



**TOWN OF AMHERST, MASSACHUSETTS
FINANCE COMMITTEE REPORT**

and

**RECOMMENDATIONS TO THE
255th ANNUAL TOWN MEETING**

May 6, 2013
7:00 O'clock p.m.
Amherst Regional Middle School Auditorium

2013 TOWN MEETING SCHEDULE

Town Meeting Begins:

MONDAY, MAY 6, 2013

The following dates are tentative. Town Meeting will decide each night when the next session will be.

WEDNESDAY, MAY 8, 2013

MONDAY, MAY 13, 2013

WEDNESDAY, MAY 15, 2013

MONDAY, MAY 20, 2013

WEDNESDAY, MAY 22, 2013

WEDNESDAY, MAY 29, 2013

MONDAY, JUNE 3, 2013

MONDAY, JUNE 10, 2013

MONDAY, JUNE 17, 2013

WEDNESDAY, JUNE 19, 2013

All meetings begin at 7:00 p.m.

Meetings will be held at:

Amherst Regional Middle School Auditorium

**THERE ARE ONLY A LIMITED NUMBER
OF REPORTS AVAILABLE.
PLEASE BRING THIS REPORT WITH YOU.**

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In order to save resources, this report omits the text of Article 38, which is very lengthy. Please bring a copy of the Warrant, which was mailed to your earlier, when Town Meeting considers that article.

This report does not include recommendations on several articles that you will consider after the budget. The Finance Committee deferred action on them because it needs more information. The committee will issue a second report which will be available at a Town Meeting session and on the Town's web site.

AMHERST TOWN BYLAWS - ARTICLE 1

RULES OF ORDER FOR TOWN MEETING

1. **CONSENT CALENDAR.** At least five business days prior to the opening of the first session of the Annual Town Meeting or any Special Town Meeting, the moderator shall propose to all members a "Consent Calendar" listing all articles and budget areas which, based on the records of recent town meetings, the moderator deems to be non-controversial. At the first session of the meeting, at the request of any member, any article or budget area shall be removed from the Consent Calendar so that it can be debated and voted upon in accordance with the provisions of these Rules of Order. All items remaining in the Consent Calendar shall then be voted upon by a single vote without debate.
2. Any motions shall be in writing if requested by the moderator.
3. Any question may be divided on call of a member when the sense will admit of such division.
4. **GREEN AND RED CARDS DURING DEBATE.** To assist the moderator in shaping an orderly and equitable debate, green and red cards shall be used by members to indicate a desire to speak for or against the current motion on the floor. A desire to speak without advocacy or to ask a question shall be indicated by raising a hand without a green or red card.
5. When a question is under debate, the moderator shall receive no motion but to adjourn, to dismiss, for the previous question, to postpone for a day certain, to commit, or to amend, which several motions shall have precedence in the order herein mentioned. The meeting shall not vote to dismiss an article without having heard a voter speak in its favor, unless no one seeks to do so.
6. Following a motion under any article, the Moderator shall first recognize the proponent thereof to speak for up to five (5) minutes in favor of the motion, or with leave of Town Meeting, for additional time. Thereafter, and in the absence of leave of Town Meeting granting additional time, each subsequent speaker shall be limited to three (3) minutes. No person shall speak more than twice on the same subject, without leave of the meeting, except to raise a point of order or to answer a question.
7. When two or more motions are made with regard to the same subject relating to sums of money, numbers or times, the question shall first be put upon the largest sum or number, and the longest time.
8. **VOICE VOTES, TALLIED VOTES, AND STANDING VOTES.** All votes unless otherwise provided for by law shall in the first instance be taken by 'ayes' and 'noes' voice vote.

If any member questions the voice vote, or if a four-fifths or nine-tenths vote is required by statute and the vote is not unanimous, the vote shall be taken by counted standing vote. When a two-thirds vote is required by statute, a counted standing vote shall not be taken unless the voice vote is doubted by the moderator or questioned by a member.

If, within a short but reasonable period of time following the voice vote, which period of time shall be fixed by the moderator, any member requests a tally vote and if 14 members manifest their concurrence with that member, the vote of each member shall be tallied by the use of a color-coded (green for aye, red for no) cards. Each such card shall bear the member's name and indicate his/her vote. Each member shall cast his/her own vote only. Such cards shall be collected and counted by the tellers, which count shall be determinative of the question.

9. A vote may be reconsidered only on motion of a member who did not vote with the minority. When a motion for reconsideration is decided that decision shall not be reconsidered, and no question shall be twice reconsidered.
10. A motion to dissolve shall be debatable, but a motion to adjourn to a day certain shall not be debatable.
11. No motion to dissolve a town meeting shall be in order until every article in the warrant therefor has been acted upon.
12. A registered voter of the town who ceased to be an elected town meeting member upon election as chair of the finance committee and who subsequently ceases to be a town meeting member at large upon ceasing to be chair of the finance committee shall be a town meeting member at large for a period ending on the date of the next annual town election.
13. After 10:00 PM, and in the absence of a majority vote of Town Meeting so permitting, no motion under any article other than the article then under debate may be made.

FINANCE COMMITTEE REPORT TO AMHERST CITIZENS

Executive Summary

Amherst is in a good financial place, due to careful planning and sound management, but faces major challenges in the years ahead. In recent years, the town adopted budgets that are supported by revenues, rebuilt its reserves to a reasonable level, and borrowed responsibly to support critical capital needs to maintain its infrastructure. This careful financial management has enabled the town to provide the schools, libraries, and municipal services that residents value and has allowed it to maintain a Standard & Poor's "AA" long-term rating with a stable outlook and therefore borrow needed funds with very low interest.

However, the Town also faces some significant challenges:

- Revenues will rise in the next years at a rate of about 3% annually and it will be difficult to control costs and maintain current services.
- Our largest expense is our schools, which face declining enrollments, an increasing student population of children with disabilities, from low income families, and from families where English is not the first language.
- We have significant capital needs including the replacement of the antiquated Central Fire Station and the renovation of our two largest elementary schools, which were built 40 years ago.
- We have a huge obligation to pay the health costs of town retirees and have put virtually no funds aside to meet that obligation.

Adopting a budget is one of Town Meeting's most important responsibilities. It will do so as it considers budget articles proposed by the Finance Committee, capital articles presented by the Joint Capital Planning Committee, and requests in other articles including some petition articles. As it considers these warrant articles, Town Meeting needs to consider the needs of our residents for essential services from our schools, library and municipal government and the Town's long-term financial stability so that these services remain available to our community in future years. This report provides the Finance Committee's recommendations regarding the budget and the other articles to be considered during the Annual Town Meeting.

The Finance Committee recommends a Fiscal Year 14 budget that is presented to you in this part of the report and will be considered in Articles 13, 14, 16, 17, 19-22, and 25-28. The amount from taxation, local aid and other sources supporting the General Fund total \$68,246,291, a 2.7% increase from the present year. The amount from the four enterprise funds is \$9,024,376. To summarize some of the most important considerations:

- This is essentially a "level services" budget. It will continue school, municipal, and library services presently offered with minor modifications that are in the normal course of administering these programs.
- The largest expense is to employ the talented and dedicated people who teach our children, protect our health and safety, maintain our roads and parks, provide a first class library, and do all of the other work that makes our community work for all of us now and in the future.
- Health care for employees and their families is an expense that is a budget challenge for many employers. With the cooperation of our employees, the Town administers a self-insured medical plan that is extraordinarily well-managed, provides quality coverage, and has enabled to Town to keep premiums the same for three years. No premium increase is needed for FY14.
- Our largest revenue source is local property taxation. There is a 3.8% increase that results from the allowable 2.5% increase in taxation and "new growth," new construction and addition of taxable personal property.
- The second largest revenue source is local aid from the Commonwealth. After four consecutive years of reduction in state aid, and a small increase last year, we are presenting a budget that projects modest increases for our largest categories of state aid, Chapter 70 (education) and Unrestricted General Government Aid. We expect state aid in FY14 totaling \$14,040,245, a 3.2% increase from the current year. Almost half this increase is due to a new source of funds, state payments of School Choice Tuition for the new school choice program in the elementary schools.
- Amherst is fortunate to have boards, committees, and staff who work together and develop policies and priorities for operating and capital budgets through the Budget Coordinating Group and the Joint Capital Planning Committee.
- The budget does not include money received as grants and expended according to the grant requirements. The Town seeks grants to support priorities and extend the scope of what it can do on our behalf. Regrettably, the Town was notified that it will not qualify as a mini-entitlement community for Community Development Block Grant (CDBG) funds for the federal fiscal year beginning October 1, 2013. The Town will receive CDBG funds, but less than in the year that ends on September 30, 2013. That grant has funded important staff positions, programs administered by the Town including some capital improvements in targeted areas, and social service programs through contracted agencies. The committee recommends funding some of these initiatives in FY14 from reserves while the Town considers other ways to support these social services and the agencies find replacement funding or reduce services in a planned manner.
- Because of the need for one time funding of social services agencies and a joint Town-Gown strategic planning initiative with the University, this is not a balanced budget. For these purposes, we recommend using \$120,000 from Free Cash on a one-time basis to balance the budget.
- Because cuts at the federal level affect the state, there will be ongoing limitations on the state's capacity to assist the Town. We cannot project significant growth in state aid in the next years, FYs 15 and 16. We face the prospect that the structural deficit that results from costs increasing at a rate greater than revenues will stress our ability to support current programs. The underfunded health care obligation to our current and future retirees adds to this concern.

FINANCE COMMITTEE REPORT TO AMHERST CITIZENS

- We need to remain vigilant about controlling costs and continue to make difficult choices about what services are most essential, and we must pursue all reasonable opportunities to generate new revenue.

Duties of the Finance Committee

The bylaws of the Town of Amherst require the Finance Committee to investigate all proposals in the articles of the warrant for any Town Meeting that shall in any way affect the finances of the Town and to recommend to the Town a course of action thereon, and in general to make recommendations to the Town in regard to any financial business of the Town. This report, including the supplement that will be distributed after Town Meeting convenes, is in partial fulfillment of our responsibility to the 255th Annual Town Meeting.

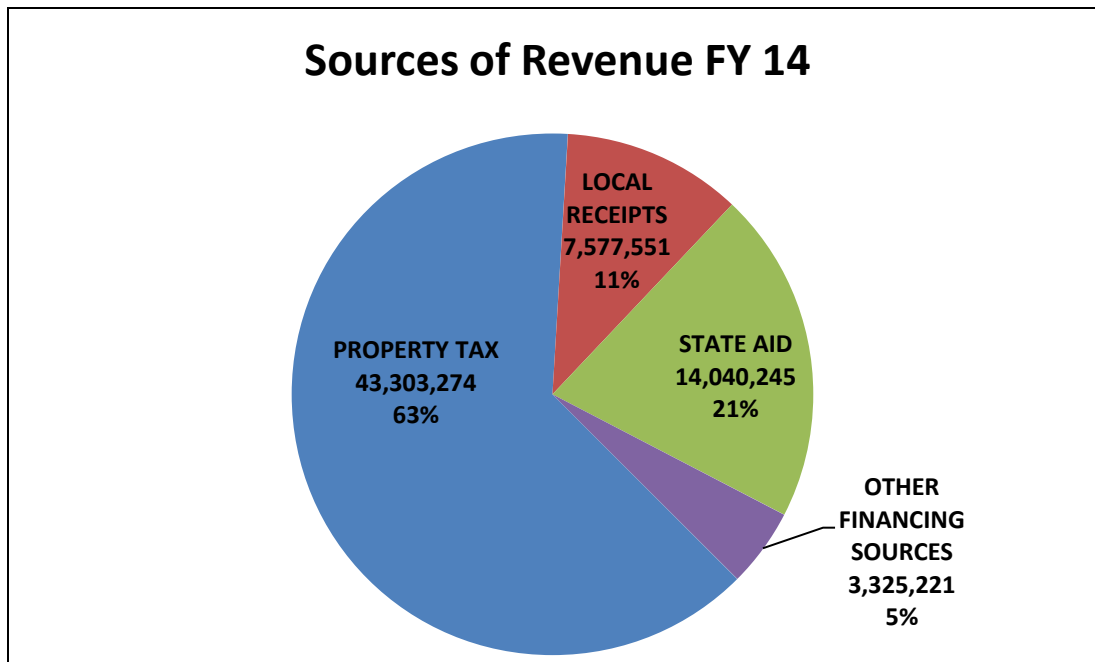
Budget Presentation

Resources.

Money for the Town to pay for its schools, libraries and municipal services comes primarily from local revenues. The next largest source of money is state aid. A much smaller amount comes from the federal government and other miscellaneous sources.

Local taxes and fees are stable and predictable. The largest source is the property tax. Its growth is limited by a 1980 state law passed by voter initiative and commonly known as Proposition 2½. Without an override, that law limits increases in the amount that the Town can levy each year to 2.5 percent over the previous year's levy limit plus the amount to reflect new growth in the tax base. The amount of revenue from new growth varies depending upon the economy and the amount of new construction, residential and commercial. From 2000 through 2008 the average annual taxation from new growth was \$600,000. That slowed considerably to \$368,000 in FY11, rebounded to \$474,000 in FY12 and \$504,145 in FY13. The assessor advises us to expect \$500,000 in additional tax revenue from new growth in FY14. The Community Choices Facilitation Committee Report from 2009 concluded that new development was part of an essential strategy for long-term financial stability for the Town. For that reason, the Finance Committee considers responsible growth as part of fiscal policy when it considers whether to support Articles about development and zoning.

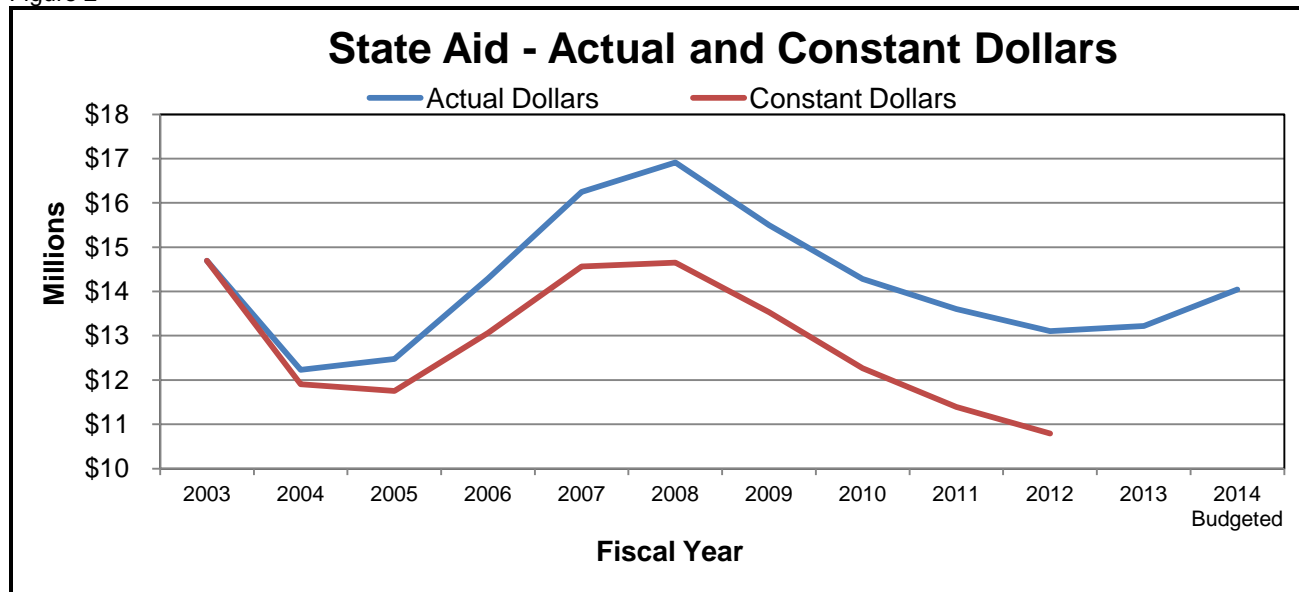
Figure 1



FINANCE COMMITTEE REPORT TO AMHERST CITIZENS

State aid, in contrast, can be quite volatile from year to year. Figure 2 shows this volatility and Figure 3 depicts how the sharp decline of state aid in different years has resulted in a corresponding increase in the property tax burden to support Town services. In the current year, FY13, state aid is \$13,608,331, reduced from \$14,278,972 in FY10. As recently as 2008, state aid was \$16,917,170. The decrease is greater when inflation is considered. When we began the budget process, we recognized that federal support for state and local governments was decreasing and that the economic recovery would have a limited impact on state revenues. We therefore assumed a 0.4% increase for the major state aid categories, Chapter 70 and Unrestricted General Government Aid. As this report is published, the House of Representatives is considering a recommendation from its Ways and Means Committee that would increase the total state aid for Amherst by 3.2%. We cannot assume that the remainder of the state budget process will result in a higher amount of state aid or an amount that is significantly less than the amount that is being considered by the House of Representatives.

Figure 2



* Projected

Reliance on state aid for funding has both an upside and a downside. While increases in state aid may permit additional services, increased state aid as a percentage of operating revenue may be difficult to manage when there is a reduction in this funding.

State Aid to the Town is lower in FY13 than FY03 in both actual and inflation adjusted dollars, with cuts of over \$3.6 million in the last five years.

Local receipts and other funding resources are comprised of a number of separate fees, taxes, and grants. The amount reported on the Consolidated Resources/Expenditures Summary on pages 14 and 15 includes the funds we propose to transfer from Free Cash to support special one-time initiatives in FY14. The two largest amounts in this category are Ambulance Fund receipts and Enterprise Fund reimbursements for management and administrative expenses.

	FY13	FY14	Net change	% change
Ambulance Fund	\$2,291,028	\$2,301,028	\$10,000	0.4%
Enterprise Fund reimbursements	\$852,083	\$880,193	\$28,110	3.3%

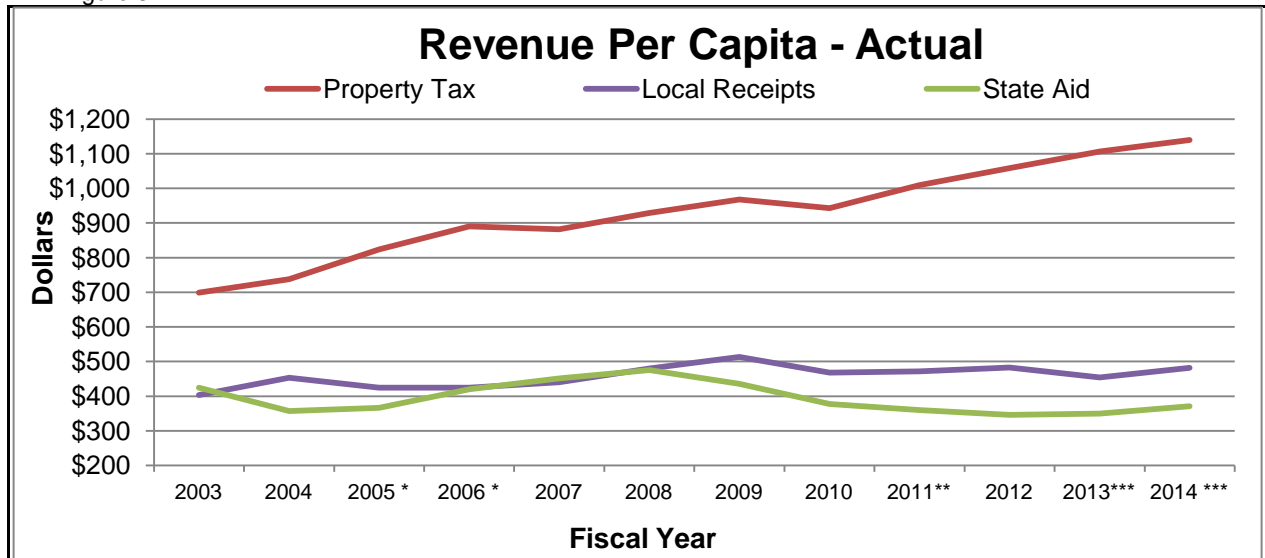
Recent year trends

When the recent recession began in 2007, state aid was reduced and the Town had to make difficult budget decisions. The reduction in state aid also increased our reliance on property taxes and fees to support essential services. We redefined what we considered to be the essential services that must be provided and sought ways to be more efficient in our programs and services. The number of town employees was reduced. Voters passed an override in 2009, recognizing that only they could assure the continuation of core services. Four times as much was saved by eliminating programs and services and adopting more efficient ways to provide service, than the additional revenue produced by the override. The combined strategy enabled

FINANCE COMMITTEE REPORT TO AMHERST CITIZENS

us to continue to provide quality, essential services. We were also able to continue some staff, programs and services with grant funds.

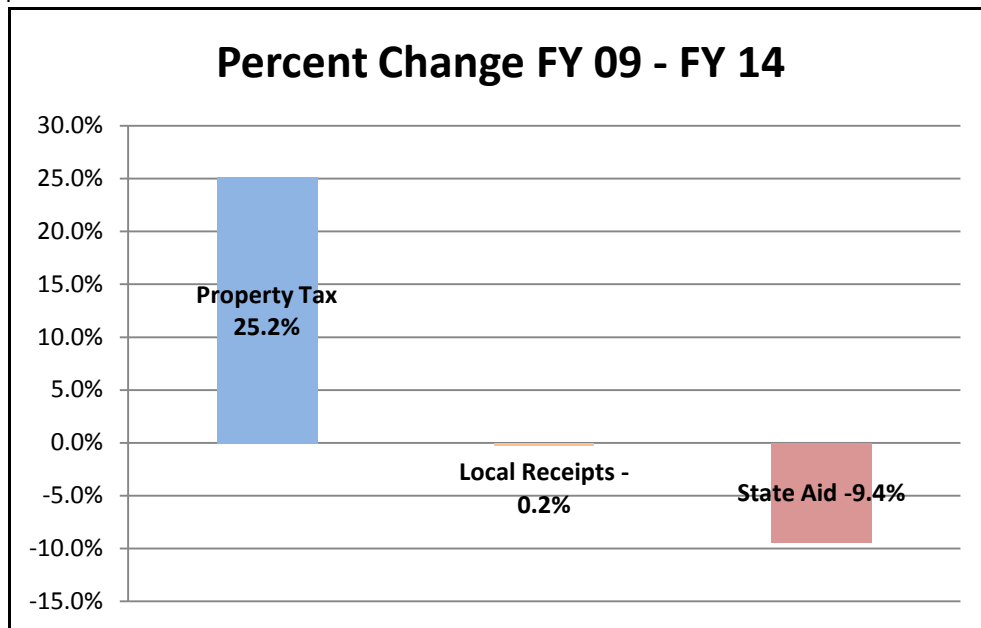
Figure 3



* A \$2,000,000 override was approved by voters in March 2004 that was added to the tax levy over a 2-year period in FY05 and FY06.
 **The \$1,680,000 override approved in March 2010 increased property tax bills beginning in FY11 (July 2010 - June 2011).
 *** Estimates

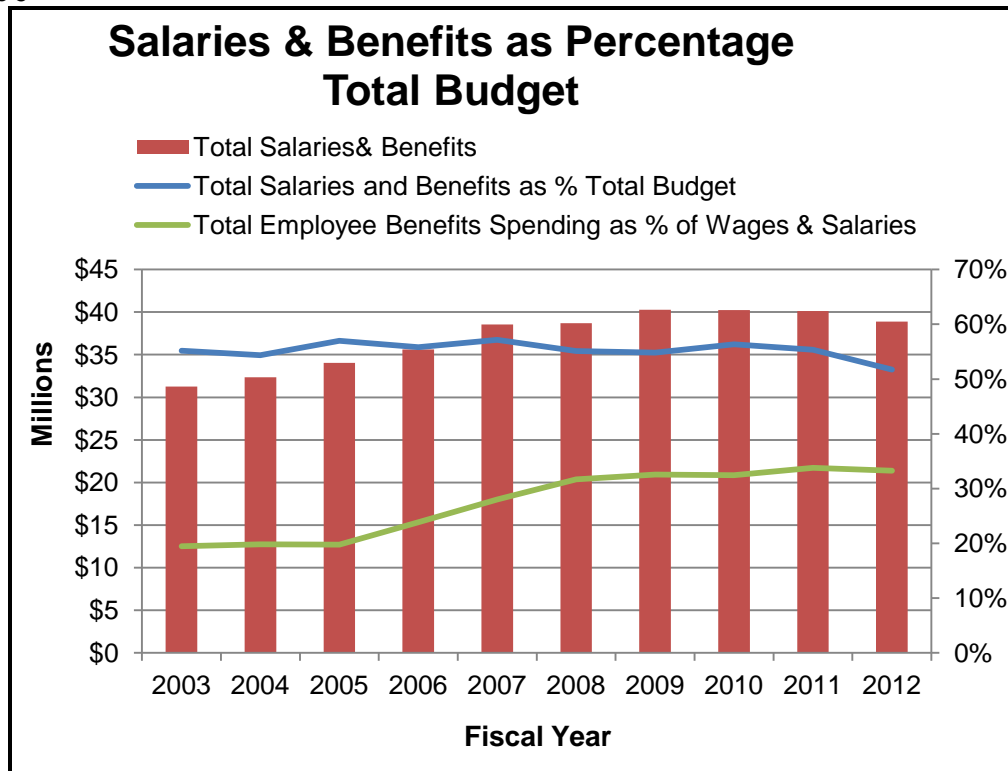
Revenues from the property tax have increased by the allowable limits of Proposition 2 1/2 and were further increased in 2005 and 2010 via a voter-approved referendum. Local receipts have also increased due to increased reliance on user fees to fund certain Town services such as LSSE. State aid has fluctuated and now is below FY02 levels even before adjusting for inflation.

Figure 4



FINANCE COMMITTEE REPORT TO AMHERST CITIZENS

Figure 5



Total benefit costs as a percentage of wages and salaries has increased from 18.9% to 33.8% of wages and salaries over the past ten years. The rapid increase is primarily the result of increased costs of providing health benefits to municipal employees. Fortunately in the past four years, benefit costs have stabilized. The long term trend is uncertain, despite some success in the past three years to control the rate of increase of health insurance costs.

Community Development Block Grant (CDBG)

The largest grant is the Community Development Block Grant (CDBG). For four years Amherst qualified as one of ten Massachusetts mini-entitlement communities. For 2012 (the grant year for CDBG is not the same as the state and town fiscal years) that status allowed the Town to apply to the Department of Housing and Community Development (DHCD) for up to \$900,000 in Community Development Block Grant (CDBG) funding through the U.S. Department of Housing and Urban Development (HUD). As a mini entitlement community, Amherst has been designated by DHCD to receive an allocation of CDBG funds due to the community's "high statistical indication of need, poverty rate and size."

The Town applied to receive those funds, and in accordance with HUD regulations, for projects, programs, and services that improve the lives of the Amherst's low- and moderate-income residents (defined as individuals or families whose annual income does not exceed 80% of the Area Median Income as determined by HUD). The regulations specified that 20% of the funding must be for social service activities, 60% for non-social service activities and the remaining funds for administrative purposes. In the current CDBG year, the Town made improvements to the Community Childcare Center, located near the Wildwood School, and completed the second of three phases of improvements to Main Street, projects totaling \$495,000. The Valley CDC assisted first time home buyers. The Social Services funding supported services through five nonprofit agencies. In September, the Town Manager received unofficial notice that the Community Wide Need score that determines eligibility for mini-entitlement status had reduced by less than a point and that we no longer qualified. He asked for review and, in the alternative, for transition funding. Amherst also could and did apply for competitive CDBG funding.

We will receive some CDBG 2013 funding, but the amount will not be known until June. Grants are not part of the Town budget, but we consider what is funded by grants as we adopt a budget. In Article 25, the Finance Committee will propose to transfer \$90,000 from Free Cash for Social Services eligible activities. The reasons for this recommendation are explained in the section for that article on page 61. It should be noted that the Town will not be able to continue other valuable programs and services that could be supported by CDBG, and administrative funds that support community development will not be available.

FINANCE COMMITTEE REPORT TO AMHERST CITIZENS

Spending

The recommended expenditures from the general and enterprise funds for FY14 are presented in the discussions of Articles 13 through 17, 19 through 22, and 25 through 28 and explained elsewhere in this report. These recommendations adopt budgets presented by the Town Manager, the Superintendent of Schools and the Library Director and reviewed by the Finance Committee. The School and Library budgets have been approved by the School Committees and Library Trustees. The priorities reflect the input from the Budget Coordinating Group and the determination of capital expenditure priorities of the Joint Capital Planning Committee. The amounts and the specific expenditures are reasonable, necessary and responsible.

This budget is essentially a "level services" budget. It will continue school, municipal, and library services presently offered with minor modifications that are in the normal course of administering these programs. Establishing new priorities for tax supported programs is difficult in light of the structural deficit in the projections for the years ahead. The Police and Fire Departments are minimally staffed to address our needs. The Department of Public Works is struggling to meet our needs for adequate roads. The Senior Center is insufficiently staffed to truly address the needs of a growing elderly population within the Town. The schools have cut programs, asked families to pay fees, and encouraged students to raise funds for after school programs. The libraries have cut back on temporary fill-in staff, continued to limit hours, and maintain a material acquisition budget that does not truly meet our needs.

The Town Manager and Select Board, Superintendent and School Committees, and the Library Director and Trustees used their expertise to make painful decisions about what to include in these spending plans and what to omit from them. The Finance Committee reviewed these proposed budgets and found them to be thoughtful, reasonable and responsible. In the current financial circumstances, we could not add to priorities and do not believe that it is appropriate to change priorities. We advise Town Meeting to use similar restraint. Any additional program or capital initiative will only be supportable at the expense of current programs.

The largest costs to provide services to our community is to employ the talented and dedicated people who teach our children, assure public safety, maintain our infrastructure, and provide other essential services. The Town and the schools are now or will soon engage in collective bargaining with employee unions. There are amounts in Town and school budgets that can be used to fund any negotiated changes to compensation. Health insurance is another major employee cost. The recent experience of our self-insurance Health Claims Trust Fund that provides employee health care for Amherst (including the elementary schools), the Regional Schools, and the Town of Pelham enabled us to project no premium increase for FY14. This is a result of adjustments made to the plan in cooperation with the employees and sound management. Where there was an increase in health insurance costs, it was due to a change in the number of employees, the number of employees requesting to be included in our health plan, their need to include family coverage, and their choice of plan.

Projections for FY15 and beyond

As noted in the previous section on Resources, revenue from property taxes is reasonably predictable, but revenue from state aid can be and has been volatile. The Governor and legislature understand the importance of aid to cities and towns but are constrained by state revenues and expenses they cannot control.

As reported in the revenue section, we are projecting state aid for FY14 as recommended by the House Ways & Means Committee, a 3.2% increase from FY13 and a little more than our initial projection. The most optimistic outlook for the two following years would be a similar increase which combined with other sources yielded a 2.5% increase in the total revenue.

The state will be challenged to meet its budget needs in the next years. We cannot ignore the contention in Washington about the Federal deficit and budget. The state relies on federal funds to support a variety of programs. If federal funding is cut for any of these programs, the legislature and Governor will need to consider those needs along with the needs of cities, towns and schools. We hope that the legislature will prioritize functions provided by local communities. But we saw this year that the legislature was hesitant to significantly raise taxes for transportation and education. We cannot expect a more aggressive approach a year from now, in an election year. Therefore we can only project a very small increase in state aid for FY15 and FY16, no more than 1%. Local tax growth is limited to 2.5% plus new growth, which is restricted by the exhaustion of areas available for new development and our concerns about conservation and only allowing development consistent with community values.

Costs to maintain programs will increase. It is highly unlikely that we will have a fourth successive year of no increase in employee health premiums. We have benefited from very low inflation in the most recent years, but that may not continue. For example, consider energy costs. The Town has been able to reduce these expenses in recent years with an assertive program in our buildings to reduce usage with better insulation and conversion of some buildings from oil to gas. This expense is likely to increase.

FINANCE COMMITTEE REPORT TO AMHERST CITIZENS

A pattern of increases in cost that is greater than the increases in revenue constitutes a structural deficit. That remains a concern. In addition, we have an obligation to pay for the health care costs of our present and future retirees. See discussion of Other Post-employment Benefits (OPEB) on page 19.

The Capital Budget

The Town's Financial Policy specifies that the annual budget should include a Capital Program that includes debt service obligations and cash-funded capital projects funded from current revenues in an amount equal to at least 10% of the estimated property tax levy. This policy recognizes that it is essential to maintain and improve our infrastructure, including our school, town and library buildings and the equipment required to provide services, as well as to invest in recreation fields and facilities, open space, and other Town priorities. When the policy was adopted in 2008, only 7.2% of the tax levy was allocated to that purpose. Since then the allocation has decreased. In FY11, it was 5.64%; in FYs 12 and 13 we used 6.5% of tax levy for capital projects. This budget recommends allocating an amount equal to 7% of projected tax levy through the Joint Capital Planning Committee (JCPC). JCPC will present recommendations for the Capital Program in Articles 19-22. The Finance Committee concluded that this is the appropriate recommendation for FY14.

Reserves

The Finance Committee recommends the transfer of \$120,000 from Free Cash to support the FY14 budget. This transfer will be required to support recommendations in Articles 25 and 26 to address some one-time needs. We refer you to the discussion that follows about those Articles. Town financial policies adopted in January 2008 state that "reserves, including the combined balance of Free Cash and Stabilization Fund, should be maintained at 5 - 15% of general fund operating revenues. The primary objective of the Town's reserve policy is to provide the Town the flexibility to sustain service levels despite the adverse financial impacts of economic downturns and unforeseen and extraordinary expenses." This goal is a widely accepted measure of good financial standing and a key factor in Amherst's bond rating. At the end of the last Fiscal Year, Amherst's certified Free Cash was \$4,326,501 and the Stabilization Fund was \$1,821,401, for total reserves of \$6,147,902, 9.2% of general fund operating revenues.

In November 2009, Standard and Poor's reviewed Amherst's bond rating and assigned a "AA" rating with a "Stable" outlook. This rating was reaffirmed in February, 2013 and as a result, the Town saves on interest expenses for bonds when it needs to finance projects. We were able to issue \$6,000,000 in long-term bonds at 1.8%. The bond rating reports recognize Amherst's good financial management and reserve levels.

Because of the uncertainty about state aid and the cyclical nature of our economy, we need to carefully consider how we rebuild our own reserves, which have declined from \$9.2 million in 2002 to \$6.1 million presently. Reserves were at the lowest point, \$3.8 million, in 2006. Our policy about reserves had been to build the balance in the recovery period and the "up cycle" of economic swings and to spend the reserves in the next "down cycle." In 2009, the Finance Committee recognized that reserves cannot support ongoing services but identified two circumstances that would justify the Town doing so: (1) to implement bona fide plans to move toward models of service provision that would provide net savings to the Town in the future while providing acceptable levels of service, and (2) to leverage outside revenue in order to maintain existing core services.

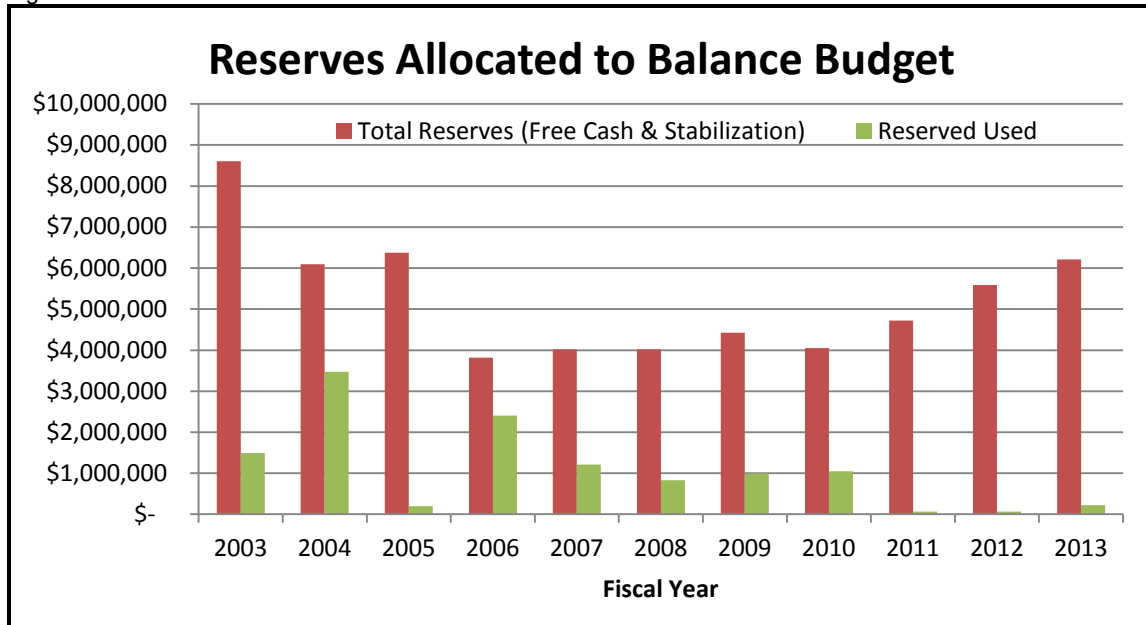
Article 25 addresses the loss of CDBG funding for social services. The Town needs to develop a new policy to assess that need and support it in the future. The agencies have not had time to consider whether and how they can continue services without the support they have been receiving from CDBG. As noted, reserves cannot support ongoing services. This proposal to use as much as \$90,000 from reserves to support social services in FY14 will allow the Town to move toward a new model to provide and support social services.

Article 26 will allocate funds on a one-time basis to match funds from the University of Massachusetts to support a strategic examination of the Town's relationship to the University. If there had been earlier notice about this request, it is an expense that could have been considered by the JCPC and included in the capital plan. It came late in the process, after the new Chancellor was fully engaged in his work at the University. We hope that the strategic plan that results from this investment will provide revenues and reduce costs for the Town as it changes its relationship with UMass.

Given the revenue projections for the next several years, our desire to achieve stability in Town, School, and Library programs, our need to assure sustainability without asking voters to consider another override, and the benefit of maintaining our sound financial standing, it would be inappropriate to use any additional reserves in FY14.

FINANCE COMMITTEE REPORT TO AMHERST CITIZENS

Figure 6



Other Post-Employment Benefits (OPEB)

Amherst, and other governmental units, municipal and state, have promised to pay for the health care costs of employees and their dependents after they retire. That promise is considered as an "Other Post-employment Benefit" by the body that sets the rules for audits of governments, the Government Accountability Standards Board (GASB). While governments are not required to fund this obligation, they are required to report it in the annual financial statements. The most important amount to monitor is the Unfunded Accrued Actuarial Liability. We are required to have an independent actuary value that liability periodically. The most recent reports were for June 30, 2012, and July 1, 2010. Between those two years, the amount increased from \$74.9 million to \$93.7 million.

At the Fall 2010 Special Town Meeting, we established an OPEB Trust as an essential part of our long-term strategy for meeting this obligation. In Fall 2012 Town Meeting appropriated \$585,342 for the OPEB Trust Fund. At this Town Meeting, the Finance Committee will propose to transfer \$430,220 to the OPEB Trust Fund as amendments to the 2013 budget. See explanation of Article 12 at page 19.

It is significant that we have started to fund the trust, but we have a long way to go. We need to do so in a manner that does not interfere with essential programs and services that the Town needs to provide. We have to continue to make these transfers to the OPEB trust as we have the opportunity and find strategies to meet this long-term obligation. As with the need to have a policy about the use of reserves, the OPEB obligation is another reason why we must engage in careful budget planning and consider the Town's priorities carefully.

We must also note that while the recent Standard & Poor's rating report continued the "AA" rating with a stable outlook, for the first time it mentioned the OPEB unfunded liability as a "long-term consideration". If we do not develop a policy to meet that obligation, our credit rating and cost to borrow funds will be affected.

Budget Process

The development of budgets takes place throughout the year. The Select Board establishes policy guidelines and priorities to assist the Town Manager as he develops the budget for the Town's municipal functions. The Amherst School Committee and the Library Trustees provide similar guidance for the Superintendent of Schools and the Library Director. The various administrators confer with department heads, boards and committees to develop specific budget proposals which they feel will best meet the needs of the Town, Schools and Libraries for the next fiscal year consistent with the resources available. The Amherst-Pelham Regional Schools use the same procedure.

In October, the Finance Director presented financial projections to the elected boards and committees and the Finance Committee. This provided guidance on the level of resources that would be available for the coming year. The Finance Committee used the information to develop preliminary budget guidelines for spending. In October, the Finance Director projected that the budget for FY14 would be balanced if state aid increased by 0.4% and operating budgets increased by 2.6%.

FINANCE COMMITTEE REPORT TO AMHERST CITIZENS

In November, the Finance Committee issued preliminary budget guidelines asking the Town Manager, Superintendent, and Library Director to develop budgets with increases of 3% (with the increase for elementary schools based upon the FY13 appropriation without the additional increment that was provided on a one-time basis from reserves) and asked the Joint Capital Planning Committee to propose capital expenditures totaling 7% of the property tax levy. The committee must always make an assumption about state aid when it issues the budget guidelines. The cautious projection of a 0.4 % increase was reasonable given the uncertainties about the federal "budget cliff" battles.

The Town Manager presented a proposed municipal budget to the Finance Committee and Select Board in January. The committee received budgets for regional and elementary schools and for the libraries. The Finance Committee spent the next months reviewing the budgets, asking questions, and hearing comments. The Budget Coordinating Group (two members each from the Select Board, School Committee, Library Trustees and Finance Committee, the Town Manager, Superintendent of Schools, Library Director, Finance Director, and the Director of Finance and Operations for the Schools) reviewed the budgets and offered valuable input to the committee. The Finance Committee met with the Superintendent twice and one of its members attended all budget meetings of the School Committee and its Budget Subcommittee. Other members were liaisons to the Select Board and Library Trustees. The Library Director, Town Manager, and the directors of Town departments met with the committee to present their budgets and answer questions.

Because of the formula for Regional School assessments to the four towns in the region, a 3.0% increase for Amherst's assessment would require a 4.4% increase for Pelham, a 21.9% increase for Leverett, and an 8% decrease for Shutesbury and increase the total of the assessments by 3.5%.

The Joint Capital Planning Committee (JCPC) examined requests for capital spending in the coming year within the context of a five-year capital spending plan. It then made recommendations to the Finance Committee, the Select Board, the School Committee, and the Library Trustees, all of whom are represented on the JCPC. The Finance Committee reviewed the JCPC recommendations, which are presented in Articles 19 through 21.

The Town Meeting will consider these recommendations at the Annual Town Meeting. The budget, as voted by Town Meeting will become the plan of action for the following fiscal year (July 1, 2013, through June 30, 2014). The budget will be monitored and evaluated so that experience with it can guide future budget decisions.

Spending articles

The operating budget for the Town as a whole makes up Article 16 of the warrant for this Annual Town Meeting. The budget is divided into sections covering five separate municipal functional areas, the elementary schools, the Regional School assessment, library services, each of four enterprise funds, and debt service. For each functional area, a motion will be made proposing the total amount to be spent. In all cases, Town Meeting will be able to discuss individual budget lines within the functions.

Most capital spending appears in separate articles, as does funding for Community Preservation Act projects. Capital spending of the enterprise funds appears in their operating budgets. The same is true of the Regional Schools.

Town Meeting Procedures

Any member of Town Meeting who wishes to propose an amendment to an operating budget motion may do so by moving to increase or reduce the amount of an appropriation that has been moved. Town Meeting members should remember that the subject of these articles is the appropriation of money and not the day-to-day administration of the Town. If an amendment is proposed, it is essential for the Meeting to know what the amendment is intended to accomplish, but it should be kept clearly in mind that responsibility for running the affairs of the Town rests with the Select Board, School Committee, Library Trustees, and appointed officials. Town Meeting members are asked to provide three written copies of motions to amend budgets and give one copy to the Moderator, one to the Chair of the Select Board, and one to the Chair of the Finance Committee.

The issues covered under each motion may be complex, especially in sections of the budget that are supported by a variety of revenue sources. Town Meeting members who want to make an alternate motion or amendment are encouraged to seek assistance from the Moderator, a member of the Finance Committee or the Select Board, or an appropriate staff person prior to introducing the amendment.

If a Town Meeting member wishes to propose an increase in the operating budget, he or she should be aware that a source of funding will have to be found to cover the increase. This could be a reduction made elsewhere in the budget or the use of reserves. In general, the amounts of money stated in the separate spending articles cannot be increased significantly on the floor of Town Meeting. If you have questions about this, please consult with the Moderator.

FINANCE COMMITTEE REPORT TO AMHERST CITIZENS

Non-budget Articles

The Finance Committee meets with staff or petitioners to hear a presentation of the purpose of each non-budget Article and investigates financial costs, benefits and implications. If an Article has no apparent financial implications for the Town, the committee takes no position. If it identifies a financial implication, the committee decides whether to support the Article and provides its reasons within this report.

Appreciation

The process of creating a spending plan within the limitation of available funds is always a challenge. It is never easy to create a budget that enables our schools, town and library to provide excellent services within the confines of available resources. A great many officials, both appointed and elected, have worked to develop this budget. The Finance Committee respects the efforts of all of the people responsible for creating budgets. Their jobs were difficult. We want to especially recognize Sanford Pooler who became the Finance Director during the budget process two years ago. He attends all committee meetings, provides support to the committee, and gives us expert advice and a wealth of timely and useful information throughout the process. His knowledge and skills are invaluable to the committee and the Town. Town Manager John Musante, who was the Finance Director until 2011, develops and proposes a budget for the municipal departments, provides information about Town finances and policy considerations, and is a great resource for information and analysis. Amherst is fortunate to have a talented and dedicated Town Manager who has the knowledge and experience from his previous work as our Finance Director. Library Director Sharon Sharry and Superintendent Maria Geryk provided budgets and supporting information and they met with us to provide explanations and answer questions at key points during the process. Robert Detweiler, Director of Finance and Operations for the schools, was always available and provided essential information. The Select Board, Regional and Amherst School Committees and the Jones Library Trustees reviewed and approved budgets as required by their own procedures and the laws and regulations that affect their areas of responsibility. They did so cooperatively with us so that we could present a comprehensive budget. We also thank those who served on the Joint Capital Planning Committee and the Budget Coordinating Group. Many staff members representing all parts of Town government have given us their time and expertise. We thank them all. Maria Racca has talents for data analysis and report publication that are indispensable to the Committee. Sonia Aldrich provides reports about Town expenses and income and other analyses throughout the year. Staff of the Town Manager's office provide support, keep us organized, and up to date as new Town Meeting information becomes available.

If you have questions as you prepare for the May 6 Annual Town Meeting, we invite you to submit them in advance of the meeting to fincom@amherstma.gov. If possible, we will respond before or during the session.

Finance Committee Members:

Kay Moran, Vice Chair 549-5767
Janice Ratner 253-7214
Robert Saul 253-6631
Anurag Sharma 549-1542
Andrew Steinberg, Chair 549-6826
Douglas Slaughter 253-9920
Marylou Theilman 253-7980

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FINANCE COMMITTEE REPORT - FY14

CONSOLIDATED RESOURCES/EXPENDITURES SUMMARY

	FY14 General Fund	FY14 Community Preserv. Act	FY14 Water Fund	FY14 Sewer Fund
REVENUES				
Property Tax	43,303,274	390,000	0	0
Local Receipts	7,577,551	0	4,241,000	3,987,000
State Aid	14,040,245	101,400	0	0
Other Financing Sources	3,325,221	111,083	21,887	116,416
TOTAL REVENUES	68,246,291	602,483	4,262,887	4,103,416
EXPENDITURES				
<u>OPERATING BUDGET</u>				
Town	20,238,481	0	2,960,055	2,890,491
Elementary Schools	21,989,199	0	0	0
A-P Regional School District (Assessment)	14,158,830	0	0	0
Jones Library (Tax Support)	1,741,512	0	0	0
Subtotal OPERATING BUDGET	58,128,022	0	2,960,055	2,890,491
<u>CAPITAL BUDGET</u>				
Debt Service - Debt Exclusion	213,522	0	0	0
Debt Service - Current	1,561,993	164,088	294,850	430,927
Debt Service - Projected	20,000	0	0	0
Cash Capital (Tax Support)	1,434,290	0	0	0
Subtotal Tax Funded Capital	3,229,805	164,088	294,850	430,927
Community Preservation Act	0	438,395	0	0
Cash Capital (Non-Tax Support)	144,000	0	368,000	255,000
Subtotal CAPITAL	3,373,805	602,483	662,850	685,927
<u>MISCELLANEOUS</u>				
Assessment - Retirement System	3,925,567	0	190,573	190,986
Assessment - Regional Lockup Facility	31,323	0	0	0
Other	0	0	0	0
Reserve Fund	100,000	0	0	0
Subtotal MISCELLANEOUS	4,056,890	0	190,573	190,986
Total APPROPRIATIONS	65,558,717	602,483	3,813,478	3,767,404
<u>UNAPPROPRIATED USES</u>				
Reserve for Abatements & Exemptions	430,898	0	0	0
State Assessments (Cherry Sheet)	1,969,638	0	0	0
Cherry Sheet Offsets	271,365	0	0	0
Other Amounts to be Raised	15,673	0	449,409	333,949
Subtotal UNAPPROPRIATED USES	2,687,574	0	449,409	333,949
TOTAL BUDGET PLAN	68,246,291	602,483	4,262,887	4,101,353
\$ Change from Prior year	1,815,114	(130,351)	336,892	112,165
% Change from Prior Year	2.7%	-3.3%	8.6%	2.8%

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FINANCE COMMITTEE REPORT - FY14

CONSOLIDATED RESOURCES/EXPENDITURES SUMMARY

FY14 Solid Waste Fund	FY14 Transportation Fund	FY14 COMBINED FUNDS (memo only)	FY13 COMBINED FUNDS (memo only)	Change FY 14 - 13	Percent Change
0	0	43,693,274	42,107,207	1,586,067	3.8%
525,895	1,004,434	17,335,880	17,163,653	172,227	1.0%
0	0	14,141,645	13,314,371	827,274	6.2%
10,000	0	3,584,607	4,310,713	(726,106)	-16.8%
535,895	1,004,434	78,755,406	76,895,944	1,859,462	2.4%
496,249	768,633	27,353,909	26,315,807	1,038,102	3.9%
0	0	21,989,199	21,558,039	431,160	2.0%
0	0	14,158,830	13,796,524	362,306	2.6%
0	0	1,741,512	1,690,789	50,723	3.0%
496,249	768,633	65,243,450	63,361,159	1,882,291	3.0%
0	0	213,522	259,374	(45,852)	-17.7%
0	59,125	2,510,983	2,190,875	320,108	14.6%
0	0	20,000	17,911	2,089	11.7%
0	0	1,434,290	1,294,199	140,091	10.8%
0	59,125	4,178,795	3,762,359	416,436	11.1%
0	0	438,395	409,000	29,395	7.2%
0	40,000	807,000	1,101,000	(294,000)	-26.7%
0	99,125	4,985,795	5,272,359	151,831	2.9%
39,646	39,841	4,386,613	3,890,268	496,345	12.8%
0	0	31,323	31,323	0	0.0%
0	0	0	0	0	0.0%
0	0	100,000	300,000	(200,000)	-66.7%
39,646	39,841	4,517,936	4,221,591	296,345	7.0%
535,895	907,599	74,747,181	72,855,109	2,330,467	3.2%
0	0	430,898	414,718	16,180	3.9%
0	0	1,969,638	2,679,753	(710,115)	-26.5%
0	0	271,365	69,882	201,483	288.3%
0	96,835	895,866	876,482	19,384	2.2%
0	96,835	3,567,767	4,040,835	(473,068)	-11.7%
535,895	1,004,434	78,314,948	76,895,944	1,419,004	1.8%
(13,960)	(76,784)				
-2.5%	-7.1%				

ANNUAL TOWN MEETING WARRANT ARTICLES

**ARTICLE 1. Reports of Boards and Committees
(Select Board)**

To see if the Town will hear those reports of Town officers, the Finance Committee, and any other Town boards or committees which are not available in written form.

RECOMMENDED by Finance Committee unanimously.

**ARTICLE 2. Transfer of Funds – Unpaid Bills
(Finance Committee)**

To see if the Town will, in accordance with Chapter 44, Section 64 of the Massachusetts General Laws, appropriate and transfer a sum of money to pay unpaid bills of previous years.

RECOMMENDATION DEFERRED UNTIL TOWN MEETING.

This is an annual article that allows the Town to pay unpaid bills from a prior fiscal year, if any, for which funds were not already encumbered. At the time this report was prepared, the Town was not aware of any such bills requiring action by Town Meeting. If no such bills are received prior to Town Meeting, the Finance Committee will move to dismiss this article.

**ARTICLE 3. Acceptance of Optional Tax Exemptions
(Select Board)**

To see if the Town will authorize a maximum additional exemption of up to 100 percent for taxpayers qualifying for exemption under Chapter 59, Section 5, Clauses 17D, 22, 37A, or 41C of the Massachusetts General Laws.

RECOMMENDED by Finance Committee vote of 6-0, 1 absent.

This local option authorizes assessors to reduce property taxes for certain qualifying taxpayers (limited income elderly or blind persons, veterans and surviving spouses). The reduction is in addition to the base amount allowed by the state. The option has been in effect in Amherst since FY94, the first year for which Town Meeting adopted it. The option must be renewed annually. The total cost to the Town in FY13 to provide these tax exemptions, including the optional tax exemptions, was \$106,148.38 in foregone tax receipts. Reimbursement by the state for the base exemptions was \$33,876. The cost to the Town in FY13 to provide the additional optional tax exemptions was \$45,004.46.

**ARTICLE 4. Acceptance of Optional Tax Work-Off Exemption for Veterans
(Select Board)**

To see if the Town will accept the provisions of Chapter 59, Section 5N of the Massachusetts General Laws, which allows a reduction of a veteran's property tax obligation in exchange for volunteer services.

RECOMMENDED by Finance Committee vote of 7-0.

This local option authorizes the Town to establish a property tax work off program for veterans. This program, which is similar to one the Town has in place for income eligible senior citizens, would allow a veteran to volunteer in a Town office and receive a credit on his or her property tax bill. The credit can be up to \$1,000, if the veteran volunteers 125 hours per year. The Assessor and the Veterans' Agent are working together to draft regulations that would define the number of slots available for this program and other administrative regulations similar to those for the senior work off program. The cost of the program would come from the Overlay Reserve, the same source of funding for the senior work off program.

ANNUAL TOWN MEETING WARRANT ARTICLES

ARTICLE 5. Authorization for Compensating Balances (Select Board)

To see if the Town will accept the provisions of Chapter 44, Section 53F of the Massachusetts General Laws, which authorize the Treasurer to enter into written agreements with banking institutions pursuant to which the Treasurer agrees to maintain funds on deposit in exchange for banking services.

RECOMMENDED by Finance Committee vote of 7-0.

Acceptance of this provision of the Massachusetts General Laws authorizes the Town Treasurer to enter into certain banking agreements that require maintenance of a minimum account balance. These agreements typically offer either higher interest rates or some free services in exchange for maintaining a minimum balance. Town Meeting authorization is required annually because, in effect, funds may be expended for services without an appropriation. The Treasurer bids all banking services and bank service fees and determines which proposals are most advantageous for the Town. It is appropriate to provide the Treasurer with the flexibility to use this type of account.

ARTICLE 6. Street Acceptance – Olympia Drive (Select Board)

To see if the Town will: (a) accept as a public way the roadway known as Olympia Drive, as heretofore laid out by the Select Board and shown as "Olympia Drive" on a plan entitled "Roadway Acceptance Plan Olympia Drive and Authority Way, Amherst, MA," dated August 23, 2012, prepared by Doucet & Associates, Inc., and on file with the Town Clerk; and (b) authorize the Select Board to grant permanent and temporary utility, access and/or related easements on such terms and conditions, and for such consideration, which may be nominal consideration, as the Select Board deems appropriate, in, on, and under a certain parcel of land located on Olympia Drive, which parcel contains 13 acres, more or less, and is a portion of the property identified on Assessors Map 8D as Parcel 20 and described in the Order of Taking recorded with the Hampshire Registry of Deeds in Book 3018, Page 309, to serve and/or support the affordable housing development to be constructed on said parcel.

RECOMMENDED by Finance Committee vote of 7-0.

Olympia Drive is the roadway on which a 42-unit, affordable rental housing development, consisting of multiple residential buildings and a community facility will be built on Town-owned land. Planning for the project has been underway for many years. A permanent easement is necessary for public way and other easement purposes. Temporary easements are needed to install utilities and for other needs of the construction process. The cost of reconstructing the road will be included in the costs to the developer of building the housing development. No cost to the Town is expected.

ARTICLE 7. Street Discontinuance – Eastman Lane (Select Board)

To see if the Town will discontinue Eastman Lane as a Town way, which Eastman Lane became a Town way upon the discontinuance of said roadway as a County way by the Hampshire Council of Governments and authorize the Select Board to convey any land so discontinued on such terms and conditions and for such consideration, which may be nominal consideration, as the Select Board deems appropriate.

NO RECOMMENDATION.

Eastman Lane, bordered on both sides by the University of Massachusetts, was a county road until the Hampshire Council of Governments discontinued it to the Town at the Town's request. This article would discontinue Eastman Lane as a Town way and authorize the Select Board to convey it to UMass, which will continue to plow and maintain it as has been the case for some time.

ARTICLE 8. Acquisition of Easements – South East Street CDBG Sidewalk Project (Select Board)

To see if the Town will vote to authorize the Select Board to acquire, by gift, purchase or eminent domain in connection with the Southeast Street Sidewalk Project, for public way and sidewalk purposes, permanent easements in, on, under the

ANNUAL TOWN MEETING WARRANT ARTICLES

properties identified below and shown on a plan entitled "Southeast St. Sidewalk Community Development Block Grant Program," dated February, 2013, on file with the Town Clerk.

<u>Owner</u>	<u>Address</u>	<u>Map and Parcel</u>
Amir Mikhchi and Fatemeh Giahi	126 Southeast Street	15C-7
Amir Mikhchi and Fatemeh Giahi	140 Southeast Street	15C-8
Amir Mikhchi and Fatemeh Giahi	148 Southeast Street	15C-9
Shu Chang Liao, Ching Yun Lee, and Chin Shao Lee	156 Southeast Street	15C-41
162 Amherst LLC	162 Southeast Street	15C-42
Amherst-Colonial Village, LLC	200 Southeast Street	15C-10

RECOMMENDED by Finance Committee vote of 7-0.

These easements would be needed to build a sidewalk between Colonial Village Apartments and the commercial properties at the corner of Southeast Street and Route 9. The project would be funded out of a Community Development Block Grant and will not proceed if the Town is not awarded the funds. The property owners have agreed to the easements required for the construction.

**ARTICLE 9. Grant of Electrical Easements – Boltwood Walk
(Select Board)**

To see if the Town will vote to authorize the Select Board to grant to Western Massachusetts Electric Company a permanent easement in, on and under a portion or portions of the Town-owned parcel of land located at 51 Boltwood Walk and shown on Assessors Map 14A as Parcel 343, for the transmission of intelligence and electricity, on such terms and conditions, and for such consideration, which may be nominal consideration, as the Select Board deems appropriate.

RECOMMENDED by Finance Committee vote of 7-0.

The central commercial block on North Pleasant Street in downtown Amherst is periodically shut down when a faulty underground electrical transformer shorts out. This article would authorize negotiation of an easement to Western Massachusetts Electric Company to allow the installation of a new above-ground facility near Boltwood Walk to replace the underground transformer.

**ARTICLE 10. Accept Altered Layouts of Rights of Ways - Atkins Corner
(Select Board)**

To see if the Town will vote to accept the altered Layouts of West Bay Road, Bay Road, and West Street, as shown on a plan entitled "Plan of Land in the Town of Amherst Hampshire County Bay Road, West Bay Road and West Street Altered and Laid Out By the Town of Amherst," dated December 2011, on file with the Town Clerk, to include within the layouts of such ways the parcels of land shown on said plans, portions of which became Town ways upon their discontinuance as county and state ways, and to authorize the Select Board to convey any laying outside the altered layouts of said ways on such terms and conditions and for such consideration, which may be nominal consideration, as the Select Board deems appropriate.

RECOMMENDED by Finance Committee vote of 7-0.

This Article and Article 11 are the final measures needed to complete the Atkins Corner road project, which involved land takings and land swaps to realign and widen the roadways and make room for the new roundabouts. The Town will exchange a section of an old Right of Way on the East side of the intersection and accept a surrendered portion of an Atkins Right of Way to the West.

**ARTICLE 11. Conveyance of Discontinued Rights of Ways – Atkins Corner
(Select Board)**

To see if the Town will vote to discontinue as Town ways certain portions of West Bay Road, Bay Road, and West Street, as shown on a plan entitled "Plan of Land in the Town of Amherst Hampshire County Bay Road, West Bay Road and West Street

ANNUAL TOWN MEETING WARRANT ARTICLES

Altered and Laid Out By the Town of Amherst," dated December 2011, on file with the Town Clerk, and authorize the Select Board to convey any land so discontinued on such terms and conditions and for such consideration, which may be nominal consideration, as the Select Board deems appropriate.

RECOMMENDED by Finance Committee vote of 7-0.

This Article and Article 10 are the final measures needed to complete the Atkins Corner road project, which involved land takings and land swaps to realign and widen the roadways and make room for the new roundabout. The Town will exchange a section of an old Right of Way on the East side of the intersection and accept a surrendered portion of an Atkins Right of Way to the West.

**ARTICLE 12. FY 2013 Budget Amendments
(Finance Committee)**

A. To see if the Town will amend the budget voted under Article 12 of the 2012 Annual Town Meeting (FY 2013 Operating Budget) to transfer \$43,730 from Debt Service to Community Services accounts to balance the 2013 Fiscal Year.

RECOMMENDED by Finance Committee vote of 7-0.

There is only one transfer proposed for the FY13 budget, from Debt Service to Community Services. The Debt Service account has surplus funds because of cost savings from the refunding of the Crocker Farm School bond, lower debt service costs resulting from the Town's bond sale in February 2013, and an unused interest payment appropriation that had been set aside in case the Town issued short-term Bond Anticipation Notes. The Veterans' benefits budget will run a deficit again this year because of ongoing increased caseload demand. This transfer will fill part of the Veterans' benefits deficit. The remainder will come from the Reserve Fund at the end of the fiscal year. Please note, after further review of the Debt Service budget balances for FY13, the recommend transfer amount is \$35,910.

B. To see if the Town will transfer \$238,115 from the General Fund General Government, \$16,372 from the Sewer Fund, \$13,370 from the Water Fund, \$5,308 from the Solid Waste Fund, \$3,088 from the Transportation Fund, and \$100,000 from the Amherst Elementary School Department accounts to the Town of Amherst OPEB Trust Fund.

RECOMMENDED by Finance Committee vote of 7-0.

This transfer is the result of savings to the Town municipal, enterprise fund, and elementary school budgets from a health insurance "holiday." During April, the Town will not transfer the employer matching share of health insurance premiums into the Health Insurance Trust Fund. Employees will also not have their health insurance deductions taken from their pay. This article requests that the Town's savings be transferred to the Other Post-Employment Benefits (OPEB) Trust Fund. We are able to do this because the Health Insurance Trust Fund continues to grow and has built a balance of over \$7.5 million as of March, 2013, which is over six months worth of average monthly health insurance claims, much more than sufficient to maintain a more than adequate balance in the Health Insurance Trust Fund. As discussed in the introduction to the Finance Committee's report, it is important to begin putting money aside for our OPEB obligations.

C. To see if the Town will appropriate and transfer \$78,270 from Free Cash in the Undesignated Fund Balance of the General Fund to the following accounts; \$57,055 to the OPEB Trust Fund of the Town of Amherst; \$3,618 to the Town of Pelham; and \$17,597 to the Amherst-Pelham Regional School District to account for Medicare Part D reimbursements received by the Town of Amherst for prescription drug costs incurred by the Health Claims Trust Fund for Town of Amherst, Amherst-Pelham Regional School District, and Town of Pelham members.

RECOMMENDED by Finance Committee vote of 7-0.

The Town provides a drug benefit to our retirees under Medicare Part D. For the past four years, the federal government, in order to encourage employers to provide this benefit, has provided a partial reimbursement of employers' increased health insurance costs for this drug benefit. That subsidy is unbudgeted revenue to the Town and becomes part of our Free Cash each year. In past years, Town Meeting has appropriated the subsidy into the Health Insurance Trust Fund. The subsidy is generated by the retirees who receive their health insurance through the trust. Those retirees once worked for the participants in the trust: the Town of Amherst, the Town of Pelham, and the Amherst-Pelham Regional School District. This article transfers Amherst's share of the subsidy directly to the Amherst Other Post-Employment Benefits (OPEB) Trust Fund and transfers their respective shares to the Town of Pelham and the Regional School District, with the intent that they appropriate these funds to their own OPEB trust funds.

D. To see if the Town will, in accordance with Chapter 44, § 53 (2) of the Massachusetts General Laws, appropriate and transfer \$20,071 from the Insurance Recovery Fund to the FY 2013 Operating Budget – General Government – Information

ANNUAL TOWN MEETING WARRANT ARTICLES

Technology Department for reimbursement of the cost of repairs and replacement of the damaged visual and audio equipment in the Town Room.

RECOMMENDED by Finance Committee vote of 7-0.

In November 2012, a leak was discovered in Town Hall. Water had flowed into the Town Room, damaging the large television display screen and other audio-visual equipment. The Town is insured for such property losses and received an insurance payment. Although small insurance payments can go directly to a department to reimburse losses, any insurance payment over \$20,000 must be appropriated by Town Meeting and cannot be spent directly by a department. The Information Technology Department replaced the equipment from its budget at a cost of \$29,182.37 and now its budget is in deficit. This transfer will reimburse the IT Department budget for most of the costs of the replacement equipment. It may be necessary to request a Reserve Fund transfer from the Finance Committee, but that request will be determined closer to the end of the fiscal year.

- E. To see if the Town will appropriate and transfer \$41,814 from Fund Balance Reserved for Overlay Surplus to the 2009 Overlay account to eliminate a deficit in that account.

RECOMMENDED by Finance Committee vote of 7-0.

The Overlay is a reserve set aside to pay abatements on real and personal property tax bills in case a taxpayer successfully challenges a tax assessment. As part of the annual budget process, we set aside an amount equivalent to one percent (1%) of our estimated tax levy to create the Overlay Reserve. The Assessors maintain separate overlay balances for each fiscal year. Every year the Assessor and the Comptroller review the overlay balances and the claims that have been filed and are likely to be paid. Recently the Town was notified that as the result of Verizon's successful appeal to the Appellate Tax Board of a case involving the timing of tax bills cities and towns had sent Verizon for wires and poles, there were more successful abatement applications than there were Overlay funds set aside in the FY09 account. In other fiscal years, there are more Overlay Reserves than likely claims. The Department of Revenue requires cities and towns to fully fund any known overlay deficits each year. This article requests transfers to the FY09 deficit from Overlay Surplus accounts from other fiscal years, as declared by the Assessors.

**ARTICLE 13. Retirement Assessment
(Select Board)**

To see if the Town will raise and appropriate \$3,925,567 for the Hampshire County Retirement System assessment.

RECOMMENDED by Finance Committee unanimously.

The Town, as a member of the Hampshire County Retirement System, pays an annual assessment that covers the retirement benefits to current retirees in addition to an assessment that anticipates funding future retirees. The assessment is based upon the payrolls of municipal and library employees as well as non-teaching elementary school employees. The \$3,925,567 to be appropriated in this article is an increase of \$457,243 (13.2%) from the FY13 assessment. In addition, the Enterprise Funds are allocated their share of the total assessment of \$4,396,019 in their respective budgets. The pension funding is based upon the January 1, 2012, actuarial study which estimates, based on historical fund returns, the amount required to fully fund the accrued and current retirement liability. This calculation also includes actuarial estimates of retirement ages, longevity, and expected retirement salary packages. The substantial increase in this year's assessment is due to the full realization of the losses in the retirement fund's investment portfolio that occurred in the aftermath of the economic downturn. Again the Town will take advantage of an approximately 2% discount in our assessment (roughly \$83,298) granted to us by the Retirement System by making a single lump sum payment of our assessment at the beginning of the Fiscal Year.

**ARTICLE 14. Regional Lockup Assessment
(Select Board)**

To see if the Town will raise and appropriate \$31,323 for the Hampshire County Regional Lockup Facility assessment.

RECOMMENDED by Finance Committee vote of 7-0.

The Town, as a user of the Hampshire County Regional Lockup, pays an annual assessment based on population that covers its portion of the operating costs of the Regional Lockup. (The Sheriff's office, the University, and the other communities that use the lockup are the other contributors.) The \$31,323 to be appropriated in this article for FY14 is the same as it was for the previous six years.

ANNUAL TOWN MEETING WARRANT ARTICLES

**ARTICLE 15. Amherst-Pelham Regional School District Assessment Method
(Amherst-Pelham Regional School Committee)**

To see if the Town will vote to approve following the existing Amherst-Pelham Regional School District Agreement for allocating the total amount to be contributed by each member town of the District for Fiscal Year 2014 as required by Section VI of the Regional Agreement.

RECOMMENDED by Finance Committee vote of 5-0, 2 absent.

The state's 1993 Education Reform Law requires regional school districts to calculate assessments to a region's towns for support of regional district operating and capital budgets according to a formula intended to take into account each individual municipality's ability to pay. However, the Education Reform Law formula does not provide for circumstances in which yearly differences can cause sudden changes in an individual town's required support, and which can cause the per pupil cost to vary significantly from one Regional town to another.

The state does allow a regional district to apportion assessment amounts by a method other than the state formula if all of the member municipalities agree to do so. Amherst, Leverett, Pelham and Shutesbury annual town meetings of 2006 all voted to revert to the alternative method prescribed by our regional agreement, in which costs of operating the regional schools, grades 7-12, are apportioned to the towns according to a five-year rolling average of the number of students enrolled from each town. This method produces equal per-pupil costs to the towns and greater stability with respect to each town's financial obligation. The Regional School Committee has voted to continue using the formula put forth in the Regional Agreement to determine the apportionment of the FY14 budget to each member town.

A Department of Elementary and Secondary Education rule requires regional school districts to get approval of all of the towns annually if they use an assessment method other than the state's formula. Unless that rule is changed, a similar article will be on each year's annual town meeting warrant in all four towns. The alternative to unanimous approval of the article by all four towns is to revert to the state's formula, a change that could affect the financing of the schools.

**ARTICLE 16. FY 2014 Operating Budget
(Finance Committee)**

To see if the Town will adopt a comprehensive operating budget for the ensuing year and raise and appropriate money therefor.

FINANCE COMMITTEE REPORT - FY14

LIBRARY SERVICES

3% OF GENERAL FUND OPERATING BUDGETS

	FY 10 Actual	FY 11 Actual	FY 12 Actual	FY 13 Budget	FY 14 Budget	Change FY 14-13	Percent Change
Personnel Services	\$ 1,367,861	1,425,896	1,397,519	1,419,493	1,553,012	133,519	9.4%
Employee Benefits	\$ 245,981	253,445	237,280	264,796	265,000	204	0.1%
Circulating Materials	\$ 172,824	186,211	187,105	186,000	192,000	6,000	3.2%
Operations	\$ 279,796	411,302	285,059	402,541	329,745	(72,796)	-18.1%
TOTAL	\$ 2,066,462	2,276,854	2,106,963	2,272,830	2,339,757	66,927	2.9%

SOURCE OF FUNDS

Town Appropriation	\$ 1,468,029	1,685,841	1,641,299	1,690,789	1,741,512	50,723	3.0%
Library State Aid	\$ 85,229	67,330		63,000	83,000	20,000	31.7%
Jones Library, Inc. Endowment	\$ 390,961	430,229	404,436	396,041	372,779	(23,262)	-5.9%
Woodbury Funds			3,495	5,000	5,000	-	0.0%
Building Expansion and Renovation			7,158	7,000	7,000	-	0.0%
Special Collections			2,001	5,000	5,000	-	0.0%
Annual Fund Drive and Lost Books	\$ 58,075						
Jones Library Annual Fund Drive		45,000	8,619	38,000	57,500	19,500	51.3%
Replacements/Lost Books		509		5,000	5,000	-	0.0%
Jones Friends' Donation (Books)	\$ 22,002	12,000	22,076	15,000	15,000	-	0.0%
Jones Friends' Donation (Programs)			9,313	8,000	8,000	-	0.0%
Gift, Grants, Reserves, Etc.	\$ 41,240	35,945	8,566	40,000	39,966	(34)	-0.1%
TOTAL	\$ 2,065,536	2,276,854	2,106,963	2,272,830	2,339,757	66,927	2.9%

POSITIONS

Full Time			17	17	17
Part Time with Benefits			12	12	12
Full Time Equivalents			26.5	26.5	26.9
Part Time with no Benefits			28	28	27

RECOMMENDED by the Finance Committee vote of 7-0.

APPROPRIATION: \$1,741,512 in Town tax support. (Sources of funds are listed in accompanying chart.) The total library budget for FY14 is \$2,339,757.

BASIC FUNCTIONS: Library Services are provided at the Jones Library, the North Amherst Library, and the Munson Memorial Library in South Amherst. The Libraries offer information in the form of print, audiovisual, and electronic media and serve as a meeting place for the community. The Jones Library houses collections of historical and literary significance related to the Town and its residents. The Libraries also offer reading programs for children and programs for people whose native language is not English.

The Jones Library Building is owned by The Jones Library, Inc. which is governed by the Library Trustees. The Town owns the Munson and North Amherst Library buildings. The Library pays the Town \$6,500 in annual rent for its use of the space in the Munson Building, and this rent includes payments for utilities and heat. The cost of interior and exterior maintenance at Munson, and exterior maintenance at the North Amherst Library are in the budgets for the Town Maintenance and Public Works Departments. Most Library accounting, payroll, and information technology support is handled by the Town and not charged to the Library budget.

FULL-TIME EQUIVALENT EMPLOYEES: 26.9 FTE, an increase of .4 FTE from FY13 due to the increase in hours for one position.

FY13 SUMMARY

The FY13 Library budget was \$2,272,830, an increase of \$80,024 or 3.65% over FY12. The Town appropriation for this budget was \$1,690,789, an increase of \$46,053, or 2.8%, over FY12. Town tax support accounted for more than 74% of the Library budget which met the State requirements for minimum appropriation and materials expenditure.

LIBRARY SERVICES

The Jones Library, Inc. endowment contributed 3.87% less than in FY12. The spending rate from the endowment was reduced to 5.4% in accordance with advice from the Library's investment managers. State aid to libraries was expected to decrease as were contributions to the Jones Library Annual Fund Drive and the Friends of the Jones Library.

During this year, the Jones Library renovated the Large Meeting Room, now named the Woodbury Room, using Woodbury funds; completed a new HVAC system for Special Collections; instituted some new safety and security procedures; and migrated to a new system wide software system. Circulation of materials and use of the library grew. Previously reduced hours due to budgetary restraints were still in effect.

FY14 SUMMARY

The FY14 Library budget is \$2,339,757, an increase of \$66,927, or 2.9%, over FY13. The Town appropriation for this budget is \$1,741,512, an increase of \$50,723, or 3%, over FY13. Other sources of funding can be seen in the table above. Town tax support accounts for approximately 74% of the Library budget.

The State requires municipalities to fund their libraries at 2.5% above the average of the preceding three years' municipal appropriations to qualify for Library State aid. This year's Minimum Appropriation Requirement (MAR) will be met. The State also requires that the Library spend a minimum amount on materials. The State Materials Expenditure Requirement (MER) for FY14 is \$192,000. (The MER is 13% of the Town Appropriation less benefits.) This requirement is also met.

The Jones Library, Inc. endowment will be contributing \$372,779, a decrease of 5.9% compared to FY13. The spending rate from the endowment is 5%, slightly more than the 4% rate advised by the Library's investment managers. Support from state aid, the Jones Library Annual Fund Drive, and Gifts, Grants, and Reserves is expected to increase slightly this year while support from the Friends of the Jones Library is expected to be about the same as last year.

Circulation of materials and use of the library continues to grow. It serves the region as well as the Town. Although the hours of operation have been reduced in previous years, the library still is open 64 hours per week, more than the number of hours required by the state in order to receive state funding.

More information is available at <http://joneslibrary.org/budget/index.html>

FINANCE COMMITTEE REPORT - FY14

GENERAL FUND MUNICIPAL SUMMARY

	FY 10 Actual	FY 11 Actual	FY 12 Actual	FY 13 Budget	FY 14 Manager	Change FY 13-14	% Change
General Government	\$ 5,672,090	5,848,641	6,019,118	6,088,418	6,400,243	311,825	5.1%
Public Safety	\$ 8,318,133	8,384,953	8,549,237	8,877,651	9,099,025	221,374	2.5%
Public Works	\$ 1,662,025	2,012,856	1,950,987	1,996,684	2,020,127	23,443	1.2%
Conservation & Development	\$ 799,789	762,484	878,785	927,560	1,010,848	83,288	9.0%
Community Services	\$ 1,531,827	1,491,495	1,595,253	1,692,882	1,708,238	15,356	0.9%
TOTAL APPROPRIATION	\$ 17,983,864	18,500,429	18,993,379	19,583,195	20,238,481	655,286	3.3%

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FINANCE COMMITTEE REPORT - FY14

GENERAL GOVERNMENT

11% OF GENERAL FUND OPERATING BUDGETS

	FY 10 Actual	FY 11 Actual	FY 12 Actual	FY 13 Budget	FY 14 Manager	Change FY 13-14	% Change
Select Board/Town Manager	\$ 266,723	309,252	244,920	258,799	261,913	3,114	1.2%
Town Meeting/Finance Comm	\$ 580	550	634	800	1,900	1,100	137.5%
Finance Department	\$ 828,416	822,734	855,276	901,295	913,258	11,963	1.3%
Legal Services	\$ 124,925	137,237	174,287	110,000	110,000	0	0.0%
Human Resources/ Human Rights	\$ 156,113	134,428	193,251	164,972	153,474	(11,498)	-7.0%
Information Technology	\$ 461,681	491,892	500,942	494,188	494,525	337	0.1%
Town Clerk's Office	\$ 161,039	173,285	180,743	187,039	190,153	3,114	1.7%
Elections & Registration	\$ 29,257	50,569	42,008	52,025	27,975	(24,050)	-46.2%
Facilities Maintenance	\$ 408,324	438,251	420,175	480,448	491,877	11,429	2.4%
General Services	\$ 371,485	358,507	387,688	372,849	385,349	12,500	3.4%
SUBTOTAL	\$ 2,808,543	2,916,706	2,999,926	3,022,415	3,030,424	8,009	0.3%
Employee Pay/Benefits	\$ 2,863,547	2,931,935	3,019,192	3,066,003	3,369,819	303,816	9.9%
TOTAL APPROPRIATION	\$ 5,672,090	5,848,641	6,019,118	6,088,418	6,400,243	311,825	5.1%

SOURCES OF FUNDS

Ambulance Receipts	\$ 88,987	97,816	97,116	103,352	105,305	1,953	1.9%
Departmental Receipts	\$ 203,260	215,838	228,912	200,255	200,255	0	0.0%
Penalties and Interest From Taxes	\$ 126,764	145,438	152,258	147,625	152,625	5,000	3.4%
Investment Income	\$ 159,206	103,369	79,177	75,000	75,000	0	0.0%
Licenses & Permits	\$ 152,835	169,300	190,786	163,950	163,950	0	0.0%
State Aid-Elections	7,848	5,807	2,458	2,500	2,500	0	0.0%
Hours Reimbursement	\$						
Water Fund	\$ 165,647	178,619	184,031	184,880	200,354	15,474	8.4%
Sewer Fund	\$ 171,937	186,004	188,911	191,040	192,681	1,641	0.9%
Transportation Fund	\$ 36,950	40,290	40,623	42,681	44,078	1,397	3.3%
Taxation	\$ 4,518,647	4,706,160	4,854,990	4,977,135	5,251,419	274,284	5.5%

RECOMMENDED by the Finance Committee vote of 7-0.

BUDGET: \$6,400,243, an increase of \$311,825 (+5.1%) from \$6,088,418 in FY13. (Sources of funds are listed in accompanying chart.)

General Government is the second largest function (after Public Safety) in the Town's operating budget. It includes the bulk of the general administrative costs of managing and operating the Town. Employee Benefits (not including retirement) account for over 50 percent of the General Government budget.

BASIC FUNCTIONS: Managing and operating Town government functions including financial operations, maintenance of public facilities (except police, fire and public works facilities), elections, public records, information technology, legal expenses, and insurance costs. This budget includes employee benefits for all functions of the municipal government (including Community Services, Public Safety, Public Works, and Conservation and Development). The cost for benefits for each function is shown in Appendix B of this report.

FULL-TIME-EQUIVALENT EMPLOYEES: 28.88, unchanged from FY 13.

FY 13 SUMMARY

• **Select Board/Town Manager's Office:** Several efforts are underway to encourage economic development. The downtown Business Improvement District was launched to supplement Town services in order to improve the business climate. The Town was designated as a "Green Community" which led to a state grant of \$302,000 for higher efficiency LED streetlights. Ten miles of roadways were resurfaced and improvements were also made on pedestrian, cyclist, and public transportation. Other accomplishments include reaffirmation of AA credit rating by Standard and Poor's and creation of the Emily Dickinson Historic District. The Town Manager's Office also recruited two outstanding professionals, Rob Morra as Building Commissioner and Deborah Radway as Human Resources and Human Rights Director.

GENERAL GOVERNMENT

- **Town Meeting/Finance Committee:** Town Manager authorized spending of up to \$1,000 for reimbursement of childcare and/or dependent care expenses for Town Meeting members. Three members were reimbursed for the Fall 2013 Town meeting in the amount of \$30, \$152, and \$78.
- **Finance Department:** Continued the use of the MUNIS budget software module to prepare the Town budget more efficiently and accurately. Confirmed the Town's bond rating to "AA with a Stable Outlook". Led multi-year effort to stabilize employee health care costs. Annual tax collections are consistently in excess of 98 percent. Implemented an assessing services contract with the Town of Pelham.
- **Legal Services:** This budget covers costs of legal services provided on a contract basis for the Town and the Jones Library Trustees. One hundred percent of the \$110,000 in operating expenses were attributable to Town/Special Counsel. No significant changes to the budget.
- **Human Resources/Human Rights:** Staffed a Personnel Board initiative to update the Town's Personnel Procedures Manual. Organized a 2012 Annual Human Rights community gathering and awards presentation. Assisted in the recruitment and selection of new Town Building Commissioner, Human Resources and Rights Director and several other permanent hires.
- **Employee Benefits:** The Town has been engaged in a multi-year effort to stabilize employee health care costs, as these are a major portion of the budget. The Town works collaboratively with the Town of Pelham and the Amherst Pelham Regional School District to find ways to keep these costs under control. The Amherst Pelham Health Claims Trust (APHCT) is the mechanism for this collaboration, and last year it approved the implementation of the Federal Affordable Care Act. The Municipal Health Care Reform Act was passed at the beginning of FY12, resulting in an additional annual expense of nearly \$6,000.
- **Information Technology:** Designed and installed the largest and fastest open downtown outdoor WiFi network in Massachusetts in a very cost effective way. Implemented the Anytime Self Service website system providing integrated bill lookup and payment. Deployed over 40 iPads to mobile staff with customized applications. Realized an 18% increase in daily public website usage over a year ago.
- **Town Clerk's Office, Elections and Registration:** Completed the final phase of a six-year plan for the restoration and preservation of historical town records. Department of State regulations requiring separation of passport personnel from working with vital records resulted in fewer passport applications. Successfully made the transition from a paper system to electronic records. Prepared for and conducted the 2012 General Election; more than 7,000 new voter registration and changes were processed, bringing the total to 22,441.
- **Facilities Maintenance:** Completed projects at the Bangs Center, Parking Garage, and Munson library. Continued to address energy and security issues in buildings
- **General Services:** Manages centralized purchasing of services, supplies and equipment, and contracts for maintenance of office equipment and general liability insurance. Helped Finance and IT completely upgrade the Town's telephone system with increased functionality at less cost using VOIP technology.

FY 14 SUMMARY

- **Select Board/Town Manager's Office:** Will continue to address the ongoing challenge of increasing revenue and finding cost-saving efficiencies. Will pursue alternate energy sources so as to reduce our dependence on fossil fuels. Will use the housing production plan completed in October 2012 to work toward creation of additional affordable housing. Will seek to complete collective bargaining agreements with Town employee unions.
- **Town Meeting/Finance Committee:** Almost all of the increase in this budget is due to the addition of \$1,000 for reimbursement of childcare and/or dependent care expenses for Town Meeting members. Most of the other costs for Town Meeting are in other areas of the municipal budget.
- **Finance Department:** Goals for FY14 include refining a long-range strategic financial plan for the Town, increasing community access to budget and financial information via the Town's website, and expanding online options for residents to make payments for town services.
- **Legal Services:** No changes from FY13.
- **Human Resources/Human Rights:** The department will continue to facilitate collective bargaining with four municipal unions for successor contracts to those expiring 6/30/13, if agreement has not been reached by then. Efforts continue to attract and retain highly qualified employees and focus on reducing employee injury.
- **Employee Benefits:** Premiums paid to the Town's health insurance fund remain at the same level as FY13, but costs increase due to increases in enrollment. Unemployment, Medicare tax, and Federal health insurance (reimbursement for Medicare Part B) increase. This budget includes a salary reserve to pay the costs of collective bargaining contracts.

GENERAL GOVERNMENT

- **Information Technology:** This department will continue progress toward digitizing all Town records; making more Town functions “paperless;” offering on-line options for more bill-paying and information access for residents; and working with other area communities’ IT departments on regionalizing systems to decrease costs for all.
- **Town Clerk’s Office, Elections and Registration:** This department will continue to refine with the Town manager’s office a joint data base for keeping track of board and committee appointments, and continue to restore and preserve historical records. The Elections budget decreases due to two fewer elections in FY14 than in FY13.
- **Facilities Maintenance:** Energy usage is expected to continue dropping due to ongoing aggressive conservation efforts. The Town will reassume operations and maintenance costs of the North Amherst School building recently vacated by the Amherst Survival Center.
- **General Services:** Budget increase is due to increased insurance and audit costs.

More information is available at <http://www.amherstma.gov/DocumentCenter/View/21815>

PUBLIC SAFETY

16% OF GENERAL FUND OPERATING BUDGETS

	FY 10 Actual	FY 11 Actual	FY 12 Actual	FY 13 Budget	FY 14 Manager	Change FY 13-14	% Change
Police Facility	\$ 185,394	197,874	181,407	189,611	189,703	92	0.0%
Police	\$ 3,751,579	3,712,557	3,925,667	4,048,062	4,130,438	82,376	2.0%
Fire/EMS	\$ 3,857,916	3,868,072	3,848,915	3,985,862	4,114,252	128,390	3.2%
Communications Center	\$ 474,123	554,084	541,510	599,751	610,180	10,429	1.7%
Animal Welfare	\$ 49,121	52,366	51,737	54,365	54,452	87	0.2%
TOTAL APPROPRIATION	\$ 8,318,133	8,384,953	8,549,237	8,877,651	9,099,025	221,374	2.5%

SOURCES OF FUNDS

Ambulance Receipts	\$ 2,005,275	2,020,162	2,107,362	2,187,676	2,195,723	8,047	0.4%
Departmental Receipts	\$ 170,369	190,394	179,997	167,100	167,100	0	0.0%
Educational Incentive	\$ 33,796	16,444	0	0	0	0	0.0%
Fines	\$ 155,375	223,520	234,927	210,533	210,533	0	0.0%
Licenses & Permits	\$ 8,538	9,658	10,141	8,000	8,000	0	0.0%
Transportation Fund	\$ 5,170	5,366	5,366	5,502	5,620	118	2.1%
Taxation	\$ 5,939,610	5,919,409	5,966,109	6,298,840	6,512,049	213,209	3.4%

RECOMMENDED by the Finance Committee vote of 6-0, 1 absent.

BUDGET: \$9,099,025 an increase of 2.5% (\$221,374) from FY13. (Sources of funds are listed in accompanying chart.)

BASIC FUNCTIONS: Providing police, fire, ambulance, emergency dispatch (communications center) and animal welfare services 24 hours a day, 365 days a year.

FULL-TIME EQUIVALENT EMPLOYEES: 107.5, one more than in FY13.

Appropriation is 2.5% higher than in FY12, due to collective bargaining settlements reached in 2011, including addition of a full-time Prevention/Inspection position in the Fire Department. Turnover in staff has generated savings utilized to preserve staffing levels. (A full-time domestic violence officer has been added in the Police Department, but that does not increase FTEs because the position is entirely grant-funded.)

FY13 SUMMARY

- **Police Facility:** Maintenance staff work increased due to the opening three times of the Town's Emergency Operations Center and to the increased number of arrests over previous years. WMECO performed an energy audit to help with the 5-year energy plan.

- **Police Department:** An officer to deal full-time with domestic violence has been hired for two years using a federal grant, which for several years has also financed a civilian advocate for domestic violence victims shared with Everywoman's Center. Since sector-based policing was initiated in 2010 there have been reductions in the number of residential burglaries, motor vehicle burglaries, incidents of vandalism, disturbances, and motor vehicle thefts. Calls for service on Phillips Street have decreased by 38%, and there's been a 40% reduction in assistance and disturbance calls at Village Park Apartments, two historically heavy call locations. A newly developed crime analysis program is being used to deploy police resources where most needed. The number of homeless people in Amherst continues to increase, resulting in increased calls for service and assistance. A liaison officer is assigned to Craig's Door, the Amherst shelter for the homeless. This year as in the past the department has worked with elementary and secondary schools on emergency response plans and drills, and that will continue.

- **Fire Department:** The total number of emergency calls in FY12 was 1.5% greater than in FY11. While fire calls decreased by 5.7%, EMS responses increased by 3.8%. The University of Massachusetts has provided funding to bring the number of on-duty ambulances up from three to five on weekends this spring. Mandated communications upgrades, paid for by a federal grant of \$55,852, were completed. A full-time prevention/inspection position has been added to cope with increasing workload through cooperation with other Town departments and applicants. Two state grants totaling \$21,500 were used to enhance emergency management capability. AFD, which has had its own technical rescue team for many years, has been instrumental in developing a regional technical rescue team that was expected to become operational this spring.

PUBLIC SAFETY

• **Communications Center:** The center implemented a new, federally mandated change and upgrade to the police radio system. State 911 grants were obtained to help pay for training dispatchers. Work continued on regionalizing dispatch services.

FY14 SUMMARY

• **Police Facility** budget is unchanged from FY13, due largely to stable long-term contracts for electricity. Increased activity continues to result in higher demands on maintenance staff.

• **Police Department** budget increases by 2% due to collective bargaining agreements reached in 2011. Operating costs are level-funded. The authorized number of tax-funded officers, 45, is the same as in FY13 and five fewer than in FY07, not enough to staff 17% of Town sectors. Offsetting revenue for FY14 includes \$155,000 in court fines and \$19,100 in department receipts, all of which goes into the General Fund. The department has applied for a federal grant to help develop a multifaceted approach to handling people who are homeless and/or having mental health issues. More houses in residential neighborhoods are being turned into rentals, increasing police time needed to deal with any issues, especially on spring and fall weekends. The department will continue to work cooperatively with UMass and the Town's Fire, Health and Inspections departments on the Safe and Healthy Neighborhoods initiative.

• **Fire Department** budget increases by 3.2% due to collective bargaining agreements reached in 2011, including addition of a fire prevention inspector position. This position was filled in FY13; funding for it has been added for FY14. Operating costs are level funded. Off-setting revenue for FY14 includes \$112,000 in departmental receipts and \$2,137,232 in ambulance receipts, which include payments from UMass and the towns of Pelham, Leverett, Shutesbury and Hadley. A grant of \$17,500 has been received to fund the 18th year of the school Fire Safety Education program (SAFE). Total staffing is low relative to national norms, according to the July 2009 rating by the Insurance Services Office Inc., which affects fire insurance rates. Calls for emergency ambulance service continue to increase.

• **Communications Center** budget increases by 1.7%. As in FY13, there will be 12 dispatcher positions, one of them funded by a state grant for a savings of \$44,341 plus benefits. Pre-construction work funded entirely by a state grant will proceed for a regional dispatch center.

• **Animal Welfare budget** remains virtually unchanged, increasing by only 0.2%. No changes are expected for this one-person department.

More information is available at <http://www.amherstma.gov/DocumentCenter/View/21818>

PUBLIC WORKS

4% OF GENERAL FUND OPERATING BUDGETS

	FY 10 Actual	FY 11 Actual	FY 12 Actual	FY 13 Budget	FY 14 Manager	Change FY 13-14	% Change
Public Works Administration	\$ 237,959	259,075	286,085	302,846	286,155	(16,691)	-5.5%
Highway	\$ 557,168	718,467	741,264	557,255	622,903	65,648	11.8%
Snow & Ice Removal	\$ 187,455	280,081	150,238	280,410	280,410	0	0.0%
Street & Traffic Lights	\$ 84,612	114,754	104,938	139,650	99,650	(40,000)	-28.6%
Equipment Maintenance	\$ 236,729	239,442	258,364	252,556	255,495	2,939	1.2%
Tree and Grounds Maintenance	\$ 358,102	401,037	410,098	463,967	475,514	11,547	2.5%
TOTAL APPROPRIATION	\$ 1,662,025	2,012,856	1,950,987	1,996,684	2,020,127	23,443	1.2%

SOURCES OF FUNDS

Departmental Receipts	\$ 17,939	16,050	20,647	16,000	16,000	0	0.0%
Water Fund	\$ 195,023	198,820	202,624	206,678	212,363	5,685	2.8%
Sewer Fund	\$ 143,769	148,251	149,542	154,848	150,831	(4,017)	-2.6%
Transportation Fund	\$ 43,919	42,162	39,737	42,687	47,295	4,608	10.8%
Taxation	\$ 1,261,375	1,607,573	1,538,437	1,576,441	1,593,638	17,197	1.1%

RECOMMENDED by the Finance Committee vote of 7-0

BUDGET: \$2,020,127 an increase of 1.2%, or \$23,443, from FY13. (Sources of funds are listed in accompanying chart.)

BASIC FUNCTIONS: The Public Works functional area provides maintenance for most of the Town's outdoor facilities as well as a few buildings. The administration oversees the public works activities and budgets (highway, snow and ice removal, street and traffic lights, equipment maintenance, and tree and grounds maintenance) as well as activities and budgets of the Water, Sewer, and Solid Waste Enterprise Funds.

FULL-TIME-EQUIVALENT EMPLOYEES: 26.83, a reduction of 0.4 FTE from FY13, because of a reassignment of duties of one clerical position.

FY13 SUMMARY

Services were preserved at current levels. There was an increase of 2.9%, or \$55,454 in this budget from FY12 that funded the employee collective bargaining settlement.

- **Public Works Administration:** The DPW completed the construction of the Amherst Road sewer line project and construction support to Mass DOT for the Atkins Corner Intersection Improvements and the Wildwood Safe Routes to Schools projects. They also piloted a new road resurfacing technique.
- **Highway:** The Highway division installed sanitary sewers on Cherry Lane and Lincoln Avenue and a new storm drain line on Cottage Street. This division also supported the Atkins Corner project and the conversion of Town owned street lights to LED.
- **Snow and Ice Removal:** There were 11 snowstorms during this fiscal year. The Department is on budget for the year.
- **Street and Traffic Lights:** All Town owned streetlights outside the downtown area are being converted to LED, a project funded by a grant and electric company rebates.
- **Equipment Maintenance:** All vehicles used for road maintenance, snow-plowing, tree care, park maintenance, leaf pick-up, water and sewer (with appropriate reimbursements to the General Fund from the Enterprise Funds) were maintained, repaired and serviced by a crew of three.
- **Tree and Ground Maintenance:** This division maintained the cemeteries, trees, parks, commons, and the downtown after the separate divisions were previously merged. This division also began implementing the tree planting plan, the goal of which is to plant 2,000 trees town-wide in 3 years.

PUBLIC WORKS

FY14 SUMMARY

There is an increase in 1.2%, or \$23,443 in this budget from FY13. Services will be preserved at current levels. The increase will fund the employee collective bargaining settlement.

- **Public Works Administration:** There is a decrease of 5.5%, or \$16,691, due to the moving of the secretary to the Water and Sewer Funds. This budget includes funds for utilities and maintenance of the Public Works facility.
- **Highway:** Highway operating expenses increase by 11.8% or \$65,678, due to the collective bargaining settlement and less funding from project work. The reliance on project funding for staffing is reduced because of a transfer of \$40,000 in electricity savings from the Streetlight accounts as well as the reassignment of the administrative staff position to the Water and Sewer Departments. Road maintenance supplies are included in this budget, as is funding for traffic line painting, \$24,000, a purchased service.
- **Snow and Ice Removal:** This budget remains the same as FY13. It provides funds for overtime for snowplowing when snowplowing is required beyond the workday or beyond an employee's 40 hour workweek. Plowing done during the workday is charged to other Public Works budgets. It also includes funds for equipment maintenance, equipment rental, rental of dump trucks for snow removal, and supplies (melting agents, sand, gasoline and diesel). The capital outlay (\$5000) provides for the replacement of a snowplow, part of an annual replacement program.
- **Street and Traffic Lights:** This budget decreases by 28.6% or \$40,000 due to the conversion of Town owned streetlights outside the downtown area to LED. It includes funds for electricity and maintenance of approximately 1,140 street lights and for traffic lights at 14 signalized intersections. There are no personnel costs associated with this budget. Savings in this budget have been transferred to the Highway division.
- **Equipment Maintenance:** There is an increase of 1.2% or \$2,939 in this budget due to the collective bargaining settlement. All vehicles (approximately 73) used for road maintenance, snow-plowing, tree care, park maintenance, leaf pick-up, water and sewer (with appropriate reimbursements to the General Fund from the Enterprise Funds) are maintained, repaired and serviced by a crew of three.
- **Tree and Ground Maintenance:** This budget increases by 2.5%, or \$11,547 due to increases resulting from the collective bargaining settlement. This budget includes funds for mowing and maintaining parks, commons, cemeteries, and other green spaces around town, and athletic fields (including schools). It also maintains park facilities. It includes funds for lighting parks and commons but does not include electricity for Community Field.

More information is available at <http://www.amherstma.gov/DocumentCenter/View/21819>

CONSERVATION AND DEVELOPMENT

2% OF GENERAL FUND OPERATING BUDGETS

		FY 10 Actual	FY 11 Actual	FY 12 Actual	FY 13 Budget	FY 14 Manager	Change FY 13-14	% Change
Conservation	\$	221,729	215,219	251,398	262,420	272,432	10,012	3.8%
Planning	\$	264,239	232,038	265,645	280,151	283,098	2,947	1.1%
Inspection Services	\$	313,821	315,227	361,743	384,989	455,318	70,329	18.3%
TOTAL APPROPRIATION	\$	799,789	762,484	878,785	927,560	1,010,848	83,288	9.0%

SOURCES OF FUNDS

Departmental Receipts	\$	68,820	60,560	72,514	62,400	62,400	0	0.0%
Licenses & Permits	\$	472,696	371,607	483,042	436,500	514,753	78,253	17.9%
Rental of Land	\$	1,065	1,085	1,090	1,000	1,000	0	0.0%
Grants	\$	8,000	8,000	0	8,000	0	(8,000)	-100.0%
Water Fund	\$	16,433	16,865	16,258	18,768	19,380	612	3.3%
Golf Course Fund	\$	0	0	0	0	0	0	0.0%
Transportation Fund	\$	4,903	0	0	0	0	0	0.0%
Taxation	\$	437,467	409,147	478,676	503,703	524,050	20,347	4.0%

RECOMMENDED by the Finance Committee vote of 7-0

BUDGET: \$1,010,848, an increase of \$83,288 (9%) from FY13, due mainly to new positions for implementation of the Rental Registration Bylaw proposed in Article 29. New fee revenue is expected to cover most of that additional cost. (Sources of funds are listed in accompanying chart.)

BASIC FUNCTIONS: Monitoring, protecting, and enhancing the Town's developed and undeveloped environments through protection of open space; long range planning for an orderly and appropriate development process; implementation of the Master Plan; and application of policies, regulations, state laws, and local bylaws enacted to promote these goals. This consolidated functional area encompasses the Conservation, Planning, and Inspection Services departments.

FULL-TIME-EQUIVALENT EMPLOYEES: 16.12, an increase of 3.0 FTE from FY13. (see explanation below)

FY13 SUMMARY

In FY13, the Conservation Department successfully secured "Green Community" status for the Town, and received more than \$800,000 in grants for energy conservation and infrastructure improvements including Amethyst Brook dam removal and Wentworth Farm Conservation area bridge replacements. The Planning Department has been busy during FY13 creating zoning amendments designed to implement the goals of the Amherst Master Plan. Three of these passed Town Meeting with the other three receiving strong support, but falling just short of the super majority requirement for zoning changes. The Inspections Department began deploying the Safe and Healthy Neighborhoods initiative, a task force of Town staff responsible for permitting and housing code enforcement that coordinates enforcement efforts and evaluates the effectiveness of regulations and enforcement approaches.

FY14 SUMMARY

The most significant changes proposed to the Conservation and Development FY14 budget is in the Inspection Services Department. This Department's proposed budget includes the addition of three new FTEs. Year over year, the number of FTEs increases from 5 to 8. These changes are an effort by the Department to increase service accountability and availability. This will include the implementation of a periodic inspection program while continuing to strengthen inspection procedures, clarify the inspection and permit process, and improve code enforcement. The Department has also had recent success with pre-construction meetings prior to the commencement of larger projects.

The first new position would change the electrical inspector's position from one paid on a per inspection basis to a full time employee position. This would add a new FTE. Some of the resources previously used for the electrical inspector position will be used to retain a part time Plumbing and Gas Inspector. The second and third new positions would result from the new Rental Registration Bylaw proposed by the Safe and Healthy Neighborhoods working group (Article 29). The new positions would be created as of January 1, 2014, and therefore only half the expenses associated with the additional salaries and benefits apply to the FY14 budget. It is anticipated that most of the expense of the new Code Enforcement Officer and the

CONSERVATION AND DEVELOPMENT

associated administrative position will be covered by the fees generated by the Rental Registration Bylaw. The total cost of building and staffing the new system is \$218,000, but \$75,000 of that is for the existing Code Enforcement Officer position added in FY12. During a full year, rental registration fees are estimated to generate \$157,500, not including penalty fees.

The proposed FY14 appropriation would increase the Conservation Department's budget by 3.8%. The number of FTE's would remain unchanged at 4.3. The appropriation increase would cover contract settlements reached in the 2011 collective bargaining agreement as well as the Director's salary increase as a result of his promotion to Assistant Town Manager. FY14 will see the Department working with the Conservation Commission to complete a Land Use and Management Policy. Among the many grant applications in process, the grants for the Puffer's Pond Management Plan are a priority. In the meantime, the Department tends to the development and management of more than 80 miles of trails and 2000 acres of conservation land. The total FY14 appropriation for the Planning Department would increase 1.1% year over year and the number of FTE's would remain unchanged at 3.8. The Planning Department has many projects underway. In addition to their work with the new Master Plan Implementation Committee, the Department will work to complete the re-zoning process at Atkins Corner and in North Amherst, perform several traffic and housing market studies, set construction Permit Performance Standards, and remap flood prone areas. Planning will also be at the center of the Safe and Healthy Neighborhood initiative while the Department also works to move projects along at Hawthorne Meadows, Puffer's Pond, Kendrick Park, the North Amherst solar site, and on the North Common.

For more information, go to <http://www.amherstma.gov/DocumentCenter/View/21817>

FINANCE COMMITTEE REPORT - FY14

COMMUNITY SERVICES

3% OF GENERAL FUND OPERATING BUDGETS

	FY 10 Actual	FY 11 Actual	FY 12 Actual	FY 13 Budget	FY 14 Manager	Change FY 13-14	% Change
Public Health	\$ 247,778	234,787	246,265	264,400	251,363	(13,037)	-4.9%
Senior Center	\$ 173,536	176,485	180,059	184,789	185,035	246	0.1%
Veterans' Services	\$ 254,763	328,939	331,260	294,369	319,369	25,000	8.5%
Leisure Services & S.E.	\$ 554,450	453,943	478,136	522,331	522,985	654	0.1%
Pools	\$ 82,767	75,927	122,078	189,358	189,386	28	0.0%
Golf Course	\$ 218,533	221,414	237,455	237,635	240,100	2,465	1.0%

TOTAL APPROPRIATION	\$ 1,531,827	1,491,495	1,595,253	1,692,882	1,708,238	15,356	0.9%
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SOURCES OF FUNDS

Departmental Receipts	\$ 659,354	613,935	616,075	752,030	731,030	(21,000)	-2.8%
Licenses & Permits	\$ 74,700	70,585	73,230	71,100	67,100	(4,000)	-5.6%
Fines	\$ 500	0	1,450	500	500	0	0.0%
State Reimbursement	\$ 120,555	144,499	192,615	196,112	196,112	0	0.0%
Sewer Fund	\$ 2,000	2,000	2,000	2,000	2,000	0	0.0%
Taxation	\$ 717,034	642,499	850,814	850,814	739,268	(111,546)	-13.1%

RECOMMENDED by the Finance Committee vote of 7-0

BUDGET: \$1,708,238, an increase of 0.9% (\$15,356) from FY13. (Sources of funds are listed in accompanying chart.)

BASIC FUNCTIONS: Provides funds for a variety of human services needs in the Town. These include public health services, senior programming and services, veterans' services and administration of benefits, a school/town partnership to provide out-of-school-time support for students and families, and recreation and other leisure services for youth and adults.

FULL-TIME-EQUIVALENT EMPLOYEES: 15.0 FTEs, unchanged from FY13.

FY13 SUMMARY

The Public Health Department coordinated the Safe and Healthy Neighborhoods Working Group, focusing on evaluation of new procedures and initiatives to improve Amherst neighborhoods, and developed a shared Public Health Nursing position with the City of Northampton. The Senior Center added a 15-hour-a-week program assistant to aid its social worker, secured a grant to augment the emergency fund, and maintained Center programs and services through grants and donations. Veterans' Services are provided by the Central Hampshire Veterans' Services (CHVS), a regional consortium that began in FY10 as 6 towns, then expanded to 8 and will soon include 10 communities with help from a state Communities Innovation Challenge grant. As a result, the cost to provide this program has remained essentially unchanged despite the increase in the number of eligible veterans and their need for benefits and other services.

Leisure Services & Supplemental Education (LSSE) successfully implemented the new Amherst Afterschool Program which is operating in 3 elementary schools, replacing 4 separate programs, and meeting educational, recreational and after school care needs of participating children and families. Despite a brief construction delay due to weather, the War Memorial Pool was reopened. The Cherry Hill Golf Course revenues for the first half of FY13 exceeded the revenue for that period from the prior year, while expenditures have remained constant.

FY14 SUMMARY

- **Public Health** budget decreases by 4.9% from FY13 because of a change in the method of sharing a health inspector and a public health nurse with the City of Northampton. This arrangement results in more hours, 20 per week, for a public health nurse at decreased cost. The Cambodian Outreach position was reduced to 12 hours in October 2012 and more recently to 3 hours due to lack of external funding. An intern does outreach through the Senior Center as most Cambodians needing help are seniors. (The schools have a full time Cambodian Outreach Coordinator.)

- **Senior Center** budget increases by 0.1%, essentially unchanged. Virtually all of the expenses are for Personnel Services include salaries for the Senior Center's Director, a Program Director (social worker), and an Administrative Assistant (office manager), and a part-time Program Assistant.

COMMUNITY SERVICES

- **Veterans' Services** budget increases by 8.5% (\$25,000) to reflect the increasing caseload and need for benefits. Seventy-five percent of the cost of these benefits, which will total \$248,800, will be reimbursed by the Commonwealth in a future year. For FY14, we estimate Veteran's Services revenue at \$153,052, reported as part of the state aid revenue.
- **LSSE** budget. The appropriated portion increases by 0.1%. The budget also includes revenue from fees that are paid into the revolving fund, shown as program income. The assumed income from fees has been reviewed to create a more realistic assumption of fee-based participation.
- **Municipal Pools** budget is level funded and supports both outdoor pools for the entire season. The fees used to support pools increases and the funds appropriated from general revenue decreases because the War Memorial Pool will be open for the entire season.
- **Golf Course** increases by 1.0%. Revenues are projected at \$268,000 and include several new initiatives to increase revenues, such as additional winter programming, a Sunday Men's League, recruitment of additional corporate members and tournaments, and a disc golf program.

More information is available at <http://www.amherstma.gov/DocumentCenter/View/21812>

FINANCE COMMITTEE REPORT - FY14

GENERAL FUND INDEBTEDNESS

	FY 10 Actual	FY 11 Actual	FY 12 Actual	FY 13 Budget	FY 14 Fin Com	Change FY 13 - 14	Percent Change
Amherst Housing Authority (CPA)	\$ 0	0	0	44,100	43,400	(700)	-1.6%
Bangs Community Center Roof/HVAC	\$ 0	50,114	47,607	46,422	40,219	(6,203)	-13.4%
Crocker Farm Renovation	\$ 272,000	266,000	259,500	252,000	237,959	(14,041)	-5.6%
Deferred Teachers' Payroll	\$ 56,514	56,500	0	0	0	0	0.0%
DPW - Roads Reconstruction	\$ 0	0	585,063	558,000	546,750	(11,250)	-2.0%
Hawthorne Property Acquisition (CPA)	\$ 0	0	65,007	62,000	60,750	(1,250)	-2.0%
High School Renovations	\$ 400,837	352,466	305,688	259,374	213,523	(45,851)	-17.7%
High School Roof	\$ 114,765	110,994	107,341	103,689	99,918	(3,771)	-3.6%
Interest on Temporary Debt	\$ 5,054	5,370	0	17,911	20,000	2,089	11.7%
Jones Library	\$ 54,473	47,179	0	0	0	0	0.0%
Plum Brook Recreation Fields (Partial CPA)	\$ 51,697	55,520	53,400	51,840	50,160	(1,680)	-3.2%
Portable Classrooms	\$ 0	0	30,222	32,190	34,650	2,460	7.6%
Sidewalks (2005)	\$ 77,188	75,075	72,800	70,200	67,600	(2,600)	-3.7%
South Amherst School	\$ 0	0	4,818	21,640	24,300	2,660	12.3%
Town Hall Exterior	\$ 73,013	66,812	63,630	61,989	60,221	(1,768)	-2.9%
Town Hall Renovations Refunding (2005)	\$ 212,900	202,375	196,600	185,000	178,600	(6,400)	-3.5%
Wildwood Roof	\$ 66,885	64,905	62,925	61,013	0	(61,013)	-100.0%
Police Communication Equipment	\$				28,154		
Central Fire Station Renovations	\$				23,419		
DPW Large Truck	\$				33,785		
Trees	\$				68,920		
Roads	\$				127,275		
TOTAL APPROPRIATION	\$ 1,385,325	1,353,311	1,854,602	1,827,368	1,959,603	(149,318)	-8.2%
Taxation	1,251,651	1,242,056	1,681,157	1,619,737	1,795,516	175,779	0
CPA	83,774	66,411	128,601	123,833	164,087	40,254	32.5%
Fund Balance Reserved for Debt Service Account	49,900	44,844	44,844	83,798	0	(83,798)	-100.0%

RECOMMENDED by Finance Committee vote of 7-0.

This appropriation includes principal payments of \$1,589,353 and interest payments of \$370,250 and represents an overall increase of 7.2% compared to debt service payments in FY13. Of the total debt service, \$1,795,516 (91.6%) were funded through taxation and the remaining \$164,087 with CPAC funds. The Town sold all new debt at an average annual interest rate of 1.8%, realizing \$2,288 in savings because of the low rate.

High School Renovation project is funded by a Proposition 2½ debt exclusion (Amherst's FY14 share is \$213,523). This declining obligation, down 17.7 % from FY13, will be paid off in FY18, and, when retired, the projected tax levy will effectively be reduced since this debt service is a property tax charge over the Proposition 2½ limit.

The Town's debt obligations receive support from sources other than taxation and State grants. The CPA Fund pays \$33,106 in debt service on the Plum Brook Recreation Field construction, \$60,750 of the Hawthorne property acquisition, \$43,400 of the Affordable Housing Renovations, and \$26,831 for Town Hall exterior repairs. CPA support accounts for 6.16 percent of the total General Fund borrowing.

The debt service allocations for FY14 are as follows: the Town Hall renovations refunding (\$178,600), the High School Roof project (\$99,918), the Crocker Farm School renovation project (\$237,959), the Bangs Community Center roof and HVAC project (\$40,219), the Town Hall exterior renovation project (\$33,390), South Amherst School Renovation & Roof (\$24,300), Portable Classrooms (\$34,650), Road Improvements (\$546,750), the Sidewalks (\$67,600), and Plum Brook Athletic Field Renovations (\$17,054) are all included in the Town's capital plan using money from the General Fund. In addition, for FY14, the following new projects were allocated amounts as indicated: Trees, \$68,920; DPW truck, \$33,785; Fire Headquarters, \$23,419; Police Communications, \$28,154, and Roads \$127,275.

Interest on temporary debt is expected to be \$20,000.

The debt issues for the new projects were: Trees, \$306,000; DPW truck, \$150,000; Fire Headquarters, \$184,000; and Police Communications, \$125,000. The fall 2012 Town Meeting approved \$1,000,000 in new debt for road repair.

Debt service related to the Enterprise Funds (e.g., payment on bonds to pay for sewer extensions) is included in those budgets and is not authorized in this motion.

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FINANCE COMMITTEE REPORT - FY14

WATER FUND

SOURCES OF FUNDS	FY 10 Actual	FY 11 Actual	FY 12 Actual	FY 13 Budget	FY 14 Department	Change FY 13 - 14	Percent Change
Operating Revenues	\$ 3,868,419	4,090,295	3,923,046	3,905,995	4,221,000	315,005	8.1%
Interest and Late Fees	\$ 24,575	21,074	21,759	20,000	20,000	0	0.0%
Borrowing Authorizations	\$					0	--
Surplus Funds	\$ 215,684	145,624	478,543	0	21,887	21,887	--
Other Available Funds	\$ 0	0	0	0	0	0	0.0%
TOTAL	\$ 4,108,678	4,256,993	4,423,348	3,925,995	4,262,887	336,892	8.6%

EXPENDITURES	FY 10 Actual	FY 11 Actual	FY 12 Actual	FY 13 Manager	FY 14 Department	Change FY 13 - 14	Percent Change
Operating Budget	\$ 2,452,970	2,481,230	2,738,055	2,874,504	3,150,628	276,124	9.6%
Debt Service	\$ 779,773	703,716	703,688	298,850	294,850	(4,000)	-1.3%
Capital Program	\$ 536,600	345,000	384,000	325,000	368,000	43,000	13.2%
TOTAL APPROPRIATION	\$ 3,769,343	3,529,946	3,825,742	3,498,354	3,813,478	315,124	9.0%
Indirect Costs Appropriated in General Fund	\$ 394,416	411,616	415,568	427,641	449,409	21,768	5.1%
TOTAL EXPENDITURES	\$ 4,163,759	3,941,562	4,241,310	3,925,995	4,262,887	336,892	8.6%

RECOMMENDED by the Finance Committee vote of 7-0

BUDGET: \$4,262,887, an increase of 8.6%, or \$336,892, from the FY13 Water Fund budget. (Sources of funds are listed in accompanying chart.)

BASIC FUNCTIONS: The development, treatment, and distribution of the potable water supply for the Town via the enterprise fund completely supported by user fees.

FULL-TIME-EQUIVALENT EMPLOYEES: 17.98, an increase of 1.5 FTE from FY13.

FY13 SUMMARY

The budget proposed for FY13 was smaller than FY12 primarily due to the significant reduction in debt service by the retirement of the Atkins Water Treatment Plant debt. The most recent collective bargaining contracts increased personnel costs by 1.4%. Operating costs were increasing by 1.6% due to an increased assessment by the Hampshire County Retirement Board and more employees electing to participate in the health benefits offered by the Town.

In order to sustain the Water Fund Balance against ongoing inflationary pressures, two actions were taken. First, no Water Fund Balance monies were used to support the FY13 Town operating budget. Second, for the first time in two years the water rate increased. The increase of \$0.10 per hundred cubic feet will make the water rate \$3.40 which remains below state and regional averages.

Debt Service in FY13 covered the principal and interest payment for the Centennial Treatment Facility (\$298,850). Capital Program expenditures are: \$50,000 for Treatment System Improvements, \$50,000 for Water System Improvements, \$45,000 for a Replacement Vehicle, \$175,000 for a backhoe, and \$5,000 for DPW Facility Improvements.

FY14 SUMMARY

The proposed FY14 budget is 8.6% higher than in FY13. This increase is due to the inclusion, for the first time, of the costs associated with Other Post Employment Benefits (OPEB), an increase in the assessment by the Hampshire County Retirement Board, and more employees electing to participate in the health benefits offered by the Town. The OPEB payment, which is used to fund health insurance for retirees of the Water Fund, will be made to the OPEB Trust Fund and is similar to the retirement assessment paid to the Hampshire County Retirement Board. The 1.5 FTE increase in the employees in the Water Fund contribute significantly to the 6.3% increase in Personnel Services in this budget. The change in FTE is due to the addition of a half-time secretary and the conversion of a mechanic position into two laborer positions.

WATER FUND

Although a modest amount of the Water Fund Balance (\$21,887) will be used to support the Town operating budget, no increase in the water rate is recommended. The additional water usage created by the opening of the University's Commonwealth College dormitories is expected to raise the Water Fund revenues by approximately \$315,000 during FY14 thus mitigating the need for any change in the water rate.

Debt Service in FY14 covers the principal and interest payment for the Centennial Treatment Facility (\$294,850). Capital Program expenditures are: \$100,000 for Treatment System Improvements, \$200,000 for Water System Improvements, \$45,000 for a Replacement Vehicle, \$18,000 for a mower, and \$5,000 for DPW Facility Improvements.

More information is available at <http://www.amherstma.gov/DocumentCenter/View/21824>

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FINANCE COMMITTEE REPORT - FY14

SEWER FUND

SOURCES OF FUNDS	FY 10 Actual	FY 11 Actual	FY 12 Actual	FY 13 Budget	FY 14 Department	Change FY 13 - 14	Percent Change
Operating Revenues	\$ 3,592,414	3,751,953	3,724,663	3,726,520	3,967,000	240,480	6.5%
Interest and Late Fees	\$ 22,150	20,559	20,744	20,000	20,000	0	0.0%
Borrowing Authorizations	\$ 0	0	0	0	0	0	--
Surplus Funds	\$ 232,658	248,917	248,917	242,668	114,353	(128,315)	0.0%
Other Available Funds	\$ 0	0	0	0	0	0	0.0%
TOTAL	\$ 3,847,222	4,021,429	3,994,324	3,989,188	4,101,353	112,165	2.8%

EXPENDITURES	FY 10 Actual	FY 11 Actual	FY 12 Actual	FY 13 Manager	FY 14 Department	Change FY 13 - 14	Percent Change
Operating Budget	\$ 2,466,101	2,540,695	2,711,541	2,846,789	3,081,477	234,687	8.2%
Debt Service	\$ 327,803	318,533	309,013	320,066	430,927	110,861	34.6%
Capital Program	\$ 373,600	295,000	336,000	486,000	255,000	(231,000)	-47.5%
TOTAL APPROPRIATION	\$ 3,167,503	3,154,227	3,356,554	3,652,855	3,767,404	114,548	3.1%
Indirect Costs Appropriated in General Fund	306,144	324,691	323,032	336,333	333,949	(2,384)	-0.7%
TOTAL EXPENDITURES	\$ 3,473,647	3,478,918	3,679,586	3,989,188	4,101,353	112,165	2.8%

RECOMMENDED by the Finance Committee vote of 7-0

BUDGET: \$4,101,353, an increase of 2.8%, or \$112,165, from FY13. (Sources of funds are listed in accompanying chart.)

BASIC FUNCTIONS: The collection, treatment, and disposal of sewage for the Town via Enterprise Fund completely supported by user fees.

FULL-TIME-EQUIVALENT EMPLOYEES: 18.33, an increase of 0.5 FTE from FY13.

FY13 SUMMARY

A large Capital equipment purchase (see the Vactor truck below) was the significant component of the increase in the Sewer Fund budget. The usual inflationary elements, such as increased personnel costs due to collective bargaining contracts, utility cost increases, etc., coupled with increases in operating costs due to an increased retirement assessment and more employees electing to participate in the health benefits, resulted in the need for an increase in the sewer rate. The \$0.10 per 100 cubic feet increase, to \$3.45 per 100 cubic feet has helped to maintain the Sewer Fund Balance at an appropriate level.

Debt Service of \$320,066 for FY13 covered the principal and interest payments for the Middle Street sewer extension project, \$193,206; the Chapel Road/Mechanic Street sewer extension, \$106,000; and the Harkness Road/Wildflower Drive sewer extension design, \$20,860. Capital Program expenditures are: \$20,000 for Collection System Improvements, \$50,000 for Treatment System Improvements, \$31,000 for a replacement vehicle; \$380,000 for a Vactor truck, an essential piece of equipment used to clean sewers and storm drains; and \$5,000 for DPW Facility improvements.

FY14 SUMMARY

In order to fund the significant ongoing debt service within this fund and to help maintain a healthy fund balance, the Town Manager recommended a sewer rate increase to the Select Board for the second year in a row. With the \$0.10 per 100 cubic feet increase the new rate will be \$3.55 per 100 cubic feet, which still remains below the state and regional averages. This new rate will result in an increase of approximately \$12 in the annual sewer bill of the average four-person household.

A significant change in this budget in FY14 is due to the inclusion, for the first time, of the costs associated with Other Post Employment Benefits (OPEB). The OPEB payment, which is used to fund health insurance for retirees of the Sewer Fund, will be made to the OPEB Trust Fund and is similar to the retirement assessment paid to the Hampshire County Retirement Board. A significant portion of these costs were offset by a reduction in the capital expenditures in FY14 (down \$231,000 from FY13) thus allowing the overall budget to increase by a manageable 2.8%. The 0.5 FTE increase in personnel in this enterprise fund is due to the additional of a half time secretary (transferred from the General Fund).

SEWER FUND

Debt Service of \$430,927 for FY14 covers the principal and interest payments for the Harkness Road/Wildflower Drive sewer extension, \$311,427; the Chapel Road/Mechanic Street sewer extension, \$102,000; and the Harkness Road sewer extension design, \$17,500. Capital Program expenditures are: \$100,000 for Collection System Improvements, \$150,000 for Treatment System Improvements, and \$5,000 for DPW Facility improvements.

More information is available at <http://www.amherstma.gov/DocumentCenter/View/21821>

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FINANCE COMMITTEE REPORT - FY14

SOLID WASTE FUND

SOLID WASTE

SOURCES OF FUNDS	FY 10 Actual	FY 11 Actual	FY 12 Actual	FY 13 Manager	FY 14 Department	Change FY 13 - 14	Percent Change
Operating Revenues	\$ 390,341	465,810	542,428	496,000	525,565	29,565	6.0%
Interest and Late Fees	\$ 1,500	780	526	800	330	(470)	-58.8%
Borrowing Authorizations	\$ 0	0	0	0	0	0	0.0%
Taxation	0	0	0	0	0	0	0.0%
Other Available Funds	\$ 0	0	0	0	10,000	10,000	0.0%
Surplus Funds	\$ 128,945	36,700	37,249	53,055	0	(53,055)	-100.0%
TOTAL	\$ 520,786	503,290	580,204	549,855	535,895	(13,960)	-2.5%

EXPENDITURES	FY 10 Actual	FY 11 Actual	FY 12 Actual	FY 13 Manager	FY 14 Department	Change FY 13 - 14	Percent Change
Operating Expenditures	\$ 488,232	512,207	580,204	549,855	535,895	(13,960)	0.0%
Debt Service	\$ 0	0	0	0	0	0	0.0%
Capital Program	\$ 0	0	0	0	0	0	0.0%
Transfer to Trust Funds	\$ 0	0	0	0	0	0	0.0%
TOTAL APPROPRIATION	\$ 488,232	512,207	580,204	549,855	535,895	(13,960)	-2.5%
Indirect Costs Appropriated in General Fund	0	0	0	0	0	0	0.0%
TOTAL EXPENDITURES	\$ 488,232	512,207	580,204	549,855	535,895	(13,960)	-2.5%

RECOMMENDED by the Finance Committee vote of 7-0

BUDGET: \$535,895, a decrease of 2.5%, from FY13. (Sources of funds are listed in accompanying chart.)

BASIC FUNCTIONS: Utilizing a user fee based revenue system to develop and promote programs that are viable alternatives to landfilling and to dispose of solid waste in an environmentally safe manner. This includes monitoring closed landfills, managing the recycling and transfer facility, monitoring Town-wide solid waste and recycling collection and disposition, and special activities such as hazardous waste collection and disposal.

FULL-TIME-EQUIVALENT EMPLOYEES: 3.4, a decrease of 0.6 FTE from FY13.

FY13 SUMMARY

The FY13 budget was virtually level funded. The slight difference was due to the increase in personnel services costs exceeding the cuts in operating costs. The use of \$53,055 from the Solid Waste Fund Balance to support this budget was roughly half of the Fund balance. The major focus in FY13 will be working toward the installation of a solar array at the old landfill on the southwest side of Belchertown Road. The Recycling and Refuse Committee in conjunction with Town staff are currently studying options for the Solid Waste Fund, the Transfer Station, and the long term Waste Management Plan for the Town.

FY14 SUMMARY

The slight decrease in the Solid Waste Fund budget is due to the 0.6 FTE reduction in staff assigned to this Fund which more than offsets the increases in the operating expenses. Fund balance monies will not be used to support the budget this year; however, \$10,000 from a reserve fund established to pay for the ongoing monitoring of the landfills is used in this budget. The Town continues to explore options to generate revenues for the Solid Waste Fund from Town-owned properties such as, but not limited to, photovoltaic solar power generation.

More information is available at <http://www.amherstma.gov/DocumentCenter/View/21822>

FINANCE COMMITTEE REPORT - FY14

TRANSPORTATION FUND

SOURCES OF FUNDS	FY 10 Actual	FY 11 Actual	FY 12 Actual	FY 13 Manager	FY 14 Department	Change FY 13 - 14	Percent Change
Operating Revenues	\$ 961,735	943,217	898,662	979,000	1,003,434	24,434	2.5%
Interest and Late Fees	\$ 2,136	2,708	929	2,000	1,000	(1,000)	0.0%
Borrowing Authorizations	\$ 0	0	0	0	0	0	0.0%
Surplus Funds	\$ 84,323	55,833	88,688	100,218	0	(100,218)	0.0%
TOTAL	\$ 1,048,194	1,001,758	988,280	1,081,218	1,004,434	(76,784)	-7.1%
EXPENDITURES	FY 10 Actual	FY 11 Actual	FY 12 Actual	FY 13 Manager	FY 14 Department	Change FY 13 - 14	Percent Change
Operating Budget	\$ 781,742	707,320	686,606	883,408	808,474	(74,934)	-8.5%
Debt Service	\$ 64,019	71,032	67,763	65,975	59,125	(6,850)	-10.4%
Capital Program	\$ 50,000	75,000	80,000	35,000	40,000	5,000	14.3%
TOTAL APPROPRIATION	\$ 895,761	853,352	834,369	984,383	907,599	(76,784)	-7.8%
Indirect Costs Appropriated in General Fund	\$ 96,907	93,782	92,643	96,835	96,835	0	0.0%
TOTAL EXPENDITURES	\$ 992,668	947,134	927,012	1,081,218	1,004,434	(76,784)	-7.1%

RECOMMENDED by the Finance Committee vote of 7-0

BUDGET: \$1,004,434, a decrease of 7.1% from FY13. (Sources of funds are listed in accompanying chart.)

BASIC FUNCTIONS: To provide a parking and public transportation system for the Town via the completely self-supporting enterprise fund.

FULL-TIME-EQUIVALENT EMPLOYEES: 4.20, no change from FY13.

FY13 SUMMARY

The reductions in capital expenditure and debt service helped to offset the increases in the operating budget for FY13, thus keeping the overall budget increase to 1.1%. Besides the expected and usual increases in personnel services and operating costs (e.g., negotiated step and COLA pay increases), the operating budget had two significant increases for FY13. First was a new expense, \$15,000 as the Town's assessment for participation in the Business Improvement District. Second, the cost associated with the parking payment credit card transaction fees and wireless network fees for the handheld parking ticket machines was \$14,000. The Town's estimated PVTA assessment and the cost of the Outreach routes funded wholly by the Town remained unchanged in FY13, \$196,869 and \$124,940 respectively.

Debt service for FY13 was for the Boltwood Parking Garage, \$65,975. The sole capital expenditure was \$35,000 for a hybrid car.

FY14 SUMMARY

The rather significant decrease in the Transportation Fund's budget for FY14 is due to two factors. First, the reduction in the Town's share of the PVTA assessment; it is expected to be a one year change. Second is a result of the construction to be done at the Unitarian Universalist Church. The Town usually pays rent for the use of the Kellogg Avenue lot; however, with the construction the lot will be closed. Offsetting these reductions is the \$5,000 planned increase to the Town's contribution to the Business Improvement District and the increases due to pay steps and employee benefits. Monies from Transportation Fund balance will not be used to support the FY14 budget.

Debt service for FY14 is for the Boltwood Parking Garage, \$59,125. Capital expenditures are as follows: \$25,000 for Parking Garage structures, \$10,000 for lines and signs in the Town center, and \$5,000 for a safety grate in the Parking Garage.

More information is available at <http://www.amherstma.gov/DocumentCenter/View/21823>

AMHERST ELEMENTARY SCHOOLS

38% OF GENERAL FUND OPERATING BUDGETS

	FY 10	FY 11	FY 12	FY 13	FY 13	FY 14	Difference
	Actual	Actual	Actual	Original Budget	Current Budget	Fin Comm	
<u>PAYROLL ACCOUNTS</u>							
Salaries							
Regular Education	6,467,262	6,525,675	6,701,775	6,951,325	6,826,625	6,444,379	(506,946)
Special Education	4,184,124	3,891,291	4,422,903	4,571,672	4,581,672	4,654,326	82,654
Support Services	831,531	817,579	864,570	853,896	854,871	1,127,652	273,756
School Administration	930,076	835,094	806,573	815,938	815,938	819,239	3,301
Central Administration	491,673	478,963	482,202	480,272	480,272	628,565	148,293
Information Systems	165,165	205,135	212,984	186,010	186,010	205,129	19,119
Facilities	725,873	723,463	740,282	726,409	726,409	721,521	(4,888)
Transportation	191,946	194,795	190,105	204,920	204,920	199,975	(4,945)
Total Salaries	13,987,649	13,671,995	14,421,395	14,790,442	14,676,717	14,800,786	10,344
Substitutes	166,241	142,771	186,857	150,397	150,397	150,397	-
<u>EXPENSE ACCOUNTS:</u>							
Regular Education	130,802	126,304	60,558	48,874	56,738	45,434	(3,440)
Special Education	188,495	193,007	219,399	271,245	258,518	375,178	103,933
Other Programs	288,037	477,754	654,748	712,622	711,182	868,394	155,772
Support Services	44,770	23,039	57,357	40,170	42,204	40,822	652
Program/Staff Development	141,787	147,297	208,165	220,648	205,893	247,165	26,517
School Administration	80,552	50,573	52,743	46,306	46,203	33,694	(12,612)
Central Administration	96,467	105,944	106,629	99,754	105,345	99,754	-
Information Systems	158,810	138,871	79,800	117,557	138,107	117,557	-
Facilities	178,623	236,502	127,772	125,286	125,286	125,286	-
Utilities	375,739	482,097	418,744	472,593	469,393	444,869	(27,724)
Transportation	418,665	406,198	407,361	428,856	428,856	451,146	22,290
Food Services	81,183	79,505	29,933	70,000	70,000	35,665	(34,335)
Health Insurance							-
Employees	2,373,131	2,271,395	2,245,601	2,548,178	2,548,178	2,494,486	(53,692)
Retirees	1,182,331	1,255,348	970,176	1,034,320	1,034,320	1,113,447	79,127
Other Operation Services	430,118	484,853	504,448	389,211	389,211	572,221	183,010
Other Programs & Control Accts	9,202	1,000	1,000	(8,420)	101,491	629,201	637,621
Total Expenses	6,178,712	6,479,686	6,144,435	6,617,200	6,730,925	7,694,319	1,077,119
CONTINUATION TOTAL	20,332,601	20,294,452	20,752,687	21,558,039	21,558,039	22,645,502	1,087,463
CONTINUATION BUDGET % Increase						5.0%	
Additions and Reductions						(656,303)	(656,303)
BUDGET TOTAL	20,332,601	20,294,452	20,752,687	21,558,039	21,558,039	21,989,199	431,160
Change from previous year	37,352	(38,150)	458,235	805,352	-	431,160	
Percent change from previous year	0.2%	-0.2%	2.3%	3.9%		2.0%	

*Continuation Budget Total—refers to what percent and how much the budget would increase if every item in FY13 remained in place for FY14 with adjustments made due to inflation and contractual agreements.

AMHERST ELEMENTARY SCHOOLS

RECOMMENDED by the Finance Committee vote of 6-0 with 1 abstaining. (One member abstained from any discussion and vote on the school budget due to a potential conflict of interest.)

FY14 BUDGET: The recommended FY14 Amherst Elementary School budget is \$21,989,199, an increase of 2.0%, or \$431,160. On March 12, 2013, the Amherst School Committee voted 5-0 to recommend this budget.

BASIC FUNCTION: To provide all students with the high quality education that enables them to be responsible, contributing members of a multiethnic, multicultural, pluralistic society.

FY13 SUMMARY:

This current year's Elementary budget is \$21,558,039 for an overall increase of \$805,352 or 3.9% over the FY12 appropriation of \$20,752,687, which is .9% over the Finance Committee guidelines for FY13. The Finance Committee supported the use of Town reserve funds of \$218,200 on a one-time basis for the FY13 budget for the Elementary Schools, as the Amherst School Committee voted to accept Choice-In students in the Elementary Schools which was projected to generate approximately \$200,000 in FY13 and revenues in future years. The School Committee vote met the Finance Committee Guidelines, as it presented a bona fide plan to move toward a model of service that would provide a net savings to the Town in the future, while providing acceptable levels of service and outside revenue, in order to maintain existing core services.

The anticipated grants budget total for FY13 is \$1,343,357 with \$1,069,758 in total salaries and \$273,599 in total expenses. This is a decrease in total grant funding of \$145,885 from FY12. Revolving funds total \$908,999. Projected total spending for the Amherst schools for FY13 is \$23,810,395.

Both Amherst Elementary and Region employees are in one of five union groups representing teachers, clerical/media staff, paraprofessionals, assistant principals and district administrators, four unions of which have contracts that are being renegotiated in 2013. Custodial/maintenance staff members resolved their contracts prior to the start of FY13.

School safety has been enhanced with a new entry system for buildings, and new bus protocols for kindergarten students. Partnerships with police and fire departments from the state and local communities, college/university, and the Massachusetts Emergency Management Agency routinely review and update safety measures with staff. The partnership with the University of Massachusetts focusing on the instructional core continues. The Response to Intervention (RTI) model has been implemented in all schools, which includes providing teachers access to data to inform instruction, target intervention and monitor progress. The School-Wide Positive Behavior System model has been implemented system-wide and is a proactive approach to improving social and academic competency for all students. Amherst College continued its partial funding to support the district Volunteer Coordinator position and partially underwrites the funding for a Director of Teaching and Learning. The College expanded its support for the schools by providing \$10,000 for vouchers for the Out-of-School Time partnership. At the beginning of the school year, the schools and community continued to partner and provided 300 income-eligible students with backpacks filled with school supplies.

The Fall 2011 Town Meeting approved establishment of a planning committee to explore and make a recommendation as to whether to form a K-6 Regional School District. The Amherst Regional District Planning Committee voted to become a Board with the other three Regional School towns. They have been meeting regularly. Consultants with educational and financial expertise pertaining to forming regional school districts were hired and have produced reports, which were presented at a public meeting in February 2013. The Board's goal is to present their recommendation for town-wide votes in fall, 2013.

FY14 SUMMARY:

The FY14 Amherst budget of \$21,989,199 is an overall increase of \$431,160 or 2.0% from the FY13 budget of \$21,558,039. The budget guidelines issued by the Finance Committee in November 2012 recommended a 2.0% increase for the FY14 Amherst elementary budget. This increase was based on the 3.0% increase recommended for other budgets less \$218,200 from Town Reserves, which was used for the FY13 elementary budget in anticipation of Choice-In student enrollments generating \$200,000 in revenue to be used in FY14. Choice-In openings are on a space available basis; no additional staffing is required.

The anticipated grants budget total for FY14 is \$1,258,189 with \$1,024,676 in total salaries and \$233,513 in total expenses. Overall, grant funding has been decreasing. Revolving funds total \$890,990. Projected total spending for the Amherst schools for FY14 is \$24,138,378.

The FY14 budget additions include a staff member who will serve as the liaison to the Steps in Success Program and a part-time Elementary Registrar. Due to declining enrollments, but consistent with district priorities, budget reductions include 15.8 FTEs across the three Elementary Schools.

Costs for Special Education have increased due to services required for students who have educational, behavioral and/or medical needs. Costs for Charter Schools also have increased due to enrollments and the state reimbursement formula.

AMHERST ELEMENTARY SCHOOLS

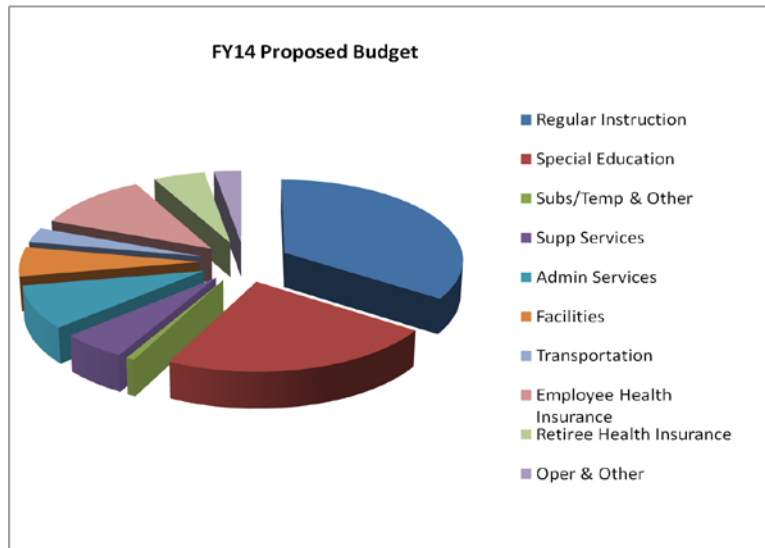
The decrease in utilities is the result of energy savings and conservation projects in the schools. A decrease in employee health benefits are due to fewer new hires enrolling in the school health plan. Those under age 26 may have remained on their parents' plan.

Other Post-Employment Benefits (OPEB) for the Elementary Schools are not in this budget.

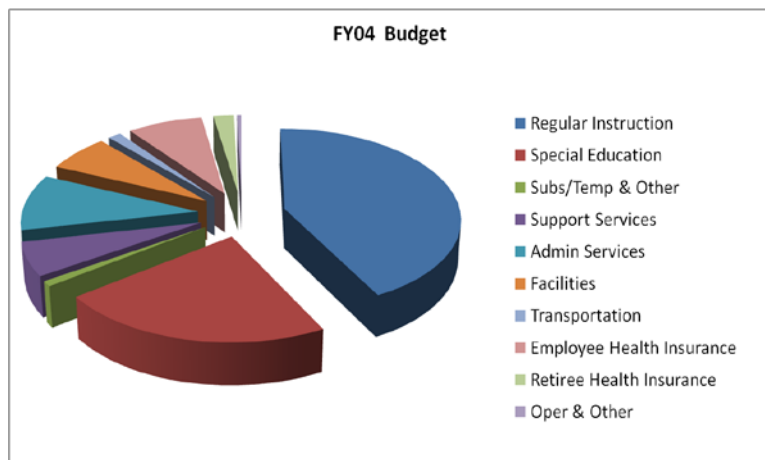
ADDITIONAL INFORMATION:

Budget reductions over the last several years mainly have been related to declining enrollments in the Elementary Schools. In FY04 the K-6 enrollment was 1,416 students, and the projection for FY14 is 1,092 for a loss of 324 students or 23%. Official K-6 enrollment as of October 1, 2012, for FY13 is 333 for Crocker Farm, 376 for Fort River and 432 for Wildwood. In addition, Crocker Farm has 65 Pre-school children. The total FY13 enrollment for all students in the three schools is 1,206. Choice-In students in FY13 numbered 32, and that number of students is projected for FY14. Additional seats may be opened once kindergarten registration has taken place and other enrollment data is more complete. Districts admitting Choice students receive \$5,000 per child from the sending school district. The Elementary enrollment figures for FY13 and projected for FY14 include Choice-In students. The estimated decline in enrollment for FY14 is 5.94%. Elementary enrollment is expected to continue at a modest decline.

FY14 and FY04 Budget Comparison



FY 2014 Proposed Budget		
Regular Instruction	7,583,847	34.49%
Special Education	5,026,004	22.86%
Subs/Temp & Other	157,397	0.72%
Supp Services	1,186,499	5.40%
Admin Services	1,903,938	8.66%
Facilities	1,291,676	5.87%
Transportation	651,121	2.96%
Employee Health Insurance	2,494,486	11.34%
Retiree Health Insurance	1,113,447	5.06%
Oper & Other	580,784	2.64%
Total	21,989,199	100.00%



FY 2004 Budget		
Regular Instruction	6,977,126	42.36%
Special Education	3,691,510	22.41%
Subs/Temp & Other	153,700	0.93%
Support Services	990,588	6.01%
Admin Services	1,651,813	10.03%
Facilities	1,083,378	6.58%
Transportation	223,907	1.36%
Employee Health Insurance	1,278,297	7.76%
Retiree Health Insurance	349,684	2.12%
Oper & Other	70,633	0.43%
Total	16,470,636	100.00%

AMHERST ELEMENTARY SCHOOLS

In FY13 the only Charter School attended by Amherst students was The Pioneer Valley Chinese Immersion (PVCi) Charter School. A total of 54 students attended PVCi. Choice-Out students numbered 30, and Special Education placements numbered 4. Unlike Vocational, Charter Schools and Choice-Out, which involve a financial responsibility from Amherst, private school enrollment numbers for Amherst students are less accurate, since the numbers rely on information from families and/or requests for information from the receiving schools. School records indicate that this year students attending private schools number 117, which brings the Out-of-District enrollment to 205 students.

Choice-Out schools include Deerfield, Greenfield, Hadley, Leverett, New Salem Wendell, Northampton, Sunderland, and Pelham with 16, the largest number of students. Private schools include Bement, Common School, Eagle Brook, Hartsbrook, Lander Grinspoon Academy, and Smith College Campus School.

The Town's Capital Plan expenditure for the elementary schools includes computer technology equipment, boiler room replacement at Wildwood, and other items related to equipment and buildings. (Articles 19, 20, 21)

The Amherst School Committee voted in March 2013 to change the Elementary school day schedule to full days on Wednesday for the school year starting in the Fall of 2013.

The Superintendent, staff and Amherst School Committee will continue to review the \$21,989,199 budget and adjust the line items as appropriate.

A complete and detailed Amherst Elementary School budget can be viewed on the Amherst Schools' website. Go to www.arps.org, Quick Link and scroll to Budget Information where both the Regional and Elementary budgets are posted.

FY14 FTE ADDITIONS AND REDUCTIONS

Summary

- Maintained class size priorities
- Maintained instructional time of students in academics and specials
- Reductions were realized, when possible, based on declining enrollments
- Reductions and additions are consistent with district priorities

Reductions	
(1.0)	Classroom Teacher
(0.5)	Art
(0.3)	Music
(0.3)	Physical Education
(1.5)	World Language
(1.0)	Educational Team Leaders
(1.0)	Administrative Support/Clerical
(1.0)	English Language Arts Curriculum Leader
(0.2)	Student Services Administrator
(1.0)	Guidance Counselor
(0.1)	Intervention Teacher
(9.0)	Paraprofessionals
Additions	
1.0	Steps to Success Liaison
0.1	Addition Elementary Registrar
(15.8)	

AMHERST ELEMENTARY SCHOOLS

Full-Time Equivalent Employees:

Amherst Public Schools FY14 District Staffing Profile

From All Funding Sources

<i>Staffing Analysis by F.T.E. *</i>	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	Change
Building Specific Personnel:						
Administrative Staff	7.00	6.00	6.00	6.00	6.00	0.00
Administrative Support Staff	8.80	7.70	8.06	8.58	8.77	0.18
Professional Staff						
Pre-School	0.00	1.20	1.00	0.00	0.00	0.00
Kindergarten	9.00	7.00	8.00	8.00	8.00	0.00
Art	3.10	2.70	2.70	2.70	2.70	0.00
Music (Classroom/Instrumental)	4.95	5.25	5.25	5.25	5.25	0.00
World Language	1.00	1.50	1.50	1.50	1.50	0.00
Physical Education	3.20	3.00	2.70	2.70	2.70	0.00
Reading	5.80	5.10	6.60	4.00	4.00	0.00
Technology Education	2.00	3.00	3.00	3.00	3.00	0.00
Science Education	1.20	1.30	1.50	0.00	0.00	0.00
Classroom Education	60.50	62.20	51.00	51.00	51.00	0.00
Intervention	3.10	2.50	6.20	7.70	7.70	0.00
English Language Learner	12.60	10.50	10.30	10.00	10.00	0.00
Special Education	24.16	19.55	21.81	21.25	21.25	0.00
Guidance	5.00	4.00	4.00	4.00	4.00	0.00
Library	3.00	3.00	3.00	3.00	3.00	0.00
Health Services	3.80	3.00	3.00	3.00	3.00	0.00
Curriculum	0.12	0.00	2.50	4.00	4.00	0.00
Paraprofessional Staff, LPN's, and Other						
Regular Education	13.66	12.72	15.96	20.95	21.95	1.00
Special Education	54.52	55.91	55.90	63.00	64.00	1.00
LPN's	1.60	1.60	0.60	0.60	0.60	0.00
Library Paraprofessionals	1.00	1.96	1.99	1.80	1.87	0.06
Total Building Specific Personnel	229.11	220.69	222.57	232.04	234.29	2.25
District Program & Support Personnel						
District-wide Special Education Services	41.62	44.11	45.91	41.90	43.95	2.05
Other Support Services	2.10	1.53	1.06	1.06	1.06	0.00
Student Services	0.12	0.12	0.72	1.13	1.13	0.00
Central Administration and Staff	6.98	6.40	6.90	7.86	9.23	1.37
Information Systems	2.66	2.66	3.06	2.62	3.04	0.42
Facilities & Operations	16.32	16.42	16.42	16.39	16.39	0.00
Total District & Support Personnel	69.80	71.24	74.07	70.95	74.79	3.84
Net Budgeted Additions / (reductions)					(15.80)	(15.80)
District Total	298.91	291.93	296.64	302.99	293.27	(9.71)

* F.T.E.= Full Time Equivalent includes all staff regardless of funding source

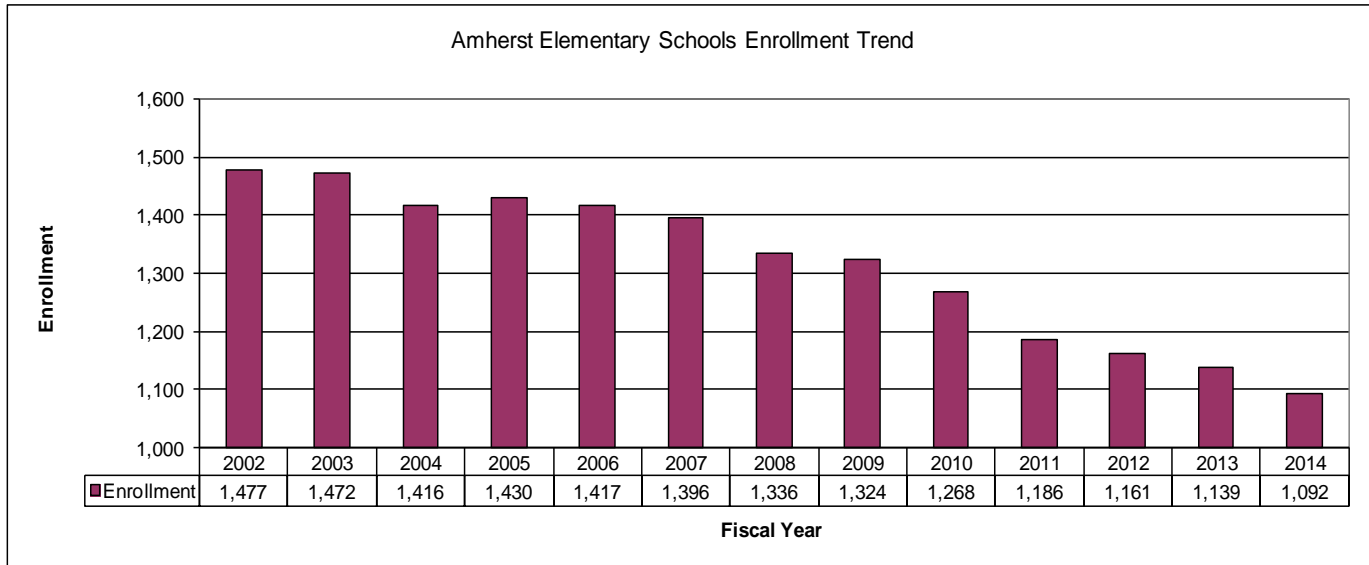
* FY10, FY11, FY12, FY13 data as of October 31st of the given year

AMHERST ELEMENTARY SCHOOLS

AMHERST ELEMENTARY ENROLLMENTS

Enrollments for subsequent school years are projected each October 1, based on actual enrollments for the current year using a cohort survival method, which is an established, reliable method of conducting projections.

Overall, the K-12 student population of the Town of Amherst is in decline. There is no current evidence that more children than is typical are enrolling in private schools, though there are more children and families opting for Charter School placements.



Enrollment History and Projection

FY	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Kindergarten	191	220	178	193	195	192	176	178	173	130	148	149	141
Grade 1	198	199	210	193	193	181	185	185	179	165	142	158	153
Grade 2	197	198	192	210	200	198	179	182	181	175	172	145	158
Grade 3	214	204	203	193	206	206	205	175	176	167	179	168	141
Grade 4	209	212	208	210	204	199	194	207	181	190	170	174	172
Grade 5	238	204	220	210	206	196	201	196	196	175	181	168	167
Grade 6	230	235	205	221	213	224	196	201	182	184	169	177	160
Total	1,477	1,472	1,416	1,430	1,417	1,396	1,336	1,324	1,268	1,186	1,161	1,139	1,092
Percentage Change		-0.34%	-3.80%	0.99%	-0.91%	-1.48%	-4.30%	-0.90%	-4.23%	-6.47%	-2.11%	-1.89%	-5.94%

OFF-CAMPUS ENROLLMENT

	FY10	FY11	FY12	FY13	FY14 Projected
Choice-Out	31	27	29	30	25
Charter Schools	36	43	53	54	57
Private Schools	--	--	--	117	117
Special Education Out-of-District	3	2	4	4	5

AMHERST-PELHAM REGIONAL SCHOOLS

AMHERST-PELHAM REGIONAL SCHOOLS							
FY 14 BUDGET							
REVENUES							
	FY 10	FY 11	FY 12	FY 13	FY 14	DIFF	
Revenue							
Chapter 70	9,685,959	9,120,106	9,120,106	9,233,467	9,272,992	39,525	0.4%
Chapter 70 to Stabilization	(90,000)	(90,000)	(90,000)	(94,200)	(91,000)	3,200	
SUBTOTAL: available from Ch 70	9,595,959	9,030,106	9,030,106	9,139,267	9,181,992	42,725	
Transportation Reimbursement	447,336	502,414	502,414	508,140	531,846	23,706	
Medicaid Reimbursement	95,000	95,000	95,000	120,000	98,100	(21,900)	
Charter Reimbursement	108,733	465,958	189,670	157,881	224,280	66,399	
Choice Revenues	650,000	650,000	300,000			0	
Indirect Cost Reimbursement	15,000	25,000	25,000			0	
Interest Revenue	120,000	95,000	25,000	14,000	14,000	0	
E&D for budget support	280,000	255,000	450,000	633,441	500,000	(133,441)	
E&D for contingency	280,000	280,000	280,000	280,000	280,000	0	
Assessments	16,184,324	16,851,972	17,317,645	17,674,829	18,300,597	625,768	
Total Revenue	<u>27,776,352</u>	<u>28,250,450</u>	<u>28,214,835</u>	<u>28,527,558</u>	<u>29,130,815</u>	<u>603,257</u>	2.1%
Total Expense	27,776,352	28,250,450	28,214,835	28,527,558	29,130,815	603,257	2.1%
Revenue less Expense	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>		
Assessments							
Amherst	12,574,043	13,112,795	13,506,166	13,746,434	14,158,830	412,396	3.00%
Pelham	1,061,837	1,127,285	1,171,256	1,205,893	1,259,488	53,595	4.44%
Leverett	1,142,105	1,197,275	1,238,608	1,297,147	1,398,899	101,752	7.84%
Shutesbury	1,406,339	1,414,617	1,401,615	1,425,355	1,483,380	58,025	4.07%
	<u>16,184,324</u>	<u>16,851,972</u>	<u>17,317,645</u>	<u>17,674,829</u>	<u>18,300,597</u>	<u>625,768</u>	3.54%
	1.1%	4.1%	2.8%	2.1%	3.5%		

AMHERST-PELHAM REGIONAL SCHOOLS

24% OF GENERAL FUND OPERATING BUDGETS

	FY 10 Actual	FY 11 Actual	FY 12 Actual	FY 13 Original Budget	FY 13 Current Budget	FY 14 Fin Comm	Difference
PAYROLL ACCOUNTS							
Salaries							
Regular Education	6,622,697	6,841,593	6,878,676	7,314,416	7,299,410	6,762,669	(551,747)
Special Education	4,103,660	4,031,212	4,417,500	4,597,395	4,604,375	4,606,665	9,270
Other Programs	296,586	228,701	252,396	255,597	255,597	247,858	(7,739)
Support Services	1,209,486	1,239,511	1,315,766	1,314,879	1,315,329	1,312,829	(2,050)
School Administration	1,274,677	1,199,724	1,261,674	1,230,111	1,230,111	1,224,665	(5,446)
Central Administration	517,944	561,667	617,478	595,420	595,420	653,369	57,949
Information Systems	232,073	249,281	184,726	207,619	207,169	229,871	22,252
Facilities	756,295	751,044	773,158	752,169	752,169	764,399	12,230
Transportation	393,373	400,357	406,577	465,463	465,463	440,897	(24,566)
Total Salaries	15,406,793	15,503,090	16,107,951	16,733,069	16,725,043	16,243,222	(489,847)
Substitutes	176,211	122,005	111,192	136,337	136,337	136,337	-
EXPENSE ACCOUNTS:							
Regular Education	1,229,957	1,178,794	1,258,597	1,361,347	1,361,086	1,462,349	101,002
Special Education	1,338,288	1,329,526	1,272,783	1,208,071	1,197,639	1,701,673	493,602
Other Programs	528,272	582,796	627,360	197,588	199,890	646,864	449,276
Support Services	106,914	124,264	138,654	133,923	143,458	143,995	10,072
School Administration	54,676	56,265	75,044	70,789	73,380	72,561	1,772
Central Administration	162,577	187,387	184,714	175,813	193,022	193,850	18,037
Information Systems	368,027	494,875	258,911	260,626	293,585	260,626	-
Facilities	330,456	411,383	288,178	268,096	267,547	268,050	(46)
Utilities	879,023	931,479	855,827	910,823	910,823	822,961	(87,862)
Transportation	871,410	874,558	920,841	936,796	937,296	987,843	51,047
Health Insurance							
Employees	2,891,219	2,657,013	2,502,911	2,801,209	2,801,209	2,814,411	13,202
Retirees	1,294,678	1,282,049	1,444,288	1,422,856	1,422,856	1,510,797	87,941
Other Operation Services	1,544,180	1,532,376	1,440,829	1,555,733	1,555,733	1,726,963	171,230
Other Programs & Control Accts	1,000	1,000	1,000	354,482	308,654	981,888	627,406
Total Expenses	11,600,678	11,643,765	11,269,937	11,658,152	11,666,178	13,594,831	1,936,679
CONTINUATION TOTAL	27,183,682	27,268,859	27,489,079	28,527,558	28,527,558	29,974,390	1,446,832
CONTINUATION BUDGET % Increase						5.1%	
Additions and Reductions	-	-	-	-	-	(843,575)	(843,575)
BUDGET TOTAL	27,183,682	27,268,859	27,489,079	28,527,558	28,527,558	29,130,815	603,257
Change from previous year	(331,864)	85,177	220,220	1,038,479	-	603,257	
Percent change from previous ye	-1.2%	0.3%	0.8%	3.8%	0.0%	2.1%	

*Continuation Budget Total—refers to what percentage and how much the budget would increase if every item in FY13 remained in place for FY14 with adjustments made due to inflation and contractual agreements.

AMHERST-PELHAM REGIONAL SCHOOLS

RECOMMENDED by the Finance Committee vote of 6-0, 1 abstaining. (One member abstained from any discussion and vote on the school budget due to a potential conflict of interest.)

FY14 BUDGET: This is an appropriation of \$14,158,830 for the Amherst assessment to support the Regional School District budget of \$29,130,815. The Amherst assessment increases by \$412,396 or 3.00% from the current year. On March 12, 2013 the Regional School Committee voted unanimously, 8-0, 1 absent, to recommend this budget and its assessments to their four towns.

BASIC FUNCTION: To provide all students with a high quality education that enables them to be contributing members of a multiethnic, multicultural, pluralistic society.

FY13 SUMMARY:

This current year's Regional budget of \$28,527,558 is an overall increase of \$312,723 or 1.1% over the FY12 appropriation of \$28,214,835. The budget guidelines issued by the Finance Committee in November 2011 recommended a 3% increase in Amherst's FY13 assessment for the Regional Schools. However, using the recommendation by the Amherst Finance Committee increased the percentages for some of the other towns, which exceeded what they could afford as their assessments for the FY13 Regional budget. The budget request was reduced and consequently, Amherst's allocation was \$290,358 or 2.15%. Based on the Regional School District Assessment Formula, the allocation percentages change each year due to enrollment shifts in each town. The 2.15% increase in the assessment to Amherst resulted in an overall assessment increase for all four towns of 2.43% or \$421,584. To help support the FY13 operations, the Regional School Committee voted to use \$633,441 (an increase of \$183,441 from FY12) from the Excess and Deficiency (E&D) funds, which are the Region's reserve.

The anticipated grants budget total for the Regional Schools for FY13 is \$582,191 with \$446,366 in total salaries and \$135,825 in total expenses. This is a decrease in total grant funding of \$320,313 from FY12. Revolving funds total \$1,839,379. Projected total spending for the Regional Schools this current year is \$30,949,128.

This year a number of endeavors are continuing. School safety has been significantly enhanced by the camera/buzzer system at all schools. District personnel routinely review and update safety measures with community partners including local, state and college/university police and fire, in addition to the Massachusetts Emergency Management Agency. The District's partnership with the University of Massachusetts School of Education, focused on the instructional core, continues. The School-Wide Positive Behavior System model is now district-wide and is a proactive systems approach to improving social and academic competency for all students. Amherst College continues to partially finance the support for the District's Volunteer Coordinator, who focuses on recruiting and training volunteers from the local colleges, university and other community members to serve in a variety of functions in the schools. Amherst College also is partially financing the support for the Director of Teaching and Learning.

Other initiatives in FY13 include negotiating contracts with four of the five union groups in the district, implementing the State mandated Educator Evaluation Model for teachers and administrators, and aligning the K-12 curriculum in concert with the Common Core Standards. Amherst, Pelham and the Regional Schools are involved in the Department of Elementary and Secondary Education compliance audits of Special Education, English Learner Education, Civil Rights and Title One.

FY14 SUMMARY:

The FY14 Regional budget of \$29,130,815 is an overall increase of \$603,257 or 2.1% from the FY13 budget of \$28,527,558. The budget meets the guidelines issued by the Finance Committee in November 2012 which recommended a 3% increase in Amherst's FY13 assessment for the Regional Schools. Based on the Regional School District Assessment Formula, the combined assessment increase for all four towns is \$625,788 or 3.54%.

The anticipated grants budget total for FY14 is \$537,640 with \$447,793 in total salaries and \$89,847 in total expenses. Overall, grant funding has been decreasing. Revolving funds total \$2,147,325. Projected total spending for the Regional Schools for FY14 is \$31,815,781.

The FY14 budget includes the addition of one staff member who will be the liaison to the Steps to Success program. Due to declining enrollments, but consistent with district priorities, budget reductions include 11.6 FTE's across both the Middle and High Schools.

Costs for Special Education have increased substantially due to Out-of-District placements for students who have significant educational, behavioral and medical needs. Costs for Charter Schools also have increased due to enrollments and the state

AMHERST-PELHAM REGIONAL SCHOOLS

reimbursement formula. The decrease in utilities is the result of energy savings projects and conservation in the schools, including the installation of new windows in the Middle School.

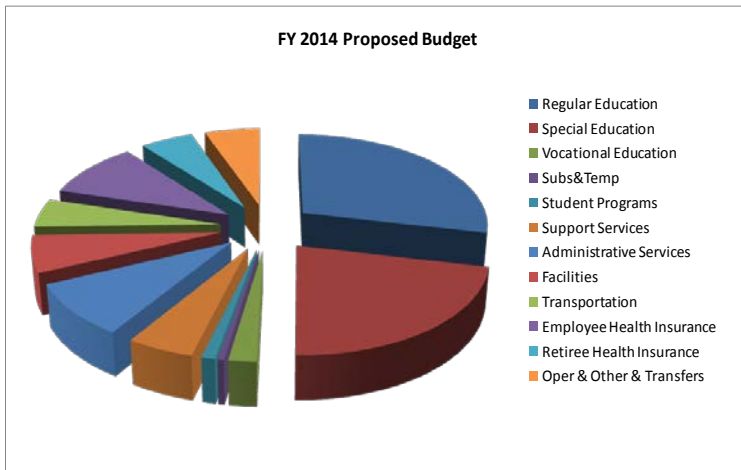
Other Post-Employment Benefits (OPEB) funding is not included in this year's budget or in any previous budgets.

ADDITIONAL INFORMATION:

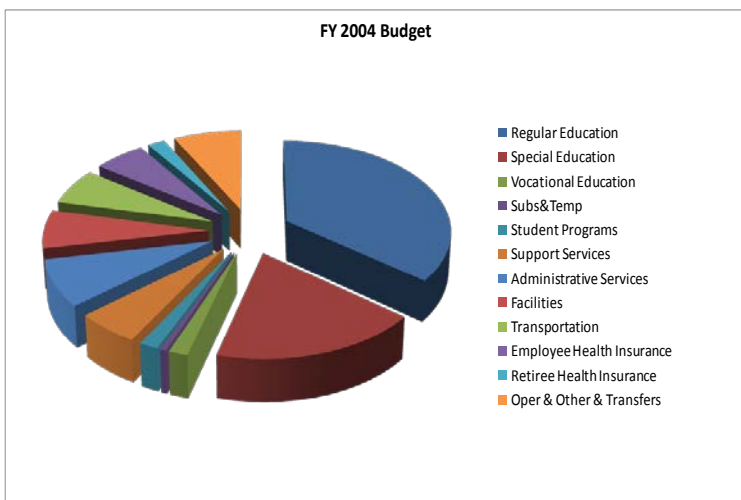
In 2010 the Regional School Committee adopted a policy for developing a formal capital needs planning process. A capital improvement is a tangible asset or project with an estimated useful life of five years or more and a cost of \$5,000 or more. On November 27, 2012, the School Committee approved a Capital Improvement Plan for FY14 totaling \$526,978. The Plan includes renovations and upgrades in the Middle and High Schools.

Declining enrollments in the Regional Schools have been one reason for some budget reductions over the past few years. In FY04 the Middle and High School enrollment was 2,043 students and the projection for FY14 is 1,497 for a loss of 546 students or 26.7%. The projected loss for FY14 is 58 students or 3.72%. Choice-In students in FY13 numbered 94 and projected for FY14 number 93. Choice-In openings are on a space available basis, no additional staffing is required. Districts admitting Choice students receive \$5,000 per child from the sending school district. The Regional enrollment figures for FY13 and FY14 projected, include Choice-In students.

FY14 and FY04 Budget Comparison



FY 2014 Proposed Budget		
Regular Education	\$8,225,018	28.23%
Special Education	\$6,308,338	21.66%
Vocational Education	\$601,821	2.07%
Subs&Temp	\$136,337	0.47%
Student Programs	\$292,901	1.01%
Support Services	\$1,456,824	5.00%
Administrative Services	\$2,634,942	9.05%
Facilities	\$1,855,410	6.37%
Transportation	\$1,428,740	4.90%
Employee Health Insurance	\$2,814,411	9.66%
Retiree Health Insurance	\$1,510,797	5.19%
Oper & Other & Transfers	\$1,585,276	5.44%
E&D Contingency	\$280,000	0.96%
Total	\$29,130,815	100.00%



FY 2004 Budget		
Regular Education	\$7,653,673	35.81%
Special Education	\$3,916,727	18.32%
Vocational Education	\$357,245	1.67%
Subs&Temp	\$119,296	0.56%
Student Programs	\$352,511	1.65%
Support Services	\$1,202,379	5.62%
Administrative Services	\$1,766,628	8.26%
Facilities	\$1,442,160	6.75%
Transportation	\$1,356,470	6.35%
Employee Health Insurance	\$1,208,539	5.65%
Retiree Health Insurance	\$406,638	1.90%
Oper & Other & Transfers	\$1,593,400	7.45%
E&D Contingency	\$0	0.00%
Total	\$21,375,666	100.00%

AMHERST-PELHAM REGIONAL SCHOOLS

In FY13 students attending Vocational Schools numbered 38, Charter numbered 67, Choice-Out numbered 21, and Special Education placements numbered 25. Unlike Vocational, Charter Schools and Choice-Out, which involve a financial responsibility from Amherst, private school enrollment numbers for Amherst students are less accurate, since the numbers rely on information from families and/or requests for information from the receiving schools. School records indicate that this year students attending private schools number 107, which brings the Out-of-District enrollment to 258 students.

Vocational schools attended by Amherst students include Pathfinder, Franklin County Technical and Smith Vocational. Charter schools include Pioneer Valley Performing Arts High School, Hilltown Cooperative Charter School, Pioneer Valley Immersion School, and Four Rivers Charter Public. Choice-Out schools include Frontier, Gill Montague, Granby, Hampshire, Hatfield, Holyoke, Northampton, Pioneer and Mahar. Private schools include Bement, Deerfield Academy, Eagle Brook, Hartsbrook, Lander Grinspoon Academy, MacDuffie, Phillips Academy, Stoneleigh-Burnham, Williston Northampton School and Wilbraham/Monson Academy.

The Superintendent, staff and Regional School Committee will continue to review the \$29,130,815 budget and adjust the line items as appropriate.

A complete and detailed Regional School budget can be viewed on the Schools' website. Go to www.arps.org, Quick Link and scroll to Budget Information where both the Regional and Elementary budgets are posted.

FY14 FTE REDUCTIONS AND ADDITIONS

Reductions	
Academics	
(0.5)	English ARHS
(1.0)	Social Studies ARHS
(0.2)	Prep Academy ARHS
(0.4)	Mathematics ARHS
(0.2)	Science ARHS
(1.0)	Teacher South East Campus
Electives	
(0.2)	Chinese ARHS
(0.6)	Family Consumer Science ARHS
(0.2)	Physical Education ARHS
(0.4)	Performing Arts ARHS
(0.2)	Technology Education ARHS
(1.0)	Computer Teacher ARMS
(1.0)	Physical Education Teacher ARMS
Administrative/Support	
(0.8)	Student Services Administrator
(0.2)	Webmaster
(0.2)	ELE Coordinator
(1.0)	Clerical/Secretary ARMS
(1.0)	Coordinator South East Campus
(1.5)	Paraprofessionals
(1.0)	Internal Suspension Teacher
Additions	
1.0	Steps to Success Liaison
<u>(11.6)</u>	

Summary

- Goal of maintaining reasonable class sizes
- Maintained the Team Model at ARMS
- Maintained majority of elective offerings
- Reductions were realized, when possible, based on declining enrollments
- Reductions and additions are consistent with district priorities

AMHERST-PELHAM REGIONAL SCHOOLS

Full-Time Equivalent Employees:

Amherst Pelham Regional Schools

FY14 District Staffing Profile

From All Funding Sources

Staffing Analysis by F.T.E. *

	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	Change
Building Specific Personnel:						
Administrative Staff	6.00	5.00	5.34	6.00	5.90	(0.10)
Administrative Support Staff	15.20	14.20	13.80	14.20	14.20	0.00
Professional Staff						
English	14.90	14.05	13.40	15.90	15.90	0.00
Math	18.70	17.31	16.30	17.40	17.60	0.20
Science	15.90	16.01	14.72	16.82	16.36	(0.46)
Social Studies	14.40	15.35	15.60	15.70	15.70	0.00
Language	13.80	12.82	12.57	12.20	12.40	0.20
Music	3.40	3.60	3.60	3.60	3.60	0.00
Art	4.00	4.80	4.80	4.80	4.80	0.00
Physical Education	5.00	5.00	5.00	5.00	5.00	0.00
Reading	1.00	1.90	1.00	0.00	0.00	0.00
Technology Education	5.30	5.50	5.00	5.00	5.00	0.00
Theater & Dance	2.20	2.80	2.70	2.70	2.90	0.20
Business Education, Health Education	2.38	1.38	1.38	1.38	1.38	0.00
Family Consumer Science	3.00	2.30	2.00	2.00	2.00	0.00
Classroom Support	0.00	0.00	1.00	1.00	0.80	(0.20)
English Language Learner	4.40	4.20	4.20	4.00	4.00	0.00
Special Education	33.80	30.90	35.00	34.10	34.40	0.30
Guidance	11.02	11.22	11.02	10.32	10.32	0.00
Library	2.00	2.00	2.00	2.00	2.00	0.00
Health Services	2.60	2.00	2.00	2.00	2.00	0.00
Athletics Department	2.47	2.47	2.00	2.60	2.60	0.00
Student Activity	0.53	0.53	0.40	0.40	0.40	0.00
Paraprofessional Staff, LPN's, and Other						
Regular Education	5.06	3.96	3.59	7.00	7.00	0.00
Special Education	62.04	58.04	61.00	58.45	59.45	1.00
LPN's	1.00	1.40	1.40	1.40	1.40	0.00
Library Paraprofessionals	2.50	2.50	2.50	2.50	2.50	0.00
Other	2.20	2.20	2.20	2.20	2.20	0.00
Total Building Specific Personnel	254.80	243.43	245.52	250.67	251.81	1.14
District Program & Support Personnel						
District-wide Special Education Services	17.35	18.85	15.00	15.48	14.91	(0.57)
Other Support Services	8.55	3.44	3.94	3.94	3.94	0.00
Student Services	0.13	0.13	0.53	1.13	1.18	0.05
Central Administration	7.55	8.10	9.57	9.86	9.81	(0.04)
Information Systems	3.75	3.75	2.85	2.86	3.70	0.84
Facilities & Operations	18.99	16.49	16.98	17.52	17.52	0.00
Transportation	16.88	15.88	16.38	16.38	16.38	0.00
Total District & Support Personnel	73.19	66.63	65.25	67.15	67.43	0.28
Net Budgeted Additions / (reductions)					(11.60)	(11.60)
District Total	327.99	310.06	310.77	317.82	307.64	(10.18)

* F.T.E.= Full Time Equivalent includes all staff regardless of funding source

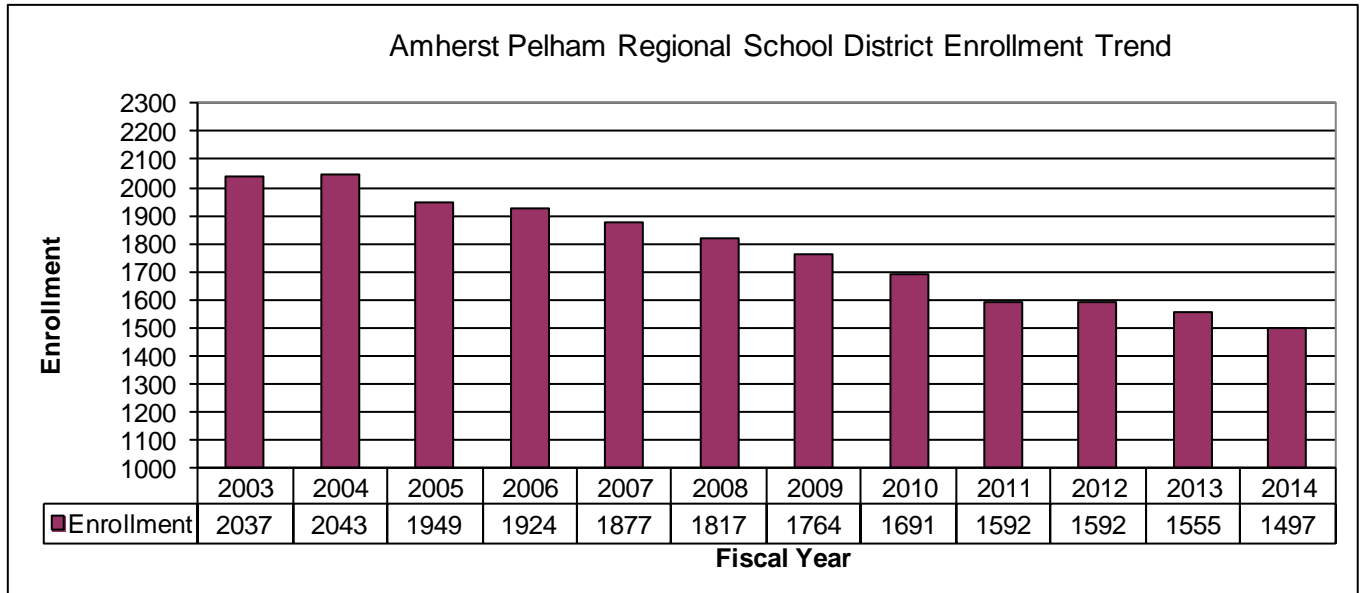
* FY10, FY11, FY12 and FY13 data as of October 31st of the given year

AMHERST-PELHAM REGIONAL SCHOOLS

ENROLLMENT

At the Regional level, projections begin with assessing the number of Grade 6 students who are expected to attend the Regional Middle School in the following year as Grade 7 students. This includes Grade 6 students in Amherst, Pelham, Leverett and Shutesbury, including those Amherst students who may be Choice students in Pelham or Leverett.

Overall, the K-12 regional student population is in decline. There is no current evidence that more children than is typical are enrolling in private or Charter schools. Reviewing the student enrollments over time, the last time period in which Regional enrollments were in the 1500 range was in 1990-1993. Peak enrollments (2000 or greater) occurred between 1998 and 2004. The chart below illustrates enrollments since 2002.



Enrollment History and Projection

FY	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Grade 7	333	327	288	289	275	291	241	249	222	244	236	229
Grade 8	351	337	318	289	282	284	293	244	253	229	241	239
Grade 9	332	378	334	333	309	314	305	307	268	286	267	267
Grade 10	349	320	358	334	321	299	311	290	283	261	265	252
Grade 11	365	349	310	358	333	315	309	301	277	294	254	261
Grade 12	307	332	341	321	357	314	305	300	289	278	292	249
Total	2,037	2,043	1,949	1,924	1,877	1,817	1,764	1,691	1,592	1,592	1,555	1,497
Percentage Ch	-1.50%	0.29%	-4.60%	-1.28%	-2.44%	-3.20%	-2.92%	-4.14%	-5.85%	0.00%	-2.32%	-3.73%

Regional Choice-In Students

FY10	FY11	FY12	FY13	FY14 Projected
72	68	78	94	93

Off-Campus Enrollment

	FY10	FY11	FY12	FY13	FY14 Projected
Choice-Out	16	20	19	21	20
Charter Schools	62	60	66	67	71
Private Schools	--	--	--	107	107
Vocational Schools	37	39	39	38	37
Special Education Out-of-District	18	20	19	25	23

ANNUAL TOWN MEETING WARRANT ARTICLES

ARTICLE 17. Reserve Fund (Finance Committee)

To see if the Town will raise and appropriate \$100,000 for the Reserve Fund for FY 2014.

RECOMMENDED by Finance Committee vote of 7-0.

The Reserve Fund is used by the Finance Committee to pay for extraordinary or unforeseen expenses that may occur during a fiscal year. Any unspent money in the fund after the fiscal year ends becomes Free Cash. The requested \$100,000 for FY14 is the standard amount we have requested for many years.

ARTICLE 18. Revolving Fund Reauthorization (Finance Committee)

To see if the Town will reauthorize a revolving fund pursuant to Chapter 44, §53E½ of the Massachusetts General Laws for the operation of an After School Program from which the receipts shall be credited for expenditure by the LSSE department as authorized by the Department Head of the LSSE or his/her designee for supplies and services, including salaries and benefits of staffing, and related administrative costs for the program operation with a limit of \$400,000 that may be expended from said revolving fund in the fiscal year which begins on July 1, 2013.

RECOMMENDED by Finance Committee vote of 7-0.

Revolving funds are used to manage fee-supported programs in the Town and in the Regional Schools. In order to continue operating the After School Program Revolving Fund, Town Meeting needs to reauthorize it. Fees from families and other revenue are deposited in the fund, and expenses including the salary and benefits of program staff are paid from the fund. This type of fund, which enables payment for employee benefits, requires annual Town Meeting authorization, pursuant to M.G.L. Chapter 44, §53E½. The fund will have an authorized expenditure limit of \$400,000, under the direction of the LSSE director, for the purpose of providing subsidized Out-of-School Time Programs. For the first nine months of FY13, through March 31, 2013, revenues into the fund have totaled \$220,670.28 and expenditures from the fund totaled \$189,864.68.

ARTICLE 19. Capital Program - Equipment (Joint Capital Planning Committee)

To see if the Town will appropriate \$1,118,955 to purchase, repair, and/or install new or replacement equipment and determine whether such appropriation shall be met by taxation, by the transfer of available funds, or otherwise and further to authorize the application for and acceptance of any gifts, bequests, or grants.

RECOMMENDED by Finance Committee vote of 7-0.

This is the first of four articles dealing with capital spending as recommended by the Joint Capital Planning Committee. Please read JCPC's separate report to Town Meeting for more details.

This article appropriates \$969,955 from taxation, \$144,000 from the Ambulance Fund, and \$5,000 from repurposed previous capital appropriations, for a total of \$1,118,955 to fund equipment purchases. (Authorization to borrow \$425,000 for two Public Works trucks and \$400,000 for a fire truck is in Article 21.) Below is the list of recommended capital items included in Article 19. For a more complete description, see the JCPC Report to Town Meeting.

\$123,000	Town information systems: computers, network equipment (replacement)
\$ 30,000	Photocopiers for Town offices (replacement)
\$ 70,000	Document/records/images scanning
\$ 25,000	Upgrades to Wi-Fi system in the Town center and public buildings
\$ 40,000	MUNIS software modules for orders/inventory/applicant tracking
\$105,000	Three police cruisers (replacement)
\$ 10,500	Two in-car video systems for police cruisers (replacement)
\$ 70,000	Five CPR-assist devices, one for each ambulance
\$ 24,000	Two simulation mannequins for CPR training
\$ 27,000	Staff vehicle (replacement)
\$ 50,000	EMS defibrillators (replacement, final payment of lease-to-own)
\$ 40,000	Firefighter protective gear
\$ 40,000	Trash/garbage body for one-ton DPW dump truck
\$ 45,000	¾-ton pickup truck with plow for DPW
\$ 5,000	Parks replacement equipment

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\$ 20,000	Plow and sander equipment for DPW truck
\$ 32,451	Field and bunker groomer for softball fields and Cherry Hill Golf Course
\$ 12,500	Rough mower for Cherry Hill Golf Course (first of three payments)
\$ 14,154	Fairway mower for Cherry Hill Golf Course (third of three payments)
\$ 20,000	Information technology replacements for the libraries
\$ 5,000	Library copier/printer/scanner (replacement)
\$ 29,000	Van to transport Special Education students
\$ 40,000	Replace kitchen equipment at Fort River and Wildwood schools
\$ 10,000	Replacement furniture at all schools
\$ 10,000	Back-up generator at Wildwood School
\$ 5,500	Replace library circulation desk at Fort River School
\$ 3,900	Replacement telecommunications equipment, all schools
\$ 26,000	Replacement copiers, all schools
\$166,400	School information systems: computers, network equipment
\$ 19,550	Replacement multimedia, audio-visual equipment

ARTICLE 20. Capital Program – Buildings and Facilities (Joint Capital Planning Committee)

To see if the Town will appropriate \$464,500 to repair and/or improve buildings and facilities and determine whether such appropriation shall be met by taxation, by the transfer of available funds, or otherwise and further to authorize the application for and acceptance of any gifts, bequests, or grants.

RECOMMENDED by Finance Committee vote of 7-0.

This article appropriates \$449,500 from taxation and \$15,000 from repurposed previous capital appropriations for building repairs and renovations and for facilities. Article 21 contains the buildings capital project to be funded via borrowing. Chap. 90 funds from the state for road repairs can be spent without appropriation. Below is the list of recommended tax-funded and repurposed appropriation capital items in this article. For a more complete description, see the Joint Capital Planning Committee Report to Town Meeting.

\$ 25,000	Building envelope repairs (all buildings)
\$ 10,000	Interior maintenance at Town Hall
\$ 15,000	Bangs Center security system
\$ 15,000	Interior maintenance at North Amherst School
\$ 35,000	Exterior maintenance at child care facility near Wildwood School
\$ 15,000	Rebuild back stairs at the Munson Building
\$ 5,000	Improvements/repairs at Public Works Garage
\$ 11,000	Jones Library roof repairs
\$ 30,000	Jones Library fire system upgrade
\$ 18,000	Install insulation at North Amherst Library
\$150,000	Security at all elementary schools
\$ 30,000	Interior upgrades at all elementary schools
\$ 6,000	Outside air grills at Wildwood School
\$ 8,500	Exterior doors at Wildwood School
\$ 30,000	Sidewalks around town
\$ 6,000	Purchase street lights
\$ 40,000	Tree removal support
\$ 15,000	Puffer's Pond fencing and improvements

ARTICLE 21. Capital Program – Bond Authorizations (Joint Capital Planning Committee)

A. To see if the Town will appropriate \$400,000 for purchasing a pumper truck for the Fire Department and to meet this appropriation, the Treasurer, with the approval of the Select Board, is authorized to borrow said amount under and pursuant to Chapter 44, Section 7 of the Massachusetts General Laws or pursuant to any other enabling authority, and to issue bonds or notes of the Town therefor.

B. To see if the Town will appropriate \$425,000 for purchasing two large trucks and a bucket truck for the Public Works Department and to meet this appropriation, the Treasurer, with the approval of the Select Board, is authorized to borrow said

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amount under and pursuant to Chapter 44, Section 7 of the Massachusetts General Laws or pursuant to any other enabling authority, and to issue bonds or notes of the Town therefor.

C. To see if the Town will appropriate \$400,000 for replacing the boiler and making associated repairs at the Wildwood Elementary School and to meet this appropriation, the Treasurer, with the approval of the Select Board, is authorized to borrow said amount under and pursuant to Chapter 44, Section 7 of the Massachusetts General Laws or pursuant to any other enabling authority, and to issue bonds or notes of the Town therefor.

RECOMMENDED by Finance Committee vote of 6-0, 1 absent.

This article would authorize a total of \$1,225,000 in borrowing to fund equipment and building needs identified by the Joint Capital Planning Committee. The money would be borrowed in FY14 and paid back over future years. In February, Standard & Poor's Rating Services cited Amherst's "good financial management and good reserves" and "low overall debt burden and rapid debt amortization" as a factor for continuing to give Amherst its AA long-term credit rating, with a stable outlook. With interest rates at historically low levels, borrowing for these projects makes financial sense.

- A. \$400,000 would purchase a new fire pumper truck, replacing one acquired in 1996. This purchase was originally scheduled for FY15 but has been moved to FY14 to take advantage of currently low interest rates.
- B. \$425,000 would purchase three trucks for the Department of Public Works. Two replace large dump truck/sanders needed for road maintenance and snowplowing/sanding. One was originally scheduled for FY15 but has been moved to FY14 to take advantage of currently low interest rates. The third is a new light bucket truck for streetlight and traffic light work, replacing one that the DPW bought, used, 12 years ago.
- C. \$400,000 is needed to renovate the boiler room at Wildwood School and replace existing 40-year-old boilers with two high-efficiency gas boilers. This is expected to produce annual savings of up to \$70,000 in heating costs.

**ARTICLE 22. Capital Program - Debt Rescission
(Finance Committee)**

To see if the Town will vote to rescind the \$80,000 unissued amount that was authorized to be borrowed by a vote of the Town passed at the Annual Town Meeting held on June 18, 2007 (Article 23) for handicapped access and interior improvements to the East Street School, but which is no longer needed for the purpose for which it was initially approved.

RECOMMENDED by Finance Committee vote of 7-0.

In 2007, Town Meeting authorized \$80,000 in debt for installation of a handicapped ramp and other improvements at the East Street School building. Those renovations did not take place and no debt was issued for this project. If at some time in the future changes are proposed to this building, a new design plan and new funding recommendation will be proposed. In keeping with good financial management practices, Town Meeting should rescind this debt authorization.

**ARTICLE 23. Water and Sewer Debt
(Finance Committee)**

A. To see if the Town will appropriate \$1,000,000 to pay for the costs of designing and constructing sewer system improvements and sewer main extensions, and any and all costs related thereto and to meet this appropriation, the Treasurer, with the approval of the Select Board, is authorized to borrow said amount under and pursuant to Chapter 44, Section 8 of the Massachusetts General Laws or pursuant to any other enabling authority, and to issue bonds or notes of the Town therefor.

To see if the Town will appropriate \$1,000,000 to pay for the costs of designing and constructing water system improvements and water main extensions, and any and all costs related thereto and to meet this appropriation, the Treasurer, with the approval of the Select Board, is authorized to borrow said amount under and pursuant to Chapter 44, Section 8 of the Massachusetts General Laws or pursuant to any other enabling authority, and to issue bonds or notes of the Town therefor.

RECOMMENDED by Finance Committee vote of 7-0.

Pine Street renovations will begin with a utility upgrade. The work on the water and sewer lines must be completed before the cratered road surface is removed and repaved. This fall, the Town will issue a bond to finance \$1 million for sewer and \$1 million for water system upgrades. In recent years, the Town has applied for grants from the State and Federal governments to complete this work. These grants have not been forthcoming. Given Pine Street's condition, financing the upgrade with low interest debt will accelerate the process economically. The bond payments have been calculated in the existing water and sewer rate structure so no rate increases attributable to these improvements will result.

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**ARTICLE 24. Community Preservation Act
(Community Preservation Act Committee)**

Article 24, Parts A, B, C, and D, appropriates money derived from the local 1.5% Community Preservation Act (CPA) surcharge on the property tax, after the first \$100,000 of assessed value of each owner-occupied home is excluded. The state originally provided a 100% match of the amount collected by the Town, but is expected to match only 26% in FY14. The state's CPA fund has shrunk due to lower real estate transfer fees resulting from fewer home sales in recent years. There are also more towns participating in the CPA program statewide than in prior years.

The estimated CPA fund balance available for FY14 is \$610,970. The Community Preservation Act Committee (CPAC) recommends \$602,483, of which \$438,395 is for new projects and \$164,088 is for debt service on projects previously voted. This debt service is voted in Article 16 (Operating Budget) as a CPA funding source in the debt section. Each of the requests in this article is explained more fully in the Community Preservation Act Committee (CPAC) written report to Town Meeting.

A. To see if the Town will appropriate a sum of \$282,395 for Community Preservation Act Purposes recommended by the Community Preservation Act Committee and that the following items 1 – 8 be appropriated or reserved from Community Preservation Act Funds as follows, and to authorize the Town to accept or convey property interests where applicable, as required under Chapter 44B, Section 12 of Massachusetts General Laws.

	Project	Total Appropriation	Source of Appropriation
	AFFORDABLE HOUSING		
1	Family Outreach of Amherst and Amherst Housing Authority – Amherst Renters emergency fund	\$15,000	
	Total Affordable Housing	\$15,000	FY14 Estimated Revenues
	HISTORIC PRESERVATION		
2	Amherst Historical Society - Conservation of Emily Dickinson dress and storage equipment	\$21,401	
3	Amherst Media - Archive Town's historic recordings	\$53,994	
4	Unitarian Universalist Society of Amherst - Restoration of Tiffany window	\$106,000	
5	Jones Library - Roof repair	\$14,000	
	Total Historic Preservation	\$195,395	FY14 Estimated Revenues
	OPEN SPACE		
6	Surveys & Appraisals	\$10,000	
	Total Open Space	\$10,000	FY14 Estimated Revenues
	RECREATION		
7	LSSE - Mill River Recreation Area	\$60,000	
	Total Open Space	\$60,000	FY14 Estimated Revenues
	ADMINISTRATIVE		

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8	CPAC Administrative Expenses	\$2,000	
	Total Administrative	\$2,000	FY14 Estimated Revenues
	TOTAL FOR ARTICLE	\$282,395	

RECOMMENDED by Finance Committee vote of 5-0, 2 absent, as an appropriate expenditure of CPA funds.

CPAC chooses which projects to recommend for each of four approved CPA uses: open space, historical preservation, affordable housing, and recreation. Town Meeting can only appropriate CPA funds for projects recommended by CPAC. Town Meeting may reject the amount presented by CPAC, but it cannot appropriate an amount that exceeds the CPAC amount.

Affordable Housing	\$15,000
Historic Preservation	\$195,395
Open space	\$10,000
Recreation	\$60,000
Administrative	\$2,000

B: Purchase of Brunelle Property on Potwine Lane

To see if the Town will vote to amend the vote taken under Article 8B of the November 19 Special Town Meeting, as continued, which authorized the acquisition of all or a portion of the parcel of land located at Potwine Lane, containing 16 acres, more or less, and being a part of the premises described in a deed recorded with the Hampshire Registry of Deeds in Book 1272, Page 375, and appropriated the total sum of \$163,000 for the acquisition and costs related thereto, with \$48,500 transferred from the Community Preservation Act Fund Budgeted Reserve, \$33,000 transferred from the Community Preservation Act Fund Balance, and the remaining \$81,500 borrowed under G.L. c. 44B, §11, to rescind said appropriation and the borrowing authorized for said acquisition under said Article 8B, and instead appropriate a total sum of \$156,000 for said acquisition and costs related thereto, with the entire sum to be appropriated from the Community Preservation Act Fund estimated revenues.

RECOMMENDED by Finance Committee vote of 5-0, 2 absent, as an appropriate expenditure of CPA funds.

CPAC recommends appropriating \$156,000 from the CPA fund to acquire the Brunelle property on Potwine Lane. This article amends action already taken under Article 8B of the Nov. 19 Town Meeting to reduce the appropriated sum by \$7,000 and change the mix of fund sources.

C: Purchase of South East Street Property

To see if the Town will vote to: (a) authorize the Select Board to acquire, by gift, purchase or eminent domain, for open space purposes, the fee in and to an approximately 5-acre portion of the parcel of land located at 650-652 South East Street, shown on Assessors Map 17D as Parcel 24, and described in a deed recorded with the Hampshire Registry of Deeds in Book 11217, Page 189, which portion of land shall be under the care, custody, management and control of the Conservation Commission under the provisions of Chapter 40, §8C of the Massachusetts General Laws; (b) borrow the sum of \$125,000 under Chapter 44B, §11 of the Massachusetts General Laws or any other enabling authority for the acquisition of said land and costs related thereto, and to authorize the Treasurer, with the approval of the Select Board, to issue any bonds or notes that may be necessary for that purpose pursuant to Chapter 44B, §11 of the Massachusetts General Laws, and Chapter 44 of the Massachusetts General Laws and/or any other enabling authority; (c) authorize the Select Board, the Town Manager, and/or the Conservation Commission, as they deem appropriate, to apply for and accept on behalf of the Town any funds, gifts, and grants under any federal and/or other state program in any way connected with the scope of this acquisition; and, further, (d) authorize the Select Board and/or the Conservation Commission to convey a conservation restriction on said land in accordance with Chapter 184 of the Massachusetts General Laws, as required by Chapter 44B, §12(a) of the Massachusetts General Laws.

RECOMMENDED by Finance Committee vote of 5-0, 2 absent, as an appropriate expenditure of CPA funds.

CPAC recommends authorizing the borrowing of \$125,000 to purchase property at 650 South East St. to preserve it from development. The debt would be repaid from future CPA funds.

D: Amherst Housing Authority Preservation of units at Ann Whalen Apartments

To see if the Town will appropriate and transfer and/or borrow the sum of \$110,000 from Community Preservation Act funds for the preservation and support of community housing, as recommended by the Community Preservation Act Committee, such sum to be granted to the Amherst Housing Authority pursuant to a grant agreement for the repair and improvement of 25 of the 80 units of low and/or moderate income housing at the Ann Whalen Apartments, located at 33 Kellogg Avenue and under the care and custody of the Amherst Housing Authority, and to authorize the Treasurer, with the approval of the Select Board, to issue any bonds or notes that may be necessary for such purposes pursuant to Chapter 44B, §11, and Chapter 44 of the Massachusetts General Laws and/or any other enabling authority, and, further, to authorize the Select Board to accept, on such terms as the Select Board deems appropriate, an affordable housing restriction on said Ann Whalen Apartments

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RECOMMENDED by Finance Committee vote of 5-0, 2 absent, as an appropriate expenditure of CPA funds.

CPAC recommends using \$110,000 to renovate units at Ann Whalen Apartments and seeks authorization to borrow that amount. The debt would be repaid from future CPA funds.

**ARTICLE 25. Social Services Funding
(Finance Committee)**

To see of the Town will appropriate and transfer \$90,000 from Free Cash in the Undesignated Fund Balance of the General Fund for Social Services eligible activities.

RECOMMENDED by Finance Committee vote of 7-0.

The Finance Committee proposes to transfer \$90,000 from Free Cash for social services that are eligible to receive Community Development Block Grant (CDBG) funding. We will not know how much funding will be received from CDBG until after Town Meeting dissolves. The Town requires time to assess the most critical social service needs and how to fund them in the future. These programs require continuity during this transition. Therefore, use of reserves on a one time basis is appropriate and consistent with the policy to no use reserves to support ongoing programs. The proposed transfer is a contingency in case the new CDBG funds are insufficient to fully fund the five social services recommended by the Town Manager and based upon a review of many funding requests that were evaluated and ranked by the CDBG Advisory Committee. The transfer will provide guaranteed funding for the operation of the seasonal emergency shelter by Craig's Doors and up to four additional social services, depending on the size of the CDBG grant.

**ARTICLE 26. Town-Gown Strategic Planning
(Finance Committee)**

To see of the Town will appropriate and transfer \$30,000 from Free Cash in the Undesignated Fund Balance of the General Fund for a Town-Gown strategic planning study in partnership with the University of Massachusetts Amherst.

RECOMMENDED by Finance Committee vote of 7-0.

This article would fund the Town's 50% share of a joint project with the University to hire an outside consultant to explore key community development issues. The University and the Town have many shared interests and seeking ways to promote and enhance our relationship is critical to the well being of both. Our roles and responsibilities are best enhanced by a cooperative approach and this project begins a renewed effort to work together to achieve the best outcomes for all. Although the Finance Committee would have preferred that this project gone through the Capital planning process, as many similar projects do, the committee felt the opportunity was sufficient to warrant the use of Free Cash to fund the project.

**ARTICLE 27. Free Cash
(Finance Committee)**

To see if the Town will appropriate and transfer a sum of money from Free Cash in the Undesignated Fund Balance of the General Fund to balance the Fiscal Year 2014 Budget.

RECOMMENDATION DEFERRED UNTIL TOWN MEETING.

**ARTICLE 28. Stabilization Fund
(Finance Committee)**

To see if the Town will appropriate and transfer a sum of money from the Stabilization Fund to balance the Fiscal Year 2014 Budget.

RECOMMENDATION DEFERRED UNTIL TOWN MEETING.

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ARTICLE 29. Residential Rental Property Bylaw (Select Board)

To see if the Town will amend the Town of Amherst General By-Laws by adding the following new by-law:

The effective date of this bylaw shall be January 1, 2014.

1. **Purpose.** This bylaw is adopted in accordance with the Town of Amherst's Home Rule Authority and the Amherst Master Plan, in furtherance of the following public purposes:
 - a. To protect the health, safety, and welfare of tenants and other citizens of the Town of Amherst by monitoring and enhancing compliance with basic life safety and sanitary codes through the registration and permitting of residential rental properties.
 - b. To ensure safe and sanitary conditions in Amherst's rental housing stock, preventing degradation and helping to promote preservation of important historic residential buildings and neighborhoods.
 - c. To provide clear and accessible guidelines for the operation of rental properties for tenants, owners, landlords, and neighbors, and to extend awareness of related Town bylaws and health regulations related to operation of a rental property and those regulations related to noise, alcohol and nuisance behaviors.
 - d. To establish and assign responsibility for different aspects of rental housing management.
 - e. To establish and expand awareness of the requirements for use and maintenance of rental housing exteriors and grounds, including parking requirements.
 - f. To ensure awareness of and responsibility for occupancy limits in rental units on the part of property owners, managers, tenants, and neighbors.
 - g. To help to stabilize, protect, and enhance the essential characteristics of and quality of life within existing diverse, multi-generational residential neighborhoods for all residents, including families and students, consistent with Amherst's long history as a college community..
2. **Registration & Permit Required.** Except as provided in Section 4 below, no person, firm, trust, partnership, corporation or other legal entity may rent, or offer to rent, to individuals or households any dwelling unit nor any rooming unit in a lodging or boarding house being operated as a principal zoning use in the Town of Amherst until the property has been registered and a rental permit therefor has been issued by the Principal Code Official.
3. **Enabling Legislation & Regulations.** All rental units and rooming units regulated hereunder shall comply with all applicable local bylaws and regulations, as well as all state laws and health, building and fire codes. All inspections, enforcement, and other actions taken under these regulations are authorized under those applicable local and state laws and regulations, as amended.
4. **Applicability & Exemptions.** Registration and rental permits shall be required of all residential properties containing rented dwelling units or rooming units, or offered for that purpose, except for the following:
 - a. **Lodging Facilities.** Hotels, motels, inns, hostels, or bed and breakfasts.
 - b. **Halfway Houses & Group Homes.** Residential facilities authorized and operated under state and federal law, congregate or similar group housing for the elderly or disabled, half-way houses for persons with substance abuse problems, congregate living arrangements for persons with disabilities, or other similar housing facilities operated under license by the Commonwealth of Massachusetts. Notwithstanding, such facilities shall comply with Section 7. a. 1) b) below.
5. **Definitions. Definitions of terms used in the regulations.**

Under these regulations, the following terms have the meanings indicated:

Code Official – means the Building Commissioner/Zoning Enforcement Officer of the Town of Amherst, the Health Director, the Police Chief, Fire Chief, or their designees and/or any of the inspectors or officers authorized to enforce the law, regulations and codes listed under Section 3 of this bylaw. The specific Code Official in each instance will be the official duly designated under the relevant statute, bylaw, or regulation.

Principal Code Official – the Code Official designated by the Town Manager to oversee and administer the rental program under this bylaw.

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Dwelling Unit – means the room or group of rooms within a dwelling used or intended for use by one family, as defined by the Amherst Zoning Bylaw, or household for living, sleeping, cooking and eating. Dwelling unit shall also mean a condominium unit.

Emergency – Events or conditions involving natural disasters, fire, or other threats to the health and safety of the residents of a rental property.

Hazard - means a condition likely to expose persons to injury, or property to damage, loss, or destruction.

Occupant – means a person who occupies real property with the consent of the owner as a lessee, tenant at will, licensee or otherwise. The singular use of the term includes the plural when the context so indicates.

Owner – means every person who alone or jointly or severally with others:

- a. has legal title to any building, structure, or property subject to this bylaw, or;
- b. has care, charge, or control of any such building, structure, or property in any capacity including but not limited to agent, executor, administrator, trustee or guardian of the estate of the holder of legal title; or
- c. is a lessor under written agreement; or
- d. is the mortgagee in possession; or
- e. is the recognized agent, trustee or other person with care, charge, or control appointed by the courts.

Owner-Occupant(s) – One or more natural persons who, in their individual capacity as distinct from any representative capacity, own(s) a whole or undivided interest in fee simple of certain real property and at least one of whom occupies a dwelling unit thereon as his or her principal residence (see definition).

Person – means an individual, corporation, trust, partnership (including general partnership, limited partnership, and limited liability partnership), and a limited liability company. In addition, any similar entity permitted by law to hold title to real estate shall for the purpose of this by-law be deemed a “person.”

Premises – means any real estate used for residential premises, including but not limited to apartments, dwellings, dwelling units, lodging houses, lodging units, rooming houses, and rooming units.

Principal Residence - means the primary residence of an individual, family (as defined in the Zoning Bylaw), or property owner, i.e., the home where an owner, and the owner's family if applicable, resides as their primary dwelling; provided however, that no person shall hold concurrent rights in more than one (1) principal residence, as set forth under MGL Ch. 188, Section 1, as amended. Regular or periodic interruptions in residency shall not be considered to change the status of principal residency where such interruptions are the result of illness, catastrophe, professional or academic scheduling, or other temporary reasons for absence which do not affect basic indices of residency. For the purposes of this Bylaw, principal residency shall be determined by the Code Official based upon a preponderance of evidence, including but not limited to the following indicia of residency and address, as applicable: declaration of homestead, filing of state and federal income taxes, voter registration, annual street list, driver's license, motor vehicle registration, mortgage, mailing address, and telephone listing (if any).

Responsible Person – means an Owner, Occupant, Tenant, Local Agent, Property Manager or other natural person authorized to act as an Owner's agent.

Responsible Party – means the person or persons responsible for a violation under this Bylaw, whether an Owner, Occupant, Tenant, Local Agent, or Property Manager.

Rooming Unit – means the room or group of rooms let to an individual or household for use as living and sleeping quarters but not for cooking, whether or not common facilities for cooking are made available; provided, that cooking facilities shall not be deemed common if they can be reached only by passing through any part of the dwelling unit or rooming unit of another.

6. Registration & Permitting.

- a. **Application Process and Requirements.** Registration and rental permit applications shall be made on forms approved by the Town, and shall provide such information as the Principal Code Official shall deem reasonable and appropriate. Completed applications shall be submitted to the appropriate Town office. Complete rental permit applications shall be reviewed and permits shall be issued within fourteen (14) working days from the date of

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submission. Except as may otherwise be permitted by the Code Official, a rental permit application shall identify the total number of rental units on the property.

Information required as part of a rental permit application shall include:

- 1) **Contact Information & Responsible Persons.** Name(s) and current contact information, including but not limited to mailing address, telephone number and email address, for all owners and any responsible rental property management entity or person(s). Where the rental property owner(s) or agent does not have their principal residence or principal place of business in the town of Amherst or within 20 miles of an Amherst town line, and in order to ensure contact in circumstances when the owner cannot be reached, the owner shall appoint one or more person(s) who are residents of Amherst to serve as Local Agent(s) for the owner, authorized to act on the owner's behalf with regard to the property, but in particular in all matters in response to an emergency which endangers the property or threatens the welfare of any person living on the premises. Notices given to a Local Agent shall be sufficient to satisfy any requirement of notice to the owner or the operator. The owner shall notify the Code Official in writing of any change of Local Agent within five days of any such change.
 - 2) **Compliance Through Self-Certification.** Evidence of current compliance with all applicable local zoning and regulations, as well as state health, fire and building codes, shall be provided through submission of an Owner's Self-Inspection and Certification Checklist provided by the Town as set forth in Section 7 below. An owner or property manager may provide the Town with a single Self-Inspection and Certification Checklist for multiple units provided that said units are on a single property. Where said units represent a portion of the total rental units on the property, the applicant shall propose a schedule of Self-Inspection and Certification for the remaining units for the review and approval of the Code Official.
 - 3) **Complete & Accurate Information Required.** No incomplete application will be accepted. It shall be a violation of this Bylaw for anyone to knowingly provide false or misleading information on an application, and may constitute grounds for fines and other penalties hereunder. See Sections 12 and 13 below.
- b. **Renewal.** Rental permits shall be valid for a period to begin on July 1 and shall end on June 30, regardless of when a permit is applied for or approved and issued. Completed applications for permit renewals shall be submitted and received by June 15th of each calendar year.
 - c. **Permit Posted.** A rental permit shall be conspicuously posted and maintained within the premises in a common area or area as is necessary to be visible to tenants and inspectors.
 - d. **Transferability.** Rental permits shall be transferable upon a change of ownership, providing that operation of the continued rental use shall be subject to the provisions of the permit and management plan. The new owner or designated operator of the rental property is required to promptly notify the Code Official of their acquisition of the property and to submit for review and approval any proposed changes in the provisions of the permit.

7. Inspections & Complaints.

- a. **Self-Certification Program.** Owners of rental property governed by this bylaw shall self-inspect and certify their properties as required under this section. Nothing in the Self-Certification program shall limit the Town's authority or the authority and/or discretion of the Code Official to investigate and inspect a property in response to a complaint or for other good cause, or to compel abatement of any violation under this bylaw in a manner consistent with or required by the laws of the Commonwealth.
 - 1) **Annual Owner Self-Inspections & Checklist.**
 - a. **Owner Self-Inspection & Certification.** An owner or their local agent shall conduct an annual inspection of the property, using a Self-Certification Checklist provided by the Town. The owner or their agent shall sign the Checklist indicating, under pains and penalties of perjury, that the information contained therein is complete and accurate as of the date of said annual inspection, and shall submit the Checklist and any required materials along with their application for annual renewal of the rental permit for the property and unit(s) in question. Any false statements or information provided on the Checklist shall constitute a violation of this bylaw.
 - b. **Subsidized Housing.** Where residential rental units are regularly inspected under requirements of the state or federal government, no Self-Inspection and Certification shall be required. Annual certification by the owner that a rental unit has been inspected in accordance with state or federal law shall be provided to the Town and shall be accepted by the Town as evidence of Self-Inspection as part of any permit application or renewal.

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- c. **Self- Inspections & Access.** An owner shall not be found in violation of the Self-Certification program if they have been refused access for an inspection by a tenant/occupant. However, in such instances the owner shall either provide the Town with a signed statement from the tenant/occupant indicating that the inspection was refused, or the owner shall provide proof, under pains and penalties of perjury, that a request for access was served to the tenant/occupant and the request was thereafter refused.
- d. **Lease Terms.** Subject to and as limited by the laws of the Commonwealth, a provision requiring tenants to agree to provide reasonable access to the owner(s) or management company shall be a feature of any lease for a rental unit or property permitted under this bylaw. Where no lease is used, the owner(s) or their lawful representatives shall provide documentation demonstrating that they have made all tenants aware of the Town of Amherst rental bylaw and inspection system. All leases shall provide an acknowledgment that all tenants have been made aware of these requirements.
- e. **Leases Available.** Copies of all current, active leases for the subject property or units shall be kept on file with the owner or manager, and shall be made available to the Code Official within 48 hours of any request.

b. Self-Inspection for Different Circumstances

- 1) **Short-Term Rentals.** Dwelling units on owner-occupied properties serving as the owner's principal residence, and which contain no more than two (2) units may be rented under simple registration with the Town without the requirement for a rental permit for a period not to exceed one (1) calendar year under the following circumstances:
 - a. During a pending sale of the property by the owner-occupant, or
 - b. In response to regular or periodic interruptions in residency by the owner-occupant, where such interruptions are the result of illness, catastrophe, professional or academic scheduling, or other temporary reasons for absence which do not affect basic indicia of residency.At the end of the one (1) year rental period, as calculated from the initial date of the lease or occupancy of the unit(s) by persons other than the owner(s), any such units shall be registered and a rental permit obtained in compliance with this bylaw.
- 2) **Long-Term Tenancies & Periodic Self-Inspections.** Rental units which have been leased and occupied continuously by the same tenant(s) for a period of not less than three (3) years shall require a Self-Inspection & Certification upon initial registration and thereafter at three (3) year intervals. Exceptions shall be that Self-Inspection & Certification will be required upon any change in tenants, or may be required at more frequent intervals at the discretion of the Code Official in response to complaints or other circumstances requiring a Town inspection.

c. Complaints & Response Process.

Upon receipt of a complaint or notice from any person alleging that the condition of a rental unit or property is in violation of any law or State or local requirement, or of any violation of this Bylaw, the Code Official shall conduct an inspection of a premise within a reasonable amount of time. Inspections shall be as scheduled by the Code Official.

Inspections of rental properties, buildings, grounds, and rented dwelling or rooming units shall be conducted in accordance with all applicable local and state laws, regulations and codes, in a manner consistent with the laws of the Commonwealth.

Subject to the above limitation, all rental units are subject to inspection upon complaint or request by a tenant. Issuance of a rental permit to an owner does not preclude tenants' right to file a complaint with the Town, to which the Town must respond with an inspection in compliance with the provisions of state law and regulations.

- d. **Access to Properties.** In accordance with Section 7. a. 1) d), the permit holder shall make a good faith effort to arrange access by authorized Town personnel to any permitted rental property for the purpose of conducting inspections within twenty-four (24) hours of receiving a request.

- 8. **Tenant Information.** The owner shall be required to distribute to tenants annually, and to each new tenant, an information sheet provided by the Town describing key local regulations; bylaws, including those pertaining to noise, alcohol and nuisance houses; and state laws and codes applying to rental properties. As part of the Registration and Self-Certification process, the owner shall attest to understanding the provided information and the necessity of compliance with the rules and laws described, as well as distributing it to tenants.

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9. **Occupancy Limits and Zoning.** The maximum number of adult persons who may occupy a dwelling unit or rooming unit shall be as determined by the requirements of the Amherst Zoning Bylaw and State standards for fitness for habitation. The fact that a structure or use may be permitted or authorized under the Amherst Zoning Bylaw shall not exempt said structure or use from application of this bylaw or relieve or excuse compliance herewith in any way.
10. **Parking.** All existing parking and any new or expanded parking on residential rental properties within the town of Amherst shall comply with the General Requirements and Design Standards and Landscape Standards of the Parking & Access Regulations of the Amherst Zoning Bylaw.
- a. **Parking Site Plan.** A Basic Parking Site Plan, as described below, meeting the requirements of this section shall be developed and submitted as part of any rental permit application. Submission of an existing site plan approved under a land use (zoning) permit and which accurately represents current on-site parking shall meet the requirements of this section.
- 1) **Basic Parking Site Plan Requirements.** The parking site plan shall be drawn to scale (1"=20' preferred), as appropriate to the site. Except as may otherwise be required by the Code Official or under the provisions of Amherst's Zoning Bylaw, Town of Amherst GIS mapping may be used as the base for a site plan developed under this section.
 - a) The Basic Parking Site Plan shall accurately depict the area within which parking is proposed, including:
 - i) Property boundaries
 - ii) Existing driveways and pedestrian walks
 - iii) Dwellings and structures
 - iv) All existing and proposed on-site parking spaces
 - v) Existing and proposed landscaped areas
 - vi) Fencing or other barriers or screening
 - vii) Site features such as trees over 12 inches in diameter (as measured five feet above grade), bedrock outcroppings, steep slopes, and such other site features as may affect parking locations.
 - 2) Any provision of this section with regard to Basic Parking Site Plan Requirements may be waived or modified by the Code Official for compelling reasons of safety or design.
- b. **Review.** Existing on-site parking and circulation shall be reviewed by the Code Official for conformance with existing zoning requirements, including but not limited to parking layout and circulation, paving, parking space dimensions, screening, and, in consultation with the Fire Chief, the sufficiency of circulation and vehicular access for public safety and emergency vehicles.
11. **Fees.** The Select Board or its designee may set and periodically revise a schedule of fees for registration, permit application, and inspections of rental properties.
12. **Enforcement.**
- a. **Enforcement Personnel.** The Town Manager is hereby authorized to designate the Principal Code Official and other Town officials empowered to enforce or otherwise take actions under this Bylaw.
 - b. **Enforcement Options.** This Bylaw shall be enforced by criminal complaint through a court of competent jurisdiction. In addition, any person committing a violation under this section may be issued a citation under the noncriminal disposition process of M.G.L. c. 40 section 21D. Furthermore, in appropriate circumstances, a civil action may be initiated to compel compliance herewith.
 - c. **Violations.** Non-compliance with any requirement of this Bylaw shall constitute a violation subject to penalty. Every day in which a violation continues shall be considered to be a separate offence. If more than one violation has occurred, each condition of the Bylaw which has been violated shall be considered a separate offense.
 - d. **Enforcement Procedures.** Except for cases where conditions exist which may endanger or impair the health, or safety and well-being of a person or persons occupying the premises or as may otherwise be provided for by the Massachusetts Sanitary Code, Building Code, Fire Regulations or any other state or local law or regulation, the response of Code Officials to potential violations of this Bylaw shall include one or more of the actions as deemed necessary by the Code Official. Nothing herein shall supersede, alter, or vary the requirements of those codes or the responsibilities of the officials that administer them.
 - 1) **Complaint Filed.** Any person may file a complaint regarding one or more violations of this Bylaw.

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- 2) **Property Research.** The Code Official shall perform a limited initial research of the property to confirm permit history, assessor's information, and other pertinent information. The Code Official may contact the alleged violator, occupant or responsible party to gather additional information. When appropriate the Code Official shall notify the Owner that a complaint has been filed against the property and that an initial site inspection is anticipated.
- 3) **Site Inspection.** The Code Official shall conduct a site inspection to determine the validity of the complaint and collect any relevant facts of the case.
- 4) **Notice of Violation/Enforcement Order.** After inspecting the site and upon confirming that a violation exists, the Code Official shall inform the responsible party or parties in writing of the violation and specify a time period within which to correct the violation. Violations may be cited pursuant to the applicable state or local code or regulation.
- 5) **Follow up Inspection.** Shall be conducted upon the expiration of the time specified to correct the violation.
- 6) **Fines.** The Code Official may elect to impose fines in instances where: 1) compliance has not been achieved after the responsible party or parties have been made aware of the violation and given a reasonable opportunity to come into compliance, or 2) for repeat offenses.
- 7) **Suspension of Rental Permit.** In instances of egregious violations and when all reasonable and practical efforts have been made by the Code Official to gain compliance at a property without result, the Principal Code Official may suspend a rental permit based upon the specific criteria provided in Section 13 of this Bylaw. The permit holder shall have the opportunity to be heard and appeal any decision of the Principal Code Official to impose a suspension in accordance with Section 14 of this Bylaw.
- 8) **Court Relief.** If a violator fails to comply with an Enforcement Order, the Code Official may seek a court order to remedy the violation.

13. Penalties

- a. **Fines.** Any violation of the provisions of this Bylaw may be enforced by non-criminal complaint pursuant to the provisions of G.L. c.40, §21D. The fine for any violation shall be one hundred dollars (\$100.00) for each offense. Each day such violation continues shall be deemed a separate offense. Fines for other applicable local and state laws, regulations and codes, shall be set and assessed in a manner consistent with those laws, regulations, and codes, and the laws of the Commonwealth.
- b. **Suspension.** Based on the standard of proof and criteria specified herein the Principal Code Official is authorized to suspend a rental permit. A suspension shall take effect immediately upon the day following the end of the current lease, or upon any termination of the lease prior to that date. The suspension of a rental permit shall be imposed to affect only those units which are the subject of the violation(s) and enforcement action(s). Permits may be suspended if:
 - 1) An Owner or their Agent has knowingly allowed or assisted in allowing violations of this Bylaw. The Code Official must collect compelling documentation through his or her investigation to substantiate this violation and support the recommendation to suspend a permit.
 - 2) An Owner or their Agent repeatedly refuses or neglects to comply with an order of the Code Official. The Code Official must find that the Owner or their Agent have not taken action to achieve compliance of the property and that at least 90 days have expired without compliance since the date of receipt of the Enforcement Order. During this time the Code Official shall inform the Owner or their Agent in writing that the permit is subject to suspension.

Suspensions shall be as follows:

First Offense – 90 days
 Second Offense in a twelve month period – 180 days
 Third Offense in a twelve month period – 3 years

- c. **Immediate Suspension.** In those instances where a rental unit has been condemned or deemed an unsafe structure pursuant to health, building and fire regulations, the rental permit shall be immediately suspended and shall remain suspended until as such time the property is found to be habitable and in compliance by the appropriate Code Official.

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14. Appeals of the Code Official.

The Select Board is hereby authorized to establish and appoint a Rental Appeals Board (RAB), and to promulgate regulations for its membership and the conduct of its business.

Any decision by the Code Official to suspend a permit may be challenged by the permit holder by filing an appeal to the Rental Appeals Board (RAB). All appeals must be filed within 14 days of the decision and shall be heard within 30 days of filing. All appeals shall be heard at a duly noticed public hearing and any party filing such an appeal shall have the right to be represented by counsel.

A decision of the Rental Appeals Board shall be final. Further relief of a decision by the RAB made under this Bylaw shall be reviewable in a court of competent jurisdiction.

RECOMMENDED by Finance Committee vote of 7-0.

After a long process and many public meetings, this Bylaw was drafted to give the Town a mechanism for learning which residential properties are rentals. It would also strengthen code enforcement, thus helping to improve neighborhoods where code violations have been a problem. In order to enforce the Bylaw, two new positions are proposed in the Conservation and Development section of the Operating Budget, Article 16 – a Code Enforcement Officer and an administrative assistant – to supplement the work of the existing Code Enforcement Officer. The extra cost will be covered by fees generated by this Bylaw.

ARTICLE 30. Zoning – Converted Dwellings Standards and Conditions (Planning Board)

To see if the Town will amend the Standards and Conditions for Section 3.3241, Converted Dwelling, by adding the language in ***bold italics*** to Condition #6, and removing Condition #13 [shown as ~~lined out~~] in its entirety:

6. The proposed conversion shall be suitably located in the neighborhood in which it is proposed, as deemed appropriate by the Special Permit Granting Authority. The conversion, if in a residential district, shall either: a) be located in an area that is close to heavily traveled streets, close to business, commercial and educational districts, or already developed for multi-family use, and shall require owner-occupancy or a ~~Resident~~ ***Resident Manager (see definition)*** in one of the units; or b) be from one to two units, one of which shall be and shall remain owner-occupied, which shall be made a condition of any Special Permit issued in such an instance.

~~13. For any converted dwelling use in the R-G, R-VC, R-N, R-O and R-LD districts, the Special Permit Granting Authority shall require as a condition of the granting of a Special Permit the ongoing services of a qualified professional property management company, the presence of a qualified on-site resident manager, or similar provision for appropriate management of the rental use.~~

RECOMMENDED by Finance Committee vote of 6-0, 1 absent.

This would correct an unintended conflict between two amendments to the Zoning Bylaw approved at last fall's Town Meeting. Eliminating the conflict could prevent potential future costs of litigation over interpretation of the Bylaw.

ARTICLE 31. Zoning – Mixed Use Buildings - Standards and Conditions (Planning Board)

To see if the Town will amend the Standards and Conditions for Section 3.325 of the Zoning Bylaw, by deleting the ~~lined out~~ language and adding the language in ***bold italics***, as follows:

3.325 Building containing dwelling units
in combination with stores or other
permitted business or commercial uses

Standards and Conditions

A management plan, as defined in terms of form and content in the Rules and Regulations adopted by the Permit Granting Authority shall be included as an integral part of any application made under this section.

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In those Limited Business (B-L) Districts not abutting the B-G District, and in the Commercial (COM) District, a Special Permit from the **Special Permit Granting Authority** authorized to act under this section of the bylaw shall be required wherever proposed residential uses above the first floor exceed: 1) a total GFA greater than ~~twice~~ the area devoted to commercial uses, or 2) a total GFA greater than six thousand (6000) square feet, or 3) ~~six (6)~~ **ten (10)** dwelling units. The proposed use shall meet the criteria of Section 10.38 or Section 11.24, as applicable, with respect to the site and potential conflicts between the residential and commercial use(s).

In the Commercial (COM) District, ~~there shall be no dwelling units nor~~ **any internal space associated with a dwelling unit shall occupy any first floor portion of a building facing onto a street, public plaza, or other space customarily used by the public** dwelling units, nor portions thereof other than entries thereto as required, on the first floor. **First floor residential dwelling units, and any required entries thereto, shall be located on the rear of buildings, adjacent to any required parking and private open space associated with and serving those units.** No more than ~~ten percent (10%)~~ **forty percent (40%)** of the gross floor area on the first floor **Gross Floor Area (GFA)** shall be **used for residential purposes, which shall include not more than fifteen percent (15%) of said GFA** associated with or incidental to, whether for storage, **required entries, stair/elevator towers,** or other purposes, ~~the any~~ residential uses on upper floors.

RECOMMENDATION DEFERRED UNTIL TOWN MEETING.

ARTICLE 32. Zoning – Mixed Use Center Dimensions (Planning Board)

To see if the Town will amend Article 6, Table 3, Dimensional Regulations and its Footnotes, and Section 6.19 of the Zoning Bylaw with respect to dimensional requirements for the Limited Business (B-L), Commercial (COM), Village Center Business (B-VC), and General Business (B-G) districts, as follows:

A1. Amend Table 3 by replacing existing dimensional requirements for the B-L and COM districts by adding the language in *bold italics*, as follows:

	B-L/COM	
	<u>Existing</u>	<u>Proposed</u>
Basic Minimum Lot Area (sq. ft.) ^h	20,000 ^b	15,000^b
Additional Lot Area/Family (sq. ft.)	4,000	2,500^{ab}
Basic Minimum Lot Frontage (ft.)	125 ^b	60^b
Basic Minimum/ Maximum Front Setback (ft.) ^{an}	20	10 minimum 30 maximum
Basic Minimum Side and Rear Yards (ft.) ^g	25 ^a	25 ^a
Maximum Building Coverage (%)	35	35 ^a
Maximum Lot Coverage (%) ^o	70/85j	70/85 ^{aj}
Maximum Floors ^a	3	3
Minimum Maximum Height (ft.) ^{an}	35	16 minimum 40 maximum

A2. Amend Table 3 Footnotes b. and n. by deleting the ~~lined-out~~ language and adding the language in *bold italics*, as follows:

- a. Requirement may be modified under a Special Permit, issued by the Special Permit Granting Authority authorized to act under the applicable section of this bylaw. In applying the criteria established in Section 10.395, the Special Permit Granting Authority shall consider the proposed modified dimensional requirement in the context of the pattern(s) of the same dimensions established by existing buildings and landscape features in the surrounding neighborhood. [No amendment, included for informational purposes]
- b. Applies to Residence Uses only (Section 3.32). In the B-G, **B-L**, B-VC, ~~and~~ B-N, **and COM** districts, the Basic Minimum Lot Area shall apply only to the first dwelling unit on the ground floor of subdividable dwellings and converted dwellings. For townhouses, apartments, buildings containing dwelling units in combination with stores or other permitted commercial uses, and other permitted multi-unit residential uses in these districts, the Basic Minimum Lot Area, Additional Lot Area/Family, and Basic Minimum Lot Frontage requirements shall not apply.
- c. Applies to any part of a building which is within 200 feet of the side boundary of a Residence District abutting on the same street within the same block; otherwise, no front setback is required. [No amendment, included for informational purposes]

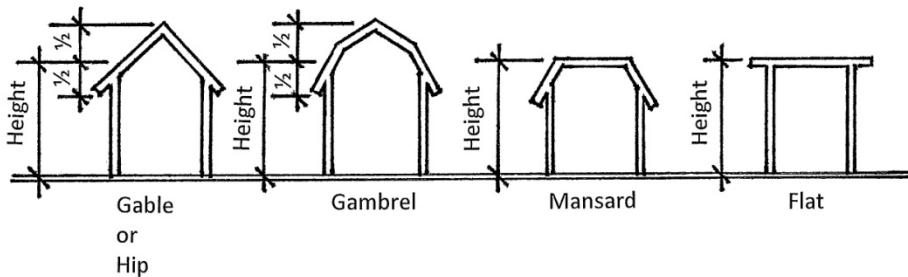
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- e. Rear and side yards shall be at least 20 feet when the affected property is adjoining a Residence District. Otherwise, rear and side yards are not required, but if provided shall be at least 10 feet. [No amendment, included for informational purposes]
- h. A buildable lot shall contain either 90% of its total lot area, or 20,000 square feet, in contiguous upland acreage. [No amendment, included for informational purposes]
- j. 85% in any B-L District adjacent to the B-G District, and along University Drive; 70% in any other B-L District and in the COM District. [No amendment, included for informational purposes]
- n. ***Where only a single figure is shown, it represents the minimum front setback or the maximum height, as applicable.*** See Section 6.19 for interpretation.
- o. See Section 6.18. [No amendment, included for informational purposes]

A3. Amend Section 6.19 by deleting the ~~lined-out~~ language, adding the language in *bold italics*, and adding a new graphic illustration for building height, as follows:

6.19 *Minimum and* Maximum Height

In all districts, the minimum or maximum height of a building shall be measured as the vertical distance from the highest point of any roof or parapet to the average finished grade on the street side of the structure to the highest point of the roof for flat roofs, to the deck line for mansard roofs, and to the average height (midpoint) between the highest eaves and ridge of the main body of the roof for gable, hip, shed, saltbox, and gambrel roofs, or combinations thereof.



Section 6.19 – Building Height

In the B-G, B-L, B-VC, B-N, COM, and R-VC districts, the maximum height of buildings may be modified under a Special Permit granted by the Special Permit Granting Authority authorized to act under the provisions of this bylaw for compelling reasons of building function, utility, or design, including but not limited to allowing construction of the full number of maximum floors under difficult site conditions such as steep grades, or with a pitched roof design, or similar conditions. In granting any such modification, the Special Permit Granting Authority shall consider the patterns of height and roof styles established by existing buildings, structures, and landscape features in the surrounding area, and provided that in no case shall the height of any exterior face of a building exceed the permitted height by more than ten (10) feet.

Height limitations shall not apply to chimneys, spires, cupolas, TV antennae and other parts of buildings or structures not intended for human occupancy. Towers, antennae, panels, dishes and other such structures attached to a building in association with commercial and public wireless communication uses shall not exceed the maximum height of said building, as above defined, by more than ten feet. Related electronic equipment and equipment structures shall not exceed the maximum height. For towers and other such free-standing structures associated with wireless communications uses, the provisions of Section 3.340.2 shall apply and prevail.

B. Amend Table 3, including replacement of existing dimensional requirements for the B-VC District as shown in *bold italics*:

	<u>Existing</u>	<u>Proposed</u>
Basic Minimum Lot Area (sq. ft.) ^h	15,000 ^b	<i>12,000^b</i>
Additional Lot Area/Family (sq. ft.)	2,500 ^{ab}	2,500 ^{ab}
Basic Minimum Lot Frontage (ft.)	100 ^b	<i>60^b</i>
Basic Minimum/ <i>Maximum</i> Front Setback (ft.) ^{an}	10 ^a	<i>10 minimum</i>

B-VC

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		20 maximum
Basic Minimum Side and Rear Yards (ft.) ^g	25 ^a	10^a
Maximum Building Coverage (%)	35	35^a
Maximum Lot Coverage (%) ^o	65 ^a	65^a
Maximum Floors ^a	3	3
Minimum Maximum Height (ft.) ^{an}	40	16 minimum 40maximum

Amend Table 3, including replacement of existing dimensional requirements for the B-G District as shown in *bold italics*:

B-G

	<u>Existing</u>	<u>Proposed</u>
Basic Minimum Lot Area (sq. ft.) ^h	12,000 ^b	12,000 ^b
Additional Lot Area/Family (sq. ft.)	1,250 ^{ab}	1,250 ^{ab}
Basic Minimum Lot Frontage (ft.)	100 ^b	40^b
Basic Minimum/Maximum Front Setback (ft.) ^{an}	20 ^c	0 minimum 20 maximum
Basic Minimum Side and Rear Yards (ft.) ^g	e	10^{ae}
Maximum Building Coverage (%)	70 ^a	70 ^a
Maximum Lot Coverage (%) ^o	95 ^a	95 ^a
Maximum Floors ^a	4	5
Minimum Maximum Height (ft.) ^{an}	50	55

RECOMMENDATION DEFERRED UNTIL TOWN MEETING.

ARTICLE 33. Zoning – Non-Conforming Uses and Structures (Planning Board)

To see if the Town will vote to amend Section 9.2, Non-Conforming Uses and Structures, by deleting the ~~lined-out~~ language and adding the language in ***bold italics***, as follows:

A. Amend Section 9.20 by adding new Sections 9.201 and 9.202, as follows:

9.20 Any lawful building or structure, or use of a building, structure or land, existing at the time of adoption of this Bylaw or any amendment thereto which does not conform to the regulations thereof may be continued. However, except as hereinafter set forth, a non-conforming building or structure shall not be structurally altered, enlarged, nor reconstructed so as to increase its non-conformity under this bylaw. ***For the purposes of this section, a structural alteration shall be any change to the exterior of a building or other structure which involves alteration, relocation, enlargement, or reconstruction of walls or other significant elements of the building or structure.***

9.200 Under Section 11.1, the Building Commissioner may permit the repair, alteration, reconstruction, extension or structural ~~change~~ ***alteration*** of a lawful, dimensionally non-conforming single family or two family dwelling ***in any zoning district or a lawful, dimensionally non-conforming building in the B-G, B-VC, B-N, B-L or COM districts, or in either circumstance***, a portion thereof, or accessory structures thereto, provided the proposed change does not constitute a change of use under this Bylaw, and at least one of the following conditions is met:

9.2000 In the case of a building non-conforming solely because of insufficient lot frontage or lot area, or both, the proposed change shall meet all dimensional requirements for front setback, side and rear yards, building coverage, lot coverage, maximum floors and maximum height.

9.2001 In the case of a dimensionally non-conforming building with sufficient lot frontage and lot area, where said building, or a portion thereof, is non-conforming as to one or more of the dimensional requirements for front setback, side and rear yards, building coverage, lot coverage, maximum floors or maximum height, all dimensional requirements met by the building prior to the proposed change shall be met after completion of the proposed change.

9.2002 In the case of a building non-conforming as to lot frontage and/or lot area, and nonconforming as to one or more of the dimensional requirements for front setback, side

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and rear yards, building coverage, lot coverage, maximum floors or maximum height, all dimensional requirements met by the building prior to the proposed change shall be met after completion of the proposed change.

9.201 *Where a new or expanded existing conforming use is proposed in an existing lawful dimensionally non-conforming building, and no exterior alteration, reconstruction, extension or structural alteration will occur, the permit requirements of Section 3.3 shall apply but no additional Special Permit under Section 9.22 shall be required for the proposed use.*

B. Amend Section 9.22, as follows:

9.22 The Board of Appeals may authorize **Special Permit Granting Authority authorized to act under the provisions of Section 3.3 of this bylaw may**, under a Special Permit, **allow** a non-conforming use of a building, structure or land to be changed to a specified use not substantially different in character or in its effect on the neighborhood or on property in the vicinity. Said ~~Board~~ **Authority** may also authorize, under a Special Permit, a non-conforming use of a building, structure, or land to be extended, or a non-conforming building to be structurally altered, enlarged or reconstructed; provided that **the Authority finds that** such alteration, enlargement, or reconstruction shall not be substantially more detrimental to the neighborhood than the existing non-conforming use or non-conforming building.

RECOMMENDATION DEFERRED UNTIL TOWN MEETING.

**ARTICLE 34. Zoning – R-F District Dimensions
(Planning Board)**

To see if the Town will amend Table 3, Dimensional Regulations, by adding Footnote a. to the following dimensions in the Fraternity Residence (R-F) District:

	<u>R-F</u>	
Basic Minimum Lot Area (sq. ft.) ^h	40,000	
Additional Lot Area/Family (sq. ft.)	-----	
Basic Minimum Lot Frontage (ft.)	150	
Basic Minimum Front Setback (ft.) ^a	25	
Basic Minimum Side and Rear Yards (ft.) ^g	20	
Maximum Building Coverage (%)	20 ^a	←
Maximum Lot Coverage (%) ^o	45 ^a	←
Maximum Floors ^a	3	
Maximum Height (ft.) ⁿ	40 ^a	←

[Included for informational purposes]

a. Requirement may be modified under a Special Permit, issued by the Special Permit Granting Authority authorized to act under the applicable section of this bylaw. In applying the criteria established in Section 10.395, the Special Permit Granting Authority shall consider the proposed modified dimensional requirement in the context of the pattern(s) of the same dimensions established by existing buildings and landscape features in the surrounding neighborhood.

RECOMMENDATION DEFERRED UNTIL TOWN MEETING.

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ARTICLE 35. Zoning – Locational Requirements for Non-Conforming Structures in Mixed Use Centers (Planning Board)

To see if the Town will amend Article 9, Non-Conforming Lots, Uses and Structures, by adding the following new Section 9.3:

SECTION 9.3 LOCATIONAL REQUIREMENTS IN MIXED USE CENTERS

9.30 Purpose

The purpose of this section is to establish regulations for the location of new additions or enlargements to non-conforming uses and structures, or the creation of separate buildings on the same lot as non-conforming uses and structures in the B-G, B-L, B-VC, B-N and COM Districts. These regulations are intended to promote sound design, enhance the creation of pedestrian-friendly streetscapes and spaces, and foster more functional and successful mixed use properties. Where the provisions of this section conflict with Section 9.1 and 9.2 of this Article, this section shall apply and prevail.

9.31 Non-conforming Structures

- 9.310 Enlargements, Repairs, or Alterations – Non-conforming structures may be permitted to be enlarged, extended, reconstructed, repaired or altered by the Permit Granting Board or Special Permit Granting Authority in conformance with the provisions of Section 9.2 provided, however, that any such enlargement, extension, reconstruction, repair or alteration shall conform to the locational regulations established herein.
- 9.311 Permitted Additions – Where a non-conforming structure is being expanded under Section 9.310, the addition shall abide by the following requirements:
- 9.3110 Front and Rear Additions – Any addition in front of an existing building shall be placed such that its front façade is set at or within the front setback area established by the minimum and maximum front setback. Rear additions may only be undertaken simultaneously with front or side additions, and only where the rear extension is not increasing the degree of existing nonconformity.
- 9.3111 Side Additions for Buildings Located Within the Front Setback Area – For an existing building located at the front setback, any side addition shall also be located at or within the front setback area.
- 9.3112 Side Additions for Buildings Located Outside of the Front Setback Area – For an existing building located at the rear edge or behind the front setback area, any side addition shall be extended forward such that its front façade is located at or within the front setback area.
- 9.312 Permitted New Buildings – The front facades of all separate new buildings being constructed on a site with an existing non-conforming structure shall be located at or within the front setback area.
- 9.313 Modification or Waiver – Any provision of this section may be modified or waived by the Special Permit Granting Authority authorized to act under the applicable section of this Bylaw for compelling reasons of safety, aesthetics, sustainable site design, or historic or environmental preservation needs which serve the purposes of this section.

RECOMMENDATION DEFERRED UNTIL TOWN MEETING.

ARTICLE 36. Zoning Petition – Amend Official Zoning Map to Change Zoning Designation on Parcels 14B-250 and 14B-251 from (R-G) to (B-N) (Guidera et al)

To see if the Town will amend the Official Zoning Map to change the zoning designation on Assessor's parcels 14B-250 and 14B-251 from General Residence (R-G) to Neighborhood Business (B-N).

NO RECOMMENDATION

The petitioners seek rezoning of two vacant properties at the corner of Main and Gray Streets from General Residence (RG) to Neighborhood Business (BN). Currently, two residences could be constructed there by right. The current owner wants to sell

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those lots to the non-profit Amherst Media, which wants to build its headquarters/studio there. Changing the zone would allow increased lot coverage and therefore increase its potential value for development, which could bring in more tax revenue to the Town. On the other hand, if the property is owned and developed by a non-profit like Amherst Media, it might no longer pay any property tax.

ARTICLE 37. Petition – PVTA Funding (Berg et al)

We, the undersigned people, who are Amherst voters, petition the said Town of Amherst to provide annual funding of 30 thousand dollars to the Pioneer Valley Transit Authority in order to add a spur to the existing PVTA/UMass Sunderland/South Amherst bus route #31 to service the new Amherst Survival Center on a regular basis as was the case with the previous ASC location, to provide much-need transportation to the elderly, disabled and poverty stricken families and individuals who have neither the ability to traverse the one-third (1/3) mile from the existing stop on North Pleasant at the Congregational Church intersection nor make the return one-third mile walk back to that bus stop. This allocation should include a sheltered bus stop structure with adequate seating, lighting and an emergency call box.

NOT RECOMMENDED by Finance Committee vote of 6 - 0

This article would appropriate \$30,000 for extending a bus route to the Survival Center, which relocated to 138 Sunderland Road last year. The committee voted not to recommend this appropriation after hearing from the Director of the Survival Center that the Center does not support this article and in fact is looking at other options to provide transportation to the Center. The committee members also felt that this was a very large expenditure to provide enhanced transportation and had not be reviewed by the Public Transportation and Bicycle Committee.

ARTICLE 38. Petition – CAN Residential Rental (Bloom et al)

RECOMMENDATION DEFERRED UNTIL TOWN MEETING.

ARTICLE 39. Petition – Nuisance House Bylaw Amendment (Perot et al)

Given that errors were made in the 2012 Fall Town Meeting by:

- a) omitting a section that was intended to be deleted,
- b) including fire and ambulance in the response costs which is impractical,
- c) minor clerical errors and additions to increase clarity.

the following corrections are recommended to the bylaw.

VOTED to amend the General Bylaws Nuisance House by adding the language in **bold face** and deleting the underlined **strike through** language as follows:

Purpose

In accordance with the Town of Amherst's Home Rule Authority, and to protect the health, safety, and welfare of the inhabitants of the Town, this bylaw shall permit the Town to impose liability on owners, rental property managers and other responsible persons for the nuisances and harm caused by loud and unruly gatherings on private property and shall discourage the consumption of alcoholic beverages by underage persons at such gatherings.

§ 1. Definitions

Alcohol means ethyl alcohol, hydrated oxide of ethyl, or spirits of wine, from whatever source or by whatever process produced.

Alcoholic beverage means all liquids intended for human consumption as a beverage **that** contains one half of one percent or more of alcohol by volume at sixty degree Fahrenheit, including malt beverages.

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Eviction means actively trying to evict a tenant from a premise by delivery of a notice to quit and subsequent court proceedings, if a tenant fails to vacate the premises.

Gathering is a party, gathering, or event, where a group of persons have assembled or are assembling for a social occasion or social activity.

Legal Guardian means (1) a person who, by court order, is the guardian of the person of a minor; or (2) a public or private agency with whom a minor has been placed by the court.

Underage Person means any person under twenty-one years of age.

Parent means a person who is a natural parent, adoptive parent, foster parent, or stepparent of another person.

Premises means any residence or other private property, place, or location, including any commercial or business property.

Property owner means the legal owner of record as listed by the tax assessor's records.

Public Nuisance means a gathering of persons on any premises in a manner **that** constitutes a violation of law or creates a substantial disturbance of the quiet enjoyment of private or public property. Unlawful conduct includes, but is not limited to excessive noise, excessive pedestrian and vehicular traffic, obstruction of public streets by crowds or vehicles, illegal parking, public urination, the service of alcohol to underage persons, fights, disturbances of the peace, and litter.

Response costs are the costs associated with responses by law enforcement, ~~fire and other emergency response providers~~ to a gathering as set forth in a schedule of costs established by the Board of Selectmen.

Rental property Manager or Management organization. Any person or organization acting on behalf of a rental housing owner or owners to screen and place tenants, collect rent, security deposits and other fees, maintain and secure rental housing property, or any or all of the above.

§2. Consumption of Alcohol by Underage Parsons Prohibited in Public Place, Place Open to Public, or Place Not Open to Public

Except as permitted by state law, it is unlawful for any underage person to:

- (a) consume at any public place or any place open to the public any alcoholic beverage: or
- (b) consume at any place not open to the public any alcoholic beverage, unless in connection with the consumption of the alcoholic beverage the underage person is being supervised by his or her parent or legal guardian.

§3. Hosting, Permitting, or Allowing a Public Nuisance or Party, Gathering, or Event where Underage Persons Consuming Alcoholic Beverages Prohibited

- a. It is the duty of any person having control of any premises who knowingly hosts, permits, or allows a gathering at said premises to take all reasonable steps to prevent the consumption of alcoholic beverages by any underage person at the gathering. Reasonable steps include, but are not limited to, controlling access to alcoholic beverages at the gathering; controlling the quantity of alcoholic beverages present at the gathering; verifying the age of persons attending the gathering by inspecting driver's licenses or other government-issued identification cards to ensure that underage persons do not consume alcoholic beverages while at the gathering; and supervising the activities of underage persons at the gathering.
- b. A gathering constituting a public nuisance may be abated by all reasonable means including, but not limited to, an order by the Police requiring the gathering to be disbanded and citation and/or arrest of any persons under any applicable provision of local or state law.
- c. It is unlawful for any person having control of any premises to knowingly host, permit, or allow a gathering to take place at said premises where at least one underage person consumes an alcoholic beverage, provided that the person having control of the premises either knows an underage person has consumed an alcoholic beverage or reasonably should have known that an underage person consumed an alcoholic beverage and the person having control of said premises failed to take all reasonable steps to prevent the consumption of an alcoholic beverage by an underage person.
- d. This Section shall not apply to conduct involving the use of alcoholic beverages that occurs exclusively between an underage person and his or her parent or legal guardian as set forth in G.L. c.138, §34.
- e. This Section shall not apply to any Massachusetts Alcoholic Beverages Control Commission licensee at any premises regulated by the Massachusetts Alcoholic Beverage Control Commission.

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§4. Mailing of Notice to Property Owner.

Notice of response by police or other local officials to a gathering shall be mailed by the Town Manager's office to any property owner listed on the Town of Amherst property tax assessment records and the rental housing manager or management organization, advising them that the third such response on the same premises within a one year period, as measured from the date of the first notice, shall result in liability of the property owner and rental housing manager or management organization for all penalties associated with such response **costs** as more particularly described below.

§5. Persons Liable for a First and Second Response to a Gathering Constituting a Public Nuisance.

If the police department is required to respond to a gathering constituting a public nuisance on the premises, the following persons shall be jointly and severally liable for fines as set forth below. Response costs shall also be assessed **but not collected until the 3rd violation**.

- a. The person or persons residing on or otherwise in control of the property where such gathering took place.
- b. All persons attending such gathering constituting a Public Nuisance.

§6. Persons Liable for a Third and Subsequent Response to a Gathering Constituting a Public Nuisance.

If the police department is required to respond to a gathering constituting a public nuisance on the premises more than twice in any one year period, as measured from the date of the first response, the following persons shall be jointly and severally liable for fines as set forth below. Response costs shall also be ~~assessed~~ **collected for this and the previous two violations**.

- a. The person or persons who own and/or manage the property where the gathering constituting the public nuisance took place provided that notice of the first and second responses have been mailed to the owner of the property as set forth herein and the gathering occurs at least ~~14~~ **10** days after the mailing of the second such notice. ~~The owner of the property shall not be held responsible for any violations or penalties if they are actively trying to evict the offending tenants from the property.~~
- b. The person or persons who organized or sponsored such gathering.

§7 Enforcement

This bylaw shall be enforced by criminal complaint in the District Court. Violations shall be punishable by a fine of \$300.00. In the alternative it may be enforced by the noncriminal disposition process of M.G.L. c.40 Section 21D. For the purpose of noncriminal enforcement, the enforcing persons shall be any police officer of the Town of Amherst. If enforced pursuant to noncriminal disposition, the following fines shall apply:

The Town of Amherst shall additionally seek administrative costs and response costs associated with enforcement of Sections 2 and 3, through all remedies or procedures provided by state or local law.

Sections 2 and 3 shall not limit the authority of police officers to make arrests for any criminal offense arising out of conduct regulated by Sections 2 and 3, nor shall they limit the Town of Amherst or the Commonwealth of Massachusetts' ability to initiate and prosecute any criminal offense arising out of the same circumstances necessitating the application of Sections 2 and 3.

§8. Local Authority and Severability

No provision of this bylaw shall apply where prohibited or preempted by state or federal law.

If any provision of this ordinance, or the application thereof to any person or circumstances, is declared invalid, that invalidity shall not affect other provisions or applications of this ordinance which can be given effect without the invalid provisions or application, to this end the provisions of this ordinance are severable.

NO RECOMMENDATION

The petitioners seek to correct what they perceive as errors made in amendments the 2012 Fall Town meeting made to the Nuisance House Bylaw. No financial consequences to the Town are expected.

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ARTICLE 40. Petition – Rental Housing Information (O'Connor et al)

To see if the Town will vote to amend the Town's General Bylaws to include the following "Rental Housing Information Bylaw":

- a. By August 1 of every year, a Town official designated by the Town Manger shall post on the Town website accessible via a prominent location on the front page of that website lagged "Rental Housing Regulations" an updated electronic version of the pamphlet "Your Rights and Responsibilities as a Landlord or Tenant in the Town of Amherst, Massachusetts" along with such other housing information, town bylaws and regulations as the Select Board, the Town Manager and other Town officials working together shall deem appropriate;
- b. Between September 10th and 20th of every year, the Town shall mail to every landlord, rental property management company and tenant household within or doing business in the Town a brief summary of the pamphlet "Your Rights and Responsibilities as a Landlord or Tenant in the Town of Amherst, Massachusetts" and of such other Town bylaws and rental housing regulations as the Select Board, the Town Manager and other Town officials working together shall deem appropriate which shall include prominently placed directions to the "Rental Housing Regulations" location on the Town website;
- c. The Select Board, the Town Manager and other Town officials working together shall diligently endeavor to persuade the administration of the University of Massachusetts to email every Saturday to each and every student living off-campus in the Town of Amherst an electronic version of the material prepared pursuant to section "B" of this bylaw.

RECOMMENDATION DEFERRED UNTIL TOWN MEETING.

ARTICLE 41. Petition – Residential Parking (O'Connor et al)

To see if the Town will vote to amend the General Bylaws by adding the following:

Residential Parking

Existing Residential Parking. Parking in the front setback shall be limited to paved or surfaced areas and no parking shall be permitted on lawn areas or other unpaved or unsurfaced landscaped areas as part of the use of any residential property within the Town of Amherst. Waivers or modifications of these requirements, both permanent and temporary, may, for compelling reasons, be granted pursuant to a written request from the property owners by a code enforcement official designated by the Town Manager, which official may take into account site limitations, existing or proposed screening, previous owner-occupancy use, etc.;

Residential Rental Property. All leases and agreements for the use of rental property within the Town of Amherst shall contain clauses limiting parking as set forth above and providing penalties for violations. Owners or managers of rental properties shall maintain rosters of tenant vehicles authorized to be garaged at each separate rental property, house or apartment complex and shall make such rosters immediately available to police, fire or other Town officials upon request;

New or Expanded Parking. Any new or expanded parking shall comply with the Design Standards and Landscape Standards of the Amherst Zoning Bylaw;

Violations and Enforcement. Non-compliance with these regulations shall be considered a violation, the penalty for each violation shall be \$100 and each day a violation continues shall be considered a separate offense. This bylaw shall be enforced by criminal complaint in the court of competent jurisdiction, or as an alternative violators may be issued a citation under the noncriminal disposition process of M.G.L. c. 40 section 21D.

RECOMMENDATION DEFERRED UNTIL TOWN MEETING.

ARTICLE 42. Petition - Affordability Restriction Echo Hill Apartments (Boutilier et al)

To see if the Town will vote (1) to acquire from Echo Gatehouse Partners, LLC or their successors by eminent domain, purchase, gift or otherwise in fee simple, as an affordability restriction or otherwise the land and improvements of Block 2, Parcel 21 of Map 18A of the Town Cadastre, known as the Echo Hill Apartments, located at 24-30 Gatehouse Road and comprising 24 housing units of 30,102 square feet on 0.37 acres more or less, for community/affordable housing and other

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municipal purposes and to fund such acquisition appropriate \$3,000,000 subject to the receipt of grants, gifts and bequests equivalent to 85% of such appropriation, and to determine whether to meet such appropriation by taxation, the transfer of available funds, by borrowing, or otherwise and further to authorize the application for and acceptance of any gifts, bequests, or grants from the Federal Government, the Commonwealth of Massachusetts or otherwise and further authorize the Treasurer to borrow in anticipation of reimbursement for said grants; and, (2) to authorize the Select Board to convey said land and improvements or interest therein to the Amherst Housing Authority or other non-profit affordable housing management organization in accordance with the applicable provisions of Massachusetts General Laws.

RECOMMENDATION DEFERRED UNTIL TOWN MEETING.

ARTICLE 43. Petition - Purchase Conservation Restriction Parcels 84, 91 & 96 of Map 5A (Burke et al)

To see if the Town will vote: (1) to acquire from W.D. Cows, Inc. or their successors by eminent domain, purchase, gift or otherwise in fee simple, as a conservation restriction, easement or other interest therein Parcels 84, 91 and 96 of Map 5A of the Town Cadastre, located between Flat Hills Road, Henry Street and Market Hill Road and comprising 5.3, 147.59 and 0.60 acres respectively or 153.49 acres more or less, for conservation and agricultural preservation purposes and to fund such acquisition appropriate \$1,200,000 subject to receipt of grants, gifts and bequests equivalent to 70% of such appropriation and to determine whether to meet such appropriation by taxation, the transfer of available funds, by borrowing, or otherwise and further to authorize the application for and acceptance of any gifts, bequests, or grants from the Federal Government, the Commonwealth of Massachusetts or otherwise and further authorize the Treasurer to borrow in anticipation of reimbursement for said grants; and (2) to authorize said land or interest in land to be managed and controlled by the Conservation Commission in accordance with Massachusetts General Laws, Chapter 40, Section 8-C.

RECOMMENDATION DEFERRED UNTIL TOWN MEETING.

ARTICLE 44. Petition - Local Voting Rights for Legal-permanent Resident Non-citizens (Morales et al)

To see if the Town will vote to authorize the Select Board to file with the legislature a request for a special act entitled, "An Act authorizing local voting rights for legal permanent resident non-citizens residing in Amherst," as follows:

Section 1. Notwithstanding the provision of section one of chapter fifty-one of the General Laws, or any other general or special law, rule or regulation to the contrary, legal permanent resident non-citizens eighteen years or older who reside in Amherst may, upon application, have their name entered on a list of voters established by the Town Clerk for the Town of Amherst and may thereafter vote in any election for local offices or local ballot questions.

Section 2. The Select Board of Amherst is authorized to formulate regulations and guidelines to implement the purpose of this act.

Section 3. Nothing in this act shall be construed to confer upon legal permanent resident non-citizens the right to vote for any state or federal office or any state or federal ballot question.

RECOMMENDATION DEFERRED UNTIL TOWN MEETING.

ARTICLE 45. Petition - Equitable Distribution of Social Service Funding (Greeney et al)

To see if the Town Meeting would appropriate up to \$90,000 to fund the social service projects which were submitted to the Town and might not receive funding during the Amherst 2013 CDBG transitional period. Not to exceed the individual amount request, Town Meeting shall distribute the appropriation equitably among these projects. The Projects can be reviewed on the Town's Website: <http://www.amherstma.gov/index.aspx?NID=1731>

- Education for Career Coaching for Immigrants (Center for New Americans);
- Emergency Funds for Resource Caseworker (Family Outreach of Amherst);
- Flexible Emergency Funds (Town of Amherst);

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- Food Pantry (Amherst Survival Center);
- Housing and Stabilization Project (Amherst Community Connections);
- Mentoring Program (Big Brothers and Big Sisters of Hampshire County);
- Passport to Success; GED to Jobs Program (The Literacy Project); and
- Rental Assistance for Intermediate Living (Town of Amherst).

RECOMMENDATION DEFERRED UNTIL TOWN MEETING.

APPENDICES

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APPENDIX A

DEBT OBLIGATIONS FY 2014 - FY 2023

Issue	Maturity Date	Total Issue Cost	FY 2014 Projected	FY 2015 Projected	FY 2016 Projected	FY 2017 Projected	FY 2018 Projected	FY 2019 Projected	FY 2020 Projected	FY 2021 Projected	FY 2022 Projected	FY 2023 Projected
General Fund Debt:												
Municipal:												
Town Hall Refunding	FY 16	2,095,439	178,600	167,200	156,000							
Crocker Farm School	FY 19	3,871,000	244,000	236,000	228,000	220,000	212,000	204,000				
Sidewalks (2005)	FY 14	711,328	67,600									
Plum Brook Recreation Area	FY 15	259,640	50,160	48,720								
Town Hall Exterior (General Fund)	FY 20	324,079	33,390	32,550	31,815	31,150	30,380	29,540	28,560			
Town Hall Exterior (CPA)	FY 20	260,421	26,832	26,157	25,566	25,032	24,413	23,738	22,950			
Bangs Community Center Roof/HVAC	FY 20	491,369	40,219	39,274	56,244	55,069	53,708	52,223	50,490			
Road Improvements, FY 2012	FY 21	5,185,188	546,750	536,625	525,375	513,563	500,625	487,125	473,625	458,438		
East Pleasant St Land Acquisition (Hawthorne)	FY 21	576,132	60,750	59,625	58,375	57,063	55,625	54,125	52,625	50,938		
South Amherst School Roof Repair and Renovation	FY 22	201,390	24,300	23,900	23,300	22,700	22,100	16,500	16,050	15,600	15,300	
Portable Classroom Purchase	FY 19	213,540	34,650	34,050	33,150	27,250	26,500	25,750				
Affordable Housing Renovations (AHA)	FY 22	400,050	43,400	42,700	41,650	40,600	39,550	38,500	37,450	36,400	35,700	
Police Communication Equipment	FY 18	134,028	28,153	27,500	26,875	26,125	25,375					
Central Fire Station Renovations	FY 23	209,719	23,419	22,816	22,356	21,804	21,252	20,700	20,148	19,596	19,044	18,584
DPW Large Truck	FY 18	160,834	33,784	33,000	32,250	31,350	30,450					
Trees	FY 18	328,102	68,920	67,320	65,790	63,954	62,118					
Roads	FY 23	1,139,775	127,275	124,000	121,500	118,500	115,500	112,500	109,500	106,500	103,500	101,000
Subtotal Municipal Debt		16,562,033	1,632,202	1,521,437	1,448,246	1,254,159	1,219,596	1,064,701	811,398	687,472	173,544	119,584
Regional School District Debt (Amherst Share):												
High School Renovations & Additions **	FY 18	26,127,681	213,522	171,480	125,377	83,238	37,330					
High School Roof	FY 15	880,660	99,918	96,148								
Subtotal Regional School District Debt		27,008,341	313,440	267,628	125,377	83,238	37,330	0	0			
TOTAL GENERAL FUND DEBT			1,945,642	1,789,065	1,573,624	1,337,397	1,256,926	1,064,701	811,398	687,472	173,544	119,584
Water Fund Debt												
Centennial WTP Improvements	FY 32	5,027,700	294,850	290,850	284,850	278,850	272,850	266,850	260,850	254,850	250,850	246,850
TOTAL WATER FUND DEBT		5,027,700	294,850	290,850	284,850	278,850	272,850	266,850	260,850	254,850	250,850	246,850
Sewer Fund Debt												
Chapel Road Sewer Extension	FY 14	1,175,500	102,000									
Sewer Ext, Harkness Design	FY 22	127,660	17,500	12,200	11,900	11,600	11,300	11,000	10,700	10,400	10,200	
Sewer Extensions	FY 33	4,911,394	311,426	310,414	300,104	293,792	287,480	277,425	271,227	265,029	258,831	253,666
TOTAL SEWER FUND DEBT		6,214,554	430,926	322,614	312,004	305,392	298,780	288,425	281,927	275,429	269,031	253,666
Transportation Fund Debt												
Boltwood Parking Garage Refunding	FY 20	575,157	59,125	57,625	56,313	55,125	48,825	47,475	45,900			
TOTAL TRANSPORTATION FUND DEBT		2,395,435	59,125	57,625	56,313	55,125	48,825	47,475	45,900			
TOTAL ENTERPRISE FUND DEBT			18,733,228	784,901	671,089	653,167	639,367	620,455	602,750	588,677	530,279	519,881
TOTAL DEBT (ALL FUNDS)		45,225,543	2,730,543	2,460,154	2,226,791	1,976,764	1,877,381	1,667,451	1,400,075	1,217,751	693,425	620,100

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APPENDIX B

**FY14 MUNICIPAL SERVICES BUDGET WITH HEALTH INSURANCE COSTS
ALLOCATED TO DEPARTMENTS**

	FY 10 Budget	FY 11 Budget	FY 12 Budget	FY 13 Budget	FY 14 Fin Com	Change FY 13-14	Percent Change
General Government	\$ 3,449,875	3,558,197	3,793,629	3,721,683	4,019,358	297,675	8.0%
Public Safety	\$ 9,802,331	10,098,045	10,002,827	10,401,799	10,636,564	234,765	2.3%
Public Works	\$ 2,172,309	2,270,638	2,278,184	2,359,097	2,362,708	3,611	0.2%
Planning, Conservation & Inspections	\$ 1,025,797	902,571	1,060,742	1,105,629	1,211,543	105,914	9.6%
Community Services	\$ 1,874,041	1,763,468	1,856,059	1,994,986	2,008,308	13,322	0.7%
TOTAL APPROPRIATION	\$ 18,324,352	18,592,919	18,991,440	19,583,194	20,238,481	655,287	3.3%

	FY 10 Budget	FY 11 Budget	FY 12 Budget	FY 13 Budget	FY 14 Fin Com	Change FY 13-14	Percent Change
Select Board/Town Manager	\$ 260,767	266,604	294,098	298,515	304,743	6,228	2.1%
Town Meeting/Finance Committee	\$ 800	800	800	800	1,900	1,100	137.5%
Finance Department	\$ 1,001,257	1,014,505	1,015,169	1,069,085	1,065,710	(3,375)	-0.3%
Legal Services	\$ 95,000	110,000	110,000	110,000	110,000	0	0.0%
Human Resources/ Human Rights	\$ 160,955	173,360	193,604	200,209	185,745	(14,464)	-7.2%
Information Technology	\$ 507,911	534,465	530,555	543,407	543,724	317	0.1%
Town Clerk's Office	\$ 174,055	181,783	187,667	192,891	215,356	22,465	11.6%
Elections & Registration	\$ 28,524	52,440	43,000	52,025	27,975	(24,050)	-46.2%
Facilities Maintenance	\$ 555,587	489,274	523,943	537,970	548,885	10,915	2.0%
General Services	\$ 410,321	380,721	365,721	372,849	385,349	12,500	3.4%
SUBTOTAL	\$ 3,195,177	3,203,951	3,264,557	3,377,751	3,389,387	11,636	0.3%
Employee Pay/Benefits	\$ 254,698	354,246	529,072	343,932	629,971	286,039	83.2%
TOTAL APPROPRIATION	\$ 3,449,875	3,558,197	3,793,629	3,721,683	4,019,358	297,675	8.0%

	FY 10 Budget	FY 11 Budget	FY 12 Budget	FY 13 Budget	FY 14 Fin Com	Change FY 13-14	Percent Change
Police Facility	\$ 216,418	193,316	193,234	195,463	195,499	36	0.0%
Police	\$ 4,597,460	4,649,135	4,600,205	4,740,647	4,829,544	88,897	1.9%
Fire/EMS	\$ 4,266,346	4,547,899	4,494,411	4,703,339	4,844,603	141,264	3.0%
Communications Center	\$ 664,635	647,589	656,869	702,133	706,670	4,537	0.6%
Animal Welfare	\$ 57,472	60,106	58,108	60,217	60,248	31	0.1%
TOTAL APPROPRIATION	\$ 9,802,331	10,098,045	10,002,827	10,401,799	10,636,564	234,765	2.3%

	FY 10 Budget	FY 11 Budget	FY 12 Budget	FY 13 Budget	FY 14 Fin Com	Change FY 13-14	Percent Change
Public Works Administration	\$ 325,239	336,489	349,049	363,270	336,343	(26,927)	-7.4%
Highway	\$ 763,876	721,120	680,947	715,504	784,630	69,126	9.7%
Snow & Ice Removal	\$ 240,410	280,410	280,410	280,410	280,410	0	0.0%
Street & Traffic Lights	\$ 112,248	139,650	139,650	139,650	99,650	(40,000)	-28.6%
Equipment Maintenance	\$ 279,127	301,234	275,399	265,821	274,306	8,485	3.2%
Tree and Grounds Maintenance	\$ 451,409	491,736	552,729	594,442	587,369	(7,073)	-1.2%
TOTAL APPROPRIATION	\$ 2,172,309	2,270,638	2,278,184	2,359,097	2,362,708	3,611	0.2%

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APPENDIX B

**FY14 MUNICIPAL SERVICES BUDGET WITH HEALTH INSURANCE COSTS
 ALLOCATED TO DEPARTMENTS**

	FY 10 Budget	FY 11 Budget	FY 12 Budget	FY 13 Budget	FY 14 Fin Com	Change FY 13-14	Percent Change
Conservation	\$ 287,462	284,112	316,965	323,725	332,230	8,505	2.6%
Planning	\$ 342,660	263,715	318,797	331,306	333,006	1,700	0.5%
Inspection Services	\$ 395,674	354,744	424,980	450,598	546,307	95,709	21.2%
TOTAL APPROPRIATION	\$ 1,025,797	902,571	1,060,742	1,105,629	1,211,543	105,914	9.6%

	FY 10 Budget	FY 11 Budget	FY 12 Budget	FY 13 Budget	FY 14 Fin Com	Change FY 13-14	Percent Change
Public Health	\$ 407,929	319,393	340,746	374,548	360,647	(13,901)	-3.7%
Senior Center	\$ 279,732	247,822	246,071	255,979	256,225	246	0.1%
Community Services	\$ 0	0	0	0	0	0	0.0%
Veterans' Serv. & Benefits	\$ 195,302	219,477	294,369	294,369	319,369	25,000	8.5%
Leisure Services & S.E.	\$ 664,158	635,325	553,710	626,098	619,405	(6,693)	-1.1%
Pools	\$ 97,154	105,246	170,945	192,011	194,058	2,047	1.1%
Golf Course	\$ 229,765	236,205	250,218	251,981	258,604	6,623	2.6%
TOTAL APPROPRIATION	\$ 1,874,041	1,763,468	1,856,059	1,994,986	2,008,308	13,322	0.7%

APPENDIX C

GLOSSARY

These definitions explain the meaning of some terms frequently used at Amherst Town Meeting as the terms apply to Amherst government.

Appropriation - The authorization by Town Meeting of an expenditure for a specified purpose using money from one or more specified sources (taxation, borrowing, grants, etc.). In most cases, a simple majority vote is required; authorization to borrow and appropriations from the Stabilization Fund require a two-thirds vote.

If the expenditure turns out to be less than the appropriation, the remainder is called an appropriation balance. An appropriation balance from a specific project or use can be made available for similar or related purposes by subsequent votes of appropriation transfers. Appropriation balances in the General Fund which stem from the Town's operating budget revert to Free Cash at the end of the fiscal year.

Capital expenditure exclusion - See "Exclusions".

Capital plan - A list of proposed expenditures and funding sources for needs such as land acquisition, construction, major equipment and maintenance, and other special projects that add to the value of the Town's assets.

Cherry Sheet – The official notification from the State of the amounts and types of aid the State will provide to each municipality in a fiscal year, and the amounts each municipality must pay the State and regional entities for a variety of services provided. The document is called a "cherry sheet" because it comes on pink paper.

Contingent appropriation - An appropriation voted by Town Meeting that becomes effective only if the amount is approved in a Proposition 2 1/2 override election.

Debt exclusion - See "Exclusions".

Enterprise fund - A fund established to provide specific services. The state allows enterprise funds only for water, sewer, solid waste, hospital, recreation services, and transportation. Amherst has five: water, sewer, solid waste, golf course, and transportation. Both the costs and the revenues of the enterprise are segregated from other finances of the Town. The costs of the operation are intended to be financed totally or primarily from user charges. Surplus funds, called unreserved retained earnings, may accumulate in the fund for future use by the enterprise. Surpluses result primarily from revenues in excess of estimates and from unexpended appropriations.

Excess taxing capacity - The difference between actual real and personal property taxes levied in any given year and the amount authorized to be assessed under Proposition 2 1/2.

Exclusions - Exclusions allow, by referendum, an increase in the amount of property taxes which a community may levy, for a limited period of time, and only for capital purposes. The revenue is in addition to the levy limit, but it neither increases the levy limit nor becomes part of the base for calculating levy limits of future years. "Capital purposes," in this context, are those for which the Town is authorized to borrow under Massachusetts General Laws, Chapter. 44, sections 7 and 8. Generally, this includes public building and public works projects and land and equipment acquisitions.

The money to pay for these projects is authorized by Town Meeting, but only the Select Board, by a two-thirds majority, can place exclusion questions on the ballot to raise money by increasing the levy.

Capital expenditure exclusion - A one-year increase in the levy limit approved by the voters in a referendum for the purpose of funding a capital project. The referendum question defines the project, states the maximum amount of the exclusion, and specifies the fiscal year in which the payment will occur.

Debt exclusion - A temporary increase in the levy limit approved by the voters in a referendum for the purpose of funding a capital project by means of debt. Both principal and interest are excluded from the levy limit until the debt is retired. The referendum question defines the project, but it does not state the amount of money to be excluded or the years of debt payments. (Estimated amounts are publicized prior to the referendum.)

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Free Cash - The unreserved, undesignated fund balance of the General Fund that accumulates from revenues collected in excess of estimates and from unexpended appropriation balances. These are the only sources of Free Cash; money cannot be appropriated to Free Cash. The amount is calculated and certified by the state's Department of Revenue each year as of July 1, the first day of the fiscal year. Free Cash may be spent by Town Meeting appropriation only, by majority vote.

General Fund - The general operating fund of the Town. It includes revenues from taxation, general state aid, school aid, and all other financial resources that are not held for specific purposes. Expenditures from this fund may be for any purpose for which a municipality may legally appropriate funds. Enterprise Fund money is not part of the General Fund.

Levy - *Verb*: To impose a tax. *Noun*: The total amount of real and personal property taxes assessed in any given year, referred to as "the levy".

Levy ceiling - The limit imposed by Proposition 2 1/2 which equals 2 1/2% of the total full and fair cash value of all property in the Town. The levy may not exceed this amount; taxpayers may not vote a higher amount in an override. The levy ceiling is equal to a tax rate of \$25 per \$1,000 of valuation.

Levy limit - The amount that a town may raise in taxes each year without approval by the voters in a referendum. The levy limit is the prior year's limit plus 2 1/2% of that amount plus an amount approved by the state that resulted from "new growth".

Referenda of two types may be used to increase the limit: override and exclusion.
These are defined elsewhere in this list.

New growth - The increased value in a given year of new development and other growth in the tax base that is not the result of revaluation. Included are physical additions or improvements to taxable property, exempt real property returned to the tax roll, new personal property, and new subdivision parcels and condominium conversions. New growth of one year becomes part of the base for calculating the next year's levy limit.

Overlay / reserve for abatements and exemptions - Tax abatements and exemptions are allowed for a variety of reasons specified in the Massachusetts General Laws. At the time the levy is assessed, the amount of qualifying abatements that will be granted is not determinable; therefore an amount of money must be set aside to provide for these abatements. If at the end of a fiscal year a balance remains in the reserve and the Assessors determine that no further claims are pending, the amount remaining may be reappropriated for other purposes or closed to Free Cash.

Override - A permanent increase in the levy limit approved by the voters in a referendum. The increase becomes part of the base for calculating levy limits of future years.

An override ballot question requests funding for expenses that are expected to continue into the future. The purpose stated in the question may be broad (for example, "general operating expenses") or narrow (for example, "two fire fighters"). The amount of money is also stated in the question, along with the fiscal year in which the increase is to become effective. Money from an override is earmarked for the purpose stated in the ballot question in the first year the override is in effect. Funding for this purpose can be expected to continue, even though, in subsequent years, the money is considered to be an undifferentiated part of the General Fund.

Overrides may be structured in any of three forms: a single ballot question stating a single purpose and related amount of money; a "pyramid" consisting of two or more separate ballot questions stating the same purpose but different amounts of money in each question; or a "menu" of separate questions, each stating a different purpose along with its related amount of money.

Override questions can be put on the ballot only by majority vote of the Select Board. The form of the override and the wording of the question or questions is also determined by the Select Board.

Reserve Fund - An account voted annually by Town Meeting to be used for extraordinary and unforeseen expenses that may occur during a fiscal year. The appropriation may not exceed 5% of the previous year's tax levy. Transfers from this fund are made by majority vote of the Finance Committee.

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Reserves - Money accumulated for future expenditure. Free Cash and the Stabilization Fund are general reserves that may be used for a wide variety of purposes. Some reserves are available only for restricted purposes, for example, the Ambulance Account, the Conservation Fund, the Parking Meter Receipt Account, and the Sale of Real Estate Account.

Revolving Fund - A special purpose account that accumulates revenues based on charges for services and from which expenditures are made without Town Meeting appropriation for uses for which the revenue was collected. The purposes for which the Massachusetts General Laws authorize such accounts to be established are recreation, adult education, and school lunch. These funds differ from enterprise funds in that they do not accumulate and capitalize assets, there are restrictions on the size of fund balances they may retain from year to year, and some restrictions are placed on the purposes for which funds may be expended.

Stabilization Fund - An account established to save funds for future needs. Town Meeting may appropriate funds to the account, subject to limits imposed by state law. Transfers from the account may be made at Annual or Special Town Meetings for any lawful purposes. A two-thirds vote of Town Meeting is required to transfer money out of the fund. The state originally limited use of this fund to capital purposes only, a restriction that no longer exists.