

AMHERST FINANCE COMMITTEE MINUTES

Meeting of October 20, 2011 at 7:05pm
Amherst Police Station
Community Room

Attendance:

Kay Moran (Vice-Chair)(7:30pm), Janice Ratner, Bob Saul, Doug Slaughter, Andrew Steinberg (Chair), Marylou Theilman, Absent: Anurag Sharma

Others Present:

Sandy Pooler, Finance Director; David Ziomek, Director of Conservation & Development and Acting Town Manager; Linda Chalfant, Director of Amherst Leisure Services & Supplemental Education (LSSE); Barbara Bilz, Assistant Director of LSSE, and Cherry Hill Administrator; Claire McGinnis, Treasurer/Collector; Hwei-Ling Greeney, Former Chair of the Committee on Homelessness; and Amherst Media

Agenda:

1. Discussion of November Special Town Meeting Warrant Articles; presentations by Town staff, petitioners, and others about Warrant articles; and determination whether there is a financial impact to each article and, if so, whether the committee will support the Article
2. Discussion of Financial Projections for FY 13 and initial discussion of Preliminary Budget Guidelines
3. News affecting budget
4. Member reports – liaisons and committees
5. Minutes of previous meetings
6. Topics not reasonably anticipated by the chair 48 hours in advance of meeting

Discussion of November Special Town Meeting Warrant Articles:

Article 3. Capital Program – War Memorial Pool (Handouts #1 Parkland Acquisition and Renovations for Communities (PARC) Grant Program - Rehabilitation of War Memorial Pool and Handout #2 War Memorial Pool Repair Time Line

At the Spring 2011 Town Meeting, the members supported the opening of War Memorial Pool and appropriated \$65,250 towards its opening. Unfortunately, the pool needed more work than the money could provide at the time. In July an application for a grant program, Parkland Acquisition and Renovations for Communities (PARC), was submitted for the repairs and improvements to the pool. The total projected cost for renovations is \$297,600 with \$208,320 or 70% from the grant and \$89,280 or 30% from the Town. For a complete list of items and estimated costs, see page 4 of the Project Narrative in Handout #1. The pool repair timeline can be found in Handout #2. If we do not get the full grant or do not get the grant at all, we may scale back the project. We do not know definitively that we will scale it back. There also is the possibility of seeking a second grant for the pool house portion should the entire amount not be funded. However, it is not clear if a second funding would come for PARC.

A question arose about the language in the Article which requests a vote to transfer the care, custody, and control of War Memorial Pool to the Leisure Services and Supplemental Education Commission (LSSE). It was stated that the transfer language was a condition of the grant. While there are several models for recreation departments, Amherst's model does not fit any of them and therefore, the language is necessary. The Town is discussing this issue with the funding agency.

Moran reported that the Joint Capital Planning Committee (JCPC) discussed this Article and voted 6-0-0 to recommend. JCPC noted that the Parks Grant is a once a year program which is off cycle with the Town's planning process, but even so, it is to the Town's financial advantage to support this Article.

When the pool does open, it was suggested that a way to increase revenues may be to open the pool on weekends in June before school is out, as college students would be available for staffing.

The Finance Committee Voted to Recommend this Article: 6-0-0 and 1 Absent

Article 4. Capital Program – Puffer's Pond (Handout #3 Parkland Acquisition and Renovations for Communities (PARC) Grant Programs Sustaining Puffer's Pond)

In July an application for a grant program, Parkland Acquisition and Renovations for Communities (PARC), was submitted for improving and sustaining Puffer's Pond. The total project cost would be \$370,000 with \$259,000 from the grant and \$111,000 from the Town's available free cash. For a complete list of items and the project budget, see page 6 of the Project Introduction in Handout #2. The grant will provide money for the design and construction work at Puffer's Pond. It will not include dredging.

Repairs and improvements to War Memorial Pool will take priority over the improvements to Puffer's Pond. If grant money is not available at this time, the Article will be dismissed and be resubmitted when funding is available.

As with Article 3, Moran reported that the Joint Capital Planning Committee (JCPC) discussed this Article and voted 5-0-1 to recommend with one abstention due to issues with the design. Again, the JCPC noted that the Parks Grant is a once a year program which is off cycle with the Town's planning process, but even so, it is to the Town's financial advantage to support this Article.

It was noted that in some ways being off cycle is good timing, as if there are additional funds, they are apparent in the fall. It also was suggested that any money used toward War Memorial Pool and Puffer's Pond be added to this year's capital budget which will raise the percentage of the Town's budget going to capital projects.

The Departments of Public Works, Conservation, Planning and Leisure Services and Supplemental Education worked on this proposal for grant funding.

The Finance Committee Voted to Recommend this Article: 6-0-0 and 1 Absent

Article 8. Local Option Abandoned Property

McGinnis reported that new state requirements and alternative procedures were enacted to manage unclaimed checks known as “tailings”. The new law will change the waiting period from three years to one for uncashed checks to go into the Town treasury. Uncashed checks of less than \$100 will not require a legal ad in the local newspaper. Approximately \$10,000 a year is put back into the Town’s treasury from uncashed checks. The last time period, which covered three years netted \$36,000.

The Finance Committee voted to Recommend this Article: 6-0-0 and 1 Absent

Article 18. Resolution Regarding a Committee on Homelessness

Greeney reviewed the Article which requests a Committee on Homelessness. She cited the many major and minor accomplishments of the former Committee on Homelessness and believes the new committee which integrates housing and homelessness cannot adequately address and accomplish the many needs of both groups. The resolution seeks a narrow charge for the new committee that is being proposed.

It was pointed out that during the last budget cycle, it became apparent that Town staff are heavily committed to supporting the many committees in Amherst and that the situation should be addressed, as there is a delicate balance between numbers of committees and staff costs to support them. The new Committee on Housing and Homelessness, created by the Select Board, will work with both areas. This is one step toward integrating committees that overlap or may no longer be relevant. Greeney stated that all committees should be reviewed, and data should be used to determine the effectiveness of what they do and what they have accomplished. Presently there are 55 committees. Ziomek and Pooler will work together on this issue.

This Article presents no known financial implications.

The Finance Committee Voted to take No Position on this Article: 6-0-0 and 1 Absent

Article 6. Stabilization Fund: Appropriate/Transfer

The Town will receive a one time sum of money, approximately \$514,000, at the end of October from the state. The Article will request that \$400,000 be placed in the Stabilization Fund, which will require a 2/3 vote of the Town Meeting. A 2/3 vote also is needed to withdraw from the Fund. The \$400,000 will bring the Stabilization Fund to \$1,821,401. The remaining approximately \$114,000 will become Free Cash. The combination of Free Cash and the Stabilization Fund will be 8% of the current budget.

Although the OPEB subcommittee expressed interest in putting all the additional money in the OPEB Trust Fund to begin to meet the Town’s long-term obligation, the issue is complex, as the Elementary and Regional Schools need to be involved along with the Town. More information is needed to present to Town Meeting and the School Committees relating to the Town’s and the Schools’ obligation to fund OPEB. At this time, putting the additional money in the Stabilization Fund and informing Town Meeting that there is a possibility the money eventually may be recommended to be used for the OPEB obligation

and not for use in annual budgets, would be helpful information to include in the presentation of this Article.

The Finance Committee and Town Meeting actions will be to appropriate money to the Stabilization Fund. There is no action either necessary or available to appropriate funds to Free Cash. The \$114,000 will become Free Cash on June 30, 2012 by operation of state finance laws and account rules. In the meantime, it will sit as an unused FY12 source of revenue.

It was moved and seconded that the \$400,000 of the additional state aid of \$514,000 be Transferred to the Stabilization Fund.

**The Finance Committee Voted to transfer \$400,000 to the Stabilization Fund.
6-0-0 and 1 Absent**

News Affecting Budget: (#4 FY12 Municipal Budget/Actual Reports for Quarter Ending September 30, 2011)

Pooler reviewed the report compiled by Sonia Aldrich and stated that spending and revenues are on target. Nothing is standing out as a problem. He noted that when the pension assessment to Hampshire County Retirement Board is paid up front the Town receives a 2% reduction on its assessment. For specific information see Handout #4. In addition, Pooler reported that state collections are running ahead of last year.

Discussion of Financial Projections for FY 13:

Steinberg asked members to let Pooler know if there are questions or requests for any information necessary to facilitate the Committee's discussion of Budget Guidelines which will be on the agenda for the November 3 meeting.

Article 17. Zoning Bylaw – Village Center Re-Zoning

After a brief discussion as to whether the Committee had enough information to recommend this Article, and after Moran checked the vote by the Planning Board.

It was moved and seconded to reconsider its previous vote.

The Vote to Reconsider Article 17 was Defeated. 3-3-0 and 1 Absent.

Minutes of Previous Meetings:

The committee reviewed and **voted to approve the minutes**, as follows:

March 5, 2011 as amended 5-0-1 and 1 absent

July 12, 2011 (incorporated unofficial meeting of July 7) as amended 3-0-3 and 1 absent

September 15, 2011 as amended 4-0-2 and 1 absent

Next Meeting:

The next meeting of the Finance Committee will be November 3 at which time the Committee will begin discussion of the Finance Committee Guidelines for FY13.

Member Reports – Liaisons and Committees:

Steinberg reported that the Budget Coordinating Group (BCG) established its goals for the year. In addition, the group agreed to convey to its home boards and committees the initial projections for FY13 and other items relating to FY12 financial matters. (Handout #5)

Theilman reported that the Budget Subcommittee for the Schools received its first Capital Plan for the Regional Schools which is similar to the format used by the Town. The Regional School Committee set the process in motion by a vote it took last year.

Adjourned:

The meeting adjourned at 9.55pm.

Submitted by:

Marylou Theilman, Acting Clerk

Handouts Distributed at the Meeting:

- #1 Parkland Acquisition and Renovations for Communities (PARC) Grant Program
Rehabilitation of War Memorial Pool
- #2 War Memorial Pool Repair Time Line
- #3 Parkland Acquisition and Renovations for Communities (PARC) Grant Program
Sustaining Puffer's Pond
- #4 FY12 Municipal Budget/Actual Reports for Quarter Ending September 30, 2011
- #5 Amherst Budget Coordinating Group – Summary Points – October 20, 2011

Positions & Assignments for Fall Town Meeting 2011

Article 1	Reports of Boards & Committees	Recommend 6-0-0 1 Absent	Steinberg
Article 2	FY12 Water Fund Operating Budget Amendment	Recommend 7-0-0	Moran
Article 3	Capital Program – War Memorial Pool	Recommend 6-0-0 1 Absent	Theilman
Article 4	Capital Program – Puffer’s Pond	Recommend 6-0-0 1 Absent	Moran
Article 5	Amherst Housing Market Study	Recommend 7-0-0	Steinberg
Article 6	Stabilization Fund: Appropriate/Transfer	Recommend 6-0-0 1 Absent	
Article 7	Authorization for Affordable Housing Restriction	Recommend 7-0-0	Moran
Article 8	Local Option Abandoned Property	Recommend 6-0-0 1 Absent	Ratner
Article 9	Watershed Land Acquisition Shutesbury	Recommend 7-0-0	Ratner
Article 10	Watershed Land Acquisition Pelham	Recommend 7-0-0	Ratner
Article 11	Capital – Sewer Extension Project	Defer 7-0-0	
Article 12	Pelham Road Bridge Replacement Project Easements	Recommend 7-0-0	Slaughter
Article 13	Snell Street Project Easements	Recommend 7-0-0	Slaughter
Article 14	Atkins Corner Project Easements	Recommend 7-0-0	Slaughter
Article 15	Boltwood Walk Sewer Relocation Project Easements	Recommend 7-0-0	Slaughter
Article 16	Zoning Bylaw – Official Zoning Map Conversion	Recommend 7-0-0	Saul
Article 17	Zoning Bylaw – Village Center Re-Zoning	Recommend 4-3-0	Saul
Article 18	Resolution Regarding a Committee on Homelessness	No Position 6-0-0 1 Absent	Saul