

**Amherst Finance Committee Minutes
Thursday, October 11, 2012 6:30 P.M.
Town Room, Town Hall**

ATTENDANCE:

Andrew Steinberg (Chair), Kay Moran (Vice-Chair), Janice Ratner, Bob Saul, Anurag Sharma, Douglas Slaughter. Absent: Marylou Theilman

OTHERS IN ATTENDANCE:

Sandy Pooler, Finance Director; John Musante, Town Manager; David Ziomek, Director of Conservation and Development. Select Board, Amherst and Regional School Committees, and Library Trustees, and their administrators were present for joint meeting.

JOINT MEETING

Meeting was called to order at 6:30 p.m. Steinberg welcomed attendees and TV audience and introduced the process. O'Keeffe, Select Board chair, also welcomed participants. Musante said that we are more stable now but should maintain discipline, fiscally and programmatically. Pooler distributed two handouts, Town Financial Indicators Report and Financial Projection for FY14. He went through these reports in detail (Agenda items 1 and 2) and said that the budget should be slow and steady. This is the beginning of the FY14 budget process. The Budget Coordinating Group (BCG) will be looking for a balanced, coordinated budget for Annual Town Meeting which begins May 6, 2013.

FINANCE COMMITTEE

At 7:35 pm, the Finance Committee continued with its agenda.

AGENDA AND DISCUSSION:

3. News affecting budget. The funding for Community Development Block Grant is in jeopardy based on updated poverty data. Amherst had mini-entitlement status which provided Amherst with \$900,000 per year which was used for nonprofits, some staff support, and some capital spending. Current funding would end October 1, 2013. A letter of appeal has been submitted asking for an explanation of the calculations or for transition funding if the grant is not received. We should know prospects for restoration or transitional funding before the end of the calendar year. Copies of this appeal letter were distributed. There was some discussion about how this situation could affect the Finance Committee's Preliminary Guidelines. Perhaps the uncertainty could be mentioned.

4. Discussion of November Special Town Meeting Warrant Articles (Preliminary list of articles so numbers may differ from Warrant)

Article 1. Reports from Committees. The Finance Committee voted 6-0 with 1 absent to support.

Article 2. Unpaid bills. Currently, there are none. Defer to Town Meeting.

Article 3. Budget amendments. There was discussion about putting money into OPEB but perhaps this should be a separate article. The committee already voted Sept. 13 to

recommend appropriating extra state aid of \$585,342 to the OPEB Trust Fund. There are no other amendments at this time.

Article 4. Debt article for roads. This will be taken up when presented by staff.

Article 5 and 6. Multi-year solar agreement. This will be taken up later after staff presentation. A smaller project may be built at old landfill site with an additional part outside of Amherst. The financial terms and the amount will be the same but the project will be in two separate locations. This comes to Town Meeting for approval because the Town Manager will be entering into multi-year contracts. The property tax difference will be matched by electricity rates. The Finance Committee will discuss this further when we have final wording of the article.

5. Discussion of Financial Projections for FY14 and initial discussion of Preliminary Budget Guidelines. The possible loss of grants, sequestration, and other issues were mentioned but at this point, we don't know about these possibilities. In our guidelines, we will have to emphasize that these are preliminary guidelines and there could be changes. Revenue sources - property taxes, local receipts, and state aid - were discussed.

6. Member reports – liaisons and committees. The JCPC discussed borrowing for repair of "minor local" (less traveled roads). Roads could stay in good repair for 25-30 years. Bonding is usually issued once a year for multiple projects, combining projects and fees.

7. Minutes of previous meetings, if any. Minutes of the July 12, 2012 meeting were approved as amended by a vote of 5-0 (1 absent) with 1 absent.

8. Next Meetings and Agenda. Thursday, October 25, 2012, First Floor Meeting Room, Town Hall; Thursday, November 1 at the Bangs Center; Saturday, November 3 Regionalization Meeting to discuss regionalizing elementary schools of four towns including financial aspects.

8. Topics not reasonably anticipated by the Chair 48 hours in advance of the meeting. None.

The meeting adjourned at 8:55 pm.

Janice Ratner, acting clerk

Documents used at the meeting

Preliminary Financial Projections for FY14 Budget Planning, October 11, 2012

Financial Trend Monitoring Report, Financial Indicator Analysis, October, 2012

Letter to Aaron Gornstein, Dept of Housing and Community Development, Oct 3, 2012

Preliminary list of articles (so numbers may differ from Warrant)