

Amherst Finance Committee

May 3, 2010, 6:45 P.M.

Band Room, Amherst Regional Middle School

Members Present: Marilyn Blaustein, Marylou Theilman, Kay Moran, Andy Steinberg, Bob Saul, Doug Slaughter, Phil Jackson

Others in attendance: John Musante, Assistant Town Manager/Finance Director

Agenda:

1. News affecting budget
2. Annual Town Meeting Article 2
3. Annual Town Meeting Article 5
4. Annual Town Meeting Article 20
5. Annual Town Meeting Article 21
6. Annual Town Meeting Article 22
7. Member reports
8. Minutes of April 1, 2010 meeting
9. Next Meeting and Agenda
10. Miscellaneous

Steinberg called the meeting to order at 6:50 p.m.

1. News affecting budget

Musante reported that the House passed a Budget as proposed by the House Ways and Means Committee reducing municipal and Chapter 70 education aid by 4% as compared to last year's level. Steinberg noted that the Education aid is funded in part from Federal Stimulus funds. Musante commented that depending on the Senate's actions and the resulting Budget that is signed, it is possible that Fall Town Meeting might have to adjust the Town budget relative to this technical change in revenue source.

2. Article 2 Transfer of Funds – Unpaid Bills

Musante reported that there are no unpaid bills. Moran made a motion that we recommend dismissal of Article 2. Theilman seconded. No further discussion. Motion passed 7-0.

3. Article 5 FY2010 Budget Amendments

Musante reported that Article 5 would be handled in two parts. Part A is a transfer of \$173,000 from General Government to Public Safety for retroactive pay related to the resolution of the contract with the firefighters. Moran moved we recommend Part A of Article 5 for a transfer of \$173,000 from General Government to Public Safety. Blaustein seconded. There was no further discussion and the motion passed 7-0. Steinberg stated that Part B involves transfers from Free Cash for balancing the FY 2010 budget and that no transfer is needed. Theilman made a motion that we recommend dismissal of Article 5 Part B. Jackson seconded. No further discussion. Motion passed 7-0.

4. Article 20 Free Cash

Steinberg reported that Article 20 is a standard article used to balance the budget when estimated expenditures exceed estimated revenues for the new Fiscal Year. Given the excess tax capacity available with the passage of the override, he stated that he felt if a motion to enlarge the budget came before Town Meeting the Finance Committee should recommend preservation of Free Cash and the use of the authorized taxing capacity to cover the additional expenditure. Moran concurred with this opinion. Musante stated that it would be consistent with previous Finance Committee actions of seeking to build reserves and to not use them for operating expenses. Moran moved to recommend dismissal. Saul seconded. There was no further discussion of the motion. Motion passed 7-0.

5. Article 21 Stabilization Fund

Steinberg stated that the use of Stabilization Fund monies is also used to balance the budget but is used less often due to the 2/3 majority required to spend from this reserve account. Moran moved to recommend dismissal. Blaustein seconded. There was no further discussion and the motion passed 7-0.

6. Article 22 Accept Massachusetts General Laws Chapter 40U, Collection of Unpaid Municipal Fines

Steinberg explained that the state gave municipalities new authority regarding the collection of fines, however, the Select Board has changed its original position on the Article and is seeking more time to review the particulars of this new authority. The Select Board will seek referral of this Article back to the Select Board. Jackson moved we recommend the referral of the Article to the Select Board. Slaughter seconded. There was no further discussion and the motion passed 7-0.

7. Member Reports

Steinberg reported that he and Moran did the editing of the Finance Committee Report for Town Meeting. They also executed the subsequent last minute corrections and additions necessary to complete the report. Due to the difficulty in finishing the report, Steinberg suggested that some process changes may be needed for the creation of future Finance Committee reports to Town Meeting.

8. Minutes.

None.

9. Next meeting and agenda

Steinberg suggested we will not have a meeting until after Town Meeting most likely in early July.

10. Miscellaneous

Since this would be the last meeting of Marilyn Blaustein's tenure on the Finance Committee, Steinberg expressed sincere thanks to her for her years of service to the

committee. The rest of the Committee heartily concurred. Moran made the motion to adjourn, and the motion passed 7-0. The meeting adjourned at 7:20 pm.

Doug Slaughter, acting clerk