

FINANCE COMMITTEE MINUTES

Meeting Date: 15 February, 2006

CALL TO ORDER

The Meeting was called to order at 7:05 P.M. in the Town Room, Town Hall

COMMITTEE MEMBERS IN ATTENDANCE

Alice Carlozzi (chair), Paul Bobrowski, Marilyn Blaustein, Kay Moran, Douglas Slaughter, Andrew Steinberg

OTHERS PRESENT

Anne Awad, Marlene Barnett, Barbara Bilz, Epi Bodhi, Linda Chalfant, Nancy Gordon, Robie Hubley, John Musante, Nancy Pagano, Maura Plante, Roy Rosenblatt, Eva Schiffer, Judy Simpson, Walter Wolnik,

COMMITTEE AGENDA

1. Minutes of February 1, 2007, meeting
2. Community Services budget review
 - Public Health
 - Senior Center
 - Community Services
 - LSSE
 - LSSE – Pools
 - LSSE – Golf Course
3. Override/financial plan: Staged implementation? Amount?
4. Member reports
5. Miscellaneous

COMMITTEE ACTION

Bobrowski moved to approve the Minutes of the February 1, 2007 meeting as amended. Moran seconded the motion. It passed with 4 in favor, 0 opposed, 2 abstentions.

DISCUSSION

Anne Awad thanked the Finance Committee for its work and report on tax overrides, and the contribution of Carlozzi and other members at the recent Select Board meetings. She reported that the Select Board set a special election for May 1 to consider an override, with the amount and other details to be determined.

Epi Bodhi presented the proposed budget for the Public Health Department. Work on emergency preparedness has taken most of the time of her and the nurse. The health sanitarian has been on a long-term leave, which has placed additional stress on her small staff. When she was asked to propose a reduced budget, she could only consider a reduction for the time of the Cambodian outreach worker since it is work that is not mandated. Bodhi was able to find grant funds for part of this outreach worker's time for 2007 and hopes to find more funds so that the current work can continue in 2008. Moran asked whether there is duplication of this effort with programs in the schools. Bodhi said that the schools have their own funding difficulties and its Cambodian

program is limited to the Fort River School. Steinberg asked about the revenue listed in the budget for smoking and tobacco violations. Bodhi indicated that there was an error in the presentation. She and Musante will review it. Bodhi reported on the grants received and clarified information presented in Appendix A of the Town Manager's Budget regarding Public Health Department grants.

Nancy Pagano and Maura Plante presented the Senior Center budget. The presentation included a Power Point presentation (also presented in paper format) which set forth the population trends for seniors in Amherst, their needs, and the services provided by the Senior Center. The population that is age 60 and over continues to grow. While much attention has been placed on housing developments for elders with financial resources, there is also an increase in the number of elders who must rely on the programs of the Senior Center, including meals and nutrition programs. The reduction in the time for the Program Coordinator in the proposed budget affects these programs. While the Center has been successful in the recruitment and use of volunteers, this must be supported and coordinated by staff and has been a significant responsibility of the Program Coordinator. Slaughter asked about the number of elders who live in subsidized housing units. Blaustein asked whether people who are not Amherst residents use the Senior Center. Pagano explained that participation of nonresidents is in programs where it does not add to the cost of the program.

Roy Rosenblatt presented the Community Services budget. The three major areas of work are in the administration of the Community Development Block Grant program, housing partnership/fair housing, and overseeing the social services grants. Moran asked about the consequences of the change in status for CDBG. It will not have an effect in 2008 and Rosenblatt hopes that we sufficiently understand the grant procedures and qualification standards to continue a CDBG program. He explained some of the complexities of the requirements, including the need to focus on specific areas of the town. Steinberg asked whether CDBG could support the Cambodian outreach work of the Public Health Department. Rosenblatt responded that the need to concentrate on neighborhoods and the prohibition on use of CDBG funds to replace ongoing services makes this difficult. A major reduction in the proposed budget is for the social services grants. The Community Development Committee has not yet discussed criteria it might consider in making its recommendations for these grants.

Linda Chalfant and Barbara Bilz presented budgets for LSSE, pools and the golf course. LSSE had an ambitious year in which it began to generate additional funds through new fees and assume responsibility for the golf course, without additional staff. The proposed reductions include not opening the War Memorial swimming pool that has been a community resource since 1954, reduction in fee subsidies that will affect the Outdoor Challenge Camp that serves teens, and reduction in special needs programming. Musante added that since many LSSE programs are supported by fees, budget reductions had to come from the programs that are supported by taxation. LSSE continues to obtain contributions and grants to supplement support from fees and taxation. Bilz reported on a recently successful grant application that has enabled LSSE to implement a "Sticks for Kids" program that makes golf equipment available for youth.

Chalfant explained that they propose to operate only the Mill River pool because it is larger, has a bigger bath house, and is newer than the War Memorial pool. This will reduce the number of lessons LSSE can offer, though this is still an important priority. The senior swim will need to be

eliminated and the hours reduced for lap swim and open swim. Those hours produce less revenue and the pool will be needed for lessons. There is a priority for the aquatics portion of the town day camp program. Chalfant acknowledged that there is a concern about the deterioration of equipment and possible vandalism affecting the War Memorial facility if it is not used for a year.

LSSE took over the management of the Golf Course in mid-August. They launched a new promotional plan that focuses on areas of growth for the sport including women, children and minorities. The "Sticks for Kids" program fits with this effort. Bilz explained the role of special events and charitable tournaments, outreach to the University, Colleges, conference programs, and the new web site <http://www.cherryhillgolf.org/>. Bobrowski asked how much is being spent on promotion. The direct expense is \$5000.00, with additional donated resources. Bilz also reported that LSSE will run the concessions at Cherry Hill directly, which will enlarge the revenue. They are confident that they will meet budget goals for Cherry Hill.

The Committee then turned to the override, and a discussion of a proposal from Select Board member Kusner to consider phasing the override increases to taxation over three years. Musante explained some of the factors to consider and distributed a financial model that presented two phase-in scenarios and compared them to the Committee's proposal of February 8. The committee discussed whether voters may be more favorable to a phased-in proposal and the consequences of a plan than results in a higher tax base at the end of three years. Musante does not yet have an opinion from Town Counsel about how such a proposal can be presented to voters (as one proposal, as three proposals in May, or in three successive years.) There was discussion about the need for simplicity in order to explain a three-year plan and to establish a stable period for the Town. No action was taken since there was no opinion from Town Counsel.

Musante distributed an analysis of financial projections for reserves for the period from FY 2006 to FY 2010. Without considering any amounts that would be in a fund from a three-year budget and override plan, reserves would grow modestly from 5.2% at the beginning of 2007 to 7.9% at the beginning of 2010. A goal for reserves is 5-15%. Moody's likes to see reserves of at least 5%, and will look favorably on the implementation of a three-year financial plan. The committee recognized that there have always been cycles in state support for the town, and the reserve at the beginning of 2010 will be less than at the beginning of the last downturn.

Blaustein reported that on March 29, the Community Planning Committee will sponsor a meeting to make community choices. Since that conflicts with a previously scheduled meeting of the Finance Committee, it was agreed to change the date for that Finance Committee meeting to March 28. Moran reported on the February 15 meeting of the Joint Capital Planning Committee. Musante reported on Governor Patrick's proposed Municipal Partnership Act.

ADJOURNMENT

The meeting adjourned at 9:15 P.M.

Respectfully submitted,

Andrew Steinberg
Acting Clerk