

Finance Committee Minutes, Oct. 21, 2010

CALL TO ORDER. The meeting was called to order at 8:03 p.m. in the second floor conference room, Town Hall.

FINANCE COMMITTEE MEMBERS IN ATTENDANCE: Gary Abbott, Phil Jackson, Kay Moran (Vice-Chair), Bob Saul, Doug Slaughter, Andy Steinberg (Chair), Marylou Theilman

OTHERS IN ATTENDANCE: John Musante, Town Manager/Finance Director; Carol Hepburn, Animal Welfare Officer; Peter Jessop, chair, Community Preservation Act Committee; Jonathan Tucker, Planning Director; Ruth Hazzard, Chair, Agricultural Commission; Ruth Hooke, Amy Vickers, Walter Wolnik

AGENDA AND DISCUSSION:

1. Special Town Meeting Article 1, Reports of Boards and Committees
VOTED 7-0 to recommend approval of this routine article.
2. Special Town Meeting Article 2, Transfer of Funds – Unpaid Bills
Musante said that, as of now, there are no unpaid bills previous years.
VOTED 7-0 to recommend dismissal.
3. Special Town Meeting Article 4, FY 11 Budget Amendments
VOTED 7-0 to recommend approval of all parts of this article.
 - a) Municipal Operating Budget – Transfer Sums between Functional Areas (Firefighters Salary Reserve (\$205,832) transfer from General Government to Public Safety)
An allowance for firefighter raises was appropriated into the General Government budget while union negotiations continued. Now that the contract is settled, this amount needs to be transferred to Public Safety.
 - b) Elementary Schools – Reduce appropriation by \$113,124 because Chapter 70 funds replaced by FMAP grant
At the time of Annual Town Meeting, the state had not said how much aid to schools would be a FMAP grant, so the budget was approved on the assumption state aid would all be Chapter 70 funds. Now we know that \$113,124 of that is FMAP grant, which does not need to be appropriated. The schools will still have the same amount of money to spend.
 - c) Medicare Part D funds to Health Care Trust Fund (free cash appropriation) \$66,346.84
Under state law, Medicare Part D reimbursements are made to the Town of Amherst, though they are for services provided to Pelham and Regional School employees as well as Town Employees. The HCTF is where they belong.

4. Special Town Meeting Article Special Town Meeting Article 6, Acceptance of MGL c. 32B, s.20 to create Other Post Employment Benefits (OPEB) Trust Fund
VOTED 7-0 to recommend approval.
Yesterday Saul distributed a three-page draft memo describing the OPEB issue in some detail. Steinberg asked whether we should distribute this to Town Meeting members. Saul said the funding issues should be addressed with Town Meeting members eventually, but the important thing now is to get this article approved. Moran said the issues raised in Saul's memo are so complex it might just confuse Town Meeting members now; they should be addressed at a public meeting sometime in the next few months. Abbott said he, too, will have funding and investment questions in the future, but right now establishing the trust fund is the issue. Musante noted that even if we begin putting money into the fund later, there is no state-required funding schedule.

5. Special Town Meeting Article 7, Community Preservation Act
VOTED 7-0 TO RECOMMEND APPROVAL OF PARTS A AND C as appropriate uses of CPA money, and to RECOMMEND DISMISSAL OF PART B, unless part A is defeated, in which case recommend approval of part B to meet the annual requirement for CPA open-space expenditure.
 - a) Stosz voted to appropriate a sum of money for the Town's share of this purchase
The Town has applied for a state grant to help with the purchase (for \$150,000) of approximately 7 acres that is contiguous with other preserved open space.

 - b) Open Space FY11 10% new revenue allocation
This would bring annual CPA spending for open space up to the required minimum if part A does not win Town Meeting approval.

 - c) Affordable Housing – appropriate a sum of money for study at Rolling Green
Rolling Green has about 200 units; 44 meet state standards for affordability, so the whole complex is included in Amherst's inventory of "affordable" housing under chapter 40B. In a few years the "affordable" protections expire, so the owners could raise rents to market rates. The proposed appropriation of \$25,000 would be used to hire a consultant to help the Town develop a strategy for preserving the 200 units, as was done in Northampton a few years ago. Abbott asked what the effect on this article would be if the ballot question abolishing 40B is approved in the Nov. 2 election. Jessop said it would still be important to preserve affordable housing.

6. Special Town Meeting Article 9, Accessory Livestock & Poultry (Zoning)
VOTED 7-0 TO RECOMMEND REFERRAL TO THE PLANNING BOARD.
Tucker said referral is what the Planning Board will recommend. Hepburn noted that she's already responsible for animal welfare and animal inspections.

7. Special Town Meeting Article 11, Medical Use definitions (Zoning)
VOTED 7-0 TO RECOMMEND APPROVAL.
Steinberg noted that in 2009, the Finance Committee took no position on a similar article. This, however, would refine the existing bylaw and make the ground rules clearer.

Slaughter said that because of that, this is the sort of housekeeping motion we frequently support.

8. Special Town Meeting Article 12, Town of Amherst – Schools purchasing food from local farms

VOTED 7-0 TO RECOMMEND APPROVAL.

Hazzard said the purpose is to state the Town's preference for buying produce produced in Massachusetts, especially in Amherst. The schools have already been buying some local produce. The Town and schools would not be required to do so. She said experience state-wide is that the local farm price equals the contract price; in some cases it's more, in other cases less. Saul said we already have a right-to-farm bylaw and a farm stand bylaw; this would be the third leg, to make a local market. Musante said there is an economic benefit to promoting local agriculture.

9. Special Town Meeting Article 13, Petition – Dog Welfare

VOTED 7-0 TO TAKE NO POSITION, because we see no financial implication.

Hepburn said the proposed bylaw wouldn't change her job or increase her workload.

Vickers said many other communities have similar tethering laws.

10. Special Town Meeting Article 14, Petition – Bring dollars home

VOTED 6-1 TO TAKE NO POSITION, because we don't see any direct and identifiable financial consequences to the Town.

Hooke said the wars in Iraq and Afghanistan have diverted money from local governments. She pointed out that the Northampton City Council recently approved a similar resolution. Abbott said he believes the dollars spent on those wars would be better spent at home. Theilman said such resolutions might discourage some developers from investing here. Saul, Steinberg and Moran said it's hard to tell what the financial effect on the Town would be.

11. Writing assignments, Finance Committee Report to Town Meeting and speaking assignments at Special Town Meeting

Finance Committee members volunteered to speak to various articles at Town Meeting.

12. Minutes – September 30, 2010 and October 14, 2010

The minutes of Sept. 30, 2010, were APPROVED BY VOTE OF 6-0, 1 absent.

The minutes of Oct. 14, 2010 were APPROVED BY VOTE OF 6-0, 1 absent.

NEXT MEETING: Finance Committee members AGREED to meet Thursday, Nov. 4, at 7 p.m.

ADJOURNMENT: The meeting adjourned at 10:13 p.m.

Kay Moran, acting clerk

DOCUMENTS USED AT MEETING:

Warrant for Special Town Meeting beginning Nov. 8, 2010

Bob Saul's draft memo (undated, but submitted 10/21/10) on OPEB issue