

DRAFT AMHERST FINANCE COMMITTEE MINUTES

Meeting of March 8, 2007

CALL TO ORDER

The meeting was called to order at 7:05 p.m. in the First Floor Meeting Room of Town Hall.

FINANCE COMMITTEE MEMBERS IN ATTENDANCE

Marilyn Blaustein, Paul Bobrowski, Alice Carlozzi (Chair), Kay Moran, Douglas Slaughter and Andrew Steinberg.

STAFF AND OTHERS IN ATTENDANCE

John Musante, Finance Director/Treasurer; Water Resources Director Robert Pariseau; Public Works Superintendent Guilford Mooring; Town Collector Claire McGinnis; Jane Ashby, Walter Wolnik, and other members of the public.

AGENDA

1. Minutes of March 1, 2007, meeting
2. Budget reviews:
 - Transportation Fund
 - Water Fund
 - Sewer Fund
 - Solid Waste Fund
 - Public Works - General Fund
3. Override, continued
 - Explaining 3-year plan to citizens
 - 4-town Regional School meeting
4. Member reports
5. Miscellaneous

COMMITTEE ACTIONS

1. Minutes. VOTED 6-0, 1 absent, to approve with a minor correction the minutes of the March 1, 2007, meeting.

6. Miscellaneous. VOTED 6-0, 1 absent, to ask Select Board for Special Municipal Employee Status.

COMMITTEE DISCUSSION

2. Budget Reviews

Transportation Fund: Musante presented a new Mission Statement for the Budget book which more accurately reflects the public transportation component of the Transportation Fund's charge. McGinnis reported that the current fiscal year is on track to produce projected revenue. Also, a change in reporting revenues has caused the formerly miscellaneous items to be classified under the Parking Violations category (\$60,000). Ashby reported on the newly modified Outreach routes. Ridership is not lower but not substantially higher than before the

reconfiguration of the routes. Promotional materials are being produced for these routes to boost riders. Saturday service will begin in May for the Puffer's Pond to Atkins Route. The Belchertown Express route will add Echo Hill (covering for the Gatehouse Road route) and so the Echo Hill part of the route will be the only cost to the town for this route. The cost of the Puffer's Pond to Atkins Route is still to be determined but is expected to be less than the original projection of \$122,000. The costs of the outreach routes is expected to be less than last year thus a decrease on operating expenses was projected in the budget.

Water Fund: Pariseau reported that the operating budget for this fund is up 4.1% primarily as a result of increases in fixed costs, notably, energy costs and personnel costs (health insurance, step increases, etc.). A rate increase is scheduled for July but the amount of the increase is yet to be determined although the projected amount of revenue is included in the budget. The need for the rate increase is due to two factors. First the University has had tremendous success with its water conservation program, so usage is down. Second, a grant that was helping to retire the debt on the Atkins Treatment Plant expired in FY07 (the debt service on the plant continues until FY12).

Sewer Fund: Pariseau reported that the operating budget for this fund is up 8.5% primarily as a result of increases in fixed costs, notably, energy costs, disposal costs, and personnel costs (health insurance, step increases, COLA, retirement, etc.). A rate increase occurred in January, primarily to cover the loss in revenue caused by the conservation efforts of the University, and no rate increase is anticipated until July of 2008.

Solid Waste Fund: Mooring reported no significant change within the Solid Waste Fund budget. The new revenue in the budget is based on a new cell phone tower on the Transfer Station property and a new company leasing space on the existing tower. The fund is "living within its means" given the increasing cost of fuel, personnel, etc. No current debts, however, a potentially large capital item may result from a Department of Environmental Protection report on needs for the Old Amherst Landfill (the reporting process is currently in progress).

Public Works - General Fund: Mooring reported the Public works has taken a cut every year for the last several years and that this year's budget is down 2.7% (approximately \$70,000). A variety of measures were employed to achieve this reduction (e.g., elimination of the PACE program, a retirement and staff reorganization). The continued reductions have reduced response time and have generally limited the department to larger projects (items paid for from the capital budget). Continued cuts will result in the need for a serious discussion of the priorities of what the department is expected to do since the current service levels cannot be maintained.

3. Override continued. Bobrowski asked the committee if they had objections to his writing a commentary (as a town resident and not as a committee member) for the newspaper explaining the components of the \$2.5Million override plan. No objections were raised except the possibility that the Select Board would not place the \$2.5Million override on the ballot and thus make the commentary moot. A presentation by Nancy Gordon of her (self initiated) override survey was given (methods and results). Discussion considered the various ways to interpret the data and the benefits and dangers of those interpretations.

The 4 Town Regional School meeting is scheduled for Saturday March 10th from 9:30 - 11AM at the Middle School. Senator Stan Rosenberg and Representative Kulick will be in attendance to discuss the Senate and House regional school aid proposals.

4. Member Reports

Moran reported on questions asked by Town Meeting member Judy Simpson regarding people served and the carbon footprint of items within the budget. Both of these questions prove very difficult to answer. The carbon footprint question falls outside the expertise of any of the Finance Committee members. The counting of people served is difficult even for items such as the Library due to the assumptions needed

5. Miscellaneous.

Carlozzi told the committee that the Select Board policy regarding Special Municipal Employee Status required the committee to reapply for the status each year. Discussion centered on the need for members of the committee to have this status and a motion to ask Select Board for Special Municipal Employee Status was made and approved.

Musante reported on several upcoming events: the MMA update meeting that will occur at Northampton City Hall on 4/4/2007 from 6-7:30 PM, Sen. Rosenberg's 2007 Hampshire and Franklin Municipal Conference (which will include a speech by Governor Patrick), and a Town Meeting Coordinating Committee budget orientation meeting for new Town Meeting members scheduled for 4/24/2007 at 7PM

Carlozzi mentioned that the committee members should start thinking about which sections of the Town Meeting report they would like to write.

Voted unanimously to adjourn at 9:05 p.m.

Submitted by Doug Slaughter, Acting Clerk