

AMHERST FINANCE COMMITTEE MINUTES

Meeting of March 7, 2013 at 7:05 pm
First Floor Meeting Room of Town Hall

Attendance:

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

Others Present:

Sandy Pooler, Finance Director; and Amherst Media

Agenda:

1. Fiscal Year 2014 Budget Development (Information from the Town of Amherst Proposed Budget Fiscal Year 2014 with page numbers listed on the line with each area.)

General Government

Select Board/Town Manager (pp. 17-19)

This is a limited budget with basically no changes. Salaries are 94% of the budget and the increase reflects step increases. Special activities under “other” varies from year to year and is used primarily to support recognition activities. Licenses and permits that appear in this category are those issued by the Select Board. If money becomes available, a Community Development position is on the add list to be considered.

Town Meeting/Finance Committee (pp. 20-21)

Except for Operating Expenses, the rest of the budget remains the same. Operating expenses have gone up due to an additional \$1000 added to provide child care assistance for Town Meeting members with children. The money is managed by the Town Manager and Town Meeting members may receive up to \$30 per night upon submitting a receipt. The Select Board’s FY13 budget contained \$700 that for FY14 will be transferred to this budget.

Legal Services (pp. 28-29)

The Legal services budget remains the same. Expenses in this budget are hard to predict, as litigation expenses are additional to the retainer paid to Town Counsel. Thus far in FY13, Town expenditures in this budget are only \$37,000. The retainer fee is a portion of the \$110,000. That fee is usually in the range of \$30,000 to \$40,000. At the present time the Town is trying to resolve the landfill dispute out of court and is therefore holding back on moving forward with the solar project, because of the uncertainty of a law suit. Legal costs associated with collective bargaining are in the Human Resources budget.

General Services (pp. 46-47)

Some of the items this area covers include the town phone system, audit costs, supplies, postage, and property and casualty insurance for all Town buildings including the two branch libraries and the three elementary schools, along with the South Amherst and East Street schools.

Debt Service (pp. 113 and Appendix D 185-186)

The Town has sold all new debt at an average interest rate of 1.8%, realizing a \$2,288 savings over estimates. The numbers in the Manager's budget do not reflect the new numbers and will have to be updated before the Finance Committee vote.

The Town is still paying for the portable classrooms located by Marks Meadow which were not used and remain vacant. The Town continues to seek parties interested in acquiring them.

Reports and Speaking Assignments (See last page for grid and assignments.) Moran will include remarks about Chapter 90 funding in her presentation on capital projects, as no warrant article is needed for Chapter 90 funds.

The Community Preservation Act (CPA) Commission writes its own report.

Free cash and the stabilization fund may change at Town Meeting depending on the actions of the meeting.

The Finance Committee will receive the petition articles later. One that has been received in Town Hall relates to running a bus route to the new Survival Center.

The Health Care Trust Fund balance currently is high enough so that the Town Manager is considering a premium "holiday" for an upcoming month. Premium savings could be appropriated to the Other Post Employment Benefits (OPEB) Trust Fund as part of the FY 13 Budget Amendment Article which comes toward the beginning of Town Meeting. A subcommittee of the Finance Committee studied and reported on OPEB approximately two years ago. This year the Manager has divided the obligation up, starting with using some money from the Enterprise Funds for OPEB in FY14. The possibility of using the reimbursement from Medicare also was suggested. The overall intent is to spread the obligation out over time, similar to the pension fund. As the obligation to the pension fund decreases, more money can be put into OPEB.

2. New information affecting budget, review financial projections

The Legislature rejected any decrease in state aid to cities and town during this fiscal year.

3. FY 13 Municipal budget/Actual Reports for Quarter Ending December 31, 2012

Pooler reviewed the information compiled by Comptroller Aldrich. Revenues are on schedule. The hotel/motel excise tax is stronger than anticipated. Licenses and permits are ahead of schedule. Investment income is a continuing problem due to low interest rates. The fire department's budget is tight.

4. Member reports – liaisons and committees

Moran and Slaughter reported on the Capital Budget. There are more requests than can be funded.

The Budget Coordinating Group (BCG) will meet March 28, 2013.

5. Minutes of previous meetings

No minutes.

6. Next Meetings and Agendas

The next meeting of the Finance Committee will be on March 21, 2013 at which the budgets for both the elementary and regional schools will be presented.

There is no need for the Library Director to meet with the Finance Committee again, since there are only minor changes to the budget, which she can update and send to Pooler.

Handouts and Documents used at the meeting:

Town of Amherst Proposed Budget Fiscal Year 2014

FY 13 Municipal budget/Actual Reports for Quarter Ending December 31, 2012

TOWN MEETING ASSIGNMENTS

As of March 7, 2013

| | |
|---|--------------------|
| Optional Tax Exemption | Theilman |
| FY13 Budget Amendments plus OPEB | Steinberg |
| Retirement Assessment | Slaughter |
| Regional Lockup Assessment | Slaughter |
| Amherst-Pelham Regional School District Assessment Method | Theilman |
| General Fund Indebtedness | Sharma |
| Library Services | Ratner |
| Amherst Elementary Schools | Theilman |
| Amherst Pelham Regional Schools | Theilman |
| Conservation and Development | Saul |
| Community Services Vet and LSSE | Steinberg |
| Public Safety | Moran |
| Public Works | Ratner |
| General Government | Sharma |
| Water Fund | Slaughter |
| Sewer Fund | Slaughter |
| Solid Waste | Slaughter |
| Reserve Fund | Steinberg |
| Capital Program Chapter 90 | Moran & Slaughter |
| Capital Program Equipment | Moran & Slaughter |
| Capital Program Buildings and Facilities | Moran & Slaughter |
| Capital Program Debt Authorization | Moran & Slaughter |
| Community Preservation Act CPA | Moran or Steinberg |
| Free Cash | Steinberg |
| Stabilization Fund | Steinberg |
| Special Revolving Fund for After School Programs | Steinberg |
| Human Services Funding | HOLD |

WRITE UPS FOR THE FINANCE COMMITTEE REPORT ARE DUE
APRIL 11, 2013, by email, to Kay and Andy.

Adjourned:

The meeting adjourned at 9:20pm.

Submitted by: Marylou Theilman, Acting Clerk