

**Amherst Finance Committee Minutes
April 14, 2011**

CALL TO ORDER: The meeting was called to order at 7:35 p.m. in the first floor meeting room at Town Hall.

FINANCE COMMITTEE MEMBERS IN ATTENDANCE: Kay Moran (vice-chair), Janice Ratner, Doug Slaughter, Andy Steinberg (chair), Bob Saul, Phil Jackson, Marylou Theilman.

OTHERS IN ATTENDANCE: John Musante, Town Manager; Sanford Pooler, Finance Director; David Ziomek, Director of Conservation and Development; Stephanie Ciccarello, Wetlands Administrator; Sarah McKee, Library Trustee; Walter Wolnick; Amherst Media

AGENDA AND DISCUSSION:

1. News affecting budget
2. Fiscal Year 2012 budget development
 - a. Review of overall budget projections with most current information
Pooler presented the committee with the latest version of the Cherry Sheet with the House Ways and Means Local Aid budget numbers included as well as the Senate Resoluton 1894 which identified the Senate's proposal for Local Aid to Cities and Towns. He stated that these two sets of Local Aid recommendations match very closely with the Governor's Budget proposal so the amount of Local Aid in the Finance Committee's guidelines appears to be lower than what will be approved in the state budget. The Budget Coordinating Group feels that the Tier 1 and Tier 2 restorations will be possible within the FY12 budget without the use of any reserves.
 - b. Resolution of general budget policy issues
Saul asked about whether the BCG had discussed not funding all of the Tier 2 items and putting money into reserves. Steinberg stated that the BCG felt after four years of cuts that the Town needed to maintain staff and service levels thus no money was available to place in reserves.
 - c. Consideration of other matters that affect budget
Steinberg stated that reviewing the policy on reserves and the growing liability of other post employment benefits (OPEB) would be topics that the committee would work on in the upcoming summer and fall.
3. Adoption of a budget or position for the following Warrant Articles or Motions for the 2011 Annual Town Meeting:
 - a. Article 14 FY 2012 Operating Budget – Community Services
Moran moved to recommend \$1,510,152 for the Community Services budget.
Seconded by Slaughter.
Vote: 6-1 to recommend.
 - b. Article 14 FY 2012 Operating Budget – Public Safety

Jackson moved to recommend \$8,497,470 for the Public Safety budget. Seconded by Saul.

Vote: 7-0 to recommend.

- c. Article 14 FY 2012 Operating Budget – Public Works

Slaughter moved to recommend \$1,941,230 for the Public Works budget. Seconded by Ratner.

Vote: 7-0 to recommend.

- d. Article 14 FY 2012 Operating Budget – Conservation and Development

Jackson moved to recommend \$885,862 for the Conservation and Development budget. Seconded by Slaughter.

Vote: 6-1 to recommend.

- e. Article 14 FY 2012 Operating Budget – General Government

Jackson moved to recommend \$6,091,477 for the General Government budget. Seconded by Slaughter.

Vote: 6-1 to recommend.

- f. Article 14 FY 2012 Operating Budget – General Fund Indebtedness

The committee took a position on this component of the budget in its meeting of 3/24/2011.

- g. Article 14 FY 2012 Operating Budget – Library Services

Slaughter moved to recommend \$1,644,736 be raised and appropriated by the Town for its support to the Jones Library budget. Seconded by Ratner.

Vote: 6-1 to recommend.

- h. Article 14 FY 2012 Operating Budget – Amherst Elementary Schools

Theilman moved to recommend \$20,758,598 for the Amherst Elementary Schools budget. Seconded by Moran. Slaughter recused himself from the vote due to his employment by the Schools.

Vote: 5-1, with 1 abstention, to recommend.

- i. Article 14 FY 2012 Operating Budget – Amherst-Pelham Regional Schools

Theilman moved to recommend \$28,214,835 for the Amherst-Pelham Regional Schools budget with an assessment of \$13,506,166 as the Town's share of that budget. Seconded by Jackson. Slaughter recused himself from the vote due to his employment by the Schools.

Vote: 6-0, with 1 abstention, to recommend.

- j. Article 14 FY 2012 Operating Budget – Water Fund

Slaughter moved to recommend \$3,685,975 for the Water Fund budget with \$3,441,432 to be from Water Fund Revenues and \$244,543 from the Water Fund Surplus. Seconded by Theilman.

Vote: 7-0 to recommend.

- k. Article 14 FY 2012 Operating Budget – Sewer Fund

Slaughter moved to recommend \$3,432,604 for the Sewer Fund budget with \$3,194,205 to be from Sewer Fund Revenues and \$238,399 from the Sewer Fund Surplus. Seconded by Jackson.

Vote: 7-0 to recommend.

- l. Article 14 FY 2012 Operating Budget – Solid Waste Fund

Slaughter moved to recommend \$549,716 for the Solid Waste Fund budget with \$537,000 to be from Solid Waste Fund Revenues and \$12,716 from the Solid Waste Fund Surplus. Seconded by Saul.

Vote: 7-0 to recommend.

m. Article 14 FY 2012 Operating Budget – Transportation Fund

Slaughter moved to recommend \$977,045 for the Transportation Fund budget with \$888,357 to be from Transportation Fund Revenues and \$88,688 from the Transportation Fund Surplus. Seconded by Jackson.

Vote: 7-0 to recommend.

n. Article 16 Capital Program – Chapter 90

The committee took a position on this component of the budget in its meeting of 3/31/2011.

o. Article 17 Capital Program – Equipment

Slaughter moved to recommend \$846,456 for the Capital Program Equipment budget. Seconded by Theilman.

Vote: 7-0 to recommend.

p. Article 18 Capital Program – Buildings and Facilities

Theilman moved to recommend \$1,005,500 for the Capital Program Buildings and Facilities budget. Seconded by Ratner.

Vote: 7-0 to recommend.

(Saul cast the negative votes in sections a, d, c, g, and h because he would have preferred the money for Tier 2 restorations to go into reserves.)

4. Discussion and consideration of Article 27, By-law – Adoption of Stretch Energy Code

Ciccarello gave a brief overview of the requirements necessary for Amherst to be certified as a “Green Community” by the Commonwealth. One component of these requirements is the adoption of the Stretch Energy Code. This code requires that all new construction be 20% more energy efficient than the current code requires. Steinberg asked about the financial impact on construction costs and whether existing buildings will be subject to the code. Ciccarello stated that the stretch code adds about \$2000 to the cost of a new home’s construction but that the owner will recoup that quickly in energy savings. For commercial properties there are no averages available due to the wide variability of these types of construction projects. Renovations and additions will need to meet the code on the new construction, not the whole building, and there are two options to meet the code. Namely, having a performance rating done by an independent tester or using the prescriptive method (menu of items to select from) described on the state’s web site. Moran asked whether we had met the other four requirements needed to be certified as a Green Community. Ciccarello answered that the other item to be completed than the adoption of the stretch code was the development of a 5 year plan for energy conservation. She stated that we can use work we’ve already done in order to get the plan in place and that it can be retroactive. Saul asked if the homes built with the new regulations had greater market value thus helping the property tax base. Ciccarello replied that the most significant financial value of becoming a Green Community was access to the money explicitly available to those communities. On average \$150,000 was awarded to each of the Green Communities last year. Jackson asked if the new code would add additional burden to the Town staff or be a disincentive to new construction. Ziomek stated that

as more communities adopt the stretch code the paperwork will become more routine for developers and therefore less of an impediment. He also stated that staff will be mostly checking that the various ratings have been met which is not an appreciable change or increase from the current work.

Moran moved to recommend Article 27. Seconded by Theilman.

Vote: 7-0 to recommend.

5. Adoption or reconsideration of positions on other Warrant Articles

Theilman moved to recommend Article 13 Amherst Pelham Regional School District Assessment Method. Seconded by Saul.

Vote: 7-0 to recommend.

Moran moved to recommend Article 24 Authorize Term of Lease for Old Landfill. Seconded by Slaughter. Moran noted that this article would have direct financial benefit to the Town by generating property tax revenue as well as the potential for sub-market rate electricity savings.

Vote: 7-0 to recommend.

6. Review of Finance Committee report status, writing assignments, speaking assignments
Steinberg and Moran exhorted the members to get their write ups for the Finance Committee Report to Town Meeting in to them as soon as possible.

7. Member reports – liaisons and committees

None.

8. Minutes of previous meetings

None.

9. Next Meeting and Agenda

May 2, 2011 at the Middle School Band Room prior to the start of Town Meeting.

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

Douglas Slaughter, acting clerk

DOCUMENTS USED AT THE MEETING

Warrant of Amherst Town Meeting of May 2, 2011

Senate Resolution 1894 (Senate's proposed Aid to Cities and Towns).

Massachusetts Department of Revenue Division of Local Services FY2012 Local Aid Estimates

Town of Amherst Massachusetts Financial Projections – General Fund

Revised General Fund Summary from the Town Manager's Budget document (dated 4/14/2011)

Revised Enterprise Fund Budget pages from the Town Manager's Budget document

FY12 Budget BCG Options Summary – Recommended Revisions, Items totaled by budget area

FY12 Budget BCG Options Summary – Recommended Revisions, Items in restoration order.

JCPC General Fund Five Year Capital Plan (dated 4/14/2011)