

Amherst Finance Committee Meeting

Thursday, October 13, 2016

Amherst Town Hall

Part I – Joint meeting between the Finance Committee, Select Board, School Committee, and Library Trustees. Meeting called to order at 8:00 pm in the Town Room.

ATTENDANCE: Finance Committee: Mses Theilman and Ratner, Messrs Braun, Neale, Sharma. Absent: Messrs Kubiak, Jayne.

Select Board: Mses Brewer and Kruger, Messrs Slaughter, Steinberg, and Wald. School Committee: Mses Appy, Dougmany Cage, Hazard, and Ordonez, Mr. Nakajima (newly elected member but not yet sworn in).

Library Trustees: Mses Edward and Ely, Mr. Pam. Town Officials: Town Manager Bockelman, Co-Finance Directors Aldrich and McGinnis, Assistant Town Manager Ziomek, Acting Superintendent Morris, Schools Finance Director Mangano.

DISCUSSION – The purpose of this joint meeting was a presentation from Town officials of the Town’s financial monitoring report and preliminary financial projections for FY18. For details, reference is made to the power point presentation, available both in hard copy, and on the Town’s website: www.amherstma.gov.budget

Mr. Bockelman began by complimenting current and past staff for excellent financial management. Newly appointed as Town Manager, he said that some of the major factors in attracting him to the Town were Amherst’s solid fundamentals, strong leadership, and strong financial policies.

Summary

Current situation and outlook:

- FY 16 operating results were positive, with \$1.7 million net excess in revenues over expenses on a budget of \$72.5 million (2.3%).
- Bond Rating maintained at AA+
- Reserves are strong and now equal 15% of operating revenues.
- The Town just started FY17, with a level services budget and capital expenditures expected to be 8% of the tax levy.
- Major issues for FY17 to be addressed at the November Special Fall Town Meeting include continued OPEB funding, transfer of free cash to the Stabilization Fund, approval of a Public Works facility schematic design and site selection proposal, a Fire Station feasibility and site selection study, and bond authorization (subject to the November 8 debt exclusion override vote) for the elementary school project.

FY18-20 assumptions for “level services budgets:

- Property taxes continue to grow at the 2.5% limit per year (+\$1.2 million).
- New growth added to property tax revenues
- State Aid to grow modestly
- Local receipts leveling out
- No use of Town reserves for recurring expenditures
- Increase in capital allocation to 8.5% of the levy
- Attention to the large capital projects in the next 5-10 years.

Once the presentation was concluded, there was a short question and answer period, and commentary by Select Board member Steinberg that should any of the four committees have further questions or concerns, they should be channeled through the Budget Coordinating Group for follow up. The joint meeting was adjourned at 9:19 pm.

Part II - Regularly scheduled meeting of the Finance Committee (in the Town Room) followed, and commenced at 9:30 pm.

1. News affecting budget

None

2. Discussion of financial projection for FY18 and preliminary budget guidelines for FY18 budget

None

3. Discussion of November Special Town Meeting Warrant Articles

Discussion postponed to October 20 meeting of the Finance Committee

4. Updates on Summaries and Op-ed articles

The summaries of the four major capital projects have been posted on the town website: www.amherstma.gov, and links to the website are also included on the League of Women Voters website.

The Op-Ed article pertinent to the debt override hopefully soon will be printed in the local newspaper and included on the Town website.

5. Member Reports – reports from liaisons and representatives

None

6. Minutes of previous meetings

None were discussed.

7. Next meeting and agenda

The next Finance Committee meeting is scheduled for Thursday, October 20, 2016.

The two major agenda items will be: (1) discussion of the November Special Town Meeting warrant articles, and (2) discussion of the annual Finance Committee budget guidelines to the Town officials and Boards/Committees.

8. Topics not reasonably anticipated by the chair 48 hours in advance of meeting

None

The meeting was adjourned at 10:08 pm.

Timothy A. Neale, acting clerk

Documents referred to:

Power point slides of the October 13, 2016 Joint Meeting of the Select Board, Finance Committee, School Committee & Library Trustees. Available at www.amherstma.gov/budget.