

**Amherst Finance Committee Meeting
January 22, 2015, 7:00 p.m.
First Floor Meeting Room, Town Hall**

The meeting was called to order at 7:00 p.m.

Attendance: Kay Moran (Chair), Marylou Theilman (Vice Chair), Bernie Kubiak, Janice Ratner, Douglas Slaughter, Steve Braun. Absent: Anurag Sharma

Others Attending: John Musante, Amherst Town Manager; Sandy Pooler, Amherst Finance Director; Amherst Media

Agenda:

News Affecting Budget

Pooler reported that as of today, 1/22/15, Governor Baker, Senate President Rosenberg, and House Speaker DeLeo indicated that there would be no cuts in local aid, Chapter 70, or other aid to cities and towns as a result of a \$750,000,000 shortfall in the FY15 State Budget. Using 9C powers, former Governor Patrick cut some funding to Libraries, Transportation Aid and Special Education money to reduce the shortfall.

Governor Baker will be a speaker at the Massachusetts Municipal Association (MMA) meeting on 1/23/15, where he will present his plans for FY16. Musante and Pooler will attend.

Additional Presentation, Questions and Discussion of Town Manager's Budget:

(Complete details are found on pages iv-xi in the Town of Amherst Proposed Budget, Fiscal Year 2016 by the Town Manager)

Musante highlighted his budget stating that it meets the Finance Committee's (FC) guidelines of a 2.5% increase and maintains level services to the Town. He targeted four major initiatives:

*add two officers in the Amherst Police Department

This will restore 2 of the 5 positions that were cut in previous years.

*hire an Economic Development Director

The Director will report directly to the Town Manager. The position would initially be funded with roughly \$50,000 from a State grant and \$21,000 from the Town's General Fund, to be phased in over two years

*add a DPW Administrative Analyst Position

This position is seen as improving communication within the department, as well as, with the community. One of the responsibilities of the analyst would be to oversee the implementation of a new system for performance measurement, with the goal of improving efficiency and departmental organization..

*expand the Health Director's responsibilities to that of Community Services Director at the Bangs Community Center.

After Musante highlighted his major initiatives, numerous questions and discussion about the initiatives followed.

There was interest as to whether overtime in the Police Department budget would decrease or increase as a result of the new hires. Musante stated that it will stay the same as last year, as there are a number of reasons for overtime.

Musante was asked if there was a metric for measuring the Economic Development Director's work. What would be the return on investment? What would occur? Musante stated that there would be numerous ways to measure. The position is recommended in both the Town's and UMass's master plans and would be involved in leveraging opportunities for research, encouraging locally grown businesses from UMass, capitalizing on the increasing permit activities, working on zoning in South Amherst, and working more closely with Hampshire College. The Director's position could be seen as an Ombudsman in how to be more business friendly.

The DPW Administrative Analyst Position and the Health Director/Community Services Director are not revenue neutral. The DPW position's salary, including benefits, will be split three ways: water fund, sewer fund, and \$20,000 from the general fund. The Health Director/Community Services Director will have a small increase in salary.

Musante has been working closely with the Hilltown Community Health Center and Cooley Dickenson Hospital to establish a Health Center at the Bangs Center, which would serve as a hub for such services. Amherst will be the "landlord", with rent to be negotiated later. The medical clinic will be small and will be used to screen, evaluate and refer patients. Patients will be seen by appointment or walk in. It will be insurance driven. If funding is available, there also may be a small dental clinic.

The Health Inspectors will become part of Inspection Services located in Town Hall. The Health Director/Community Services Director will be involved in some services provided by Inspection Services. The Board of Health will maintain its statutory authority.

Room for the medical clinic will be available in the Bangs Center with the move of Leisure Services and Supplemental Education (LSSE) to the East Street School later in the year, although some programming would continue at the Bangs. More information about the clinic will be available before Town Meeting. Additional questions can be discussed with Ms. Julie Federman when she presents the Public Health budget on March 5.

It was suggested that there were several charts in the budget document that may need editing, along with changing the Mission Statement for Inspectors.

In addition to discussing the four initiatives in the Town Budget, Musante addressed other issues with the Finance Committee (FC) members. He stated that Amherst again is a mini entitlement community and is eligible to receive \$825,000 from the Community Development Block Grant (CDBG). Social Services will be eligible for \$165,000 or 20% of the Block Grant. The

application is due next month and will be reviewed by the Manager and Select Board. Musante stated that there is \$20,000 in the Municipal Budget, which will be used as an emergency fund for such things as medical expenses, transportation, and fuel help. The emergency fund is not eligible for CDBG funding, as it would be considered supplanting. The \$165,000 from the Block Grant and the \$20,000 in the Manager's Budget will allow the Town to use \$185,000 for Human Services in FY16, which is approximately 50% more than in FY15.

Moran asked Musante if he had established a Town-wide priority list for major new capital expenditures (i.e., new buildings). While there is no present priority list, there are a number of studies being done, and by early 2016, there should be "real" numbers for consideration by the Joint Capital Planning Committee (JCPC), Musante said. Projects presently being reviewed:

- Wildwood Feasibility Study in 2015

- Jones Library Planning Grant with 2 year funding

- Fire Station planning since 1960 with numerous later studies

- Department of Public Works

- Downtown Parking not being reviewed, but discussed

The issue of EPA mandated upgrades to the Town's storm water management system was raised. This work couldn't be funded through either the water and sewer enterprise funds because storm water is handled by different infrastructure. The Town has not formally addressed the issue.

The Town received \$300,000 in Chapter 90 money for roads and will receive another \$420,000. The Town will receive \$1.2 million for 2015. Musante would like to see a 5 year commitment for Chapter 90 funds from the State, which would allow the Town to consider "borrowing in anticipation of revenue", which would go a long way toward the goal of repaving the streets and roads most in need of repair.

Review of Proposed Calendar for Meetings from January through April, 2015

(Amherst Finance Committee Draft Meeting Schedule, FY16 Budget Hearings)

The draft Calendar was accepted. The Department presentations for the meeting of 1/29/15 were rearranged with Enterprise Funds following Conservation and Development. Solid Waste will be first under Enterprise Funds.

Assign Responsibility for Budget Sections

(See attached: Finance Committee Assignment for the Budget Sections of the FY16 Finance Committee Report)

Discussion of Criteria for Deciding Whether to Make Recommendations on Zoning Bylaw Proposals

(Finance Committee Criteria for Deciding Whether to Make Recommendations on Zoning Bylaw Proposals)

Theilman asked to have the FC Criteria for Deciding Whether to Recommend Zoning Bylaws to Town Meeting (TM) placed on the agenda, as she questions whether the FC should take positions on all zoning. Moran explained that the FC developed the guidelines a few years ago and that they were published in the supplemental Report to Town Meeting in 2013.

Theilman's concerns revolve around the lack of data regarding actual dollars to be generated by some proposed Zoning articles, by estimated reductions in staff and Board time, and by clarification of proposed changes (housekeeping).

Slaughter stated that the earlier in the process the FC receives zoning information, the better it is for the FC, as it has a better sense of the issue with more lead time. He believes that a clear and defensible bylaw saves staff time, as answers provided by the staff can be quicker and clearer and over time save money, which adds up quickly. He is inclined to take a position on Zoning Articles.

Ratner believes the FC should look at all Articles individually from the criteria to determine if the FC should take a position. The FC may take a "no position" on some Articles, as there is no sense of cost. With a "no position" the FC could state what could happen, but it is not sure. When she previously was on the FC, it took no position on Zoning Articles.

Braun stated that he was glad that the topic came up since he believes the FC typically has no data on the financial impact of Zoning Articles. An Article may or may not have an impact, but it's usually not possible to predict with any certainty what those impacts will be. He suggested that the FC be honest in what it does, and does not, know about such impacts. He suggested that even if the FC does not vote for or against a given Zoning Article that it might play a helpful role by providing Town Meeting with a general analysis of an Article from a financial perspective. He is inclined not to take a position on Zoning Articles unless the financial impact is very clear.

Kubiak said that he saw no compelling reason to weigh in on zoning in general, although in some cases the impact is clearer. In terms of minor Zoning Articles, he believes that there is no way to measure cost. He gave a number of examples where the financial impact may be unknown and where the financial impact may be easier to determine. He again cited compelling reasons to weigh in on Zoning. He also believes that the FC should not avoid taking stands because of threats of litigation.

Moran said the Finance Committee has in the past supported zoning bylaw amendments that clearly had potential financial impact, such as rezoning a section of South East Street near its intersection with Route 9 to allow commercial development there. Though no such development has yet taken place, it is now allowed and, if it happens, would bring in additional property tax revenue. She believes each zoning proposal needs to be examined for possible financial impact.

Several FC members said the committee does not usually have enough information about the financial impact of proposed Zoning Articles.

The question arose as to tweaking the criteria for deciding whether to recommend, which will not be done at this time. Questions for the Planning Board/Department can be developed when the first Zoning Article is presented this year. Theilman will ask Sharma if he would be willing to draw up technical questions relating to financial impact to give to the Planning Board/Department. The number of FC members who take no position on a Zoning Article will be reflected in the write-up of the Article in the TM Report.

Pooler reminded the FC that in addition to Town initiated Zoning Articles, there were also petition Articles from the community, and options should be kept open.

At the end of the Zoning bylaw discussion, Slaughter suggested that the FC explore the standard language required in the Warrant for Articles related to “eminent domain”, and possibly develop criteria similar to that developed for the Reserve Guidelines.

Member Reports - Liaison and Representative Reports

JCPC---Slaughter reported that there was no JCPC meeting, but would meet on Jan. 29.

Schools--Theilman said that both budgets have been received by the School Committees. The Amherst Elementary Schools came in at \$100,000 under the FC Guidelines. The Regional School Committee would need approximately \$1,000,000 to level fund the present programs. School Administration believes it is doable due to somewhat decreasing enrollments. Slaughter explained the various formulas for Vocational Schools, Charter Schools and Choice In and Out

Library—Ratner reported that the Library budget was voted by the Trustees and available since before the holiday and that all FC members should have a copy. Moran said she would email copies to committee members.

Minutes of Previous Meetings:

Minutes of November 5, 2014, approved: **Voted: 6-0, 1 absent**

Next Meetings and Agendas:

(See attached: Future Finance Committee Meetings, Topics and Recording Assignments)

Topics not reasonably anticipated by the Chair 48 hours in advance of Meeting:

None

Handouts and Documents used at the Meeting:

- *Town of Amherst Proposed Budget, Fiscal Year 2016 by the Town Manager
- *Amherst Finance Committee Draft Meeting Schedule, FY16 Budget Hearings
- *Finance Committee Assignment for the Budget Sections of the FY16 Finance Committee Report
- *Finance Committee Criteria for Deciding Whether to Make Recommendations on Zoning Bylaw Proposals
- *Future Finance Committee Meetings, Topics and Recording Assignments

Adjourned:

The meeting adjourned at 9:12pm

Submitted by:

Marylou Theilman, Acting Clerk

See Attached on next 2 pages.

Finance Committee Assignment for the Budget Sections of the FY16 Finance Committee Report

Finance Committee Report for Town Meeting--- Assignments Spring 2015

Ratner	Library Services
Braun	Conservation and Development
Braun	Public Works
Moran	Public Safety Fire/EMS Police Animal Welfare Communications Center Regional Lockup Assessment
Kubiak	General Government Select Board/Town Manager Town Meeting/Finance Committee Legal Information Technology Town Clerk/Elections General Services Finance Department Facilities Maintenance Human Resources/Human Rights Employee Benefits Retirement
Slaughter	Enterprise Funds Water Sewer Solid Waste Transportation
Kubiak	Community Services Health Senior Center Veterans' Services/Town Commemorations LSSE LSSE-Municipal Pools LSSE-Cherry Hill Golf Course
Sharma	Debt Service
Theilman	Schools Amherst Elementary Amherst Regional
Braun & Slaughter	Joint Capital Planning Committee (JCPC)
TBA Later	Non Budget Sections

Future Finance Committee Meetings, Topics and Recording Assignments

Braun	Thursday, Jan. 29	Library Services Conservation and Development Enterprise Funds Public Works
Kubiak	Thursday, Feb. 5	Public Safety General Government
Ratner	Thursday, Feb. 12	Schools
Sharma	Thursday, Feb. 26	General Government Enterprise Funds
Theilman	Thursday, Mar. 5	Community Services
Braun	Thursday, Mar. 12	Non-Financial & Petition Articles
Kubiak	Thursday, Mar. 19	Non-Financial & Petition Articles Debt Service Other Expenditures & Assessments Municipal Budget Update
Ratner	Thursday, Mar. 26	Community Preservation Act Committee Joint Capital Planning Committee Non-Financial & Petition Articles School & Library Budget Updates
Sharma	Thursday, April 2	Vote FC Recommendations
Slaughter	Thursday, April 9	Vote FC Recommendations
All Finance Committee Members	Date to be Determined	Written Reports due to Moran and Pooler for Finance Committee Report
	Thursday, April 16 Tentative Date	Finance Committee Report Mailed to Town Meeting Members