

**Town of Amherst  
Finance Committee Meeting  
Tuesday, February 26, 2019 2:00  
Town Room, Town Hall  
4 Boltwood Avenue**

**Minutes**

1. Call to Order

Chairman Steinberg declared the presence of a quorum and called the meeting to order at 2:05 pm

Councilors present: Councilors Bahl-Milne, Griesemer, Pam, Schoen, Steinberg.

Councilors absent: None

Others Present: Town Manager Paul Bockelman, Sean Mangano, Sonia Aldrich, Comptroller.

2. Regional School Budget

Discussion of need to take up school budget before rest of Town budget to mesh with schedules of other 3 towns that are on a different calendar. Councilors Bahl-Milne, Griesemer, Pam, and Steinberg will attend the Four Towns Meeting on March 2.

There is no copy of the regional budget as yet. Will likely start with current costs and project the future budget with wage increases and proposed changes. The health insurance rate is provided every year in July, expect favorable estimate for upcoming year.

We will be presented with and choose one of two complex assessment methods, hoping to choose the best alternative. Much discussion of the various factors. The aim is to find a method that is fair to all towns so that no town finds itself in an untenable position requiring difficult budget cuts. The Finance Committee's role is to understand and to be able to explain the method chosen.

3. New Elementary School – SOI and MSBA

Next item was consideration of the various proposals for a new school and questions on whether MSBA would fund a renovation of one or two schools. Mr. Mangano says the MSBA has not spoken on this issue yet. They

want a building that would last 30 years. Amherst could consider doing one school with MSBA funding and one without.

The modeling will examine potential alternatives.

#### 4. Developing Tool to Inform Discussion of Major Capital Projects

Mr. Mangano's interactive Workbook model, Capital Project Modeling, shows the interactions of various forces with many variations in order to help make predictions of costs of the competing plans.

Comptroller Aldrich clarified terms : Operating override and debt exclusion override, in terms of payback terms. Discussion of past experience, voting requirements to pass.

Discussion of the effect of the Zero Energy Requirements and effect on construction costs. Need to factor in reduced future energy costs. One way to reduce up front costs would be to have a purchasing agreement instead for solar panels. Questions on whether MSBA would reimburse more expensive triple paned glass and other energy saving materials. More energy efficient building requires fewer panels to offset, and leaves more space around the school.

Maria Kopiki presented projections based in part on the Fort River study . And clarified that MSBA will consider proposals to renovate a school. In fact, they award extra points for renovation. She also noted that the Fort River study including estimates of designing new school buildings to meet the zero energy requirement.

#### 5. Finance Meeting Schedule

Discussion of deadlines for decisions on budget and capital projects followed. Councilor Steinberg proposed that the Finance Committee meet two times a week beginning in May until we have accomplished the required tasks related to the FY20 budget and other issues. .

The task now is to familiarize committee members with past budgets, receive public input in upcoming forums, so the Finance Committee can make strong recommendations to the Town Council. Various time tables, suggestions to combine public hearing with Town Council meeting.

In order to deal with the tight timetable, the Finance committee agreed to meet two times a week, Tuesdays and Thursdays at 2:00, during May. The Budget forum on March 7<sup>th</sup> will give the public a chance to state

some of their priorities and to ask questions before May first when the Town Manager presents the budget to the Finance Committee. Fifty percent of the forum time will be set aside for their comments.

Discussion followed about the possibility of combining finance budget hearings with Town Council meetings. Councilor Griesemer reminded the committee that in a forum, 50% of the time for a public forum is reserved for public comment. The Finance Committee runs Budget Hearings, the Town Council runs capital budget forum.

Town Manager Bockelman said that the April 2<sup>nd</sup> Finance Committee meeting will also be a Public Hearing. Perhaps we need an extra Town Council meeting on May 13<sup>th</sup> so that the May 20<sup>th</sup> Town Council Meeting can include a Public Hearing.

The Committee agreed to ask the Town Council that upon receipt of the budget, it refer the budget immediately to the Finance Committee.

When asked, TM Bockelman replied that there would a line in the budget for a new Finance Director.

Discussion of getting up to speed by studying the FY19 budget and clarifying terms and concepts.

Councilor Schoen said one area of discussion would be enterprise funds and fees of all kinds: how they are set, when and how decisions are made, making sure that they are commensurate to costs. Councilor Bahl-Milne asked why the tax rates for all property is the same, whether residential or commercial.

The minutes from January 22<sup>nd</sup> and February 12<sup>th</sup> were accepted.

The meeting was adjourned at 4:10 PM

Respectfully submitted,  
Dorothy Pam