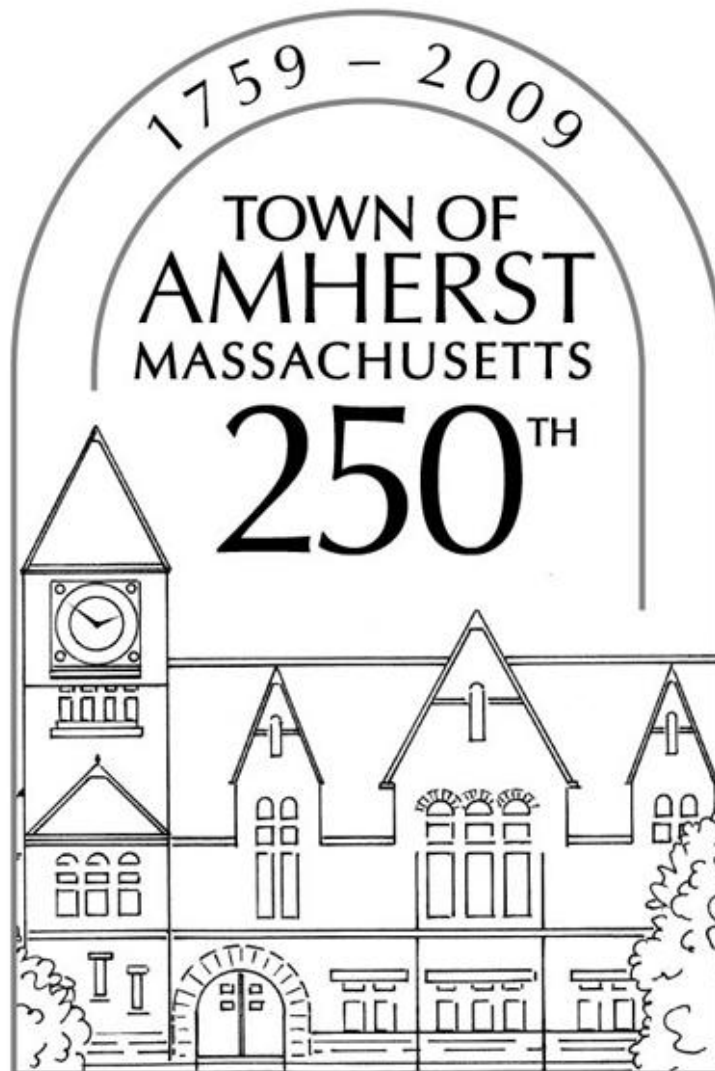


**TOWN OF AMHERST
PROPOSED BUDGET
FISCAL YEAR 2009**

JULY 1, 2008 - JUNE 30, 2009



www.amherst250.com

THE FY 09 BUDGET PROCESS

SEPTEMBER – OCTOBER 2007

The Select Board hosts a joint meeting of the Select Board, Finance Committee, School Committee, and Library Trustees to review revenue and expense projections for the next several budget cycles.

The Amherst Budget Coordinating Group (BCG), comprised of representatives from the Select Board (2), School Committee (2), Library Trustees (2), Finance Committee (2), Regional School Committee Chair, Town Manager, Finance Director/Treasurer, Superintendent of Schools, School Business Manager, and Library Director will meet periodically throughout the budget development process to serve as a clearinghouse for budget information, to refine a master town/school/library budget development calendar, to review a long-range financial projection that includes prior years' results, current year approved budget, revenues/expenditures for the current and next three fiscal years, and reserves, and to develop a common understanding of issues related to budget priorities and of methods of sharing resources ultimately leading to a recommended course of action. The BCG will disseminate the group's recommendations and conclusions to the public, will take no votes, and work to achieve consensus.

NOVEMBER – DECEMBER 2007

The Finance Committee recommends FY 09 spending guidelines to Town Manager, Select Board, School Committee, Superintendent of Schools, Library Trustees and Library Director.

NOVEMBER 2007 – JANUARY 2008

Town Manager, Superintendent of Schools and Library Director develop proposed operating budgets and capital recommendations.

On January 16, as specified in section 5.1 of the Amherst Town Government Act, "the town manager shall submit to each member of the select board and finance committee a recommendation in writing of the appropriations for the town government for the ensuing fiscal year, ...showing specifically the amount recommended to be provided for each fund and department,...[and]an estimate of the receipts of the current year and an estimate of the amount of income from all sources of revenue exclusive of taxes upon property in the ensuing year..."

The Superintendent of Schools submits to the School Committee a spending proposal for the elementary schools and a budget for the Regional School District that includes an estimate of revenues from all sources and an estimate of probable expenditures. Proposals are presented to the respective School Committees and to the Finance Committee.

The Library Director presents a budget to Library Trustees that includes estimates of revenues from all sources and proposed expenditures for the ensuing fiscal year. The proposal is presented to the Library Trustees and the Finance Committee.

JANUARY - APRIL 2008

The Finance Committee reviews proposed FY 09 Capital and Operating Budgets and formulates its recommendations, which will be presented to Town Meeting. The Select Board will also review the Finance Committee's recommendations so that it can make recommendations to Town Meeting regarding the Finance Committee's recommendations. The public is invited to attend any of these meetings and to voice its opinions. The Finance Committee generally meets on Thursday evenings. The Select Board meets on selected Mondays. The Joint Capital Planning Committee (JCPC) reviews and formulates recommendations for capital spending in the next ensuing fiscal year. The JCPC generally meets on Thursdays at Noon. Notices of meetings are published in the Daily Hampshire Gazette. The Town's website www.amherstma.gov posts meeting agendas and minutes, the Town Manager's proposed budget document, and budget-related committee reports.

APRIL - MAY 2008

Town Meeting considers the Finance Committee's, Select Board's and Joint Capital Planning Committee's recommendations for Town, school, and library operating and capital budgets and adopts a FY 09 Budget.

JUNE 2008

If necessary to meet the budget adopted by Town Meeting, a referendum is held to override the Town's Proposition 2-1/2 property tax levy limit. If one or more of the override questions fail, Town Meeting reconvenes to amend the budget unless portions of the budgets were voted as appropriations contingent upon passage of an override.

JULY 2008 - JUNE 2009

Amendments to the budget may be made at any Town Meeting held during FY 09. Such amendments follow the same process of review by the Finance Committee, Select Board and Joint Capital Planning Committee where appropriate.

PLEASE RECYCLE

THIS BUDGET

(IN ACCORDANCE WITH THE TOWN OF AMHERST'S "BUY RECYCLED" POLICY, THIS BUDGET HAS BEEN PRODUCED ON RECYCLED PAPER)

About the Cover: The commemorative logo for the Town of Amherst's 250th Anniversary Celebration was designed by Amherst graphic artist Alex Theoharides. For more information about Amherst's 250th Anniversary Celebration plans for 2009, please visit www.amherst250.org .

Town of



AMHERST *Massachusetts*

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To Gerry Weiss, Chair, Amherst Select Board
Members of the Amherst Select Board
Brian Morton, Chair, Amherst Finance Committee
Members of the Amherst Finance Committee

From: Laurence Shaffer, Town Manager

Re: Proposed Town of Amherst Fiscal Year 2009 Budget

Date: January 16, 2008

Consistent with the Town Government Act, Section 5.1, Annual Operating Budget, please allow this publication to serve as the proposed Fiscal Year 2009 Budget for the Town of Amherst. The proposed FY 09 operating budget totals are as follows:

- General Fund \$18,518,382 + 3.1%
- Solid Waste Fund \$ 625,524 +19.5%
- Sewer Fund \$ 3,670,647 + 0.4%
- Water Fund \$ 4,974,006 +27.3%
- Transportation Fund \$ 1,010,754 +11.4%

The proposed FY 09 Town of Amherst General Fund budget is crafted within the guidelines established by the Finance Committee, once consideration of new revenue is calculated. The General Fund Budget has increased by 3.1% or \$565,286. Utilizing new revenue not considered in the projections initially provided to the Finance Committee and utilized by the Finance Director in the financial projections, the General Fund budget meets the 2% increase limit established by the Finance Committee. The General Fund budget includes new revenue from a variety of sources (primarily Emergency Medical Services and LSSE), efficiencies created by the reorganization of two departments, and the elimination of some services.

Accompanying this transmittal letter is a list of significant increases or decreases contained in my budget proposal and a short and prioritized list of recommended additions/restorations if additional funds become available later in the budget process. The reductions in the General Fund budget include the elimination of human service agency funding, the closing of the War Memorial Pool, reorganizations in the LSSE and Conservation/Planning/Inspections Departments, reduction in liability insurance premium, reduction in legal costs, and the reallocation of cost for the Community Development Director's salary to the Community Development Block Grant program. The single largest increase in the General Fund budget is for employee pay and benefits. That increase is \$404,608 and includes an

increase in the Town's health insurance cost of 12%. The proposed FY 09 General Fund budget preserves our ability to provide fire/ambulance and police services at the same level as the previous year. The proposed budget further provides for the same level of service from the Department of Public Works.

Relative to the elimination of funding for human service agencies, I intend to continue to look for opportunities to provide for funding utilizing alternative funding sources. I also will continue to work with the human service agencies to seek creative solutions to service challenges that do not include General Fund resources. Given Amherst's structural deficit, I do not see how the General Fund can sustain this contribution. Relative to the elimination of the funding for the War Memorial Pool, I have asked the LSSE Department to study opportunities for the War Memorial Pool site to be utilized as a spray park, a recreational service that has a great deal of appeal to potential users.

An Economic Development Director position is not included in the proposed General Fund budget. Although there will be significant economic development undertaken over the next fiscal year, given the Town's financial condition, I intend to provide that service with the department heads leading the way in their particular areas of expertise. Economic development will continue to be a major theme of this administration.

The Solid Waste Fund budget includes \$88,000 to complete a DEP-required Comprehensive Site Assessment for the Old Landfill. The Water Fund budget includes a \$1 million bond authorization to complete repairs at the Atkins Reservoir Water Treatment Facility and to purchase radio water meter reading equipment. The Water Fund budget increase excluding the bond authorization is only 1.7%. The Transportation Fund budget maintains support for outreach routes and uses \$85,000 from fund surplus to resurface the Spring Street parking lot.

I look forward to working with the Select Board, the Finance Committee, Town Meeting and the department heads to resolve the structural deficit that confronts Amherst. No stone can be left unturned if we are to be successful. Discussions will continue with our partners, the University of Massachusetts Amherst, Amherst College and Hampshire College, seeking opportunities for economic development and the appropriate payment to the Town for municipal services. Discussions with our neighbors in Hadley, Pelham, Shutesbury and Leverett will continue to explore the possibility of providing services on a regional basis. The review and potential reorganization of town departments will continue with the goal of improving efficiency and effectiveness. Town staff is devoted to seeking efficiencies within each department to assist in this important task. I have every confidence that the Town will be successful.

I would like to thank the department heads and staff for the creativity and effort represented by this publication. Without their dedication, the town could not achieve its goals. I would especially like to recognize John Musante, Sonia Aldrich and Maria Racca for the countless hours each has spent on the budget.

Significant Changes FY 09 Manager's Budget

<u>Decreases</u>	Expenditures		Net Total
	\$ Decrease	Revenues	
<u>General Fund</u>			
Human Services Agency Funding	66,000		66,000
Increased CDBG Funding for Community Development Director (to 80%)	35,694		35,694
War Memorial Pool	55,681	(31,200)	24,481
Health Administrative Assistant (20 hours)	16,257		16,257
Conservation/Inspections/Planning Reorganization	20,028		20,028
LSSE Reorganization	25,026		25,026
Building/Vehicle/Public Liability Insurance	30,000		30,000
Legal Services	15,000		15,000
	<u>263,686</u>	<u>(31,200)</u>	<u>232,486</u>
<u>Sewer Fund</u>			
Laborer/Truck Driver (.50 FTE)	19,491		19,491

<u>Increases</u>	Expenditures	
	\$ Increase	
<u>General Fund</u>		
Police Admin Assistant (+17.5 hours to full-time)	18,463	
Employee Pay and Benefits	404,608	
Utilities and Fuel	67,833	
Veterans' Benefits	20,000	
Elections (increased by 1 election)	12,025	
	<u>522,929</u>	
<u>Water Fund</u>		
Electrician (.25 FTE)	10,424	
<u>Sewer Fund</u>		
Electrician (.25 FTE)	10,424	

TOWN OF AMHERST

Date Last Revised: 14-Jan-2008

TOWN MANAGER'S PRIORITIZED LIST OF FY 09 BUDGET RESTORATIONS/ADDITIONS TO MUNICIPAL BUDGET IF FUNDS AVAILABLE **

TOWN MANAGER RECOMMENDATIONS

Department / Division	Description	(R)estore OR (A)dd	# FTE Positions	Personnel Services	Benefits	Operating Expenses	\$ TOTAL
Town Manager	Economic Development Director	A	1.00	75,000	11,015		86,015
Police	2 Police Officers (for total of 50)	R	2.00	97,356	22,030		119,386
Public Works - Highways	Operations (fuel, utilities, supplies)	R				50,000	50,000
Public Works - Snow & Ice	Increase Sidewalk Snow Plowing	A				72,000	72,000
Community Development	Human Service Agency funding (\$45,250 for 5 agencies)	R				66,000	66,000
LSSE - Municipal Pools	Outdoor Pool (War Memorial)	R		43,411		12,270	55,681
TOTALS							449,082

**TOWN OF AMHERST
ORGANIZATION CHART (as of 1/08)**

Staff

ELECTED AND APPOINTED BOARDS,
COMMISSIONS AND COMMITTEES

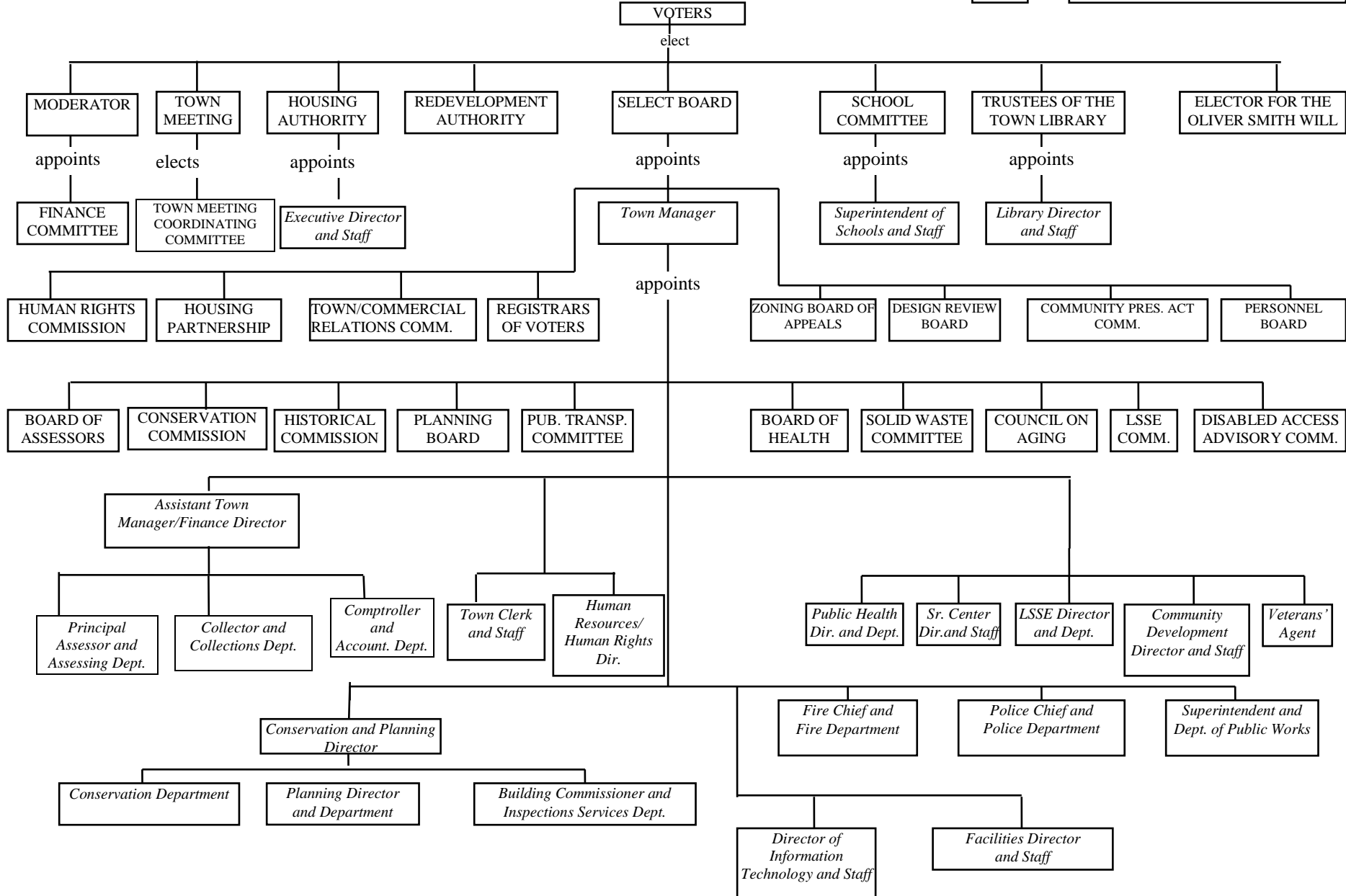


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POSITIONS IN FULL TIME EQUIVALENTS

Department	FY 06 Actual	FY 07 Budget	FY 07 Actual	FY 08 Approved	FY 09 Proposed	Change FY 08 - 09
MUNICIPAL BUDGET						
Select Board/Town Manager	2.80	2.80	2.80	3.00	3.00	0.00
Finance	14.67	14.00	14.00	13.00	13.00	0.00
Human Resources/Human Rights	2.74	2.74	2.74	2.00	2.00	0.00
Information Technology	4.50	4.50	4.50	4.50	4.50	0.00
Town Clerk	3.53	3.00	3.00	3.00	3.00	0.00
Elections/Registration	0.05	0.05	0.05	0.05	0.05	0.00
Facilities Maintenance	6.58	5.83	5.83	5.83	5.83	0.00
TOTAL GENERAL GOVERNMENT	34.87	32.92	32.92	31.38	31.38	0.00
Police Facility	1.00	1.00	1.00	1.00	1.00	0.00
Police	53.00	53.00	53.00	50.54	51.00	0.46
Fire/EMS	46.00	46.00	46.00	46.00	46.00	0.00
Communications Center	11.00	13.00	13.00	13.00	13.00	0.00
Animal Welfare	1.00	1.00	1.00	1.00	1.00	0.00
TOTAL PUBLIC SAFETY	112.00	114.00	114.00	111.54	112.00	0.46
Public Works Administration	3.40	3.40	3.40	3.40	3.40	0.00
Highway	13.50	13.50	13.50	13.00	13.00	0.00
Street and Traffic Lights	0.00	0.00	0.00	0.00	0.00	0.00
Equipment Maintenance	3.00	3.00	3.00	3.00	3.00	0.00
Town Cemeteries	0.50	0.50	0.50	0.50	0.50	0.00
Parks and Commons	4.50	4.50	4.50	4.50	4.50	0.00
Tree Care and Pest Control	2.50	2.50	2.50	2.50	2.50	0.00
TOTAL PUBLIC WORKS	27.40	27.40	27.40	26.90	26.90	0.00
Conservation	3.72	3.72	3.72	3.72	3.72	0.00
Planning Department	5.00	5.00	5.00	5.00	5.00	0.00
Inspections	6.00	6.64	6.64	5.64	5.64	0.00
TOTAL PLAN./CONS./INSP.	14.72	15.36	15.36	14.36	14.36	0.00
Public Health	5.72	5.97	5.97	5.50	4.89	(0.61)
Senior Center	3.80	3.80	3.80	3.54	3.54	0.00
Community Development	1.00	0.68	0.68	0.68	0.20	(0.48)
Veterans' Services & Benefits	1.00	1.00	1.00	1.00	1.00	0.00
Leisure Services & Supplemental Education	10.30	10.30	10.30	10.79	10.05	(0.74)
Pools	0.35	0.35	0.35	0.35	0.44	0.09
Golf Course	1.00	1.00	1.00	0.95	1.05	0.10
TOTAL COMMUNITY SERVICES	23.17	23.10	23.10	22.81	21.17	-1.64
TOTAL GENERAL FUND	212.16	212.78	212.78	206.99	205.81	-1.18
Water Supply and Distribution	14.83	14.83	14.83	14.83	15.08	0.25
TOTAL WATER FUND	14.83	14.83	14.83	14.83	15.08	0.25
Sewer Maintenance	2.50	2.50	2.50	2.50	2.00	-0.50
Wastewater Treatment Plant	15.25	15.25	15.25	15.25	15.50	0.25
TOTAL SEWER FUND	17.75	17.75	17.75	17.75	17.50	-0.25
Sanitary Facilities	4.16	3.60	3.60	3.60	3.60	0.00
TOTAL SOLID WASTE FUND	4.16	3.60	3.60	3.60	3.60	0.00
Parking Facilities	4.00	4.00	4.00	4.00	4.00	0.00
TOTAL TRANSPORTATION FUND	4.00	4.00	4.00	4.00	4.00	0.00
TOTAL	252.90	252.96	252.96	247.17	245.99	-1.18