

Approved: 4/7/16

Amherst Finance Committee Meeting Minutes March 24, 2016

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

Others in attendance: Sonia Aldrich (Comptroller), Claire McGinnis (Treasurer/Collector), Mary Streeter (Chair, Community Preservation Act Committee); David Burgess (Assessor), Larry Kelly (Blogger); Amherst Community Television camera operator.

1. News affecting the budget

No new information regarding the budget

2. Budget presentations and/or votes

Community Preservation Act Committee report, Mary Streeter, CPAC chair, distributed a summary of the Committee's recommendations and spending plan with multiple projects in each of the required categories: Historic preservation, affordable housing, open space and recreation.

In addition, for the North Common renovation, there will be a request to amend the vote at last year's annual town meeting to make the \$190,000 in CPA money available without the condition of a grant. This will allow work to begin on the project, while another attempt is made to obtain grant funding.

Debt service on several past projects is \$313,354.00. The Committee expects \$2,092,101 to be available for FY17 and has voted to expend \$2,086,770. The state match to local funding is estimated at 20%, dependent on receipts that come in based on property transfers. Affordable housing reserve funds will be available for the fall, contingent upon CPAC approval.

Balance of the fund is an estimate and Aldrich will send FY15 numbers to the Committee and Streeter. Braun moves recommendation of the FY17 plan, as an appropriate use of CPA funds, and Theilman seconds. Motion carries 7-0.

Kubiak moves to recommend an amendment of article 10A of the 2015 Fall Special town meeting, to remove the grant dependent restriction for the North Common project. Braun seconded the motion and the motion carried 7-0. Braun will present the CPA articles at the annual meeting.

Optional tax exemption articles: Burgess addressed the additional optional exemptions for certain populations (e.g. veterans, low income) and noted that the cost is born largely by the town of Amherst, with some reimbursement from the state for the base exemption amount. Exemptions require an annual vote and have been approved for the last twelve years. The town has approximately 95 property owners who are eligible for the exemptions, not including the tax work off program. Burgess reviewed the amounts awarded to individuals by category, based on assets, military disability, and persons over 65 years of age. Vote taken will be to authorize the exemptions, not a specific amount of money. Theilman moved that the committee recommend authorizing the optional personal exemptions up to 100% for FY 17. Ratner seconded and the motion carried 7-0.

Joint Capital Planning Committee report: McGinnis distributed and reviewed the report. Town Manager proposed 8% of the tax levy for capital expenditures and that became the basis for calculating available funds. The final report will be available March 30. Total plan cost is \$4,705,249.00.

Debt exclusion discussion: the amounts shown are for the proposed new elementary school over the three year construction phase with \$1,500,000 anticipating approval of the school building plan at the 2016 fall town meeting and the subsequent approval of a debt exemption at an election.

Braun points out that the Joint Capital Planning Committee (JCPC) has spent much time reviewing the plan and approving it, so the presentation to the finance committee is not the sole discussion of the plan. The JCPC

weighed requests, looked at priorities, accepted some, reduced others, eliminated some. Further, it's estimated that 10% of the levy is necessary to maintain the town's capital equipment, rather than the current at 8% of the levy

Kubiak moved to recommend \$1,731,866 for equipment purchases, seconded by Theilman. Motion carried 7-0

Braun moves to recommend \$526,000 for buildings and facilities, seconded by Kubiak. Motion carries 7-0.

Capital program bond authorization: It may be that no debt will be needed, so the article 15 (18 on the final warrant) recommendation may be to dismiss. The Finance Committee will decide its recommendation later.

Articles 17, 18 (16 and 17 on the final warrant) will repurpose funds.

Article 16 (15 on the final warrant) is to extend sewers mains to the Amherst Woods subdivision, needs \$3,000,000 through borrowing to complete the project. Warrant language should be available next week.

Article 17 (16 on the final warrant) will repurpose unused bond funds from East Street School in the amount of \$306,000 for breathing apparatus for the fire department. A two-thirds vote may be needed. Kubiak moves the finance committee recommend the appropriation from unexpended bond proceeds from Article 15A of the 2015 town meeting. Braun seconds and the motion carried 7-0

Article 18 (17 on the final warrant) is to repurpose debt from Article 15A of the 2015 town meeting, unexpended bond proceeds, in the amount of \$105,500 to purchase trucks for the Department of Public Works. Kubiak so moves, seconded by Braun. The motion carried, 7-0.

Article 10, Debt service update: Page 117 in the budget book shows all existing debt obligations. Debt service for fire department breathing apparatus is removed; short term borrowing is increased to \$5,000. New total is \$2,346,483; \$2,033,127 is taxation, \$313,354 is CPA. Kubiak moved to recommend the revisions, seconded by Sharma. Motion carried 7-0.

Municipal budget (Article 10)

All employee benefits are included in the general fund. Aldrich distributed a list of updated amount that replace the originals in the budget book.

Neale moves the Community Services budget recommendation of \$1,859,271, Braun seconds. Motion carries 7-0.

Braun moves the Conservation and Development budget recommendation of \$1,274,564, Theilman seconds.

Motion carries 7-0

Kubiak moves a General Government budget recommendation of \$6,961,139, Theilman seconds. Motion carries 7-0

Neale moves Public Safety budget recommendation of \$10,097,459, Ratner seconds. Motion carries 7-0.

Braun moves Public Works budget recommendation of \$2,214,528, Kubiak seconds. Motion carries 7-0

Theilman moves that the Finance Committee recommend that the Town raise and appropriate \$22,117,324 for the FY 17 Amherst Elementary Schools as voted by the Amherst School Committee on March 22, 2016. Braun seconds and the motion carries 7-0.

Theilman moves that the Finance Committee recommend that the Town approve the Amherst-Pelham Regional School District FY17 operating and capital budget of \$30,804,122 and that the Town raise and appropriate \$15,196,144 as its share of the budget. Seconded by Braun, the motion carries 7-0.

Ratner moves that the Finance Committee recommend that the Town approve the Library Services operating budget of \$2,468,186 and that the Town raise and appropriate \$1,879,077 for its share of that budget. Seconded by Braun, motion carries 7-0.

Article 4, Compensating balances: Kubiak moves to recommend compensating balances authorization for the Treasurer, Neale, seconds. Motion carries 7-0

Article 1: Theilman moves to recommend hearing reports of the boards, seconded by Ratner. Motion carries 7-0.

Article 9: Amendment to the regional agreement: Moran read the proposal to amend the Amherst Pelham Regional School District Agreement such that notwithstanding Section VI, and for Fiscal Year 2017 only, 10% of the operating budget assessment shall be allocated to each town based on proportionate shares of taxable property

values and the other 90% will be allocated to the member towns in accordance with the per-pupil method found in the Amherst Pelham Regional School District Agreement. Theilman moved the Committee recommend the proposed modification, seconded by Braun. The motion carried 7-0.

Article 12: Braun moved the revolving fund reauthorization for the after school program (Article 12) to be set at \$400,000. Kubiak seconded. Motion carried 6-0-1.

Assignments for finance committee report and presentation to the annual meeting: refer to attached article assignment sheet.

4. Non-financial, zoning, and petition articles

Petition articles will be discussed at the next meeting.

5. Name representatives to Regional Schools working groups

Working groups: examining the assessment method and regional schools capital plan forecasting and assessment of costs. Theilman volunteers for assessment group and Braun for capital.

6. Member reports – reports from liaisons and representatives

Ratner attended the library design subcommittee meeting with the architects and owners project manager (OPM) present. They reviewed different possibilities for additions, given prospects for additional land and a zone change. There was agreement on 48,000 total square feet as the library's current size and a final project outcome of a 65,000 square foot building. However, the state library board may want a larger building at 74,000 feet proposed. OPM estimates \$31.9 million cost, including soft costs and contingencies. This is not a firm estimate. At present, it appears the state will pay for 41% of the costs; the town would need \$19.7 million, including any grants or other contributions. The number is very preliminary.

Selectboard salary increases proposed in the General Government budget would begin in FY 17, starting for each Selectboard member as he or she begins a new term.

7. Minutes of previous meetings

Theilman moved, Ratner seconded approval of minutes of March 1. Motion carried, 6-0-1 abstain

8. Topics not reasonably anticipated by the chair 48 hours in advance of meeting; none

Ratner moved to adjourn, seconded by Theilman. Motion carried 7-0 and the meeting adjourned at 9:43 PM.

Respectfully submitted,

Bernie Kubiak, Clerk pro tem

Documents referred to:

Community Preservation Act summary report

List of optional tax exemptions to be voted annually

Joint Capital Planning Committee recommendations

Updated calculations for municipal budgets

Article Assignment Sheet

SB ASG	SB POS	FC ASG	FC POS	AMT	TOWN STAFF	Art. #	ARTICLE	TOWN MTG ACTION
			Y			1	Reports of Boards & Committees	
					SONIA	2	Transfer of Funds – Unpaid Bills	
			Y		DAVID B	3	Acceptance of Optional Tax Exemptions	
			Y		CLAIRE	4	Authorization for Compensating Balances	
						5	FY 16 Budget Amendments	
					SONIA		A. Transfer sums between Functional Areas of Municipal Operating Budget	
					SONIA		B. Ice and Snow Deficit	
					DAVID B		C. Overlay Surplus	
					SONIA		D. Reserve Fund	
			Y	\$4,722,520	CLAIRE	6	Retirement Assessment	
			Y	\$35,928	CLAIRE	7	Regional Lockup Assessment	
		AS	Y	\$300,000	SONIA/CLAIRE	8	OPEB Trust Fund	
		MLT	Y		MARIA G.	9	Amendment to Regional Agreement Assessment (ARPS)	
						10	FY 2017 Operating Budget	
		TN	Y	\$1,859,271	DAVID Z		A. Community Services	
		SB	Y	\$1,274,564	DAVID Z		B. Conservation & Development	
		BK	Y	\$6,961,139	PETE		C. General Government	
		AS	Y	\$2,346,483	CLAIRE		D. Debt Service	
		KM	Y	\$10,097,459	SCOTT/TIM		E. Public Safety	
		SB	Y	\$2,214,528	GUILFORD		F. Public Works	
		JR	Y	\$1,879,077	SHARON		G. Library Services	
		MLT	Y	\$22,117,324	Maria G.		H. Elementary Schools	
		MLT	Y	\$15,196,144	Maria G.		I. Regional Schools	
		AS	Y	\$3,834,318	GUILFORD		J. Water Fund	
		AS	Y	\$3,816,060	GUILFORD		K. Sewer Fund	
		AS	Y	\$463,418	GUILFORD		L. Solid Waste Fund	
		AS	Y	\$711,502	CLAIRE		M. Transportation Fund	
		KM	Y	\$100,000	SONIA	11	Reserve Fund	
		TN	Y		SONIA	12	Revolving Fund Reauthorization (\$400,000)	
		SB	Y	\$1,731,866	CLAIRE	13	Capital Program – Equipment	
		SB	Y	\$526,000	CLAIRE	14	Capital Program – Buildings & Facilities	
		SB		N/A	CLAIRE	15	Capital Program – Bond Authorizations	
		BK	Y	\$3,000,000	CLAIRE	16	Capital Program – Sewer Extension Project (Amherst Woods Station Road Phase II)	
		BK	Y	\$306,000	CLAIRE	17	Capital Program – Debt Repurpose A. Fire Department Breathing Apparatus	

		BK	Y	\$105,500	CLAIRE	18	Capital Program – Debt Repurpose DPW One Ton Dump and ¼ Ton Plow Pickup	
		SB	Y	\$1,620,248	SONIA		Community Preservation Act	
						19	A. Annual Appropriation from CPA FUNDING	
		SB	Y	\$84,668	DAVID Z.		B. CPA Open Space Acquisition – Cushman Brook Project	
		SB	Y	\$68,500	DAVID Z.		C. CPA Open Space Acquisition – Hoerle APR	
		SB	Y	\$190,148	SONIA/DAVID	20	Amend CPA Project North Common Article FY 16 Fall STM Article 10A	
					DAVID	21	Hawthorne Farm for Affordable Housing	
					GUILFORD	22	Acquisition of Easements – Pine Street Sidewalks	
							Acquisition of Easements Triangle/East Pleasant Int	
SB ASG	SB POS	FC ASG	FC POS	AMT	TOWN STAFF	Art. #	ARTICLE	TOWN MTG ACTION
					GUILFORD	23	Acquisition of Easements – Triangle/East Pleasant Intersection Project	
					SONIA	24	Free Cash	
					SONIA	25	Stabilization	
					DAVID Z	26	General Bylaw – Percent for Art	
					CHRIS B.	27	Zoning – Separate B-L (Limited Business) and COM (Commercial) Districts in Table 3 Dimensional Table	
					CHRIS B.	28	Zoning – University Drive Rezoning OP to B-L	
					CHRIS B	29	Zoning – Cluster Subdivision Issues	
					CHRIS B	30	Zoning –Mixed Use Building Standards	
					CHRIS B	31	Zoning Petition – Bylaw Amendment Affordable Housing	
			NP			32	General Petition – Indigenous Peoples’ Day	
				\$30,000		33	General Petition – Appropriate \$30K for Charter Consultant	
			NP			34	General Petition – Bylaw to Prohibit Single Use Plastic Bags	
			NP			35	General Petition – West Bay Road Pedestrian Improvements	
						36	General Petition – Appropriate Funds for Study of Feasibility for Repair Wildwood and Fort River Schools	
						37	Genera Petition – Medicaid reimbursement Appropriation/Bylaw Amendment	
						38	General Petition – UMass Nontaxable Housing Primary & Secondary Ed Costs/Bylaw Amendment	

						39	General Petition – Kinsey Memorial Garden Preservation	
			NP			40	General Petition – Removal of Kendrick Park from Capital Plan	
						41	General Petition – Resolution for Open Government for Town Meeting	
						42	General Petition – Resolution re House Bill 2584	
			NP			43	General Petition – Resolution Amherst College Divestment of Fossil Fuels	
					SHARON	44	Zoning – 67 Amity Street Rezoning	

KEY:

Y = Vote of Endorsement

N = Not Recommended

D = Vote to Recommend Dismissal

DTM = Deferred until Town Meeting

NP = No Position

SB= Braun

BK = Kubiak

KM = Moran

TN = Neale

AS= Sharma

MLT= Theilman

JR = Ratner