

**Amherst Finance Committee
Friday, January 14, 2011, 4:00 P.M.
Town Room, Town Hall**

ATTENDANCE:

Andrew Steinberg (Chair), Kay Moran (Vice-Chair), Phil Jackson, Douglas Slaughter, Marylou Theilman

OTHERS PRESENT:

John Musante, Town Manager/Finance Director; Stephanie O’Keeffe, Select Board Chair; Alisa Brewer, Select Board; Jim Wald, Select Board; Diana Stein, Select Board; Walter Wolnik; Fred VanDerbeck, Pelham Finance Committee; members of the public

Agenda:

1. FY 12 Municipal Budget Presentation by John Musante, Town Manager

Minutes

Meeting was called to order at 4:04 p.m.

1. FY 11 Budget Presentation

Musante spent a little more than 40 minutes presenting the General Government budget (see Item 1)

During the question period, the following questions were posed to Musante:

Brewer asked about the Facility Maintenance Department item on the priority restoration list. Musante indicated that the East Street School is reverting back to town control. The town will examine options to use the facility to generate revenues to offset costs.

Moran asked about the Employee Benefits restoration item. Musante indicated that changes to the federal health reform has eliminated co-pays for preventive care, resulting in an additional cost to the town of \$52,000.

Theilman asked about the cut in public safety overtime. Musante indicated that if the budgeted amount is exceeded, funds will need to be reallocated from other budget areas..

Jackson asked about projected cost-savings and possible revenues on items listed on page 6 of Item 1, including regionalization of emergency dispatch, Atkins Corner redevelopment, the Gateway project and solar panels at the old landfill. Musante indicated it was too early to project actual dollar values.

Steinberg commented that the likelihood of significant increases in state aid in the near future is low.

O’Keeffe commented on unused tax capacity from FY11 property tax override. If state aid were to increase, this would allow items on the restoration list to be funded without taxing to the full capacity. She further commented that the amount that the Select Board put on the ballot last spring would have been less, so she expressed her desire to not tax unnecessarily.

O’Keefe expressed concern about Community Development Block Grant (CDBG) funding based on the potential that the town might lose its Mini-Entitlement status. Musante indicated funding is secure for FY12 and \$30k has been budgeted back to the town to cover expenses.

Walter Wolnik suggested that a standard part of this type of meeting should include informing viewers as to the location of the resources being presented. Musante responded that all materials would be up on the amherstma.gov site by Monday, January 17.

Patricia Holland, Library Trustee and member of the Town Personnel Board inquired as to whether or not cost-of-living adjustments (COLAs) for unionized staff are included in the proposed budget. Musante responded that the amount budgeted is adequate for the purposes of collective bargaining which is presently underway.

Larry Kelly asked if the Town Manager’s budget is a “no override budget.” Musante indicated his budget is level funded and that while it only represents one portion of the overall town budget, his understanding is that no budgets will be submitted that require an override to fund them.

2. Next committee meeting is January 20, 2010 at 7 p.m.

The meeting adjourned at 5:10 p.m.

Submitted by Phil Jackson, Acting Clerk

Documents Discussed

Item 1: Musante memo dated 1/14/10 to Select Board, Finance Committee; Town Manager’s Proposed FY12 Municipal Budget