

ATTENDANCE: Joseph Jayne, Tim Neale, Sharon Povinelli, Janice Ratner (Vice Chair), Anurag Sharma, Marylou Theilman (Chair). ABSENT: Bernie Kubiak. Staff: Sonia Aldrich, Co-Finance Director.

OTHERS: Claire McGinnis, Co-Finance Director; David Burgess, Principal Assessor; Amherst Media.

Meeting called to order at 7:03 PM

Nominations for chair and vice chair

Theilman nominated by Ratner and voted unanimously in favor.

Theilman described the role of vice chair and opened nominations for the role.

Neale nominated Ratner. Unanimous vote in favor.

Cost driver project

David Burgess, Town Assessor

Discussion of the numbers in handouts (#1, #2, and #3) as indicated at the end of these minutes. Amounts appropriated at the Town Meeting \$86.5 million. Total amounts to be raised \$90.5 million. All the revenues sources and receipts are \$41.7 million. Hence, the monies to be raised from property tax levy is \$48.8 million.

Next, calculate the levy limit, add new growth, and that comes to 2017 levy limit of \$48.75 million. Levy ceiling is 2.5 percent of the total property valuation in the town, \$55.5 million.

New Growth: New house, new construction, land divided into plots, and Personal items for business. Bottom line, additional taxes from new growth are minimal to negligible in terms of having positive effects on total taxes collected or tax rate.

Jayne asked: What happens when the tax rate goes up to \$25 per \$1,000? Response: Cannot keep increasing taxes, which means greater need to control spending!

Next Issue: Fact Sheet discussion. Neale is in process of pulling it together.

UMass Public Policy department will be approached to see if a student might be able to do a thesis or research project for cost drivers for the town. Still in process but unlikely any time soon.

Final cherry sheets FY18 small current deficit of \$40,000, in large part because estimates for charges were higher. Yet, this estimate will change as new factors such as new growth.

Aldrich shared and reviewed memo (#4) regarding ending FY17 municipal budget/actual. In the main, the Town collected 101 percent of budgeted revenues, or \$958,222 above the budget and the Town expenditures were 99 percent of budgeted expenditures, or \$897,282 below the original budget. Details are in in the handouts.

Aldrich in process of certifying Free Cash. Usually does not happen until October, but this year in a unique position for having collected all the receivables at this point, and hence early certification.

Discussion about whether to re-do the article for Capital Stabilization fund. Tabled for now.

DPW & Fire Project: Community education. Open house for DPW for 100th anniversary September 30 will be called Big Rig Day. Open house for Fire will be on October 14, and to promote that fliers etc. during the Block Party on October 4.

Neale asked where we were on the timings of when the large projects are going to be coming up. Several feasibility projects are underway, but the timelines are not quite clear.

Sharma updated on the audit committee. Change in reporting rules at the state level, such that as per rules 74 and 75, OPEB liabilities will be reported on-the-books, as opposed to being off the books thus far.

No update on the library.

Update on the schools. Theilman and Ratner have been going to the meetings of the Regional Assessment working group. Next meeting is scheduled for Monday, to go through different models brought up by the consultant, Mark Abrahams. Issues such as "ability to pay" are on the docket. There has been a tentative agreement for past 2 years and now, going into the next year, issues among the 3 small town remain the same as they have been in terms of who pays what and why.

Important dates coming up:

Citizen zoning petitions due September 11
Citizen general petitions due September 18
Select board signs the Warrant, October 10
Placeholder for Finance Committee meeting, October 5
Four Boards meeting, October 12
Warrant review in town hall, October 25

Povinelli to attend the Budget Coordinating Group along with Neale.

Liaison and/or Committee Assignments:

- Jayne – DPW / Fire Station Advisory Committee
- Kubiak and Theilman – Joint Capital Planning Committee
- Neale and Povinelli -- Budget Coordinating Group
- Ratner – Library
- Sharma -- Audit and OPEB
- Theilman -- Schools

Minutes: August 14, 2017. 4-0, 2 abstain

Meeting adjourned 9:55 pm

Acting Clerk
Anurag Sharma

Handouts

1. How and What Goes into Tax Rate Setting
2. Mass DOR Tax Rate Recapitulation
3. Mass DOR 2017 Tax Levy Limitations
4. Memo dated August 25, 2017 from Sonia Aldrich, Comptroller, to Select Board, Finance Committee, and Paul Bockelman, Town Manager.
5. Finance Committee Report – Special Town Meeting 11/2/15, Article 4: Free Cash – Stabilization Fund.