	<b>414,791</b>	<b>7.9%</b>
<b>474,298</b>	<b>716,751</b>	<b>78,313,414</b>	<b>76,538,504</b>	<b>1,774,910</b>	<b>2.3%</b>
0	0	465,492	448,285	17,207	3.8%
0	0	2,486,556	2,212,350	274,206	12.4%
0	0	407,894	322,839	85,055	26.3%
0	249,899	1,083,031	1,066,450	16,581	1.6%
<b>0</b>	<b>249,899</b>	<b>4,442,973</b>	<b>4,049,924</b>	<b>393,049</b>	<b>9.7%</b>
<b>474,298</b>	<b>966,650</b>	<b>82,756,387</b>	<b>80,588,428</b>	<b>2,167,959</b>	<b>2.7%</b>
<b>(16,835)</b>	<b>2,855</b>				
<b>-3.4%</b>	<b>0.3%</b>				

## ANNUAL TOWN MEETING WARRANT ARTICLES

---

**ARTICLE 1. Reports of Boards and Committees  
(Select Board)**

To see if the Town will hear those reports of Town officers, the Finance Committee, and any other Town boards or committees which are not available in written form.

**RECOMMENDED by Finance Committee vote of 5-0, 2 absent.**

---

**ARTICLE 2. Transfer of Funds – Unpaid Bills  
(Finance Committee)**

To see if the Town will, in accordance with Chapter 44, Section 64 of the Massachusetts General Laws, appropriate and transfer a sum of money to pay unpaid bills of previous years.

**RECOMMENDATION DEFERRED UNTIL TOWN MEETING.**

This is an annual article that allows the Town to pay unpaid bills from a prior fiscal year, if any, for which funds were not already encumbered. As of this writing, the Town is not aware of any such bills requiring action by Town Meeting. If no such bills are received prior to Town Meeting, the Finance Committee will move to dismiss this article.

---

**ARTICLE 3. Acceptance of Optional Tax Exemptions  
(Select Board)**

To see if the Town will authorize a maximum additional exemption of up to 100 percent for taxpayers qualifying for exemption under Chapter 59, Section 5, Clauses 17D, 22, 37A, or 41C of the Massachusetts General Laws.

**RECOMMENDED by Finance Committee vote of 6-0, 1 absent.**

This local option authorizes assessors to reduce property taxes for certain qualifying taxpayers (limited income elderly or blind persons, veterans, and surviving spouses). The reduction is in addition to the base amount allowed by the State. The option has been in effect in Amherst since FY94, the first year Town Meeting adopted it. The option must be renewed annually. The total cost to the Town in FY15 to provide these tax exemptions, including the optional tax exemptions, was \$96,721.59 in foregone tax receipts. Reimbursement by the state for the base exemptions was \$35,293. The cost to the Town in FY15 to provide the additional optional tax exemptions was \$27,880.76.

---

**ARTICLE 4. Authorization for Compensating Balances  
(Select Board)**

To see if the Town will accept the provisions of Chapter 44, Section 53F of the Massachusetts General Laws, which authorize the Treasurer to enter into written agreements with banking institutions pursuant to which the Treasurer agrees to maintain funds on deposit in exchange for banking services.

**RECOMMENDED by Finance Committee vote of 5-0, 2 absent.**

Acceptance of this provision of the Massachusetts General Laws authorizes the Town Treasurer to enter into certain banking agreements that require maintenance of a minimum account balance. These agreements typically offer either higher interest rates or some free services in exchange for maintaining a minimum balance. Town Meeting authorization is required annually because, in effect, funds may be expended for services without an appropriation. The Treasurer bids all banking services and bank service fees and determines which proposals are most advantageous for the Town. It is appropriate to provide the Treasurer with the flexibility to use this type of account.

---

## ANNUAL TOWN MEETING WARRANT ARTICLES

---

### ARTICLE 5. FY 2015 Budget Amendments (Finance Committee)

- A. To see if the Town will amend the budget voted under Article 12 of the 2014 Annual Town Meeting (FY 2015 Operating Budget) to transfer sums of money between General Government, Public Safety, Public Works, Conservation and Development, Community Services, and Debt Service accounts to balance the 2015 Fiscal Year.

#### **RECOMMENDATION DEFERRED UNTIL TOWN MEETING.**

Town Meeting votes once to approve a bottom line for the school budget. The same is true for the library budget, so if the schools and library have surpluses in some areas of their budgets and deficits in others, they can just shift money around without going back to Town Meeting. Each of the eight sections of the municipal budget, however, is voted separately. So if more money is needed in one section of the municipal budget and the equivalent amount is available from another section, Town Meeting approval is required for the transfer, to put it where it is needed. As of this writing it is not yet known whether any transfers will be needed, but we will know by Town Meeting. Any transfers do not increase the total budget, but just reallocate already appropriated funds.

- B. To see if the Town will amend the action taken under Article 13 of the 2014 Annual Town Meeting (FY 2015 Reserve Fund) to appropriate and transfer a sum of money from the Fund Balance Reserved for Overlay Surplus account to the Reserve Fund to balance the 2015 Fiscal Year.

#### **RECOMMENDED by Finance Committee vote of 6-0, 1 absent.**

The Overlay is a portion of the annual tax levy set aside to pay for any abatements that might be granted. Once all abatements for past years have been paid, the amount left in overlay for those years becomes surplus. The Assessors have declared an Overlay Surplus of \$265,498. This article proposes transferring those funds to the Reserve Fund that is used if money is needed at the end of a fiscal year to balance the budget. It is highly likely that this will be needed this year to cover the cost of snow and ice removal, which was roughly double what was budgeted. If it is not needed, it will be returned to the General Fund.

---

### ARTICLE 6. Retirement Assessment (Select Board)

To see if the Town will raise and appropriate \$4,528,702 for the Hampshire County Retirement System assessment.

#### **RECOMMENDED by Finance Committee vote of 5-0, 2 absent.**

The Town, as a member of the Hampshire County Retirement System, pays an annual assessment that covers benefits to current retirees and funding for future retirees. The assessment is based on the payrolls of municipal and library employees as well as non-teaching elementary school employees. The amount to be appropriated for the retirement assessment in this article is \$4,528,702, an increase of \$324,553, or 7.7%, from the FY15 assessment. This represents the General Fund share of the assessment. In addition, the Enterprise Funds are allocated their share of the total assessment of \$5,055,067 in their respective budgets. It includes an annual payment of \$233,994 to fund the liability created by the Early Retirement Incentive program adopted by the Town in 2002 and 2003. The pension funding schedule is based upon a January 1, 2014 actuarial study.

---

### ARTICLE 7. Regional Lockup Assessment (Select Board)

To see if the Town will raise and appropriate \$35,928 for the Hampshire County Regional Lockup Facility assessment.

#### **RECOMMENDED by Finance Committee vote of 5-0, 2 absent.**

The Town, as a user of the Hampshire County Regional Lockup, pays an annual assessment, based on population that covers its portion of the operating costs of the Regional Lockup. (The Sheriff's office, the University, and the other communities that use the lockup are the other contributors.) The \$35,928 to be appropriated in this article for FY16 is unchanged from the amount appropriated for FY15.

## ANNUAL TOWN MEETING WARRANT ARTICLES

### ARTICLE 8. Other Post-Employment Benefits (OPEB) Trust Fund (Finance Committee)

To see if the Town will raise and appropriate \$200,000 for the OPEB Trust Fund established under the provisions of Section 20 of Chapter 32B of the Massachusetts General Laws.

#### **RECOMMENDED by Finance Committee vote of 5-0, 2 absent.**

FY16 is the second year in which the Town would make a contribution to the Other Post-Employment Benefits (OPEB) trust fund through appropriation from the General Fund. The OPEB trust fund sets aside and invests money to cover the costs of retirees' non-pension benefits, mainly their health insurance benefits. The amount of contribution increased from \$100,000 last year to \$200,000 this year.

The Town is required to conduct a biennial audit of its OPEB financial obligations and the funds it has invested to meet those obligations. As of June 30, 2014, the unfunded Actuarial Accrued Liability (AAL) is \$95,745,913, marginally more than the AAL of \$93,708,361 as of June 2012. The Town had set aside and invested \$1,632,218, so there is a net Unfunded Actuarial Liability of \$94,113,695. The new AAL is based in part on increasing the "discount rate" from 3.50 percent to 4 percent. (The "discount rate" is an estimate of the interest rate that can realistically be expected in the future as a return on the total amount of money in the OPEB Trust Fund. That estimate varies depending on how much the Town sets aside each year in the OPEB trust fund; the more the Town sets aside, the higher discount rate.) This year's actuarial report also shows that if the Town were able to set aside more funds, the AAL would be \$52,626,166.

Of the estimate as of June 2014, \$58 million (61.6 percent) was attributable to the future health insurance benefits to be paid to current employees and the remaining \$37.7 million (38.4 percent) was for benefits for current retirees, spouses, and surviving spouses.

OPEB liabilities are typically set out in a 30 year pay down schedule, akin to a mortgage payment schedule. In order to pay off the OPEB liability over 30 years, the actuarial report calculates an Annual Required Contribution (ARC). If the Town continues to fund the OPEB trust fund at current levels, the discount rate would continue to be 4% and the ARC would be \$6,368,392. If the Town were to fund the OPEB trust at a higher level, the discount rate could be 7.75% and the ARC would be \$3,918,622.

### ARTICLE 9. Revolving Fund Reauthorization (Finance Committee)

To see if the Town will reauthorize a revolving fund pursuant to Chapter 44, §53E½ of the Massachusetts General Laws for the operation of an After School Program from which the receipts shall be credited for expenditure by the LSSE department as authorized by the Department Head of the LSSE or his/her designee for supplies and services, including salaries and benefits of staffing, and related administrative costs for the program operation with a limit of \$400,000 that may be expended from said revolving fund in the fiscal year which begins on July 1, 2015.

#### **RECOMMENDED by Finance Committee vote of 5-0, 2 absent.**

Revolving funds are used to manage fee supported programs in the Town and in the Regional Schools. In order to continue operating, the After School Program Trust Fund needs to be reauthorized by Town Meeting. Fees from families and other revenues are deposited in the fund, and expenses including the salary and benefits of program staff are paid from the fund. The fund will have an authorized expenditure limit of \$400,000, under the direction of the LSSE Director, for the purpose of providing after school programs. In FY14, revenues and expenditures totaled \$357,407. This fiscal year, from July 1, 2014 through March 31, 2015, revenues into the fund have totaled \$112,372 and expenditures from the fund totaled \$105,532. The totals are smaller this year because in the past, the revolving fund incorporated the revenues and expenses of both the after school programs LSSE operates directly and of two privately operated after school programs at Wildwood and Fort River Schools. This year, the private providers are financially independent, and the revolving fund covers only the LSSE programs.

### ARTICLE 10. Amherst-Pelham Regional School District Assessment Method (Select Board)

To see if the Town will vote to approve following the existing Amherst-Pelham Regional School District Agreement for allocating the total amount to be contributed by each member town of the District for Fiscal Year 2016 as required by Section VI of the Regional Agreement.

#### **RECOMMENDED by Finance Committee vote of 5-0, 2 absent.**

The Amherst Pelham Regional School Committee voted (8-0, 1 absent) on March 10, 2015 for the formula/method in the Regional Agreement.

---

## ANNUAL TOWN MEETING WARRANT ARTICLES

---

The State's 1993 Education Reform Law requires regional school districts to calculate assessments to a region's towns for support of regional district operating and capital budgets according to a formula intended to take into account each individual municipality's ability to pay. However, the Education Reform Law formula does not provide for circumstances in which yearly differences can cause sudden changes in individual town's required support, which can cause the per-pupil cost to vary significantly from one Regional town to another.

The state does allow a regional district to apportion assessment amounts by a method other than the state statutory formula if all of the member municipalities agree to do so. Amherst, Leverett, Pelham and, Shutesbury annual town meetings continue to vote the alternative method prescribed by our Regional Agreement, in which costs of operating the regional schools, grades 7-12, are apportioned to the towns according to a five-year rolling average of the number of students enrolled from each town. This method produces equal per-pupil costs to the towns and greater stability with respect to each town's financial obligation. The School Committee has voted to continue using the formula put forth in the Regional Agreement to determine the apportionment of the FY16 budget to each member town.

Periodically, residents have questioned whether another assessment model would be better financially for the towns. In the summer of 2014, the Finance Director of the Schools, Mr. Mangano, established an Assessment Committee of 12 members, three from each of the four towns, to review various assessment models over several meetings. Ten members attended the meetings, as two had prior scheduled commitments. Six viable models were presented and after careful review of all six, the Assessment Committee unanimously recommended to the Regional School Committee that it continue using the 5-year rolling average assessment model/formula in the Regional Agreement. The Committee determined that the model/formula continues to provide the most stability for each town's financial obligation and to produce equal per-pupil costs.

The Department of Elementary and Secondary Education regulation states that "if the alternative method is used to calculate the member town assessments, the unanimous approval of all the member towns is required. The approval may be given by a separate vote of the appropriating authority, or, if a separate vote is not taken, unanimous approval of a budget or assessment based on the alternative method shall be deemed approval of the method." Amherst chooses to follow the two stage process by first voting on the alternative regional agreement method and then the School Committee budget. If all four towns do not approve the alternative assessment article, the method of assessment may revert to the state's statutory formula, a change that would affect the financing of the schools.

---

### **ARTICLE 11.   FY 2016 Operating Budget (Finance Committee)**

To see if the Town will adopt a comprehensive operating budget for the ensuing year and raise and appropriate money therefor.

## LIBRARY SERVICES

### 3% OF GENERAL FUND OPERATING BUDGET

	FY 12	FY13	FY 14	FY15	FY16	Change	%
	Actual	Actual	Actual	Budget	Budget	FY 16-15	Change
Personnel Services	\$ 1,397,519	1,464,274	1,506,036	1,556,393	1,586,746	30,353	2.0%
Employee Benefits	\$ 237,280	264,796	265,017	265,640	270,000	4,360	1.6%
Circulating Materials	\$ 187,105	190,060	218,455	197,976	204,000	6,024	3.0%
Operations	\$ 285,059	468,421	404,440	349,583	351,059	1,476	0.4%
<b>TOTAL</b>	<b>\$ 2,106,963</b>	<b>2,387,551</b>	<b>2,393,948</b>	<b>2,369,592</b>	<b>2,411,805</b>	<b>42,213</b>	<b>1.8%</b>

#### SOURCE OF FUNDS

Town Appropriation	\$ 1,641,299	1,690,789	1,741,509	1,788,533	1,833,246	44,713	2.5%
Library State Aid	\$	44,781	36,044	40,000	30,000	(10,000)	-25.0%
Jones Library, Inc. Endowment	\$ 404,436	396,041	372,779	329,656	292,796	(36,860)	-11.2%
Woodbury Funds	3,495	174,258	22,320	23,000	25,000	2,000	8.7%
Building Expansion and Renovation	7,158	4,630	15,560	5,000	5,000	0	0.0%
Special Collections	2,001	6,167	2,705	6,000	6,000	0	0.0%
Jones Library Annual Fund Drive	8,619	16,369	67,000	70,000	70,000	0	0.0%
Replacements/Lost Books		8,055	225	7,000	7,000	0	0.0%
Jones Friends' Donation (Books)	\$ 22,076	14,000	14,975	16,500	16,500	0	0.0%
Jones Friends' Donation (Programs)	9,313	11,092	11,793	17,805	16,010	(1,795)	-10.1%
Gift, Grants, Reserves, Etc.	\$ 8,566	21,369	109,038	66,098	110,253	44,155	66.8%
<b>TOTAL</b>	<b>\$ 2,106,963</b>	<b>2,387,551</b>	<b>2,393,948</b>	<b>2,369,592</b>	<b>2,411,805</b>	<b>42,213</b>	<b>1.8%</b>

#### POSITIONS

Full Time	17	17	17	17	17
Part Time with Benefits	12	12	12	12	12
Full Time Equivalents	26.5	27	26.9	26.9	26.9
Part Time with no Benefits	28	28	27	31	31

Endowment Spend Rate	5.4%	5.4%	5%	4.5%	4%
	plus \$10,000				

### **RECOMMENDED by Finance Committee vote of 6-0, 1 vacancy.**

**APPROPRIATION:** \$1,833,246 in Town tax support, an increase of 2.5% or \$44,713 (Sources of funds are listed in accompanying chart.) The total library budget for FY16 is \$2,411,805, an increase of 1.78% or \$42,213.

**BASIC FUNCTIONS:** Library Services are provided at the Jones Library, the North Amherst Library, and the Munson Memorial Library in South Amherst. The Libraries offer information in the form of print, audiovisual, and electronic media and serve as a meeting place for the community. The Jones Library houses collections of historical and literary significance related to the Town and its residents. The Libraries also offer reading programs for children and programs for people whose native language is not English.

The Jones Library Building is owned by the Jones Library, Inc. which is governed by the Library Trustees. The Town owns the Munson and North Amherst Library buildings. The Library pays the Town \$6,500 in annual rent for its use of the space in the Munson Building, and this rent includes payments for utilities and heat. The cost of interior and exterior maintenance at Munson, and exterior maintenance at the North Amherst Library are in the budgets for the Town Facilities Maintenance and Public Works Departments. Most Library payroll and information technology support is handled by the Town and is not charged to the Library budget.

## LIBRARY SERVICES

---

**FULL-TIME EQUIVALENT EMPLOYEES:** 26.9 FTE, unchanged from FY15.

### FY 16 SUMMARY

The FY16 Library budget increase of \$42,213 or 1.78%, over FY15 is due mostly to cost of living and step increases. There is a \$6,024 or 3.04% increase for circulating materials to meet state requirements.

The largest source of funds for the Library is the Town appropriation which is \$1,833,246 for FY16, an increase of \$44,713 or 2.5% over FY15. Town tax support accounts for 76% of the Library budget.

The Jones Library, Inc. endowment will be contributing \$292,796, a decrease of \$36,860 or 11.18% compared to FY15. In this budget, the spending rate of the endowment declines to 4%, the rate advised by the Library's investment managers to preserve the endowment for perpetuity. Library State aid for FY16 is expected to remain the same as in FY15. Support from the Jones Library Annual Fund Drive and the Friends of the Jones Library is expected to remain the same as FY15 but support from Gifts, Grants, and Reserves is expected to increase by \$44,155 or 66.8%.

The State requires municipalities to fund their libraries at 2.5% above the average of the preceding three years' of municipal appropriations to qualify for Library State aid. This year's Municipal Appropriation Requirement (MAR) will be met. The State also requires that the Library spend at least a minimum amount on circulating materials. The State Materials Expenditure Requirement (MER) for FY16 is \$204,000. (The MER is 13% of the Town Appropriation minus fringe benefits.) This requirement is also met.

Circulation of materials and use of the library continues to grow. The Jones serves the region as well as the Town. Although the hours of operation have been reduced in previous years, the library still is open 64 hours per week, more than the number of hours required by the state in order to receive state funding.

More information is available at <http://joneslibrary.org/budget/index.html>

## GENERAL FUND MUNICIPAL SUMMARY

---

	FY 12 Actual	FY 13 Actual	FY 14 Actual	FY 15 Budget	FY 16 Manager	Change FY 15-16	% Change
General Government	\$ 6,019,118	6,614,757	6,252,457	6,333,845	6,483,937	150,092	2.4%
Public Safety	\$ 8,549,237	8,876,436	9,140,796	9,596,952	9,943,955	347,003	3.6%
Public Works	\$ 1,950,987	1,928,722	2,202,600	2,076,997	2,162,004	85,007	4.1%
Conservation & Development	\$ 878,785	928,279	973,550	1,161,383	1,285,577	124,194	10.7%
Community Services	\$ 1,595,253	1,730,271	1,713,245	1,903,749	1,724,276	(179,473)	-9.4%
<b>TOTAL APPROPRIATION</b>	<b>\$ 18,993,379</b>	<b>20,078,464</b>	<b>20,282,648</b>	<b>21,072,926</b>	<b>21,599,749</b>	<b>526,823</b>	<b>2.5%</b>

## COMMUNITY SERVICES

### 3% OF GENERAL FUND OPERATING BUDGETS

	FY 12 Actual	FY 13 Actual	FY 14 Actual	FY 15 Budget	FY 16 Manager	Change FY 15-16	% Change
Public Health	\$ 246,265	243,102	259,315	286,483	182,269	(104,214)	-36.4%
Senior Center	\$ 180,059	183,820	188,595	199,133	211,309	12,176	6.1%
Veterans' Services	\$ 331,260	357,005	322,393	330,769	330,769	0	0.0%
Social Services	\$			125,000	20,000	(105,000)	-84.0%
Leisure Services & S.E.	\$ 478,136	533,041	513,765	529,299	543,028	13,729	2.6%
Pools	\$ 122,078	177,169	182,016	190,116	190,964	848	0.4%
Golf Course	\$ 237,455	236,134	247,162	242,949	245,937	2,988	1.2%
<b>TOTAL APPROPRIATION</b>	<b>\$ 1,595,253</b>	<b>1,730,271</b>	<b>1,713,245</b>	<b>1,903,749</b>	<b>1,724,276</b>	<b>(179,473)</b>	<b>-9.4%</b>
<b>SOURCES OF FUNDS</b>							
Departmental Receipts	\$ 616,075	697,650	722,881	738,143	697,709	(40,434)	-5.5%
Licenses & Permits	\$ 73,230	82,355	84,595	76,400	0	(76,400)	-100.0%
Fines	\$ 1,450	200	400	500	500	0	0.0%
State Reimbursement	\$ 192,615	195,681	221,335	166,502	221,335	54,833	32.9%
Sewer Fund	\$ 2,000	2,000	2,000	2,000	2,000	0	0.0%
Taxation	\$ 850,814	751,147	834,580	839,140	802,732.06	(36,408)	-4.3%
Total	\$ 1,736,184	1,729,033	1,865,791	1,822,685	1,724,276	(98,409)	-5.4%

### **RECOMMENDED by Finance Committee vote of 6-0, 1 vacancy.**

**BUDGET:** \$1,724,276, a decrease of 9.4% (\$179,473) from FY15,

- The Health Department budget decreased due to a shift in personnel, with two staff being shifted to the Inspections Department.
- The Social Services budget allocated at the Annual Town Meeting in 2014 is offset with the Town's being designated as a Mini-Entitlement community for the Community Development Block Grant program.
- The Health Director's job will be expanded to that of Community Services Director.

**BASIC FUNCTIONS:** Provides a variety of human services. These include: public health, senior programming, veterans' services and administration of benefits, as well as recreation and leisure services.

**FULL TIME EQUIVALENT EMPLOYEES:** There are 13.54 FTEs providing community services, a decrease of two from the previous fiscal year due to reassignment.

#### **FY16 SUMMARY**

- **Public Health** budget decreases by 36.4% with the reassignment of two health inspectors who will become part of the Inspections Department to create an inspections team. This will allow them to coordinate effectively with other inspectors and to streamline permitting processes for applicants. The staff will continue to function as Board of Health Agents, along with the Community Services Director (the new title for the former Health Director position). The Board of Health will continue in its statutory role, with the Community Services Director functioning as staff person to the Board. The change in title will better reflect the role the position plays in overall management of community services functions in the Town in addition to the public health functions. It is anticipated that the Town will be a partner in the establishment of a community health center, in conjunction with the Hilltown Community Health Center and the Cooley Dickenson Hospital, to be located in the Bangs Center. Amherst will be the host/landlord for the center and receive rent for use of the space. The budget continues to provide for a part-time public health nurse and a management assistant.
- **Senior Center** budget increases 6.1%. As with the previous fiscal year budget, the increase is an effort to continue to reduce reliance on state Executive Office of Elder Affairs (EOEA) grant funds to pay for an administrative staff person. The intent is to have that position paid for out of the Town General Fund in full by FY17. The freed-up grant money is used to add social worker hours, additionally supported by funds from the Friends of the Senior Center.
- **Veterans Services** remains unchanged from the current fiscal year. The budget reflects the Town's assessment from the Central Hampshire Veterans Services District plus the estimated amount of benefits to be paid to veterans, which also remains unchanged from the current fiscal year. Veterans' benefits are eligible for 75% reimbursement from the state.

## COMMUNITY SERVICES

---

The District anticipates increasing outreach to veterans, improved collaboration with service providers, and involvement in a Veterans Court.

- **Social Services** is reduced by 84%. The budget was \$125,000 in FY15 with a Town Meeting vote to move funds recommended by the Finance Committee from a separate article to the operating budget. With the reinstatement of the Town's Mini-Entitlement status under the Community Development Block Grant (CDBG) program, \$165,000 in funds will be available for social services through that source, with \$20,000 remaining in the operating budget to pay for the emergency funds program not covered by CDBG.
- **LSSE** budget increases by 2.6% overall. Personnel costs increase 3.3% over FY15, reflecting steps and cost of living adjustments, with no increase in staffing. Most LSSE programs are paid for out of the revolving fund into which program fees are paid and are not part of this budget. The department anticipates relocating to the East Street School building in calendar year 2015. Funding for the operation of that facility is in the Facilities Maintenance budget.
- **LSSE-Municipal Pools** budget has no significant change. The department hopes to increase the number of swimmers through changes to programs and schedules based on citizen input, adding Saturday swim lessons, promotions and marketing. Site improvements will continue to be made as well.
- **Cherry Hill Golf Course** budget increases by 1.2%. Personnel services have increased due to steps and COLA. Operating expenses are expected to be the same as last year.

More information is available at: <http://www.amherstma.gov/2143/FY-2016-Town-Manager-Budget>

## CONSERVATION AND DEVELOPMENT

### 2% OF GENERAL FUND OPERATING BUDGETS

	FY 12 Actual	FY 13 Actual	FY 14 Actual	FY 15 Budget	FY 16 Manager	Change FY 15-16	% Change
Conservation	\$ 251,398	261,897	282,319	309,498	323,610	14,112	4.6%
Planning	\$ 265,645	268,560	250,432	327,729	320,673	(7,056)	-2.2%
Inspection Services	\$ 361,743	397,822	440,799	524,156	641,294	117,138	22.3%
<b>TOTAL APPROPRIATION</b>	<b>\$ 878,785</b>	<b>928,279</b>	<b>973,550</b>	<b>1,161,383</b>	<b>1,285,577</b>	<b>124,194</b>	<b>10.7%</b>

#### SOURCES OF FUNDS

Departmental Receipts	\$ 72,514	84,418	41,726	68,400	68,400	0	0.0%
Licenses & Permits	\$ 483,042	640,696	682,782	663,163	702,877	39,714	6.0%
Rental of Land	\$ 1,090	1,050	1,100	1,000	1,000	0	0.0%
Water Fund	\$ 16,258	18,768	19,380	20,577	22,820	2,243	10.9%
Taxation	\$ 478,676	490,466	575,925	603,550	490,480	(113,070)	-18.7%
Total	\$ 1,051,580	1,235,398	1,320,913	1,356,690	1,285,577	(71,113)	-5.2%

### **RECOMMENDED by Finance Committee vote of 6-0, 1 vacancy.**

**BUDGET:** \$1,286,577, an increase of 10.7% (\$124,194). The increase is the result mainly of the reorganization of the Inspection Services Department as part of a customer service improvement initiative in FY15. In FY16, the Health Inspector and an Assistant Sanitarian will move from the Health Department to the Inspections Department to consolidate services and improve efficiency.

The increases in the Inspections Department budget are partially offset by reductions in the Planning Department budget made possible by the restoration of the town's Mini-Entitlement status under the Community Development Block Grant (CDBG) program.

**BASIC FUNCTIONS:** Plans and manages conservation programs that protect environmental and natural resources. Creates and implements planning initiatives and regulatory mechanisms for the preservation and responsible development of the Town. Ensures the public health, safety, and welfare by administering state and federal laws related to land use, building construction, and the operation and maintenance of buildings and activities (i.e., food service) that may impact the public health.

**FULL-TIME EQUIVALENT EMPLOYEES:** 18.9, an increase of 1.6 FTE because of the previously described reorganization of the Inspection Services Department.

#### **FY16 SUMMARY**

- **Conservation** budget is proposed to increase 4.6% (\$14,112), to cover COLA and step increases and to provide additional staff training.
- **Planning and Community Development** budget is proposed to decrease by 2.2% (\$7,056) due to the previously described restoration of CDBG funding for some personnel costs. Operating expenses have increased significantly in this department due to higher printing and advertising costs associated with an increase in the number of project proposals and public hearings.
- **Inspection Services** budget shows an increase of 22.3% (117,138) due to the shift of the Health Inspector and an Assistant Sanitarian from the Health Department to the Inspection Services Department to consolidate services and improve efficiency.

More information is available at <http://www.amherstma.gov/2143/FY-2016-Town-Manager-Budget>

## FINANCE COMMITTEE REPORT - FY16

## GENERAL GOVERNMENT

## 11% OF GENERAL FUND OPERATING BUDGETS

	FY 12 Actual	FY 13 Actual	FY 14 Actual	FY 15 Budget	FY 16 Manager	Change FY 15-16	% Change
Select Board/Town Manager	\$ 244,920	249,184	252,261	269,535	355,436	85,901	31.9%
Town Meeting/Finance Comm	\$ 634	878	887	1,900	1,900	0	0.0%
Finance Department	\$ 855,276	891,474	905,876	955,709	981,365	25,656	2.7%
Legal Services	\$ 174,287	117,896	135,220	110,000	110,000	0	0.0%
Human Resources/ Human Rights	\$ 193,251	152,208	152,696	163,893	199,859	35,966	21.9%
Information Technology	\$ 500,942	522,338	503,452	514,864	513,738	(1,126)	-0.2%
Town Clerk's Office	\$ 180,743	193,229	195,245	197,803	213,466	15,663	7.9%
Elections & Registration	\$ 42,008	77,443	31,940	47,613	41,325	(6,288)	-13.2%
Facilities Maintenance	\$ 420,175	437,966	502,831	512,748	519,833	7,085	1.4%
General Services	\$ 387,688	301,578	382,187	405,983	418,171	12,188	3.0%
SUBTOTAL	\$ 2,999,926	2,944,197	3,062,594	3,180,048	3,355,093	175,045	5.5%
Employee Pay/Benefits	\$ 3,019,192	3,670,560	3,189,862	3,153,797	3,128,844	(24,953)	-0.8%
					0		
<b>TOTAL APPROPRIATION</b>	<b>\$ 6,019,118</b>	<b>6,614,757</b>	<b>6,252,457</b>	<b>6,333,845</b>	<b>6,483,937</b>	<b>150,092</b>	<b>2.4%</b>
<b>SOURCES OF FUNDS</b>							
Ambulance Receipts	\$ 97,116	105,090	105,305	108,273	109,013	740	0.7%
Departmental Receipts	\$ 228,912	225,736	213,542	173,755	218,255	44,500	25.6%
Penalties and Interest From Taxes	\$ 152,258	162,970	249,183	152,625	152,625	0	0.0%
Investment Income	\$ 79,177	76,094	53,610	70,000	70,000	0	0.0%
Licenses & Permits	\$ 190,786	184,647	195,547	177,950	177,950	0	0.0%
State Aid-Elections Hours Reimbursement	\$ 2,458	4,916	0	0	0	0	0.0%
Water Fund	\$ 184,031	184,880	101,866	201,071	215,779	14,708	7.3%
Sewer Fund	\$ 188,911	191,040	102,963	207,435	218,651	11,216	5.4%
Transportation Fund	\$ 40,623	42,681	34,928	45,152	47,632	2,480	5.5%
Taxation	\$ 4,854,990	5,448,020	5,214,001	5,195,084	5,274,032	78,948	1.5%
Total	\$ 6,019,262	6,626,074	6,270,945	6,331,345	6,483,937	152,592	2.4%

**RECOMMENDED by Finance Committee vote of 6-0, 1 vacancy.**

**BUDGET: \$6,483,937**, an increase of 2.4% (\$150,092) over FY15.

General Government involves the overall operation of the Town in terms of administration, finance, and policy. It is the second largest cost center (after Public Safety) in the Town's operating budget. It includes the bulk of the general administrative costs of managing and operating the Town.

**BASIC FUNCTIONS:** Managing and operating Town government functions, including financial operations, maintenance of public facilities (except police, fire, and public works facilities), elections, public records, information technology, legal expenses, and insurance costs. This budget includes employee benefits for all functions of the municipal government (including Public Safety, Public Works, Conservation and Development, and Community Services).

**FULL-TIME-EQUIVALENT EMPLOYEES (FTE):** 30.21, an increase of 1.33 from FY15.

**FY16 SUMMARY**

- **Select Board/Town Manager's Office** has an overall increase of 31.9% from FY15 due to the addition of an Economic Development Director position to the staff, bringing the number of FTEs to 3.5. The Economic Development Director will be tasked with promoting business opportunities to help broaden the Town's revenues in the face of new challenges and uncertain state financial aid. The budget includes \$1,500 for stipends for the five Select Board members. The budget covers all advertising, supplies, and related expenses for the operation of several offices on the mezzanine.
- **Town Meeting/Finance Committee:** no changes in the budget, which stays at \$1,900. Of these costs, \$1,000 (52.6%) are attributable to the Town Meeting/Child Care/Dependent allowance. Most of the other costs for Town Meeting are in other areas of the budget.

---

## GENERAL GOVERNMENT

---

- **Finance Department** has an overall increase of 2.7% from FY15, due to salary steps and cost of living adjustments. The operating expenses line is reduced by 16.6% due to a reduction in banking fees under a new bank contract. The Finance Department has 13.0 full time positions comprising of the Finance Director, Accounting, Assessing, Collection and Treasury. The department plays a critical role in the operation of the Town, maintaining and managing its cash flow, and securing an excellent bond AA+ rating. The “open checkbook” system on the Town website offers a systemic view of the Town’s finances.
- **Legal Services:** no changes from FY15. Provides municipal law and related services under the supervision of the Town Manager.
- **Human Resources/Human Rights** has an increase of 21.9% or \$35,966 over FY15 due to salary step and cost of living increases, and a portion of the Amherst Together Coordinator shared with the school departments (0.33 FTE, for a department total of 1.83 FTEs). Operating expenses increase to reflect legal expenses associated with the negotiation of six union contracts during FY16. The department supports the Human Rights Commission and developed a plan for providing sick/earned time off benefits for year round, part time, employees.
- **Employee Benefits** decreased 0.8% for FY16 due to lower premiums in the HMO plan and employees electing to switch from the PPO to the HMO plan. Health insurance continues to comprise 87% of the employee benefit budget. The rest is for Medicare (6%), Federal Health insurance (3%) and Unemployment (2%), with workers compensation and other benefits making up the remainder (3%)
- **Information Technology** decreases overall by 0.2% due to personnel turnover. The operations portion of the budget remains level funded. Staffing level remains at 4.0 FTEs. The department is responsible for the Town’s interdepartmental software system, the award winning web site, and extending citizen self-service, permitting, internal work order management, and other digital services.
- **Town Clerk’s Office, Elections and Registration** reflects an 8.2% increase in the personnel line due to salary step and cost of living adjustments and temporary additional hours for passport training and transitions due to a retirement. Employees will remain at 4.0 FTEs. The Elections and Registration budget is decreased by 13.2% due to two scheduled elections in the upcoming year, rather than three as with the current year.
- **Facilities Maintenance** increases 1.4%, reflecting salary step and cost of living adjustments while the operations budget remains level funded. The department remains staffed at 4.25 FTEs, with the Facilities Director position shared (0.25 FTE) with the schools. The department continues to implement the Town’s Green Communities plan, with energy costs continuing to be a challenge.
- **General Services** has a budget increase of 3.0% overall. The budget covers all the Town’s insurance policies (general liability, auto, public official and professional liability, and boilers); supplies, equipment maintenance, telephone, postage and the annual audit.

More information is available at <http://www.amherstma.gov/2143/FY-2016-Town-Manager-Budget>

## FINANCE COMMITTEE REPORT - FY16

## GENERAL FUND INDEBTEDNESS

	FY 12 Actual	FY 13 Actual	FY 14 Actual	FY 15 Budget	FY 16 Fin Com	Change FY 15 - 16	Percent Change
Amherst Housing Authority (CPA)	\$ 0	44,100	43,400	42,700	41,650	(1,050)	-2.5%
Bangs Community Center Roof/HVAC	\$ 47,607	46,421	40,219	39,274	56,244	16,970	43.2%
Crocker Farm Renovation	\$ 259,500	234,000	237,958	235,500	225,325	(10,175)	-4.3%
DPW - Roads Reconstruction	\$ 585,063	558,000	546,750	536,625	525,375	(11,250)	-2.1%
Hawthorne Property Acquisition (CPA)	\$ 65,007	62,000	60,750	59,625	58,375	(1,250)	-2.1%
High School Renovations	\$ 305,688	259,374	213,523	171,480	125,378	(46,102)	-26.9%
High School Roof	\$ 107,341	103,689	99,918	96,148	-	(96,148)	-100%
Interest on Temporary Debt	\$ -	-	-	20,000	10,000	(10,000)	-50.0%
Plum Brook Recreation Fields (Partial CPA)	\$ 53,400	51,840	50,160	48,720	-	(48,720)	-100%
Portable Classrooms	\$ 30,222	32,190	34,650	34,050	33,150	(900)	-2.6%
Sidewalks (2005)	\$ 72,800	70,200	67,600	-	-	0	0.0%
South Amherst School	\$ 4,818	21,640	24,300	23,900	23,300	(600)	-2.5%
Town Hall Exterior (Partial CPA)	\$ 63,630	61,989	60,221	58,706	57,381	(1,325)	-2.3%
Town Hall Renovations Refunding (2005)	\$ 196,600	185,000	178,600	167,200	156,000	(11,200)	-6.7%
Police Communication Equipment	\$ -	-	28,153	27,500	26,875	(625)	-2.3%
Central Fire Station Renovations	\$ -	-	23,419	22,816	22,356	(460)	-2.0%
DPW Large Truck	\$ -	-	33,784	33,000	32,250	(750)	-2.3%
Trees	\$ -	-	68,920	67,320	65,790	(1,530)	-2.3%
Roads	\$ -	-	127,275	124,000	121,500	(2,500)	-2.0%
Trees, part II	\$ -	-	-	67,150	66,096	(1,054)	-1.6%
DPW Trucks	\$ -	-	-	93,264	91,800	(1,464)	-1.6%
AFD Pumper Truck	\$ -	-	-	48,556	48,000	(556)	-1.1%
S. East St Land acquisition (CPA)	\$ -	-	-	7,283	7,200	(83)	-1.1%
Ann Whalen Unit Preservation (Housing) (CPA)	\$ -	-	-	13,353	13,200	(153)	-1.1%
Wildwood Feasibility Study (31.6%)	\$ -	-	-	-	41,653	41,653	--
2 Mowers	\$ -	-	-	-	48,548	48,548	--
Loader	\$ -	-	-	-	65,367	65,367	--
East St School Renovations	\$ -	-	-	-	95,060	95,060	--
Rolling Green Unit Preservation (CPA)	\$ -	-	-	-	175,546	175,546	--
Regional Projects	\$ -	-	-	-	31,388	31,388	--
<b>TOTAL APPROPRIATION</b>	<b>\$ 1,854,602</b>	<b>1,791,455</b>	<b>1,939,600</b>	<b>2,038,170</b>	<b>2,264,807</b>	<b>226,637</b>	<b>11.1%</b>

**RECOMMENDED by Finance Committee vote of 6-0, 1 vacancy.**

The debt service for FY16 is projected to be \$2,264,807 of which \$1,943,270 (85.8%) is funded through taxation and the remaining \$321,537 (14.2%) with CPA funds. The total increase of \$226,637 represents an 11.1% increase over debt service last year. The increase is net of retiring debts related to the high school roof, and Plum Brook Recreation Fields (partial CPA). New debt service items are: Wildwood Feasibility Study \$41,653, two mowers \$48,548, a loader \$65,367, East Street school renovations \$95,060, Rolling Green Unit Preservation (CPA) \$175,546, and regional school projects \$31,388.

Road construction and maintenance account for \$646,875 or 28.6% of total debt service, whereas school-related renovations account for \$438,541 or 19.4% of the total. At \$213,381 or just over 9.4% is the service for debts associated with renovations of the Town Hall. The CPA funds play a significant role in debt service for recreation (Hawthorne), housing (Rolling Green, Ann Whalen and Housing Authority), land acquisition (Southeast Street), and Town Hall. No debt service is projected for the libraries for the next year.

Debt service related to the Enterprise Funds (e.g., payment on bonds to pay for water and sewer extensions) is included in those budgets and is not authorized in this motion.

## PUBLIC WORKS

### 4% OF GENERAL FUND OPERATING BUDGETS

	FY 12 Actual	FY 13 Actual	FY 14 Actual	FY 15 Budget	FY 16 Manager	Change FY 15-16	% Change
Public Works Administration	\$ 286,085	279,044	315,861	308,746	356,730	47,984	15.5%
Highway	\$ 741,264	643,309	681,129	658,138	683,773	25,635	3.9%
Snow & Ice Removal	\$ 150,238	187,280	418,813	280,410	280,410	0	0.0%
Street & Traffic Lights	\$ 104,938	102,591	83,309	99,650	99,650	0	0.0%
Equipment Maintenance	\$ 258,364	263,912	268,046	256,304	257,225	921	0.4%
Tree and Grounds Maintenance	\$ 410,098	452,586	435,442	473,749	484,216	10,467	2.2%
<b>TOTAL APPROPRIATION</b>	<b>\$ 1,950,987</b>	<b>1,928,722</b>	<b>2,202,600</b>	<b>2,076,997</b>	<b>2,162,004</b>	<b>85,007</b>	<b>4.1%</b>
<b>SOURCES OF FUNDS</b>							
Departmental Receipts	\$ 20,647	25,265	17,355	16,000	16,000	0	0.0%
Water Fund	\$ 202,624	206,678	212,363	223,477	215,065	(8,412)	-3.8%
Sewer Fund	\$ 149,542	154,848	150,831	161,766	149,771	(11,995)	-7.4%
Transportation Fund	\$ 39,737	42,687	47,295	47,605	48,324	719	1.5%
Taxation	\$ 1,538,437	1,499,244	1,774,785	1,628,149	1,732,844	104,695	6.4%
Total	\$ 1,950,987	1,928,722	2,202,629	2,076,997	2,162,004	85,007	4.1%

### **RECOMMENDED by Finance Committee vote of 6-0, 1 vacancy.**

**BUDGET:** \$2,162,004, an increase of 4.1% or \$85,007 from FY15. The proposed increase covers previously-negotiated employee collective bargaining settlements as well as the addition of a 0.68 FTE administrative analyst (shared with the Water and Sewer Funds) who will help DPW leadership analyze productivity and work effectiveness and design better ways for the Department to help customers with their questions and service requests. In all other areas the Department is level-funded. (Sources of funds are listed in accompanying chart.)

**BASIC FUNCTIONS:** Provides maintenance for highways, streets, sidewalks, traffic lights, equipment, trees and grounds, and most of the Town's outdoor facilities. It is responsible for snow and ice removal, clearing of downed trees, repairs of town-owned roadways, as well as the activities and budgets of the Water, Sewer, and Solid Waste Enterprise Funds.

**FULL-TIME-EQUIVALENT (FTE) EMPLOYEES:** 27.54, an increase of 0.68 from FY15.

#### **FY16 SUMMARY**

- **Public Works Administration** budget increases by 15.5% due to the addition of the previously-described administrative analyst (cost shared with Water and Sewer Funds) and contract settlements. There are 4.04 FTE in this department. Operating expenses, which include funds for utilities and maintenance of the Public Works facility, are level funded.
- **Highway:** Highway operating expenses increase by 3.9%. Part of two positions, approximately \$56,000, in this budget are funded from project work (Chapter 90 and capital funds); this amount decreases by \$10,000 in FY16. There are 13 FTE in this department. Road maintenance supplies are included in this budget, as is funding for traffic line painting, which is now done by department personnel. Operating expenses are level funded. Funding sources include transfers from the Water and Sewer Enterprise Funds.
- **Snow and Ice Removal** remains the same as FY15. It provides funds for equipment maintenance, equipment rental, rental of dump trucks for snow removal, and supplies (melting agents, sand, gasoline, and diesel). It also covers overtime pay for snowplow operators. Plowing done during the workday is charged to other Public Works budgets.
- **Street and Traffic Lights** remains the same as FY15. There are no personnel costs associated with this budget. Funding provides electricity and maintenance for approximately 1,160 street lights and 14 signalized intersections.
- **Equipment Maintenance** increases 0.4% due to COLA and step salary increases. Operating expenses are level-funded. All 53 vehicles used for road maintenance, snow-plowing, tree care, park maintenance, leaf pick-up, water, and sewer (with appropriate reimbursements to the General Fund from the Enterprise Funds) are maintained, repaired, and serviced by a crew of three.

## PUBLIC WORKS

---

- **Tree and Ground Maintenance** increases by 2.2% due to personnel turnover. There are 7.5 FTE in this department. This budget includes funds for mowing and maintaining parks and park facilities, commons, cemeteries, athletic fields (including schools), and other green spaces around Town. It includes funds for lighting parks and commons but does not include electricity for Community Field. Operating expenses in this department increase 17.4% (\$13,368) to pay for a contract for the cleaning of public bathrooms.

More information is available at <http://www.amherstma.gov/2143/FY-2016-Town-Manager-Budget>

## WATER FUND

SOURCES OF FUNDS		FY 12 Actual	FY 13 Actual	FY 14 Actual	FY 15 Budget	FY 16 Manager	Change FY 15 - 16	Percent Change
Operating Revenues	\$	3,923,046	4,049,760	4,079,174	4,236,067	4,175,007	(61,060)	-1.4%
Interest and Late Fees	\$	21,759	27,650	27,243	20,000	20,000	0	0.0%
Borrowing Authorizations	\$	0	0	0	0	0	0	0.0%
Surplus Funds	\$	478,543	0	521,877	0	0	0	0.0%
Other Available Funds	\$	0	0	0	0	0	0	0.0%
<b>TOTAL</b>	<b>\$</b>	<b>4,423,348</b>	<b>4,077,410</b>	<b>4,628,294</b>	<b>4,256,067</b>	<b>4,195,007</b>	<b>(61,060)</b>	<b>-1.4%</b>

EXPENDITURES		FY 12 Actual	FY 13 Actual	FY 14 Actual	FY 15 Budget	FY 16 Manager	Change FY 15 - 16	Percent Change
Operating Budget	\$	2,738,055	3,015,169	3,061,615	3,215,438	3,224,588	9,150	0.3%
Debt Service	\$	703,688	298,850	294,850	365,850	362,100	(3,750)	-1.0%
Capital Program	\$	384,000	325,000	868,000	220,000	145,000	(75,000)	-34.1%
<b>TOTAL APPROPRIATION</b>	<b>\$</b>	<b>3,825,742</b>	<b>3,639,019</b>	<b>4,224,465</b>	<b>3,801,288</b>	<b>3,731,688</b>	<b>(69,600)</b>	<b>-1.8%</b>
Indirect Costs Appropriated in General Fund	\$	415,568	427,641	449,409	454,779	463,319	8,540	1.9%
<b>TOTAL EXPENDITURES</b>	<b>\$</b>	<b>4,241,310</b>	<b>4,066,660</b>	<b>4,673,874</b>	<b>4,256,067</b>	<b>4,195,007</b>	<b>(61,060)</b>	<b>-1.4%</b>

**RECOMMENDED by Finance Committee vote of 6-0, 1 vacancy.**

**APPROPRIATION:** \$3,731,688 a decrease of 1.8% (\$69,600) from FY15.

**BASIC FUNCTIONS:** To supply adequate volumes of high-quality potable water supply for the Town and to maintain compliance with all Environmental Protection Agency drinking water regulations.

**FULL-TIME EQUIVALENT EMPLOYEES:** 18.99, an increase of 1.01 from FY15.

**FY16 SUMMARY**

The appropriation proposed for FY16 is smaller than FY15 (-1.8%) due to reductions in the OPEB payment and Capital Program expenditures, which offset increases in the operating expenses due to increased staffing. Recent retirements in the Enterprise Funds staffing have resulted in the re-arrangement of duties and responsibilities of existing staff in addition to the hiring of new staff. These changes, along with contract-mandated salary steps and COLAs increase personnel costs by 5.1%. Operating expenses are decreasing by 2.2% mostly due to the reduction in the size of the payment to the Other Post-Employment Benefits Trust Fund. This contribution to the OPEB Trust Fund was reduced to \$79,000 from \$150,000 based on the most recent actuarial study of the Town's OPEB liability. The reduction in capital program expenditures by 34.1% (\$75,000) was the other most significant factor offsetting the increases in the operating expenses.

In order to sustain the Water Fund Balance against ongoing inflationary pressures, two measures are being taken. First, no Water Fund Balance funds are used to support the FY16 Water Fund operating budget. Second, the water rate will increase. The increase of \$0.10 per hundred cubic feet will make the water rate \$3.55, which remains below state and regional averages.

Debt Service in FY16 covers the principal and interest payment for the Centennial Treatment Facility and Pine Street water infrastructure project (\$362,100). Capital Program expenditures are: \$50,000 for treatment system improvements, \$50,000 for water system improvements, \$40,000 for a replacement vehicle, and \$5,000 for DPW facility improvements.

More information is available at <http://www.amherstma.gov/2143/FY-2016-Town-Manager-Budget>.

32  
FINANCE COMMITTEE REPORT - FY16

**SEWER FUND**

SOURCES OF FUNDS	FY 12 Actual	FY 13 Actual	FY 14 Actual	FY 15 Budget	FY 16 Manager	Change FY 15 - 16	Percent Change
Operating Revenues	\$ 3,724,663	3,855,848	4,011,759	4,132,489	4,191,650	59,161	1.4%
Interest and Late Fees	\$ 20,744	26,919	32,556	20,000	20,000	0	0.0%
Surplus Funds	\$ 248,917	242,668	114,353	0	0	0	0.0%
<b>TOTAL</b>	<b>\$ 3,994,324</b>	<b>4,246,004</b>	<b>4,158,668</b>	<b>4,152,489</b>	<b>4,211,650</b>	<b>59,161</b>	<b>1.4%</b>
<b>EXPENDITURES</b>	<b>FY 12 Actual</b>	<b>FY 13 Actual</b>	<b>FY 14 Actual</b>	<b>FY 15 Budget</b>	<b>FY 16 Manager</b>	<b>Change FY 15 - 16</b>	<b>Percent Change</b>
Operating Budget	\$ 2,711,541	2,912,414	3,003,786	3,159,265	3,221,352	62,086	2.0%
Debt Service	\$ 309,013	318,066	430,926	404,304	386,158	(18,146)	-4.5%
Capital Program	\$ 336,000	486,000	255,000	240,000	250,000	10,000	4.2%
<b>TOTAL APPROPRIATION</b>	<b>\$ 3,356,554</b>	<b>3,716,481</b>	<b>3,689,712</b>	<b>3,803,569</b>	<b>3,857,510</b>	<b>53,940</b>	<b>1.4%</b>
Indirect Costs Appropriated in General Fund	323,032	336,333	333,949	348,920	354,140	5,220	1.5%
<b>TOTAL EXPENDITURES</b>	<b>\$ 3,679,586</b>	<b>4,052,814</b>	<b>4,023,661</b>	<b>4,152,489</b>	<b>4,211,650</b>	<b>59,161</b>	<b>1.4%</b>

**RECOMMENDED by Finance Committee vote of 6-0, 1 vacancy.**

**APPROPRIATION:** \$3,857,510, an increase of 1.4% (\$53,941) from FY15.

**BASIC FUNCTIONS:** The collection, treatment, and disposal of sewage for the Town via an Enterprise Fund completely supported by user fees.

**FULL-TIME EQUIVALENT EMPLOYEES:** 18.48, an increase of 0.15 from FY15.

**FY 16 SUMMARY**

The appropriation for FY16 is 1.4% larger than FY15. The 1.4% increase in the personnel and operating costs in the Sewer Fund are due to the slight increase in FTE, the re-assignment of duties and responsibilities of staff within the Enterprise Funds, salary steps and COLAs due to employees covered by the collective bargaining contracts, and the changes in the coverage selected by employees participating in the health benefits offered by the Town. The increased expenses will be covered almost entirely by the change in the Sewer Fund rate.

The increase in the Sewer Fund rate to \$3.75 per hundred cubic feet (+\$0.10 per hundred cubic feet) will result in an increase of \$12 per year in the average four-person household's sewer bill and an overall increase in revenue from sewer usage rates of 1.3% (\$51,900). The new rate helps to generate sufficient revenue to maintain the Fund's balance while remaining below state and regional averages. As has been the case for the last several years, no Sewer Fund Balance funds are used to support the FY16 Town operating budget.

Debt Service of \$386,158 for FY16 covers the principal and interest payments for: the Harkness Road/Wildflower Drive sewer extension, \$300,104; the Pine Street sewer extension, \$74,154; and the Harkness Road sewer extension design, \$11,900. Capital Program expenditures are: \$100,000 for Wastewater Treatment Plant improvements, \$100,000 for Collection System improvements, \$45,000 for a Replacement Vehicle, and \$5,000 for DPW Facility improvements.

This budget includes a payment of \$150,000 into the Other Post-Employment Benefits Trust Fund in anticipation of future retiree health care benefits.

More information is available at <http://www.amherstma.gov/2143/FY-2016-Town-Manager-Budget>.

33  
FINANCE COMMITTEE REPORT - FY16

**SOLID WASTE FUND**

SOURCES OF FUNDS	FY 12 Actual	FY 13 Actual	FY 14 Actual	FY 15 Budget	FY 16 Manager	Change FY 15 - 16	Percent Change
Operating Revenues	\$ 542,428	441,972	433,116	476,200	474,098	(2,102)	-0.4%
Interest and Late Fees	\$ 526	335	202	330	200	(130)	-39.4%
Surplus Funds	\$ 37,249	53,055	0	14,603	0	(14,603)	-100.0%
<b>TOTAL</b>	<b>\$ 580,204</b>	<b>495,362</b>	<b>433,318</b>	<b>491,133</b>	<b>474,298</b>	<b>(16,835)</b>	<b>-3.4%</b>

EXPENDITURES	FY 12 Actual	FY 13 Actual	FY 14 Actual	FY 15 Budget	FY 16 Manager	Change FY 15 - 16	Percent Change
Operating Expenditures	\$ 580,204	479,268	512,200	491,133	474,298	(16,835)	0.0%
Debt Service	\$ 0	0	0	0	0	0	0.0%
Capital Program	\$ 0	0	0	0	0	0	0.0%
<b>TOTAL APPROPRIATION</b>	<b>\$ 580,204</b>	<b>479,268</b>	<b>512,200</b>	<b>491,133</b>	<b>474,298</b>	<b>(16,835)</b>	<b>-3.4%</b>
Indirect Costs Appropriated in General Fund	0	0	0	0	0	0	0.0%
<b>TOTAL EXPENDITURES</b>	<b>\$ 580,204</b>	<b>479,268</b>	<b>512,200</b>	<b>491,133</b>	<b>474,298</b>	<b>(16,835)</b>	<b>-3.4%</b>

**RECOMMENDED by Finance Committee vote of 6-0, 1 vacancy.**

**APPROPRIATION:** \$474,298 a decrease of 3.4% (\$16,835) from FY15.

**BASIC FUNCTIONS:** To develop and promote user-fee-based programs that are viable alternatives to landfilling and to dispose of solid waste in an environmentally safe manner. This includes monitoring closed landfills, managing the recycling and transfer facility, monitoring Town-wide solid waste and recycling collection and disposition, and special activities such as hazardous waste collection and disposal.

**FULL-TIME EQUIVALENT EMPLOYEES:** 3.0, a decrease of 0.4 from FY15.

**FY 16 SUMMARY**

The 3.4% decrease in the FY16 appropriation relative to the FY15 budget is due to the reduction in operating expenses, the reduction of 0.4 FTE, as well as lower revenues because of decreased tonnage of material brought to the Transfer Station. The increase in cell tower rental income will help to offset income lost because of the drop in the amount of material being brought in and will result in no funds from the Solid Waste Fund Surplus being used to support this budget for FY16. The Personnel costs rise by only 1.7% (\$3,061) due to the elimination of 0.4 FTE associated with the Town Recycling Coordinator position. The responsibilities are moved into the General Fund and out of the Solid Waste Fund. The Recycling and Refuse Committee in conjunction with Town staff are continuing to study options for the Solid Waste Fund, the Transfer Station, and the long-term Waste Management Plan for the Town.

More information is available at <http://www.amherstma.gov/2143/FY-2016-Town-Manager-Budget>

## FINANCE COMMITTEE REPORT - FY16

## TRANSPORTATION FUND

SOURCES OF FUNDS	FY 12 Actual	FY 13 Actual	FY 14 Actual	FY 15 Budget	FY 16 Manager	Change FY 15 - 16	Percent Change
Operating Revenues	\$ 898,662	964,404	975,295	962,795	966,150	3,355	0.3%
Interest and Late Fees	\$ 929	515	321	1,000	500	(500)	-50.0%
Surplus Funds	\$ 88,688	100,218	0	0	0	0	0.0%
<b>TOTAL</b>	<b>\$ 988,280</b>	<b>1,065,137</b>	<b>975,616</b>	<b>963,795</b>	<b>966,650</b>	<b>2,855</b>	<b>0.3%</b>
<b>EXPENDITURES</b>	<b>FY 12 Actual</b>	<b>FY 13 Actual</b>	<b>FY 14 Actual</b>	<b>FY 15 Budget</b>	<b>FY 16 Manager</b>	<b>Change FY 15 - 16</b>	<b>Percent Change</b>
Operating Budget	\$ 686,606	819,625	773,111	639,092	605,438	(33,654)	-5.3%
Debt Service	\$ 67,763	65,975	59,125	57,625	56,313	(1,312)	-2.3%
Capital Program	\$ 80,000	35,000	40,000	20,000	55,000	35,000	175.0%
<b>TOTAL APPROPRIATION</b>	<b>\$ 834,369</b>	<b>920,600</b>	<b>872,236</b>	<b>716,717</b>	<b>716,751</b>	<b>34</b>	<b>0.0%</b>
Indirect Costs Appropriated in General Fund	\$ 92,643	96,835	96,835	247,078	249,899	2,821	1.1%
<b>TOTAL EXPENDITURES</b>	<b>\$ 927,012</b>	<b>1,017,435</b>	<b>969,071</b>	<b>963,795</b>	<b>966,650</b>	<b>2,855</b>	<b>0.3%</b>

**RECOMMENDED by Finance Committee vote of 6-0, 1 vacancy.**

**APPROPRIATION:** \$716,751, a \$34 increase from FY15.

**BASIC FUNCTIONS:** To provide a parking and public transportation system for the Town via a self-supporting Enterprise Fund.

**FULL-TIME EQUIVALENT EMPLOYEES:** 4.6, an increase of 0.40 FTE from FY15.

**FY16 SUMMARY**

The change in the FY16 appropriation relative to the FY15 budget is very small, \$34. However, there are significant changes to this budget for FY16. The addition of a part time enforcement officer and the increase in Capital Program expenditures are the major changes to the expenses of the Transportation Fund. These two increases are largely offset by the reduction in operating expenses caused by PVTA assuming the cost of operating Route 33. Route 33 (and its predecessors) have been funded by the Town out of the Transportation Fund for several years.

Debt service for FY15 is for the Boltwood Parking Garage, \$56,313. Capital expenditures are \$42,500 for repairs to the Boltwood Garage concrete walkways, \$7,500 for Parking Officer communication radios, and \$5,000 for stairwell grates at the Boltwood Garage.

This budget includes a payment of \$26,902 into the Other Post-Employment Benefits Trust Fund in anticipation of future retiree health care benefits.

More information is available at <http://www.amherstma.gov/2143/FY-2016-Town-Manager-Budget>

## PUBLIC SAFETY

### 17% OF GENERAL FUND OPERATING BUDGETS

	FY 12 Actual	FY 13 Actual	FY 14 Actual	FY 15 Budget	FY 16 Manager	Change FY 15-16	% Change
Police Facility	\$ 181,407	188,878	208,373	191,796	217,617	25,821	13.5%
Police	\$ 3,925,667	4,064,748	4,177,267	4,350,551	4,549,604	199,053	4.6%
Fire/EMS	\$ 3,848,915	3,990,973	4,093,704	4,358,412	4,466,729	108,317	2.5%
Communications Center	\$ 541,510	578,087	607,665	639,774	652,341	12,567	2.0%
Animal Welfare	\$ 51,737	53,751	53,787	56,419	57,664	1,245	2.2%
<b>TOTAL APPROPRIATION</b>	<b>\$ 8,549,237</b>	<b>8,876,436</b>	<b>9,140,796</b>	<b>9,596,952</b>	<b>9,943,955</b>	<b>347,003</b>	<b>3.6%</b>
<b>SOURCES OF FUNDS</b>							
Ambulance Receipts	\$ 2,107,362	2,187,676	2,195,723	2,384,560	2,406,279	21,719	0.9%
Departmental Receipts	\$ 179,997	236,209	166,354	144,200	144,200	0	0.0%
Fines	\$ 234,927	241,945	200,380	210,533	210,533	0	0.0%
Licenses & Permits	\$ 10,141	11,508	10,614	8,000	8,000	0	0.0%
Transportation Fund	\$ 5,366	5,502	5,620	5,741	5,881	140	2.4%
Taxation	\$ 5,966,109	6,193,597	6,562,106	6,843,918	7,169,062	325,144	4.8%
Total	\$ 8,503,902	8,876,437	9,140,797	9,596,952	9,943,955	347,003	3.6%

### **RECOMMENDED by Finance Committee vote of 6-0, 1 vacancy.**

**BUDGET:** \$9,943,955, an increase of 3.6% (\$347,003) from FY15, due to the addition of two police officer positions and to normal salary increases. (Sources of funds are listed in accompanying chart.)

**BASIC FUNCTIONS:** Providing police, fire, ambulance, emergency dispatch (communications center), and animal welfare services 24 hours a day, 365 days a year.

**FULL-TIME EQUIVALENT EMPLOYEES:** 109.5, two more than in FY15.

### **FY16 SUMMARY**

- **Police Facility** budget increases 13.5% from FY15 levels, due almost entirely to increases in electricity and heating costs. Increased activity continues to result in higher maintenance demands. There is one full-time employee.
- **Police Department** budget increases by 4.6%, about half due to the addition of two police officer positions and the rest due to collective bargaining agreements reached in 2013. Operating costs are level-funded. The authorized number of tax-funded officers would be 47, two more than in FY15 but still three fewer than in FY07. The additional officers will allow staffing of most but not all Town sectors. The Federal grant that paid for an additional officer assigned full-time to domestic violence cases ended this year, and domestic violence cases are now shared among other officers. A grant continues to finance a civilian advocate for domestic violence victims shared with the Center for Women and Families. In addition, another grant from the Stanton Foundation has allowed establishment of a K9 unit, paying for acquisition of a dog, equipment, and training for the dog and its handler, who is an officer already on the force.

Objectives for FY16 include further training in the effective and safe management of crowds and in community-oriented policing strategies, as well as continuing collaboration with other police departments, student groups, rental property owners, and alcohol-related businesses to reduce problems in residential neighborhoods.

Offsetting revenue for FY16 includes \$155,000 in court fines, \$55,533 in miscellaneous fines, and \$16,200 in department receipts, all of which goes into the General Fund.

- **Fire Department** budget increases by 2.5% due to collective bargaining agreements reached in 2013 and to fund overtime for a staffing philosophy of 8 firefighters per shift during the academic year. Operating costs are level-funded. The authorized number of full-time firefighters is 46, the same as in FY15, one more than in FY12, and six more than in 2006. The University of Massachusetts will again contribute money to bring the number of on-duty ambulances up from three to five on busy fall and spring weekends; the money goes into an agency fund from which those ambulance overtime costs are paid. This is similar to the fund contractors pay to police officers for roadwork details. Total staffing remains low relative to national norms, according

## PUBLIC SAFETY

---

to the July 2009 rating by the Insurance Services Office, Inc. Calls for emergency ambulance service continue to increase, totaling 4,386 in FY14, up slightly from 4,316 in FY13. Fire calls were 1,315 in FY14, down from 1,328 in FY13. Firefighters will go through the training necessary for the department's state-mandated transition to a National Registry certification system for EMS that must be completed by March 2017.

Offsetting revenue for FY16 includes \$2,339,480 in ambulance receipts, including payments from UMass and the towns of Pelham, Leverett, Shutesbury, and Hadley, money that goes into the Ambulance Fund to be spent only for ambulance-related purposes. There will be an estimated \$112,000 in departmental receipts. A grant of \$22,000 has been received to fund the 20<sup>th</sup> year of the school Fire Safety Education program (SAFE) and to focus on fire safety for the Town's seniors.

- **Communications Center** budget increases by 2.0%. As in FY15, there will be 12 dispatcher positions, one of them funded by a state grant for a savings of \$35,970 plus benefits. As of this writing, negotiations to create a Regional Dispatch Center for the towns of Amherst, Pelham, and Hadley continued, pending results of an updated study.

- **Animal Welfare budget** remains virtually unchanged, increasing by 2.2%. No changes are expected for this one-person department.

More information is available at <http://www.amherstma.gov/2143/FY-2016-Town-Manager-Budget>

37  
FINANCE COMMITTEE REPORT - FY16

**AMHERST ELEMENTARY SCHOOLS**

**36% OF GENERAL FUND OPERATING BUDGETS**

	FY 12	FY 13	FY 14	FY 15	FY 15	FY 16	
	Actual	Actual	Actual	Original	Current	Fin Comm	Difference
				Budget	Budget		
<b>PAYROLL ACCOUNTS</b>							
Regular Education	6,701,775	6,540,468	6,222,639	6,340,622	6,164,306	6,376,711	212,405
Special Education	4,422,903	4,619,388	4,623,774	4,932,818	4,866,874	4,899,172	32,298
Support Services	864,570	1,106,509	1,158,244	1,202,994	1,221,904	1,222,990	1,086
School Administration	806,573	813,221	860,542	860,429	857,414	869,507	12,093
Central Administration	482,202	572,742	654,112	633,266	724,510	744,093	19,583
Information Systems	212,984	194,795	202,776	234,210	219,391	221,291	1,900
Facilities	740,282	720,785	746,550	746,417	768,095	752,876	(15,219)
Transportation	190,105	196,642	201,843	204,162	204,162	203,590	(572)
Total Salaries	14,421,395	14,764,551	14,670,480	15,154,918	15,026,656	15,290,230	263,574
Substitutes	186,857	160,830	180,665	174,448	192,038	174,448	(17,590)
<b>EXPENSE ACCOUNTS:</b>							
Regular Education	60,558	59,631	54,116	61,162	71,851	60,988	(10,863)
Special Education	219,399	285,574	235,316	135,971	191,599	168,740	(22,859)
Other Programs	654,748	694,381	850,139	22,500	17,431	4,500	(12,931)
Support Services	57,357	49,482	73,223	52,834	54,639	47,015	(7,624)
Program/Staff Development	208,165	262,077	403,892	306,891	288,250	311,509	23,259
School Administration	52,743	42,663	39,869	39,624	41,431	39,482	(1,949)
Central Administration	106,629	146,551	167,333	121,105	121,425	121,105	(320)
Information Systems	79,800	128,804	138,189	120,286	120,586	120,286	(300)
Facilities	127,772	124,077	136,761	135,286	136,286	135,286	(1,000)
Utilities	418,744	421,940	443,118	463,677	431,663	416,601	(15,062)
Transportation	407,361	442,609	461,186	440,760	471,221	462,690	(8,531)
Food Services	29,933	70,000	46,942	93,000	93,000	117,628	24,628
Health Insurance							
Employees	2,245,601	2,271,204	2,470,873	2,470,433	2,441,233	2,512,416	71,183
Retirees	970,176	1,034,106	1,042,770	1,065,866	1,104,558	1,120,679	16,121
Other Operation Services	504,448	575,047	520,600	377,117	394,024	445,177	51,153
Other Programs & Control Accts	1,000	1,000	1,500	254,685	292,672	205,356	(87,316)
Total Expenses	6,144,435	6,609,146	7,085,827	6,161,197	6,271,869	6,289,458	17,589
<b>LEVEL SERVICES TOTAL</b>	<b>20,752,687</b>	<b>21,534,528</b>	<b>21,936,972</b>	<b>21,490,563</b>	<b>21,490,563</b>	<b>21,754,136</b>	<b>263,573</b>
Level Services % Increase							
Additions and Reductions				-	-	115,699	115,699
<b>BUDGET TOTAL</b>	<b>20,752,687</b>	<b>21,534,528</b>	<b>21,936,972</b>	<b>21,490,563</b>	<b>21,490,563</b>	<b>21,869,835</b>	<b>379,272</b>
Change from previous year	458,235	781,840	402,444	(446,409)	(446,409)	379,272	
Percent change from previous y	2.3%	3.8%	1.9%	-2.0%	-2.0%	1.8%	

\*Please note that beginning in fiscal year 2015, choice and charter tuition costs were paid by the Town of Amherst and were no longer included in the school budget.

## AMHERST ELEMENTARY SCHOOLS

**RECOMMENDED by the Finance Committee vote of 5-0, with 1 absent and 1 abstaining.** (One member abstained from any discussion and vote on the school budget due to a potential conflict of interest.)

**Budget:** The recommended FY16 Amherst Elementary School budget is \$21,869,835. On March 17, 2015, the Amherst School Committee voted 3-0, 2 absent, to recommend this budget.

**Core Mission:** To provide all students with a high quality education that enables them to be contributing members of a multiethnic, multicultural, pluralistic society.

### FY16 Summary:

The FY16 Amherst elementary schools budget of \$21,869,835 is an overall increase of \$379,272 or 1.8% from the FY15 budget of \$21,490,563. The Finance Committee Budget Guidelines issued in November 2014 recommended a 2.20% increase for the Amherst elementary budget. The budget is \$100,000 less than the recommended Budget Guidelines.

The anticipated grants budget total for FY16 is \$1,096,821 with \$964,261 in total salaries and \$132,560 in total expenses. Since FY11 grant funding has decreased by \$583,178 or 34.7%. Revolving funds revenues total \$1,180,991. Salaries total \$452,868 and expenditures total \$1,147,129.

Including all revenues, projected total spending for the Amherst Schools for FY16 is \$24,113,785.

The State calculates the per-pupil cost at the end of each fiscal year after schools file their year-end reports. This cost represents spending from all sources which include appropriations, grants, and revolving funds. Based on the formula the State uses to calculate per-pupil cost, the School Director of Finance estimates that the estimated elementary school per pupil cost for FY16 is \$20,500, a slight increase from the FY15 per-pupil cost of \$19,600.

Major FY16 budget additions include \$360,000 for 6 Full-Time-Equivalents (FTE) for co-teaching professional special education staff, which is largely offset by a \$343,500 reduction of 16.5 FTE's para-educators. A sum of \$63,000 is added for kindergarten, which will lose some grant funding. Increased funding will also cover such things as after school vouchers, software, books, and a new school garden curriculum initiative. Additions total \$735,003.

Budget reductions include one classroom teacher due to declining enrollment, reduced staff time in the Central Office, sabbatical and staffing contingency funds, health insurance, and funds due to staff turnover. Reductions total \$619,304.

Regular instruction is \$6,692,183 or 30.60% of the budget, special education is \$5,064,412 or 23.16%, and employee and retiree health insurance is \$3,633,095 or 16.61%.

Other Post-Employment Benefits (OPEB), Charter School Tuition, and School Choice Tuition are not in the School budget, as they are part of the Town budget.

### Additional Information:

In FY16, the proposed major capital expenditures for the elementary schools are in the Town's Capital Plan budget and include buses, a SPED van, computer technology items, fire alarm system and major maintenance items. For all school capital requests, see the complete list in the Finance Committee Report under Capital Program Articles.

As part of the FY15 Capital Plan, Town Meeting voted to fund \$1,000,000 for the Wildwood Feasibility Study of which approximately 68.30% or \$683,000 is expected to be funded by the Massachusetts School Building Authority (MSBA). The process began with the appointment of a Wildwood School Building Committee comprised of parents, teachers, school and town officials, and community members in the fall of 2014. It has selected the Owner's Project Manager (OPM). The next step will be to establish a Designer Selection Committee, which will work with the OPM to conduct a search process to hire an architect/designer by the summer of 2015. Starting last fall, the entire Study is projected to take 18-24 months, with a target date for presentation to Town Meeting in the fall of 2016.

Budget savings over the past several years mainly have been related to declining enrollments in the elementary schools. The projected FY16 enrollment is 1,112 (not including preschool) a decline from FY15 of 27 students or 2.37%. Elementary enrollment is expected to continue a modest decline in coming years. As a fill-in, on February 10, 2015, with four members present, the Amherst School Committee voted unanimously to continue as a School Choice District. The openings in classrooms are on a space available basis requiring no additional staffing. Districts admitting Choice students receive \$5,000 per child from the sending school district.

Starting in FY13, the elementary enrollment figures include Choice-In students. In FY06 the K-6 enrollment was 1,417 students and the projection for FY16 is 1,112 for a loss of 305 students or 21.5% since FY06.

Based on official K-6 enrollment for FY15, as of December 18, 2014, enrollment is 361 for Fort River, 425 for Wildwood and 427 for Crocker Farm, which includes 64 pre-school children. The total enrollment for all students in the three schools is

## AMHERST ELEMENTARY SCHOOLS

---

1,213. Choice-In students number 53. For all elementary schools, children in Special Education total 212 or 17%, English Language Learners (ELL) students 186 or 15%, and children receiving Free/Reduced Lunch 540 or 45%.

As of March 2015, there are 47 elementary students who reside in tax-exempt University of Massachusetts student housing, some of whom receive English Language Learner (ELL) support services. Although the Schools and Town are always pleased to have international students and value the diversity they bring, there are significant costs associated with providing the necessary services to ensure that their educational experiences are successful. The estimated cost for these ELL services in FY15 for the 28 students in both the elementary and secondary schools is \$185,000. Projecting costs for services for these students is challenging, since the District is not aware of how many adult students will be attending the University and how many of them will enroll their children in the schools, and with some coming after the beginning of the school year.

The projection for Out-of-District Placement of Amherst students in FY16 is 225 and includes one student in Special Education, 72 students attending Charter Schools, and 21 Choice-Out students, of which 13 Amherst students are projected to attend Pelham School. In addition, 107 students are projected to attend private/parochial schools. Twenty four children are expected to be home-schooled in FY16.

Charter Schools include the Pioneer Valley Chinese Immersion Charter School, which enrolled 76 Amherst students this year, and the Hilltown Cooperative which enrolled one Amherst student this year. Choice-Out school districts include Greenfield, Deerfield, Leverett, MAVA, Northampton, Pioneer, Pelham, and Petersham.

Unlike Charter Schools and Choice-Out, which involve a financial responsibility from Amherst, private/ parochial school enrollment numbers for Amherst students are less accurate, since the numbers rely on information from families and/or requests for information from the receiving schools. Private schools have included Bement, Common School, Eagle Brook, Hartsbrook, and Smith College Campus School. School records indicate that this year students attending private/parochial schools number 107.

The Amherst elementary schools receive gifts and donations from individuals and companies. In the calendar year 2014, the elementary schools received a total of \$16,752.82.

The Superintendent, staff and Amherst School Committee will continue to review the \$21,869,835 budget and adjust the line items as appropriate.

A complete and detailed Amherst Elementary School budget is available at: [www.arps.org](http://www.arps.org).

## AMHERST ELEMENTARY SCHOOLS

### AMHERST PUBLIC SCHOOL

#### FY16 BUDGET

#### BUDGET ADDITIONS / (REDUCTIONS)

#### to Level Services Services Budget

#### Budget Additions

Department	FTE	\$\$	Total
Teaching & Learning		15,000	
Teaching & Learning	0.66	29,700	
Teaching & Learning		10,000	
Teaching & Learning	1.00	60,000	
Food Services		5,000	
Special Education	6.00	360,000	
Instrumental Music	0.60	36,000	
Afterschool Program		20,000	
Central Office	0.24	30,000	
Kindergarten	2.48	63,000	
Climate		6,000	
English Language Learners		34,500	
Transportation		5,000	
School Committee		7,500	
Human Resources		14,458	
Information Services		11,345	
Risk & Benefits		25,000	
Facilities		2,500	
	10.98		735,003

#### Budget Reductions

Department	FTE	\$\$	Total
Special Education	(16.50)	(343,500)	
Central Office	(0.68)	(70,000)	
Central Office	(0.42)	(25,000)	
Central Office	(0.42)	(22,000)	
Control Accounts		(48,804)	
Regular Education	(1.00)	(60,000)	
Risk & Benefits		(20,000)	
Staff Turnover		(30,000)	
	(19.02)		(619,304)

#### **Net Budget Additions / (Reductions)**

(8.04)	115,699	115,699
--------	---------	---------

#### **Net Target Budget Additions / (Reductions)**

215,699

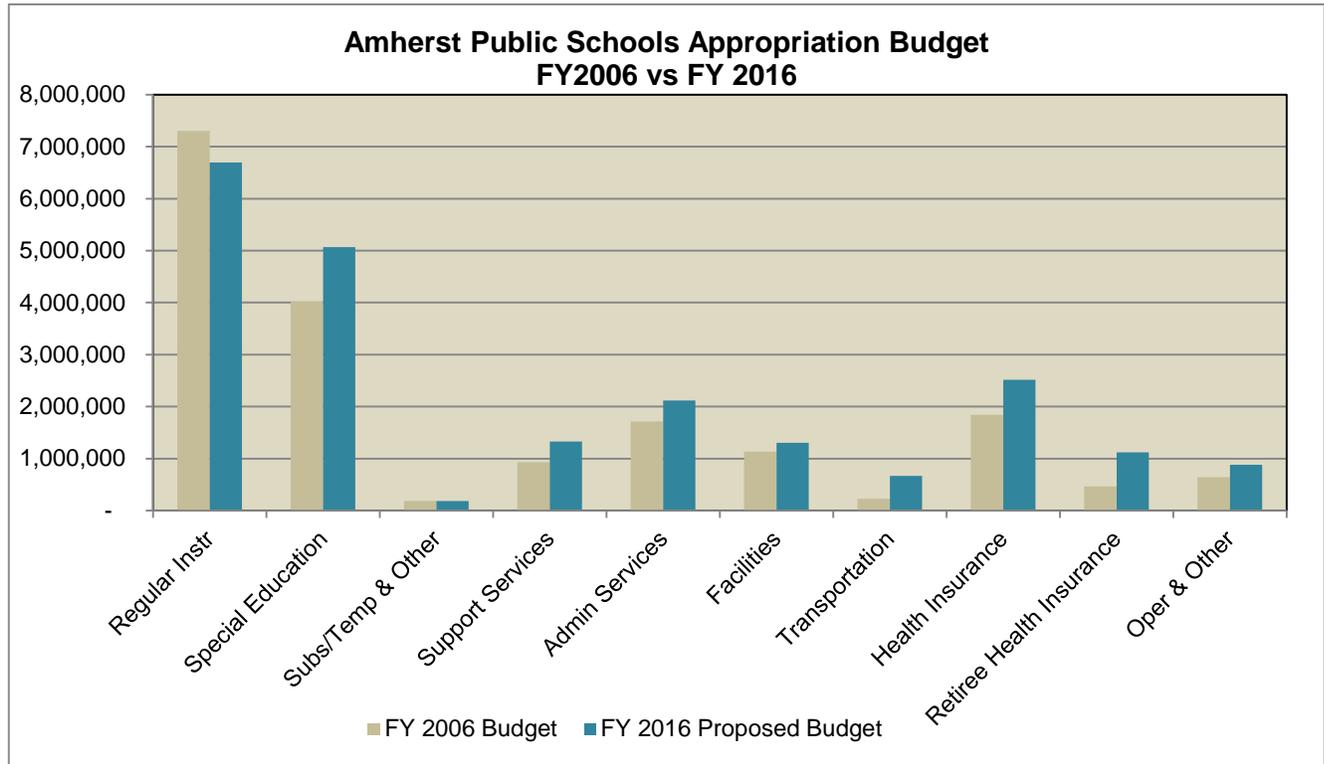
Net additions (reductions) required to meet projected budget support

100,000

**\*Reflects amount less than the originally targeted 2.2% FY16 budget increase.**

## AMHERST ELEMENTARY SCHOOLS

### FY15 and FY06 Budget Comparison

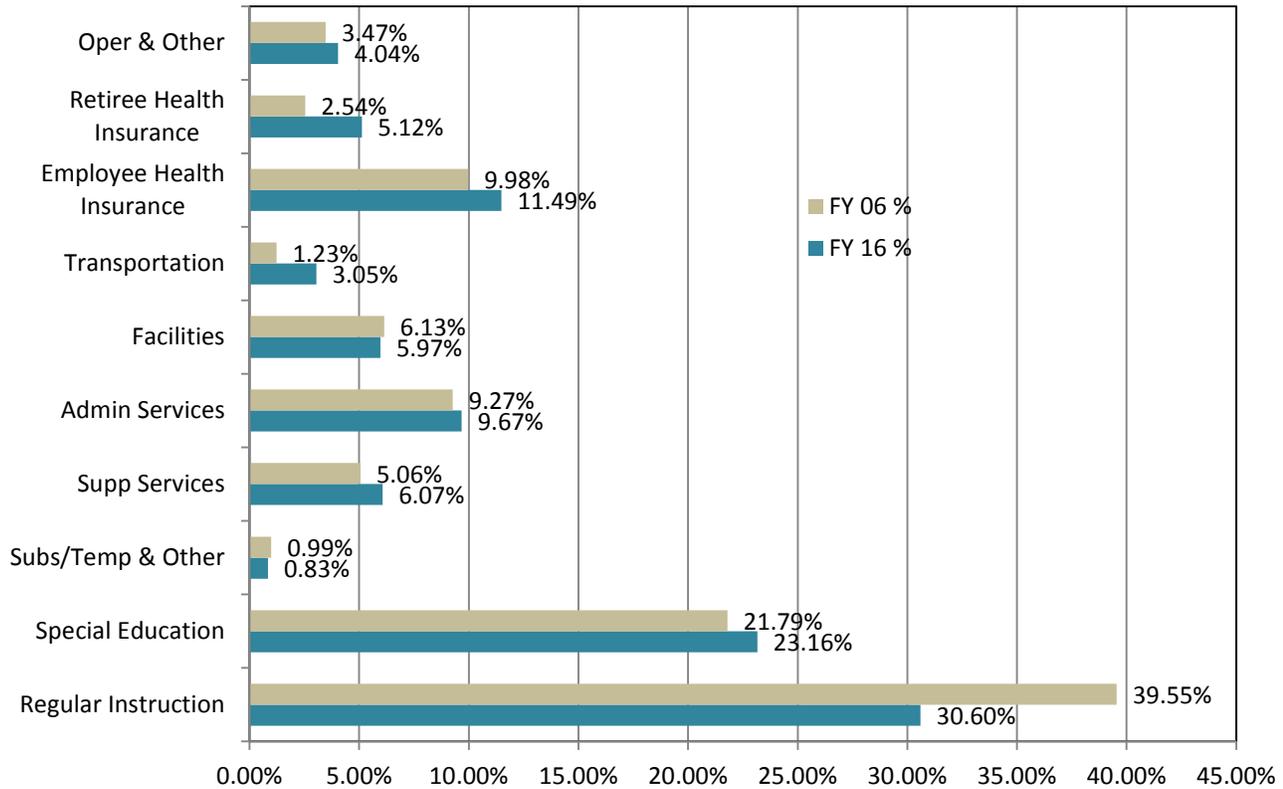


	FY 2006 Budget	FY 2016 Proposed Budget	Change	% Change
Regular Instr	7,299,192	6,692,183	(607,009)	-8.32%
Special Education	4,022,220	5,064,412	1,042,192	25.91%
Subs/Temp & Other	182,256	182,448	192	0.11%
Support Services	933,388	1,327,030	393,642	42.17%
Admin Services	1,710,629	2,115,764	405,135	23.68%
Facilities	1,131,895	1,304,763	172,868	15.27%
Transportation	226,760	666,280	439,520	193.83%
Health Insurance	1,841,240	2,512,416	671,176	36.45%
Retiree Health Insurance	467,856	1,120,679	652,823	139.54%
Oper & Other	640,278	883,860	243,582	38.04%
	18,455,714	21,869,835	3,414,121	18.50%

Regular Instruction	This section includes payroll and expenses for the following departments: Pre-school, Kindergarten, Art, Music, World Language, Physical Education, Reading, Technology, Resource Programs, Classroom Instruction, English Language Learner, Classroom Program Support, Program Development, Summer School, School Choice Assessment, and Charter School Assessment
Special Education	This section includes payroll and expenses for SE Administration, SE Pre-School, SE Instruction, SE Psych Services, SE Specialists, and SE District Specialists
Subs/Temp & Other	This section includes payroll and expenses for Substitutes
Support Services	This section includes payroll and expenses for the following departments: Libraries, Production Support Center, Media Support Center, Student Services, Guidance Services, Health Services, and Staff Development
Admin Services	This Section includes School Administration, Superintendent's Office, Human Resources, Business Office, and Information Systems
Facilities	This section includes payroll and expenses for Facility Management, Custodial Services, Maintenance Services, and Utilities
Transportation	This section includes payroll and expenses for Transportation
Health Insurance	This section includes the health insurance expense for active personnel
Retiree Health Insurance	This section includes the health insurance expense for retired personnel
Oper & Other	This section includes expenses for Food Services, Risk & Benefit Management, and the Control Accounts. Health insurance has been shown separately from Risk and Benefit Management and is reflected above

## AMHERST ELEMENTARY SCHOOLS

Percentage of Budget Comparison FY16 to FY06



Budget Categories	FY 2016 Proposed Budget	FY 16 %	FY 2006 Budget	FY 06 %
Regular Instruction	6,692,183	30.60%	7,299,192	39.55%
Special Education	5,064,412	23.16%	4,022,220	21.79%
Subs/Temp & Other	182,448	0.83%	182,256	0.99%
Supp Services	1,327,030	6.07%	933,388	5.06%
Admin Services	2,115,764	9.67%	1,710,629	9.27%
Facilities	1,304,763	5.97%	1,131,895	6.13%
Transportation	666,280	3.05%	226,760	1.23%
Employee Health Insurance	2,512,416	11.49%	1,841,240	9.98%
Retiree Health Insurance	1,120,679	5.12%	467,856	2.54%
Oper & Other	883,860	4.04%	640,278	3.47%
	21,869,835	100%	18,455,714	100%

43  
FINANCE COMMITTEE REPORT - FY16

## AMHERST ELEMENTARY SCHOOLS

**Full-Time Equivalent Employees:**

AMHERST PUBLIC SCHOOL  
FY16 DISTRICT STAFFING PROFILE  
From All Funding Sources

Staffing Analysis by F.T.E.*	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	Change
<b>Building Specific Personnel:</b>							
Administrative Staff	6.00	6.00	6.00	6.00	6.00	6.00	-
Administrative Support Staff	7.70	8.06	8.58	8.51	8.51	8.51	-
<b>Professional Staff</b>							
Pre-School	1.20	1.00	-	-	-	-	-
Kindergarten	7.00	8.00	8.00	8.00	7.00	7.00	-
Art	2.70	2.70	2.70	2.20	3.00	3.00	-
Music (Classroom/Instrumental)	5.25	5.25	5.25	4.95	5.65	5.65	-
World Language	1.50	1.50	1.50	-	-	-	-
Physical Education	3.00	2.70	2.70	2.40	3.00	3.00	-
Reading	5.10	6.60	4.00	3.50	3.00	3.00	-
Technology Education	3.00	3.00	3.00	3.00	3.00	3.00	-
Science Education	1.30	1.50	-	-	-	-	-
Classroom Education	62.20	51.00	51.00	50.00	50.00	50.00	-
Intervention	2.50	6.20	7.70	8.10	8.60	8.60	-
English Language Learner	10.50	10.30	10.00	9.80	9.60	9.60	-
Special Education	19.55	21.81	21.25	21.75	21.75	21.75	-
Guidance	4.00	4.00	4.00	3.00	3.00	3.00	-
Library	3.00	3.00	3.00	3.00	3.00	3.00	-
Health Services	3.00	3.00	3.00	3.00	3.00	3.00	-
Curriculum	-	2.50	4.00	3.00	3.00	3.00	-
<b>Paraeducator Staff, LPN's, and Other</b>							
Regular Education	12.72	15.96	20.95	17.00	16.92	16.92	-
Special Education	55.91	55.90	63.00	60.46	60.50	60.50	-
LPN's	1.60	0.60	0.60	-	-	-	-
Library Paraeducator	1.96	1.99	1.80	1.87	3.05	3.05	-
<b>Total Building Specific Personnel</b>	<b>220.69</b>	<b>222.57</b>	<b>232.04</b>	<b>219.54</b>	<b>221.58</b>	<b>221.58</b>	<b>-</b>
<b>District Program &amp; Support Personnel</b>							
District-wide Special Education Services	44.11	45.91	41.90	41.52	44.19	44.19	-
Other Support Services	1.53	1.06	1.06	3.06	2.06	2.06	-
Student Services	0.12	0.72	1.13	2.21	2.16	2.16	-
Central Administration and Staff	6.40	6.90	7.86	9.33	10.18	10.18	-
Information Systems	2.66	3.06	2.62	3.04	3.04	3.04	-
Facilities & Operations	16.42	16.42	16.39	16.39	16.29	16.29	-
<b>Total District &amp; Support Personnel</b>	<b>71.24</b>	<b>74.07</b>	<b>70.95</b>	<b>75.54</b>	<b>77.91</b>	<b>77.91</b>	<b>-</b>
<b>Net Budgeted Additions / (reductions)</b>						(10.52)	(10.52)
<b>District Total</b>	<b>291.93</b>	<b>296.64</b>	<b>302.99</b>	<b>295.08</b>	<b>299.48</b>	<b>288.96</b>	<b>(10.52)</b>

\* F.T.E.= Full Time Equivalent includes all staff regardless of funding source

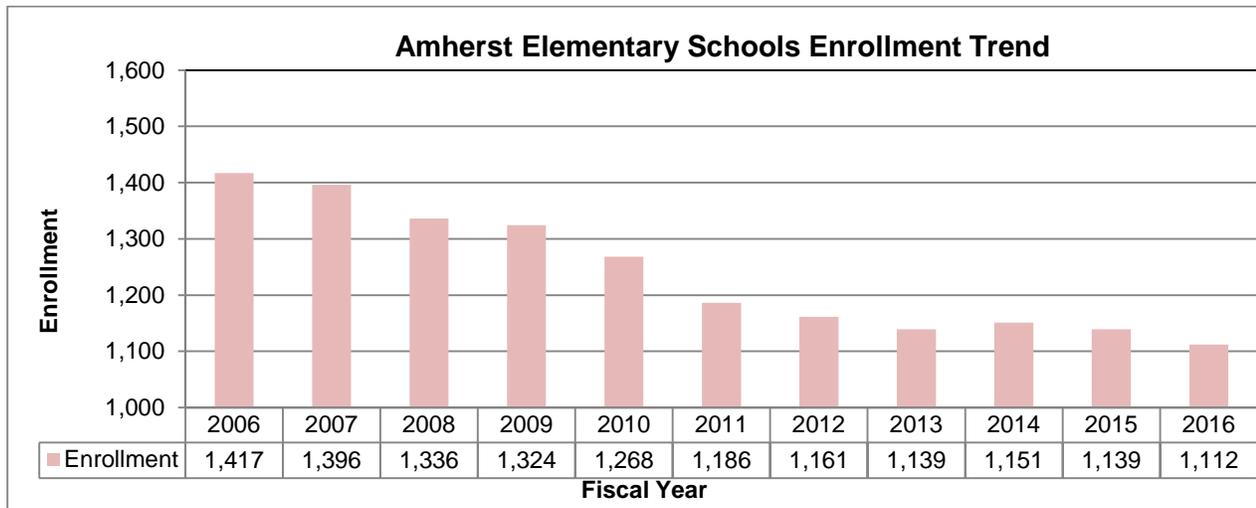
\* FY10, FY11, FY12, FY13, FY14, and FY15 data as of October 31st of the given year

## AMHERST ELEMENTARY SCHOOLS

### AMHERST ELEMENTARY ENROLLMENTS

Historically, enrollments for subsequent school years are projected each October 1, based on actual enrollments for the current year using a cohort survival method. This method utilizes a rolling five-year enrollment average in order to establish a survival factor; that is, the variable increase or decrease in the average serves to project enrollments into the next few years. This is an established, reliable method of conducting projections. However, the most challenging level to predict is that of incoming kindergarten students. The Town Census does not capture all of the four-year olds in Amherst and typically fails to report 35% to 40% of the kindergarteners that report to school in subsequent years.

Overall, the K-12 student population of the Town of Amherst is in decline. There is no current evidence that more children than is typical are enrolling in private schools, though there are more children and families opting for Charter School placements.



#### Enrollment History and Projection

FY	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Kindergarten</b>	195	192	176	178	173	130	148	149	152	142	142
<b>Grade 1</b>	193	181	185	185	179	165	142	158	166	149	151
<b>Grade 2</b>	200	198	179	182	181	175	172	145	161	170	153
<b>Grade 3</b>	206	206	205	175	176	167	179	168	141	166	170
<b>Grade 4</b>	204	199	194	207	181	190	170	174	168	155	169
<b>Grade 5</b>	206	196	201	196	196	175	181	168	191	173	157
<b>Grade 6</b>	213	224	196	201	182	184	169	177	172	184	170
<b>Total</b>	<b>1,417</b>	<b>1,396</b>	<b>1,336</b>	<b>1,324</b>	<b>1,268</b>	<b>1,186</b>	<b>1,161</b>	<b>1,139</b>	<b>1,151</b>	<b>1,139</b>	<b>1,112</b>
<b>Percentage Change</b>	<b>-0.91%</b>	<b>-1.48%</b>	<b>-4.30%</b>	<b>-0.90%</b>	<b>-4.23%</b>	<b>-6.47%</b>	<b>-2.11%</b>	<b>-1.89%</b>	<b>1.05%</b>	<b>-1.04%</b>	<b>-2.37%</b>

#### Amherst Choice-in Students

FY 13	FY 14	FY 15	FY 16
29	38	53	52

#### Off Campus Enrollment

	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY 16 Projected
Choice – Out	31	27	29	29	24	19	21
Charter Schools	36	43	52	55	62	77	72
Private Schools	-	-	-	126	106	106	
Special Education Out-of-District	3	2	4	3	2	1	1
Home School	-	-	-	23	28	28	

## AMHERST-PELHAM REGIONAL SCHOOLS

**RECOMMENDED by the Finance Committee vote of 5-0, 1 absent, 1 abstaining.** (One member abstained from any discussion and vote on the school budget due to a potential conflict of interest.)

**Budget:** On March 10, 2015 the Regional School Committee voted 8-0-1 absent to recommend the Regional School District budget of \$30,022,840 and \$14,825,506 for the Amherst assessment to support the budget.

**Core Mission:** To provide all students with a high-quality education that will enable them to be contributing members of a multiethnic, multicultural, pluralistic society.

### **FY16 Summary:**

The FY16 Regional budget of \$30,022,840 is an overall increase of \$404,362 or 1.4% over the FY15 budget of \$29,618,478. Based on the Regional School District Assessment Formula, the combined assessment for all four towns is \$19,160,583 which is \$425,830 or 2.27% over FY15. The Amherst assessment increases by \$361,598 or 2.50% from the current year and meets the Finance Committee Guidelines of November 2014, which recommended a 2.5% increase in Amherst's FY16 assessment for the Regional Schools.

The anticipated grants budget total for FY16 is \$333,278 with \$289,882 in total salaries and \$43,396 in total expenses. Since FY11 grant funding has decreased by \$846,038 or 71.7%. The cause of this drop relates to the temporary federal grant funds that were available in FY11 but have since been eliminated. Revolving fund revenues for FY16 total \$1,992,556. Total expenses are \$1,988,343.

Projected total spending for the Regional Schools in FY16 is \$32,344,461, which includes all revenues.

The State calculates the per-pupil cost at the end of each fiscal year after schools file their year-end reports. This cost represents spending from all sources, which include appropriations, grants, and revolving funds. The Region's per-pupil cost was \$19,574 in FY14, the last year officially computed by the State. Based on the formula the State uses to calculate per-pupil cost, the School Director of Finance estimates that the Region's per-pupil cost for FY16 will be \$21,434, which is slightly lower than the FY15 per-pupil cost of \$21,297.

The FY16 budget includes \$305,579 to fund an increase of 2.40 full-time-equivalents (FTE) staff in music, integrated arts, afterschool ensemble, art, special education, co-teaching, and clerical support. Other additions include such items as software, dues/stipends, translation tutors, and the AVID program.

Due to declining enrollments and stagnant state aid, and consistent with district priorities, FY16 budget reductions of \$1,288,312 include 18.20 FTE's across the Central Office and both the Middle and High Schools.

Regular education instruction for FY16 is 28.86% of the budget, special education is 21.37%, and employee and retiree health insurance is 13.8%.

The estimated net Other Post-Employment Benefits (OPEB) obligation is presented in the budget and, as of FY15, is projected at \$23,692,774. OPEB benefits are comprised primarily of the employer's obligation for retiree health insurance. Pension costs are not included in other post-employment benefits. The Regional District has not made any OPEB contributions to date. On March 10, 2015, the Regional School Committee approved an Investment Policy by a vote of 8-0, 1 absent. The Policy will cover the investment of General Funds, Special Revenue and Agency Funds, Debt Service Funds, Capital Projects Funds, Trust Funds and Stabilization Funds. The Policy will cover OPEB Funds. On March 24, 2015 the school committee received a draft OPEB trust agreement.

### **Additional Information:**

In 2010 the Regional School Committee adopted a policy for developing a formal capital needs planning process. A capital improvement is a tangible asset or project with an estimated useful life of five years or more and a cost of \$5,000 or more. When the School Committee approves a capital request, the Regional Agreement Assessment Formula determines each town's share of the request and Amherst's Regional share becomes part of the Town's Capital Plan, which is voted at Town Meeting. For FY16 Amherst's estimated share of the Capital Budget Assessment is \$156,763. On March 10, 2015, the Regional School Committee voted 7-0, 1 abstaining and 1 absent to appropriate the sum of \$310,000 for the projects being proposed for FY16: high school access control upgrade, gym bleachers, intercom system, storage trailers, and middle school elevator upgrade.

Declining enrollments in the Regional Schools have been one reason for some budget reductions over the past few years. In FY06 the Middle and High School enrollment was 1,924 students and the projection for FY16 is 1,424, a loss of 500 students or 25.97%. The projected loss from FY15 to FY16 is 48 students or 3.26%. Choice-In students in FY15 number 89 and are projected for FY16 to be 85. Choice-In openings are on a space-available basis, and minimal additional staffing is required. Districts admitting Choice-In students receive \$5,000 per child from the sending school district. The Regional enrollment figures for FY15 and projected FY16 include Choice-In students.

## AMHERST-PELHAM REGIONAL SCHOOLS

As of March 2015, there are nine Regional students who reside in tax-exempt University of Massachusetts student housing, some of whom are enrolled in the English Language Learner (ELL) support program. While the Schools and Town are always pleased to have international students and value the diversity they bring, there are significant costs associated with providing the necessary services to ensure that their educational experiences are successful. In addition to some ELL costs, one student has chosen Smith Vocational School during the 2014-2015 school year, which has a tuition rate of \$18,200. Projecting costs for services for these students is challenging, since the District is not aware of how many adult students will be attending the University, how many of them will enroll their children in the schools, and when their children will be entering school.

In FY15, 49 regional students attended Vocational Schools, with 55 projected for FY16. Charter students in FY15 number 78 and for FY16 the projected number is 83. For FY15 Choice-Out students number 31 with 32 expected in FY16. Special Education placements number 16 this year, with 15 for FY16.

Unlike Vocational, Charter, and Choice-Out Schools, which involve a financial responsibility from Amherst, private school enrollment numbers for Amherst students are less accurate, since the numbers rely on information from families and/or requests for information from the receiving schools. School records indicate that this year 96 students who would otherwise attend the regional schools, attended private schools. In addition, 24 regional students are home-schooled. This year the total Out-of-District enrollment is 294 students.

Vocational schools attended by Amherst students include Pathfinder, Franklin County Technical, and Smith Vocational. Charter schools include Pioneer Valley Performing Arts High School, Hilltown Cooperative Charter School, Pioneer Valley Immersion School, and Four Rivers Charter Public. Choice-Out schools include Frontier, Gill Montague, Granby, Hampshire, Hatfield, Holyoke, Northampton, Pioneer, and Mahar. Private schools include Bement, Deerfield Academy, Eagle Brook, Hartsbrook, MacDuffie, Phillips Academy, Stoneleigh-Burnham, Williston Northampton School, and Wilbraham/Monson Academy.

The Regional Schools receive gifts and donations from individuals and companies. In the calendar year 2014, the Regional Schools received a total of \$121,584.

The Superintendent, staff and Regional School Committee will continue to review the \$30,022,840 budget and adjust the line items as appropriate.

A complete and detailed Regional School budget is available at: [www.arps.org](http://www.arps.org),

AMHERST-PELHAM REGIONAL SCHOOLS							
FY2016 BUDGET							
REVENUES SUPPORTING OPERATING BUDGET							
	FY12	FY13	FY14	FY15	FY16	Difference	
Revenue							
Chapter 70	9,120,106	9,233,467	9,272,992	9,338,008	9,341,857	3,849	0.0%
Chapter 70 to Stabilization	(90,000)	(94,200)	(91,000)	(87,800)	(84,600)	3,200	
SUBTOTAL: available from Ch 70	9,030,106	9,139,267	9,181,992	9,250,208	9,257,257	7,049	
Transportation Reimbursement	502,414	508,140	531,846	625,000	625,000	-	
Medicaid Reimbursement	95,000	120,000	98,100	92,443	90,000	(2,443)	
Charter Reimbursement	189,670	157,881	224,280	171,455	190,000	18,545	
Choice Revenues	300,000	-	-	-	-	-	
Indirect Cost Reimbursement	25,000	-	-	-	-	-	
Interest Revenue	25,000	14,000	14,000	14,000	20,000	6,000	
E&D for budget support	450,000	633,441	500,000	450,619	400,000	(50,619)	
E&D for contingency	280,000	280,000	280,000	280,000	280,000	-	
Assessments	17,317,645	17,674,829	18,300,597	18,734,753	19,160,583	425,830	
Total Revenue	28,214,835	28,527,558	29,130,815	29,618,478	30,022,840	404,362	1.4%
Total Expense	28,214,835	28,527,558	29,130,815	29,618,478	30,022,840	404,362	1.4%
Revenue less Expense	-	-	-	-	-	-	
Assessments							
Amherst	13,506,166	13,746,434	14,158,830	14,463,908	14,825,506	361,598	2.50%
Pelham	1,171,256	1,205,893	1,259,488	1,261,955	1,214,614	(47,341)	-3.75%
Leverett	1,238,608	1,297,147	1,398,899	1,439,988	1,465,029	25,041	1.74%
Shutesbury	1,401,615	1,425,355	1,483,380	1,568,902	1,655,434	86,532	5.52%
	17,317,645	17,674,829	18,300,597	18,734,753	19,160,583	425,830	2.27%
	2.8%	2.1%	3.5%	2.4%	2.3%		

## FINANCE COMMITTEE REPORT - FY16

## AMHERST-PELHAM REGIONAL SCHOOLS

## 25% OF GENERAL FUND OPERATING BUDGETS

	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Original Budget	FY15 Current Budget	FY16 Budget	Difference
<b>PAYROLL ACCOUNTS</b>							
Regular Education	6,878,676	7,397,712	6,717,776	6,771,620	6,601,050	6,875,139	274,089
Special Education	4,417,500	4,482,516	4,623,964	4,632,417	4,607,097	4,655,717	48,620
Other Programs	252,396	246,855	281,733	264,614	264,848	269,168	4,320
Support Services	1,315,766	1,329,581	1,396,736	1,565,747	1,590,483	1,681,325	90,842
School Administration	1,261,674	1,232,567	1,208,762	1,172,232	1,274,205	1,248,364	(25,841)
Central Administration	617,478	668,491	659,919	542,759	688,945	751,847	62,902
Information Systems	184,726	207,503	199,608	197,931	204,990	206,778	1,788
Facilities	773,158	774,779	798,136	749,809	738,642	760,205	21,563
Transportation	406,577	394,652	410,175	435,538	435,538	422,966	(12,572)
Total Salaries	16,107,951	16,734,657	16,296,809	16,332,667	16,405,798	16,871,509	465,711
Substitutes	111,192	153,644	129,154	142,094	137,384	142,094	4,710
<b>EXPENSE ACCOUNTS:</b>							
Regular Education	1,258,597	1,329,466	1,466,967	1,623,579	1,724,634	1,790,742	66,108
Special Education	1,336,177	1,423,261	1,313,913	1,708,284	1,705,884	1,760,483	54,599
Other Programs	627,360	100,788	675,613	753,373	934,813	1,094,403	159,590
Support Services	138,654	156,118	103,111	148,353	148,902	132,357	(16,545)
School Administration	75,044	68,942	56,192	72,563	74,963	69,104	(5,859)
Central Administration	184,714	289,962	264,571	234,753	242,187	221,960	(20,227)
Information Systems	258,911	319,652	302,653	278,149	277,336	278,149	813
Facilities	288,178	297,479	396,127	281,052	281,052	280,978	(74)
Utilities	855,827	782,538	774,117	857,376	846,824	906,682	59,858
Transportation	920,841	955,282	972,110	990,929	991,359	988,489	(2,870)
Health Insurance							
Employees	2,502,911	2,458,853	2,688,888	2,725,646	2,639,032	2,665,250	26,218
Retirees	1,444,288	1,297,197	1,423,094	1,445,552	1,445,923	1,478,242	32,319
Other Operation Services	1,440,829	1,535,120	1,646,127	1,712,347	1,646,790	1,867,264	220,474
Other Programs & Control Accts	1,000	1,013	1,000	311,761	115,597	457,867	342,270
Total Expenses	11,333,330	11,015,673	12,084,483	13,143,717	13,075,296	13,991,970	916,674
<b>LEVEL SERVICES TOTAL</b>	<b>27,552,473</b>	<b>27,903,973</b>	<b>28,510,446</b>	<b>29,618,478</b>	<b>29,618,478</b>	<b>31,005,573</b>	<b>1,387,095</b>
Level Services % Increase							
Additions and Reductions	-	-	-	-	-	(982,733)	(982,733)
<b>BUDGET TOTAL</b>	<b>27,552,473</b>	<b>27,903,973</b>	<b>28,510,446</b>	<b>29,618,478</b>	<b>29,618,478</b>	<b>30,022,840</b>	<b>404,362</b>
Change from previous year	283,614	351,501	606,473	1,108,032	0	404,362	
Percent change from previous year	1.0%	1.3%	2.2%	3.9%	0.0%	1.4%	

## AMHERST-PELHAM REGIONAL SCHOOLS

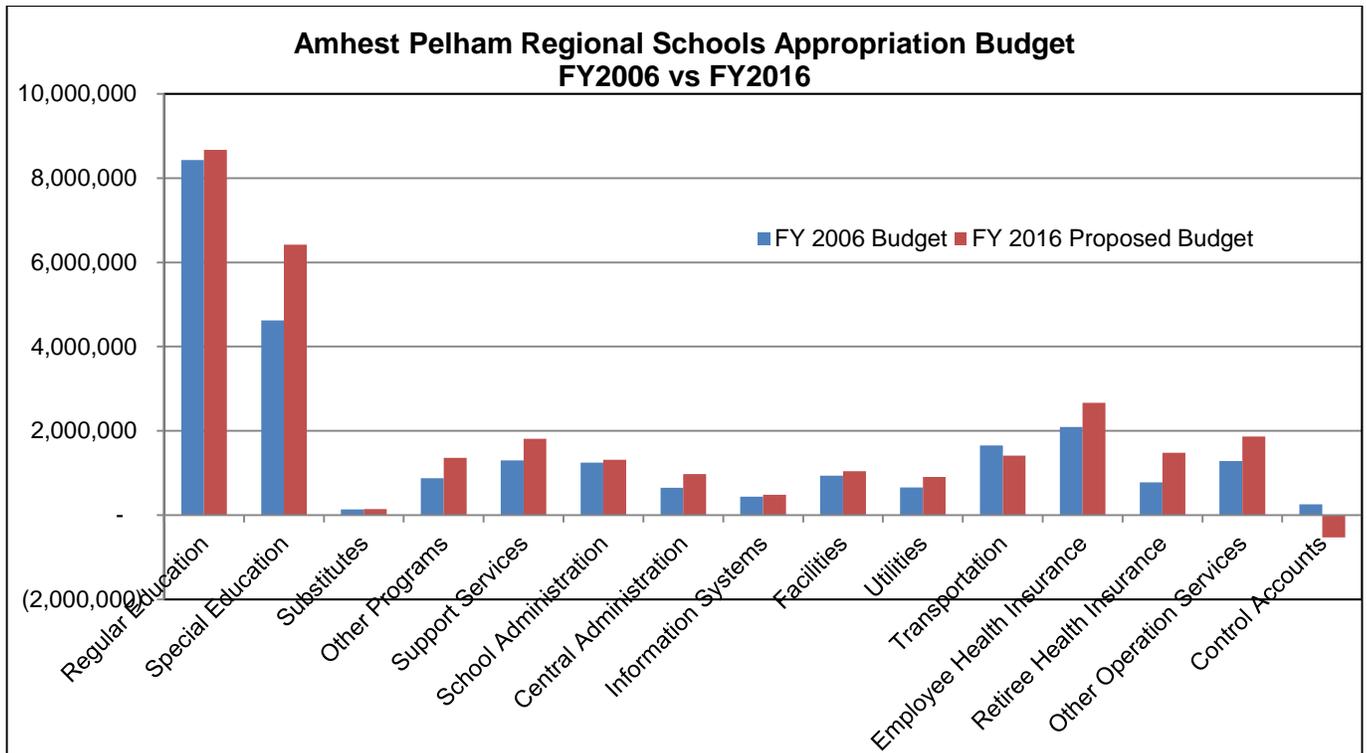
### AMHERST-PELHAM REGIONAL SCHOOL DISTRICT

FY16 BUDGET

#### BUDGET ADDITIONS / (REDUCTIONS) to Level Services Budget

Department	Description	FTE	\$\$	Total
<b>Budget Additions</b>				
Teaching & Learning	Clerical Support	0.30	13,500	
Human Resources	Time & Attendance Software / Recruitment		14,458	
Risk & Benefits	Unemployment		25,000	
Info Systems	Loss of E-Rate Funding		17,179	
Special Education	Dues/Stipends		22,900	
English Language Learners	Translations/Tutors		25,842	
Climate	Amherst Together Supplies		6,000	
School Committee	Financial Audit		2,500	
Superintendent	AVID		20,000	
Facilities	Asbestos Mgmt, Plumbing, Licenses		12,600	
Transportation	School Bus Tires		2,000	
Middle School	Instructional Supplies		3,000	
Middle School	Professional Staff - Music	0.40	24,000	
Middle School	Professional Staff - Integrated Arts	1.00	60,000	
Middle School	Afterschool Ensemble	-	15,000	
High School	Professional Staff - Art	0.10	6,000	
High School	Professional Staff - Special Education	0.20	12,000	
High School	Professional Staff - Co-teaching	0.40	23,600	
		2.40		305,579
<b>Budget Reductions</b>				
Central Office	Family Center - Paraeducator	(1.00)	(26,000)	
Central Office	Teaching & Learning - STEM Coordinator	(0.20)	(20,000)	
Central Office	Grants Manager	(0.54)	(32,000)	
Central Office	Business Office - Budget Analyst	(0.54)	(22,000)	
Central Office	Reallocation of Asst. Superintendent Funding	(0.24)	(30,000)	
Transportation	Van Driver	(0.63)	(13,500)	
Middle School	Professional Staff - World Language	(0.35)	(21,000)	
Middle School	Paraeducator	(1.00)	(20,000)	
Middle School	Administrator - Climate Coordinator	(1.00)	(90,000)	
Middle School	Administrator - Assistant Principal	(1.00)	(90,000)	
District	Custodian	(1.00)	(34,200)	
High School	Professional Staff - English	(1.20)	(72,000)	
High School	Professional Staff - Math	(1.20)	(72,000)	
High School	Professional Staff - Science	(0.60)	(36,000)	
High School	Professional Staff - Social Studies	(1.00)	(60,000)	
High School	Professional Staff - World Language	(0.60)	(36,000)	
High School	Professional Staff - Business/Tech/Computer	(1.20)	(72,000)	
High School	Professional Staff - PE/Health/FCS	(0.60)	(36,000)	
High School	Professional Staff - Performing Arts	(0.20)	(12,000)	
High School	Professional Staff - Strive	(0.10)	(6,000)	
High School	Paraeducators - Special Education	(3.00)	(60,000)	
High School	Administrator - Assistant Principal	(1.00)	(90,000)	
Control Accounts	Sabbatical & Staffing Contingency		(124,170)	
Risk & Benefits	Health Insurance		(97,668)	
Risk & Benefits	Prepayment of Retirement Incentives in FY15		(45,774)	
Staff Turnover			(70,000)	
		(18.20)		(1,288,312)
<b>Net Budget Additions / (reductions)</b>		(15.80)	(982,733)	(982,733)
<b>Net TARGET Budget Additions / (reductions)</b>				(982,733)
Net reductions required to meet projected budget support				-

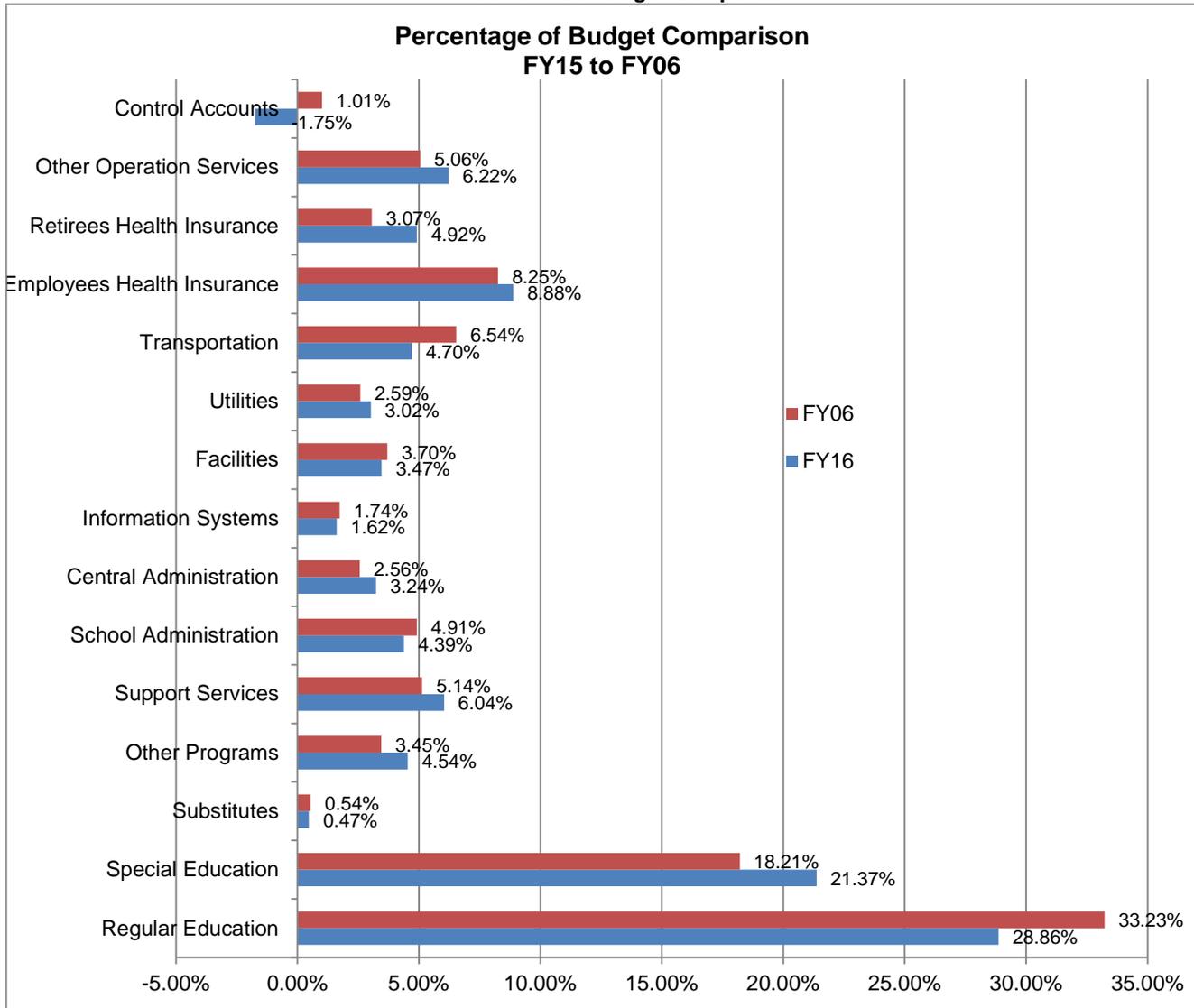
## AMHERST-PELHAM REGIONAL SCHOOLS



Regular Instruction	This section includes payroll and expenses for the following departments: English, Math, Science, Social Studies, Art, Music, World Language, Physical Education, Reading, Technology, Health Education, English Language Learner, Classroom Program Support, Program Development, Summer School, Computer Instruction, Performing Arts, School Choice Assessment, Business Education, Family Consumer Science, and Charter School Assessment
Special Education	This section includes payroll and expenses for SE Administration, SE Instruction, SE Psych Services, SE Specialists, SE District Specialists, and SE Alternative Education programs
Subs/Temp & Other	This section includes payroll and expenses for Substitutes
Other Programs	This section includes vocational tuitions, athletic programs, and stipends for after school club coordinators.
Support Services	This section includes payroll and expenses for the following departments: Libraries, Production Support Center, Media Support Center, Student Services, Guidance Services, Health Services, and Staff Development
School Administration	This section includes payroll and expenses for the High School and Middle School administration.
Central Administration	This section includes payroll and expenses for School Committee, Superintendent's Office, Human Resources, and Business Office.
Information Systems	This section includes payroll and expenses for the Information Systems office.
Facilities	This section includes payroll and expenses for Facility Management, Custodial Services, Maintenance Services, and Utilities
Utilities	This section includes expenses for heating, electricity, water & sewer, and telephone usage.
Transportation	This section includes payroll and expenses for Transportation Services
Employee Health Ins.	This section includes the health insurance expense for active personnel
Retiree Health Ins.	This section includes the health insurance expense for retired personnel
Other Operation Services	This section includes expenses for Food Services, Risk & Benefit Management, and the Control Accounts. Health insurance has been shown separately from Risk and Benefit Management and is reflected above. Transfers are also included here.
Control Accounts	This section includes contingencies for maternity leave, sabbatical, unit and non unit contract negotiations, increases and reductions etc...

## AMHERST-PELHAM REGIONAL SCHOOLS

### FY15 and FY06 Budget Comparison



Five Year Comparison	FY16 Proposed			
	Budget	FY16	FY06 Original Budget	FY06
Regular Education	8,665,881	28.86%	8,429,165	33.23%
Special Education	6,416,200	21.37%	4,619,577	18.21%
Substitutes	142,094	0.47%	138,001	0.54%
Other Programs	1,363,571	4.54%	874,976	3.45%
Support Services	1,813,682	6.04%	1,302,659	5.14%
School Administration	1,317,468	4.39%	1,246,328	4.91%
Central Administration	973,807	3.24%	649,310	2.56%
Information Systems	484,927	1.62%	441,375	1.74%
Facilities	1,041,183	3.47%	939,560	3.70%
Utilities	906,682	3.02%	657,480	2.59%
Transportation	1,411,455	4.70%	1,658,178	6.54%
Employees Health Insurance	2,665,250	8.88%	2,092,706	8.25%
Retirees Health Insurance	1,478,242	4.92%	777,508	3.07%
Other Operation Services	1,867,264	6.22%	1,282,613	5.06%
Control Accounts	(524,866)	-1.75%	256,311	1.01%
<b>Total</b>	<b>30,022,840</b>	<b>100%</b>	<b>25,365,747</b>	<b>100%</b>

## AMHERST-PELHAM REGIONAL SCHOOLS

**Full-Time Equivalent Employees:**

**Amherst Pelham Regional Schools  
FY16 District Staffing Profile  
From All Funding Sources**

Staffing Analysis by F.T.E.*	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	Change
<b>Building Specific Personnel:</b>						
Administrative Staff	5.34	6.00	5.90	5.90	5.90	-
Administrative Support Staff	13.80	14.20	13.00	13.00	13.00	-
<b>Professional Staff</b>						
English	13.40	15.90	14.90	15.50	15.50	-
Math	16.30	17.40	17.60	18.10	18.20	0.10
Science	14.72	16.82	16.00	14.65	14.65	-
Social Studies	15.60	15.70	14.80	13.70	14.30	0.60
Language	12.57	12.20	12.38	12.20	12.00	(0.20)
Music	3.60	3.60	3.40	3.40	3.40	-
Art	4.80	4.80	4.80	4.80	4.80	-
Physical Education	5.00	5.00	3.90	4.00	4.00	-
Reading	1.00	-	-	-	-	-
Technology Education	5.00	5.00	5.00	2.90	2.90	-
Theater & Dance	2.70	2.70	2.70	2.70	2.70	-
Business Education, Health Education	1.38	1.38	1.58	2.38	2.00	(0.38)
Family Consumer Science	2.00	2.00	1.40	1.40	1.40	-
Classroom Support	1.00	1.00	-	-	-	-
English Language Learner	4.20	4.00	4.00	3.70	3.70	-
Special Education	35.00	34.10	32.80	32.80	32.80	-
Guidance	11.02	10.32	10.32	10.32	10.70	0.38
Library	2.00	2.00	2.00	2.00	2.00	-
Health Services	2.00	2.00	2.00	2.00	2.00	-
Athletics Department	2.00	2.60	2.60	2.60	2.60	-
Student Activity	0.40	0.40	0.40	0.40	0.40	-
<b>Paraeducator Staff, LPN's, and Other</b>						
Regular Education	3.59	7.00	7.37	6.08	6.08	-
Special Education	61.00	58.45	57.85	55.95	54.95	(1.00)
LPN's	1.40	1.40	2.00	2.00	2.00	-
Library Paraprofessionals	2.50	2.50	2.50	2.50	2.50	-
Other	2.20	2.20	2.20	2.20	2.20	-
<b>Total Building Specific Personnel</b>	<b>245.52</b>	<b>250.67</b>	<b>243.40</b>	<b>237.18</b>	<b>236.68</b>	<b>(0.50)</b>
<b>District Program &amp; Support Personnel</b>						
District-wide Special Education Services	15.00	15.48	15.46	14.74	14.74	-
Other Support Services	3.94	3.94	4.94	5.94	5.94	-
Student Services	0.53	1.13	1.00	3.15	3.15	-
Central Administration	9.57	9.86	9.20	9.61	9.81	0.20
Information Systems	2.85	2.86	2.70	2.70	2.70	-
Facilities & Operations	16.98	17.52	17.91	16.91	16.91	-
Transportation	16.38	16.38	15.88	15.88	15.88	-
<b>Total District &amp; Support Personnel</b>	<b>65.25</b>	<b>67.15</b>	<b>67.07</b>	<b>68.92</b>	<b>69.12</b>	<b>0.20</b>
<b>Net Budgeted Additions / (reductions)</b>					(15.80)	(15.80)
<b>District Total</b>	<b>310.77</b>	<b>317.82</b>	<b>310.47</b>	<b>306.09</b>	<b>289.99</b>	<b>(16.10)</b>

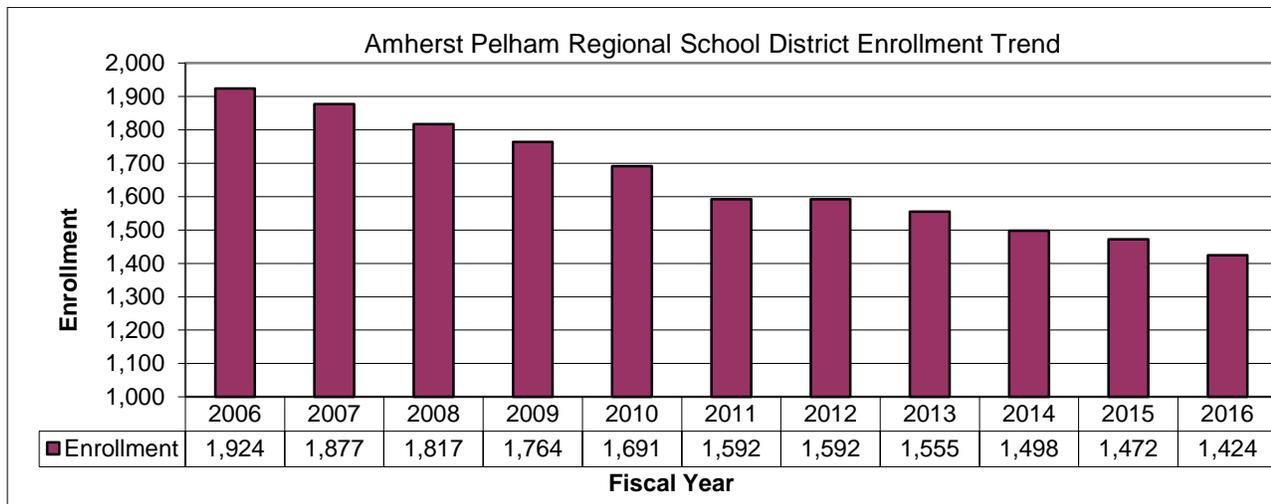
## AMHERST-PELHAM REGIONAL SCHOOLS

### ENROLLMENT

Historically, enrollments for subsequent school years are projected each October 1, based on actual enrollments for the current year using a cohort survival method. This method utilizes a rolling five-year enrollment average in order to establish a survival factor; that is, the variable increase or decrease in the average serves to project enrollments into the next few years. This is an established, reliable method of conducting projections. However, the most challenging level to predict is that of incoming kindergarten students. The Town Census does not capture all of the four-year olds in Amherst and typically fails to report 35% to 40% of the kindergarteners that report to school in subsequent years.

At the Regional level, projections begin with assessing the number of Grade 6 students who are expected to attend the regional middle school in the following year as Grade 7 students. This includes Grade 6 students in Amherst, Pelham, Leverett and Shutesbury, including those Amherst students who may be Choice students in Pelham or Leverett. While Choice students attending Pelham and Leverett are entitled to enroll in the regional district when they enter Grade 7, it is typically only those Amherst students who Choice into other districts that reliably attend. Shutesbury does not participate in School Choice.

Overall, the K-12 regional student population is in decline. Reviewing the student enrollments over time, the last time period in which Regional enrollments were in the 1500 range was in 1990-1993. Peak enrollments (2000 or greater) occurred between 1998 and 2004. The chart below illustrates enrollments since 2006.



### Enrollment History and Projection

FY	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Grade 7	289	275	291	241	249	222	244	236	241	222	221
Grade 8	289	282	284	293	244	253	229	241	232	241	222
Grade 9	333	309	314	305	307	268	286	267	248	246	264
Grade 10	334	321	299	311	290	283	261	265	250	241	234
Grade 11	358	333	315	309	301	277	294	254	265	239	239
Grade 12	321	357	314	305	300	289	278	292	262	283	244
<b>Total</b>	<b>1,924</b>	<b>1,877</b>	<b>1,817</b>	<b>1,764</b>	<b>1,691</b>	<b>1,592</b>	<b>1,592</b>	<b>1,555</b>	<b>1,498</b>	<b>1,472</b>	<b>1,424</b>
<b>Percentage Change</b>	<b>-1.28%</b>	<b>-2.44%</b>	<b>-3.20%</b>	<b>-2.92%</b>	<b>-4.14%</b>	<b>-5.85%</b>	<b>0.00%</b>	<b>-2.32%</b>	<b>-3.67%</b>	<b>-1.74%</b>	<b>-3.26%</b>

### Regional Choice-in Students

FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY16 Projected
72	68	78	92	104	89	85

### Off Campus Enrollment

	FY 10	FY 11	FY 12	FY 13	FY 14	FY 15	FY16 Projected
Choice-Out	16	20	19	21	24	31	32
Charter Schools	62	60	66	64	68	78	83
Private Schools	-	-	-	81	96	96	
Vocational School	37	39	39	38	38	49	55
SE Out of District	18	20	19	22	16	16	15
Home School	-	-	-	31	24	24	

## ANNUAL TOWN MEETING WARRANT ARTICLES

### ARTICLE 12. Reserve Fund (Finance Committee)

To see if the Town will raise and appropriate \$100,000 for the Reserve Fund for FY 2016.

#### **RECOMMENDED by Finance Committee vote of 5-0, 2 absent.**

The Reserve Fund is used by the Finance Committee to pay for extraordinary or unforeseen expenses that may occur during a fiscal year. Any unspent money remaining in the Fund after the fiscal year ends becomes Free Cash. The requested \$100,000 is the same amount that has been requested for many years.

### ARTICLE 13. Capital Program - Equipment (Joint Capital Planning Committee)

To see if the Town will appropriate \$1,198,024 to purchase, repair, and/or install new or replacement equipment and determine whether such appropriation shall be met by taxation, by the transfer of available funds, or otherwise and further to authorize the application for and acceptance of any gifts, bequests, or grants.

#### **RECOMMENDED by Finance Committee vote of 6-0, 1 absent.**

This is the first of four articles dealing with capital spending as recommended by the Joint Capital Planning Committee. Please read JCPC's separate report to Town Meeting for more details.

This article appropriates \$1,006,024 from taxation, \$77,000 from the Ambulance Fund, and \$115,000 from repurposed previous appropriations to fund equipment purchases. (Authorization to borrow \$306,000 for fire Breathing Apparatus and \$111,000 for Police Communication's Center Radio Equipment are in Article 16.) Below is the list of major recommended capital items included in this Article. For a more complete description, see the JCPC Report to Town Meeting.

#### **Information Technology**

Photocopiers	8,000
Infrastructure	123,000
Core Switch	60,000
Building Switch	55,000
Software	35,000

#### **Police**

Cruisers	105,000
In Car Video System	12,000

#### **Fire**

Ambulance Laptop Computers	15,000
Automatic External Defibrillators	17,000
EMS Defibrillators (5)	30,000
Protective Gear	20,000
Replace "Jaws of Life"	45,000
Replace hose	18,000
Scoop stretchers	5,000
Staff Vehicle	30,000
Stair Chairs	10,000
Van (Used)	26,790

#### **Highway**

3/4 Ton Pickup with Plow (highway)	45,000
Dump/Sander Truck Equipment	20,000

#### **Tree and Grounds**

One ton Dump Truck	50,000
3/4 Ton Pickup with Plow	45,000
Park Equipment	20,000

#### **Conservation**

Tractor	17,334
---------	--------

#### **LSSE**

Greens Mower – Chery Hill	11,000
Rough Mower - Cherry Hill	12,500

#### **Building Maintenance**

Furniture (all buildings)	5,000
---------------------------	-------

## ANNUAL TOWN MEETING WARRANT ARTICLES

### Library

Infrastructure Replacements	25,000
Website Migration to CivicPlus	15,000
Copier/printer/scanner	5,000

### Schools

Buses	92,500
SPED Vans	33,000
Furniture (all schools)	5,000
Copiers	12,400
Computer Technology	161,500
Multimedia/Audiovisual equipment	8,000

### ARTICLE 14. Capital Program – Buildings and Facilities (Joint Capital Planning Committee)

To see if the Town will appropriate \$684,550 to repair and/or improve buildings and facilities and determine whether such appropriation shall be met by taxation, by the transfer of available funds, or otherwise and further to authorize the application for and acceptance of any gifts, bequests, or grants.

#### **RECOMMENDED by Finance Committee vote of 6-0, 1 absent.**

This article appropriates \$544,550 from taxation for building repairs, and \$140,000 from taxation for a range of maintenance and/or facility improvement projects. Note that other sources of funding, such as state Chapter 90 funds for road repairs and Community Preservation Act funds are used for selected building and facilities projects, detailed in the Joint Capital Planning Committee Report to Town Meeting. The list below summarizes the major recommended tax-funded capital items in this article (see the JCPC report for a complete list).

<b>Building Envelope Repairs (all buildings)</b>	25,000
<b>Town Hall</b>	
Exterior Maintenance	20,000
<b>Bangs Community Center</b>	
Window Repairs	33,000
Flooring	25,000
Clinic Space	25,000
<b>Munson Library</b>	
Exterior Maintenance	35,000
Access Control	4,550
Walkway Reconstruction	30,000
<b>East Street School</b>	
Sign for LSSE Offices	25,000
<b>South Amherst Campus</b>	
West Structures and Doors	50,000
<b>Police Station</b>	
Interior Maintenance	10,000
Building Infrastructure	20,000
<b>Public Works Department</b>	
Building Maintenance	5,000
<b>Cherry Hill Golf Course</b>	
Clubhouse Roof Repair	7,000
<b>Crocker Farm</b>	
Grounds (Parking)	75,000
Preschool Playground (ADA)	25,000
<b>Fort River</b>	
Exterior Doors	15,000
Barn Roof	52,121
Fire Alarm System	45,000

## ANNUAL TOWN MEETING WARRANT ARTICLES

**ARTICLE 15. Capital Program – Bond Authorizations  
(Joint Capital Planning Committee)**

- A. To see if the Town will appropriate a \$306,000 for purchasing Breathing Apparatus for the Fire Department and to meet this appropriation, the Treasurer, with the approval of the Select Board, is authorized to borrow said amount under and pursuant to MGL Chapter 44, Section 7 or pursuant to any other enabling authority, and to issue bonds or notes of the Town therefor.
- B. To see if the Town will appropriate a \$110,000 for purchasing Radio Equipment for the Communications Center in the Police Department and to meet this appropriation, the Treasurer, with the approval of the Select Board, is authorized to borrow said amount under and pursuant to MGL Chapter 44, Section 7 or pursuant to any other enabling authority, and to issue bonds or notes of the Town therefor.

**RECOMMENDED by Finance Committee vote of 6-0, 1 absent.**

This article would authorize a total of \$416,000 in borrowing to fund the replacement of worn and out-of-date personal breathing apparatus for the Fire Department and upgraded radio equipment for the Police Department Communications Center. The radio equipment is PC-based and the computers and software used for this purpose are 7 years old. The requested upgrades would improve the clarity and reliability of radio communications, both within the Police Department and between the department and other emergency service providers. The money would be borrowed in FY16 and paid back over future years.

**ARTICLE 16. Capital Program – Debt Repurpose  
(School Committee)**

To see if the Town will appropriate the following unexpended amounts of money that were initially borrowed to finance capital projects that are now complete, and for which no further liability remains, to pay a portion of the costs of roof replacement at Fort River School Barn Roof authorized by Article 14 of the Annual Town Meeting April 27, 2015 and to reduce by a like amount the portion of the Fort River School Barn Roof project funding to be raised by taxation, as permitted by Chapter 44, Section 20 of the General Laws:

<u>Original</u>	<u>Repurposed</u>	<u>Unexpended</u>	<u>Repurpose</u>
Wildwood School boiler	\$17,878.98	\$17,878.98	Fort River School Barn Roof

Previously Voted: ATM Article 8(C), June 18, 2007; STM Articles 8(B) and 8(C), Nov. 7, 2007; STM Article 6, November 4, 2013.

**RECOMMENDED by Finance Committee vote of 6-0, 1 absent.**

These funds are available as unspent funds from a previously-approved project to repair Town Hall. At the November 2013 Special Town Meeting, these funds were appropriated to defray the cost of repairs to the boiler at the Wildwood School. Instead of repairing the Wildwood boiler, the Town is conducting a feasibility study regarding repairs or replacement of the entire school, the \$17,979 originally moved from the Town Hall project to the Wildwood the boiler work can be used at Fort River. The Finance Committee recommends that these funds be repurposed to help offset the estimated \$70,000 cost of replacing the roof of the barn on the Fort River School property.

**ARTICLE 17. Community Preservation Act  
(Community Preservation Act Committee)**

- A. To see if the Town will appropriate a sum of \$419,101 for Community Preservation Act Purposes recommended by the Community Preservation Act Committee and that the following items 1–10 be appropriated or reserved from Community Preservation Act Funds as follows, and to authorize the Town to accept or convey property interests where applicable, as required under M.G.L. Chapter 44B, Section 12.

	Project	Total Appropriation	Source of Appropriation
	<b>AFFORDABLE HOUSING</b>		
1	Amherst Affordable Housing Trust – Surveys, Appraisals & Related Studies	\$ 25,000	
2	Amherst Community Land Trust - Land Acquisition	\$95,000	

## ANNUAL TOWN MEETING WARRANT ARTICLES

	<b>Total Affordable Housing</b>	<b>\$120,000</b>	<b>FY 16 Estimated Revenues</b>
	<b>HISTORIC PRESERVATION</b>		
3	Cook Fountain Assessment	\$20,000	
4	Amherst Historical Society – Strong House Archaeology Survey	\$25,000	
5	Amherst Historical Society – Strong House Painting	\$25,000	
6	Goodwin Memorial AME Zion Church – Archaeological Survey	\$25,000	
	<b>Total Historic Preservation</b>	<b>\$95,000</b>	<b>FY16 Estimated Revenues</b>
	<b>OPEN SPACE</b>		
7	Surveys & Appraisals	\$25,000	
	<b>Total Open Space</b>	<b>\$25,000</b>	<b>FY16 Estimated Revenues</b>
	<b>RECREATION</b>		
8	North Amherst Field Improvements	\$50,000	
9	Amherst Baseball Inc. - Mill River Baseball Fields Improvements	\$127,351	
	<b>Total Recreation</b>	<b>\$177,351</b>	<b>FY16 Estimated Revenues</b>
	<b>ADMINISTRATIVE</b>		
10	CPAC Administrative Expenses	\$1,750	
	<b>Total Administrative</b>	<b>\$1,750</b>	<b>FY16 Estimated Revenues</b>
	<b>TOTAL FOR ARTICLE</b>	<b>\$419,101</b>	

**RECOMMENDED by Finance Committee vote of 6-0, 1 absent as an appropriate expenditure of CPA funds..**

CPAC chooses which projects to recommend for each of four approved CPA uses: open space, historical preservation, affordable housing, and recreation. Town Meeting can only appropriate CPA funds for projects recommended by CPAC. Town Meeting may reject the amount presented by CPAC, but it cannot appropriate an amount that exceeds the CPAC amount.

Affordable Housing	\$120,000
Historic Preservation	\$95,000
Open Space	\$25,000
Recreation	\$177,351
Administration	\$1,750

### B. OPEN SPACE - Hall Property Acquisition

To see if the Town will vote to: (a) authorize the Select Board to acquire by gift, purchase, and/or eminent domain, for open space purposes, all or a portion of the parcels of land located off Old Farm Road, shown on Assessors Map 18C as Parcels 20, 49 - 67, inclusive, and containing 31.60± acres in the aggregate, and described in deeds recorded with the Hampshire County Registry of Deeds in Book 3312, Page 1, Book 3565, Page 147, and Book 2198, Page 301, which parcels shall be under the care, custody, management and control of the Conservation Commission under the provisions of G.L. c. 40, §8C; (b) appropriate the sum of \$341,650 for the acquisition of said parcels and costs related thereto, of which \$105,995 shall be transferred from the Community Preservation Act Estimated Revenues; (c) authorize the Select Board, the Town Manager, and/or the Conservation Commission, as they deem appropriate, to accept, on behalf of the Town, funds granted under the LAND Program (G.L. c. 132A, §11) and/or any other funds, gifts, grants, under any federal and/or other state program, in any way connected with the scope of this acquisition, and to enter into any and all agreements and execute any and all instruments as may be necessary or appropriate to effectuate the foregoing acquisition; and, further, (d) authorize the Select Board and/or the Conservation Commission to convey a restriction on said land in accordance with G.L. c. 184, as required by G.L. c. 44B, §12(a).

**RECOMMENDED by Finance Committee vote of 6-0, 1 absent as an appropriate expenditure of CPA funds.**

CPAC recommends purchasing the Hall properties totaling approximately 31.56 acres located off Old Farm Road and Kestrel Lane as conservation land. The total cost would be \$341,650 with \$105,995 coming from CPA funds and the rest (\$235,655) from a Local Acquisition for Natural Diversity (LAND) grant, which the Town has already received.

## ANNUAL TOWN MEETING WARRANT ARTICLES

---

**ARTICLE 18. Free Cash  
(Finance Committee)**

To see if the Town will appropriate and transfer a sum of money from Free Cash in the Undesignated Fund Balance of the General Fund to balance the Fiscal Year 2016 Budget.

**RECOMMENDATION DEFERRED UNTIL TOWN MEETING.**

---

**ARTICLE 19. Stabilization Fund  
(Finance Committee)**

To see if the Town will appropriate and transfer a sum of money from the Stabilization Fund to balance the Fiscal Year 2016 Budget.

**RECOMMENDATION DEFERRED UNTIL TOWN MEETING.**

---

**ARTICLE 20. Amendments to Charge, Composition and Name  
of Public Transportation and Bicycle Committee  
(PTBC)**

To see if the Town will amend the actions taken under article 28 of the May 5, 1975 Annual Town Meeting and article 31 of the April 24, 1995 Town Meeting votes that established the Public Transportation and Bicycle Committee, changing its title to the Public Transportation, Bicycle, and Pedestrian Committee, whose purpose will be to promote bicycling, walking and public transportation as integral parts of daily life in Amherst, so that persons of all ages, abilities and circumstances can safely, conveniently, and affordably use these modes of transportation for all types of trips, with seven (7) voting members to include, where possible, people who represent the perspectives of bicyclists, pedestrians, and public transit users, drawn from a range of geographical areas.

**NO RECOMMENDATION by Finance Committee vote of 6-0, 1 absent.**

---

**ARTICLE 21. Affordable Housing Property Tax Incentives  
(Select Board)**

To see if the Town will authorize the Select Board to file a Special Act with the General Court which shall authorize the Select Board to enter into agreements allowing for the phasing in of the increase in assessed property value resulting from developments of residential or mixed uses with 10 or more dwelling units, in which at least 10 percent of the units are low or moderate income housing and subject to an affordable housing restriction (per section 31 of chapter 184 of the General Laws), such increases to be phased in increments over a period of up to ten years to the full assessed value of the property.

**RECOMMENDED by Finance Committee vote of 6-0, 1 vacancy.**

The Affordable Housing Property Tax Incentive received a unanimous endorsement by the Finance Committee. The incentive is modeled after the Tax Increment Financing Program used throughout the Commonwealth for commercial/industrial development, but the use of an incentive for housing production would be unique to Amherst and require an act of the Legislature to authorize it. This proposal would allow the Select Board to authorize a temporary phasing in of taxation on new rental housing constructed under the inclusionary zoning bylaw (Article 22 on the warrant) as an additional incentive to encourage the production of affordable units. The incentive would be negotiated on a case by case basis by the Town Manger prior to submission to the Select Board for review and approval, with the amount of and length of the tax reduction based on the economics of the proposed development. The Finance Committee believes that this approach is a valuable additional incentive that will lead to a broadening of the tax base, complementing the approaches contained in the inclusionary zoning bylaw.

## ANNUAL TOWN MEETING WARRANT ARTICLES

---

### ARTICLE 22. Zoning – Inclusionary Zoning (Alpert et al)

To see if the Town will amend Articles 4, 12, and 15 of the Zoning Bylaw by deleting existing sections, adding new sections, and by deleting the ~~lined-out~~ language and adding the language in ***bold italics***, as follows:

#### A. Amend Article 12 by removing the text of Section 12.24 in its entirety and replacing it with the following two new subsections:

##### 12.24 Housing, Affordable

12.240 Affordable Housing: Low Income or Moderate Income residential units subject to an Affordable Housing Restriction. For purposes of this Bylaw, Low Income shall mean a dwelling unit affordable to a household with income at or below 80% of area median income (AMI), and Moderate Income shall mean a dwelling unit affordable to a household with income above 80% of AMI and at or below 95% of AMI. All program eligibility and AMI levels are as determined by the U.S. Department of Housing and Urban Development (HUD).

12.241 Affordable Housing Restriction: A contract, mortgage agreement, deed restriction, or other legal instrument, acceptable in form and substance to the Town of Amherst, that restricts occupancy of an affordable housing unit to a low or moderate income purchaser or renter, and which provides for administration, monitoring, and enforcement of the restriction during the term of affordability. The restriction shall run with the land in perpetuity or for the maximum period of time allowed by law, and be enforceable under the provisions of MGL Chapter 184, Sections 31-32, as amended.

#### B. Remove the entirety of Article 15, and replace it with the following:

### ARTICLE 15 INCLUSIONARY ZONING

#### SECTION 15.0 NEXUS STATEMENT

#### SECTION 15.1 PURPOSES & INTENT

#### SECTION 15.2 APPLICABILITY

#### SECTION 15.3 AFFORDABLE UNITS

#### SECTION 15.4 COST OFFSETS & INCENTIVES

#### SECTION 15.5 PRESERVATION OF AFFORDABILITY

#### SECTION 15.6 MODIFICATIONS & WAIVERS BY SPECIAL PERMIT

#### SECTION 15.7 REGULATIONS

#### 15.0 NEXUS STATEMENT

Housing market conditions unique to Amherst have had a long-term detrimental effect on its affordable housing supply. Though a small, rural economic center, Amherst hosts Amherst College, Hampshire College, and the University of Massachusetts. They bring large and growing numbers of faculty, staff, and students seeking housing. They also create unique cultural and educational opportunities for retirees, professionals, and families. The resulting strong housing demand exceeds the existing housing stock, and there is very little remaining buildable land. Together, these forces severely limit the creation and preservation of affordable housing. Their cumulative effect is to diminish the supply of affordable housing in Amherst over time, as documented in Amherst's Housing Production Plan (March 2013) and Amherst Housing Market Study (March 2015).

Therefore, the Town of Amherst finds that, in order to supply housing for its low and moderate income residents, certain types of new market-rate housing development need to include affordable housing. This is consistent with the goals, objectives, and strategies of the 2010 Amherst Master Plan, which encourage mixed-income housing, seek to achieve a diverse and balanced community with housing available for households of all income levels as a matter of basic fairness, and encourage the use of reasonable cost offsets for developers who create affordable units.

#### 15.1 PURPOSES & INTENT

The purposes of this Article are to create affordable housing in a lawful, equitable, and effective manner; to foster and support the development activity necessary to provide such housing; to promote the general welfare by providing for an economically integrated and diverse community; and to fulfill the goals of the Amherst Master Plan.

In addition, this Article is intended to serve the following community objectives:

15.10 To ensure that new residential developments generate affordable housing as defined in Article 12 of this Bylaw.

## ANNUAL TOWN MEETING WARRANT ARTICLES

---

- 15.11 To create affordable housing that remains affordable in perpetuity or for the maximum period allowed by law.
- 15.12 To provide for geographic distribution of a full mix of housing types and affordable housing throughout Amherst.

### 15.2 APPLICABILITY

- 15.20 Any development (including but not limited to town houses, apartments, mixed-use buildings, Cluster Developments, PURDs, and OSCDs) resulting in 10 or more new dwelling units shall include simultaneous construction of affordable housing.
- 15.21 "New dwelling units" means any combination of units located in new buildings or additions to existing buildings, and any net increase in units resulting from reconstruction of existing buildings, except for units resulting from:
  - 15.210 Affordable housing developments under M.G.L. Chapter 40B.
  - 15.211 Conventional Residential Subdivision Developments under Section 4.2.
  - 15.212 Any use permitted under Section 3.326 in the R-F District.
  - 15.213 Institutional Uses under Section 3.33 containing residential dwelling units.
  - 15.214 Housing constructed by a public agency or non-profit corporation using a federal, state, or local housing assistance program. Such housing may adhere to the requirements set forth by the funding agency provided that the purposes of these regulations are met.
  - 15.215 Replacement of units after damage or destruction by fire, water, or natural disaster.
- 15.22 For the purposes of this Article, the Permit Granting Board or Special Permit Granting Authority authorized to issue the permit for the residential development under Section 3.3, Use Classification and Standards, or Article 4, Development Methods, shall be referred to as the "approving board."
- 15.23 Affordable housing resulting from this Article 15 shall be administered by the Town of Amherst, its designee, or other agency acceptable to the approving board.

### 15.3 AFFORDABLE UNITS

- 15.30 Number of Units. The required number of affordable units shall be 10 percent of the total units proposed, as calculated prior to the addition of any market rate offset units. If any calculation under this Article results in a fraction of a dwelling units, the result shall be rounded up to the next whole number for a fraction of 0.5 or greater, or down to the nearest whole number for a fraction less than 0.5.
- 15.31 Type of Units. Affordable housing units may be units for ownership or rent or any combination thereof approved by the approving board. All affordable units shall be Low Income units as defined under Article 12, except that in the B-G, B-VC, B-N districts, and those B-L districts abutting the B-G zoning district, the required affordable units may be Low Income or Moderate Income units as defined under Article 12, or both, as may be approved.
- 15.32 In the R-G District, the default Additional Lot Area/Family requirement of 2,500 sq. ft. per unit in Article 6, Table 3, Dimensional Regulations, shall apply to the total number of units in the project, as counted prior to the addition of any market rate offset units (see Section 15.4). Footnote m. shall not apply to residential uses or developments subject to this Article.
- 15.33 Location. Affordable units shall be dispersed throughout same premises as the proposed development ("on-site units"). On-site affordable units are required. No more than 50 percent of affordable units may be permitted to be located off-site by Special Permit under Section 15.60.
- 15.34 Design & Quality. Affordable units, wherever located, shall be of an equivalent design and quality as market rate units, including but not limited to exterior materials and finishes, energy efficiency, utilities, landscaping, and access to amenities and parking.
- 15.35 Unit Sizes. Affordable units shall be comparable to market rate units in terms of average size, habitable space, and number of bedrooms as market rate units, except as otherwise required by law.
- 15.36 Timing. Construction of and issuance of Certificates of Occupancy for affordable units shall be concurrent with that of market rate units.

### 15.4 COST OFFSETS & INCENTIVES

## ANNUAL TOWN MEETING WARRANT ARTICLES

For developments where all affordable units are provided on-site, the following provisions apply in all zoning districts unless otherwise provided. The purpose of this section is allow for on-premises market rate cost offset units and to provide for their dimensional needs. If this section and Table 3 of Article 6 conflict, this section controls.

- 15.40 Additional Market Rate Offset Units. For each required affordable housing unit provided on-site, one and one half (1.5) additional market rate offset units shall be allowed.
- 15.41 Multi-Unit Residential Uses. To provide adequate space for market rate offset units in zoning districts where such uses are allowed, the approving board may increase the maximum number of dwelling units per building for multi-family uses under Sections 3.322 and 3.323 (town houses and apartments) to a maximum of 12 units per town house building and 30 units per apartment building. For cluster developments, the approving board may allow a maximum of 70 percent of total project units to be two family detached dwelling units and a maximum of 40% to be attached dwellings.
- 15.42 Lot Area. Table 3 of Article 6 controls the Basic Maximum Lot Area and Additional Lot Area/Family, except that no Additional Lot Area/Family (sq. ft.) is required for market rate offset units in any district. See Section 15.32.
- 15.43 Maximum Building Coverage and Lot Coverage. The Maximum Building Coverage and Maximum Lot Coverage allowed by right shall be increased as follows to meet the dimensional needs of additional market rate cost offset units:

Zoning Districts	Maximum Increase
R-N, R-O, R-LD	+5 percentage points
R-VC, R-G	+10 percentage points
B-G, B-L, B-VC, B-N, COM	+15 percentage points.

[Example: Maximum building coverage is 35% by right in the B-VC District. Adding 15 percentage points would result in a new maximum building coverage of 50%.]

The only exception shall be that in the B-G and abutting B-L zoning districts, Maximum Lot Coverage shall not exceed 95 percent.

- 15.44 Maximum Height. In any district, the maximum height allowed by right under Table 3 of Article 6 shall be increased by 10 feet.
- 15.45 Maximum Floors. Except in the B-G and B-N Districts, the maximum number of floors allowed by right under Table 3 of Article 6 shall be increased by one (1) floor.

### 15.5 PRESERVATION OF AFFORDABILITY

Affordable units created under this Article shall remain affordable in perpetuity. Affordable units shall be subject to an affordable housing restriction as defined in Article 12. Such restriction shall be subject to review and approval as to form by Town Counsel and approved by the Massachusetts Department of Housing and Community Development (DHCD).

### 15.6 MODIFICATIONS & WAIVERS BY SPECIAL PERMIT

Where a minimum of 50% of required affordable units are proposed to be on-site units, the approving board may grant a Special Permit for modifications or waivers as provided below.

- 15.60 Off-site affordable units may be allowed for projects principally located in the B-G, B-VC, B-N, and those B-L districts abutting the B-G District. Off-site units shall be located within the same zoning district, or within 500 feet of the premises of the development, subject to the provisions of Section 15.34, 15.35, and 15.36, inclusive.
- 15.61 Modification of those dimensions (front setbacks and side and rear yard setbacks) under Footnote a. of Table 3 of Article 6 that are not altered under Section 15.4.
- 15.62 Any combination of the above that the Special Permit Granting Authority may deem appropriate.
- 15.63 Findings. A Special Permit may be granted under this section only if, in addition to making the findings required under Section 10.38, the Special Permit Granting Authority finds that the applicant has demonstrated that:
- 15.630 The development with the proposed modifications or waivers will serve the Purposes and Intent of this Article better than without; and

## ANNUAL TOWN MEETING WARRANT ARTICLES

---

- 15.631 The proposed modifications or waivers would neither nullify nor substantially derogate from the Purposes and Intent of this Article, nor would they result in any other substantial detriment to the public good; and
- 15.632 The provisions of this Article would impose extreme hardship, financial or otherwise, that would otherwise render the project impossible.
- 15.64 The Special Permit Granting Authority may require the submission of whatever financial or other project-related documentation and information it deems necessary to make its determinations, including obtaining the services of an outside consultant under the provisions of MGL Ch. 44, Section 53G.

### 15.7 REGULATIONS

Approving boards shall adopt rules and regulations no less restrictive than the provision of this Article, including but not limited to submission requirements, procedures, standards, and criteria necessary to effectively implement the provisions of this Article.

- C. **Amend Article 4, Development Methods, by amending Sections 4.3, 4.4, and 4.5, deleting the ~~lined-out~~ language and adding the language in *bold italics*, as follows:**

#### **For Cluster Developments:**

##### 4.323 Density/Setbacks

4.3230 Unless otherwise provided for, the Dimensional Regulations of Table 3 shall be complied with.

4.3231 ***Except as provided under Article 15, † the maximum density of a cluster subdivision, except for an affordable cluster, shall not exceed the allowed density for a standard subdivision in any zoning district, said density to be calculated by taking the parcel area, subtracting 10% of that area and dividing that number by the minimum lot area of the zoning district in which the parcel is located. See Section 4.12. In addition, it is the intention of this Section that the a cluster subdivision development not result in more lots than would be approved for a standard subdivision under a Definitive Subdivision Plan, except as **provided under Article 15 or as** may otherwise be authorized under this Bylaw.***

4.3232 The Planning Board may reduce the frontage requirements for not more than 50 percent of the lots in the subdivision.

---

4.325 A minimum of 40% of the total dwelling units shall be single-family dwellings. A minimum of 20% of the total dwelling units shall be non-zero lot line, single family dwellings. A maximum of 60% of the dwelling units may be two-family dwellings. A maximum of 30% of the total dwelling units may be attached dwellings. There shall be no more than eight attached dwelling units allowed in one building. ***See Article 15.***

---

##### 4.33 ~~Affordable Units~~ ***Affordability Requirements***

**[Remove the entirety of this section, and replace it with the following.]**

***See Article 15.***

#### **For Planned Unit Residential Developments (PURDs):**

4.421 In a Planned Unit Residential Development the following requirements relating to the density and intensity of land use shall be met: ***See also Article 15.***

#### **For Open Space Community Developments (OSCDs):**

##### 4.52 Density Standards

4.520 The maximum density allowed in an Open Space Community Development shall be calculated as follows: . . . .

## ANNUAL TOWN MEETING WARRANT ARTICLES

---

3. Divide the remaining buildable land area by the minimum lot area required under the applicable zoning district(s). *See also Article 15.*

4.53 Dimensional Standards . . .

[Add new subsection, as follows.]

**4.537 See Article 15.**

---

4.55 ~~Density Bonuses~~ **Affordability Requirements**

[Remove the entirety of this section, and replace it with the following.]

**See Article 15.**

**NO RECOMMENDATION by Finance Committee vote of 6-0, 1 vacancy.**

The changes in the Zoning Bylaw proposed in Article 22 seek to create and enhance the opportunities for the creation of affordable housing units in Amherst by: a) redefining various terms used in the relevant bylaws, such as “affordable housing,” “low income,” and “moderate income”; b) replacing existing Article 15 of the Zoning Bylaws with new language that expands the application of the bylaw, simplifies existing density bonuses, and adds new cost offsets, incentives, and waivers; and c) removes and amends various provisions in Article 4 of the Zoning Bylaws to relate them to the new language proposed for Article 15.

The changes proposed in Article 22 would require developers of residential complexes containing 10 or more units to include “affordable” units at a rate of 10% of the total project units. The changes also include a variety of incentives to make the inclusion of affordable units financially feasible and to satisfy the legal requirement that the town not “take” a developer’s rights away without “giving” something in return. The proposed new affordable housing property tax offsets in Article 21 may, on a case-by-case basis, contribute to the incentives available to developers proposing projects that are subject to Article 22 provisions.

The changes proposed under Article 22 could have a range of impacts on the fabric of the town’s overall architecture, on the ability of low- and moderate-income people to live in Amherst, on property values, parking availability, and on property tax revenue. The Finance Committee limited itself to a consideration of the financial impacts of Article 22. Unfortunately, it is not possible to predict such impacts with any accuracy. It is not clear, for example, whether the proposed changes will promote, hinder, or have no effect on the development of larger housing complexes in town. It is also not possible to predict who will end up living in such units—if the units were occupied by families with children, the financial gains in tax revenue may be largely, or completely, offset by higher education costs for those children. Finally, the provision of property tax incentives to developers is unpredictable and could significantly affect the overall financial impact to the town. For all of these reasons, the Finance Committee makes no recommendation on Article 22.

---

**ARTICLE 23. Zoning Petition – Butterfield Terrace Rezoning  
(Planning Board)**

To see if the Town will amend the Official Zoning Map to change the zoning designation on Assessor’s parcels 11A-66, 11A-67, 11A-71 and 11A-72 from Neighborhood Residence (R-N) to General Residence (R-G).

**RECOMMENDED by Finance Committee vote of 6-0, 1 vacancy.**

The article seeks to change the zoning designations of four properties located on east side of Butterfield Terrace, from R-N to R-G. The practical impact of the article, if passed, is to increase the allowed density of buildings on this property, which, if developed, could address the ongoing housing shortage in Town and would also increase the residential tax base of the Town.

**ANNUAL TOWN MEETING WARRANT ARTICLES**

**ARTICLE 24. Zoning Petition – Municipal Parking Districts Amended  
(Wentworth et al)**

To see if the Town will vote to amend the Zoning By-Law as follows:

A. Deleting the ~~lined-out~~ portion under SECTION 7.4 Municipal Parking District

7.43 Regulation

Notwithstanding the other provisions of Section 7.0, off-street parking spaces need not be provided for any principal or related accessory uses under the following categories of the Section 3.3, Use Chart: ~~Residential Use (Section 3.32)~~, Retail Business and Consumer Service Use (Section 3.35), and Research and Industrial Use (Section 3.37), located within the Municipal Parking District as herein defined. The following uses shall be required to meet the parking requirements of this Bylaw within the MP District: dormitory or similar college residence hall, hotel or motel, inn and all other principal and accessory uses under other categories of the Section 3.3, Use Chart.

AND

B. Adding the words in **bold** under SECTION 7.9 WAIVERS

7.91

**With the exception of Residential Use in the Municipal Parking District,** parking space requirements under Section 7.0 may be modified when one or more of the following conditions are met to the satisfaction of the Permit Granting Board or Special Permit Granting Authority:

**RECOMMEND REFERRAL TO THE PLANNING BOARD BY the Finance Committee vote of 6-0, 1 vacancy.** Parking in the Municipal District can have a financial impact especially with so many new residential units being built in the downtown area. The Planning Board should study municipal parking requirements in light of the current and future building in this area.

**ARTICLE 25. Zoning Petition – Mixed Use Building Amendments  
(Wentworth et al)**

To see if the Town will vote to amend the Zoning By-Law, Section 3.325 "Building containing dwelling units in combination with stores or other permitted business or commercial use" by changing the nature of the permits required in some zoning districts, amending the first paragraph under Standards and Conditions (deletions in ~~strike thru~~, additions in **bold face**) to create three separate, numbered paragraphs, and to designate the existing second paragraph by the number "4".

R-O/R-LD	R-N	R-VC	R-G	R-F	B-G	B-L	B-VC	B-N	COM	OP	LI	PRP	FPC
N	N	SP	N	N	SPR	SPR	SPR	SPR	SPR	N	N	N	N
					<b>SP</b>	<b>SP</b>	<b>SP</b>	<b>SP</b>	<b>SP</b>				

Standards and Conditions

1. A management plan **shall include evaluation and calculations of the parking needs for each separate use, delivery and residential move-in and move-out requirements, and a plan to safely meet those needs and requirements in a manner that does not constitute a nuisance or substantial inconvenience or hazard to abutters, vehicles or pedestrians. That management plan shall be further** defined in terms of form and **additional** content in the Rules and Regulations adopted by the Permit Granting Authority **and** shall be included as an integral part of any application made under this section.
2. **In the General Business (B-G) District and Limited Business (B-L) Districts adjacent to the General Business District, the retail and commercial gross floor area of each proposed structure of three (3) or less stories shall be at least 40% of the building's gross floor area, no residences shall be permitted on the ground floor or basement, and permitting shall be by Site Plan Review. In those same districts, proposed structures of four (4) to five (5) stories shall be authorized by Special Permit only. The ground and second floors of each such building, except for ancillary residential features such as elevators, stairwells, mailboxes, trash and recycling facilities, etc., shall be entirely devoted to retail and commercial uses, and at least 40% of the gross floor area of each building shall be restricted to retail and commercial use.**
3. In those Limited Business (B-L) Districts, et seq. – no changes

## ANNUAL TOWN MEETING WARRANT ARTICLES

---

4. In the Commercial (COM) District, et seq. – no changes

### **RECOMMENDATION DEFERRED UNTIL TOWN MEETING.**

---

#### **ARTICLE 26. Petition – Earned Sick Leave (Spiegelman et al)**

To see if the Town will authorize earned sick leave for all part-time, non-benefited Town employees, on the same basis as the voters of Massachusetts required by referendum in November, 2014, for employees of firms with eleven (11) or more employees, i.e. such employees are entitled to earn and use one hour of sick time for every 30 hours worked, and would begin accruing those hours on the date of hire or on July 1, 2015, whichever is later, and to see if the Town will appropriate the funds necessary.

An employee could begin to use earned sick time on the 90<sup>th</sup> day after hire. An employee could use earned sick time, if required, to miss work in order:

- (1) To care for a physical or mental illness, injury, or medical condition affecting the employee or the employee's child, spouse, parent, or parent of a spouse;
- (2) To attend routine medical appointments of the employee or the employee's child, spouse, parent, or parent of a spouse; or
- (3) To address the effects of domestic violence on the employee or the employee's dependent child.

Earned paid sick time would be compensated at the same hourly rate paid to the employee when the sick time is used.

Employees could carry over up to 40 hours of unused sick time to the next calendar year, but could not use more than 40 hours in a calendar year.

If an employee missed work for a reason eligible for earned sick time, but agreed with the supervisor to work the same number of hours or shifts in the same or next pay period, the employee would not have to use earned sick time for the missed time, and the Town would not have to pay for that missed time. Supervisors would be prohibited from requiring such an employee to work additional hours to make up for missed time, or to find a replacement employee. The Town would not have to pay employees for unused sick time at the end of their employment.

Supervisors would be prohibited from interfering with or retaliating based on an employee's exercise of earned sick time rights, and from retaliating based on an employee's support of another employee's exercise of such rights.

This article would not override the Town's obligations under any contract or benefit plan with more generous provisions than those proposed here.

### **RECOMMENDATION DEFERRED UNTIL TOWN MEETING.**

---

#### **ARTICLE 27. Petition – Mill Street Bridge (O'Connor et al)**

To see if the Town will vote to request that the Select Board and Town Manager direct the Superintendent of Public Works and/or Town Engineer to prepare and submit to the Massachusetts Department of Transportation District #2 and Boston offices a request and plan to reopen the Mill Street Bridge in front of the Puffers Pond Dam for unsignalized, one-lane, two-way traffic while the Town awaits repair/reconstruction of that bridge.

### **NOT RECOMMENDED by Finance Committee vote of 5-0, 2 absent.**

The State is expected to repair this bridge in the future. At this point, the bridge is not safe to use and could be a liability for the Town. Any temporary repairs and time spent on those repairs would be costly.

## ANNUAL TOWN MEETING WARRANT ARTICLES

---

**ARTICLE 28. Petition – Resolution Towards a Human Rights Culture  
(Wronka et al)**

WHEREAS, Article VI, Clause 2 of the US Constitution asserts: “All treaties made or shall be made...shall become the Supreme Law of the Land and the judges in every state shall be bound thereby...”;

And, WHEREAS, the UN Charter, the Universal Declaration of Human Rights, as the authoritative statement of customary international law, and major UN human rights conventions have the status of international treaty,

NOW THEREFORE BE IT RESOLVED: The Town of Amherst calls upon all federal state, and municipal legislative, executive, and judicial bodies to sign, ratify, and implement such conventions as they presently exist and evolve. This warrant article will be deposited with Representative Elizabeth Warren; President Obama; Samantha Powers, US Representative to the UN; Senator Bob Corker, Chair of the Senate Foreign Relations Committee; Charlie Baker, Governor of Massachusetts and other policy makers as appropriate in order that they take positive steps in that direction. Doing so, would be a step towards creating a human rights culture among the general populace, a “lived awareness” of human rights principles in our minds and hearts and carried into our everyday lives, ultimately resulting in socially just policies, where every person, everywhere can live with dignity and have their human rights realized.

**NO RECOMMENDATION by Finance Committee vote of 5-0, 2 absent.**

---

**ARTICLE 29. Petition – Race Amity Day Proclamation  
(Elliott et al)**

WHEREAS the greatest asset of the Town of Amherst is its people; and

WHEREAS the Town of Amherst holds dear the motto of the United States of America, *E Pluribus Unum* (out of many, one), recognizing the principle of the oneness of the humankind, and the rich cultural, ethnic and racial diversity of its inhabitants; and

WHEREAS civility, respect, kindness and friendship are commonly shared values of the collective citizenry of the Town of Amherst; and

WHEREAS the Town of Amherst promotes communities and neighborhoods to join in reflection on the beauty and richness of our diverse cultures and ethnicities while reaching out with a spirit of amity toward one another,

NOW THEREFORE, the Town of Amherst hereby proclaims the second Sunday of June to be **Race Amity Day**,

And urges all the people of Amherst to recognize this event and to celebrate its annual observance.

***and other office uses, including those office uses listed in the Amherst Zoning Bylaw at 3.358, and at 3.359, and at 3.360, and offices of Complimentary/Alternative/Integrative health care providers which are not specifically listed in the Amherst Zoning Bylaw, and offices of for profit professionals as listed in the Amherst Zoning Bylaw at 3.332.***

**NO RECOMMENDATION by Finance Committee vote of 5-0, 2 absent.**

---

**ARTICLE 30. Petition – Resolution in Opposition to Construction of Proposed TGP Pipeline  
(Select Board)**

To see if the Town will vote to adopt the following resolution:

WHEREAS, a proposed high pressure pipeline carrying natural gas obtained through hydraulic fracturing (“fracked gas”), currently called the ‘Northeast Energy Direct’ project, of Kinder Morgan/Tennessee Gas Pipeline Company, L.L.C. (the “TGP Pipeline”), would run through many communities in western Massachusetts;

WHEREAS, additional plans for other such new or expanded fracked gas pipelines have been proposed for other locations in the Commonwealth;

WHEREAS, the New England governors previously proposed a utility bill tariff or tax to help pay for new pipeline construction, which would have required ratepayers to invest in more fossil fuel infrastructure, although the prior Massachusetts administration stepped back from that proposal;

## ANNUAL TOWN MEETING WARRANT ARTICLES

---

WHEREAS, in addition to the inherent risks of high pressure gas pipelines – possible ruptures, fires and explosions, and possible impacts to sensitive areas along the pipeline route – fracked gas may carry additional risks of hydraulic fracturing (“fracking”) chemicals; recognizing as well the added environmental burdens for communities that are the site of the fracking;

WHEREAS, there is growing concern regarding the impact of methane, the main component of natural gas, on global climate change, from gas leaks at drilling sites and along pipelines, in addition to the impact of the carbon dioxide produced when the gas is burned;

WHEREAS, instead of increasing our dependency on fossil fuels like natural gas, we are better served by embracing and strengthening the Commonwealth’s commitments to combating global climate change through increased energy efficiency and renewable energy; and

WHEREAS, the Town of Amherst has a direct interest in protecting public health, public land and the environment in the Pioneer Valley, the Commonwealth, New England and our shared world;

NOW, THEREFORE, BE IT RESOLVED that the Town of Amherst through its Representative Town Meeting:

- 1) Opposes the construction of the proposed TGP Pipeline and any such new or expanded pipelines carrying fracked gas in the Commonwealth;
- 2) Opposes any tariffs that may be imposed on Massachusetts ratepayers to fund the TGP Pipeline or other such new or expanded fracked gas pipelines;
- 3) Stands in solidarity with communities opposing the TGP Pipeline and other such pipelines; and
- 4) Asks that our state and federal representatives and the Governor oppose the TGP Pipeline and any other such new or expanded pipelines carrying fracked gas in the Commonwealth and oppose any tariffs or taxes that may be imposed on ratepayers to fund any of the same; and

BE IT FURTHER RESOLVED that the Town Clerk shall, five days after the dissolution of Town Meeting, forward a copy of this resolution and the vote thereon to Governor Charlie Baker, President of the Senate Stanley Rosenberg, State Representative Ellen Story, Senator Elizabeth Warren, Senator Edward Markey, Congressman James McGovern, and the chair and commissioners of the Federal Energy Regulatory Commission.

### **NO RECOMMENDATION by Finance Committee vote of 5-0, 2 absent.**

Article 30 asks Town Meeting to endorse a statement opposing construction of the TGP pipeline and to ask our state and federal representatives, and the Governor, to oppose the pipeline and any other new or expanded pipelines carrying natural gas obtained via fracking technology. Since this article is non-binding on the Town’s behavior or the actions of the targeted governmental officials, it does not, in and of itself, have any financial impact to the Town. The Finance Committee thus makes no recommendation on Article 30.

The Finance Committee did, however, explore the question of what financial impact the proposed TGP pipeline might have on the Town, since stopping the pipeline is the ultimate aim of Article 30. The variables involved in this issue are numerous and the potential impacts extent far beyond Amherst and far into the future. Burning natural gas is cleaner than burning oil or coal, but the processes by which the gas is extracted may lead to other types of pollution or unexpected consequences (e.g., earthquakes) and natural gas contains significant levels of methane, a potent contributor to global warming. On the other hand, renewable, non-carbon-emitting energy sources will not be sufficient to meet regional energy demands for decades and natural gas could provide a stable, domestic source of energy while the renewable infrastructure is built.

Amherst is already feeling the effects of a shortage of natural gas caused by the move by electrical utilities away from oil and coal to natural gas. Berkshire Gas will no longer allow any new natural gas service in Amherst and surrounding towns, which, among other things, has meant that one town effort to replace an aging oil-burning furnace with a natural gas furnace has been postponed indefinitely. Whether Berkshire Gas’s position is part of a strategy to build support for the TGP pipeline is unknown, but an independent 2015 report on New England’s natural gas infrastructure concludes that demand is outstripping supply, leading to higher costs, both for the gas itself and the electricity generated by such gas. Increasing the gas supply with a new pipeline, therefore, might result in lower prices, although that would depend, in part, on how the pipeline is financed—if citizens, or the Town, were forced to help pay for the pipeline, any cost advantages might be negated.

For these and many other reasons, it is impossible to predict the financial impact to Amherst of either building, or blocking, the TGP pipeline. And, fundamentally, a decision against, or in favor, of the pipeline involves much more than estimates of financial impact. Issues of land conservation, global climate change, the true cost of energy, and how best to encourage a move to non-carbon, sustainable energy sources are equally important.

## APPENDICES

68  
**FINANCE COMMITTEE REPORT – FY16**  
**APPENDIX A**

**DEBT OBLIGATIONS FY 2015 - FY 2022**

Issue	Maturity Date	FY 16 Projected	FY 17 Projected	FY 18 Projected	FY 19 Projected	FY 20 Projected	FY 21 Projected	FY 22 Projected	Future Periods
<b>General Fund Debt:</b>									
<b>Municipal:</b>									
Town Hall Refunding	FY 16	156,000							
Crocker Farm School	FY 19	225,325	209,325	198,550	192,850				
Town Hall Exterior (General Fund)	FY 20	31,815	31,150	30,380	29,540	28,560			
Bangs Community Center Roof/HVAC	FY 20	56,244	55,069	53,708	52,223	50,490			
Road Improvements, FY 2012	FY 21	525,375	513,563	500,625	487,125	473,625	458,438		
South Amherst School Roof Repair and Renovation	FY 22	23,300	22,700	22,100	16,500	16,050	15,600	15,300	
Portable Classroom Purchase	FY 19	33,150	27,250	26,500	25,750				
Police Comm Equipment	FY 18	26,875	26,125	25,375					
Central Fire Station Renovations	FY 24	22,356	21,804	21,252	20,700	20,148	19,596	19,044	18,584
DPW Sander	FY 18	32,250	31,350	30,450					
Trees, part I	FY 18	65,790	63,954	62,118					
Roads 2013	FY 24	121,500	118,500	115,500	112,500	109,500	106,500	103,500	101,000
Trees, part II	FY 19	66,096	64,872	63,648	62,424				
DPW Trucks	FY 19	91,800	90,100	88,400	86,700				
AFD Pumper Truck	FY 24	48,000	47,200	46,400	45,600	44,800	44,000	43,200	83,600
East St School Renovations	FY 25	95,060	92,400	88,900	85,400	82,600	79,800	77,000	218,400
Wildwood Feasibility Study (31.6%)	FY 18	41,653	179,546	108,853					
2 Mowers	FY 18	48,548	47,632	46,716					
Loader	FY 18	65,367	64,134	62,900					
<b>Subtotal Municipal Debt</b>		<b>1,776,504</b>	<b>1,706,673</b>	<b>1,592,375</b>	<b>1,217,312</b>	<b>825,773</b>	<b>723,934</b>	<b>258,044</b>	<b>421,584</b>
<b>Regional School District Debt (Amherst Share):</b>									
High School Renovations & Additions **	FY 18	125,377	83,238	37,329					
Regional Projects FY 13 - 15	FY 26	31,388	239,000	232,723	226,445	220,167	213,890	207,612	767,671
<b>Subtotal Regional School District Debt</b>		<b>156,765</b>	<b>322,238</b>	<b>270,052</b>	<b>226,445</b>	<b>220,167</b>	<b>213,890</b>	<b>207,612</b>	<b>767,671</b>
<b>CPA Debt</b>									
CPA \$225k Town Hall	FY 20	25,566	25,031	24,413	23,738	22,950			
East Pleasant St Land Acquisition (Hawthorne)	FY 21	58,375	57,063	55,625	54,125	52,625	50,938		
Affordable Housing Renovations (AHA)	FY 22	41,650	40,600	39,550	38,500	37,450	36,400	35,700	
S. East St Land Acquisition	FY 24	7,200	7,080	6,960	6,840	6,720	6,600	6,480	12,540
Ann Whalen Unit Preservation	FY 24	13,200	12,980	12,760	12,540	12,320	12,100	11,880	22,990
Rolling Green Unit Preservation (Housing)	FY 25	175,546	170,600	164,100	157,600	152,400	147,200	142,000	352,600
<b>Subtotal CPA Debt</b>		<b>321,537</b>	<b>313,354</b>	<b>303,408</b>	<b>293,343</b>	<b>284,465</b>	<b>253,238</b>	<b>196,060</b>	<b>388,130</b>
<b>TOTAL GENERAL FUND DEBT</b>		<b>2,254,807</b>	<b>2,342,265</b>	<b>2,165,835</b>	<b>1,737,100</b>	<b>1,330,405</b>	<b>1,191,062</b>	<b>661,716</b>	<b>1,577,385</b>
<b>Water Fund Debt</b>									
Centennial WTP Improvements	FY 32	284,850	278,850	272,850	266,850	260,850	254,850	250,850	2,273,200
Pine St Extensions	FY 34	77,250	76,250	75,250	74,250	73,250	72,250	71,250	738,375
<b>TOTAL WATER FUND DEBT</b>		<b>362,100</b>	<b>355,100</b>	<b>348,100</b>	<b>341,100</b>	<b>334,100</b>	<b>327,100</b>	<b>322,100</b>	<b>3,011,575</b>
<b>Sewer Fund Debt</b>									
Sewer Extensions, 2012 and 2013	FY 22	312,004	305,392	298,780	288,425	281,927	275,429	269,031	2,488,666
Pine St Extensions		74,154	73,218	72,282	71,346	70,410	69,474	68,538	744,645
<b>TOTAL SEWER FUND DEBT</b>		<b>386,158</b>	<b>378,610</b>	<b>371,062</b>	<b>359,771</b>	<b>352,337</b>	<b>344,903</b>	<b>337,569</b>	<b>3,233,311</b>
<b>Transportation Fund Debt</b>									
Boltwood Parking Garage Refunding	FY 20	56,313	55,125	48,825	47,475	45,900			
<b>TOTAL TRANSPORTATION FUND DEBT</b>		<b>56,313</b>	<b>55,125</b>	<b>48,825</b>	<b>47,475</b>	<b>45,900</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL ENTERPRISE FUND DEBT</b>		<b>804,571</b>	<b>788,835</b>	<b>767,987</b>	<b>748,346</b>	<b>738,537</b>	<b>678,079</b>	<b>665,621</b>	<b>6,244,886</b>
<b>TOTAL DEBT (ALL FUNDS)</b>		<b>3,059,377</b>	<b>3,131,100</b>	<b>2,933,822</b>	<b>2,485,446</b>	<b>2,068,942</b>	<b>1,869,141</b>	<b>1,327,337</b>	<b>7,822,271</b>

\*\* Funded via temporary property tax increase from Proposition 2 1/2 Debt Exclusion.

## FINANCE COMMITTEE REPORT – FY16

## APPENDIX B

FY16 MUNICIPAL SERVICES BUDGET WITH HEALTH INSURANCE COSTS  
ALLOCATED TO DEPARTMENTS

	FY 12 Budget	FY 13 Budget	FY 14 Budget	FY 15 Budget	FY 16 Fin Com	Change FY 15-16	Percent Change
General Government	\$ 3,793,629	3,721,683	3,924,124	3,985,581	4,125,682	140,101	3.5%
Public Safety	\$ 10,002,827	10,401,799	10,699,863	11,137,756	11,473,626	335,870	3.0%
Public Works	\$ 2,278,184	2,359,097	2,472,708	2,407,242	2,503,055	95,813	4.0%
Planning, Conservation & Inspections	\$ 1,060,742	1,105,629	1,228,196	1,374,367	1,535,973	161,606	11.8%
Community Services	\$ 1,856,059	1,994,986	2,045,301	2,167,980	1,961,412	(206,568)	-9.5%
<b>TOTAL APPROPRIATION</b>	<b>\$ 18,991,440</b>	<b>19,583,194</b>	<b>20,370,192</b>	<b>21,072,926</b>	<b>21,599,749</b>	<b>526,823</b>	<b>2.5%</b>

	FY 12 Budget	FY 13 Budget	FY 14 Budget	FY 15 Budget	FY 16 Fin Com	Change FY 15-16	Percent Change
Select Board/Town Manager	\$ 294,098	298,515	305,127	314,259	407,218	92,959	29.6%
Town Meeting/Finance Committee	\$ 800	800	1,900	1,900	1,900	0	0.0%
Finance Department	\$ 1,015,169	1,069,085	1,082,796	1,104,875	1,125,987	21,112	1.9%
Legal Services	\$ 110,000	110,000	110,000	110,000	110,000	0	0.0%
Human Resources/ Human Rights	\$ 193,604	200,209	183,045	198,688	234,969	36,281	18.3%
Information Technology	\$ 530,555	543,407	551,963	562,587	562,824	237	0.0%
Town Clerk's Office	\$ 187,667	192,891	219,033	222,840	249,685	26,845	12.0%
Elections & Registration	\$ 43,000	52,025	27,975	47,613	41,325	(6,288)	-13.2%
Facilities Maintenance	\$ 523,943	537,970	553,183	567,088	566,913	(175)	0.0%
General Services	\$ 365,721	372,849	385,349	405,983	418,171	12,188	3.0%
<b>SUBTOTAL</b>	<b>\$ 3,264,557</b>	<b>3,377,751</b>	<b>3,420,371</b>	<b>3,535,833</b>	<b>3,718,992</b>	<b>183,159</b>	<b>5.2%</b>
Employee Pay/Benefits	\$ 529,072	343,932	503,753	449,748	406,690	(43,058)	-9.6%
<b>TOTAL APPROPRIATION</b>	<b>\$ 3,793,629</b>	<b>3,721,683</b>	<b>3,924,124</b>	<b>3,985,581</b>	<b>4,125,682</b>	<b>140,101</b>	<b>3.5%</b>

	FY 12 Budget	FY 13 Budget	FY 14 Budget	FY 15 Budget	FY 16 Fin Com	Change FY 15-16	Percent Change
Police Facility	\$ 193,234	195,463	196,488	197,592	223,587	25,995	13.2%
Police	\$ 4,600,205	4,740,647	4,877,637	5,045,541	5,250,243	204,702	4.1%
Fire/EMS	\$ 4,494,411	4,703,339	4,844,603	5,076,937	5,187,738	110,801	2.2%
Communications Center	\$ 656,869	702,133	719,958	755,471	748,424	(7,047)	-0.9%
Animal Welfare	\$ 58,108	60,217	61,177	62,215	63,634	1,419	2.3%
<b>TOTAL APPROPRIATION</b>	<b>\$ 10,002,827</b>	<b>10,401,799</b>	<b>10,699,863</b>	<b>11,137,756</b>	<b>11,473,626</b>	<b>335,870</b>	<b>3.0%</b>

	FY 12 Budget	FY 13 Budget	FY 14 Budget	FY 15 Budget	FY 16 Fin Com	Change FY 15-16	Percent Change
Public Works Administration	\$ 349,049	363,270	350,603	365,525	420,859	55,334	15.1%
Highway	\$ 680,947	715,504	774,174	803,218	806,628	3,410	0.4%
Snow & Ice Removal	\$ 280,410	280,410	390,410	280,410	280,410	0	0.0%
Street & Traffic Lights	\$ 139,650	139,650	99,650	99,650	99,650	0	0.0%
Equipment Maintenance	\$ 275,399	265,821	268,003	287,417	286,461	(956)	-0.3%
Tree and Grounds Maintenance	\$ 552,729	594,442	589,868	571,022	609,047	38,025	6.7%
<b>TOTAL APPROPRIATION</b>	<b>\$ 2,278,184</b>	<b>2,359,097</b>	<b>2,472,708</b>	<b>2,407,242</b>	<b>2,503,055</b>	<b>95,813</b>	<b>4.0%</b>

70  
**FINANCE COMMITTEE REPORT – FY16**  
**APPENDIX B**

**FY16 MUNICIPAL SERVICES BUDGET WITH HEALTH INSURANCE COSTS  
 ALLOCATED TO DEPARTMENTS**

	FY 12 Budget	FY 13 Budget	FY 14 Budget	FY 15 Budget	FY 16 Fin Com	Change FY 15-16	Percent Change
Conservation	\$ 316,965	323,725	336,304	366,989	386,092	19,103	5.2%
Planning	\$ 318,797	331,306	337,978	382,320	401,997	19,677	5.1%
Inspection Services	\$ 424,980	450,598	553,914	625,058	747,884	122,826	19.7%
<b>TOTAL APPROPRIATION</b>	<b>\$ 1,060,742</b>	<b>1,105,629</b>	<b>1,228,196</b>	<b>1,374,367</b>	<b>1,535,973</b>	<b>161,606</b>	<b>11.8%</b>

	FY 12 Budget	FY 13 Budget	FY 14 Budget	FY 15 Budget	FY 16 Fin Com	Change FY 15-16	Percent Change
Public Health	\$ 340,746	374,548	383,255	378,617	249,473	(129,144)	-34.1%
Senior Center	\$ 246,071	255,979	260,319	266,424	269,591	3,167	1.2%
Veterans' Serv. & Benefits	\$ 294,369	294,369	319,369	330,769	330,769	-	0.0%
Social Services				125,000	20,000		
Leisure Services & S.E.	\$ 553,710	626,098	627,545	611,187	633,678	22,491	3.7%
Pools	\$ 170,945	192,011	194,557	194,669	193,409	(1,260)	-0.6%
Golf Course	\$ 250,218	251,981	260,256	261,314	264,492	3,178	1.2%
<b>TOTAL APPROPRIATION</b>	<b>\$ 1,856,059</b>	<b>1,994,986</b>	<b>2,045,301</b>	<b>2,167,980</b>	<b>1,961,412</b>	<b>(206,568)</b>	<b>-9.5%</b>

APPENDIX C

**GLOSSARY**

---

**These definitions explain the meaning of some terms frequently used at Amherst Town Meeting as the terms apply to Amherst government.**

**Appropriation** - The authorization by Town Meeting of an expenditure for a specified purpose using money from one or more specified sources (taxation, borrowing, grants, etc.). In most cases, a simple majority vote is required; authorization to borrow and appropriations from the Stabilization Fund require a two-thirds vote.

If the expenditure turns out to be less than the appropriation, the remainder is called an appropriation balance. An appropriation balance from a specific project or use can be made available for similar or related purposes by subsequent votes of appropriation transfers. Appropriation balances in the General Fund which stem from the Town's operating budget revert to Free Cash at the end of the fiscal year.

**Capital expenditure exclusion** - See "Exclusions".

**Capital plan** - A list of proposed expenditures and funding sources for needs such as land acquisition, construction, major equipment and maintenance, and other special projects that add to the value of the Town's assets.

**Cherry Sheet** – The official notification from the State of the amounts and types of aid the State will provide to each municipality in a fiscal year, and the amounts each municipality must pay the State and regional entities for a variety of services provided. The document is called a "cherry sheet" because it comes on pink paper.

**COLA** – Cost of living adjustment.

**Contingent appropriation** - An appropriation voted by Town Meeting that becomes effective only if the amount is approved in a Proposition 2 1/2 override election.

**Debt exclusion** - See "Exclusions".

**Enterprise fund** - A fund established to provide specific services. The state allows enterprise funds only for water, sewer, solid waste, hospital, recreation services, and transportation. Amherst has five: water, sewer, solid waste, golf course, and transportation. Both the costs and the revenues of the enterprise are segregated from other finances of the Town. The costs of the operation are intended to be financed totally or primarily from user charges. Surplus funds, called unreserved retained earnings, may accumulate in the fund for future use by the enterprise. Surpluses result primarily from revenues in excess of estimates and from unexpended appropriations.

**Excess taxing capacity** - The difference between actual real and personal property taxes levied in any given year and the amount authorized to be assessed under Proposition 2 1/2.

**Exclusions** - Exclusions allow, by referendum, an increase in the amount of property taxes which a community may levy, for a limited period of time, and only for capital purposes. The revenue is in addition to the levy limit, but it neither increases the levy limit nor becomes part of the base for calculating levy limits of future years. "Capital purposes," in this context, are those for which the Town is authorized to borrow under Massachusetts General Laws, Chapter. 44, sections 7 and 8. Generally, this includes public building and public works projects and land and equipment acquisitions.

The money to pay for these projects is authorized by Town Meeting, but only the Select Board, by a two-thirds majority, can place exclusion questions on the ballot to raise money by increasing the levy.

**Capital expenditure exclusion** - A one-year increase in the levy limit approved by the voters in a referendum for the purpose of funding a capital project. The referendum question defines the project, states the maximum amount of the exclusion, and specifies the fiscal year in which the payment will occur.

**Debt exclusion** - A temporary increase in the levy limit approved by the voters in a referendum for the purpose of funding a capital project by means of debt. Both principal and interest are excluded from the levy limit until the debt is retired. The referendum question defines the project, but it does not state the amount of money to be excluded or the years of debt payments. (Estimated amounts are publicized prior to the referendum.)

APPENDIX C

**GLOSSARY**

---

**Free Cash** - The unreserved, undesignated fund balance of the General Fund that accumulates from revenues collected in excess of estimates and from unexpended appropriation balances. These are the only sources of Free Cash; money cannot be appropriated to Free Cash. The amount is calculated and certified by the state's Department of Revenue each year as of July 1, the first day of the fiscal year. Free Cash may be spent by Town Meeting appropriation only, by majority vote.

**General Fund** - The general operating fund of the Town. It includes revenues from taxation, general state aid, school aid, and all other financial resources that are not held for specific purposes. Expenditures from this fund may be for any purpose for which a municipality may legally appropriate funds. Enterprise Fund money is not part of the General Fund.

**Levy** - *Verb*: To impose a tax. *Noun*: The total amount of real and personal property taxes assessed in any given year, referred to as "the levy".

**Levy ceiling** - The limit imposed by Proposition 2 1/2 which equals 2 1/2% of the total full and fair cash value of all property in the Town. The levy may not exceed this amount; taxpayers may not vote a higher amount in an override. The levy ceiling is equal to a tax rate of \$25 per \$1,000 of valuation.

**Levy limit** - The amount that a town may raise in taxes each year without approval by the voters in a referendum. The levy limit is the prior year's limit plus 2 1/2% of that amount plus an amount approved by the state that resulted from "new growth".

Referenda of two types may be used to increase the limit: override and exclusion.  
These are defined elsewhere in this list.

**New growth** - The increased value in a given year of new development and other growth in the tax base that is not the result of revaluation. Included are physical additions or improvements to taxable property, exempt real property returned to the tax roll, new personal property, and new subdivision parcels and condominium conversions. New growth of one year becomes part of the base for calculating the next year's levy limit.

**Overlay / reserve for abatements and exemptions** - Tax abatements and exemptions are allowed for a variety of reasons specified in the Massachusetts General Laws. At the time the levy is assessed, the amount of qualifying abatements that will be granted is not determinable; therefore an amount of money must be set aside to provide for these abatements. If at the end of a fiscal year a balance remains in the reserve and the Assessors determine that no further claims are pending, the amount remaining may be reappropriated for other purposes or closed to Free Cash.

**Override** - A permanent increase in the levy limit approved by the voters in a referendum. The increase becomes part of the base for calculating levy limits of future years.

An override ballot question requests funding for expenses that are expected to continue into the future. The purpose stated in the question may be broad (for example, "general operating expenses") or narrow (for example, "two fire fighters"). The amount of money is also stated in the question, along with the fiscal year in which the increase is to become effective. Money from an override is earmarked for the purpose stated in the ballot question in the first year the override is in effect. Funding for this purpose can be expected to continue, even though, in subsequent years, the money is considered to be an undifferentiated part of the General Fund.

Overrides may be structured in any of three forms: a single ballot question stating a single purpose and related amount of money; a "pyramid" consisting of two or more separate ballot questions stating the same purpose but different amounts of money in each question; or a "menu" of separate questions, each stating a different purpose along with its related amount of money.

Override questions can be put on the ballot only by majority vote of the Select Board. The form of the override and the wording of the question or questions is also determined by the Select Board.

**Reserve Fund** - An account voted annually by Town Meeting to be used for extraordinary and unforeseen expenses that may occur during a fiscal year. The appropriation may not exceed 5% of the previous year's tax levy. Transfers from this fund are made by majority vote of the Finance Committee.

APPENDIX C

**GLOSSARY**

---

**Reserves** - Money accumulated for future expenditure. Free Cash and the Stabilization Fund are general reserves that may be used for a wide variety of purposes. Some reserves are available only for restricted purposes, for example, the Ambulance Account, the Conservation Fund, the Parking Meter Receipt Account, and the Sale of Real Estate Account.

**Revolving Fund** - A special purpose account that accumulates revenues based on charges for services and from which expenditures are made without Town Meeting appropriation for uses for which the revenue was collected. The purposes for which the Massachusetts General Laws authorize such accounts to be established are recreation, adult education, and school lunch. These funds differ from enterprise funds in that they do not accumulate and capitalize assets, there are restrictions on the size of fund balances they may retain from year to year, and some restrictions are placed on the purposes for which funds may be expended.

**Stabilization Fund** - An account established to save funds for future needs. Town Meeting may appropriate funds to the account, subject to limits imposed by state law. Transfers from the account may be made at Annual or Special Town Meetings for any lawful purposes. A two-thirds vote of Town Meeting is required to transfer money out of the fund. The state originally limited use of this fund to capital purposes only, a restriction that no longer exists.