

Approved 10/20/11

Amherst Finance Committee

July 7, 2011 (and July 12, 2011)

7 P.M.

First Floor Meeting Room, Town Hall

(Note: Due to a quorum problem discovered after the July 7 meeting had ended, the official votes on the following topics were taken at an official Finance Committee meeting July 12, 2011. Those votes are noted below. The July 12 meeting convened at 5 p.m. in the Town Room at Town Hall. Members present were Kay Moran, vice chair; Andrew Steinberg, chair; Doug Slaughter; and Bob Saul. Also present was Finance Director Sanford Pooler.)

In attendance: Finance Committee members, Mr. Steinberg, Ms. Moran, Mr. Slaughter, Ms. Theilman, and Mr. Saul, and Finance Director, Mr. Pooler.

Agenda:

Sandy Pooler acted as Chairman, and called the meeting to order at 7:03.

1. Election of the Chair and Vice Chair
Mr. Saul nominated Mr. Steinberg for chair and Ms. Theilman seconded. The motion passed 4-0 with one abstention. Ms. Theilman nominated Ms. Moran as Vice Chair, Mr. Slaughter seconded and the motion passed 4-0 with one abstention. Mr. Steinberg took over for Mr. Pooler as Chair. *(Steinberg and Moran were nominated again at the July 12 meeting and each re-elected by a vote of 3-0, three absent, one abstaining.)*
2. News affecting the Budget
Mr. Pooler stated that there are no changes to the budget from what we voted at Town Meeting. All money from State came in as predicted. If there is an excess in State tax receipts, 50% of the money will come back to cities and towns by the lottery formula by October 31st. Discussion occurred about setting the tax rate and these unexpected and unpredictable sources of revenue. Health insurance reform to allow cities and towns to go into State healthcare system but nothing happens until Select Board and School Committee adopts it as a local option.
3. Board/Committee Liaison Assignments for FY 12, Audit, JCPC and BCG. Mr. Saul volunteered to do Audit and BCG Committees. Ms. Moran and Mr. Slaughter volunteered to remain on the JCPC. Mr. Stenberg, as Chair of the Finance Committee, will remain on the BCG. Ms. Ratner will become the new liaison to the Library. Ms. Theilman will remain as liaison to the schools
4. FY 11 Reserve Fund Transfers
Net budget expenditure shortfalls amount to a surplus of \$236,860. The only budget deficit was \$15,000 which occurred in Conservation and Planning. The

\$15,000 gap will be closed by transferring money out of the available reserve fund. Ms. Theilman moved to transfer \$15,000 from the reserve fund, and Ms. Moran seconded. Ms. Moran and Mr. Steinberg stated that this is usually the way to fund a departmental deficit. The motion passed 5-0. *(At the July 12 meeting, the motion to transfer \$15,000 from the reserve fund to the FY 12 Planning and Development budget was approved by a vote of 4-0, with three absent.)*

5. Review of budget process for FY 12 and discussion of possible changes for FY 13
 - a. Budget process calendar. Ms. Theilman suggested we get budget guidelines out earlier and encourage the schools to coordinate their timing with the timing of the manager's budget. Mr. Slaughter added that in years where there are contract negotiations, it is hard to budget in a timely fashion because of contract uncertainty. Ms. Moran said guidelines were out earlier in 2010 than any other year, and ultimately it is School Committee's responsibility to coordinate appropriately with the Finance Committee hearing process
 - b. Report to Annual Town Meeting and presentation of the budget process. Ms. Moran thought the template might need improvement. Also, Ms. Moran asked for a closer self-editing process to reduce mistakes and corrections.
 - c. Committee presentations to Town Meeting. Ms. Moran thought they were fine. People agreed.
 - d. Minute process. Folks like the email system that sends changes back to the originator.
6. Process to review Financial Policies including:
 - a. OPEB Trust
Mr. Slaughter thought a subcommittee could collect data on other municipalities and how they handle OPEB funding or not, and so, a subcommittee of Mr. Slaughter, Ms. Moran, and Mr. Saul was formed to gather information about statewide approaches to OPEB. Mr. Pooler thought this would be a good approach. This committee will not cover Enterprise funds.
 - b. Enterprise Funds
Ms. Moran was concerned about the reserve policy on enterprise funds. The reserve policy is a function of rate discussion. A policy would be advisory to the Select Board on rate setting. Solid Waste is the problem child of the Enterprise funds. Mr. Steinberg asked Mr. Pooler to think about Enterprise Reserve policy.
7. Next Meeting and Agenda
There is no need to meet until September. The next meeting will be September 15th.
8. Minutes
Meeting minutes of May 23, 2011 were reviewed. Mr. Slaughter moved approval, Ms. Moran seconded. Minutes passed un-amended 3-0 with two abstentions.
9. Ms. Moran motioned we adjourn and the meeting adjourned at 8:40 pm. *(The July 12 meeting adjourned at ????????)*

