

Amherst Finance Committee Minutes  
 June 29, 2016  
 1st Floor Meeting Room, Town Hall

*Attendance:* Steve Braun, Bernie Kubiak, Kay Moran (chair), Tim Neale, Janice Ratner, Anurag Sharma, Marylou Theilman (vice chair)

*Others in attendance:* Joseph Jayne (newly appointed member of the Finance Committee, effective July 1), Sonia Aldrich (Town Finance Department), Claire McGinnis (Town Finance Department), Vincent O'Connor, Larry Kelley, Amherst Media

The meeting was called to order at 7:00 pm.

**News affecting the budget:** Aldrich reported that there was no new information regarding the FY17 budget, and that the FY16 revenues and expenditures would be on-target to budget when the fiscal year ends June 30.

**Continued discussion of large capital projects:** The Finance Committee continued its discussion relative to the four major capital projects proposed for the Town: a new elementary school, a new and relocated fire station, the Department of Public Works building and storage facility, and the renovation/expansion of the Jones Library.

Understanding the fluidity of project costs and timetables, the following chart reflects the Committee's understanding of current cost estimates and project begin dates:

	<u>Elem school</u>	<u>Fire</u>	<u>DPW</u>	<u>Library</u>	<u>Total</u>
Project cost	\$65million	\$22m	\$33m	\$34m	\$154 million
Cost to Town	\$33m	\$22m	\$33m	\$17.5m	\$105.5 million
Begin Date	2018	2023	2021	2019/20	

After discussion of several of the aforementioned projects, the Committee concluded that its role would best be served by identifying a few key questions and developing an educational piece for the Town as to the potential financial impact of these projects both individually and especially as a whole.

Future meetings will fine-tune these ideas, but for the moment, the key questions are:

- What can the Town afford to pay?
- What would the impact be on the average taxpayer?
- Which projects should receive priority?
- How can these projects be funded (Capital budget? Bonding? Property tax override?)

The educational piece would serve as a resource for decision-makers and citizens of the Town. One idea would be to build off the excellent 2007 Finance Committee report which explained overrides and their

impact on taxpayers and the budget. See:  
<https://www.amherstma.gov/DocumentCenter/Home/View/1552>.

**Regional schools assessment method update:** Theilman reported that the regional working group continued its discussion regarding a future method for each town's allocation to the regional schools. Shutesbury continues to suggest movement towards a 100% statutory method, and away from the recently agreed formula which represents 10% statutory and 90% based on a 5-year rolling average of student enrollment.

**Member reports – liaisons and committees:** Braun brought up the matter of 06-29-2016 memos to the Joint Capital Planning Committee from Peter Hechenbleikner, Temporary Town Manager, and Claire McGinnis, Treasurer/Collector. Hechenbleikner made some observations about some possible improvements to the capital planning process, and McGinnis made a few recommendations as to updates to the Town's Financial Management Policies and Objectives. Although seeing much merit in these memos, after a brief discussion the Committee felt any action/recommendations on its part should wait for input from the new Town Manager and Finance Director.

Moran reported on the joint Fire Station/Department of Public Works facilities working committee. There is a good chance that the committee will be making a proposal at the Fall Town Meeting for funds for a feasibility study relative to updated sites. As Moran's term on the Finance Committee ends June 30, Jaynes was assigned as the new representative on the Fire/DPW Committee.

**Minutes of previous meetings:** The Finance Committee minutes of April 14, 2016 were approved 7-0. The Finance Committee minutes of May 2, 2016 were approved 6-0, 1 abstain. The Finance Committee minutes of May 9, 2016 were approved 6-0, 1 abstain.

**Next meetings and agenda:** The next meeting will be July 12, 2016 at 7:00 pm. Amongst other agenda items, new officers will be elected and liaison assignments made.

**Topics not reasonably anticipated by chair 48 hours in advance of meeting:** None

**Parting notes/comments:** The Committee gratefully thanked Kay Moran for her years of outstanding service to the Finance Committee and the Town, as this was her last meeting as chair and member.

The meeting adjourned at 8:45 pm.

Acting clerk, Tim Neale

*Supporting documents:*

- Interactive Excel spreadsheet developed by Sandy Pooler, former Finance Director
- 06-29-16 memo Hechenbleikner to Joint Capital Planning Committee entitled Observations – Capital Planning Process
- 06-29-16 memo McGinnis to Hechenbleikner entitled Recommended Short list of Updates to Financial Management Policies and Objectives