Pelham Finance Committee

Minutes for Monday January 2, 2019

Fire Department Training room and the History Room in the Library

3:30 in the Fire Department Training Room a quorum of members was present for the Capital Planning Committee Meeting.

4:30 in the Fire Department Training Room there was a joint meeting with the Select Board at the annual Roundtable where the Finance Committee laid out the guidelines for the 2020 budget, provided the hearing dates and distributed the budget forms to all departments, commissions and boards that will be requesting money from the Town. J. Trickey explained that very little new money would be coming in from the state but we will know more after January 25, 2019. Wage increase will be 1.5% based on Teachers contract and COLA. Additional increase must be detailed on the forms provided. Meeting times are posted. If you can't make it, let us know. If it is level funding no need to attend unless you want to.

A question was raised as to the impact grants have on growth and revenue. JT explained that grants are not considered growth even if it offsets expenses. JT further explained that Free cash are one time purchases only.

A discussion ensued about how can we increase wages and be competitive with other towns.

A clarification on who makes funding decisions was explained. It is the town who makes the final decision, not the Finance Committee. The Finance makes recommendations.

The Energy Committee Budget hearing was added to Wednesday Feb 20th at 7:30 pm

Following the Roundtable meeting, the Finance Committee will move the History Room in the Library.

Present: John, Emily, Fred, Bill and Tara; Karen joined at 5:21

Public Comment
No public comment

Review and approve the minutes from December 10, 2018. Motion FV; Second Emily; motion passes

Emily and John lead a discussion on the possibility of creating written policies and procedures. Emily is going to share what was shared at the Budget 101. There are some things in there that are helpful around setting our financial policies. Specifically, with Free Cash and Capital Improvements.

JT reminded us that Free Cash is not guaranteed so it should not be used in the operating budget.

Process documents and procedure are helpful in educating new people. Emily shared a Capital Planning flowchart as an example. JT and EM will continue to work on these.
Updates from members of the Four Town Meeting: Still no agreement on the assessment method; One elected official from each town is on a committee to make a recommendation to the school committee.

Updates from members: Emily gave an update on the Regionalization Committee and shared to 2 statutory methods and 2 alternative assessment methods. See below:

Statutory Assessments:

Classic method difference from current expenses paid:
Amherst - $624,070,
Pelham – ($1,137,967)
Five year rolling average of student enrollment used for this calculation

Classic with transportation assessment:
Difference:
Amherst - $618,755
Pelham – ($1,132,651)
Five year rolling average of student enrollment used for this calculation.

Alternative Assessment:
Alternative
Difference from current expenses paid:
Amherst - $737,529,
Pelham – ($1,251,425)
Five year rolling average of student enrollment used for this calculation

Alternative with transportation assessment:
Difference:
Amherst - $732,213
Pelham – ($1,246,110)
Five year rolling average of student enrollment used for this calculation

Fred gave updates on the other towns. Leverett and Shutesbury are having the same difficulties as Pelham.

Old Business. None

New Business. Economic Growth possibilities: Connect Pelham

Next meeting February 4, 2019

Adjourned at: Motion to adjourn at 5:44; Second. Passed