

Amherst Finance Committee Meeting Minutes
March 9, 2017
First Floor Meeting Room, Town Hall

Present: Marylou Theilman, Chair; Steve Braun, Vice Chair; Joe Jayne, Tim Neale, Janice Ratner, Bernie Kubiak, Anurag Sharma, Sonia Aldrich, Comptroller and Co-Finance Director.

Library: Sharon Sharry, Director; George Hicks, Facilities Supervisor; Tamson Ely, Trustee; Lee F. Edwards, Trustee

Community Preservation Act Committee: Paris Boice, Chair
Felicity Callahan; Cynthia Brubaker; Amherst Media

Meeting Called to Order: 7:00 PM

Agenda Topics:

1. Budget Topics

Library -- Sharon Sharry, Library Director

Operating Budget Request: Personnel services, 5.8% increase due to minimum wage increases and benefits for part time employees. Circulating materials budget is up 2.9% to meet state guidelines. 4.8% decrease for operating expenses, reduction in programming due to decreasing funds from endowment, and other sources. 3.5% increase overall.

Sharry reviewed state aid allocations from FY 13 to present. State aid is held in the town's special revenue fund and dispersed as needed. State aid is typically a cushion for the budget. Trustees have set a 4% draw from endowment to preserve and grow the principal. Other non-town funding was reviewed. Draws from other accounts are level from the previous fiscal years, with a goal of raising additional funds.

Friends' contributions (programs, books, contributions) and fundraising discussed.

Neale asks what percentage of the library's mailing list responds to appeals for donations. Sharry said a percentage is not calculated but will be. Email requests have not been well responded to. The library does participate in Valley Gives, other online fund drives.

Theilman asks about return on the endowment – it's 4% of trailing 12 quarters. Endowment is managed by Vanguard.

Building Fund: Capital project cost of \$35.6 million broken out over three fiscal years. At the earliest, program would start in 2018 if awarded in the first round. All grants and donations will be used to offset town's share of the grant, anticipating a \$15.9 million municipal bond. All other costs are anticipated to be covered by the state grant, fund raising, historic tax credits, and other sources. Theilman asks what happens if fundraising falls short – library has no contingency plan at present. Bond authorization does not include interest. Town meeting will not be asked to fund the project at the May meeting, although it will be asked to approve the preliminary design and pursuit of the grant from MSBL (in a single article).

Key milestones: the building program will not change (square footage, services offered, site remains the same) but design and landscaping can continue to evolve prior to construction. The look and feel of the building comes into play with the design/development/construction phase. The gardens will be designed during this process; goal is to preserve 70% of the garden. Will preserve as much of the 1928 structure as possible. Interim space during construction will be identified, will house collection and programs. Library services have to be maintained.

Massachusetts Board of Library Commissioners (MBLC) awards are announced in July, when/if the proposal makes it to the top of the list, the library will be back before town meeting to request funding. Sharry offered an overview of the awards process.

Sharry will email worksheet to the Committee to illustrate how state aid amount was determined. Discussion as to what dollar amount town meeting will eventually be asked to vote.

Deferred maintenance costs: Sharry explains that the library will seek an estimate of the nature and cost of work that will need to occur to maintain the library should TM not approve the grant application. This is not an “inexpansion” so it is not eligible for grant funding. Hicks reviewed in detail the list of capital repairs for the Jones Library building. Library has not asked for capital project money in recent years as the larger project has been pursued. The items on the list are capital repairs that must be done to keep the building safe and operable. These are direct replacements for things the library has at present, it does not represent projects, such as handicap accessibility, that would require design work. Neale asks about costs – estimators are working on developing costs prior to town meeting. Neale believes having the costs available will be important information for town meeting, allow comparison with grant funding. List does not include any electrical upgrades or making the entire building ADA compliant. Braun raises question as to if the capital repairs will trigger the need to make the building ADA compliant. It’s likely that the repairs will do so or be spread out over a decade.

Community Preservation Act---Paris Boice, Chair

Boice reviewed the recommendations to be made to town meeting. Affordable housing budget reserve is recommended, along with a variety of historical, open space and recreational projects.

Two housing projects were not recommended to provide rental subsidies and support services to homeless individuals. Liability concerns and Department of Revenue guidance that “wraparound” social services are not eligible for CPA funding led to rejection of the request. Borrowing recommended for two land acquisition projects: Cole and Kieras properties.

Sharma asks about returned appropriations: two projects were not carried out – a barn restoration and funds for the Congregational Church fire suppression system. It’s unusual for funds to be returned. Sharma asks how much the CPA costs the average homeowner in Amherst and how the state award is determined. Discussion followed regarding the value of the CPA program, the assessments and the projects.

In the last 10 years, all conservation land purchases have been made with CPA funding. CPA funds can be used to improve lands purchased through the program. Recreation spending includes pool, filter and pump replacements at Mill River, the Mill River basketball courts, Groff Park modernizations and recreation/athletics facilities with the regional schools.

Recommendation to fund the restoration of the steeple on the Jewish Community of Amherst was followed by discussion regarding allowability of the project. It was noted that the award is to restore the building, not for what happens inside the building; hence this is not a “separation of church and state” issue.

2. News affecting the Budget

No new information regarding the budget

3. Process and Implementation (Steps) for Debt Exclusion Override

Aldrich put together an outline for debt exclusion at the request of Theilman. Tax levy forms distributed and reviewed. Explanation of levy limit, ceiling.

4. The previously-approved statement about the Finance Committee’s Zoning Bylaw Criteria will be sent to the Planning Dept. and Planning Board.

Neale suggests that the statement take into account expenses and not just revenue, suggested change of language. The change met with general agreement and will be incorporated. Guidelines will be sent to Planning Director

5. Draft statement for School Funding Ballot Question

Ratner suggests changes – eliminate “widespread agreement” – strike first sentence then go on from there. Vote was to recommend to town meeting, not to the voters, and that should be noted.

Braun feels that there should be language noting that there is no guarantee that renovations would be cheaper.

Language was amended, Neale will redraft, Theilman will submit to the newspaper.

We still do not have a definitive statement regarding the 18% threshold for the school bond vote.

6. Committee and Liaison Reports:

Budget Coordinating Group

Committee will meet later this month.

Joint Capital Planning Committee (JCPC)

CPA was reviewed at the last meeting as was the Conservation Department. A draft overview of the capital plan was offered to the JCPC; Braun offered an overview of the draft plan, including the request from the Schools for \$700,000 to do a study of the Fort River School. Funds shifted to sidewalks and roads. It appears that the capital plan is balanced. Available funds equal 8.5% of the tax levy. DPW schematic design request will be shifted to the fall town meeting as will the Fire Station request.

Discussion regarding the purpose for feasibility study to be done on Fort River, given the information available from the Wildwood study.

DPW/Fire Study Committee

No new information, meeting next week.

Library

No new information

Schools

Budget Votes are scheduled for the Amherst and Regional Schools next week.

Other (Cost Drivers)

No new information

7. Progress on write-ups for Finance Committee Report to Town Meeting

Deadline March 28, 2017---Earlier if possible

8. Minutes of Previous Meetings

Minutes of March 2, 2017: Neale moved approval, Ratner seconded, motion carried unanimously.

9. Topics not reasonably anticipated by the chair 48 hours in advance of Meeting

None

10. Next Meeting and Tentative Budget Topics

Thursday, March 16, 2017

Schools---Elementary and Region---Michael Morris, Interim Superintendent, Sean Mangano, Director of Finance

Zoning and Non-Financial Articles

Petition Articles

Ratner moved to adjourn, Braun seconded. Motion carried unanimously.

Respectfully submitted,

Bernie Kubiak, Clerk Pro Tem

Documents referred to:

FY '18 Library Budget Proposal

Library Capital Request (grant funded renovations)

Library Capital Repairs

Debt Exemption flow chart (recap sheets)