

Amherst Finance Committee Minutes

February 19, 2009

CALL TO ORDER

The meeting was called to order at 7:07 p.m. in the Town Room, Town Hall.

FINANCE COMMITTEE MEMBERS IN ATTENDANCE

Marilyn Blaustein, Kay Moran (vice-chair), Brian Morton (chair), Bob Saul, Douglas Slaughter, Marylou Theilman.

STAFF IN ATTENDANCE: Larry Shaffer, Town Manager; John Musante, Assistant Town Manager/Finance Director; David Burgess, Principal Assessor; Sandra Burgess, Town Clerk; Sonia Aldrich, Comptroller; David Ziomek, Director Planning, Conservation & Inspections, Jonathan Tucker, Planning Director; Claire McGinnis, Collector; Kathy Pollard, Veterans' Service Director; Kris Pacunas, Director Information Technology; Ron Bohonowicz, Maintenance Director; Bonnie Weeks, Building Commissioner

OTHERS IN ATTENDANCE: Walter Wolnik

AGENDA

1. Budget Presentation
 - a. General Government #1
 - i. Select Board/Town Manager
 - ii. Town Meeting/Finance Committee
 - iii. Finance Department
 - iv. General Services
 - v. Legal
 - vi. Information Technology
 - vii. Town Clerk/ Elections
 - viii. Facilities Maintenance
 - b. Planning, Conservation, & Inspections
 - c. Veterans' Services/Town Commemorations
2. Legislative Update
3. Member Reports
4. Minutes
5. Miscellaneous

COMMITTEE ACTION

VOTED 5-0-1 abstention (Saul), 1 absent (Steinberg) to approve the minutes of February 5, 2009.

DISCUSSION

1. Budget Presentation

GENERAL GOVERNMENT

Select Board/Town Manager. Shaffer said that the proposed budget is less than last year's. One full-time position has been eliminated and been replaced with a part-time one. This reduction was made

possible through office automation. Included in this budget is \$7,500 for Special Activities to support the Amherst 250th celebration activities.

Town Meeting/Finance Committee. Musante said that this allocation is unchanged from the prior year (\$800) and includes the moderator's salary and membership in the Association of Town Finance Committees. It also includes \$300 for expenses for the Town Meeting Coordinating Committee. These are direct costs; it does not include indirect costs of Town Meeting that are disbursed throughout the budget.

Finance Department. Musante said that the Finance Department has four main functions; Controller, Assessor, Tax Collection, and Treasurer. The FY10 budget is a level services budget, a 4.3% increase from FY09. Staff has been reduced by about 20% in the past three years. This has been accomplished with the introduction of increased technology. For example, patient billing information is generated electronically in the ambulance, and parking enforcement uses hand-held devices to issue parking tickets and upload them in the Controller's Office. Town Hall has been closed to the public on Thursday mornings since July 2007, allowing staff to catch up on back office work. Collection rates remain strong and billing is done in a timely manner. Annual independent audits do not contain material weaknesses.

General Services. Aldrich explained that this area is under the umbrella of the Accounting Department and manages the centralized purchasing of supplies, services and insurance. In FY08 there were savings of \$70,000 in liability insurance costs that will be extended through October 2009. FY10 will be the final year of a lease purchase of the Town's telephone system. A savings of about \$25,000 will be realized in FY11. The proposed budget for this area (\$410,463) is about \$20,000 less than the FY07 budget.

Legal Services. Shaffer said that legal costs for FY09 will be higher than last year, and that the budgeted amount of \$95,000 will likely increase to \$135,000-145,000 for FY09. This is a result of litigation expenses involving the Planning Board and Conservation Commission. Labor negotiation, litigation, and land acquisition fall outside of the contract for legal services and are billed separately. There are not a lot of new applications for land development which will likely result in fewer legal suits in FY10. Shaffer said he would share the list of legal suits against the Town.

Information Technology (IT). Pacunas said that IT responsibilities span 14 buildings, and the budget covers every department's technology needs. This allows the Town to gauge its spending on technology and avoid unnecessary duplication. Technology needs have grown substantially, but the rate of growth in the IT budget has been significantly slower. In the past seven years accomplishments have included: support of Library IT, maintenance of five websites, addition of the downtown wireless network, and increased direct service to the public including the Senior Center and libraries. Creative funding mechanisms have been used for larger projects such as the downtown wireless collaboration with UMass and the town-wide IP phone system with a 5-year lease purchase. There has been no increase in staff during this period. Recent projects have included redesign of the Town website. The redesign allows boards and committees to take responsibility for upkeep of the content for their areas. One-third of town computers have been replaced with more energy efficient equipment. The FY10 budget increases are largely in maintenance contracts.

Shaffer added that the IT department has been instrumental in realizing savings and efficiencies in other departments. An example is the inspections process, formerly a paper intensive process, which has been converted to an online system. IT also converted the citizen activity form from a manual to an Internet based automated system.

Slaughter asked if IT has explored open source software. Pacunas responded that up front costs are generally lower but ongoing maintenance costs are often higher. However, under certain circumstances this may be appropriate and will be considered in the future. Hardware replacements are included with the capital plan.

Town Clerk/ Elections. S. Burgess said that the Town Clerk's office is responsible for maintaining voter registration information, vital records of Amherst citizens, licensing, and is the record keeper for many of the Town's permanent records. Approximately 98% of what the office does is mandated by statute. A critical staffing level for this area is 3 FTEs. Accomplishments include improvements in election worker training and overhaul of the records indexing system from a paper to an electronic system. This will also free up space in the vault. In response to a query about processing passports, Burgess stated that it generates about \$16,000 in revenue.

Elections. Moran disclosed that she is an election worker and consulted with Town Counsel about a potential conflict of interest. She does not receive remuneration for this work and therefore it is not considered a conflict of interest.

This budget will be going down in FY10 because there is only one scheduled election in FY10 versus three in FY09. There will be some increase in polling place fees—the State will no longer pay for programming of flash cards for voting machines. The cost of an election is in part determined by the number of election workers needed. For example, state elections will require more workers than local elections.

Morton asked about the cost of an override election. Burgess estimated that costs for a special Town election would be: \$8,000 for payroll, \$1,500 for printing and advertising, and a total over cost for a special election of \$11,000-\$12,000.

Saul asked if there was any discussion of raising fees. Musante said that fees are reviewed annually. Burgess added that the filing fee for cemetery lots was raised in FY09. It takes a considerable amount of time to put these together. Fees are intended to cover costs, not to generate revenue. There are no scheduled increases for FY10.

Moran asked about the implications of regionalizing the assessor's function. Musante said that he, Shaffer and D. Burgess are exploring whether there will be mutual benefit to offer assessing services to neighboring towns, especially those that use the same software. The budget as proposed does not include a recommendation for regionalizing.

Facilities Maintenance. R. Bohonowicz, described energy savings initiatives that have been implemented at the police station, Town Hall, DPW, Bangs Center, and parking garage by changing out light bulbs and ballasts. Energy consumption has been reduced by 40% in the parking garage, and there has been an overall reduction in Town and school buildings of 350,000 kilowatts, the equivalent of energy consumed by approximately 40 houses per year. He hopes that stimulus money will be available for the Bangs Center roof—these funds have already been allocated, but can be used elsewhere. He anticipates a 6% increase in electric rates; the rate for natural gas was reduced by 7%. They have locked into a rate of \$1.82 per gallon for gas through July 2009, approximately \$1.00 less than last year. The number of personnel for FY10 is status quo. Custodial services are shared among facilities whenever possible.

Police Facility. Bohonowicz said that there is 1 FTE employed for police facility maintenance. This is a 24-7 operation, and weekends are covered with overtime. The police station is 18-19 years old. The roof will need to be replaced at 25-30 years.

PLANNING, CONSERVATION AND INSPECTIONS

Ziomek said that there are no significant changes in personnel for this area, but there are significant changes as a result of reorganization. Efficiencies include some staff going from full-time to contract employees in inspections, changes in the record keeping system and efficiencies achieved through the MUNIS system, and physical reorganization. All staff will be housed in the same area with the impending move of Inspections staff to the second floor of Town Hall. Each department has about 1 FTE administrative position. Cross-training of staff will be implemented to allow for sharing of staff. Ziomek has increased responsibility in overall administration, and Tucker will become more involved in the implementation of the Master Plan. The new organization is designed to increase productivity, better serve the public and realize monetary savings. Ziomek said that he doesn't see demand going down. Staff in this area serves many of the 55+ town committees (e.g., Kendrick Park committee).

Conservation. Ziomek said that this is a small but important piece of this functional area and includes: 1) Wetlands--wetlands permits are generally down, but more complicated and more contentious. 2) Open space planning. The goal is to be selective and to prioritize acquisition of open space, with targeted parcels with willing sellers and the use of public (CPA) and private dollars. 3) Land management and conservation. Conservation is seeking federal grants (15) to pay for land management costs. The department is looking at a new management plan for Puffers Pond, which will include creative changes and the possibility of a users fee. 4) Energy conservation. A staff person has raised funds to support her position. There is a need for more grant funding and volunteer involvement. Ziomek will try to get more citizen involvement.

Planning. Tucker said that the nature of development and growth is changing in the community. The Planning Board is finalizing the Master Plan and will move on to implementation. The Planning staff will continue to support the permitting process. Many permits can take two to three years and involve environmental, physical, traffic and other factors. Planners continue to take an active role in public projects such as Puffers Pond and Kendrick Park. The Planning Department is the gatekeeper for economic development and facilitated changes in the zoning regulations that are supportive of economic development. Four grants have been submitted since the new assistant planner was hired. Planning has also been involved in the town GIS system since it began. Ninety-six percent of the budget is for staff. Planning is presently fully staffed.

Inspection Services. Weeks said that this area oversees building, electrical, plumbing and local zoning code. Inspection Services works closely with the health department, fire department and planning department and assists people with interpreting the building code. There are new building codes that will be concurrent with the old code for 6 months. Plan review is an important part of the job, but time consuming.

Inspection Services reorganized over the last year and started a new permit tracking system. They are still working out some of the bugs, and it will take a while to achieve efficiencies. Personnel changes include shifting a full-time electrical inspector to two half time positions. Office staff is now doing all of scheduling. Full-time staff now has laptops in the field which will create efficiencies. Physical proximity with Planning and Conservation will allow for better communication and efficiencies in these areas.

Shaffer added that Inspection Services is integral to about five other departments. Implementation of a common software platform will make information more transparent and facilitate an integrated operation. He hopes to see significant progress in the next year. The MUNIS system has the capability of notifying people when a specific application has come in. (e.g., fire department will be informed that a new restaurant is coming in with a requirement for a hood system).

Revenue generated by Inspection Services covers the cost of the department plus benefits. Weights and measures have been shared with Northampton since the late 1990s.

VETERANS' SERVICES/TOWN COMMEMORATIONS. Pollard said that the budget for commemorations has been the same for the last three years and includes funds for flags for veterans' gravestones for Memorial Day. The budget includes the veterans' agent salary, office supplies, and direct benefits payable to eligible veterans. The increase of \$15,000 is consistent with current caseload. 75% will be reimbursed by the state. Veterans' Services is now providing services for Pelham.

2. Legislative Update. Shaffer reported that they do not yet know what the rules are on the stimulus package. They are also waiting to hear the status of the fire grant. Musante reported that the state legislature is at the beginning stages of reviewing the Governor's budget. He will be attending a detailed briefing next week and will have more information then.

3. Member Reports. Moran reported that she attended the Library Trustees meeting on 2/19/09. They are at the very beginning of budget formation and have not given the director clear direction on the budget other than a level services budget. The endowment dropped about \$2 million since June. The staff is brainstorming suggestions for cutting costs.

Slaughter reported on the JCPC meeting. LSSE, Planning, Conservation & Inspections, and the Library submitted their requests. The Library has substituted painting for a window replacement project. Other projects are relatively the same. A flyover of GIS was approved last year for Planning. The company doing the flyover can also identify flood prone conservancy lands more accurately. There is a new proposal to replace a leaking pipe at War Memorial Pool.

B. Morton said that BCG will be meeting on March 2. They cannot do much until they get budget scenarios and mitigating solutions.

4. Minutes: VOTED 5-0-1 abstention (Saul), 1 absent (Steinberg) to approve the minutes of February 5, 2009.

ADJOURNMENT. The meeting adjourned at 10:10 p.m.

Respectfully submitted,
Marilyn Blaustein, Acting Clerk