

Amherst Finance Committee Minutes
February 3, 2011 7 P.M.
1st Floor Meeting Room, Town Hall

The meeting was called to order at 7:05 P.M.

ATTENDANCE:

Kay Moran (Vice-Chair), Bob Saul, Douglas Slaughter, Andrew Steinberg (Chair), Marylou Theilman

OTHERS PRESENT:

John Musante, Town Manager/Finance Director; Tevis Kimball, Interim Library Director; Pat Holland, President, Jones Library Board of Trustee; David Ziomek; Director of Conservation and Development; Jonathon Tucker, Planning Director; Bonnie Weeks, Building Commissioner; Rob Detweiler, Director of Finance & Operation, Amherst Schools; Walter Wolnik, Resident; Fred VanDerbeck, Pelham Finance Committee

ANNOUNCEMENT:

Musante distributed a press release introducing the newly hired Finance Director, Sanford (Sandy) M. Pooler. His duties will begin on February 14, 2011. (See Item #1)

Steinberg thanked Musante for his work as Finance Director and in his dual role as both Finance Director and Town Manager. Steinberg stated that Musante's work is appreciated and the Finance Committee is happy that he has found someone for the Finance position with whom he is happy.

AGENDA and DISCUSSION:

News Affecting Budget

Musante reported on the Massachusetts Municipal Association (MMA) meeting at which the Governor spoke. (See Item #2) Highlights include the following: The Governor will file legislation for cities and towns to reign in municipal health insurance costs. The Governor is proposing an increase in Chapter 70 funding by \$140 million and that according to Musante would keep Amherst close to level funding. The Governor further is proposing an increase in Chapter 90 Local Road Program funding up \$45 million from FY11. He is proposing level funding of State Owned Land, Regional School Transportation, Charter School Reimbursements, Library Aid, Veterans' Benefits and Tax Reimbursements to Veterans, the Blind and Widows. Unrestricted General Government Aid would be reduced by \$65 million of which \$10 million of this reduction would be used to support a competitive grant program, one area of which would be regionalization and other efficiency initiatives. Additional initiatives for Fiscal FY12 were presented including one filed which would allow for a comprehensive overhaul of the pension system for communities.

Attached to the handout, "Gov. files FY12 budget bill, with 4th year of municipal aid cuts" are Musante's projections detailing how the range of FY12 local aid estimates would affect the various Amherst budgets. (See Item #3) Musante distributed the "FY11 Municipal Budget/Actual Reports for Quarter Ending December 31, 2010" prepared by

Sonia Aldrich, Comptroller. (See Item #4) On the revenue side, the Town has collected 53.4% of budgeted revenues. Property taxes are on pace to again exceed a 98% collection rate through the fiscal year end. Other revenues are in good shape versus the budget. The same is true for expenditures, although there is only \$50,000 left in the snow budget.

Library Services Budget Overview

Kimball, who has been in the interim position for one month and is Curator of Special Collections, presented the initial executive budget for the library (See Item #5) which has not been discussed or approved by the Library Trustees. Steinberg noted that the budget plan is important to the Finance Committee even though line items may be changed in the future. This year's budget guidelines for the town, library and schools were developed in November as the worst case scenario knowing that they may change at a later date.

Kimball noted that the Jones Library has the highest circulation rate in Western Massachusetts. For the second time, Special Collections received the IMLS national award given by the President's Council on Humanities. She also noted that the library is the primary destination for people coming to Amherst.

The proposed budget draft shows that the funding required to meet the state Municipal Appropriation Requirement (MAR) is \$7,672 higher than level funding to the library under the Finance Committee guidelines. Although the governor has proposed level funding for state aid to libraries, this year the libraries must absorb a \$30,000 reduction in available state aid as a result of a change the Trustees implemented in spending philosophy. For the past four years, the library has spent all state aid received in the previous year plus some received in the current. All the previous year's aid is being spent in FY11, limiting the library from now on to state aid for the year it is received. This change is the driver of the large projected deficits. Reducing hours and position cuts may be used to make up the deficit.

Kimball further reported the following. Three people have left the library, one has been replaced and two positions are vacant. The endowment will remain the same. The library will look for funding for books. The fund drive will be a challenge, as most of the money should be in hand by now. At this point the amount is \$20,000 short. The library will do enhanced fund raising activities and plan to reach out more to the community. Kimball also said that there has been discussion of the Director's salary which may be too low. Some assumptions have been made about wage adjustments which are in the budget, but COLA allocations are not.

Kimball asked what the Finance Committee would recommend in terms of the \$7,672 difference between level funding and MARS funding. Steinberg explained the Finance Committee process. The Town hopes to receive more aid from the state than projected in November, but need guidance from the legislature. April 14 is the date that the Finance Committee needs to vote their recommendations on the budgets.

Conservation and Development Department Budget Review

Ziomek began by presenting the three questions his area asks of itself. 1) What do citizens want and demand? 2) What are the goals and objectives of the Town Manager? 3) How will resources be applied to the goals and objective? He stated that by bringing the staff in Conservation & Development, Planning, and Inspection into the same physical area in Town Hall, they are better able to address those questions. Because of

the depth and breath of a variety of numerous projects, integration is essential. Working together in the same area has made the process more time efficient.

Conservation (See Item #6, Pages 79-83)

Ziomek reported that the budget for Conservation is status quo for next year. Staff is working on a Land Use and Management Policy which will provide direction for the future. Grants will be sought to fund initiatives outlined in the Puffer's Pond Management Plan. Since 2008 the department has brought in \$2 million in grants and \$1 million is under review. (See Item #6, Pages 180-181) In July/August paper work will be sent in for the Community Development Block Grant (CDBG) for FY12, a mini entitlement grant. The large federal grant is funneled through the state to communities based on census date which determines an entitlement community. Although there is no person with sole responsibilities for grant writing, Nat Malloy in Planning has been the writer with an exceptional strength in that area.

Planning (See Item #6, Pages 84-88)

Tucker distributed a list of Committees and Boards receiving staff support from the Amherst Planning Department (See Item #7) which reflects the large number and diversity of the groups. Many committees require a lot of time and it would be interesting to quantify the cost to the community. With such a long list of committees, it may be time to think about a policy related to establishing committees recognizing that some Boards/committees area required by law.

Tucker also commented on how helpful it has been to have all three department together and integrated which helps the workload for everyone, as well as, the time for people filing for permits, etc. He also commented on the number of grants in the department and its Planning Objectives including Gateway Corridor, North Amherst Village Center, Atkins Corner, Kendrick Park, Hawthorne Recreational Area and Olympia Drive

In the larger picture, Tucker suggested that the Town be encouraged to look at the potential to consolidate policies in the areas of Conservation, Development, Planning and Inspections which could be streamlined and made more effective.

Inspections (See Item #6, Pages 90-93)

Weeks reported that her work requires integration with the Fire and Health Departments, and the Department of Public Works. She meets with other department every other week to keep projects on track. Permit tracking is done to help with that process. Collaboration among departments works well, but inspectors need to be in the field. Paper work is time consuming and limits time in the field. In addition inspection codes change on a regular basis and presently some projects are being inspected under three codes. In spite of limited time, mandatory inspections are done.

Musante's FY12 Prioritized List of Budget Restorations/Additions (See Item #6, Page x) adds a Housing/Code Enforcement Inspector who would be responsible for some inspections. He believes that will help with more control over what's happening in neighborhoods. New user fees by rental property owners will be considered by Musante. All fees need to be approved as a Bylaw by Town Meeting.

Schools – Elementary (See Item #8) and Region Budget Overview (See Item #9)

The budgets are preliminary executive budgets (not approved by the School Committees) and do not specify the cuts that would be required. Detweiler stated that the elementary

budget is level funded, but adjusts for negotiated wage (step) increases, projected changes for enrollments and tuitions to Charter Schools, Special Education, transportation, insurance costs and anticipated retirements. An allowance for wage adjustments is in control accounts. Risk and benefits will increase as elementary staff on grant money formerly had their benefits paid at the Regional level. Now on regular funding, those costs will be shifted to the elementary budget.

The Regional budget is unchanged but is adjusted in the same areas as the elementary budget. Risk and benefits have gone down as noted above with costs for previously grant funded elementary positions shifted to elementary.

The Regional Schools Capital Planning Committee adopted a plan to begin funding capital improvements in the schools next year. One of its first projects is to replace “leaky” windows.

The Regional budget will be approved by mid March.

MEMBER REPORTS – LIAISONS and COMMITTEES:

The Joint Capital Planning Committee will meet on Fridays, February 4 & 11, 2011

Theilman stated that at the last Regional School Committee meeting it was learned that a Municipal Representative, by law (MGL 150E:1), will serve on the negotiation team for collective bargaining in the schools. Musante said that he would contact the Interim Superintendent for more information.

MINUTES OF PREVIOUS MEETINGS

The following minutes were approved as amended:
January 14, 2011 -- Voted 4 yes – 2 absent

NEXT MEETING and AGENDA:

The next meeting is Thursday February 10 at 7:00 P.M. in the 1st Floor Meeting Room, Town Hall.

Agenda items:
Public Works
Enterprise Funds
Public Safety

The meeting adjourned at 10:12P.M.

Submitted by:
Marylou Theilman, Acting Clerk

ITEMS DISTRIBUTED at the MEETING:

- Item #1 Sanford M. Pooler Appointed New Finance Director
- Item #2 MMA Conference Handout 1/21/11 –FY 2012 Proposals-Local Aid & Municipal Partnerships
- Item #3 Gov. files FY12 budget bill, with 4th year of municipal aid cuts
- Item #4 FY 11 Municipal Budget/Actual Reports for Quarter Ending December 31,2010
- Item #5 The Jones Library and Branches – Proposed Budget Draft—Fiscal Year 2012
- Item #6 Town of Amherst - Proposed Budget – Fiscal Year 2012

- Item #7 Groups receiving staff support from the Amherst Planning Department
- Item #8 The Public Schools of Amherst, Massachusetts –
Initial Development of the FY 2012 Budget – February 3, 2011
- Item #9 Amherst-Pelham Regional School District –
Four-Town Meeting –Saturday, January 29, 2011