

**Amherst Finance Committee Minutes
Thursday, March 17, 2016
First Floor Meeting Room, Town Hall**

ATTENDANCE:

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

OTHERS IN ATTENDANCE:

Sonia Aldrich, Comptroller; Claire McGinnis, Treasurer; Amherst Media.

Meeting was called to order at 7:02 pm.

AGENDA AND DISCUSSION

1. Budget presentations – Debt Service *(See also Town of Amherst Proposed Budget FY 2017, pages 117-118, 191-192)*

Ms. McGinnis reviewed the town's standing debt obligations, noting that there is very little change from last year. The town's standing debt was about \$18.8 million at the end of FY16 (she notes that the ceiling for the town's debt is \$111 million, hence we are quite a long way from our limit). Decided to fund fire department breathing equipment with funds already in the treasury, rather than borrowing, which will save approximately \$18,000 in interest. Total debt payments in 2017 are estimated to be \$2,344,418 (the total of principal and interest).

Transportation Fund (pg. 168, 193-196). Total expenditures of the transportation fund are expected to increase 3.8% in FY17 to a total of \$1,003,750. Note that although it appears in the table on pg. 169 that there is no money in the capital program for FY17, in fact there will be an expenditure of approximately \$200,000 to pay for Amity St. Parking lot repaving and improvement. The Debt Service line in this table (\$42,812) reflects interest on existing debt plus the additional interest related to the expense of the Amity St. work. Ms. McGinnis noted that the Town Manager is aware that, in the future, increased revenue will be required for this fund because of increased capital needs for repairs to the parking garage and lots.

2. Votes on Operating Budget Figures

Moved: the Finance Committee recommends that \$711,502 be appropriated in FY17 for the Transportation Fund. Approved 6-0-1 absent.

Moved: the Finance Committee recommends that \$4,722,520 be appropriated in FY17 for the Retirement Assessment. Approved 6-0-1 absent.

Moved: the Finance Committee recommends that \$35,928 be appropriated in FY17 for the Regional Lockup Assessment. Approved 6-0-1 absent.

Moved: the Finance Committee recommends that \$300,000 be appropriated in FY17 for the OPEB Trust Fund. Approved 6-0-1 absent.

Moved: the Finance Committee recommends that \$15,196,144 be appropriated in FY17 for the Regional Schools Assessment. Approved 6-0-1 absent.

Moved: the Finance Committee recommends that \$1,879,077 be appropriated in FY17 for Library Services. Approved 6-0-1 absent.

Moved: the Finance Committee recommends that \$3,834,381 be appropriated in FY17 for the Water Fund. Approved 6-0-1 absent.

Moved: the Finance Committee recommends that \$3,816,060 be appropriated in FY17 for the Sewer Fund. Approved 6-0-1 absent.

Moved: the Finance Committee recommends that \$463,418 be appropriated in FY17 for the Solid Waste Fund. Approved 6-0-1 absent.

Moved: the Finance Committee recommends that \$100,000 be appropriated in FY17 for the Reserve Fund. Approved 6-0-1 absent.

3. Member reports – liaison and representative reports.

Mr. Braun reported that the Joint Capital Planning Committee finished its work at today's meeting, voting to approve a total capital budget of approximately \$4,705,000, representing 8% of the tax levy. The JCPC, as part of its report, strongly recommended that the Town increase the percentage of capital funding by 0.5% a year in coming years to reach the target goal of 10% in order to pay for the various large capital projects currently under discussion (e.g., new fire station, DPW headquarters, Jones Library expansion, and public school replacements/renovations).

Mr. Sharma reported that the report by town auditors Melanson Heath was very positive, that they found nothing wrong with the town's financial health and operations. The report supported the town's current \$2.6 million fund for OPEB and ongoing contributions. He also said the auditor's report detailed the fact that the town's liability from new retirement pensions (approximately \$30 million) is now shown on the town's financial books, rather than on the books of the Hampshire County Retirement Board which doesn't change the finances of the town immediately, but does raise the profile of this commitment.

4. News affecting the budget. None

5. Minutes of previous meetings - The minutes of the March 3, 2016 meeting were approved by a vote of 6-0-1 absent.

6. Next Meeting and Agenda - The next Finance Committee meeting will be Thursday, March 24, 2016.

7. Topics not reasonably anticipated by the chair 48 hours in advance of meeting - None

The meeting adjourned at 9:22 pm.

Stephen Braun, acting clerk

Documents used:

Town of Amherst Proposed Budget Fiscal Year 2017

Handouts: FY2017 List of likely Warrant Articles (from Ms. Aldrich)